

TRITON

No TRITN-SET 08/2023

February 28, 2023

Subject: Management Discussion and Analysis for the year end of 2022

To: President, The Stock Exchange of Thailand

Highlights

- For the 12-month period, the company increased revenues of 18.72% and generated solid gross profit from operation activities.
- Triton holding separated generate net profit 13.40 million baht compared to net loss (109.8) million baht in FY2021. The company realized share of loss from an associate company of (44.98) million baht. Triton Holding consolidated generate net loss-the company (77.64) million baht.
- Mega pipe jacking projects in canal works in Bangkok began construction during late of FY2022. New water pipeline construction project with Metropolitan Waterwork Authority was under agreement stage during 4Q22. The project is already awarded to the company with construction targeted to start in FY2023.

For 12 months period ended December 31, 2022

| Triton Holding | Consolidated | | | | Separate | | | |
|--|----------------|-----------------|----------------|----------------|--------------|-----------------|---------------|----------------|
| | FY2022 | FY2021 | Change | | FY2022 | FY2021 | Change | |
| | | | mb | ▲% | | | mb | ▲% |
| Revenues | 729.32 | 614.31 | 115.02 | 18.72% | 27.73 | 10.17 | 17.56 | 172.71% |
| Expenses | 689.43 | 846.66 | (157.23) | -18.57% | 0.00 | 107.31 | (107.31) | -100.00% |
| Gross profit | 39.90 | (232.35) | 272.24 | 117.17% | 27.73 | (97.14) | 124.87 | 128.55% |
| Gross profit margin | 5.47% | -37.82% | | | | | | |
| Other revenues | 99.76 | 69.64 | 30.12 | 43.25% | 25.17 | 31.61 | (6.43) | -20.36% |
| SG&A | 157.86 | 265.04 | (107.18) | -40.44% | 49.02 | 52.55 | (3.53) | -6.71% |
| Share of gain (loss) of associate | (44.98) | (20.69) | (24.30) | 117.44% | 0.00 | 0.00 | 0.00 | 0.00% |
| Net Profit | (88.34) | (470.20) | 381.86 | 81.21% | 13.40 | (109.80) | 123.20 | 112.21% |
| Net Profit (loss) - The Company | (77.64) | (400.72) | 323.08 | 80.62% | 13.40 | (109.80) | 123.20 | 112.21% |
| Net profit margin - company | -10.6% | -65.2% | | | 48.3% | -1079.6% | | |

- For 12-month period, the company increased revenues by 18.72% and generate solid gross profit from operation activities. The company reported total revenue of 729.32 million baht in FY2022, an increase of 18.72% compared to the same period last year. The company generated net loss of (88.34) million baht and net loss - the company of (77.64) million baht, comparing to net loss-the company of (400.72) million baht in the same accounting period of 2021.

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- This was attributed to the facts that new construction projects started construction phase during late of FY2022, so revenues significantly increased during the 4Q22. Moreover, the company generated gross operation profit of 39.90 million baht compared to negative margin during the same period last year. The company realized share of loss from an associate company of (44.98) million baht in the period.

1. Construction Business

Unit : Million Baht

| Construction Business | FY2022 | FY2021 | Change | |
|-----------------------|--------|----------|--------------|---------|
| | | | million baht | ▲% |
| Revenues | 602.82 | 537.14 | 65.67 | 12.23 |
| Expenses | 576.61 | 713.72 | (137.12) | (19.21) |
| Gross profit | 26.21 | (176.58) | 202.79 | 114.84 |
| Idle cost | 12.79 | 24.94 | (12.15) | (48.73) |
| Gross profit margin | 4.35% | -32.87% | | |

- For 12-month period, Construction business has generated revenues of 602.82 million baht, comparing to revenues of 537.14 in the same period last year, or an increase of 12.23%. Construction business generated gross profit of 26.21 million baht, comparing to gross loss of (176.58) million baht in the same period last year, or an increase of 114.84%. In FY2022, the company delivered higher progress in overall construction projects. The company subsidiary be awarded several construction projects in FY2022 both pipe jacking construction and civil construction projects. Those new projects come to construction phase during third and fourth quarters of the FY2022.

| Construction Business | 4Q2022 | 4Q2021 | Change | |
|-----------------------|--------|----------|---------------|---------|
| | | | million baht▲ | % |
| Revenues | 152.05 | 60.25 | 91.80 | 152.36 |
| Expenses | 131.29 | 173.91 | (42.63) | (24.51) |
| Gross profit | 20.77 | (113.66) | 134.43 | 118.27 |
| Idle cost | 2.25 | 6.97 | (4.73) | (67.76) |
| Gross profit margin | 13.66% | -188.64% | | |

- For 3-month period, Construction business has generated revenues of 152.05 million baht, comparing to revenues of 60.25 million baht an increase 152.36% compared to the same accounting period of 2021. Construction business generated gross profit of 20.77 million baht, comparing to gross loss (113.66) million baht in the same period last year. The company subsidiary be awarded several construction projects in FY2022 both pipe jacking construction and civil construction projects. Those new projects come to construction phase during third and fourth quarters of the FY2022.

