



May 15, 2023

Subject: Management Discussion and Analysis for the three-month as of March 31, 2023

To: The Director and Manager

The Stock Exchange of Thailand

Accordingly, minutes of meeting No.4/2023 on May 15, 2023, at Sirakorn Public Company Limited. To the approval of the Financial Statement for the first quarterly as of March 31, 2023

Summary of company performance for the three-month as of March 31, 2023

Sirakorn Public Company Limited reports the company's performance for the three-month as of March 31, 2023. The details of performance for the three-month as of March 31, 2023, are as follows:

Consolidated Statement of Comprehensive Income

Description	Three-month period				Three-month comparison	
	31 March 2023		31 March 2022		MB	%
	MB	%	MB	%		
Revenue from sales	97.64	71.61%	90.31	49.91%	7.33	8.12%
Revenue from construction	36.12	26.49%	89.23	49.32%	(53.11)	(59.52%)
Revenue from service	0.45	0.33%	0.69	0.38%	(0.24)	(34.78%)
Total revenue	134.21	98.43%	180.24	99.62%	(46.03)	(25.54%)
Other revenue	2.14	1.57%	0.69	0.38%	1.45	210.14%
Total	136.35	100.00%	180.93	100.00%	(44.58)	24.64%
Cost of goods sold and service	(73.80)	75.58%	(76.07)	84.23%	2.27	(2.98%)
Cost of construction	(32.46)	88.76%	(82.56)	92.52%	50.10	(60.68%)
Total cost	(106.26)	77.93%	(158.63)	87.67%	52.37	(33.01%)
Gross Profit	30.09	22.07%	22.30	12.33%	7.79	34.93%
Sales and administration expenses	(24.11)	17.68%	(22.07)	12.20%	(2.04)	9.24%
EBIT	5.98	4.39%	0.23	0.13%	5.75	2,500.00%
Finance cost	(0.32)	0.23%	(0.26)	0.14%	(0.06)	23.08%
Share of profit(loss) from investment in subsidiaries	(0.52)	0.38%	-	-	(0.52)	100%
Taxation	(1.33)	0.98%	(0.18)	0.04%	(1.15)	638.89%
Net profit	3.81	2.79%	(0.21)	0.02%	4.02	1,914.29%
Other comprehensive income	1.07	0.78%	-	-	1.07	100%
Comprehensive income	4.88	3.58%	(0.21)	0.02%	5.09	2,423.81%
EBITDA	8.71	6.39%	3.63	2.17%	5.08	139.94%
EPS (BAHT)	0.008	-	(0.00)	-	-	-



Executive Summary

In the period of three-month as of 31 March 2023, the Company had total revenue of Baht 136.35 million, a decrease of 44.58% YOY. The total cost of sales and services amounts to Baht 106.26 million, a decrease of 52.37% YOY. Resulting in a gross profit amount of Baht 30.09 million, a growth of 22.07% YOY. Distribution costs and administrative expenses amounted to Baht 24.11 million, an increase of 9.24% YOY. Net profit for three-month period amounted to Baht 4.88 million, a 3.58% increase from the same period as the previous year, approximately Baht 5.09 million (2,423.81%), and EBITDA in the first quarterly 2023 amounted to Baht 8.71 million.

The Company's major reason for the performance for the first quarterly 2023, the Net profit was impacted by a steady sales-price competition, including the main impact from raw material costs such as steel price, the construction's gross profit margin have been continue to decrease adapting, as a result of a mainly raw material and labor of detailing.

Total revenues

The period three-month ended on March 31, 2023, the Company had a total revenue amount of Baht 136.35 million (decreased at 44.58%), consisting of revenue from sales amount of Baht 97.64 million, (7.33%) when it's considered with Q'1/2023 revenue from the sale, the company has increased revenue from Q'1/2022 as a result of sales quantity to the Provincial Electricity Authority, despite revenue of construction it's increased amount of Baht 36.12 million (53.11%). As a result, most of the projects were operated during the year 2022. Services revenue decreased at the amount of Baht 0.45 million (0.24%), and other revenue amounted to Baht 0.45 million, (0.24%), the other revenue amounted to Baht 2.14 million, an increase of 210.14%.

