

## TRANSLATION

### TTCL PUBLIC COMPANY LIMITED

### MANAGEMENT DISCUSSION AND ANALYSIS

#### 1. Operating Performance for the period ended September 30, 2024

For period ending 30 September 2024, the Company reported Gross Profit at THB 658 million, decreasing 21% year over year. The decrease was mainly due to unexpected costs related to 2 domestic projects, which resulted in significant drop in Gross Profit.

The net profit for the period was THB 155 million, which attributed to the Company at THB 151 million with earnings profit of THB 0.24 per share.

#### 2. Management Discussion and Analysis Report according to consolidated financial statements

For the Nine-month period ended

(Unit: Million Baht)

	30-Sep-24		30-Sep-23		Change
Revenues from construction and service	14,993.30	100%	12,264.14	100%	22%
Revenues from operating the power plant	45.67	0%	43.06	0%	6%
Revenue from sale	7.25	0%	1.37	0%	431%
<b>Total revenues</b>	<b>15,046.22</b>	<b>100%</b>	<b>12,308.56</b>	<b>100%</b>	<b>22%</b>
<u>Less</u> Cost of construction and services (EPC)	(14,359.16)	95%	(11,467.55)	93%	25%
<u>Less</u> Cost of operating the power plant	(6.17)	0%	(8.28)	0%	-25%
<u>Less</u> Costs of goods sold	(23.03)	0%	(1.53)	0%	1407%
<b>Total Costs</b>	<b>(14,388.36)</b>	<b>96%</b>	<b>(11,477.35)</b>	<b>93%</b>	<b>25%</b>
<b>Gross profit</b>	<b>657.86</b>	<b>4%</b>	<b>831.21</b>	<b>7%</b>	<b>-21%</b>
<u>Add</u> Other income	102.63	1%	77.43	1%	33%
<u>Less</u> Administrative Expenses	(522.08)	3%	(509.62)	4%	2%
<u>Add/(Less)</u> Gain (Loss) on exchange rate, net	(14.41)	0%	87.27	1%	-117%
<u>Less</u> Loss from change in fair value	0.00	0%	(72.14)	1%	-100%
<u>Add</u> Share of Profit / (Loss) of Joint venture	115.05	1%	112.35	1%	2%
<b>Profit before Financial Cost and Income Tax</b>	<b>339.04</b>	<b>2%</b>	<b>526.49</b>	<b>4%</b>	<b>-36%</b>
<u>Less</u> Financial Costs	(146.13)	1%	(154.11)	1%	-5%
<b>Profit before Income Tax</b>	<b>192.92</b>	<b>1%</b>	<b>372.39</b>	<b>3%</b>	<b>-48%</b>
Income tax benefit (expenses)	(38.27)	0%	(44.09)	0%	13%
<b>Net Profit for this period</b>	<b>154.64</b>	<b>1%</b>	<b>328.30</b>	<b>3%</b>	<b>-53%</b>

Other comprehensive income (loss)					
- <u>Add</u> Translation adjustments on foreign currency financial statements	(60.76)	0%	83.75	1%	-173%
<b>Total comprehensive income for the period</b>	<b>93.88</b>	<b>1%</b>	<b>412.05</b>	<b>3%</b>	<b>-77%</b>
Profit attributable to:					
Owners of the parent	150.79		328.16		
Non-controlling interests	3.85		0.14		
	<b>154.65</b>		<b>328.30</b>		
<b>Basic earnings per share (THB)</b>	<b>0.24</b>		<b>0.53</b>		

## 2.1 Analysis of Revenues, Costs and Expenses

### 2.1.1 Revenues

Total Revenues recorded at THB 15,046 million, increased 22% when compare to the same period last year.

Revenues	30-Sep-24	30-Sep-23	Change
Revenue from construction and service	14,993.30	12,264.14	22%
Revenue from operation power plant	45.67	43.06	6%
Revenue from sales	7.25	1.37	431%
<b>Total Revenues</b>	<b>15,046.22</b>	<b>12,308.56</b>	<b>22%</b>

- EPC Businesses

Revenue from construction and service (EPC) increased by 22% to THB 14,993 million, which improved from last year due to the company had been awarded many new EPC contracts in 2022 and 2023.

- Power Plant Businesses

Revenue from the operation and maintenance of power plant increased by 6% to THB 46 million.

- Bio Pellets Businesses

Revenue from the sale of product of THB 7 million mainly due to the Company has started selling the sample product from the Black Pellet Demonstration Plant to the potential customers.

## 2.1.2 Costs & Gross Profit

### **Gross Profit Comparison**

<b>30-Sep-24</b>	<b>Revenue</b>	<b>Cost</b>	<b>Gross profit</b>
EPC construction	14,993.30	(14,359.16)	634.14
Operation and maintenance of power Plant	45.67	(6.17)	39.50
Sale of goods	7.25	(23.03)	(15.78)
<b>Total</b>	<b>15,046.22</b>	<b>(14,388.36)</b>	<b>657.86</b>

Gross Profit consists of THB 634 million from construction and service (EPC), THB 40 million from operation and maintenance of power plant, and THB -16 million from sale of goods (Black Pellet). The negative gross profit of sales of goods was due to the selling of sample pellet from Demonstration Plant for the marketing purpose.

The overall Gross Profit margin for the period was 4%, decreasing from 7% during the same period last year, mainly due to the increase in price of construction material and core equipment, as well as, unexpected costs related to 2 domestic projects.

