



At SR-E2565/010

10th November, 2022

Subject : Management Discussion and Analysis (MD&A) for the third quarter ended 30 September 2022.

To : President of the Stock Exchange of Thailand

Siamraj Public Company Limited (“The Company”) would like to clarify the operating results for the third quarter ended 30 September 2022 which the details are as followings;

Overview of past performance

From past crises, starting with the Coronavirus 2019 ("COVID-19 Pandemic"), the incident has negative effects on operating results of the parking space rental segment and NGV service station for vehicles included in the alternative energy segment and Segment which import products from abroad. Until now Due to the easing of the coronavirus pandemic, the parking space rental segment has increased in efficiency accordingly. While many countries around the world were still recovering from the impacts of the COVID-19 pandemic.

In the third quarter of 2022, inflation has increased since the end of 2021, impacts from the increase in product price per cost of living, uprising oil prices and cost for some goods production. Which has a significant impact on operating costs. Including the current situation of the “baht value” is considered to be depreciating continuously, impacts from the increase in cost of goods sold. The Group has import transactions of finished goods which deminated in US Dollar and Euro and the US Federal Reserve raises interest rates to combat higher inflation. The demand to hold the US dollar is very high. The US dollar will strengthen causing the Thai baht to weaken affects the company in the business that has to buy products from abroad The Group uses forward exchange contracts to hedge foreign exchange risk. As a result, Thailand has to raise interest rates in the second quarter and the third quarter of 2022 to 0.50 percent to reduce the appreciation of the US currency, which weakens the baht and the major economic impact from the Ukraine-Russia war earlier this year. Soaring global oil and energy prices has led to rapid inflation and rising costs of goods and services. This affects the company in the segment that has to buy imported products from abroad. The Group uses forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency, causing increased operating costs and delayed imports of goods from abroad. However, the company has prepared a plan to be in line with the current situation.

Table of key financial results

(Unit : Million Baht)

Statement of comprehensive income (loss)	Quarter 2 Y2022	Quarter 3 Y2022	Quarter 3 Y2021	% Inc.(Dec.) QOQ	% Inc.(Dec.) YOY	9 M 2022	9 M 2021	% Inc.(Dec.) YOY
Revenues from construction contracts, sales and services	313.73	379.38	217.73	20.93%	74.24%	938.89	657.51	42.79%
Other incomes	3.08	1.32	3.55	(57.14)%	(62.82)%	6.22	6.18	0.65%
Total revenues	316.81	380.70	221.28	20.17%	72.04%	945.11	663.69	42.40%
Cost	(275.08)	(323.47)	(232.20)	17.59%	39.31%	(809.39)	(631.96)	28.08%
Selling & Administrative expense	(41.01)	(37.71)	(41.01)	(8.05)%	(8.05)%	(117.75)	(126.18)	(6.68)%
Share of Profits	2.18	0.27	3.60	(87.61)%	(92.50)%	3.47	9.80	(64.59)%
Other gains (losses)	(0.06)	(0.06)	0.40	-	(115.00)%	(0.18)	1.09	(116.51)%
Finance cost	(3.93)	(4.05)	(5.85)	3.05%	(30.77)%	(9.04)	(18.93)	(52.25)%
Income Tax	(3.00)	(6.40)	7.87	113.33%	(181.32)%	(13.25)	11.61	(214.13)%
Total cost and operating expenses	(320.90)	(371.42)	(267.19)	15.74%	39.01%	(946.13)	(754.57)	25.39%
Profit (loss) attributable to Owners of the Parent	(2.12)	11.56	(42.99)	(645.28)%	(126.89)%	5.23	(82.91)	(106.31)%

For the third quarter of 2022 compared with the second quarter of 2022

In the third quarter of 2022 (Q3/2022), net profit of the Company was Baht 11.56 million, net profit increasing by Baht 13.68 million or at the rate 645.28 % when compared with the second quarter of 2022 (Q2/2022) mainly due to;

Main revenues

The Company generated main revenue of Baht 379.38 million, increased by Baht 65.65 million or 20.93 % from the second quarter of 2022 (Q2/2022). The significant increase in revenue were from;

(1) The company has a new project construction project that can be auctioned at the end of 2021. Recognize revenue in 2022 of 4 projects with a total value by Baht 833 million including the natural gas pipeline relocation project To reduce the impact of the cooperation project between the Government of Thailand and the Government of the People's Republic of China to develop a high-speed rail system to connect the region, Phase 1 Bangkok - Nong Khai (Phase 1 Bangkok - Nakhon Ratchasima), value by Baht 317.59 million , Construction of a pressure control station and a natural gas volume measurement connected to the Bang Pakong Combined Cycle Power Plant The value by Baht 436.45 million , KLU Re-route Gas Pipeline project value by Baht 30.50 million and OGC and FC Package for 5TP3 Metering project value by Baht 31.19 million.

