

## Translation

### **Re: MANAGEMENT'S DISCUSSION AND ANALYSIS FOR DECEMBER 31, 2023**

The Company wishes to explain the reasons contributing to the increase of loss on financial statement as of December 31, 2023, comparing to the previous year, the details are as follows:

#### Results of Operations

##### **Revenues from construction work**

In 2023, the Company's revenues from construction work were Baht 56,936 million, a decrease of Baht 2,719 million from the same period of previous year due to the decrease in revenues from construction work of nearly completed projects, such as the double-track railway Map Kabao - Chira junction, contract 3, railway tunnel work project, the Chulabhorn hospital building project, the MRT Orange Line project and the adjustments of revenues from construction work due to the costs of providing certain construction work had not yet been delivered to customers. As a result, they could not be recognized as revenues from construction services. and adjust such costs as costs to fulfil a contract such as temporary structure costs, foundation structure costs, utilities-environmental management costs, site preparation costs, etc.

##### **Revenues from sales and services**

In 2023, the Company's revenues from sales and services were Baht 6,806 million, a decrease of Baht 986 million from the same period of previous year mainly from the decrease of revenues in mining projects.

##### **Costs of construction work**

In 2023, the Company's costs of construction work were Baht 52,903 million, a decrease of Baht 5,052 million from the same period of previous year because the decrease of costs of construction work of nearly completed projects and the adjustments of certain costs of construction work to costs to fulfil a contract asset.

##### **Costs of sales and services**

In 2023, the Company's costs of sales and services were Baht 6,850 million, an increase of Baht 57 million from the same period of previous year partially because some subsidiaries had provided more sales and services, therefore increasing costs.

##### **Gross profit**

In 2023, the Company's gross profit was Baht 3,989 million, an increase from the same period of previous year for which the gross profit was Baht 2,699 million. While the Company's gross profit margin in 2023 was 6.26%, an increase from the same period of previous year for which the gross profit margin was 4.00% mainly from the increase of profit in subsidiaries and the decrease of loss in overseas construction services.

##### **Dividend income and share profit from joint ventures**

In 2023, the Company's dividend income and share profit from joint ventures were Baht 3 million, a decrease of Baht 3 million from the same period of previous year.

### **Interest income**

In 2023, the Company's interest income was Baht 224 million, an increase of Baht 78 million from the same period of previous year which mainly from interest income of an oversea subsidiary and branch.

### **Gain on revaluation of investment property**

In 2023, the Company has no gain on revaluation of investment property, a decrease from the same period of previous year which gain Baht 184 million.

### **Gain on disposal of fixed assets**

In 2023, the Company's gain on disposal of fixed assets were Baht 2,249 million, an increase of Baht 2,249 million from the same period of previous year which mainly from the gain on sale of non-operating assets.

### **Gain on hedging instruments**

In 2023, the Company has no gain on hedging instruments, a decrease from the same period of previous year which gain Baht 28 million

### **Other income**

In 2023, the Company's other income was Baht 561 million, an increase of Baht 91 million from the same period of previous year mainly from the increase of consult fee, management fee and as well as the increase of other income in joint ventures and subsidiaries.

### **Selling expenses**

In 2023, the Company's selling expenses were Baht 42 million, an increase of Baht 5 million from the same period of previous year mainly from the sale promotion of subsidiaries.

### **Administrative expenses**

In 2023, the Company's administrative expenses were Baht 3,124 million, a decrease of Baht 252 million from the same period of previous year because of the decrease of loss on sales of non-operating assets from previous year.

### **Allowance for impairment losses**

In 2023, the Company's allowance for impairment losses were Baht 117 million, an increase of loss Baht 49 million from the same period of previous year mainly from the increase of allowance for impairment losses of oversea subsidiary.

### **Loss from disposal of investment**

In 2023, the Company had no loss from disposal of investment, a decrease of loss Baht 1 million from the same period of previous.

### **Loss on disposal of investment property**

In 2023, the Company's loss on disposal of investment property was Baht 65 million, an increase of loss Baht 65 million from the same period of previous year mainly from the non-operating assets of subsidiaries.

### **Loss on fair value measurement of investment property**

In 2023, the Company's loss on fair value measurement of investment property was Baht 53 million, an increase of loss Baht 53 million from the same period of previous year mainly from the decrease of expected return from investment property.

### **Loss on exchange rate**

In 2023, the Company's loss on exchange rate was Baht 103 million, a decrease of loss Baht 80 million from the same period of previous year partially from the appreciation of THB in foreign assets.

### **Loss on fair value measurement of derivatives**

In 2023, the Company's loss on fair value measurement of derivatives was Baht 0.05 million, a decrease of loss Baht 12 million from the same period of previous year.

### **Share of loss from investments in associated joint control companies and joint ventures**

In 2023, the Company's share of loss from investments in associated and joint control companies and joint ventures was Baht 270 million, a decrease in share of loss Baht 858 million from the same period of previous year mainly from the share of loss in a joint control company according to the unrealized loss on exchange rate of its foreign liabilities.

### **Financial costs**

In 2023, the Company's financial costs were Baht 2,990 million, an increase of Baht 484 million from the same period of previous year partially from the increase of interest rate and increase of long-term loans.

### **Income tax expense**

In 2023, the Company's income tax expense was Baht 684 million, an increase of Baht 14 million from the same period of previous year mainly from the decrease of the income tax in the oversea subsidiaries.

### **Loss for the year attributable to shareholders of the Company**

As a result of the foregoing, in 2023, the Company's loss for the year attributable to shareholders of the company was Baht 1,072 million, a decrease of loss Baht 3,686 million from the same period of previous year.