

Translation

DIMET AC 2021/003

August 11, 2021

Subject: Management's Discussion and Analysis of Business Operations of Q2 of 2021.
(January 1, 2021 – June 30, 2021)

To : The Manager and President
The Stock Exchange of Thailand

Dimet (Siam) Public Company Limited, the "company", would like to clarify criteria for making conditional conclusion from the auditor's review. that shows the auditor's report; due to some consulting and lawyer expenses, Company has suspended payment and has filed a lawsuit against the parties and related persons in court. because they did not receive sufficient documents as evidence of the performance of the contract and was unable to review sufficient appropriate evidence regarding the fair value of the investment in IGEN Engineering Company Limited, thus the auditor was unable to conclude whether such adjustment was necessary or not.

The company has changed the accounting period from the end of June. is the end of December This accounting period is therefore the beginning of the full fiscal year starting from January to the end of December

Operating results for 6 months period as ended June 30, 2021 of Dimet (Siam) Public Company Limited "company" and its subsidiaries has loss of 26.67 Million Baht as decreased by 45.94 Million Baht when compared to same period of previous as loss of 72.61 Million Baht thus company has gross profit for operating of 8.15 Million Baht and 18.22 Million Baht for 3 months and 6 months period respectively by following details:

Analyze the Performance

Company's Performance	For the 3-month Period		Increase (Decrease)		For the 6-month Period		Increase (Decrease)	
	For the period ended June 30, 2021 (MB)	2021	2020	(MB)	%	2021	2020	(MB)
Revenue from sales and services	37.60	38.66	(1.06)	-2.75%	80.41	141.99	(61.58)	-43.37%
Revenues from construction work	-	4.90	(4.90)	-100.00%	-	60.79	(60.79)	-100.00%
Profit from disposal of investments	1.27	-	1.27	0.00%	1.27	-	1.27	#DIV/0!
Other income	0.60	3.23	(2.63)	-81.29%	1.54	4.74	(3.20)	-67.55%
Total revenues	39.47	46.79	(7.32)	-15.64%	83.22	207.52	(124.30)	-59.90%
Cost of sales and services	31.32	24.50	6.82	27.83%	65.00	102.56	(37.57)	-36.63%
Cost of construction work	-	5.72	(5.72)	-100.00%	-	56.24	(56.24)	-100.00%
Total Cost of Good Sold	31.32	30.23	1.10	3.63%	65.00	158.81	(93.81)	-59.07%
Gross Profit (Loss)	8.15	16.56	(8.41)	-50.80%	18.22	48.71	(30.49)	-62.59%
Selling and Administrative Expenses	14.39	36.82	(22.44)	-60.93%	39.12	73.26	(34.15)	-46.61%
Operating Profit (Loss)	(6.24)	(20.26)	14.02	-69.21%	(20.90)	(24.56)	3.66	-14.90%
Loss on impairment of assets	-	-	-	0.00%	(0.86)	-	(0.86)	0.00%
Loss on impairment of investments	-	(41.14)	41.14	-100.00%	(2.05)	(41.14)	39.09	-95.01%
Finance cost	(1.57)	(3.38)	1.80	-53.46%	(2.91)	(3.68)	0.78	-21.07%
Loss before income tax income (expense)	(7.81)	(64.78)	56.97	-87.94%	(26.71)	(69.38)	42.67	-61.50%
Income tax income (expense)	(0.00)	(0.49)	0.49	-99.26%	0.04	(2.72)	2.76	-101.42%
Loss for the period	(7.82)	(65.27)	57.46	-88.03%	(26.67)	(72.10)	45.43	-63.01%
Items must not be classified into profit or loss in the future	-	(0.51)	0.51	-100.00%	-	(0.51)	0.51	-100.00%
Total comprehensive loss for the period	(7.82)	(65.78)	57.96	-88.12%	(26.67)	(72.61)	45.94	-63.27%

