

**META-MAI.011/2022**

**May 13, 2022**

**Subject Report for the overall operation of the Company as of March 31, 2022**

**To The Committee and Manager of The Stock Exchange of Thailand**

According to the resolution of the Board of Directors Meeting of Meta Corporation Public Co., Ltd. (“the Company”) No. 03/2022 held on May 13, 2022, the meeting approved the separate and consolidated financial statement as of March 31, 2022, which the net loss is totaling the amount of THB 20.61 million which the net loss decreased in the amount of THB 4.96 million or 19% when compared with the financial statement as of March 31, 2021.

The Company would like to report the operating results compared to the period ended March 31, 2021 due to the following reasons:

Descriptions	31-MAR-22		31-MAR-21		In(de)creased for the period	
	Amount (Thousand Baht)	Proportion (%) of revenues	Amount (Thousand Baht)	Proportion (%) of revenues	Amount (Thousand Baht)	%
Revenues from building engineering system and construction	14,766	77%	-	-	14,766	100%
Revenues from loan services	4,291	23%	-	-	4,291	100%
Total revenues from operations	19,057	100%	-	-	19,057	100%
<u>Less</u> Costs from building engineering system and construction	(14,063)	(95)%	-	-	(14,063)	100%
<u>Less</u> Costs from loan services	(533)	(12)%	-	-	(533)	100%
Total costs from operations	(14,596)	(77)%	-	-	(14,596)	100%
Gross profit from operations	4,461	23%	-	-	4,461	100%
<u>Add</u> Interest income	-	-	268	-	(268)	(100)%
<u>Add</u> Other income	6,886	36%	1,196	-	5,690	476%
<u>Less</u> General and administrative expenses	(28,936)	(152)%	(20,628)	-	(8,308)	40%
<u>Less</u> Finance costs	(7,836)	(41)%	(10,173)	-	2,337	(23)%
<u>Less</u> Income tax paid	(466)	(2)%	(122)	-	(344)	282%
<u>Add</u> Other items	5,278	28%	3,882	-	1,396	36%
<b>Profit (loss) for the period</b>	<b>(20,613)</b>	<b>(108)%</b>	<b>(25,577)</b>	<b>-</b>	<b>4,964</b>	<b>(19)%</b>

Comparing the profit (loss) from operation as at March 31, 2022, and March 31, 2021, the Company had decrease in a net loss of THB 4.96 million or 19% due to the materiality causes as follows :

1. An increase in gross profit from operations of Baht 4.46 million or 100% due to the following main reasons:
    - An increase in construction revenue for the solar power plant project in Minbu, Myanmar, Phase 2, which can start operating in the 4th quarter of 2021 and continues to the present (working on site improvement, soil filling and site preparation for Phase 2). As a result, in the first quarter of 2022, the Company has revenue from construction in phase 2 of Baht 14.77 million.
    - The increase in interest income from loans to customers was derived from the new credit services segment that commenced operations in October 2021. The Company's revenue from the said segment increased to Baht 4.29 million.
  
  2. An increase in other income of Baht 5.69 million or 476% overall increased from
    - 1.) Other income from the reversal of the accrued retention deposit of a contracting project in the country to other income amounting to Baht 1.66 million due to such retention were accrued more than 2 years after the delivery of the project.
    - 2.) Other income from the credit service segment consisted of revenue from transfers from sales of accounts receivable, income from credit management services and income from credit services totaling Baht 2.31 million.
  
  3. An increase in administrative and general expenses of Baht 8.31 million or 40% due to
    - 1.) Employee expenses for salaries and bonuses increased by a total of Baht 1.87 million. The increase in such expenses was in line with the expansion of the credit service business and the increase in the number of personnel in the said segment which started operating in October 2021.
    - 2.) The financial advisory fee and legal advisory fee was increased to a total of Baht 1.16 million with the main objectives to assess the company's value and to study new projects that the Company considered that it may be interesting and have potential to grow further in the future.
  
  4. Finance costs decreased by Baht 2.34 million or 23% due to the Company's overall financial debt ratio decreased compared to the same quarter of the previous year. As a result, the financial cost was reduced by such amount.
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**The explanations of the significant balance of asset**