(2) The easing Coronavirus disease 2019 pandemic situation from the past to the present, allowed to reopen the economic activities as the coronavirus pandemic appeared to be less severe. This was impacted to the performance of car parking space for rent segment with increasing results accordingly.



Other incomes

The Company reported other incomes of Baht 1.32 million, decreased from the second quarter of 2022 (Q2/2022) by Baht 1.76 million or 57.14 %. These mostly was from in the second quarter of 2022 (Q2/2022), there were gained by sales of used cars, other profits and loss from loan interest calculation at the effective interest rate.

Cost and operation expenses

The Company had cost and operation expenses of Baht 371.42 million, an increasing from the second quarter of 2022 (Q2/2022) by Baht 50.52 million or at the rate 15.74 %, The change is a result of The increase in variable cost which moves in response to the increase of revenue.

For the third quarter of 2022 compared with the third quarter of 2021

Main revenues

The Company generated main revenue of Baht 379.38 million, increased by Baht 161.65 million or 74.24 % from the third quarter of 2021 (Q3/2021) when compared with the second quarter of 2022(Q2/2022).

Other incomes

The Company reported other incomes of Baht 1.32 million, decreased from the third quarter of 2021 (Q3/2021) by Baht 2.23 million or 62.82%. This was mainly due to increase in the gain from sales of used cars.

Cost and operation expenses

The Company had cost and operation expenses of Baht 371.42 million, an increasing from the third quarter of 2021 (Q3/2021) by Baht 104.23 million or at the rate 39.01 %, The change is a result of The increase in variable cost which moves in response to the increase of revenue.As the third quarter of 2022, considers the impairment on devalue of inventories and additional cost from construction.

For the nine-month period ended 30 September 2022 compared with 2021

For the nine-month period end September 2022, net profit of the Company was Baht 5.23 million Compared to the same period of the year 2021, the profit increased by 88.14 million baht or 106.31%, the reason for the significant increase as mentioned above when comparing the third quarter of 2022 with the third quarter of 2021.



(Unit : Million Baht)

STATEMENTS OF FINANCIAL POSITION	financial statements(Consolidated)		Change	
	December 31, 2021	September 30, 2022	Amount	%
Total assets	2,403.21	2,693.12	289.91	12.06%
Total liabilities	1,513.69	1,801.80	288.11	19.03%
Total shareholders' equity (owners of the Company)	860.97	865.83	4.86	0.56%

Statement of Consolidated Financial Position

The Statement of Consolidated Financial Position as of 30 September, 2022 in comparison with the Statements of Consolidated Financial Position as of 31st December, 2021.

Total assets

As of 30 September, 2022, the Company and subsidiaries had total assets of Baht 2,693.12 million, an increased of Baht 289.91 million or 12.06% from the previous year which the reason of increased assets were from the construction in progress of assets of subsidiaries such as Thammasat Hospital Parking Building Project (Area B) and Burapha University Parking Building Management Project .

Total liabilities

As of 30 September, 2022, the Company and subsidiaries had total liabilities of Baht 1,801.80 million, an increased of Baht 288.11 million or 19.03% from the previous year, resulting from receiving long-term loans from financial institutions for the parking project at Thammasat Hospital Parking Building Project (Area B) and Burapha University Parking Building Management Project according to the financial management plan and short-term loans for working capital.

Total shareholders' equity (Total owners of the Company)

As of 30 September, 2022, the Company and subsidiaries had shareholders' equity (Part of the parent company) amounting of Baht 865.83 million, a decreased of Baht 4.86 million baht from the previous year or 0.56% from the net profit in the period.

Sincerely Yours.

(Ms. Kornkanok Klinkachonwong)
Chief Finance Officer and Accounting