

Subject: Management Discussion and Analysis for the First Quarter of 2022  
To: The President, the Stock Exchange of Thailand

We, SCI Electric Public Company Limited would like to report the result of the Company and subsidiaries (all together as “SCI Group”) for the First Quarter of 2022 which has been reviewed from the external auditor and approved by the Board of Directors’ meeting No. 3/2022 held on 12<sup>nd</sup> May 2022. The details are as follows:

### The operating result analysis

Unit: Million Baht

	For the three-month period ended 31 March			
	2022	2021	Increased (Decreased)	
			Amount	%
Total revenue	374.74	377.05	(21.70)	5.47
Net profit (loss) of Equity holders of the parent	(39.88)	8.63	(48.51)	(561.88)

#### **Net Profit (loss)**

For the first quarter of 2022, SCI Group had net loss of Baht 39.88 million, decreased by Baht 48.51 million or 561.88% as compared to the net profit of Baht 8.63 million incurred in the same period last year. The main reasons are as follows:

#### **Revenue**

For the first quarter of 2022, SCI Group had total revenues of Baht 374.74 million, decreased by Baht 21.70 million or 5.47 % compared to that of Baht 377.05 million the same period last year with details as follows:

- The sales revenues were Baht 358.80 million, decreased by Baht 7.11 million or 1.94%, compared to that of Baht 365.92 million in the same period last year. The sales decreased from transmission tower business;
- Service revenues decreased Baht 12.50 million, decreased by Baht 5.35 million or 29.99%, compared to the same period last year. Service revenues decreased as the substation EPC project in Thailand plan to completion in the second quarter of 2Q22. The high-voltage transmission tower and substation (500kV) project in Lao PDR still had no progress.

#### **Cost and Expense**

For the first quarter of 2022, SCI Group had total cost and expenses of Baht 411.68 million, increased by Baht 34.63 million or 9.18% compared to that of Baht 377.05 million in the same period last year with details as follows:

- Cost of sales were Baht 356.26 million, increased by Baht 41.03 million or 13.02%, compared to that of Baht 315.23 million in the same period last year. Cost of sales increased from rising material costs.

**Statement of financial position**

Unit: Million Baht

	As of 31 Mar, 2022	As of 31 Dec 2021	Increased (Decreased)	
			Amount	Percentage
Total Assets	3,085.46	3,144.82	(59.36)	(1.89)
Total Liabilities	1,677.48	1,696.62	(19.13)	(1.13)
Total Shareholder's Equity	1,407.98	1,448.20	(40.22)	(2.78)
D/E Ratio	1.19	1.17	0.02	1.70

**Total Assets**

As of 31 March 2022, SCI Group had total assets of Baht 3,085.46 million, decreased by Baht 59.36 million or 1.89% from as of 31 December 2021 of Baht 3,144.82 million with details as follows:

- Account receivables and other current receivables decreased from payment received of the substation EPC project in Thailand;
- Inventory increased from raw materials and work pending for delivery in 2022.

**Liabilities**

As of 31 March 2022, SCI Group had total liabilities of Baht 1,677.48 million, decreased by Baht 19.13 million or 1.13% from as of December 31, 2021 of Baht 1,696.62 million with details as follows:

- Account payables decreased from raw material payment according to the payment term;
- Contract liabilities increased from deferred income of high voltage transmission towers projects.

**D/E Ratio**

As of 31 March 2022, SCI Group had D/E ratio of 1.19, increased from 1.17 as of 31 December 2021. This was primarily due to the decrease in shareholder's equity in accordance with the operation results.

Kindly be informed accordingly.

Yours faithfully,  
 (Mr. Kriengkrai Pienwitthayasakul)  
 Chief Executive Officer