1. For the receivables balance from the Solar Power Plant Projects, Minbu, Myanmar, Phase 1 it was found that the Company had net outstanding balance (trade receivables and unbilled receivables less advances received for construction) as of March 31, 2022, and December 31, 2021, totaling USD 42.9 million or equivalent to Baht 1,427.1 million and USD 42.9 million or equivalent to Baht 1,432.3 million, respectively. According to the construction contract in Phase 1, the Company must deliver the work and receive certification from the lender's technical advisor in terms of performance testing (Performance Ratio Test or PR Test) to meet the requirements before the Company be able to collect the payment from the client (GEPM). Later after the COVID-19 event, the term of payment is divided into two new payment periods. Starting from February 28, 2020, to March 29, 2020, considered as the first payment period and start counting again after April 17, 2022, or as the government of Myanmar announced the closure of entry-exit until April 16, 2022). Counting the second period of repayment starting from the China Subcontractor has issued a travel notice letter to initiate corrections and PR Test on June 15, 2022. Therefore, the repayment period will begin from such date and the GEPM debtor will be due on September 12, 2022.
2. Trade receivables from the Solar Power Plant Project in Biliran, Philippines, as of March 31, 2022, and December 31, 2021, totaling USD 16.03 million, or equivalent to Baht 533.81 million and Baht 535.78 million, respectively. In 2020, the project owner gives an opportunity for Vintage EPC to have the opportunity to jointly invest with a group of new investors. The Board of Directors of Vintage EPC has considered that the project is attractive for investment and can create many business opportunities, therefore, appointed representatives of Vintage EPC Company Limited to attend the meeting with counterparties (“EPGEN”/“Buyer”) and new investors who are interested in investing in a 25.6 megawatt Solar Power Plant Project in Billiran, Philippines. At the aforementioned meeting, all three parties have already signed a Memorandum of Understanding for participating in the investment in the said project and allowing each party to study the project and extend the period of debt collection due to the process of considering due diligence in considering the conversion of

debtors to equity by extending the period to study the project until December 31, 2021. Later, it found that at the Board of Directors' Meeting No. 2/2021 on February 25, 2021, the management presented to the meeting that the Company has appointed another independent financial advisor approved by the Securities and Exchange Commission (SEC) and such independent financial advisor has knowledge and expertise in the solar power project business to perform the project valuation and as an investment advisor in the project again (this is

the second valuation of the project), which the financial advisor has preliminarily assessed EPGEN's share value and found that EPGEN's share value is USD 28.2 - 29.8 million. The Board of Directors' meeting, therefore, approved authorizing the Chief Executive Officer to appoint a legal advisor to negotiate for co-investment with the BEC group and continue investing in the said project.

At present, it was found that the Board of Directors Meeting No. 15/2021, held on December 22, 2021, resolved to extend the period of the Memorandum of Understanding (the Amended MOU) between Vintage EPC Company Limited ("the Subsidiary"), Basic Energy Corporation ("BEC") and E&P Green Energy Inc. ("EPGEN") will expire on December 31, 2022 due to the situation of the COVID-19 epidemic that continues to spread and suspension of cross-country travel. As a result, teams such as financial advisors (FA) appointed by the company to help coordinate the investment in such projects, including the company's management team, are unable to travel to the Birilan project. There is a limitation in meeting to negotiate the details of the project together with all 3 parties. Therefore, the management and the other two parties agreed that the period of the MOU should be extended. (the Amended MOU) for 1 year in order to complete the structure and form of investment in the project.

On January 31, 2022, Vintage EPC Company Limited ("the Subsidiary"), Basic Energy Corporation ("BEC") and E&P Green Energy Inc. ("EPGEN") completely signed a renewal of the Memorandum of Understanding (the Amended MOU) extended until December 31, 2022.

3. Deposits for investment in the energy business, as of March 31, 2022, and December 31, 2021, totaling JPY 1,741.05 million, or equivalent to Baht 475.04 million and Baht 506.02 million, respectively, as the deposit for the feasibility of a solar power plant project, biomass power plant with the total capacity of 100.0 megawatts consisted of 1) The Saga Project with a capacity of 50 MW in Saga City, Japan 2) the Saga Project with a capacity of 25 MW in Saga City, Japan, and 3) the Wakayama Project with a capacity of 25 MW in Wakayama City, Japan.

The Board of Directors Meeting No. 15/2021, dated December 22, 2021, reported that the management has considered the investment method from 3 investment plans, consisting of 1. Direct invest in Innocent, or 2. Direct investment in such projects, or 3. Preparing Management Service Agreement with Innocent as presented by JETRO, which is a consultant for investment in Japan.

In this regard, the Company's Board of Directors has considered and appointed Nishimura & Asahi as legal advisors and supervises the legal and related contracts for the investment in the Karatsu Biomass Power Plant (Saga 50 MW) project. And the legal advisors (Nishimura & Asahi) advise that the Company should consider investing in the GK-TK Structure, where the deposit is Baht 506.0 million with the counterparty, which can be divided into 3 projects: 1) Saga 50 MW 2) Saga 25 MW and 3) Wakayama 25 MW. Currently, the Company is collecting information and relevant legal requirements, including details of the return on such investment models, and in order to comply with the compilation of information on considering new investment guidelines, the Company should extend the period of the MOU until December 31, 2022 and on January 4, 2022, Vintage Holding Japan Company Limited and the contracting parties have agreed to enter into a Memorandum of Understanding to extend the project development period until December 2022.

On February 16, 2022, Vintage Holding Japan Company Limited and the counterparties entered into a collateral agreement in respect of project deposits, whereby the parties pledged securities, namely the concession in the Saga 25 MW and Wakayama 25 MW projects to secure the deposit in the said project. The management has appointed another independent financial advisor who is approved by the SEC and who has expertise in the electric power project business to assess the value of such collateral. It was found that the appraised collateral value was approximately JPY 2,053.6 million, which covered the entire amount of the company's deposits placed for investment purposes which is JPY 1,741.1 million.

**Sincerely Yours**

**(Mr. Supasit Pokinjaruras)**

**Chief Executive Officer**