

TRANSLATION

TTCL PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

1. Operating Performance for the period ended March 31, 2024

For period ending 31 March 2024, the Company reported Gross Profit at THB 264 million, increasing 4% year over year, mainly driven by Revenue from construction and services (EPC).

The net profit for the period was THB 118 million, which attributed to the Company at THB 116 million with earnings profit of THB 0.19 per share.

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

For the Three-month period ended

(Unit: Million Baht)

	31-Mar-24		31-Mar-23		Change
Revenues from construction and service	4,946.73	100%	3,841.48	100%	29%
Revenues from operating the power plant	15.12	0%	13.80	0%	10%
Revenue from sale	6.47	0%	1.14	0%	467%
Total revenues	4,968.32	100%	3,856.42	100%	29%
<u>Less</u> Cost of construction and services (EPC)	(4,685.85)	94%	(3,598.87)	93%	30%
<u>Less</u> Cost of operating the power plant	(2.12)	0%	(2.41)	0%	-12%
<u>Less</u> Costs of goods sold	(16.20)	0%	(1.39)	0%	1,068%
Total Costs	(4,704.16)	95%	(3,602.66)	93%	31%
Gross profit	264.15	5%	253.76	7%	4%
<u>Add</u> Other income	29.03	1%	24.23	1%	20%
<u>Less</u> Administrative Expenses	(165.85)	3%	(161.84)	4%	2%
<u>Add/(Less)</u> Gain (Loss) on exchange rate, net	(9.42)	0%	27.66	1%	-134%
<u>Add</u> Share of Profit / (Loss) of Joint venture	58.25	1%	47.74	1%	22%
Profit before Financial Cost and Income Tax	176.16	4%	191.55	5%	-8%
<u>Less</u> Financial Costs	(49.06)	1%	(41.15)	1%	19%
Profit before Income Tax	127.10	3%	150.40	4%	-15%
Income tax benefit (expenses)	(9.10)	0%	(19.03)	0%	-52%
Net Profit for this period	118.01	2%	131.37	3%	-10%

Other comprehensive income (loss)					
- <u>Add/Less</u> Translation adjustments on foreign currency financial statements	364.04	7%	(91.88)	2%	496%
Total comprehensive income for the period	482.05	10%	39.49	1%	1,121%
Profit attributable to:					
Owners of the parent	115.95		129.51		
Non-controlling interests	2.06		1.86		
	118.01		131.37		
Basic earnings per share (THB)	0.19		0.21		

2.1 Analysis of Revenues, Costs and Expenses

2.1.1 Revenues

Total Revenues recorded at THB 4,968 million, increased 29% when compare to the same period last year.

Revenues	31-Mar-24	31-Mar-23	Change
Revenue from Construction and	4,946.73	3,841.48	29%
Revenue from operation power	15.12	13.80	10%
Revenue from sales	6.47	1.14	467%
Total Revenues	4,968.32	3,856.42	29%

- EPC Businesses

Revenue from construction and service (EPC) increased by 29% to THB 4,947 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 10% to THB 15 million.

- Bio Pellets Businesses

Revenue from the sale of product of THB 6 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

31-Mar-24	Revenue	Cost	Gross profit
EPC construction	4,946.73	(4,685.85)	260.88
Operation of Power Plant	15.12	(2.12)	13.00
Sale of goods	6.47	(16.20)	(9.73)
Total	4,968.32	(4,704.16)	264.15

Gross Profit consists of THB 261 million from construction and service (EPC), THB 13 million from operation and maintenance of power plant, and THB -10 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 5%, decreasing from 7% during the same period last year, mainly due to the increase in price of raw material and core equipment.

2.1.3 Other Income / Loss on Exchange Rate

- Other Income increased by 20% to THB 29 million mainly from an interest income from cash deposit at banks.
- Loss on Exchange Rate was THB 9 million mainly due to an unrealized loss on trade accounts payable due to weaker THB against USD.

