

BKK.MD. 010/2024

Head Office

May 14, 2024

Subject : Management Discussion and Analysis of first quarter of 2024

To : The Director and Manager  
The Stock Exchange of Thailand**Analysis of company performance of first quarter in 2024**

Southern Concrete Pile Public Company Limited (the company hereafter) performance in the first quarter of 2024 compared to the first quarter of the previous year was as follows:

Thousand Baht	YEAR				YoY	
	Q1/2024	%	Q1/2023	%	+ / -	%
Revenue						
Revenue from sales	416,458	73.28%	285,141	73.30%	131,317	46.05%
Revenue from rendering of services	151,847	26.72%	103,871	26.70%	47,976	46.19%
Total Revenue	568,305	98.72%	389,012	99.46%	179,293	46.09%
Other income	7,373	1.28%	2,120	0.54%	5,253	247.78%
Total Revenue	575,678	100.00%	391,132	100.00%	184,546	47.18%
Cost						
Cost of sales	311,119	74.71%	224,810	78.84%		(4.13%)
Cost of services	109,525	72.13%	96,675	93.07%		(20.94%)
Total Cost of sales and rendering of services	420,644	74.02%	321,485	82.64%		(8.62%)
Gross Profit	147,661	25.98%	67,527	17.36%		8.62%
Selling and administrative expenses	46,978	8.16%	44,225	11.31%		(3.15%)
Profit before interest & tax	108,056	18.77%	25,422	6.50%		12.27%
Finance costs	816	0.14%	581	0.15%		(0.01%)
Income tax	21,228	3.69%	4,673	1.19%		
Net profit for the period	86,012	14.94%	20,168	5.16%		
EBITDA	120,971		39,791			
Basic earnings per share (Baht)	0.30		0.07			

## **Significant Event**

### **Dividend Payout**

On 26 April 2024, the Annual Ordinary Shareholder meeting of 2024 passed resolution to approval dividend for the 2023 performance, the rate of Baht 0.35 per share amount of Baht 98.81 million. The dividend payment is scheduled on May 24, 2024.

### **Overall performance**

The company's revenue in the first quarter increased to 575.678 million Baht (increased by 47.18% YoY), which consisted of sales and service revenue 568.305 million Baht and other income 7.373 million Baht.

The costs of goods sold of sale and services increased to 420.644 million Baht. The selling and administrative expense increased to 46.978 million Baht. Therefore, the company's gross profit increased to 147.661 million Baht and the net profit was 86.012 million Baht and earnings per share of 0.30 Baht.

### **Total income of first quarter in 2024**

The company had the total income of 568.305 million Baht increased by 46.09% YoY. The total income consisted of income from sales of 416.458 million Baht, increased by 46.05% YoY, income from service of 151.847 million Baht, increased by 46.19% YoY. The increasing income in this quarter is the result of the continuous work from the 4 quarter of 2023 and the auction of private and government projects in the 1 quarter of 2024. The company had the other incomes of 7.373 million Baht, increased by 247.78% YoY. The other incomes consisted of interest income, bad debt recovery and reduction in unrealized gain from changing in value of other current financial assets.

### **Cost and Expenses**

The total cost of goods sold and services of the first quarter was at 420.644 million Baht, the cost of goods sold to the income percentage was at 74.02% decrease 8.62% YoY. The cost of goods sold in sales was 311.119 million Baht, the cost of goods sold to the income percentage decrease 4.13% YoY. The cost of goods sold in service was 109.525 million Baht, the cost of goods sold to the income percentage decreased 20.94% YoY. The decreasing in cost of goods sold was mainly from the increasing in total revenue and the decreasing in the raw material price. Therefore, the company's gross profit increased to 147.661 million Baht or 25.98% of revenue and increased by 8.62%.

The selling and administrative expenses in the first quarter increased to 46.978 million Baht, the expense to the income percentage decreased by 3.15% YoY. The decrease in administrative expense was a result of increase in total income and no expected credit losses in Q1/2024.

### **Profit**

According to the above performance, the company had the net profit (after deduction of income tax) of 86.012 million Baht or 14.94% of revenue, earnings per share of 0.30 Baht, EBITDA increased to 120.971 million Baht. Therefore, the shareholders' equity increased to 2,231.042 million Baht and unallocated of 1,927.850 million Baht.

### Statements of Financial Position

As of 31 March 2024, the company had the total asset of 2,686.386 million Baht increased by 180.391 million Baht partially from the increase of current assets of 163.092 million Baht and increase in non-current asset of 163.092 million Baht. The increase of current assets was from of cash and cash equivalents of 93.568 million Baht, trade accounts receivable and other current receivable of 78.254 million Baht. The decrease was from inventory of 14.010 million Baht. The non-current assets increase is from the fixed assets for 17.856 million Baht while the decreasing in right-of-use asset for 1.311 million Baht.

The total liabilities increased 94.379 million Baht to 455.344 million Baht. This was mainly from the current liabilities of 82.997 million Baht and non-current liabilities of 11.382 million Baht. The increase was from the trade account payable and other current payable of 58.932 million Baht was mainly from the total revenue from sales and rendering of services. Accrued income tax increased by 20.266 million Baht and lease liabilities increase by 13.848 million Baht, because of the investment in fixed asset.

### Statements of Cash Flows

As of March 31, 2024, the company had cash and cash equivalents decreased to 617.917 million Baht compared to the same quarter in the previous year was at 732.376 million Baht. The net cash as of January 1, 2024 was at 523.349 million Baht plus the cash from operation of 109.335 million Baht, deducted the investment in investing activities of 13.485 million Baht which was the investing in fixed asset (mould and vehicles) for 13.787 million Baht and the deduction the in financing activities for 2.282 million Baht.

### Financial Ratio

Financial Ratio	Q1/2024	Q1/2023
Current Ratio (times)	5.46	6.44
Cash Cycle (Day)	81.83	121.79
Return on Equity (%) (ROE)	15.44	3.88
Return on Assets (%) (ROA)	12.80	3.32
Debt to Equity (times) (D/E Ratio)	0.20	0.17

From the above ratio, the company still has a good ability to pay its short-term debt. The ROE, ROA and D/E ratio considered in the good condition compared to the other companies in the same industry.

Yours Sincerely,

(Ms.Arune Nganthavee)

Managing Director