

Date 25 February 2022

Subject Management's Discussion and Analysis of the Financial Statements for the year ended 31 December 2021.

To Managing Director of The Stock Exchange of Thailand

Enclosure Management's Discussion and Analysis of the Financial Statements for the year ended 31 December 2021, both Thai and English, 1 set for each

Mena Transport Public Company Limited ("MENA") would like to submit the Company's audited financial statements for the year ended 31 December 2021 to the Stock Exchange of Thailand.

The operation result of MENA for the year ended 31 December 2021 registered a net profit amounting to 32.5 million Baht. Please see further details in the Management's Discussion and Analysis of the financial statements for the year ended 31 December 2021 as attached.

Best regards,



- Mrs. Suwanna Kajonwuttidet -

(Mrs. Suwanna Kajonwuttidet)

Chief Executive Officer

Mena Transport Public Company Limited

Management Discussion and Analysis for the year ended 31 December 2021

Mena Transport Public Company Limited (“MENA”) would like to report the operating result of 3-month and 12-month periods ended 31 December 2021 according to the Company’s financial statement which the details are as follows:

(Unit : Million Baht)

Statement of comprehensive income	Fro the three-month period				For the twelve-month period			
	Quarter 4 2021	Quarter 4 2020	Increase (decrease)	%	2021	2020	Increase (decrease)	%
Revenue from transportation and concrete transportation services	143.6	135.6	7.9	5.8	536.0	568.6	(32.6)	(5.7)
Revenue from sales	5.9	7.6	(1.7)	(21.8)	25.3	36.0	(10.7)	(29.7)
Total revenue	149.5	143.2	6.3	4.4	561.3	604.7	(43.3)	(7.2)
Cost of transportation and concrete transportation services	(115.0)	(110.5)	(4.5)	4.0	(446.8)	(470.1)	23.3	(5.0)
Cost of sales	(5.6)	(7.2)	1.6	(22.1)	(24.0)	(34.0)	9.9	(29.3)
Total cost	(120.6)	(117.8)	(2.9)	2.4	(470.8)	(504.0)	33.2	(6.6)
Gross profit	28.8	25.4	3.4	13.4	90.5	100.6	(10.1)	(10.0)
Other income	2.4	2.9	(0.4)	(15.0)	11.5	10.2	1.3	12.8
Selling expenses	(0.1)	(0.3)	0.2	(59.1)	(0.4)	(0.6)	0.2	(30.8)
Administrative expenses	(12.6)	(15.1)	2.5	(16.4)	(54.6)	(61.8)	7.3	(11.7)
Other gains (loss), net	0.2	0.0	0.2	(100.0)	(0.4)	0.0	(0.4)	(100.0)
Finance cost	(1.6)	(2.8)	1.3	(44.7)	(8.0)	(13.9)	5.9	(42.5)
Income tax expense	(4.6)	(0.3)	(4.3)	1,405.2	(6.1)	0.3	(6.4)	(2,099.5)
Profit for the period	12.5	9.7	2.8	28.7	32.5	34.8	(2.3)	(6.5)

Performance Overview

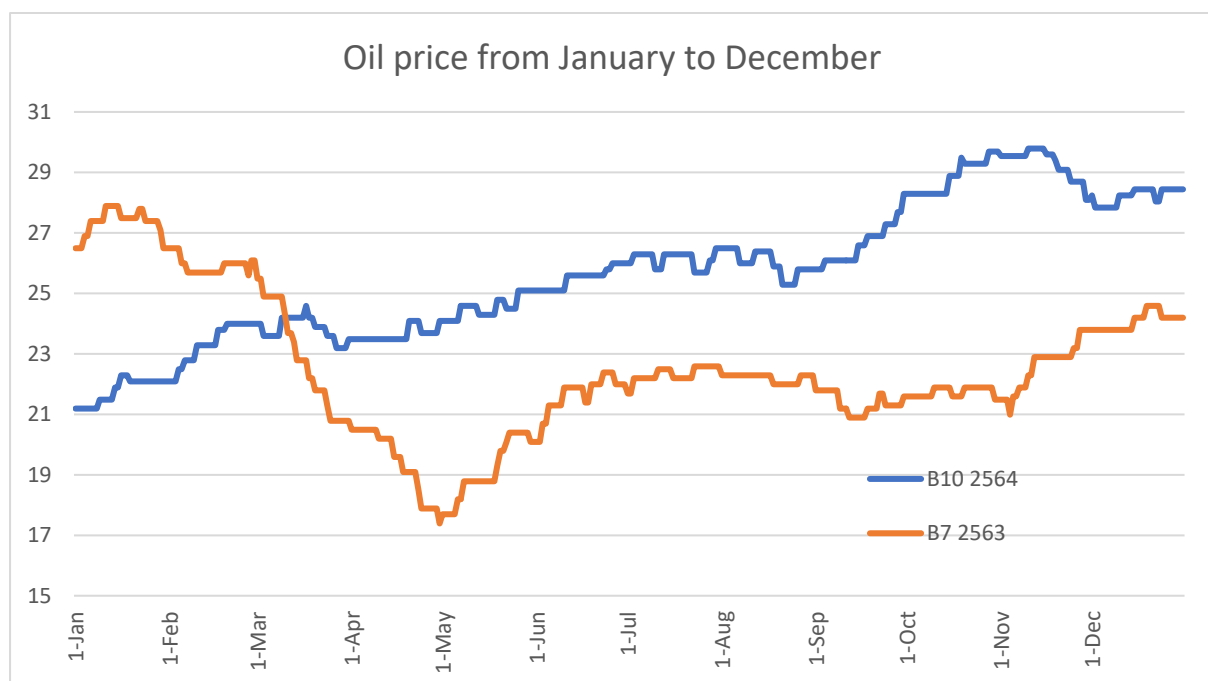
Although Thailand’s COVID-19 situation remained stable in the first quarter of 2021, the new outbreak that began in April steadily escalated to the point where the government eventually declared the closure of construction workers from 28 June 2021, halting all constructions in some areas and affecting demand for cement and ready-mixed concrete transported by MENA. This leads to the significant decrease in revenue in July 2021. Once the government relaxed measures on the closure of construction workers, our revenue slowly increased, but not yet to normal levels, by the fourth quarter, as there is still a labor shortage.

