



13 May 2022

No. MORE.ACC 002/2565

Subject: Management discussions and analysis for the year ended 31 March 2022

Attention: The President

The Stock Exchange of Thailand

More Return Public Company Limited (“the Company”) are pleased to submit management discussions and analysis regarding consolidated financial performance and position of the Company and subsidiaries for the year ended 31 March 2022 in comparison with the corresponding period last year as follows:

The following tables present revenue and profit information regarding the Company’s and its subsidiaries’ operating segments for the three - month period end March 31, 2022, and 2021, respectively.

(Unit: Thousand Baht)

| Operating segments | | | | | | | | |
|------------------------------------|-----------------|--------|-------------------|-------|-----------------|--------|--------------|--------------|
| | Service segment | | Utilities segment | | Trading segment | | Total | |
| | Q1’65 | Q1’64 | Q1’65 | Q1’64 | Q1’65 | Q1’64 | Q1’65 | Q1’64 |
| Revenue from external customers | 16,438 | 16,353 | 8,496 | 6,058 | 10,000 | 20,954 | 34,934 | 43,365 |
| Gross margin | 1,841 | 1,960 | 2,563 | 2,766 | 4,728 | 9,584 | 9,132 | 14,310 |
| Other income | | | | | | | 1,711 | 6,375 |
| Allowance for guarantee obligation | | | | | | | - | (2,879) |
| Administrative expenses | | | | | | | (6,573) | (8,789) |
| Doubtful accounts | | | | | | | - | (1,528) |
| Finance cost | | | | | | | (1,038) | (937) |
| Profit (loss) before income tax | | | | | | | 3,232 | 6,552 |
| Tax Expense | | | | | | | (816) | = |
| Profit (loss) for the period | | | | | | | <u>2,416</u> | <u>6,552</u> |

Performance:

The consolidated financial statements , The Company had total revenue of Baht 35 million, consisting of (1) revenue from service segment of Baht 16 million, (2) revenue from utilities of Baht 9 million, and (3) revenue from trading segment amount of Baht 10 million when compared with the same period, The company's total revenue decreased by Baht 9 million, The main of decreasing from revenue in the trading segment which revenue of the parent company due to the sales volume of super tact machines decreased from 50 units to 20 units.

In the consolidated financial statements, Cost of sales and cost of services for the three-month period ended March 31, 2022 amounted to Baht 26 million when compared with the same period of 2021. It had amount decrease of Baht 3 million because cost of sales decreased same to sales volume in the period from the parent company. For cost of services, the balance has not significantly changed from the previous period.

(Unit: Thousand Baht)

| Type of cost | Q1'22 | Q 1'21 | Increased (Decreased) |
|-------------------|---------------|---------------|-----------------------|
| Cost of good sold | 11,205 | 14,336 | (3,131) |
| Cost of service | 14,597 | 14,719 | (122) |
| Total | 25,802 | 29,055 | (3,253) |

For expenses of the consolidated financial statements for the three - month period end 31 March 2022, amounting to Baht 7 million, the Company had total expense decrease by Baht 6 million because (1) Guarantee obligations decreased by Baht 3 million baht due to the Company has been relieved of the guarantee burden from the bank. Therefore, The Company no set provision from guarantee obligations in this current period. (2) Administrative expenses, Decreased from the previous period by Baht 2 million which It was a decrease from the salary of management and accounting managers who resigned near ending period of year 2021 and The Company had no new hires were made in the first quarter of year 65.

However, the performance for the three-month period ended March 31, 2022, The revenue increase from the utility segment in the sale of water from a subsidiary at Pluak Daeng. Including, the increase of a subsidiary in the sale of water business since the beginning of March, namely as K Water Company Limited, and still have gross profits from all segments and net profit for the first quarter of Baht 2.4 million.

FINANCIAL POSITION:

(Unit: Thousand Baht)

| Financial position | Q1'22 | YE'21 | Increased (Decreased) |
|---|------------------|------------------|------------------------------|
| Current assets | 64,574 | 48,390 | 16,184 |
| Non-current assets | 1,490,459 | 1,579,733 | (89,274) |
| Total assets | 1,555,033 | 1,628,123 | (73,090) |
| Current liabilities | 250,865 | 169,309 | 81,556 |
| Non-current liabilities | 5,765 | 3,716 | 2,049 |
| Total liabilities | 256,630 | 173,025 | 83,605 |
| Equity attributable to owners of the Company | 1,282,313 | 1,438,833 | (156,520) |
| Non-controlling interests of the subsidiaries | 16,090 | 16,265 | (175) |
| Total shareholders' equity | 1,298,403 | 1,455,098 | (156,695) |
| Total liabilities and shareholders' equity | 1,555,033 | 1,628,123 | (73,090) |

In the consolidated financial statements, The Company had total assets of Baht 1,555 million when compared with the financial statements of the year 2021, the Company has total assets of 1,628 million baht, which it is decrease by of Baht 73 million. Total assets decrease from non-current assets by Baht 89 million, mainly due to the company's valuation of securities listed on the stock exchange which decreased by Baht 199 million.

