



Yong Concrete Public Company Limited

Management's Discussion and Analysis

Operating results for the year ended December 31, 2023

Operating results for the year ended December 31, 2023 compared with the same period of 2022 were reported as follows;

Unit: Thousand Baht

| Transaction | The consolidated statement of comprehensive income for the year ended December, 31 | | Change | |
|--|--|------------------|---------------------|--------------|
| | 2023 | 2022 | Increase (Decrease) | % |
| Revenue from sales | 887,166 | 844,107 | 43,059 | 5.10 |
| Revenue from services | 251,426 | 169,948 | 81,478 | 47.94 |
| Total revenue from sales and services | 1,138,592 | 1,014,055 | 124,537 | 12.28 |
| Cost of sales | 620,546 | 597,907 | 22,639 | 3.79 |
| Cost of services | 175,896 | 115,738 | 60,158 | 51.98 |
| Total cost of sales and services | 796,442 | 713,645 | 82,797 | 11.60 |
| Gross profit | 342,150 | 300,410 | 41,740 | 13.89 |
| Other income | 11,535 | 16,145 | (4,610) | (28.55) |
| Distribution costs and Administrative expenses | 183,753 | 180,411 | 3,342 | 1.85 |
| Financial cost | 10,778 | 14,250 | (3,472) | (24.36) |
| Income tax expenses | 32,012 | 20,914 | 11,098 | 53.06 |
| Net income for the period | 127,142 | 100,980 | 26,162 | 25.91 |
| Net comprehensive income for the period | 127,142 | 100,980 | 26,162 | 25.91 |
| Earnings per share (EPS) (Baht) | 0.19* | 0.17* | 0.02 | |

*Weighted average number of ordinary shares outstanding for the year ended 31 December 2023 amounting to Share 680,000 thousand (31 December 2022: Share 578,411 thousand).

Discussion and Analysis of operating results:

➤ **Total revenue from sales and services**

Total revenue from sales and services for year ended December 31, 2023 was Baht 1,138.59 million which increased by Baht 124.54 million or 12.28% 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 796.44 million for year ended December 31, 2023 which increased by Baht 82.80 million or 11.60% 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 342.15 million for year ended December 31, 2023 which increased by Baht 41.74 million or 13.89% compared with the same period of 2022.

➤ **Distribution costs and Administrative expenses**

Distribution costs and Administrative expenses was Baht 183.75 million for year ended December 31, 2023 which increased by Baht 3.34 million or 1.85% 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 10.78 million for year ended December 31, 2023 which decreased by Baht 3.47 million or 24.36% compared with the same period of 2022. It derived from the repayment of loans regarding to the fund-raising objective in IPO and repayment of lease liabilities.

➤ **Net income**

The Company had net profit for year ended December 31, 2023 and 2022 for Baht 127.14 million and Baht 100.98 million, respectively. It was increased by 26.16 million or 25.91%.

Discussion and Analysis of financial position:

➤ **Total assets**

Total assets were Baht 1,298 million as at December 31, 2023. There was a decrease in total assets by Baht 35 million or 2.63% compared with as at December 31, 2022. They derived from the decrease in cash and cash equivalents in the amount of Baht 103 million, and the increase in plant and equipment in the amount of Baht 67 million.

➤ **Total liabilities**

Total liabilities were Baht 388 million as at December 31, 2023. There was a decrease in total liabilities by Baht 109 million or 21.99% compared with as at December 31, 2022. They derived from the decrease in interest-bearing liabilities in the amount of Baht 153 million, and the increase in trade and other payables in the amount of Baht 28 million, the increase in contract liabilities in the amount of Baht 10 million, the increase in Income tax payable in the amount of Baht 4 million.



➤ **Total equity**

Total equity was Baht 910 million as at December 31, 2023. There was an increase in total equity by Baht 74 million or 8.89% compared with as at December 31, 2022. Due to the increase in net income for the year ended December 31, 2023 in the amount of Baht 127 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 220.82 million and cash flows used in investment activities were Baht 80.31 million. They occur from the acquisition of property, and equipment in the amount of Baht 111.74 million, and a decrease in restricted deposit at financial institution in the amount of Baht 26.99 million. Cash flows use in financing activities were Baht 243.33 million. They occur from the repayment of long-term borrowings from financial institutions in the amount of Baht 121.39 million, the payment of lease liabilities in the amount of Baht 38.05 million and dividend paid in the amount of Baht 54.36 million. As a result, cash and cash equivalents as at December 31, 2023 was Baht 51.04 million.

Please be informed accordingly.

Yours sincerely,

(Mr. Sunpetch Slisatakorn)

Chief Executive Officer