



CPT Drives and Power Public Company Limited

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Professional for Drives and Power

No. CPT/EN015-2022

November 9, 2022

Subject: Management Discussion and Analysis for the 3 month period ended 30 September 2022

To: Presidents

The Stock Exchange of Thailand

Board of Directors meeting no.5/2022 of CPT Drives and Power Public Company Limited ("the Company") which held on November 9, 2022 resolved to approve the financial statement for the 3 month period ended 30 September 2022. The Company would like to inform the management discussion and analysis for the 3 month period ended 30 September 2022 as following.

The operating result analysis for the 3 month period ended 30 September 2022

Revenues

Revenue's structures	2022		2021		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from sales of						
1.1 Electric Panel	81.50	18.60	40.45	24.31	41.05	101.49
1.2 Unit Products	34.61	7.90	22.38	13.45	12.23	54.66
Total revenue from sales	116.11	26.50	62.83	37.76	53.29	84.82
2. Revenue from Cable Installation and Substation	315.13	71.91	97.66	58.69	217.47	222.68
3. Revenue from Services	5.01	1.14	4.77	2.87	0.23	4.90
Total revenue from services	320.14	73.05	102.43	61.56	217.70	212.53
Total operating revenues	436.25	99.55	165.26	99.31	270.99	163.98
4. Other income *	1.13	0.26	0.60	0.36	0.52	87.06
5. Gain on exchange rate	0.84	0.19	0.54	0.32	0.30	56.37
Total revenues	438.22	100.00	166.40	100.00	271.82	163.35

*Other revenues consisted of sales of scrap, interest income and gain from short-term investments etc.

- 1. Revenue from sales:** For the 3 month periods ended 30 September 2022 and 2021, sales revenues were Baht 116.11 million and Baht 62.83 million, respectively. Which increased compared to the year 2021 due to more new customers and the deliver more high-value jobs to customers in time for the 3 months of 2022.



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2. **Revenue from Cable Installation and Substation:** For the 3 month periods ended 30 September 2022 and 2021, revenues from Cable Installation and Substation were Baht 315.13 million and Baht 97.66 million, respectively. This increased compared to 2021 due to deliver work according to the progress of many big project work.
3. **Revenue from services:** For the 3 month periods ended 30 September 2022 and 2021, services revenues were Baht 5.01 million and Baht 4.77 million, respectively. This increased compared to 2021.

Cost of sales and services

1. **Cost of sales:** A Main component of cost of sales was cost of material, accounted for approximately 70-80% of total cost of sales. Main raw materials contained assembly parts of machine control panel such as Motors, Inverters and electrical equipment etc. which were purchased both domestically and internationally supplier. Besides, other costs were direct labor, miscellaneous expenses, and depreciation etc., accounted for approximately 20-30% of cost of sales.

For the 3 month periods ended 30 September 2022 and 2021, cost of goods sold were Baht 104.36 million and Bath 58.25 million, or accounted as gross profit margin of 10.12% and 7.28%, respectively. The gross margin increased and has fixed costs that are nearby to the previous year. Resulting in increased profits.

2. **Cost of cable installation and substation:** Actual cost of construction which is completed until the end. For the 3 month periods ended 30 September 2022 and 2021, actual construction cost were Baht 324.67 million and Bath 124.84 million, or accounted as gross profit margin of -3.03% and -27.83%, respectively. Better gross margin.
3. **Cost of Services:** Consist of cost of services and cost of repairs (in case that product warranty was expired). For the 3 month periods ended 30 September 2022 and 2021, cost of services were Baht 3.33 million and Baht 4.53 million, or accounted as gross profit margin of 33.42% and 5.01%, respectively. Found that there was good change in gross margin.

Selling expenses and administrative expenses

1. **Selling expenses:** For the 3 month periods ended 30 September 2022 and 2021, selling expenses were Bath 8.92 million and Baht 6.55 million, due to proactive restructuring of the organization, adding more personnel in the sales team to be effective consistent .

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2. **Administrative expenses:** For the 3 month periods ended 30 September 2022 and 2021, administrative expenses were Baht 22.98 million and Baht 15.81, increased when compared to the year 2021. Main reasons were allowance for doubtful debt was recorded for Baht 6.70 million for the long overdue customer.

