

AMD 65219/OCO

August 11, 2022

Subject: Management Discussion and Analysis for the Second Quarter of 2022 ending as of June 30, 2022

To: President
The Stock Exchange of Thailand

Index International Group Public Company Limited (“the Company”) would like to clarify the operating results for 6 months period ending as of June 30, 2022 with the following details:

Unit: Million Baht

Profit and Loss Statement for 6 months As of June 30, 2022 and 2021	6 months ending as of		Change	
	June 30, 2022	June 30, 2021	Amount	Percent
Revenue from services	275.00	147.32	127.68	86.67
Service cost	210.26	122.08	88.18	72.23
Gross profits	64.74	25.24	39.50	156.50
Other revenues	2.09	3.50	(1.41)	(40.29)
Management expenses	44.80	48.91	(4.11)	(8.40)
Financial cost	0.27	0.35	(0.08)	(22.86)
Benefit (expense) of income tax	(4.58)	3.49	(8.07)	(231.23)
Net profit (loss) for the period	17.18	(17.04)	34.22	200.82

Revenue from services

For the first 6 months of 2022, the Company had revenue from services for 275.00 million Baht, increasing for 127.68 million Baht or 86.67%, compared with the first 6 months of 2021 with following details:

- The Company had revenue from conceptual and detailed design increased from the first 6 months of 2021 for 45.09 million Baht or increased for 197.76%. The reason was that the Company had more new design works in the first 6 months of 2022 for 6 projects, and 2 of which had contracted value more than 18 million Baht: the project of four-lane highway survey and design (ThorLor. 2- ThorLor.222 Udon Thani- Bueng Kan) and the project of four-lane highway survey-design (Ban Pasak- Tha Wang Phrao). Furthermore, the Company realized revenue from the ongoing design works continuously from various projects. As a result, the Company had revenue from the design works in the first 6 months of 2022 more than the same period in 2021.

- The Company earned revenue from the design-build more than the first 6 months of 2021 for 83.86 million Baht or increased 76.49%, this was because the Company realized revenue from large-scale design-build project- the aviation fuel stations at U-Tapao Airport with contracted value of 1,980 million Baht. The Company also had a new design project which was the design and construction work of relocating overlapping fuel oil pipe of the High-Speed Rail Connecting Three Airports Project (Phaya Thai- Bang Sue- Klang Krung Village) with contracted value of 161.20 million Baht. Therefore, the revenue from the design-build work of the Company was higher than the previous year.
- The Company had decreased revenue from the project management and construction supervision works from the first 6 months of 2021 for 1.33 million Baht or decreased 8.96%, because the Company realized revenue from the project management and construction supervision of nearly completed projects. Despite in the first 6 months of 2022 that the Company won the contract for a large project like Purple MRT Line, Tao Pun – Rat Burana Section (Kanchanapisek Roundabout) with contracted revenue of 345.41 million Baht, the operations during the initial stage led the Company had revenue from the project management and construction supervision lower than the same period of previous year.
- Revenue from other services of the Company increased for 0.06 million Baht because in the first 6 months of 2022, the Company completed and delivered the work to clients. As a result, the Company earned higher revenue from other services.

Service cost and gross profit margin

In the first 6 months of 2022, the Company had higher service cost for 88.18 million Baht or increased for 72.23% from the first 6 months of 2021. The main reason was the increase of subcontractor's wage and construction materials' price from the design-build work of the aviation fuel stations at U-Tapao Airport, which is a large-scale project of the Company. The increased service cost corresponds to the higher revenue from services.

The gross profit in the first 6 months increased for 39.50 million Baht or 156.50%, compared with the first 6 months of 2021 because the Company had several new projects, which was in line with the increased revenue.

Management expenses

In the first 6 months of 2022, the Company's management expenses decreased for 4.11 million Bah, equating to 8.40% compared with the same period in 2021. This was because employee-related expenses diminished and since the Company obtained numerous new projects, the employee-related expenses were

allocated to belong to the projects. Therefore, expenses about employees decreased. Additionally, in the first 6 months of 2022, other expenses decreased from the first 6 months in 2021 such as advertisement cost, asset depreciation and thus the Company's management expenses were reduced.

Net profit (Loss)

In the first 6 months of 2022, the Company had net profit for 17.18 million Baht which increased from the same previous of previous year 34.22 million Baht or 200.82% because the Company had higher revenue from operations in the large scale project. Moreover, in the first 6 months of 2022, the Company engaged in the design and construction work, the project management and construction supervision work and the conceptual and detailed design work. Therefore, the Company had net profit in the first 6 months of 2022 more than the same period in 2021.

Financial Statement of the Company

Unit: Million Baht

Financial Statement As of June 30, 2022 and December 31, 2021	As of June 30, 2022	As of December 31, 2021	Change	
			Amount	Percent
Asset	690.00	671.57	18.43	2.74
Liability	294.76	292.58	2.18	0.75
Shareholder's Equity	395.24	378.99	16.25	4.29
Debt to Equity Ratio (D/E Ratio) : Time	0.75	0.77	(0.02)	(2.60)
Interest\ Bearing Debt to Equity (IBD/E Ratio) : Time	0.01	0.01	0.00	0.00

Asset

As of June 30, 2022, the Company had total asset for 690.00 million Baht, increased from December 31, 2021 for 18.43 million Baht, which is equal to 2.74%. The increased asset was from the account receivables and other debtors- net and contractual assets since the Company operated large-scale projects and delivered the completed one to the client. Therefore, the accrued receivables increased. From the delivery of such project, the contractual assets grew accordingly. Moreover, the Company had more inventories from as of the end of 2021.

Liability

As of June 30, 2022, the Company had total liabilities for 294.76 million Baht, which increased from December 31, 2021 for 2.18 million Baht or increased for 0.75%. It was the growth of account payables and other creditors from charging more accrued construction cost from large projects. Therefore, the balance of such particulars in the second quarter of 2022 expanded from the same period in 2021.

Shareholder's Equity

As of June 30, 2022, the Company had shareholder's equity for 395.24 million Baht, which increased from December 31, 2021 for 16.25 million Baht or 4.29%. This was the increase of unallocated net accumulated profit because the Company had operating profit in the first 6 months of 2021 from higher revenue, and thus the shareholder's equity's soaring corresponded to the higher revenue.

Debt to Equity Ratio

As of June 30, 2022, the Company had debt to equity ratio for 0.75 times, which improved, compared with as of December 31, 2021 at 0.77 times because of higher shareholder's equity from the unallocated net accumulated profit.

Please be informed accordingly

Yours sincerely,



(Mr. Rathawit Na Lamphun)

Assistant Chief Executive Officer

and Company Secretary

Index International Group Public Company Limited