

CWTACC2024/002

29th February 2024

Subject: Managing Discussion and Analysis for Year 2023

To : Managing Director

The Stock Exchange of Thailand

Operating results for the year ended 31 December 2023 and 2022

	Consolidated		Change	
	Year 2023	Year 2022	Million Baht	%
Sales and services	1,786.37	1,863.92	(77.55)	(4.16)
Other income	53.50	76.51	(23.01)	(30.07)
Total Revenues	1,839.87	1,940.43	(100.56)	(5.18)
Cost of sales and services	(1,480.46)	(1,424.18)	(56.28)	3.95
Selling expenses	(49.40)	(69.09)	19.69	(28.50)
Administrative expenses	(228.74)	(191.30)	(37.44)	19.57
Loss on impairment of property, plant and equipment, net	(300.00)	-	(300.00)	100.00
Total expenses	(2,058.60)	(1,684.56)	(374.03)	22.20
Finance costs	(83.46)	(58.00)	(25.46)	43.89
income tax expenses	(28.66)	(45.35)	16.68	(36.79)
Net profit (loss) for the year	(330.85)	152.52	(483.37)	(316.93)
Profit (loss) attributable to equity holders of the parents	(116.20)	180.06	(296.26)	(164.53)
Basis earnings per share (baht per share)	(0.18)	0.29	(0.47)	(162.07)

The company would like to report the operation results for the company and subsidiary for the year ended 31 December 2023 has a loss based on profit attributable to the company, showing a net loss of 116.20 million baht, compared to the same period of previous year, showing a net profit at 180.06 million baht, change of 296.26 million baht, or 164.53%. The changes are detailed as follows.

1. The company and its subsidiaries had sales and service income of 1,786.37 million baht, decreased when compared to 2022, which had a total sales and service income of 1,863.92 million baht, or 4.16 percent. The business of leather and leather for production of car seats decreased due to the economic slowdown, which is a key factor causing the decline in the automotive production sector. This also affects the income from the sale of boats and small buses. In 2023, there was income from the sale of boats and small buses of 38.65 million baht, a decrease compared to the previous year.

Sales income amounted to 65.15 million baht. For income from the renewable energy business group, which has a total of 16 megawatts of megawatts received by the company, there is a total income of 520.31 million baht and other income of 53.50 million baht. Therefore, the company has total income for 2023 in the amount of 1,839.87 million baht, compared to 2022 with total income of 1,940.43 million baht, a decrease of 100.56 million baht.

2. The company and its subsidiaries have costs from sales and services in 2023 totaling 1,480.46 million baht, compared to 2022 in the amount of 1,424.18 million baht, an increase of 56.28 million baht or an increase of 3.95 percent, which is caused by the cost of raw materials. Fuel cost, the cost of energy has increased. For sales and administrative expenses in 2023, the amount is 278.14 million baht. Compared to 2022, the amount was 260.39 million baht, an increase of 17.75 million baht, or an increase of 6.82 percent. For the small boat and bus business group that has been affected by the COVID situation that has continued to affect the public transport business until the Thai economy has contracted. This affects the financing of working capital used in business operations, including obtaining loans from financial institutions. As a result, the company's operating results have continued to suffer losses. The company therefore considers impairment of assets invested in related business groups. Total net amount 300 million baht. Therefore, the total expenses of the Company and its subsidiaries for 2023 amounted to 2,058.60 million baht, compared to 2022 in the amount of 1,684.56 million baht, an increase of 374.03 million baht or an increase of 22.20 percent.
3. Financial costs in the consolidated financial statements for 2023 amounted to 83.46 million baht, compared to the same period of 2022 in the amount of 58.00 million baht, an increase of 25.46 million baht or an increase of 43.89 percent due to the group having increased borrowing to invest in the energy business.

Financial position as at 31 December 2023 and 31 December 2022

	Consolidated (Unit: Million Baht)		Change	
	31 December 2023	31 December 2022	Million Baht	%
Current Assets	792.40	835.44	(43.04)	(5.15)
Non-Current Assets	2,826.93	2,654.36	172.57	6.50
Total Assets	3,619.33	3,489.80	129.53	3.71
Current Liabilities	1,047.33	759.67	287.66	37.87
Non-Current Liabilities	863.79	651.25	212.54	32.64
Total Liabilities	1,911.12	1,410.92	500.20	35.45
Total Shares' Equity	1,708.21	2,078.88	(370.67)	(17.83)

Total Assets

The Company and its subsidiaries had current assets as of December 31, 2023 in the amount of 792.40 million baht, non-current assets in the amount of 2,826.93 million baht, total assets in the amount of 3,619.33 million baht, compared to current assets as of December 31, 2022 in the amount of 835.44 million baht, non-current assets in the amount of 2,654.36. million baht, total assets were 3,489.80 million baht, with total assets increasing by 129.53 million baht or an increase of 3.71 percent. The main reason for the increase in total assets was due to increased investment in the energy business group.

Total Liabilities

The company and its subsidiaries had current liabilities as of December 31, 2023 in the amount of 1,047.33 million baht, non-current liabilities in the amount of 863.79 million baht, total liabilities in the amount of 1,911.12 million baht, compared to as of December 31, 2022, the amount of 759.67 million baht, non-current liabilities in the amount of 651.25 million baht, liabilities Total amount was 1,410.92 million. It was found that total liabilities increased by 500.20 million baht or an increase of 35.45 percent due to the company borrowing money from financial institutions to purchase more businesses in the energy group.

Shareholders' Equity

The Company and its subsidiaries had shareholders' equity as of December 31, 2023 in the amount of 1,708.21 million baht, compared to shareholders' equity as of December 31, 2022 in the amount of 2,078.88 million baht, a decrease of 370.67 million baht or equivalent to a decrease of 100%. 17.83 each due to losses from considering provisions for assets of the boat and small bus business group.

The company's financial ratios as of December 31, 2023 and December 31, 2022 have a current ratio of 0.76 times and 1.09 times, a total debt to equity ratio of 1.12 times and 0.67 times, respectively. The liquidity ratio decreased due to the company borrowing. Money from financial institutions to invest in the energy business increased.

Please be informed accordingly.

Sincerely yours,

(Mr. Weerapon Chaiteerath)

Managing Director

