



No.FTE 002/2024

14 May 2024

Subject Management Discussion and Analysis for the three - month period ended 31 March 2024

Attention The President of
The Stock Exchange of Thailand

Attachment Report and interim financial statement for the three – month period ended 31 March 2024

Firetrade Engineering Public Company Limited (“the Company”) would like to report the operating result according to the Company’s consolidated financial statement of the Company and its subsidiary for the three –month period ended 31 March 2024 which the details are as follows:

Unit: million Baht	For the three – month period ended March 31			
	2024	2023	Change	% Increase (Decrease)
Revenues from sales of goods	180.15	191.21	(11.06)	(5.78)
Revenues from project works and services	111.30	93.63	17.67	18.87
Total Revenues from Sales and Services	291.45	284.84	6.61	2.32
Cost of sales of goods	128.93	138.07	(9.14)	(6.62)
Cost of project works and services	88.18	73.07	15.11	20.68
Total Costs of Sales and Services	217.11	211.14	5.97	2.83
Gross Profit	74.34	73.70	0.64	0.87
Other income	0.53	3.50	(2.97)	(84.86)
Distribution costs	20.40	19.23	1.17	6.08
Administrative expenses	25.28	18.49	6.79	36.72
Finance costs	1.27	1.03	0.24	23.30
expected credit losses (reversal)	1.32	(1.81)	3.13	172.93
Tax expense	5.47	8.11	(2.64)	(32.55)
Profit for the period	21.13	32.15	(11.02)	(34.28)
Gross Profit Margin (%)	25.51	25.87		
Net Profit Margin (%)	7.24	11.15		

Remark: 1) Net profit margin is calculated from the net profit attributable to equity holders of the parent on consolidated financial statement.
2) Decimal numbers shown in this management discussion and analysis are likely to be different from the Company’s financial statement due to the rounding to 2-digit decimal and unit changed to million baht.



Revenues from Sales and Services

For the three-month period ended 31 March 2024, the Company's revenues from sales and services was THB 291.45 million, increased by THB 6.61 million or 2.23% compared to the same period of the last year.

Revenue from projects and services has increased, partially due to the increased volume of project, including higher success rates during the revenue recognition period, compared to the same period of the last year.

Revenue from sales decreased due to increased competition including the delivery of products to customers has slowed down. This is because the customer ordered items to stock on the site at the end of last year. However, the company has a backlog of orders which are expected to be delivered within this year.

Gross Profit and Gross Profit Margin

For the three-month period ended 31 March 2024, the Company's gross profit was THB 74.34 million or 25.51%. Gross profit was increased by THB 0.64 million, or 0.87% due to higher sales.

Other income

For the three-month period ended 31 March 2024, the Company's other income were THB 0.53 million, decreased by THB 2.97 million or 84.86%. Most of the decrease is attributed to changes in foreign exchange profit.

Distribution Costs and Administrative Expenses

For the three-month period ended 31 March 2024, the Company's distribution costs and administrative expenses were THB 45.68 million, increased by THB 7.96 million or 21.10%.

Most of which increased from expenses that vary as sales increase, such as transportation costs and commissions, fixed expenses related to employees and foreign exchange losses.

Finance costs

For the three-month period ended 31 March 2024, the Company's finance costs was THB 1.27 million, increased by THB 0.24 million or 23.30% compared to the same period of last year.

The financial costs mentioned arise from liabilities under lease agreements as per Thai Financial Reporting Standards No. 16, Leases.

Expected credit losses

For the three-month period ended 31 March 2024, the Company had expected credit losses of THB 1.32 million, increased by THB 3.13 million or 172.93% compared to the same period of last year. Expected credit losses are increasing, the reason is that some debtors are facing liquidity issues. It is expected that the payment will be made gradually in the next quarter. However, the company has expedited the management of debtor tracking, as well as increase the process of evaluation the credit limit of customers.



- Valve, Fire Hose, Fire Extinguisher Equipment, Automatic Sprinkler Equipment
- Water Base System, Foam System, Gaseous System, Dry Chemical System
- Fire Suppression - Detection & Fire Alarm System

Net Profit and Net Profit Margin

For the three-month period ended 31 March 2024, the company had a net profit of THB 21.13 million, or a net profit margin of 7.24%, net profit decreased by THB 11.02 million, or 34.28%. Net profit and net profit margin decreased compared to the same period of last year as the reasons mentioned above.

Please be informed accordingly,

Yours sincerely,

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(Mr. Taksin Tantipijit)

Chief Executive Officer

Firetrade Engineering Public Company Limited