

IR. 015/2022

August 10, 2022

Re: Management Discussion and Analysis

For the three-month and six-month periods ending June 30, 2022

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 second quarter ending June 30, 2022.

Outline of Business Operation

In early year 2022, the Company was awarded a construction project valued at USD 264 million (inclusive of VAT) or THB 8,895 million (the exchange rate as of January 12, 2022). The construction period of this project is approximately 32 months.

Summary of financial performance for the three-month and six-month periods ending June 30, 2022 are as follows:

Description	Consolidated		Separate financial statements							
	Second Quarter million baht	Six-month million baht	Second Quarter million baht		Changes		Six-month million baht		Changes	
	2022	2022	2022	2021	Inc(Dec)	%	2022	2021	Inc(Dec)	%
Revenue from construction contracts	471.17	475.71	471.17	3.27	467.90	14,309	475.71	6.93	468.78	6,765
Other income	12.29	20.48	14.61	0.33	14.28	4,327	22.79	3.70	19.09	516
Total revenues	483.46	496.19	485.78	3.60	482.18	13,394	498.50	10.63	487.87	4,590
Cost of construction contracts	142.15	146.73	166.06	3.47	162.59	4,686	170.64	6.98	163.66	2,345
Administrative expenses	32.04	59.10	30.99	15.90	15.09	95	58.04	34.31	23.73	69
Profit (Loss) before finance cost and income tax expenses	309.27	290.36	288.73	(15.77)	304.50	(1,931)	269.82	(30.66)	300.48	(980)
Finance costs	0.80	0.90	0.77	0.32	0.45	141	0.88	0.71	0.17	24
Income tax expenses	40.79	40.79	38.46	-	38.46	-	38.46	-	38.46	-
Profit (Loss) for the period	267.68	248.67	249.50	(16.09)	265.59	(1,651)	230.48	(31.37)	261.85	(835)
Other comprehensive income for the period	1.07	1.05	(5.27)	5.28	(10.55)	(200)	(5.27)	11.81	(17.08)	(145)
Total comprehensive income for the period	268.75	249.72	244.23	(10.81)	255.04	(2,359)	225.21	(19.56)	244.77	(1,251)

Total Revenue

For the three-month and six-month performance ending June 30, 2022, the Company and its subsidiary generated total revenue of THB 483.46 million and THB 496.19 million, respectively.

For the three-month and six-month performance ending June 30, 2022, the Company generated the total revenue of THB 485.78 million and THB 498.50 million respectively, while the same periods last year the Company generated the total revenue of THB 3.60 million and THB 10.63 million, respectively.

Profit (Loss) and Total Comprehensive Profit (Loss)

For the three-month and six-month performance ending June 30, 2022, the Company and its subsidiary reported profit amounting to THB 267.68 million and THB 248.67 million, respectively. In addition, the Company and its subsidiary reported total comprehensive profit amounting to THB 268.75 million and THB 249.72 million, respectively.

For the three-month and six-month performance ending June 30, 2022, the Company reported profit amounting to THB 249.50 million and THB 230.48 million, respectively. The total comprehensive profit amounting to THB 244.23 million and THB 225.21 million, respectively, while the same periods last year the Company reported losses THB 16.09 million and THB 31.37 million respectively, and total comprehensive losses of THB 10.81 million and THB 19.56 million, respectively.

The Company would like to clarify the changes on the Profit and Loss Statement for the 2nd Quarter ending June 30, 2022, as follows:

1. Total revenues

Consolidated revenue came from construction of THB 471.17 million and other revenues of THB 12.29 million.

The Company's total revenues came from construction of THB 471.17 million and other revenues of THB 14.61 million. Construction revenue increased from the same quarter of last year by THB 467.90 million due to the revenue recognition from an awarded construction project. Other revenues increased from the same quarter of last year by THB 14.28 million since the Company has adjusted its operations and dissolved its 'Pan Thong' warehouse, selling unused assets and discontinuing the land lease.

2. Cost of Construction

Consolidated construction cost for the 2nd Quarter of 2022 was THB 142.15 million.

The Company's construction cost for the 2nd Quarter of 2022 was THB 166.06 million, increasing from the same quarter of last year by THB 162.59 million, resulting from construction cost of awarded construction project.

3. Administrative Expenses

Consolidated administrative expenses for the 2nd Quarter of 2022 was THB 32.04 million.

The Company's administrative expenses for the 2nd Quarter of 2022 was THB 30.99 million, increasing from the same quarter of last year by THB 15.09 million due to the organizational restructuring to enhance its capacity in line with the business plan after the capital increase.

4. Financial Costs

Consolidated financial costs for the 2nd Quarter of 2022 was THB 0.80 million.

The Company's financial costs for the 2nd Quarter of 2022 were THB 0.77 million, increasing from the same Quarter of last year by THB 0.45 million, due to interest expenses of right of use assets in relation to office rental agreement.

5. Income tax expenses

Consolidated income tax expenses for the 2nd Quarter of 2022 was THB 40.79 million.

The Company's income tax expenses for the 2nd Quarter of 2022 were THB 38.46 million, increasing from the same Quarter of last year by the whole amount. The increase was in proportion to the increase of company profit.

Please be informed accordingly.

Sincerely yours,

(Mr. David Van Dau)

Chief Executive Officer

PSG Corporation Public Company Limited