



Date 29 July 2021

Subject : Management's Discussion and Analysis of the Financial Statement for
the first quarter ended 31 March 2021

To : Managing Director of The Stock Exchange of Thailand

Enclosure

: Management's Discussion and Analysis of the Financial Statement for the first quarter ended 31
March 2021, both Thai and English, 1 set for each

AMR Asia Public Company Limited ("the company") would like to submit the company's reviewed financial statements for the first quarter ended 31 March 2021 to the Stock Exchange of Thailand.

The Operation result of the company for the first quarter ended 31 March 2021 registered a net profit amounting to Baht 29.47 million. Please see further details in the Management's Discussion and Analysis of the financial statements for the first quarter ended 31 March 2021 as attached.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Marut Siriko', is written in a cursive style.

(Mr. Marut Siriko)

Managing Director

AMR Asia Public Company Limited

Management's Discussion and Analysis for Q1/2021 Results
AMR Asia Public Company Limited ("The Company" or "AMR")

1. Company Overview

AMR Asia Public Company Limited ("the Company" or "AMR") was established on September 13, 1999 as an engineering innovators and system integrators. The Company is owned by a group of engineers with more than 20 years of experience in Information and Communication Technology.

Due to the vision of the Company who believe that technology will define the future, the Company continues to grow from technological advancement and has gained trust from public and private entities in various industries that want to change the data management business model or form of service into the Digital Era through digital transformation.

Products or services of the Company can be classified into 3 categories according to the revenue structure as follows:

- (1) System Integration (SI) services: Covering Transport Solution, Information Communication Technology, Computer Network and Security and system solution for developing Smart City, which provides services in the form of Main Contractor (accept work directly from project owner) and Sub Contractor (accept work from other main contractors). Most of the contracts are in the form of Turnkey Contracts. The Company has a team of engineers and experts who are ready to provide advice, system design, equipment supply and installation as a total integrated system solution or One-Stop Service.
- (2) Maintenance services: Covering extensive services of Corrective Maintenance and Preventive Maintenance for network systems and various technologies for wide range of customers.
- (3) IT solution products: Covering both Hardware and Software products for customer who need a new digital workspace platform and secure application access.

2. Business performance

The Company operates the main business of engineering innovator and system integrator (SI), focusing on Transportation Solution (TS) and ICT and System Solution (ISS) as well as maintenance services and selling IT solution products.

2.1 Revenues

In the first quarter of 2020 and 2021, the Company's total revenues were Baht 301.85 million and Baht 337.66 million, respectively, consisting of revenue from sales and services accounted for 99.84% and 99.85% of the total revenues, respectively, and other revenues accounted for 0.15% and 0.15% of the total revenues, respectively. The revenue from sales and services of the Company were Baht 287.63 million and Baht 260.16 million, or equivalent to 95.29% and 77.05% of the total revenues, respectively. Moreover, the revenue from sales of the Company were Baht 13.75 million and Baht 77.00 million, or equivalent to 4.56% and 22.80% of the total revenues, respectively. The revenue from sales was increased due to sales of equipment and electrical cables for projects.

For the year ended 31 December 2019 and 2020, the Company's total revenues are as follow:

Unit: Million Baht	For the 3-Month Period Ended 31 March			
	2020		2020	
	Value	Value	Value	Value
Revenue from projects and services	287.63	95.29	260.16	77.05
Revenue from System Integration projects	253.75	84.06	231.59	68.59
• Transport Solution (TS)	162.80	53.93	178.27	52.80
• ICT and System Solution (ISS)	90.95	30.13	53.32	15.79
Revenue from maintenance services	33.88	11.22	28.57	8.46
Revenue from sales	13.75	4.56	77.00	22.80
Revenue from selling IoT solutions	13.75	4.56	77.00	22.80
Revenue from sales and services	301.38	99.84	337.15	99.85
Other revenues ¹	0.47	0.15	0.51	0.15
Total revenues	301.85	100.00	337.66	100.00

Note: ¹Other revenues such as interest income and dividend income.

