

No. ETE-66/018

Date 11 May 2023

Subject: Explanation and analysis from the management team regarding the performance results for the first quarter as of 2023

To: The President of The Stock Exchange of Thailand

The Eastern Technical Engineering Public Co., Ltd. (“the Company”) wishes to clarify the overall performance results of the Company and its subsidiaries, for the first quarter and period ended 31 March 2023, which have been approved by the Board of Directors meeting no. 2/2023 held on 11 May 2023 with details as follows.

Performance results for three-month period ended 31 March 2023

Performance results	Consolidated financial information			
	(Unit : Million Baht)			
	Quarter 1 2023	Quarter 1 2022	Change	% Change
Revenue from construction service	162.56	38.79	123.77	319.10%
Revenue from management service	167.32	175.25	(7.93)	-4.53%
Revenue from alternative energy	47.59	36.55	11.04	30.21%
Revenue from sale of goods and other services	1.14	0.04	1.10	
Revenue	378.61	250.63	127.98	51.07%
Cost	326.80	217.06	109.74	50.56%
Gross profit	51.82	33.57	18.25	54.35%
Other income	0.82	0.20	0.62	302.96%
Selling & Admin expenses	27.01	31.03	(4.02)	-12.95%
Finance costs	11.13	7.94	3.20	40.30%
Share of loss from associate	0.02	0.20	(0.18)	-89.66%
Income(Revenue) tax expense	0.35	(0.78)	1.13	-145.51%
Profit for the period	14.12	(4.61)	18.73	-406.37%

The Company and its subsidiaries had net profit for the first quarter period ended 31 March 2023 amounted to Baht 14.12 million, increasing by Baht 18.73 million or 406.37 %, when compared with the same period of last year which had net loss amounted to Baht 4.61 million due to the following reasons.

Page 1/4



Revenues

Total revenues of the Company and its subsidiaries for the first quarter period ended 31 March 2023 amounted to Baht 378.61 million, increasing by Baht 127.98 million or 51.07 % when compared with the same period of last year which the amount was Baht 250.63 million. Consequently, gross profit for the first quarter as of 2023 amounted to Baht 51.82 million, increasing by Baht 18.25 million or 54.35 % when compared with the same period of previous year.

1. Revenue from construction service for the first quarter period ended 31 March 2023 was Baht 162.56 million, increasing Baht 123.77 million or 319.10 % when compared with the same period of last year which the amount was Baht 38.79 million because there were due projects during the period in 2023 more than 2022.
2. Revenue from management service for the first quarter period ended 31 March 2023 was Baht 167.32 million, decreasing Baht 7.93 million or 4.53 % when compared with the same period of last year which the amount was Baht 175.25 million because management team considered to accept only projects which did not have risks of project delay or budget cancellation in the future.
3. Revenue from alternative energy for the first quarter period ended 31 March 2023 was Baht 47.59 million, increasing Baht 11.04 million or 30.21 % when compared with the same period of last year which the amount was Baht 36.55 million. This was because the Company recognized revenues from investment in biomass power generation business which COD on 14 November 2022, and the Company has focused on maintenance in solar power plant system each area regularly to remain stable of power generation capacity continuously.

Selling and Administrative Expenses

Selling and administrative expenses for the first quarter period ended 31 March 2023 amounted to Baht 27.01 million, decreasing by Baht 4.02 million or 12.95 % when compared with the same period of last year which the selling and administrative expenses were Baht 31.03 because in the first quarter of 2022 there were allowance to reduce inventory to NRV and loss on exchange rates. However, in the first quarter of 2023 had no these transactions. Moreover, the Company had measures to reduce and control expenses in the office. Then, overall administrative expenses reduced.

Financial Cost

Financial cost for the first quarter period ended 31 March 2023 amounted to Baht 11.13 million, increasing by Baht 3.20 million or 40.30 % when compared with the same period of last year which the amount was Baht 7.94 million due to borrowing money for working capital in business. Furthermore, this was because interest rates of commercial banks increased followed by interest rate policy has been increased.



Financial Position as of 31 March 2023

	Consolidated financial information (Unit : Million Baht)		
	March 31	December 31	Change
	2023	2022	
Current assets	1,170.77	844.96	325.81
Non-current assets	1,269.42	1,293.46	(24.05)
Total assets	2,440.18	2,138.42	301.77
Current liabilities	1,121.64	821.26	300.38
Non-current liabilities	397.51	410.25	(12.74)
Total liabilities	1,519.15	1,231.51	287.65
Equity	921.03	906.91	14.12

Total Assets

Total assets of the Company and its subsidiaries as of 31 March 2023 amounted to Baht 2,440.18 million, increasing by Baht 301.77 million from the end of 2022 due to these main reasons.

- Trade and other receivables amounted to Baht 463.96 million, increasing by Baht 155.97 million from the end of 2022 because trade receivables from construction service increased.
- Contract assets amounted to Baht 379.21 million, increasing by Baht 32.46 million from the end of 2022 because of increase in billing process of construction service.
- Inventories amounted to Baht 140.91 million, increasing by Baht 80.07 million from the end of 2022 because they were prepared to install in the project of construction service business.
- Property, plant and equipment amounted to Baht 1,081.29 million, decreasing by Baht 12.27 million from the end of 2022 because of depreciation.



Total Liabilities

Total Liabilities of the Company and its subsidiaries as of 31 March 2023 amounted to Baht 1,519.15 million, increasing by Baht 287.65 million from the end of 2022 because of these main reasons.

- Bank overdrafts and short-term loans from financial institutions amounted to Baht 668.03 million, increasing by Baht 192.72 million from the end of 2022 because of working capital in business.
- Trade and other payables amounted to Baht 336.28 million, increasing by Baht 112.84 million from the end of 2022 due to increase in trade payables and accrued costs from construction.
- Long-term loans from financial institutions amounted to Baht 398.77 million, decreasing by Baht 16.99 million from the end of 2022 because of regular long-term loan repayments during the period.

Shareholders' Equity

The shareholders' equity of the Company and its subsidiaries as of 31 March 2023 amounted to Baht 921.03 million, increasing by Baht 14.12 million from 31 December 2022, resulting from increase in net profit during the period form group companies to increase shareholders' equity in line with the former amount.

Please be informed accordingly.

Yours Respectfully,

(Mr. Preecha Suan)

Chief Financial Officer

