



**SIAMEAST SOLUTIONS**  
PUBLIC COMPANY LIMITED

No. ELCID/SE/010/2022

16 MAY 2022

Subject : Management Discussion and Analysis for the 3 month period ended 31 March 2022

Dear Directors and Managers  
Stock Exchange of Thailand

SiamEast Solutions Public Company Limited has submitted the consolidated financial statements for the 3 month period . Ends March 31 2022 , which has been audited by a certified public accountant, the Company would like to clarify the operating results with all the details as follows:

Unit : Million Baht	Consolidated financial statements				Financial statements under the equity method		
	Q1/2022	Q1/2021 ( Virtual budget, revised )	increase ( decrease)	%YoY	Q1/2021	increase ( decrease)	%YoY
<b>Revenue from sales and services</b>							
1. Pumping System Technology Division	27.25	21.47	5.78	26.92	21.47	5.78	26.92
2. Product group of process management and piping system	38.90	36.59	2.31	6.31	23.44	15.46	65.96
3. Innovative Material Division	56.06	25.84	30.22	116.95	25.84	30.22	116.95
4. Service Business Division	14.42	8.31	6.11	73.52	7.40	7.02	94.86
Total	136.64	92.21	44.43	48.19	78.15	58.49	74.84
<b>Cost of Sales and Cost of Service</b>	99.32	69.32	30.00	43.27	60.03	39.29	65.45
<b>Gross profit</b>	37.32	22.89	14.43	63.04	18.12	19.20	105.96
Other income	1.52	0.58	0.94	162.07	0.29	1.23	424.14
Total income	138.16	92.79	45.37	48.90	78.44	59.72	76.13
Selling and administrative expenses	27.97	26.09	1.88	7.20	22.23	5.74	25.82
Separate net profit (loss)	8.38	(2.97)	11.35	381.74	(2.97)	11.35	381.74

Unit : Million Baht	Consolidated financial statements				Financial statements under the equity method		
	Q1/2022	Q1/2021 ( Virtual budget, revised )	increase ( decrease)	%YoY	Q1/2021	increase ( decrease)	%YoY
Share of profit (loss) from investment in associated company	5.35	5.79	(0.44)	(7.67)	5.79	(0.44)	(7.67)
Share of profit (loss) attributable to the parent company	13.48	2.82	10.66	378.18	2.82	10.66	378.18
Net Profit Margin (%)	9.76	3.04			3.59		

### Revenue from sales and services

#### 1. case of comparison with Consolidated financial statements of subsidiaries ( KESSEL) according to accounting standards under the same control

Operating results for the three -month period ended 31 March 2022 The company has revenue from sales and services amount 136.64 million baht increased from the same period of the year 2021 44.43 million baht or an increase of 48.19 % Operating results for the three-month period ended March 3 , 2022 , the Company Increased sales and service income in all product groups But there is an innovative material product group that has increased revenue from the first quarter of 2021 in the amount of 30.22 million baht or an increase of 116.95 % . The increase in revenue is caused by most of the factories that have been fully operational and the company. the Received a large number of sales orders about COVID-19 self - examination kit products of innovative materials product group And the company can also go to work on the service at the customer's site more. from the opening of the customer company and the better situation of the COVID-19 epidemic

#### 2. In the case of comparison with the financial statements under the equity method (Previously) with no operating results of the subsidiary under 1)

Operating results for the 3 month period Ending March 31 2022 The company has revenue from sales and services amount 136.64 million baht increased from the same period of the year 2021 Number 58.49 million baht or an increase of 74.84 % and operating results for Three-month period ended 3 March 1 , 2022 , the Company Increased sales and service income in all product groups But there is an innovative material product group that has increased revenue from the first quarter of 2021 amounting to 30.22 million baht . or an increase of 116.95 percent , which the aforementioned increase in revenue was caused by most of the factories that were fully operational and the Company Received a large number of sales orders about COVID-19 self - examination kit products of innovative materials product group And the company can also go to work on the service at the customer's site more. from the opening of the customer company and the better situation of the COVID-19 epidemic

The revenue in case of 2) increased significantly because the Company Recognized revenue from subsidiaries in the first quarter of 2022 , while the financial statements in the case of 1), the auditor has included the revenues of the subsidiaries together with the revenues of the Company. as if merging from the beginning under the same control

In addition, the company still has products and services. which has received the purchase order and is in the process of being gradually delivered (Backlog) according to the table as follows:

<b>Goods and services that have been ordered but not yet delivered (Backlog)</b>	<b>2020 → Q2-Q4 2022 ( Million Baht )</b>	<b>2021 → Q2-Q4 2022 ( Million Baht )</b>	<b>2022 → Q2-Q4 2022 ( Million Baht )</b>	<b>All Backlogs ( million baht)</b>
together	0.77	46.17	98.92	145.86

#### **Other income**

##### **1. case of comparison with Consolidated financial statements of subsidiaries ( KESSEL) according to accounting standards under the same control**

For the 3 -month period ended 31 March 2022 The Company had other revenues of 1.52 million baht, an increase of 0.94 million baht from the first quarter of 2021 or a 162.07 % increase in other income in the first quarter of 2022 due to an increase in sales promotion income.

##### **2. In the case of comparison with the financial statements under the equity method (Previously) with no operating results of the subsidiary under 1)**

for 3 month period Ending March 31 2022 The Company had other income of 1.23 million baht, an increase of 1.23 million baht from the first quarter of 2021, or 424.14 % increase in other income in the first quarter of 2022 due to an increase in sales promotion income.