Revenue

REVENUE	FOR THE THREE-MONTH PERIOD				Increase (Decrease)		FOR THE SIX-MONTH PERIOD				Increase (Decrease)	
	For the period ended June 30, 2021 (MB)	2021	%	2020	%	(MB)	%	2021	%	2020	%	(MB)
Revenue for sale and services	37.60	95.25%	38.66	82.63%	(1.06)	-2.75%	80.41	96.63%	141.99	68.42%	(61.58)	-43.37%
Revenues from construction work	-	0.00%	4.90	10.46%	(4.90)	-100.00%	-	0.00%	60.79	29.29%	(60.79)	-100.00%
Profit from disposal of investments	1.27	3.22%	-	0.00%	1.27	0.00%	1.27	1.52%	-	0.00%	1.27	0.00%
Other income	0.60	1.53%	3.23	6.91%	(2.63)	-81.29%	1.54	1.85%	4.74	2.29%	(3.20)	-67.55%
Total Revenues	39.47	100%	46.79	100%	(7.32)	-15.64%	83.22	100%	207.52	100%	(124.30)	-59.90%
Cost of goods sold	31.32	79%	24.50	52%	6.82	27.83%	65.00	78%	102.56	49.42%	(37.57)	-36.63%
Cost of distribution	-	0%	5.72	12%	(5.72)	-100.00%	-	0%	56.24	27.10%	(56.24)	-100.00%
Total Expenses	31.32	79%	30.23	65%	1.10	3.63%	65.00	78%	158.81	77%	(93.81)	-59.07%
Gross Profit	8.15	21%	16.56	35%	(8.41)	-50.80%	18.22	22%	48.71	23%	(30.49)	-62.59%

Quarter 2 and for 6 months period of year 2021 of company and its subsidiaries has total revenue of 39.47 Million Baht and 83.22 Million Baht respectively as decreased of 15.64%

and 59.90% when compared to same period of previous year as revenue of 46.79 Million Baht and 207.52 Million Baht respectively by following details:

- Revenue from sales and services of 37.60 Million Baht and 80.41 Million Baht as decreased of 2.75% and 43.37% when compared to same period of previous year as revenue of 38.66 Million Baht and 141.99 Million Baht
- Revenue from services of construction decreased whole amount equal to 100%
- Revenue from sale of investment of 1.27 Million Baht arising from transfer of assets foreclosed by subsidiaries
- Other revenues of 0.60 Million baht and 1.54 Million Baht as 81.29% and 67.55% decreased when compared to same period of previous year as has other revenue of 3.23 Million Baht and 4.74 Million Baht due to previous year has profit from exchange rate

Gross Profit

Quarter 2 and for 6 months period of year 2021 of company and its subsidiaries has gross profit of 8.15 Million Baht and 18.22 Million Baht or 21% and 22% of total revenue thus its decreased of 50.80% and 62.59% respectively when compared to same period of previous year as has gross profit of 16.56 Million Baht and 48.71 Million Baht or equivalent to 50.80% and 62.59% of total revenue thus due to circumstance of spread of virus COVID-19 which affected on declined of company's sales and profit to decline too

Expenses

EXPENSES	FOR THE THREE-MONTH PERIOD				Increase (Decrease)		FOR THE SIX-MONTH PERIOD				Increase (Decrease)	
	For the period ended June 30,2021 (MB)	2021	% Per Revenue	2020	% Per Revenue	(MB)	%	2021	% Per Revenue	2020	% Per Revenue	(MB)
Cost of goods sold	31.32	79.36%	24.50	52.38%	6.82	27.83%	65.00	78.10%	102.56	49.42%	(37.57)	-36.63%
Cost of construction work	-	0.00%	5.72	12.23%	(5.72)	-100.00%	-	0.00%	56.24	27.10%	(56.24)	-100.00%
Cost of distribution	6.29	15.94%	4.61	9.85%	1.68	36.50%	13.96	16.77%	11.03	5.32%	2.92	26.50%
Administrative expenses	8.10	20.51%	32.21	68.86%	(24.12)	-74.87%	25.16	30.23%	62.23	29.99%	(37.07)	-59.57%
Loss on impairment of assets	-	0.00%	-	0.00%	-	0.00%	0.86	1.03%	-	0.00%	0.86	0.00%
Loss on impairment of investments	-	0.00%	41.14	87.93%	-	0.00%	2.05	2.46%	41.14	19.83%	(39.09)	-95.01%
Finance cost	1.57	3.98%	3.38	7.22%	(1.80)	-53.46%	2.91	3.49%	3.68	1.77%	(0.78)	-21.07%
Total Expenses	47.28	120%	111.57	238%	(64.29)	-57.62%	109.93	132%	276.89	133%	(166.97)	-60.30%