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As of December 31, 2022, the company had recognized revenue amounting to 74.42% of total project value.

Oil and gas infrastructure construction

- Oil and gas infrastructure construction to northern area Project (99.99% progress)
- Pipe Jacking Construction under highway Pak Kret-Chaeng Watthana (54.976% progress)
- Oil and gas infrastructure construction to North-east area Project (100.00% progress)
- Oil and gas infrastructure construction in Bangkok Canal (100.00% progress)
- New oil and gas infrastructure construction in Bangkok 1 (8.83% progress)
- New oil and gas infrastructure construction in Bangkok 2 (3.31% progress)
- New oil and gas infrastructure construction in Bangkok 3 (1.76% progress)
- New oil and gas infrastructure construction in Bangkok 4 (9.96% progress)
- New oil and gas infrastructure construction in Bangkok 5 (3.15% progress)
- New Pipeline relocation in Chieng rak area (1.36% progress)
- New water pipeline project in Bangkok (0.00% progress)

Civil engineering construction

- Group of civil projects in the Southern part of Thailand (99.92% progress)
- Civil project with condominium decoration 1, Bangkok (51.98% progress)
- Civil project with condominium decoration 2, Bangkok (56.07% progress)
- Civil project with Sathorn One, Bangkok (100.00% progress)
- Civil project with Luxury village construction phase 1, Bangkok (100.00% progress)

Rail and train infrastructure

- Double track signaling project, Lopburi (39.84% progress)
- maintenance airport rail link, (13.95% progress)

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2. Power Business

| Power Business | FY2022 | FY2021 | Change | |
|--|---------|---------|--------------|---------|
| | | | million baht | ▲% |
| Revenues | 70.68 | 64.06 | 6.62 | 10.33% |
| Other income | 12.58 | 24.12 | (11.54) | -47.83% |
| Expenses | 92.31 | 108.00 | (15.69) | -14.52% |
| Gross profit | (21.63) | (43.94) | 22.31 | 50.77% |
| Gross profit (include penalty charge) | (9.05) | (19.82) | 10.77 | 54.35% |
| Gross profit margin | -30.60% | -68.59% | | |
| Gross profit margin (include penalty charge) | -10.86% | -22.47% | | |

For 12-month period, power plants generated revenues of 70.68 million baht, slightly increased by 10.33% or by 6.62 million baht from the same period last year. With focusing on cost controlling and efficiently improvement, the power plants can narrow down negative margin in FY2022.

3. Other Revenues

| Other income | FY2022 | FY2021 | Change | |
|---|--------|--------|--------------|--------|
| | | | million baht | ▲ % |
| Other income | 99.76 | 69.64 | 30.12 | 43.25 |
| Profit from sales of investment in an associate | 36.22 | 13.10 | 23.11 | 176.40 |

For 12-month period, other revenues were 99.76 million baht, significantly increased by 43.25% or by 30.12 million baht from the same period last year mainly from revenue from sales of assets, machinery rental, operation penalty charging to supplier, etc.

4. Financial Position and Statement of Cash Flows

Unit : million baht

| Balance sheet | As of Dec 31, 2022 | As of Dec 31, 2021 | Δ % |
|-------------------|--------------------|--------------------|--------|
| Total Assets | 2,731.27 | 2,653.03 | 2.95% |
| Total Liabilities | 1,192.98 | 1,003.60 | 18.87% |
| Total Equities | 1,538.28 | 1,649.43 | -6.74% |

| Cash Flow | For 12 months period end December 31, 2022 |
|---------------------------|--|
| Cash Flow from Operation | -358.86 |
| Cash Flow from Investment | 29.36 |
| Cash Flow from Financing | -75.60 |
| Net Change in Cash | ▲ -405.10 |
| Ending Cash | 69.51 |

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| Financial Ratios | Dec-22 | Dec-21 |
|---------------------------------|---------|----------|
| ROE | -4.90% | -24.30% |
| ROA | -2.88% | -14.96% |
| Net Profit margin - The company | -45.04% | -337.26% |
| | Dec-22 | Dec-21 |
| D/E (time) | 0.78 | 0.61 |
| Current ratio (time) | 1.16 | 1.45 |

The company reported significant improvement in profitability ratios than the same period last year, primarily due to increasing in revenues from construction projects and cost controlling. As of December 31, 2022, Return on Equity was (4.90%) which improved from (24.30%) in the same period last year. Return on Asset was (2.88%) which improved from (14.96%) in the same period last year. The company's net profit margin was (45.04%) which improved from (337.26%) in the same period last year. Anyway, at the end of 4Q22, the company balance sheet was in strong position with Net Debt / Equity of 0.78x. Cash and cash equivalents were in solid position of 69.51 million baht. Restricted deposits at financial institutions of 128.20 million baht.

Faithfully yours
 Worapong Woottipruk
 CFO