



No. SAM-005/2025

March 17, 2025

Re : The Management Discussion and Analysis For the Year 2024 (Revise 3)

To : Managing Director
The Stock Exchange of Thailand

The Company, Samchai Steel Industries Public Company Limited (the “Company”), hereby provides clarification on the reasons for the differences in operating results for the year ended 31 December 2024 (revised version), as compared with the corresponding period of 2023 (revised version), as follows:

1. The Company had sales revenue of 7,039.59 million baht, an increase of 1,153.95 million baht or 19.61 percent from the previous year due to customers ordering more products from the Company because they have confidence in the Company’s reputation and product quality.

2. Cost of sales was 6,885.08 million baht, an increase of 1,152.05 million baht or 20.09 percent from the previous year, in line with increased sales.

3. As a result of the circumstances described in item 2 above, the Company recorded a gross profit of Baht 262.10 million, an increase of Baht 231.95 million compared to the previous year. The increase in gross profit was mainly due to the overstatement of inventory values by the Company and/or its subsidiaries, arising from the under-recognition of the allowance for reduction in inventory value. The Company has therefore made adjustments to the allowance for reduction in inventory value, as detailed in Note 34 to the revised financial statements for the year 2024.

In addition, administrative expenses amounted to Baht 145.50 million, an increase of Baht 26.82 million from the previous year. This increase was mainly attributable to the recognition of an allowance for doubtful accounts, which is a normal accounting expense of the Company and does not arise directly from operational management. Furthermore, the majority of the Company’s receivables remain collectible.

4. Financial costs were 67.03 million baht, an increase of 16.73 million baht from the previous year, or 33.26 percent, due to higher interest rates.

5. From the above information, the company had a net loss for the year 2024 (revised version) of 22.69 million baht.

Yours sincerely,

(Mr.Varoonchai Leekanchanakorn)
Managing Director