

No. B8-2022-0110

10 November 2022

Re: Management Discussion and Analysis for the period ended 30 September 2022

To: President,
Stock Exchange of Thailand

Beryl 8 Plus Public Company Limited and its subsidiaries (“the Group”) would like to summarize the Financial Performance for the period ended 30 September 2022 as below:

Unit : Million Baht

Consolidated financial performance	Q3	Q3	Change		9M	9M	Change	
	2022	2021	M THB	%	2022	2021	M THB	%
Revenues								
Service income	209.45	94.43	115.02	121.80	468.16	273.23	194.92	71.34
Other income	1.62	0.63	0.99	157.14	3.29	0.83	2.46	294.48
Total revenues	211.07	95.06	116.01	122.04	471.45	274.07	197.38	41.87
Expenses								
Cost of services	(130.28)	(45.99)	(84.29)	(183.28)	(275.69)	(135.37)	(140.32)	103.66
Selling expenses	(16.99)	(11.85)	(5.14)	(43.38)	(40.38)	(31.71)	(8.67)	27.34
Administrative expenses	(26.17)	(15.82)	(10.35)	(65.42)	(63.85)	(43.61)	(20.24)	46.41
Expected credit loss of trade receivables and contract assets	(0.18)	(0.13)	(0.05)	(41.54)	(0.31)	(2.24)	1.93	(85.98)
Operating profit	37.44	21.27	16.17	76.04	91.21	61.14	30.07	49.18
Financial cost	(1.24)	(0.48)	(0.76)	(158.33)	(2.08)	(1.45)	(0.63)	43.45
Profit before income tax	36.20	20.79	15.41	74.14	89.13	59.69	29.44	49.32
Income tax	(1.08)	0.19	(1.27)	668.42	(0.21)	0.52	(0.73)	(140.38)
Profit for the period	35.12	20.98	14.14	67.42	88.92	60.21	28.71	47.68

Revenue breakdown by service type are as below:

Unit : Million Baht

Revenue by service type	Q3	Q3	Change		9M	9M	Change	
	2022	2021	M THB	%	2022	2021	M THB	%
1. Strategy and Technology								
Consulting	116.85	43.36	73.49	169.49	276.65	143.70	132.95	92.52
2. Technology Service								
2.1 License and Subscription	46.39	19.84	26.55	133.84	114.24	66.83	47.41	70.95
2.2 Support and Maintenance and Managed Service	46.20	28.35	17.85	62.98	77.26	62.71	14.55	23.21
Total Service Income	209.45	91.55	117.90	128.78	468.16	273.24	194.92	71.34

Financial performance summary of quarter 3/2022 compared to quarter 3/2021

For Q3/2022, the service revenue amounted to Baht 209.45 million, increased by Baht 115.02 million Baht or 121.80% QoQ. This is mainly from the revenue growth of Baht 55.28 million from Strategy and Technology Consulting and License and Subscription together with the recognition of revenue in September 2022 of Extend IT Resources Co., Ltd. amount Baht 59.74 million which is the new subsidiary of the Group.

For Q3/2022 the net profit amounted to 35.12 million Baht, increasing 14.14 million Baht or 67.42% QoQ. Net profit margin was 16.64% decreased from the same period of last year due to the increasing number of employees to support new projects and the lower net profit margin of Extend IT Resources Co., Ltd. which is the new subsidiary of the Group. However, the Group is in process to manage cost and increase efficiency in order to improve the net profit margin for the Group.

Financial performance summary of 9-month period ended 30 September 2022 compared to 9-month period ended 30 September 2021

For the 9-month period ended 30 September 2022, the service revenue amounted to Baht 468.16 million, increased by Baht 194.92 million or 71.34% compared to the same period of last year. This is mainly from the revenue growth from Strategy and Technology Consulting and License and Subscription and the recognition of revenue in September 2022 of Extend IT Resources Co., Ltd. which is the new subsidiary of the Group.

For the 9-month period ended 30 September 2022, the net profit amounted to 88.92 million Baht, increasing 28.71 million Baht or 47.68% compared to the same period of last year. Net profit margin was 18.86% which was decreased from the increasing number of employees to support mega projects in the year 2022 and the lower net profit margin of Extend IT Resources Co., Ltd. which is the new subsidiary of the Group.

