



No CS67/088

ASEFA PUBLIC COMPANY LIMITED

บริษัท อาซีฟา จำกัด (มหาชน)

May 13, 2024

Subject : Management Discussion and Analysis for the first quarter period ended March 31, 2024

Attention: The Board of directors
The Stock Exchange of Thailand

The Board of Directors' Meeting of Asefa Public Company Limited ("the Company") No.3/2024 held on May 13, 2024 approved the financial statement of the Interim Financial Statements for the three-month period ended March 31, 2024. The Company would like to clarify the changes in significant performance are as follows:

(Unit: Million Baht)

Consolidated Financial Statement	1st Quarter	1st Quarter	Change Increased / (Decreased)	
	2024	2023	Amount	%
Revenue for sale and services	674.99	863.16	(188.16)	(21.80)
Cost of sales and services	(545.24)	(720.36)	(175.12)	(24.31)
Gross profit	129.75	142.79	(13.04)	(9.14)
Gross Profit Margin (%)	19.22%	16.54%		
Other income	19.32	9.18	10.14	110.43
Profit before expenses	149.08	151.98	(2.90)	(1.91)
Distribution Cost & Administrative expenses	(130.01)	(106.57)	23.44	21.99
Finance costs	(5.62)	(1.89)	3.72	196.92
Share of loss from investments in associate	(1.45)	(0.51)	0.94	185.08
Profit before income tax	12.00	43.01	(31.01)	(72.10)
Income tax expenses	(2.56)	(8.63)	(6.06)	(70.29)
Net profit (Equity holders of the Company)	10.09	34.29	(24.20)	(70.57)
Net Profit Margin (%)	1.45%	3.93%		
Earnings per share (Baht)	0.02	0.06	(0.04)	(66.67)

Performance Analysis and Discussion

The results for the three-month period ended March 31, 2024, the company and its subsidiaries had total revenues from sales and service of 674.99 million baht, a decrease of 188.16 million baht or 21.80%, with a net profit of 10.09 million baht, decreased of 24.20 million baht or 70.57%, with compared to the same period of the previous year. The decrease in net profit of the group of companies was mainly due to an increase in administrative expenses from the provision of allowance for doubtful accounts for 25 million baht.



ASEFA PUBLIC COMPANY LIMITED

บริษัท อาซีฟา จำกัด (มหาชน)

Revenues for sales and service

Revenues from sales and service for the three months ended March 31, 2024, amounting to 674.99 million baht, decreased by 188.16 million baht or by 21.80%, The main change was manufacturer and distributor by company group, which decreased by 159.45 million baht; the supplied and distributed products group decreased by 55.14 million baht. and revenue from the service group, increased by 26.43 million baht.

Costs of sales and service

Costs of sales and service for the three months ended March 31, 2024, and 2023, amounting to 545.24 million baht and 720.36 million baht respectively, a decrease of 175.12 million baht. The gross profit margin increased by 2.68%, which increased from 16.54% to 19.22%. The increase in gross profit margin was mainly due to the costs of the system engineering contracting service group cost management and control being more efficient.

Distribution cost & Administrative expenses

Distribution cost and administrative expenses for the three months ended March 31, 2024, and 2023, amounting to 130.01 million baht and 106.57 million baht respectively, an increase of 23.44 million baht or 21.99%. The main increased expenses will be employee-related expenses from the increased number of employees and the increased provision for allowance doubtful accounts from the same period of last year.

Statements of Financial Position

(Unit: Million Baht)

Consolidated Financial Statement	As at Mar 31, 2024	As at Dec 31, 2023	Change Increased / (Decreased)	
			Amount	%
Current assets	1,959.59	2,306.89	(347.30)	(15.05)
Non – current assets	1,138.73	1,024.60	114.13	11.14
Total assets	3,098.32	3,331.49	(233.17)	(7.00)
Liabilities	1,513.25	1,752.86	(239.61)	(13.67)
Shareholders' equity	1,585.07	1578.63	6.44	0.41
Total Liabilities and shareholders' equity	3,098.32	3,331.49	(233.17)	(7.00)



Analysis of financial position

Assets

As of March 31, 2024, the Company and its subsidiaries total assets amounted to 3,098.32 million baht, a decrease of 233.17 million baht or 7% from December 31, 2023. Significant changes from Trade and current receivables decreased by 297.20 million baht, due to a decrease in sales. The deposits for machinery and royalties increased by 39.40 million baht, which was an advance payment according to the contract for purchasing machinery and royalties in subsidiaries. Land, buildings, and equipment increased by 35.54 million baht, an increase from investment in factory building construction to expand the production capacity of the company and its subsidiaries, which are under construction.

Liabilities

As of March 31, 2024, the Company and its subsidiaries total liabilities amounted to 1,513.25 million baht, decreased from December 31, 2023 in the amount of 239.61 million baht or 13.67%, with significant changes from Bank overdrafts and short-term loans decreased by 130.85 million baht., due to the Company's cash flow from operations increased compared to the previous period, so the Company repaid some short-term loans from financial institutions. Trade payables and other current payables decreased by 173.65 million baht, due to the payment of debts due during the period. The company's debt-to-equity ratio decreased from 1.11 times to 0.95 times.

Shareholders' Equity

As of March 31, 2024, shareholders' equity amounted to 1,585.07 million baht, an increase of 6.44 million baht or 0.41 percent. During the period, profits were distributed from subsidiaries of 3.00 million baht, and profits from operating amounted to 9.43 million baht.

For your information.

Yours sincerely,

Mr. Phaiboon Ungkanakornkul

Managing Director