Statement of Profit or Loss	For the Three-Month Period		Change	
	30 September 2022	30 September 2021	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenues from sales of goods and services	436.25	165.26	270.99	163.98
Cost of sales and services	432.37	187.63	244.74	130.44
Gross profit (Loss)	3.88	(22.37)	26.25	(117.36)
Other income	1.13	0.59	0.52	87.06
Gain on exchange rate	0.84	0.54	0.30	56.37
Profit (loss) before expenses	5.85	(21.22)	27.08	(127.59)
Selling expenses	8.92	6.55	2.37	36.12
Administrative expenses	22.98	15.82	7.16	45.28
Loss before finance costs and income tax	(26.04)	(43.59)	17.55	(40.26)
Finance costs	0.12	0.15	(0.02)	(14.40)
Tax income	(4.67)	(8.70)	4.03	(46.34)
Loss for the period	(21.50)	(35.04)	13.54	(38.64)
Loss per share (Baht)	(0.0239)	(0.0389)	0.0150	

Loss for the periods

For the 3 month periods ended 30 September 2022 and 2021, net loss were Baht 21.50 million and Baht 35.04 million, due to there is also an allowance for doubtful accounts for long overdue debtors and from external factors Inflation, resulting in higher prices of raw materials in the domestic market.

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Statement of financial position analysis as of 30 September 2022

Statement of Financial Position	30 September 2022	31 December 2021	Change Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Current assets	807.70	805.25	2.45	0.30
Non-current assets	566.01	529.10	36.92	6.98
Total assets	1,373.71	1,334.35	39.36	2.95
Current liabilities	454.55	400.70	53.85	13.44
Non-current liabilities	32.17	30.07	2.10	6.97
Total liabilities	486.72	430.78	55.95	12.99
Total Shareholders' equity	886.99	903.57	(16.58)	(1.84)
Total liabilities and shareholders's equity	1,373.71	1,334.35	39.36	2.95

Assets

Total assets as of 30 September 2022 and 31 December 2021 were Baht 1,373.71 million and Baht 1,334.35 million, respectively. Current assets increased Baht 2.45 million or equivalent to 0.30%. Other non-current assets increased Baht 36.92 million or equivalent to 6.98%. Other non-current financial assets increased Baht 19.56 million and Non-current contract assets increased Baht 18.41 million.

Liabilities

Total liabilities as of 30 September 2022 and 31 December 2021 were Baht 486.72 million and Baht 430.78 million, respectively. Current liabilities increased Baht 53.85 million or equivalent to 13.44% because the increase in Trade and other current payables for Baht 97.06 million. Contract liabilities decreased Baht 34.07 million. However, non-current liabilities increased Baht 2.10 million or equivalent 6.97%.

Shareholders' equity

Shareholders' equity as of 30 September 2022 and 31 December 2021 were Baht 886.99 million and Baht 903.57 million, respectively. Shareholders' equity decreased because of the operating loss for the 9 months of 2022.



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To be informed accordingly,

Yours sincerely,

(Ms. Natchanan Thianchaitrakul)

Chief Financial Officer

Authorized Persons to Disclose Information



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No. CPT/EN016-2022

November 9, 2022

Subject: CPT - Clarification of the operating result for the 3 month period ended 30 September 2022

To: President

The Stock Exchange of Thailand

CPT Drives and Power Public Company Limited ("the Company") informed the operating result regarding to the financial statement for the 3 month period ended 30 September 2022, total revenue was Baht 438.22 million and net loss was Baht 21.50 million. For the 3 month period ended 30 September 2021, total revenue was Baht 166.40 million and net loss was Bath 35.04 million.

For the 3 month period ended 30 September 2022, The Company and its subsidiaries has net loss, due to there is also an allowance for doubtful accounts for long overdue debtors and from external factors Inflation, resulting in higher prices of raw materials in the domestic market.

To be informed accordingly,

Yours sincerely,

(Ms. Natchanan Thianchaitrakul)

Chief Financial Officer

Authorized Persons to Disclose Information