2.2 Costs of Sales

In the first quarter of 2020 and 2021, costs of sales and services of the Company were Bath 227.05 million and Baht 243.36 million, respectively, or equivalent to 75.33% and 72.21% of the revenue from sales and services, respectively. The costs of sales of the Company were Baht 10.62 million and Baht 66.51 million,

respectively, or equivalent to 77.19% and 86.37% of the revenue from sales, respectively, increased as increasing in revenue.

2.3 Gross Profit

In the first quarter of 2020 and 2021, gross profit of the Company were Baht 74.34 million and Baht 93.70 million, respectively, or equivalent to 24.67% and 27.79% the revenue from sales and services, respectively. The gross profit margin from sales and services increased due to the revenue recognition of most the contracted projects having a higher gross profit margin. The gross profit from sales in the first quarter of 2020 and 2021 were Baht 3.14 million and Baht 10.49 million, respectively, and the gross profit margin were 22.81% and 13.63%, respectively. The gross profit margin from sales decreased as due to equipment and electrical cables has a low gross profit margin.

For the year ended 31 December 2019 and 2020, the Company's gross profit are as follow:

Unit: Million Baht	For the 3-Month Period Ended 31 March			
	2020		2021	
	Value	%	Value	%
Revenue from sales and services	301.38	100.00	337.15	100.00
Cost of sales	227.05	75.33	243.46	72.21
Gross profit	74.34	24.67	93.70	27.79

2.4 Selling and Administrative Expenses

In the first quarter of 2020 and 2021, the Company had selling and administrative expenses in the amount of Baht 66.36 million and Baht 56.89 million, respectively, or equivalent to 21.98% and 16.85% of the total revenues, respectively, as shown in the table below.

Unit: Million Baht	For the 3-Month Period Ended 31 March			
	2020		2021	
	Value	Value	Value	Value
Total revenues	301.85	100.00	337.66	100.00
Selling expenses	19.40	6.43	18.27	5.41
Administrative expenses	46.96	15.56	38.62	11.44
Selling and administrative expenses	66.36	21.98	56.89	16.85

2.5 Net Profit

In the first quarter of 2021, the Company's net profit was Baht 29.47 million, increased Baht 21.67 million compared to the same period last year, as the Company reduced cost estimated of the TS projects, which completed prior to contractual period, resulting in improved gross profit margin.

3. Financial Position

3.1 Assets

As of 31 March 2021, the Company's total assets were Baht 1,628.71 million. The main assets consist of cash and cash equivalent, trade and other receivables, contract assets, contract work in progress and restricted bank deposits. The proportion of current assets to the total asset accounted for 81.02%.

3.2 Liabilities

As of 31 March 2021, the Company's total liabilities were Baht 1,186.02 million. The main current liabilities consist of trade and other payables and contract liabilities for construction contracts and the end of first quarter of 2021, the proportion of current liabilities to the total assets accounted for 68.55%.

3.3 Shareholders' equity

As of 31 March 2021, the shareholders' equity of the Company was Baht 442.69 million. As of 31 March 2021, the total equity decreased by 13.74%, mainly due to dividend payout of Baht 100.00 baht.

3.4 Statement of cash flow

In the first three-month period of 2021, the Company had cash and cash equivalents at the beginning of Baht 307.90 million. Net cash generated from operating activities was Baht 149.82 million, mainly due to profit before tax raised by an adjustment for depreciation and amortization and gain on changes in working capital of Baht 78.83 million as contract assets were decreased from receiving payment from project that recognized revenue in 2020. In addition, net cash generated from investment activities was Baht 48.91 million, mainly decrease in restricted bank deposits. The cash and cash equivalents increased by Baht 196.35 million, which resulted in an increase in cash and cash equivalents at the end of Baht 504.25 million.