

**PRG Corporation Public Company Limited**

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Pef. MD 033/2022

17th May 2022.

Subj Management Discussion and Analysis (MD&A) Q1/2022

Dear Managing Director of Stock Exchange of Thailand

We, PRG Corporation Public Company Limited and its subsidiaries, would like to present the Management Discussion and Analysis (MD&A) of Q1/2022 as follows:

Management Discussion and Analysis (MD&A)
PRG Coporation Public Company Limited and its subsidiaries
For the Three-month period and Three-month period ended 31st March 2022

1. Overall performance

Consolidated financial results of PRG Corporation Public Company Limited and its subsidiaries for the Three-month period and Three-month period ended 31st March 2022 and 2021 are as follows:

Unit: million baht

Detail	for 3-month period ended 31 March			
	2022	2021	Inc/(Dec)	%
Total revenues	312	513	(201)	-39%
Sale revenues	353	446	(93)	-21%
Service revenues	6	4	2	50%
Gain from the change in value of financial assets	(52)	60	(112)	-187%
Other income	5	3	2	66%
Total expenses	368	445	(77)	-17%
Cost of sales	256	371	(115)	-31%
Cost of service	4	3	1	33%
Selling expenses	89	50	39	78%
Administrative expenses	19	20	(1)	-5%
Finance cost	3	2	1	50%
Profit for the period	(59)	66	(125)	-189%
Profit (loss) for the period attributable to Equity holders of the Company	(59)	66	(125)	-189%
Earnings per share (THB/share)	(0.10)	0.11	(0.21)	-191%

The overall operating results of the Group for the three-month period ended 31 March 2022 in comparison with the same period of last year showed that the performance of the Group decreased. The operating revenue for the three-month periods ended 31 March 2022 and 2021 were Baht 312 million and Baht 513 million, respectively, decreased by Baht 201 million or 39%. The net profit (loss) attributable to equity holders of the Company for the three-month periods ended 31 March 2022 and 2021 were Baht (59) million and Baht 66 million, respectively, The significant changes were as follows:

- Gains form the change in value of warrants decreased Bath 112 million or 187% Due to the decrease in the value of the warrants.
- Sales revenue decreased by Baht 93 million or 21% from rice business and OEM. Food court business increase sales revenue.
- Cost of service increase of 33% from the food court business with additional service income.
- Selling expenses increased by 78% from selling export procutcs.

Financial results of 3-month ended period

Unit: million baht

Detail	for 3-month period ended 31 March			
	2022	2021	Inc/(Dec)	%
Total revenues	277	441	(164)	-37%
Sale revenues	310	380	(70)	-18%
Gain from the change in value of financial assets	(49)	57	(106)	-186%
Other income	16	4	12	300%
Total expenses	310	373	(63)	-17%
Cost of sales	215	309	(94)	-30%
Selling expenses	83	46	37	80%
Administrative expenses	12	17	(5)	-29%
Finance cost	5	4	1	25%
Profit for the period	(38)	64	(102)	-159%
Profit (loss) for the period attributable to Equity holders of the Company	(38)	64	(102)	-159%
Earnings per share (THB/share)	(0.06)	0.11	(0.17)	-155%

- Decreasing in total revenues of 18% from traditional trade channels. Caused by the closure of small shops and various projects of the government to help people decrease.
- Cost of sales decrease of 30%, from decreased sales and raw material costs
- Increasing in selling expenses of 80% is a result of increased, transportation costs in export from the export freight According to the sales volume and higher freight rate
- Decreasing in administrative expenses of 29% is a result of director expenses

2. Financial status analysis

The significant movements in assets, liabilities and shareholders' equity as at 31 March 2022 when compared with balance as at 31 December 2021 were as follows:

Unit: million baht

Detail	2022	2021	diff	%
Total assets	7,969	8,452	(483)	-6%
Trade and other receivable	203	204	(1)	-1%
Inventories	183	155	28	18%
Other current financial assets	583	635	(52)	-8%
Other current assets	23	24	(1)	-3%
Other non-current financial assets	6,263	6,712	(449)	-7%
Investment properties	188	178	10	5%
Property, Plant and Equipment	476	485	(9)	-2%
Other non-current assets	5	5	(0)	-0%
Total Liabilities	2,082	2,290	(208)	-9%
Bank overdrafts and short-term loans from banks	856	990	(134)	-14%
Trade and other payables	114	97	17	18%
Other current financial liabilities	1	1	0	0%
Other current liabilities	24	25	(1)	-4%
Provision for long-term employee benefits	25	25	0	0%
Deferred tax liabilities	1,045	1,135	(90)	-8%
Other non-current liabilities	9	9	0	0%
Total shareholders' equity	5,887	6,162	(275)	-4%

- Decreasing in trade and other receivable of 1%, due to the decrease in receivable from rice sales.
- Increasing in inventories of 18% is a result of the company has increased stocks of finished goods, jasmine rice
- Other current financial liabilities decrease of 8% is a result of the designated at fair value of warrants. (MBK-W1 decreased by 0.90 baht from 11 baht to 10.10 baht, MBK-W2 decreased by 0.90 baht from 10.6 baht to 9.70 baht and MBK-W3 decreased by 0.80 baht from 10.20 baht to 9.40 baht)
- Other current assets decrease of 3% is a result of PRG Logistic Company Limited received a refund of withholding tax.
- Other current non-current liabilities decrease of 7% is a result of the designated at fair value of listed equity investments – parent company. (Decreased by 0.90 baht from 13.40 baht to 12.50 baht.)



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- Bank overdrafts and short-term loans from banks decrease of 14% is a result of the receipt of warrants converted to working capital.
- Increasing in trade and other payables of 18%, because the company has bought more rice raw materials.
- Deferred tax liabilities decrease of 8% is a result of income tax liabilities. that might happen of the investment value in the company that increased from 13.40 baht to 12.50 baht.

Please be informed accordingly

Kindly Regards

(Mr. Somkiat Makcayathorn)

Managing Director

PRG Coporation Public Company Limited