Project construction in-process as during Q1/2023

Project	Contract Price	% Complete
- Adjustment of 22 KV Serng Sang – Pakam	13.71	95.52
- 115 KV Nakorn Sawan	84.22	0.25
- Construction work KV System (Pontaley-Pichit)	27.00	8.38
- Material Import for the roof work (Mango BKK)	40.80	77.67
- 115 KV work, Lham Ngob – Trad	58.25	0.13
- 115 KV work, Serng Sang – Lahan Sai	129.22	0.23
Total	353.20	-

Backlog of April 1, 2023

(Unit: million)

Description	Production	Civil work	Distribution and transmission line	Total
Backlog	106	-	588	694



Cost of sales and services

Period the three-month ended on March 31, 2023, the Company had the total Cost of sales and services amount of Baht 106.26 million, 77.93%, a decreasing amount of Baht 52.37 million, a decrease of 33.01% YoY, Cost of sales and services are amount at Baht of 73.80 million (75.58%). Construction costs amounted to Baht 32.46 million (88.76%), because of the number of sales and the low raw material price.

Distribution costs and administrative expenses

Period the three-month ended on March 31, 2023, the Company had total distribution costs and administrative expenses amounting to Baht 24.11 million (17.68%), It was increased from the clone period but last year amounted to Baht 2.04 million (9.24%) since it's mainly impaction from selling expenses, oils and gas expenses, and transportation expenses. Administration expenses were increased because of vehicle, consultant, bank fees, salary, and bonus expenses.

Gross Profit and Net Profit

Period the three-month ended on March 31, 2023, the Company's gross profit amounted to Baht 30.09 million, and Net profit amounted to Baht 4.88 million. EPS amounted to Baht 0.008 per share and EBITDA was the amount of Baht 8.71 million. Comprehensive income amounted to Baht of 63.33 million.

Statements of financial position

Statements of financial position	December 31, 2022 (MB)	March 31, 2023 (MB)	Increased (Decreased)	
			Amount (MB)	%
Assets	533.47	534.06	0.59	0.1
Liabilities	181.14	176.85	(4.29)	(2.4)
Shareholders	352.33	357.21	4.88	1.4

Assets

As of March 31, 2023, the total asset amount of Baht 534.06 million increased by 0.59 million in 2022. A decrease in Accounts receivable and other receivables amounted to Baht 47.03 million, less from Construction in progress unbilled amounted to Baht 17.28 million, Cash and cash equivalent amounted to Baht 71.83 million, Short term loan to other company amounted to Baht 5.00 million, increasing of Trade account receivable and other receivable at amounted of Baht 35.69 million. The increase in inventory amounted to Baht 11.40 million. Non-current assets increased at amounted of Baht 47.33 million, as a result of investment from an associate in the amount of Baht 44.40 million, non-guaranteed fixed bank deposits, property plant and equipment, and the noncurrent asset decreased from contract assets and deferred tax.



Liabilities

As of March 31, 2023, the total liabilities amounted to Baht 176.85 million, there was a decrease that amounted to Baht 4.29 million. Current liabilities amounted to Baht 3.37 million, due to short-term loans from financial institutions at amounted of Baht 16.81 million, and increasing current contract liabilities amounted to Baht 6.06 million. Trade account and other payables amounted to Baht 7.70 million, and non-current liabilities were decreased amounted to Baht 0.93 million, as a result of the decrease of finance lease liabilities and provision for employee benefit.

Shareholders

As of March 31, 2023, the share-holder amounted to Baht 357.21 million, there is a consistent authorized share capital amounted to Baht 230 million, share premium amounted to Baht 42.70 million, legal reserved amounted to Baht 21.18 million and comprehensive income amounted to Baht 63.33 million. That is an increase from December 31, 2022, which amounted to Baht 4.88 million, as a result of profit (loss) from operating activities in the first quarterly 2023 amounted to Baht 3.81 million, and profit from revaluation from employee benefits amounting to Baht 1.07 million.

Statements of cash flows

As of March 31, 2023, cash and cash equivalents amounted to Baht 45.78 million, there was affected by the beginning of the period on January 1, 2023, which amounted to Baht 117.61 million. Cash and cash equivalents in operating activities amounted to Baht 4.17 million, Mostly it happened to the changes in accounts receivable and others and decreased because of the changes in accounts payable and contract liabilities. When less cash was used in investing activities amounted to Baht 50.35 million, from a loan to another party plus cash as an offer for financing activities amounted to Baht 17.31 million, Cash received from a loan from a financial institution and decreased from paid dividends and payment finance lease.

Financial Ratios

Financial Ratios	Q1'2023	Q1'2022
Current Ratio (times)	2.14	3.06
Quick Ratio (times)	1.54	2.23
Return on Equity (%)	5.46%	(0.23%)
Return on Assets (%)	3.65%	(0.16%)
Debt to Equity ratio (times)	0.50	0.45
Interest-bearing debt on Equity (times)	0.12	0.11

Please be informed accordingly.

(Mr.Wichai Sintukanjanapan)

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