



Yong Concrete Public Company Limited

Management's Discussion and Analysis

Operating results for the 9-month ended September 30, 2023

Operating results for the 3-month ended and for the 9-month ended September 30, 2023 compared with the same period of 2022 were reported as follows;

Unit: Thousand Baht

Transaction	The consolidated statement of comprehensive income for the 3-month ended September, 30		Change		The consolidated statement of comprehensive income for the 9-month ended September, 30		Change	
	2023	2022	Increase (Decrease)	%	2023	2022	Increase (Decrease)	%
	Revenue from sales	223,760	217,162	6,598	3.04	655,126	612,622	42,504
Revenue from services	78,372	37,156	41,216	110.93	182,961	119,633	63,328	52.94
Total revenue from sales and services	302,132	254,318	47,814	18.80	838,087	732,255	105,832	14.45
Cost of sales	159,308	157,825	1,483	0.94	457,913	432,267	25,646	5.93
Cost of services	55,724	24,971	30,753	123.15	128,982	83,083	45,899	55.24
Total cost of sales and services	215,032	182,796	32,236	17.63	586,895	515,350	71,545	13.88
Gross profit	87,100	71,522	15,578	21.78	251,192	216,905	34,287	15.81
Other income	2,915	4,479	(1,564)	(34.92)	8,899	12,387	(3,488)	(28.16)
Distribution costs and Administrative expenses	45,342	45,025	317	0.70	139,477	136,161	3,316	2.44
Financial cost	2,565	3,536	(971)	(27.46)	8,504	11,190	(2,686)	(24.00)
Income tax expenses	8,639	4,275	4,364	102.08	22,689	13,076	9,613	73.52
Net income for the period	33,469	23,165	10,304	44.48	89,421	68,865	20,556	29.85
Net comprehensive income for the period	33,469	23,165	10,304	44.48	89,421	68,865	20,556	29.85
Earnings per share (EPS) (Baht)	0.05*	0.04*	0.01		0.13**	0.13**	-	

*Weighted average number of ordinary shares outstanding 3-month period ended 30 September 2023 amounting to Share 680,000 thousand (30 September 2022: Share 631,087 thousand).

**Weighted average number of ordinary shares outstanding 9-month period ended 30 September 2023 amounting to Share 680,000 thousand (30 September 2022: Share 544,176 thousand).

Discussion and Analysis of operating results:

➤ **Total revenue from sales and services**

Total revenue from sales and services for 3-month ended September 30, 2023 was Baht 302.13 million which increased by Baht 47.81 million or 18.80% compared with the same period of 2022 and for 9-month ended September 30, 2023 was Baht 838.09 million which increased by Baht 105.83 million or 14.45% compared with the same period of 2022. The total revenue



mainly derived from the large amount of completed projects, both public sector and private companies, and sales of concrete products and partly due to increased revenue from the expansion of Bang Yai branches and Bang Len branches.

➤ **Total cost of sales and services**

Total cost of sales and services was Baht 215.03 million for 3-month ended September 30, 2023 which increased by Baht 32.24 million or 17.63% compared with the same period of 2022 and for 9-month ended September 30, 2023, total cost of sales and services was Baht 586.90 million which increased by Baht 71.55 million or 13.88% compared with the same period of 2022. Which is consistent with increased revenue combined with effective raw material cost management.

➤ **Gross profit**

Gross profit was 87.10 million for 3-month ended September 30, 2023 which increased by Baht 15.58 million or 21.78% compared with the same period of 2022 and for 9-month ended September 30, 2023, it was Baht 251.19 million which increased by Baht 34.29 million or 15.81% compared with the same period of 2022.

➤ **Distribution costs and Administrative expenses**

Distribution costs and Administrative expenses was Baht 45.34 million for 3-month ended September 30, 2023 which increased by Baht 0.32 million or 0.70% compared with the same period of 2022 and for 9-month ended September 30, 2023, it was Baht 139.48 million which increased by Baht 3.32 million or 2.44% compared with the same period of 2022. The main due to the reversal of impairment expected credit loss of accounts receivable has decreased.

➤ **Financial cost**

Financial cost was Baht 2.57 million for 3-month ended September 30, 2023 which decreased by Baht 0.97 million or 27.46% compared with the same period of 2022 and for 9-month ended September 30, 2023, it was Baht 8.50 million which decreased by Baht 2.69 million or 24.00% compared with the same period of 2022. It derived from the repayment of loans regarding to the fund-raising objective in IPO.

➤ **Net income**

The Company had net profit for 3-month ended September 30, 2023 and 2022 for Baht 33.47 million and Baht 23.17 million, respectively. It was increased by 10.30 million or 44.48%. The Company had net profit for 9-month ended September 30, 2023 and 2022 for Baht 89.42 million and Baht 68.87 million, respectively. It was increased by Baht 20.55 million or 29.85%.



Discussion and Analysis of financial position:

➤ **Total assets**

Total assets were Baht 1,307 million as at September 30, 2023. There was a decrease in total assets by Baht 27 million or 1.99% compared with as at December 31, 2022. They derived from the decrease in cash and cash equivalents in the amount of Baht 115 million, the decrease in restricted deposit at financial institution in the amount of Baht 27 million, and the increase in plant and equipment in the amount of Baht 71 million, the increase in inventories in the amount of Baht 32 million, the increase in contract assets in the amount of Baht 16 million.

➤ **Total liabilities**

Total liabilities were Baht 436 million as at September 30, 2023. There was a decrease in total liabilities by Baht 62 million or 12.38% compared with as at December 31, 2022. They derived from the decrease in interest-bearing liabilities in the amount of Baht 114 million, and the increase in trade and other payables in the amount of Baht 35 million, the increase in contract liabilities in the amount of Baht 15 million.

➤ **Total equity**

Total equity was Baht 871 million as at September 30, 2023. There was an increase in total equity by Baht 35 million or 4.19% compared with as at December 31, 2022. Due to the increase in net income for the 9-month ended September 30, 2023 in the amount of Baht 89 million and dividend paid in the amount of Baht 54 million

Discussion and Analysis of cash flows:

There were cash flows from operating activities in the amount of Baht 159.51 million and cash flows used in investment activities were Baht 71.90 million. They occur from the acquisition of plant and equipment in the amount of Baht 102.16 million. Cash flows use in financing activities were Baht 202.21 million. They occur from the repayment of long-term borrowings from financial institutions in the amount of Baht 105.06 million, the payment of lease liabilities in the amount of Baht 29.22 million and dividend paid in the amount of Baht 54.36 million. As a result, cash and cash equivalents as at September 30, 2023. was Baht 39.26 million.

Please be informed accordingly.

Yours sincerely,

(Mr. Sunpetch Slisatakorn)

Chief Executive Officer