



บริษัท วี.แอล. เอ็นเตอร์ไพรส์ จำกัด (มหาชน) / V.L. Enterprise Public Company Limited

41 ถนนอโศก-ดินแดง แขวงมักกะสัน เขตราชเทวี กรุงเทพฯ 10400 โทร. 0-2254-6604-5, โทรสาร 0-2254-8749

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Subject Management Discussion and Analysis for Operating Results for the year ended 31 December 2023

To President

The Stock Exchange of Thailand

V.L. Enterprise Public Company limited ("the Company") would like to clarify the operating results of the Company for the year ended 31 December 2023 as follows:

The operating results for 2023 mainly derived from the oil tanker fleet transportation service business.

1. The financial performance comparison for the year ended 31 December 2023 and 2022

Statement of Comprehensive Income	(Unit : Million Baht)					
	31.12.2023	%	31.12.2022	%	Increase / (Decrease)	%
Freight charges	742.4	98.3	726.5	99.6	15.9	2.2
Gain on exchange rate	8.5	1.1	0.7	0.1	7.8	1,114.3
Other revenues	4.7	0.6	2.3	0.3	2.4	104.3
Total revenues	755.6	100.0	729.5	100.0	26.1	3.6
Cost of freight	638.7	84.5	611.1	83.8	27.6	4.5
Gross Profit	103.7	13.7	115.4	15.8	(11.7)	(10.1)
Administrative expenses	26.2	3.5	27.8	3.8	(1.6)	(5.8)
Management benefit expenses	18.6	2.5	18.4	2.5	0.2	1.1
Loss from forward foreign exchange buying contract	5.2	0.7	5.3	0.7	(0.1)	(1.9)
Profit from operating activities	66.9	8.9	66.9	9.2	-	-
Finance costs	37.4	4.9	35.3	4.8	2.1	5.9
Expected credit losses (reversal)	(6.5)	(0.9)	4.8	0.7	(11.3)	(235.4)
Income before income tax expenses	36.0	4.8	26.8	3.7	9.2	34.3
Income tax expenses (revenues)	5.0	0.7	3.5	0.5	1.5	42.9
Income for the period	31.0	4.1	23.3	3.2	7.7	33.0
Actuarial gain (loss) from defined benefit plans	-	-	0.1	-	(0.1)	(100.0)
Total comprehensive income for the period	31.0	4.1	23.4	3.2	7.6	32.5

Remark : Percentage in statement of comprehensive income derived from total revenues, while percentage of cost of freight and gross profit related to freight charges

Total revenues

For 2023, the Company generated total revenue from fleet transportation service business for petroleum and chemical products, composed of Baht 742.4 million from the freight charges, Baht 8.5 million from gain on exchange rate, and Baht 4.7 million from the freight charges, and other revenues.



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The proportion of freight charges can be classified as follows:

For 2023 and 2022

Statement of Comprehensive Income	(Unit : Million Baht)					
	31.12.2023	%	31.12.2022	%	Increase / (Decrease)	%
Freight charges						
- Domestic	568.8	76.6	498.2	68.6	70.6	14.2
- International	156.7	21.1	219.4	30.2	(62.7)	(28.6)
Other freight charges	16.9	2.3	8.9	1.2	8.0	89.9
Total freight charges	742.4	100.0	726.5	100.0	15.9	2.2

For 2023, the total freight charges of the Company was Baht 742.4 million, an increase of Baht 15.9 million compared to 2022 or increased 2.2%.

This was caused by an increased in the domestic and a decreased of international freight charges, this was due to

- Domestic freight charges had increased 14.2% due to, mainly, in 2022 there was an increase of revenue from the newly acquired "V.L. 24".
- International freight charges had decreased 28.6% due to the number of vessels of the international fleet has decreased, as a result of the management had adjusted the strategy of fleet management for one vessel.

Cost of freight

For 2023, cost of freight of the Company was Baht 638.7 million, an increase of Baht 27.6 million compared to 2022 or increased 4.5% due to depreciation are increased from the acquisition of a new vessel.

The Information of average unit price of bunker cost which is considered as the mainly cost of operations as follows:

	(Unit : Baht per Liter)			
	2023	2022	Increase (Decrease)	%
Fuel oil price (average)	20.6	24.4	(3.8)	(15.6)
Diesel oil price (average)	28.6	31.2	(2.6)	(8.3)



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Gross profit

For 2023, gross profit of the Company was Baht 103.7 million or gross profit margin of 13.7% of total freight charges, a decrease of Baht 11.7 million compared to 2022 or decreased 10.1%. This was a result of the total cost of freight to increase.