## 2.1.3 Other Income / Loss on Exchange Rate

- Other Income increased by 33% to THB 103 million mainly from an interest income from cash deposit at banks.
- Loss on Exchange Rate was THB 14 million mainly due to an unrealized loss on cash and cash equivalents due to the appreciation of THB against the USD.

## 2.1.4 Administrative Expenses

Administration Expenses slightly increased 2% to THB 522 million, which was in line with the same period last year.

## 2.1.5 Share of Profit of Joint Venture

Share of Profit of Joint Venture from the investment in TTGP slightly increased by 2% to THB 115 million, which was in line with the same period last year.

## 2.1.6 Finance Cost and Income Tax

Finance cost for the period decreased by 5% to THB 146 million. Income tax expenses for the period was recorded at THB 38 million.

### 3. Analysis of Financial Status

#### 3.1 Analysis of Assets

Figures in THB Million	30-Sep-24	31-Dec-23	Increase/(Decrease)	% Change
Current assets	16,342.38	13,467.76	2,874.62	21.34%
Non-current assets	5,082.46	5,432.77	(350.31)	(6.45%)
<b>Total assets</b>	<b>21,424.84</b>	<b>18,900.53</b>	<b>2,524.31</b>	<b>13.36%</b>

As of 30 September 2024, Total Assets were THB 21,425 million, increased by 13% compared with the end of last year.

Total Current Assets increased by THB 2,875 million or 21%; major movement as the following items:

- Cash and cash equivalents increased by THB 278 million.
- Trade accounts receivable – general customers increased by THB 596 million due to invoice billing to the project owners mainly from domestic projects.
- Contract assets - general customers increased by THB 1,897 million driven by progress in large construction projects.
- Withholding income tax increased by THB 311 million.

Total Non-Current Assets decreased by THB 350 million or 6%; major movement as the following items:

- The decreasing of Financial assets measured at fair value through profit or loss of THB 435 million from the last year.
- Property, plant and equipment increased by THB 155 million from the investment in Black Pellet business.
- Retention from EPC projects, held by Owners according to EPC contracts increased by THB 129 million.

#### 3.2 Analysis of Liabilities and Shareholders' Equity

Figures in THB Million	30-Sep-24	31-Dec-23	Increase/(Decrease)	% Change
Current Liabilities	15,515.27	14,492.24	1,023.03	7.06%
Non-Current Liabilities	2,589.05	1,120.05	1,468.99	131.15%
<b>Total Liabilities</b>	<b>18,104.32</b>	<b>15,612.29</b>	<b>2,492.03</b>	<b>15.96%</b>
Shareholders' equity	3,320.52	3,288.24	32.28	0.98%
<b>Total Liabilities and shareholders' equity</b>	<b>21,424.84</b>	<b>18,900.53</b>	<b>2,524.31</b>	<b>13.36%</b>

As of 30 September 2024, Total Liabilities were THB 18,104 million, increased by 16% compared with the end of last year.

Total Current Liabilities increased by THB 1,023 million or 7%; major movement as the following items:

- Trade accounts payable – general suppliers increased by THB 970 million.
- Accrued construction costs – general suppliers increased by THB 2,263 million due to the large projects have progress in the construction.
- Advance received from customers under construction contract – general suppliers and contract liabilities decreased by THB 217 million and THB 524 million respectively due to the progress of work delivered to the customers.
- Current portion of debentures decreased by THB 1,137 million due to redemption the debentures of THB 1,500 million and re-classify of the period of debenture of THB 355 million.
- Short term loans from financial institution decreased by THB 124 million due to trust receipts were due.

Total Non-Current Liabilities increased by THB 1,469 million or 131% mainly from re-classification of the period of debenture of THB 355 million to the current portion and the issuance of debenture of THB 1,849 million during the period.

Shareholder's equity was THB 3,321 million or increased by 1%. The Shareholders' Equity Opening balance as of the beginning of the year was THB 3,288 million, effect from change in equity of the period consists of 1) Dividend payment of THB -61 million 2) Profit for the period of THB 155 million 3) Other comprehensive income of THB -61 million. Therefore, the Closing Balance of Shareholders' Equity as of 30 September 2024 were THB 3,321 million.

#### **4. Major Financial Measures**

<b>4.1. Profitability Ratios</b>	<b>30-Sep-24</b>	<b>30-Sep-23</b>	<b>Favorable/Unfavorable</b>
4.1.1. Gross profit margin	4.37%	6.75%	Unfavorable
4.1.2. Net profit margin	1.03%	2.67%	Unfavorable
4.1.3. Times Interest Earned ratio	2.32	3.42	Unfavorable
4.1.4. Earnings per share	0.24	0.53	Unfavorable

<b>4.2. Leverage Ratios</b>	<b>30-Sep-24</b>	<b>31-Dec-23</b>	<b>Favorable/Unfavorable</b>
4.2.1. Current ratio	1.05	0.93	Favorable
4.2.2. Debt/Equity ratio	5.45	4.75	Unfavorable
4.2.3. Interest-Bearing Debt/Equity ratio	1.12	1.07	Neutral

<b>4.3. Shareholders Value Ratios</b>	<b>30-Sep-24</b>	<b>31-Dec-23</b>	<b>Favorable/Unfavorable</b>
4.3.1. Net Book Value	5.39	5.34	Neutral
4.3.2. Return on total assets	0.72%	2.00%	Unfavorable
4.3.3. Return on equity	4.66%	11.48%	Unfavorable