

No. CEO/008/2024

May 14, 2024

Subject: Company's operating results for the 1st quarter of 2024 ended March 31, 2024

To: The President
The Stock Exchange of Thailand

Yuasa Battery (Thailand) Public Company Limited ("the Company") would like to clarify the operating results for the first quarter of 2024 ended March 31, 2024, as follows:

Performance Summary of Q1/2024

For the first quarter of 2024, the Company posted a net profit of 43.80 million baht, increasing by 21.11 million baht or 93.0% compared to the first quarter of 2023.

1. Operating Results

Unit: Million baht	Q1/ 2024	Q1/ 2023	YoY
Sales of goods	707.16	638.80	10.7%
Cost of sales	535.93	505.30	6.1%
Gross margin	171.23	133.49	28.3%
Other income	3.47	2.27	53.3%
Selling and administrative expenses	119.50	107.20	11.5%
Finance cost	0.15	0.19	(24.0%)
Income tax expenses	11.26	5.67	98.6%
Net profit	43.80	22.69	93.0%
Earnings per share (Baht/share)	0.41	0.21	93.0%

Quarterly operating results comparing to the same period of last year

- i. Sales of goods: The Company recorded sales of goods totaling 707.16 million baht, an increase of 10.7% or 68.36 million baht compared to the first quarter of 2023, mainly due to the increase of approximately 40 million baht or 65% from foreign motorcycle manufacturers, and the increase of approximately 20 million baht or 13% from domestic motorcycle manufacturers following the higher demand for motorcycle batteries

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in some manufacturers. In addition, motorcycle batteries sale revenue from domestic replacement market increased by 14 million baht or 11% from 2 distributors the Company had acquired in the first quarter of 2023.

The revenue from domestic automotive OEMs and the revenue from automotive batteries export; however, declined from the first quarter of last year approximately 13 million baht and 12 million baht, respectively. The production and sale of vehicles in Thailand in the first quarter of 2024 continued to be affected by financial institutions' stricter auto loan criteria and the economics and high household debt conditions, while automotive batteries export to Myanmar was impacted by the civil war situation that had escalated in 2024.

- ii. Cost of sales: The Company's cost of sales totaled 535.93 million baht or 75.8% of sales of goods. The proportion is lower than in the same period of last year which was at 79.1% of sales of goods mainly due to the reduction in parts of raw materials and direct labor costs.
- iii. Selling and administrative expenses: The Company's selling and administrative expenses totaled 119.50 million baht or 16.90% of sales of goods. Compared with the first quarter of 2023, the ratio of selling and administrative expenses to sales of goods was 0.12% higher, and the amount increased by 12.30 million baht which was comprised of (1) an increase in selling and marketing expenses of 11.75 million baht from sales promotional activities, royalty fees that followed higher sales volume and excise tax that followed higher domestic sales, and (2) an increase in administrative expenses of 0.55 million baht, mainly due to personnel and IT expenses.

2. Financial Position

Table showing summaries of financial position

Unit: Million baht	Mar 31, 2024	Dec 31, 2023	Increase/ (Decrease)	%
Assets				
Current assets				
Cash and cash equivalents	384.63	247.58	137.04	55.4%
Trade and other receivables	394.88	424.44	(29.56)	(7.0%)
Inventories	361.27	430.43	(69.16)	(16.1%)
Other current assets	9.82	9.57	0.25	2.6%
Total current assets	1,150.59	1,112.02	38.58	3.5%
Non-current assets				
Property, plant, and equipment	442.58	444.22	(1.64)	(0.4%)
Other non-current assets	53.25	43.45	9.80	22.6%
Total non-current assets	495.83	487.66	8.17	1.7%
Total assets	1,646.42	1,599.68	46.74	2.9%
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	321.15	323.05	(1.90)	(0.6%)
Other current liabilities	58.86	56.09	2.77	4.9%
Total current liabilities	380.01	379.14	0.87	0.2%
Total non-current liabilities	120.05	117.97	2.07	1.8%
Total liabilities	500.06	497.12	2.94	0.6%
Shareholders' equity	1,146.36	1,102.57	43.80	4.0%
Total liabilities and shareholders' equity	1,646.42	1,599.68	46.74	2.9%

