



No. SO-SET-2021006

Date 21 February 2022

Subject Management Discussion and Analysis Financial Performance for the period ended 31 December 2021

To President
The Stock Exchange of Thailand

Siamrajathanee Public Company Limited (the “Company”) hereby provides the management Discussion and Analysis Financial Performance for the period ended 31 December 2021. A summary of the significant changes from the corresponding period in the previous year is as follows:

Item	For the period ended					
	31 Dec 2020		31 Dec 2021		Change	
	THB mm	%	THB mm	%	THB mm	%
Revenues						
Revenue from outsourcing services	1,793.92	86.78	1,834.79	86.86	40.87	2.28
Revenue from rental and services	241.84	11.70	251.31	11.90	9.47	3.92
Gain on sale of assets for lease held for sale and equipment	24.34	1.18	16.37	0.77	(7.97)	(32.74)
Other incomes ¹	7.16	0.35	9.92	0.47	2.76	38.55
Total revenues	2,067.26	100.00	2,112.39	100.00	45.13	2.18
Expenses						
Cost of outsourcing services	1,474.06	71.31	1,506.35	71.31	32.29	2.19
Cost of rental and services	189.26	9.16	187.64	8.88	(1.62)	(0.86)
Selling and administrative expenses	219.95	10.64	208.30	9.86	(11.65)	(5.30)
Total expenses	1,883.27	91.10	1,902.29	90.05	19.02	1.01
Profit before finance cost and income tax expenses	183.99	8.90	210.10	9.95	26.11	14.19
Finance income	0.33	0.02	0.67	0.03	0.34	103.03
Finance cost	(5.50)	(0.27)	-	-	5.50	(100.00)
Profit before income tax expenses	178.82	8.65	210.77	9.98	31.95	17.87
Income tax expenses	(39.27)	(1.90)	(42.51)	(2.01)	(3.24)	8.25
Profit for the year	139.55	6.75	168.26	7.96	28.71	20.57

Note: ¹ Other incomes include item such as income from interest, dividend from joint venture and penalty from employee etc.

**Revenue from outsourcing services**

For the period ended 31 December 2020 and 2021, the Company had revenue from outsourcing services of THB 1,793.92 million and THB 1,834.79 million respectively, increased by THB 40.87 million or 2.28% from the prior year. The increase was caused primarily by the higher revenue from technical services segment, of which the contracts had been renewed at the beginning of year 2020 with the increase in both service fee rate and the number of man powers provided and the inclination to return to overtime service as clients respond to the Covid-19 scenario at the end of the year. Moreover, the increase also contributed to data solutions segments where the Company expanded its efforts to the new markets such as transportation and healthcare industries.

Revenue from rental and services

For the period ended 31 December 2020 and 2021, the Company had revenue from rental and services of THB 241.84 million and THB 251.31 million respectively, increased by THB 9.47 million or 3.92% from the prior year. With its excellent service and reasonable price, the Company manage to win the bidding for recurring rental contracts from a certain government agency in April 2020 under the longer contract term (5 years) with higher numbers of car rented. The Company had recognized revenue from this contract throughout the year 2021.

Gross profits

For the period ended 31 December 2020 and 2021, the Company had gross profit of THB 372.44 million and THB 392.11 million respectively, representing gross margin of 18.29% and 18.80%. The increasing in gross margin is mainly from the higher gross profit charged to the customer in technical services segment and rental and services from the newly awarded long-term contract with a government agency.

Gain on sale of assets lease held for sale and equipment

For the period ended 31 December 2020 and 2021, the Company had gain on sale of assets for lease held for sale and equipment of THB 24.34 million and THB 16.37 million respectively, decreased by 32.74% from the prior year because of the number of used cars sold which decrease from 54 cars in previous period to 89 cars in current period.

Other incomes

For the period ended 31 December 2020 and 2021, the Company had other income of THB 7.16 million and THB 9.92 million respectively, increased by THB 2.76 million slightly than prior period because in 2021, validator nodes service was provided by the company which was paid by KUB coin that recognized to others incomes.

**Services and Administrative expenses**

For the period ended 31 December 2020 and 2021, the Company had services and administrative expense of THB 219.95 million and THB 208.30 million respectively, decreased by 5.30% from prior period. The decreasing in selling and administrative expenses of the Company which resulted from 1) Internal management that helps to control and increase of productivity without adding to the workforce and “Lean” project. 2) In 2020 the Company had one-time expenses such as Allowance for doubtful debt amounting to THB 5.78 million was set aside against the full amount of receivable from a certain state-owned company which currently underwent rehabilitation program and the donation to hospital for Covid-19 situation amounting to THB 2.48 million.

Financial costs

For the period ended 31 December 2021, the Company had no financial costs. (For the period ending 31 December 2020, the Company had THB 5.50 million of financial costs.) This resulted from the Company having paid off its loans to financial institutions in full after the IPO.

Financial position

item	Financial statement					
	For the period ended					
	31 Dec 2020		31 Dec 2021		Change	
	THB mm	%	THB mm	%	THB mm	%
Total assets	1,534.65	100.00	1,539.70	100.00	5.05	0.33
Total liabilities	665.47	43.36	587.82	38.18	(77.65)	(11.67)
Shareholders' equity	869.18	56.64	951.88	61.82	82.70	9.51

Assets

As of 31 December 2021, the Company had total assets of THB 1,539.70 million, a 0.33% increase from the 2020 year-end when the Company had THB 1,534.65 million in total assets. Total assets had not significant change that mainly from increasing from current financial assets THB 120 million and decreasing from assets for lease.

Liabilities

As of 31 December 2021, the Company had total liabilities of THB 587.82 million, a 11.67% decrease from the 2020 year-end when the Company had THB 665.47 million in total liabilities. The decreasing was mainly due from lease liabilities that the Company had repayment.



SIAMRAJATHANEE

PUBLIC COMPANY LIMITED

Shareholder's equity

As of 31 December 2021, the Company had shareholders' equity of THB 951.88 million, a 9.51% increase from the 2020 year-end when the Company had THB 869.18 million in shareholders' equity. The increase resulted from the increase in retained earnings which was due to an increase in the Company's net profit generated during this period.

Yours sincerely,

(Mr. Nattaphol Vimolchalao)

(Chief Executive Officer)

(Authorized Director)

(Mrs. Sopa Aroonratana)

(Chief Finance Officer)

(Authorized Director)