Administrative expenses

For 2023, administrative expenses of the Company was Baht 26.2 million, a decrease of Baht 1.6 million compared to 2022 or decreased 5.8%

Finance cost

For 2023, finance cost of the Company was Baht 37.4 million, an increase of Baht 2.1 million compared to 2022 or increased 5.9% due to during 2023, the Company had withdrawn a new credit line from financial institutions, arising from the purchase of a new vessel.

Income tax expenses

For 2023, income tax expenses of the Company was Baht 5 million, an increase of Baht 1.5 million compared to 2022 or increased 42.9% due to the Company has the operating profit.

Income for the year

For 2023, income for the year of the Company was Baht 31 million, an increase of Baht 7.6 million compared to 2022 or increased 32.5% due to the increased of the freight charges and receiving payments from overdue debtors.



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2. Statement of financial position (abbreviated)

	31 December	31 December	Change		31 December	31 December	Change
	2023	2022			2023	2022	
	(Million Baht)		%		(Million Baht)		%
Current Assets				Non-interest bearing debt			
Cash and cash equivalents	123.0	193.1	(36.3)	Trade and other current payables	59.1	62.5	(5.4)
Trade and other current receivables	100.1	76.5	30.8	Purchase of fixed assets payable	3.2	14.0	(77.1)
Supplies and spare parts	24.7	26.9	(8.2)	Other liabilities	26.0	27.8	(6.5)
Other current financial assets	80.6	100.6	(19.9)	Total non-interest bearing debt	88.3	104.3	(15.3)
Other current assets	1.0	0.9	11.1	Interest-bearing debt			
Total Current Assets	329.4	398.0	(17.2)	Lease liabilities	13.6	15.1	(9.9)
Non-current Assets				Long-term loans	776.7	824.9	(5.8)
Vessels and equipment	1,556.3	1,467.2	6.1	Total interest bearing debt	790.3	840.0	(5.9)
Right-of-use assets	11.2	13.1	(14.5)	Total Liabilities	878.6	944.3	(7.0)
Other non-current assets	3.3	3.8	(13.2)	Total Shareholders' Equity	1,021.6	937.8	8.9
Total Non-current Assets	1,570.8	1,484.1	5.8				
Total Assets	1,900.2	1,882.1	1.0	Total Liabilities and Shareholders' Equity	1,900.2	1,882.1	1.0

Assets

As of 31 December 2023, the Company reported total assets of Baht 1,900.2 million, an increase of Baht 18.1 million compared to 31 December 2022 or increased 1.0% due to

- Decrease in cash and cash equivalents amounted to Baht 70.1 million because of the Company paid the payment of payable and payment for acquisition of a new vessel.
- Vessels and equipment has increased in the amount of Baht 89.1 million because of the Company purchase a new vessel and there is depreciation of vessel and equipment contained in the account.

Liabilities

As of 31 December 2023, the Company reported total liabilities of Baht 878.6 million, a decrease of Baht 65.7 million compared to 31 December 2022 or decreased 7% due to

- Decrease in the total non interest-bearing debt amounting to Baht 16 million, in caused of the payment of trade and other current payables, purchase of fixed assets payable.
- Decrease in the total interest-bearing debt amounting to Baht 49.7 million, in caused of the repayment of loans from financial institutions which is in accordance with the agreed contract.



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Shareholders' Equity

As of 31 December 2023, the Company reported total shareholders' equity of Baht 1,021.6 million, an increase of Baht 83.8 million compared to 31 December 2022 or increased 8.9% due to

- There was an income for the year 2023 amounting to Baht 31 million.
- In 2023, the Company had received the payments for common shares in the total amount of Baht 52.8 million from the exercise of warrants.

3. Significant financial ratio

	2023	2022
Current Ratio (Time)	1.26	1.63
Debt to Equity Ratio (Time)	0.86	1.01
Return of Assets (ROA) (%)	3.88	3.24
Return of Equity (ROE) (%)	3.16	2.55

Please be informed accordingly.

Sincerely Yours,

(Mrs. Chutipa Klinsuwan)

Chief Executive Officer