



SIAMEAST SOLUTIONS
PUBLIC COMPANY LIMITED

ELCID/SE/012/2023

13th November 2023

Subject: Management's discussion and analysis for the 9 month period ending on the 30 September 2023

Dear: Directors and Managers
Stock Exchange of Thailand

SiamEast Solutions Public Company Limited and its subsidiaries have submitted the consolidated financial statements for the 9 month period ending September 30 2023

which has been audited by a certified public accountant. The company would like to clarify the operating results with all the details as follows:

Unit : million baht	Consolidated financial statements				Consolidated financial statements			
	Quarter 3 2023	Quarter 3 2022	increase (decrease)	%YoY	9 months 2023	9 months 2022	increase (decrease)	%YoY
<u>Sales and service income</u>								
1. Pumping System and Technology	28.28	30.32	(2.04)	(6.73)	73.06	82.13	(9.07)	(11.04)
2. Process & Piping Solutions	82.56	74.36	8.20	11.03	200.26	157.75	42.51	26.95
3. Innovative Material Products	30.48	36.54	(6.06)	(16.58)	94.79	137.41	(42.62)	(31.02)
4. Service Business	22.65	27.16	(4.51)	(16.60)	69.04	62.46	6.58	10.53
5. Energy and Utilities Product Group	18.81		18.81	100.00	35.86		35.86	100.00
Total	182.78	168.38	14.40	8.55	473.00	439.76	33.24	7.56
Cost of sales and cost of services	139.37	124.99	14.38	11.50	351.38	320.76	30.62	9.55
Total gross profit	43.41	43.39	0.02	0.05	121.63	119.00	2.63	2.21
Other income	1.23	1.43	(0.20)	(13.99)	3.89	3.45	0.44	12.75
Total income	184.01	169.81	14.20	8.36	476.89	443.21	33.68	7.60
Distribution costs and administrative expenses	28.97	29.29	(0.32)	(1.09)	86.01	85.96	0.05	0.06
Separate net profit (loss)	8.22	5.18	3.04	58.69	19.67	14.50	5.17	35.65

Unit : million baht	Consolidated financial statements				Consolidated financial statements			
	Quarter 3 2023	Quarter 3 2022	increase (decrease)	%YoY	9 months 2023	9 months 2022	increase (decrease)	%YoY
Share of profits (losses) from investments in associated companies	5.95	7.99	(2.04)	(25.53)	15.28	20.33	(5.05)	(24.84)
Share of profit (loss) attributable to the parent company	18.07	19.40	(1.33)	(6.86)	44.98	46.93	(1.95)	(4.15)
Net profit margin (percent)	9.82	11.42			9.43	10.59		

1. Sales and service income

Operating results for the 9 month period ending on 30 September 2023. The company has income from sales and services in the amount 473 million baht increased from the same period of the year 2022 of 33.24 million baht or an increase of 7.56 percent and operating results for the 3rd quarter, 3-month period ending 30 September 2023. The company has sales and service income of 182.78 million baht. An increase from the same period of 2022 in the amount of 14.40 million baht or an increase of 8.55 percent. This increase in income comes from products and services that have been purchased. Then remaining in the first quarter of 2023, the delivery of goods and services will gradually increase in the second quarter of 2023. The increase in sales and service income came mainly from the production process management and piping system product groups, service product group and energy and utilities product group which is a new product group added in 2023.

In addition, the company still has products and services. that have received purchase orders and are in the process of being gradually delivered (Backlog) according to the following table

Products and services that have been ordered but has not yet been delivered (Backlog)	2021,2022 → Q4 2023	2022, 2023 → Q1 2024	2023 → Q2-Q3 2024	All Backlog
Amount (million baht)	121.84	59.94	67.44	249.22

2. Other income

For the period of 9 months ending on 30 September 2023, the company has other income of 3.89 million baht, an increase from the same period of 2022 of 0.44 million baht or an increase of 12.75 percent and for the 3rd quarter, 3 month period ending 30 September 2022 the company had other income of 1.23 million baht, decreased from the same period of 2022 with a quantity 0.20 million baht or a decrease of 13.99 percent for the 9-month period. Other income increased due to commission income and interest income.

3. Cost of sales and cost of services

For the period of 9 months ending on 30 September 2023 the company has costs of sales and services of 351.38 million baht, an increase of 30.62 million baht from the same period of 2022 , or an increase of 9.55 percent . As for the 3rd quarter, 3 month period ending 30 September 2023, the company has costs of sales and services amounted to 139.37 million baht, an increase of 14.38 million baht from the same period of 2022 or an increase of 11.50 percent , which is in the same direction as sales and service income. However, when comparing the proportion of cost of sales and service with income from sales and services and found that the proportion of sales costs increased from 74.23 percent of revenue in the third quarter of 2022 to 74.23 percent of revenue in the third quarter of 2022. 76.25 percent in the 3rd quarter of 2023. The reason is that manufacturers have increased product cost prices in some product groups.

4. Distribution costs and administrative expenses

For the period of 9 months ending on 30 September 2023 the company has distribution costs and administrative expenses in the amount of 86.01 million baht, an increase of 0.05 million baht from the same period of 2022 or an increase of 0.06 percent. As for the 3rd quarter , 3 month period ending 30 September 2023, the company there were distribution costs and administrative expenses of 28.97 million baht, a decrease from the same period of 2022 of 0.32 million baht or a decrease of 1.09 percent . However, when comparing the proportion distribution costs and administrative expenses with the income from sales and services, it was found that the proportion of expenses decreased from 17.40 percent of the income in the 3rd quarter of 2022 to only 15.85 percent of the income in the 3rd quarter of 2023, showing that the company can control and manage expenses effectively.

5. Share of profits (losses) belonging to the parent company

For the period of 9 months ending on 30 September 2023 the company had a net profit (loss) of only 19.67 million baht, an increase from the same period of 2022 of 5.17 million baht or an increase of 35.65 percent . As for the 3rd quarter, 3 month period ending 30 September 2023, the company had a profit (net loss) of separate businesses amounted to 8.22 million baht, an increase from the same period of 2022 in the amount of 3.04 million baht or an increase of 58.69 percent due to receiving dividends from associated companies in the amount of 7.89 million baht.

In addition, for the 3rd quarter, 3- month period ending 30 September 2023, the company also recognized net profit of Utility Business Alliance Public Company Limited ("UBA") at the rate of 28.67 % . Quantity 5.95 million baht, decreased from the same period of 2022 which recognized net profit of Utility Business Alliance Public Company Limited ("UBA") at the rate of 39.99% , amounting to 2.04 million baht or decreased 25.53 percent due to dilution of shares.

From the above operating results and the recognition of profits from subsidiaries and associated companies. As a result, the company had a total comprehensive profit for the 3rd quarter, 3 month period ending 30 September 2023 , totaling 18.07 million baht, a decrease from the same period of 2022 of 1.33 million baht or a decrease of 6.86 percent.

Please be informed accordingly.

Best regards

(Miss Orasa Wimolchalao)

Person with authority to report information