

Translation

Re: MANAGEMENT'S DISCUSSION AND ANALYSIS FOR DECEMBER 31, 2021

The Company wishes to explain the reasons contributing to the decrease of loss on financial statement as of December 31, 2021, comparing to the previous year, the details are as follows:

Results of Operations

Revenues from construction work

In 2021 the Company's revenues from construction work were Baht 50,586 million, an increase of Baht 4,397 million from the previous year mainly from the increase of revenues from subsidiaries and joint ventures.

Revenues from sales and services

In 2021 the Company's revenues from sales and services were Baht 8,157 million, an increase of Baht 378 million from the previous year mainly from the increase of mining services.

Costs of construction work

In 2021 the Company's costs of construction work were Baht 47,282 million, an increase of Baht 2,922 million from the previous year according to the increase of the revenues from construction work.

Costs of sales and services

In 2021 the Company's costs of sales and services were Baht 6,446 million, an increase of Baht 981 million from the previous year according to the increase of mining services.

Gross profit

In 2021 the Company's gross profit was Baht 5,015 million, an increase from the previous year for which the gross profit was Baht 4,144 million. While the Company's gross profit margin in 2021 was 8.52%, an increase from the previous year for which the gross profit margin was 7.68% mainly from the increase of the gross profit in oversea subsidiaries.

Dividend income and profit sharing

In 2021 the Company's dividend income and profit sharing were Baht 26 million, an increase of Baht 14 million from the previous year mainly from the increase of dividend income from a listed company in the Stock Exchange of Thailand.

Gain (loss) on exchange rate

In 2021 the Company's gain on exchange rate was Baht 237 million, an increase Baht 526 million from the previous year according to the gain on exchange rate from the Company's foreign assets.

Gain on revaluation of investment properties

In 2021 the Company had no gain on revaluation of investment properties while the previous year had gain Baht 475 million.

Gain from fair value measurement of investments

In 2021 the Company's gain from fair value measurement of investments was Baht 143 million, an increase Baht 143 million from the previous year according to the fair value measurement in invested companies.

Gain on hedging instruments

In 2021 the Company's gain on hedging instruments was Baht 74 million, an increase Baht 17 million from the previous year mainly from the gain on purchasing forward contracts of foreign currency to pay creditors.

Other income

In 2021 the Company's other income was Baht 808 million, an increase of Baht 67 million from the previous year mainly including the rental income, the gain on disposal assets and other income of subsidiaries.

Selling expenses

In 2021 the Company's selling expenses were Baht 31 million, a decrease of Baht 28 million from the previous year according to the decrease of sale promotion expenses of a subsidiary in property development business.

Administrative expenses

In 2021 the Company's administrative expenses were Baht 2,934 million, a decrease of Baht 92 million from the previous year mainly from the decrease of the administrative expenses in oversea subsidiaries.

Allowance for impairment losses

In 2021 the Company's allowance for impairment losses was Baht 229 million, a decrease of Baht 183 million from the previous year according to the decrease of allowance for impairment losses from oversea subsidiaries.

Impairment loss on assets

In 2021 the Company's impairment loss on assets was Baht 36 million, a loss increases of Baht 36 million from the previous year mainly from the impairment on assets of completed project of a subsidiary.

Share of profit from investments in associated joint control companies and joint ventures

In 2021 the Company's share of profit from investments in associated and joint control companies and joint ventures was Baht 75 million, an increase in share of profit Baht 58 million from the previous year partially from the increase on share of profit in the associated companies and joint ventures.

Income tax expense

In 2021 the Company's income tax expense was Baht 612 million, an increase of Baht 220 million from the previous year mainly from the increase of the income tax in the subsidiaries, branches, and joint ventures.

Loss for the year attributable to shareholders of the Company

As a result of the foregoing, in 2021 the Company's loss for the year attributable to shareholders of the company was Baht 156 million, a decrease of loss Baht 949 million from the previous year.