



PAE (Thailand) Public Company Limited

69 Soi On-Nuch 64 Srinakarin Rd., Suanluang, Bangkok 10250 Tel: 02-322-0222 Fax: 02-322-2970-1

PAE AC.FI. 03/2022

February 25, 2022

Subject : Management Discussion and Clarification for year 2021 compared to 2020

To : Directors and Managers

The Stock Exchange of Thailand

PAE (Thailand) Public Company Limited and its subsidiaries would like to clarify the performance of the company and its subsidiaries in accordance with Comprehensive Income Statement In The year 2021, The company had gross profit of THB 77.85 million or 16.34 percent, an increase of 1.42% from the previous year. The operating profit was THB 6.98 million or 1.46% of operating income. an increase of 178.60 percent from the previous year and net loss of THB 6.62 million, compared to the same period of last year which have, net loss of THB 65.15 million, which decrease by THB 58.53 million, or 89.83% compared to last year resulting from the following reasons:

Analyze the Performance

Company's Performance For Year 2021 (Million Baht)	2021	2020	+ (-)		
			MB	%	
Revenue from operation	476.42	509.80	(33.39)	-6.55%	100.00%
Other Revenues	4.01	5.36	(1.35)	-25.21%	0.84%
<b>Total Revenue</b>	<b>480.42</b>	<b>515.16</b>	<b>(34.74)</b>	<b>-6.74%</b>	100.84%
Cost of goods sold and cost of services	402.57	439.07	(36.50)	-8.31%	84.50%
<b>Gross Profit (Loss)</b>	<b>77.85</b>	<b>76.09</b>	<b>1.77</b>	<b>2.32%</b>	<b>16.34%</b>
Selling and Administrative Expenses	70.88	73.58	(2.71)	-3.68%	14.88%
<b>Operating Profit (Loss)</b>	<b>6.98</b>	<b>2.51</b>	<b>4.47</b>	<b>178.60%</b>	<b>1.46%</b>
Non-operating income/expense	52.29	-	52.29	#DM/0!	10.98%
Financing Cost	(66.46)	(65.64)	(0.82)	1.25%	-13.95%
<b>EBIT</b>	<b>(7.19)</b>	<b>(63.14)</b>	<b>55.95</b>	<b>-88.61%</b>	<b>-1.51%</b>
Corporate Tax (Expenses) Rev	(0.57)	2.02	(2.58)	-128.04%	-0.12%
<b>Net Profit (Loss)</b>	<b>(6.62)</b>	<b>(65.15)</b>	<b>58.53</b>	<b>-89.83%</b>	<b>-1.39%</b>
Gain from Actural calculation	13.93	(4.12)	18.05	-437.81%	2.92%
<b>Total Comprehensive income for ther period</b>	<b>7.30</b>	<b>(69.28)</b>	<b>76.58</b>	<b>-110.54%</b>	<b>1.53%</b>
<b>Total comprehensive income (loss) attributable to owners of the parent</b>	<b>(7.14)</b>	<b>(65.11)</b>	<b>57.98</b>	<b>-89.04%</b>	<b>-1.50%</b>



## Sales and Services Revenue

Sales and Services Revenue for the year end 2021, are THB 476.42 million which decrease by THB 33.38 million compared to the same period of last year, revenues are THB 509.80 million by THB 33.38 million or 6.55% of the revenues is mostly generated from engineering and industrial services of oil & gas service valued of THB 244.16 million ( 2020 :THB 233.80 Million , NDT services (Non-Destructive Testing) THB of 232.26 million.(2020 : 275.38)

## Cost of Sales and Services

Cost of Sales and Services for the year end 2021, are THB 402.57 million which is 84.50% of the revenue from sales and services, which decrease by THB 36.50 million or 8.31% compared to the same period of last year, Cost of services are THB 439.07 million. Cost reductions are down in the same direction as the revenue declines. Cost of services are from engineering and industrial services valued of THB 205.99 million, NDT services (Non-Destructive Testing) of THB 196.58 million.

## Administration Expenses

In The year 2021, such expenses are THB 70.88 million and expenses are THB 73.58 million for the year 2020 which decrease from that of year 2020 by THB 0.82 million which is 14.88% of the revenue from sales and services. Because reduce unnecessary expenses for more efficient in term of management.