For total liabilities, The Company has total liabilities as of Baht 256 million when compared to the financial statements of the year 2021, which increased from current liabilities of Baht 82 million due to (1) The Company entered into an investment purchase agreement in More property development. The company received deposit payment of 50 million baht, which the company recorded the account as "Other current liabilities" (2) Cheque paid to the seller due to the Company's purchase of a subsidiary and the payment has not yet been made during the period.

For the shareholders' equity of the parent company, The company has shareholders' equity of Baht 1,282 million when compared with the financial statements of the year 2021, decreasing from the previous year that the company has a loss from the valuation of securities listed on the stock exchange. As a result, other components of shareholders' equity decreased by Baht 159 million.

- **Balance of debt of Primetime Entertainment Co., Ltd. (PTE)**

(Unit: Thousand Baht)

| Lender | 31 March 2022 | | 31 December 2021 | |
|--|---------------|----------|------------------|----------|
| | Principal | Interest | Principal | Interest |
| More property development Co., Ltd. (PROP), subsidiary of the Company in portion of 99.99% | 31,620 | 12,972 | 31,620 | 12,972 |

As of March 31, 2022, there are outstanding debts of Baht 32 million and interest of Baht 13 million (as of December 31, 2021, there are outstanding debts of Baht 32 million and interest of 13 million baht). As for the payment plans of PTE, there is currently no repayment plan. However, the Board of Directors has assigned the management to expedite the follow-up process and clarify the progress of the proceedings at the quarterly meetings. The management has an opinion to file a lawsuit to the end. Currently in the process of submitting a letter requesting debt repayment. If the company ignores, The Company will proceed with the litigation process. The Company will report the progress accordingly.

Details of debt outstanding loans with the Group at present as at March 31, 2021 are as follows:

- **Balance of debt of More Network and Engineering Co., Ltd. (MNE) (Percentage of shareholder 99.99%)**

(Unit: Thousand Baht)

| Lender | 31 March 2022 | | 31 December 2021 | |
|---|---------------|----------|------------------|----------|
| | Principal | Interest | Principal | Interest |
| More Return Public Company Limited (MORE) | 72,950 | 10,518 | 56,250 | 9,575 |

As of March 31, 2022, there are principal debts totaling Baht 73 million and accrued interest of Baht 11 million (as of December 31, 2021, there are total principal and accrued interest of Baht 56 million and Baht 10 million, respectively). MNE has no plan of payment because the objective is to use as working capital in the subsidiary. and to provide financial to Pluak Daeng Water Company Limited for the payment of land and buildings for the operation of the water supply project at Rayong. For such loans, the Company has set some allowance for doubtful accounts. However, the Board of Directors has assigned the management to follow up and clarify progress at the meeting every quarter meeting.

- **Balance of debt of More property development Co., Ltd. (Percentage of shareholder 99.99%)**

(Unit: Thousand Baht)

| Lender | 31 March 2022 | | 31 December 2021 | |
|---|---------------|----------|------------------|----------|
| | Principal | Interest | Principal | Interest |
| More Return Public Company Limited (MORE) | 28,850 | 2,805 | 28,850 | 2,360 |

As of March 31, 2022, there are principal debts totaling Baht 29 million and accrued interest of Baht 3 million (as of December 31, 2021, there are total principal debt and accrued interest of Baht 29 million and Baht 2 million, respectively). Property Development Co., Ltd. has no plan of payment. The purpose of the loan is to be used as a temporary working capital. For loans, the Company has not set an allowance for doubtful accounts. However, the Board of Directors has assigned the management to follow up and clarify progress at the meeting every quarter meeting.

- **Balance of debt of DNA Fresh Air Co., Ltd. (DNF) (Percentage of shareholder 49.99%)**

(Unit: Thousand Baht)

| Lender | 31 March 2022 | | 31 December 2021 | |
|---|---------------|----------|------------------|----------|
| | Principal | Interest | Principal | Interest |
| More Return Public Company Limited (MORE) | 51,150 | 22,429 | 51,150 | 22,429 |

As of March 31, 2022, there are total principal debt of Baht 51 million and accrued interest of Baht 22 million baht (as of December 31, 2021, there is a total principal debt of Baht 51 million and accrued interest of Baht 22 million). DNF has no plan of payment because of no operation. The loan is not in proportion to their shareholding because the Company is a major shareholder and provide financial support to DNF primarily by loans intended for investment in the installation media in the airport on the year 2014 - 2015. The loan has been fully set up for allowance for doubtful accounts. The Board of Directors has assigned the management team to find process and clarify progress at the meeting every quarter. The Company will report the progress accordingly.

Please be informed accordingly,

Yours Sincerely,

(Mr. Sirisak Piyatassikul)

Director