#### **Cost of sales and services**

##### **1. case of comparison with Consolidated financial statements of subsidiaries ( KESSEL) according to accounting standards under the same control**

for 3 month period Ending March 31 2022 The Company had cost of sales and services of 99.32 million baht, an increase from the first quarter of 2021 by 30.00 million baht or 43.27 percent , which was in the same direction as the revenue from sales and services . and service with revenue from sales and services and found that The proportion of cost of sales decreased from 75.18 % of revenue in the first quarter of the year. 2021 to 72.69 % in the first quarter of the year 2022 This is due to revenue from sales and services of certain product groups in the first quarter of 2022. Cost of sales and services can be better controlled . resulting in higher gross profits

##### **2. In the case of comparison with the financial statements under the equity method (Previously) with no operating results of the subsidiary under 1)**

For the 3 -month period ended 31 March 2022 The Company had cost of sales and services of 99.32 million baht, an increase from the first quarter of 2021 by 39.29 million baht or 65.45 % , which was in the same direction as the revenue from sales and services. The cost of sales in the case of 2) increased because the company The cost of the subsidiary has not yet been recognized in the first quarter of 2021 , while the financial statements in the case of 1), the auditor has included the cost of the subsidiary together with the cost of the company. as if merging from the beginning under the same control

However, when comparing the cost of sales and service with revenue from sales and services and found that The proportion of cost of sales decreased from 76.81 percent of revenue in the first quarter of the year. 2021 to 72.69 % in the first quarter of the year 2022 This is due to revenue from sales and services of certain product groups in the first quarter of 2022. Cost of sales and services can be better controlled . resulting in higher gross profits

### **Selling and administrative expenses**

#### **1. case of comparison with Consolidated financial statements of subsidiaries ( KESSEL) according to accounting standards under the same control**

For the 3 -month period ended 31 March 2022 The Company had selling and administrative expenses of 27.97 million baht, an increase from the first quarter of 2021 by 1.88 million baht or 7.20 % , which was in the same direction as the revenue from sales and services . proportion Selling and administrative expenses With the revenue from sales and services, it was found that the proportion of expenses decreased from 29.29 % of the revenue in the first quarter of 2021 to 20.47 percent of the revenue in the first quarter of 2022 due to the Company and its subsidiaries. cost control and manage expenses more efficiently

#### **2. In the case of comparison with the financial statements under the equity method (Previously) with no operating results of the subsidiary under 1)**

for 3 month period Ending March 31 2022 The Company had selling and administrative expenses of 27.97 million baht, an increase from the first quarter of 2021 by 5.74 million baht or 25.82 % , which was in the same direction as the revenue from sales and services . proportion Selling and administrative expenses With the revenue from sales and services, it was found that the proportion of expenses decreased from 28.44 percent of revenue in the first quarter of 2021 to 20.47 percent of revenue in the first quarter of 2022 . management of cases under 2) significantly decreased due to the Company's cost control and manage expenses more efficiently While the financial statements in the case of 1), the auditor has included the expenses of the subsidiary together with the Company's income. as if merging from the beginning under the same control

### **Share of profit (loss) attributable to the parent company**

#### **1. case of comparison with Consolidated financial statements of subsidiaries ( KESSEL) according to accounting standards under the same control**

For the three -month period ended 31 March 2022 The Company had a separate net profit (loss) of 8.38 million baht, an increase from the first quarter of 2021 by 11.35 million baht or an increase of 381.74 % .

Increase in profit (loss) separate which is significant because the company able to sell more products and services because the company The customer can open to work in full and can allow the company to work at the customer site more. And there are also orders for group orders for Covid-19 testing kits ( 2019) that have received a large number of orders.

In addition, for the three -month period ended March 31 , 2022 , the Company also recognized the net profit of Utilities Business Alliance Company Limited ( “UBA”) at the rate of 39.99% , amounting to 5.35 million baht . down from the first quarter of 2021 in the amount of 0.44 million baht or a decrease of 7.67 %

From the above-mentioned operating results and the recognition of profits from subsidiaries and associates As a result, the company Has a share of profit (loss) attributable to the parent company for the three -month period ended March 31 , 2022 , totaling 13.48 million baht, an increase from the first quarter of 2021 by 10.66 million baht, or an increase of 378.01 %

**2. In the case of comparison with the financial statements under the equity method (Previously) with no operating results of the subsidiary under 1)**

for 3 month period Ending March 31 2022 The Company had a separate net profit (loss) of 8.38 million baht, an increase of 11.35 million baht from the first quarter of 2021 , or an increase of 381.74 % , a significant increase in separate profit (loss) because the company able to sell more products and services because the company The customer can open to work in full and can allow the company to work at the customer site more. And there are also orders for group orders for Covid-19 testing kits ( 2019) that have received a large number of orders.

In addition, for the three -month period ended March 31 , 2022 , the Company also recognized the net profit of Utilities Business Alliance Company Limited ( “UBA”) at the rate of 39.99% , amounting to 5.35 million baht . down from the first quarter of 2021 in the amount of 0.44 million baht or a decrease of 7.67 %

From the above-mentioned operating results and the recognition of profits from subsidiaries and associates As a result, the company Has a share of profit (loss) attributable to the parent company for the three -month period ended March 31 , 2022 , totaling 13.48 million baht, an increase from the first quarter of 2021 by 10.66 million baht, or an increase of 378.01 %

Therefore, by bringing the profits of subsidiaries together with the Company as if merging from the beginning under the same control since 2020 , the Company had a share of profit (loss) attributable to the parent company in the first quarter of the year . 2022 more profitable

Please be informed accordingly.

Best regards



(Miss Orasa Vimolchalao)

Person with authority to report information