## Finance cost

In The year 2021, finance costs are THB 66.46 million and finance costs are THB 65.64 million for the year 2020, an increases from that of year 2020 by THB 0.82 million which is 13.95% of the revenue from sales and services.

## Statement of financial position

Statement of Financial Position		31-Dec	31-Dec	+ (-)	
For Year 2021 (Million Baht)		2021	2020	MB	%
<b>ASSETS</b>					
Cash and cash equivalents		127.07	46.01	81.05	63.79%
Trade and other current receivable, Contract assets		100.44	163.03	(62.59)	-62.32%
Property, plants and equipment , Right-of-use assets		154.87	214.71	(59.84)	-38.64%
Withholding tax		14.46	28.39	(13.93)	-96.38%
Other current and non-current assets		78.89	92.45	(13.56)	-17.18%
<b>TOTAL ASSETS</b>		<b>475.72</b>	<b>544.59</b>	<b>(68.87)</b>	<b>-14.48%</b>
<b>LIABILITIES</b>					
Defaulted debts		799.68	658.14	141.55	17.70%
Trade and other current payables		250.26	301.37	(51.12)	-20.43%
Provision for late penalty		24.83	56.83	(32.00)	-128.89%
Employee benefit obligation		24.74	47.40	(22.66)	-91.58%
Provision for litigation		-	106.31	(106.31)	#DIV/0!
Other current and non-current liabilities		148.91	173.19	(24.29)	-16.31%
<b>TOTAL LIABILITIES</b>		<b>1,248.42</b>	<b>1,343.23</b>	<b>(94.82)</b>	<b>-7.60%</b>
<b>SHAREHOLDERS' EQUITY</b>					
Issued and paid-up share capital		6,642.30	2,770.89	3,871.41	58.28%
Premium on ordinary shares		128.89	128.89	-	0.00%
Discount on ordinary shares		(4,754.94)	(940.36)	(3,814.58)	80.22%
Deficits		(2,815.32)	(2,822.26)	6.93	-0.25%
Other components of shareholders' equity		67.24	67.24	-	0.00%
Non-controlling Interests		(40.87)	(3.05)	(37.82)	92.54%
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>(772.69)</b>	<b>(798.64)</b>	<b>25.95</b>	<b>-3.36%</b>

### Asset

- As of December 31, 2021, cash and cash equivalents were THB 127.07 million as of December 31, 2020, which equal to THB 46.01 million, an increase from the sale of investment and capital increase.
- As of December 31, 2021, trade accounts receivable and current receivables, assets arising from contracts were THB 100.44 million as of December 31, 2020, which equal to THB 163.03 million, a decrease because of the financial statements of the sold subsidiary were not included.



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- As of December 31, 2021, property, plant and equipment and right-to-use assets are equal to THB 154.87 million as of December 31, 2020, which equal to THB 214.71 million, decreased due to excluding the financial statements of the sold subsidiary.
- As of December 31, 2021, withholding income tax was THB 14.46 million as of December 31, 2020, which equal to THB 28.39 million, a decrease because of the financial statements of the sold subsidiary were not included.

**Liabilities**

- As of December 31, 2021, the defaulted liabilities increased, which equal to THB 799.68 million, as of December 31, 2020, which equal to THB 658.14 million, due to an increase in accrued interest due to the company leaving the rehabilitation plan.
- As of December 31, 2021, the estimated late payment penalty was THB 24.83 million, as of December 31, 2020, was THB 56.83 million, a decrease due to the write-off of creditors who have forgiven the company.
- As of December 31, 2021, employee benefit obligations were THB 24.74 million, as of December 31, 2020, were THB 47.40 million, a decrease is from employee turnover.
- As of December 31, 2021, the estimated loss from lawsuits is THB 0.0 million, as of December 31, 2020, which equals to THB 106.31 million, decreasing from debt repayment that has been negotiated to reduce debt.

Please be acknowledged accordingly.

Faithfully Yours,

(Miss Panadda Boonprakob)

Executive Directors

PAE (Thailand) Public Company Limited