



No.FTE 002/2023

15 May 2023

Subject Management Discussion and Analysis for the three – month period ended 31 March 2023

Attention The President of
The Stock Exchange of Thailand

Attachment: Report and interim financial statement for the three-month period ended 31 March 2023

Firetrade Engineering Public Company Limited (“the Company”) would like to report the operating result according to the Company’s consolidated financial statement of the Company and its subsidiary for the three – month period ended 31 March 2023 which the details are as follows:

Unit: million Baht	For the three-month period ended 31 March			
	2023	2022	Change	% Increase (Decrease)
Revenues from sales of goods	191.21	155.88	35.33	22.66
Revenues from project works and services	93.63	80.35	13.28	16.53
Total Revenues from Sales and Services	284.84	236.23	48.61	20.58
Cost of sales of goods	138.07	111.00	27.07	24.39
Cost of project works and services	73.07	66.50	6.57	9.88
Total Costs of Sales and Services	211.14	177.50	33.64	18.95
Gross Profit	73.70	58.73	14.97	25.49
Other incomes	3.50	2.41	1.09	45.23
Distribution costs	19.23	18.11	1.12	6.18
Administrative expenses	18.49	19.79	(1.30)	(6.57)
Finance costs	1.03	1.93	(0.90)	(46.63)
Reversal expected credit losses (Expected credit losses)	(1.81)	13.40	(15.21)	(113.51)
Tax expense	8.11	1.17	6.94	593.16
Profit for the period	32.15	6.74	25.41	377.00
Gross Profit Margin (%)	25.87	24.86		
Net Profit Margin (%)	11.15	2.82		

Remark: 1) Net profit margin is calculated from the net profit attributable to equity holders of the parent on consolidated financial statement.
2) Decimal numbers shown in this management discussion and analysis are likely to be different from the Company’s financial statement due to the rounding to 2-digit decimal and unit changed to million baht.





Revenues from Sales and Services

For the three-month period ended 31 March 2023, the Company's revenues from sales and services was THB 284.84 million, increased by THB 48.61 million or 20.58% compared to the same period of the last year.

Revenues from sales of goods was increased by THB 35.33 million due to the volume of backlog orders in the past year and in the first quarter, more products were delivered to the work area compared to the same period of last year.

Revenues from project works and services increased by THB 13.28 million, partly due to the increase in project works volume and during the period, the recognition of more income according to the completion of the work compared to the same period of last year.

Gross Profit and Gross Profit Margin

For the three-month period ended 31 March 2023, the Company's gross profit was THB 73.70 million or 25.87%. The company was able to make a gross profit and increased gross profit margins compared to the last year due to lower product cost management and lower cost of project works and services.

Other income

For the three-month period ended 31 March 2023, the Company's other income were THB 3.50 million, increased by THB 1.09 million or 45.23% compared to the same period of last year. The increase was mainly from foreign exchange gains.

Distribution Costs and Administrative Expenses

For the three-month period ended 31 March 2023, the Company's distribution costs and administrative expenses were THB 37.72 million, decreased by THB 0.18 million or 0.47%.

Distribution costs increased by THB 1.12 million, expenses increased due to more sales, such as transportation costs, commissions, and expenses related to employees.

Administrative expenses decreased by THB 1.30 million due to inventory management which reduced the loss from devaluation of inventories.

Finance costs

For the three-month period ended 31 March 2023, the Company's finance costs was THB 1.03 million, decreased by THB 0.90 million or 46.63% compared to the same period of last year.

As a result of the company's repayment of short-term borrowings from financial institutions for promissory note.



- Valve, Fire Hose, Fire Extinguisher Equipment, Automatic Sprinkler Equipment
- Water Base System, Foam System, Gaseous System, Dry Chemical System
- Fire Suppression - Detection & Fire Alarm System

Expected credit losses

For the three-month period ended 31 March 2023, the Company had Reversal expected credit losses of THB 1.81 million, or 113.51% compared to the same period of last year.

Due to improved debt tracking and more detailed evaluation process for credit to customers. At the same time, some customers who previously had outstanding credit losses have made payments, resulting in a decrease in the overall amount of those losses.

Net Profit and Net Profit Margin

For the three-month period ended March 31, 2023, the company had a net profit of THB 32.15 million, representing a net profit margin of 11.15%, net profit increased by THB 25.41 million, representing 377.00% net profit and net profit margin increased compared to the same period of last year as the reasons mentioned above.

Please be informed accordingly,

Yours sincerely,

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(Mr. Taksin Tantipijit)

Chief Executive Officer

Firetrade Engineering Public Company Limited