

IR.004/2022

23 February 2022

Re: Notification of the changes of the Profit and Loss Statement

To: President

Stock Exchange of Thailand

We, PSG Corporation Public Company Limited (the “Company”) would like to notify the Stock Exchange of Thailand regarding the business operation for the year 2021 ended 31 December 2021 as follows;

Outline of Business operation

The COVID-19 pandemic has continued throughout 2021, the situation of the outbreak of COVID-19 continues to spread and severely affects for economic recovery. Various business sectors have been restricted under pandemic control measure for several months, resulted to the suspension not only the business but also the industrial. The construction business is one of the businesses that has been negatively impacted. The restricted measurements under pandemic have been relieved in the last quarter of the year and the Company could resume its full operation. However, the spread of Omicron (new species of COVID-19) would affect to economic recovery. The construction industry has been impacted from labor shortage, increasing material cost and few bidding project. This resulted in the Company’s deteriorated performance. In the same period, the Company was successful in finding a new investor who has experienced in construction business and able to provide both financials and business opportunity for the Company.

Total Revenue

The overall performance for the year ended December 31, 2021 and 2020, has ended with the total revenue of THB 44.58 million and THB 80.30 million, respectively, decreased by THB 35.71 million or 44.48%.

Total Comprehensive Loss

For the year ended December 31, 2021 and 2020, the Company had the total loss of THB 63.13 million and THB 22.67 million, respectively, increased by THB 40.46 million or 178.46%. The total comprehensive loss for the year was THB 43.29 million and THB 19.19 million, respectively.

The Company would like to clarify on the changes of the Profit and Loss Statement for the year ended December 31, 2021 as follows;

1. Total revenues

Total revenue comprised of construction revenue of THB 18.49 million and other revenues of THB 26.09 million. Construction revenue dropped from last year by THB 42.31 million or 69.59% due to the fact the Company had only one small project and expected the work completion next year. The Company has been suffering from the COVID-19 pandemic throughout 2021, and this resulted in the project bidding being on hold. In addition, the lock down measures for Construction Industry from the Government, as well as, the suspension from the project owner have caused the revenue lower than target.

The Company had other revenues in the amount of THB 26.09 million, increased from last year by THB 6.60 million or 33.86% due to the gain from asset revaluation of THB 6.63 million.

2. Cost of Construction

Cost of Construction for the year ended December 31, 2021 was THB 20.03 million, decreased by THB 32.25 million or 61.68% which was in accordance with the decrease of construction projects. Cost was higher than revenue due to a suspension from the project owner together with the government restricted measures which led to increasing cost after the Company resumed its construction work.

3. Administrative Expenses

The Administrative Expenses are as follows:

Expenses	2021	2020
Employee expenses and benefits	53,377,284	55,573,352
Other expenses	31,224,690	39,669,137
Bad debt	61,433	15,089,495
Total administrative expenses	84,663,407	110,331,984

The administrative expenses for the year 2021 was THB 84.66 million, decreased from last year by THB 25.67 million or 23.26%. It was the outcome of the Company's reorganization in 2021, a saving from office relocation as well as an effective cost control. Some expense increased in the year 2021 from the Company's advisory fees for a private placement capital increase. The Company has written off one bad debt amounting to THB 0.06 million.

4. Financial Costs

Financial costs for the year ended December 31, 2021 and 2020 were THB 1.73 million and THB 0.41 million, respectively, increased from last year by THB 1.33 million. They were interest expense charged on a short-term loan with a financial institution and the bank fees incurred from the issuance of a letter of guarantee.

Please be informed accordingly.

Very truly yours,

Mr. David Van Dau

Chief Executive Officer

PSG Corporation Public Company Limited