Revenue from concrete transportation services (Mixer)

Revenue from concrete transportation services is the revenue derived from mixer trucks which are vehicles that transport ready mix concrete to customers and revenue from fleet management. The mixer trucks will be stationed at ready mix concrete factory, which are more convenient to operate both concrete delivering and concrete pouring for customers.

Service income for the fourth quarter of 2021 (three months) was 100.9 million Baht, increased by 0.8 million Baht from the same period last year, reflecting a 1 percent growth because the service rate increased from the same period last year in accordance with the increase in oil price, however, the volume of ready-mixed concrete transportation decreased 9 percent from the same period last year because of the labor shortage.

Service income for the twelve-month period of 2021 was 394.1 million Baht, decreased by 17.3 million Baht from the same period last year, reflecting a 4 percent down. Although the service rate increased from the same period last year in accordance with the increase in oil price, the volume of ready-mixed concrete transportation decreased 7 percent from the same period last year. This resulted from the closure of construction workers and the labor shortage in the last quarter of the year.



The graph illustrates that the oil price in the second quarter of 2021 was substantially higher than it was in the same period of 2020.

Revenue from transportation (Trailer)

The revenue from transportation is derived from the service by trailer, which is the vehicle in the type of tow truck which can change the type of semi-trailer depending on the usage, and revenue from fleet management. The customers of transport by trailers are manufacturers who hire MENA to deliver products to end users such as cement powder companies, construction materials companies and customers who are intermediaries in the transportation of goods such as consumer products and construction materials.

Transportation income for the fourth quarter of 2021 (three months) was 42.7 million Baht, increased of 7.1 million Baht from the same period last year, reflecting a 20 percent growth because the service rate increased

from the same period last year in accordance with the increase in oil price and increase in long distance transportations, which has high service rate. However, the number of transportations decreased 6 percent from the same period last year because of the decline in the number of trailers.

Transportation revenue for the twelve-month period of 2021 declined by 15.4 million Baht, or 10 percent, to 141.9 million Baht. Although the service rate increased from the same period last year in accordance with the increase in oil price, the number of transportations decreased 18 percent from the same period last year because of the closure of construction workers and the decline in the number of trailers.

Revenue from sales

Revenue from sales is the revenue generated by the selling of concrete, fly ash, and construction materials. MENA purchases and deliver construction products to the customer right away. So, MENA has no inventory. Sales revenue in the fourth quarter of 2021 were 5.9 million Baht, decreased 1.7 million Baht from the same period last year, marking a 22 percent down due to the low demand.

Sales revenue for the twelve-month period dropped 10.7 million Baht, reflecting a 30 percent decrease from the same period previous year. The completion of the construction project was the main reason for this. Furthermore, since the beginning of the year, new construction projects have been postponed due to a labor shortage in the COVID-19 situation and the closure of construction workers in the third quarter of 2021. As a result, the amount of concrete used during this period was less than expectation.

Gross profit

Gross profit for the fourth quarter of 2021 (three months) was increased by 3.4 million Baht or 13 percent because the more revenue increased, the more fixed cost was covered.

Gross profit for the twelve-month period of 2021 was decreased by 10.1 million Baht or 10 percent. This was due to the decrease in revenue, the closure of construction workers, the increase in fuel cost from the increase in oil price since the beginning of 2021 and fixed cost of staff.

Profit for the period

The net profit for the fourth quarter of 2021 (three months) was 11.0 million Baht, increased 0.1 million Baht or 6 percent over the same period the previous year, which was mainly from the increase in revenue, the control of administrative expenses, and the decrease in financial costs.

The net profit for the twelve-month period of 2021 was 32.5 million Baht, down 2.3 million Baht or 7 percent from the same time the previous year according to the drop in third quarter performance due to the closure of the construction workers and the cost of COVID-19 protection, although MENA has the control of administrative expenses, and the decrease in financial costs.

Financial ratio

Debt-to-Equity ratio (D/E ratio)

The debt-to-equity ratio (D/E ratio) decreased from 0.53 times as of 31 December 2020 to 0.29 times in 2021 because the increase in capital netting with expenses related to issuance of share of 213.8 million Baht in July 2021, the scheduled debt payment and an increase in unappropriated retained earnings from MENA's operating results, despite the dividend payment of 22.0 million Baht in May 2021. MENA has the loan agreement with a financial institution requires debt to equity ratio of not more than 2.5 times and must not be less than 0, and not to have loss more than the capital throughout the term of the loan agreement. From the end of 2020 to 2021, MENA has been able to comply with financial covenants stated in the agreement.