

No. ETE-67/008

Date 22 February 2024

**Subject** Management's Discussion and Analysis for the year ended 2023.

**To** Board of Directors and Management  
Stock Exchange of Thailand

Eastern Technical Engineering Public Co., Ltd. (“the Company”) would like to provide an overall performance of the Company and its subsidiaries for the year ended 31 December 2023, which has been approved by the Board of Directors meeting no. 1/2024 held on 22 February 2024. The details are as follows.

**Performance results for the year ended 31 December 2023**

Performance results	Consolidated financial information			
	(Unit : Million Baht)			
	2023	2022		
Revenue from construction service	754.65	411.40	343.26	83.44%
Revenue from management service	681.45	698.60	(17.15)	-2.46%
Revenue from alternative energy	167.52	134.74	32.78	24.33%
Revenue from sale of goods and other services	3.65	13.24	(9.58)	-72.39%
Revenue	1,607.27	1,257.97	349.30	27.77%
Cost	1,391.52	1,101.47	290.05	26.33%
Gross profit	215.76	156.50	59.26	37.86%
Other income	3.24	3.34	(0.09)	-2.83%
Selling & Admin expenses	113.88	112.62	1.26	1.12%
Finance costs	52.03	25.93	26.10	100.62%
Share of loss from associate	0.06	0.41	(0.35)	-84.87%
Income(Revenue) tax expense	6.29	(2.80)	9.10	324.39%
Profit for the period	46.73	23.68	23.05	97.36%

The company and its subsidiaries reported that a net profit for the year ended 31 December 2023, amounting to Baht 46.73 million, increased by Baht 23.68 million or 97.36 percent when compared with the same period of last year which had a net profit Baht 23.68 million due to the following reasons.



## Revenues

The Company and its subsidiaries had total revenues for the year ended 31 December 2023 Baht 1,607.27 million, increasing by Baht 349.30 million or 27.77 percent, when compared with the same period of last year which had total revenues Baht 1,257.97 million and had gross profit Baht 215.76 million, increasing by Baht 59.26 million or 37.86 percent, when compare with the same period of previous year due to the following main reasons.

1. Revenue from construction service for the year ended 31 December 2023 was Baht 754.65 million, increasing Baht 343.26 million or 83.44 percent when compared to the same period of last year which the amount was Baht 411.40 million because there were due projects during the period in 2023 more than last year.
2. Revenue from management service for the year ended 31 December 2023 was Baht 681.45 million, decreasing Baht 17.15 million or 2.46 percent when compared with the same period of last year which the amount was Baht 698.60 million. However, gross profit was higher Baht 3.02 million when compared to the same period of previous year because management team considered to accept only projects which did not have delayed risks or budget cancellation in the future, but received the projects which had higher gross profit margin.
3. Revenue from alternative energy for the year ended 31 December 2023 was Baht 167.52 million, increasing Baht 32.78 million or 24.33 percent when compared with the same period of last year which the amount was Baht 134.74 million. This was because the Company recognized revenues through the year from investment in a biomass power generation business. However, the Company recognized revenues after COD which was 14 November 2022 last year.

## Selling and Administrative Expenses

Selling and administrative expenses for the year ended 31 December 2023, amounting to Baht 113.88 million, increased by Baht 1.26 million or 1.12 percent when compared with the same period of previous year which the selling and administrative expenses were Baht 112.62 million.

## Financial Cost

Financial cost for the year ended 31 December 2023, amounting to Baht 52.03 million, increased by Baht 26.10 million or 100.62 percent when compared with the same period of last year which the amount was Baht 25.93 million due to higher borrowings for the working capital purpose in a business and an upward adjustment in the interest rate for revolving capital by commercial banks in accordance with the revised interest rate policy.



## Financial Position as at 31 December 2023

### Consolidated financial information (Unit : Million Baht)

	December 31 2023	December 31 2022	Change
Current assets	1,180.97	844.96	336.02
Non-current assets	1,265.94	1,293.46	(27.53)
<b>Total assets</b>	<b>2,446.91</b>	<b>2,138.42</b>	<b>308.49</b>
Current liabilities	1,154.31	821.26	333.05
Non-current liabilities	330.75	410.25	(79.49)
<b>Total liabilities</b>	<b>1,485.06</b>	<b>1,231.51</b>	<b>253.55</b>
Equity	961.85	906.91	54.94

### Total Assets

The Company and its subsidiaries had total assets as at 31 December 2023 Baht 2,446.91 million, increasing by Baht 308.49 million from the end of 2022 due to these main reasons.

- Trade and other receivables, amounting to Baht 660.19 million, increased by Baht 352.19 million from the end of 2022 because of an increase in trade receivables from engineering service that could be billed.
- Inventories, amounting to Baht 109.60 million, increased by Baht 48.76 million from the end of 2022 because they were on a process to install in projects of a construction service business.
- Contract assets amounted to Baht 218.44 million, decreasing by Baht 128.31 million from the end of 2022 because of an increase in construction service that could be billed.
- Property, plant and equipment, amounting to Baht 1,058.21 million, decreased by Baht 35.35 million from the end of 2022 due to depreciation expenses during the period.



## Total Liabilities

The company and its subsidiaries had total liabilities as at 31 December 2023, amounting to Baht 1,485.06 million, an increase from the end of 2022 by Baht 253.55 million due to the following main reasons.

- Bank overdrafts and short-term loans from financial institutions, amounting to Baht 640.46 million, increased by Baht 165.15 million from the end of 2022 because of withdrawals for working capital in a business.
- Trade and other payables, amounting to Baht 264.75 million, increased by Baht 41.31 million from the end of 2022 due to an increase in trade payables and costs from construction projects.
- Long-term loans from financial institutions, amounting to Baht 449.43 million, increased from the end of 2022 by Baht 33.67 million because the Company borrowed long-term loans to invest in an alternative energy business.

## Shareholders' Equity

The company and its subsidiaries had shareholders' equity as at 31 December 2023, amounting to Baht 961.85 million, which increased from 31 December 2022 by Baht 54.94 million due to an increase in net profits during the period. Consequently, it increased as mentioned.

Please be informed accordingly,

Sincerely,

( Mr. Raivin Lekavorranan)

Chief Executive Officer