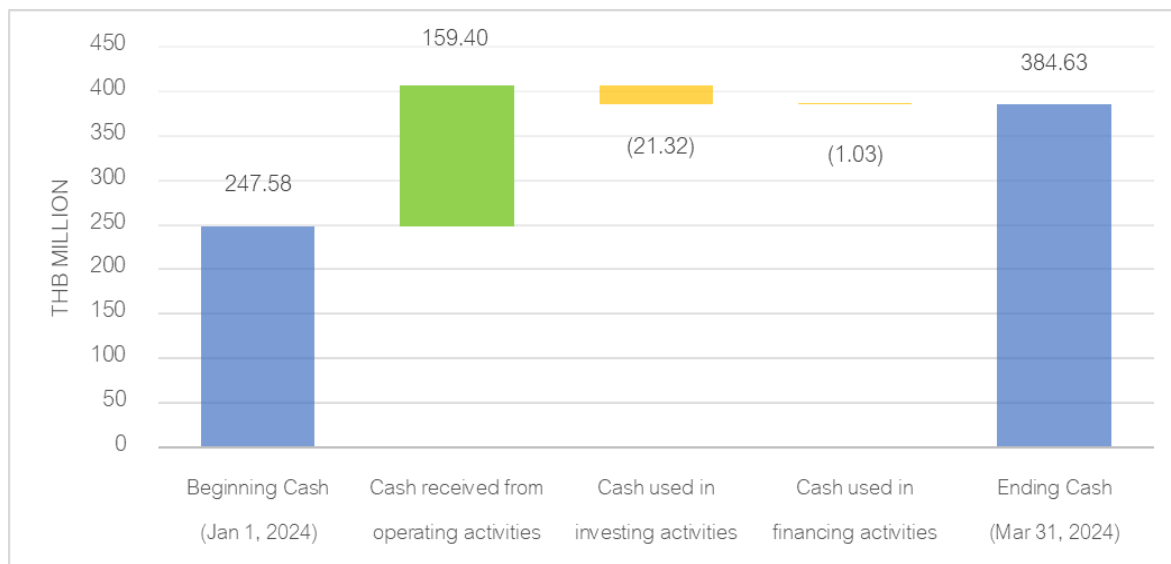
2.1 The Company's total assets as of March 31, 2024 totaled 1,646.42 million baht, consisting of current assets of 1,150.59 million baht and non-current assets of 495.83 million baht. Current assets increased by 38.58 million baht compared to the amount as of December 31, 2023. Cash and cash equivalents increased by 137.04 million baht, mainly due to the decrease in main raw material inventories and the decrease in trade and other receivables of 29.56 million baht on account of strengthened account receivable management. The value of non-current assets also increased by 8.17 million baht, mostly from the construction projects and the addition of machinery and equipment.

2.2 The Company's total liabilities as of March 31, 2024 were 500.06 million baht – an increase of 2.94 million baht from the total liabilities as of December 31, 2023. This was due to the increase of other current liabilities by 2.77 million baht mainly due to the corporate income tax payable, and the increase of non-current liabilities by 2.07 million baht owing to the accrued employee benefits.

2.3 The Company's shareholders' equity as of March 31, 2024 totaled 1,146.36 million baht, an increase of 43.80 million baht or 4.0% from the end of last year as a consequence of profits in the first quarter of 2024.

3. Cash flows

Chart summarizing cash flows of the 3-month period



As of March 31, 2024, the Company recorded cash and cash equivalents totaling 384.63 million baht. Details of each activity were summarized as follows:

3.1 Net cash flows from operating activities totaled 159.40 million baht. Key issues affecting changes were the following:

- (+) Operating profits of 73.49 million baht;
- (+) Trade and other receivables decrease 30.11 million baht;
- (+) Inventories decrease 68.91 million baht;
- (-) Other current assets increase 0.25 million baht;
- (-) Trade and other payables decrease 2.90 million baht;
- (-) Cash paid for employee benefits 1.16 million baht;
- (-) Other current liabilities decrease 8.70 million baht.
- (-) Cash paid for interest expenses 0.10 million baht

3.2 Net cash flows used in investing activities totaled 21.32 million baht — 11.66 million baht of which was spent on machinery, and equipment; 9.19 million baht was the acquisition of intangible assets and 0.59 million baht was advanced payment for fixed asset acquisition. The Company also received cash from the sales of machinery and equipment totaling 0.13 million baht.

3.3 Net cash flows used in financing activities totaled 1.03 million baht which was the payment of lease liabilities.

4. Financial ratio

Key financial ratio items

	Q1/ 2024	Q1/ 2023
Profitability ratio (%)		
Gross profit margin	24.21	20.90
Operating profit margin	7.81	4.47
Net profit margin	6.19	3.55
Return on equity (ROE)	3.90	2.20
Liquidity ratio (times)		
Current ratio*	3.03	2.98
Quick ratio*	2.05	1.81
Account Receivable turnover	1.81	1.79
Collection period (days)	50	51
Account Payable turnover	2.56	2.15
Payment period (days)	36	42

*ratio as of March 31, 2024 and March 31, 2023.

The Company's current ratio and quick ratio as of March 31, 2024 increased from the end of 2023 mainly as a consequence of the increase in current asset, particularly cash and cash equivalent. The average collection period was 50 days, decreasing from the first quarter of 2023 which was 51 days. The decrease was due to close and continuous account receivable monitoring. The payment period was shorter than in the same quarter of last year, owing to the payment term shortening for lower raw material prices. Nevertheless, the shorter payment period did not affect the Company's liquidity management.

As for the profitability ratios: gross profit margin, operating profit margin, net profit margin and return on equity were higher than in the same period of the previous year. The main reasons for the increase are higher product demands and the increase of sale proportion of the product with higher gross profit margin.

Please be informed accordingly.

Yours sincerely,

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Mr. Tsunenori Yoshimura

Chief Executive Officer