

Subject: Management review and analysis of the ended December 31, 2023

Dear Director and Manager,

The Stock Exchange of Thailand,

S.C.L. Motor part public company limited (“the company”) would like to provide an overview of its performance for the ended December 31, 2023, as follows:

- The company is engaged in the distribution of automotive parts, serving as a comprehensive distributor for a wide range of automotive components, covering more than 167,000 items, including genuine parts for various automobile brands and replacement parts.
- The net profit for the ended December 31, 2023, amounted to 23.37 million Baht, resulting in a net profit margin of 1.58%.

Overview of the company's performance:

The Overall Company Performance for the ended December 31, 2023, resulted in the net profit of 23.37 million Baht. This represents a decrease compared to the same period in the previous year, which had a net profit of 16.54 million Baht, a decrease of 41.44%.

Profit and Loss Statement for the Nine-month Period for Unit: Million Baht	Ended December 31, 2023	Ended December 31, 2022	Change	
			Amount	%
Revenue from Sales	1,483.03	1,352.61	130.42	9.64
Cost of Goods Sold (COGS)	1,321.58	1,194.87	126.71	10.60
Gross Profit	161.45	157.74	3.71	2.35
Other Income	0.87	7.32	(6.45)	(88.11)
Sales and Distribution Expenses	42.34	36.37	5.97	16.41
Administrative Expenses	76.00	70.56	5.44	7.71
Earnings Before Interest, Depreciation and Amortization (EBIDA)	43.98	58.12	(14.14)	(24.33)
Financial Income	1.52	2.99	(1.47)	(49.16)
Financial Expenses	16.92	10.15	6.77	66.70
Profit Before Tax	28.58	50.96	(22.38)	(43.92)
Income Tax Expenses	5.21	11.05	(5.84)	(52.85)
Net Profit	23.37	39.91	(16.54)	(41.44)

1. **Revenue from sales** for the ended December 31, 2023, amounted to 1,483.03 million Baht, an increase of 130.42 million Baht or 9.64% compared to the same period in the previous year. Revenue from sales of the company can be further categorized as follows:
 - 1.1. **Revenue from sales of genuine parts** amounted to 1,313.94 million Baht, an increase of 120.12 million Baht or 10.06% compared to the same period in the previous year. The main reason for this increase is the gradual easing of the COVID-19 pandemic and the return of various business activities to normal.
 - 1.2. **Revenue from sales of replacement Parts** amounted to 169.09 million Baht, an increase of 10.30 million Baht or 6.49% compared to the same period in the previous year. The main reason for this increase was due to the domestic marketing efforts.
2. **Cost of goods sold** for the ended December 31, 2023, amounted to 1,321.58 million Baht, an increase of 126.71 million Baht or 10.60% compared to the same period in the previous year. The main reason for this increase was the rebates and discounts received from supplier, which was higher in 2023 compared to 2022.
3. **Other income** for the ended December 31, 2023, amounted to 0.87 million Baht, a decrease from 6.45 million Baht or 88.11% compared to the same period in the previous year. The main reason for this decrease is that the company did not have any asset sales during this period.
4. **Sales and distribution expenses** for the ended December 31, 2023, amounted to 42.34 million Baht, an increase of 10.28 million Baht or 32.06% compared to the same period in the previous year. The expense increase was related to the increased number of employees, salary adjustments, and promotional expenses.
5. **Administrative expenses** for the ended December 31, 2023, amounted to 76 million Baht, an increase of 5.44 million Baht or 7.71% compared to the same period in the previous year. The expense increase was related to the increased number of employees and salary adjustments, as well as expenses for preparing for the initial public offering (IPO) in the Stock Exchange of Thailand.
6. **Financial expense** for the ended December 31, 2023, amounted to 16.92 million Baht an increase of 6.77 million Baht or 66.70% compared to the same period in the previous year. The increase is due to the high interest rate in 2023.
7. **Net profit** for the ended December 31, 2023, amounted to 23.37 million Baht, a undercast of 16.54 million Baht or 41.44% compared to the same period in the previous year. This is due to the decrease of the gross profit and the increase of the Sales and distribution expenses, administrative expenses, and financial expense as mentioned above.

Financial Position of the Company

Statement of Financial Position Period	As of December 31, 2023	As of December 31, 2022	Change	
			Amount	%
Unit: Million Baht				
Current Assets	889.22	857.35	31.87	3.72
Non-Current Assets	202.87	181.63	21.24	11.69
Total Assets	1,092.09	1,038.98	53.11	5.11
Current Liabilities	763.50	785.26	(21.76)	(2.77)
Non-Current Liabilities	10.57	11.68	(1.11)	(9.50)
Total Liabilities	774.07	796.94	(22.87)	(2.87)
Equity	318.03	242.04	75.99	31.40
Total Liabilities and Equity	1,092.09	1,038.98	53.11	5.11

1. Total assets

- As of December 31, 2023, the company had total assets of 1,092.09 million Baht, an increase of 53.11 million Baht or 5.11% from the end of 2022. The primary reason for this increase was the growth in trade and other receivables, as well as an increase in other current assets.

2. Total liabilities

- As of December 31, 2023, the company had total liabilities of 774.07 million Baht, a decrease of 22.87 million Baht or 2.87%, from the end of 2022. The primary reason is the decrease in short-term loans from financial institutions.

3. Equity

- As of December 31, 2023, the company's equity amounted to 318.03 million Baht, an increase of 75.99 million Baht or 31.40%, from the end of 2022. The primary reason for this increase was the initial public offering (IPO) in the Stock Exchange of Thailand.