Quarter 2 and 6 months period of year 2021 of company and its subsidiaries has total expenses of 47.28 Million Baht and 109.93 Million Baht as 57.62% and 60.30% compared to same period of previous year as total expenses of 111.57 Million Baht and 276.89 Million Baht by following reasons:

Cost of sales and services in the second quarter increased by 6.82 million baht and decreased by 37.57 million baht or increased to 27.83 percent. and decreased to 36.63 percent when compared to the same period of the previous year, respectively, with costs of sales and services of 24.50 million baht and 102.56 million baht, respectively, because declined in sales volume

Distribution costs. Increased by 1.68 million baht and 2.92 million baht, or an increase of 36.50% and 26.50% compared to the same period of the previous year, respectively, with distribution costs of 4.61 million baht and 11.03 million baht, respectively. Distribution personnel in hopes of increasing sales

Administrative expenses amounted to 8.10 million baht and 25.16 million baht, respectively, a decrease of 74.87% and 59.57% respectively when compared to the same period of the previous year, which amounted to 32.21 million baht and 62.23 million baht, respectively, because The management structure has been modified and unnecessary cost reductions have been made to make the management more efficient.

Financial costs of 1.57 million baht and 2.91 million baht, respectively, decreased by 53.46% and 21.07% respectively when comparing the same period of the previous year which amounted to 3.98 million baht and 3.68 million baht, respectively decrease in arrears

Financial Status

Statement of Financial Position Quarter 2 as at June 30, 2021 (Million Baht)	30-Jun	31-Dec	Increase (Decrease)	
	2021	2020	(MB)	%
ASSETS				
Current Assets	160.28	213.22	(52.94)	-24.83%
Non-current assets	109.23	117.09	(7.86)	-6.71%
Total assets	269.51	330.31	(60.80)	-18.41%
LIABILITIES				
Current liabilities	106.65	140.92	(34.26)	-24.32%
Non-current liabilities	10.48	10.35	0.14	1.34%
Total liabilities	117.14	151.26	(34.13)	-22.56%
Equity				
Issued and paid up share capital	807.56	807.56	-	0.00%
Premium on ordinary shares	154.86	154.86	-	0.00%
Discount on ordinary shares	(430.70)	(430.70)	-	0.00%
Surplus from change in proportion of investment in subsidiary	0.55	0.55	-	0.00%
Statutory reserve	3.03	3.03	-	0.00%
Retained earnings (Deficits)	(382.93)	(356.26)	(26.67)	7.49%
Total shareholders' equity	152.38	179.05	(26.67)	-14.90%

Assets

As at June 30, 2021 company and its subsidiaries has total assets of 269.51 Million Baht 60.80 Million Baht decreased when compared to December 31, 2020 as total assets of 330.31 Million Baht due to following details

- Current assets amounted to 160.28 million baht, a decrease of 52.94 million baht when compared to as of December 31, 2020, which amounted to 213.22 million baht. Cash and cash equivalents decreased by 30.64 million baht, non-current assets classified as held-for-sale decreased by 24.17 million baht, while trade accounts receivable from related parties increased by 2.16 million baht.

- Non-current assets amounted to 109.23 million baht, a decrease of 7.86 million baht when compared to as of December 31, 2020, which amounted to 117.09 million baht. Most non-current assets decreased from the impairment of deposits.

Liabilities

As of June 30, 2021, the company had total liabilities of 117.14 million baht, a decrease of 34.13 million baht when compared to as of December 31, 2020, which amounted to 151.26 million baht. lay off employees and pay statutory severance payments plus interest. and liabilities included in the asset to be disposed group classified as assets held for sale decreased by 23.66 million baht.

Proportion of Shareholders

As of June 30, 2021, the Company had shareholders' equity of 152.38 million baht, a decrease of 26.67 million baht when compared to as of December 31, 2020, which amounted to 179.05 million baht because the company had a loss from operations and the impact of Use of financial reporting standards

Please be informed for acknowledgement,

Sincerely yours,

Miss Laphassarin Kraiwongwanitrungr

Director