2.1.4 Administrative Expenses

Administration Expenses slightly increased 2% to THB 166 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 increased by 22% to THB 58 million as the power plant in Myanmar was operating at its full capacity.

2.1.6 Finance Cost and Income Tax

Finance cost for the period increased by 19% to THB 49 million due to the issuance of debenture of THB 849 million in Q1 2024. Income tax expenses for the period was recorded at THB 9 million.

3. Analysis of Financial Status

3.1 Analysis of Assets

Figures in THB Million	31-Mar-24	31-Dec-23	Increase/(Decrease)	% Change
Current assets	15,189.95	13,467.76	1,722.19	12.79%
Non-current assets	5,228.89	5,432.77	(203.88)	(3.75%)
Total assets	20,418.84	18,900.53	1,518.31	8.03%

As of 31 March 2024, Total Assets were THB 20,419 million, increased by 8% compared with the end of last year.

Total Current Assets increased by THB 1,722 million or 13%; major movement as the following items:

- Trade accounts receivable – general customers increased by THB 570 million due to invoice billing to the project owners mainly from domestic projects.
- Contract assets - general customers increased by THB 1,112 million driven by progress in large construction projects.

Total Non-Current Assets decreased by THB 204 million or 4%; major movement as the following items:

- Fixed deposit at bank of TVC, a subsidiary of the Company decreased by THB 435 million.
- Property, plant and equipment increased by THB 103 million from the investment in Black Pellet business.

3.2 Analysis of Liabilities and Shareholders' Equity

Figures in THB Million	31-Mar-24	31-Dec-23	Increase/(Decrease)	% Change
Current Liabilities	14,682.93	14,492.24	190.69	1.32%
Non-Current Liabilities	1,965.63	1,120.05	845.57	75.49%
Total Liabilities	16,648.56	15,612.29	1,036.26	6.64%
Shareholders' equity	3,770.29	3,288.24	482.05	14.66%
Total Liabilities and shareholders' equity	20,418.84	18,900.53	1,518.31	8.03%

As of 31 March 2024, Total Liabilities were THB 16,649 million, increased by 7% compared with the end of last year.

Total Current Liabilities slightly increased by THB 191 million or 1%; major movement as the following items:

- Trade accounts payable – general suppliers decreased by THB 1,058 million.
- Accrued construction costs – general suppliers increased by THB 1,163 million due to the large projects have progress in the construction.

Total Non-Current Liabilities increased by THB 846 million or 76% mainly from the issuance of debenture of THB 849 million in Q1 2024.

Shareholder's equity was THB 3,770 million or increased by 15%. The Shareholders' Equity Opening balance as of the beginning of the year was THB 3,288 million, effect from change in equity of other comprehensive income for the period of THB 482 million. Therefore, the Closing Balance of Shareholders' Equity as of 31 March 2024 were THB 3,770 million.

4. Major Financial Measures

4.1. Profitability Ratios	31-Mar-24	31-Mar-23	Favorable/Unfavorable
4.1.1. Gross profit margin	5.32%	6.58%	Unfavorable
4.1.2. Net profit margin	2.38%	3.41%	Unfavorable
4.1.3. Times Interest Earned ratio	3.59	4.66	Unfavorable
4.1.4. Earnings per share	0.19	0.21	Unfavorable

4.2. Leverage Ratios	31-Mar-24	31-Dec-23	Favorable/Unfavorable
4.2.1. Current ratio	1.03	0.93	Favorable
4.2.2. Debt/Equity ratio	4.42	4.75	Favorable
4.2.3. Interest-Bearing Debt/Equity ratio	1.12	1.07	Neutral

4.3. Shareholders Value Ratios	31-Mar-24	31-Dec-23	Favorable/Unfavorable
4.3.1. Net Book Value	6.12	5.34	Favorable
4.3.2. Return on total assets	0.58%	2.00%	Unfavorable
4.3.3. Return on equity	3.13%	11.48%	Unfavorable