Statement of Financial Position

Unit : Million Baht

Statement of financial position	30 September	31 December	Change	
	2022	2022	M THB	%
ASSETS				
Current Assets				
Cash and cash equivalents	229.07	301.35	(72.28)	(23.99)
Investment in fixed income fund	201.12	200.64	0.48	0.24
Trade and other receivables	143.18	74.94	68.24	91.06
Contracts assets	243.87	61.68	182.19	295.38
Advance payments for services	129.21	22.52	106.69	473.76
Other current assets	8.73	2.58	6.15	238.37
Total current assets	955.18	663.71	291.47	43.92
Non-current assets				
Restricted bank deposit	64.40	26.20	38.20	145.80
Other non-current financial assets	0.66	0.00	0.66	0.00
Estimated amount of interest in the net asset value of subsidiary lower than purchase cost	588.79	0.00	588.79	0.00
Land, Leasehold improvement and equipment	44.24	13.12	31.12	237.20
Intangible assets	13.31	8.58	4.73	55.13
Deferred tax assets	15.30	13.51	1.79	13.25
Right-of-use assets	54.64	34.83	19.81	56.88
Tax refundable	16.09	0.00	16.09	0.00
Other non-current assets	3.83	1.51	2.32	153.64
Total non-current assets	801.26	97.75	703.51	719.70
Total assets	1,756.44	761.46	994.98	130.67

Unit : Million Baht

Statement of Financial Position	30 September	31 December	Change	
	2022	2021	M THB	%
Liabilities and shareholders' equity				
Current liabilities				
OD and short term loan	90.32	0.00	90.32	0.00
Trade and other payables	93.73	32.33	61.40	189.92
Current portion of lease liabilities	8.95	3.74	5.21	139.30
Current portion of long term loan	44.93	0.00	44.93	0.00
Contracts liabilities	135.38	35.44	99.94	282.00
Income tax payables	0.46	1.42	(0.96)	(67.61)
Other current liabilities	22.95	12.82	10.13	79.02
Total current liabilities	396.72	85.75	310.97	362.65
Non-current liabilities				
Lease liabilities, net of current portion	44.93	31.69	13.24	41.78
Long term loan, net of current portion	17.00	0.00	17.00	0.00
Provision for long-term employee benefits	31.40	22.83	8.57	37.54
Other non-current liabilities	2.34	2.29	0.05	2.18
Total non-current liabilities	95.67	56.81	38.86	68.40
Total liabilities	492.39	142.56	349.83	245.39
Issued and fully paid up capital	107.30	100.00	7.30	7.30
Share premium	1,046.69	486.25	560.44	115.26
Appropriated-statutory reserve	7.62	7.61	0.01	0.09
Unappropriated	101.79	24.87	76.92	309.29
Other components of shareholders' equity	0.66	0.17	0.49	288.24
Total shareholders' equity	1,264.05	618.90	645.15	104.24
Total liabilities and shareholders' equity	1,756.44	761.46	994.98	130.67

Total Assets

As of 30 September 2022 and 31 December 2021, total assets of the Group amounted to Baht 1,765.44 million, and Baht 761.46 million, respectively. Total assets increased by Baht 994.98 million from Contract assets of Baht 182.19 million and Advance payment for services of Baht 106.69 million, Trade and other receivables of Baht 68.24 million from revenue growth. The decrease of cash and cash equivalent amounted to Baht 72.28 million for payment of investment in Extend IT Resources Co., Ltd. Baht 50 million, the rest are from working capital and to deposit as collateral to the bank guarantee.

Details of trade and other receivables as follows:

	Unit : Million Baht	
Trade and Other Receivables	30 September 2022	31 December 2021
Trade receivables - related parties	0.13	0.07
Trade receivables - unrelated parties	168.18	108.51
Total trade receivables	168.31	108.58
Allowance for expected credit losses	(43.55)	(43.23)
Total trade receivables - net	124.76	65.35
Total trade and other receivables - net	143.18	74.94

Total Liabilities

As of 30 September 2022 and 31 December 2021, total liabilities of the Group Baht 492.39 million and Baht 142.56 million, respectively. Total liabilities increased by Baht 349.83 million mainly from the financial loan of subsidiary Baht 152.26 million and from the increase in contract liabilities from advance received from service revenue at Baht 99.94 million. The increase of trade and other payables of Baht 61.40 million according to the increase of service revenue and license & subscription. The detail of trade and other payables as below:

Unit : Million Baht

Trade and Other Payables	30 September 2022	31 December 2021
Trade payables - unrelated parties	35.51	2.65
Trade payables - related parties	0.00	0.02
Other payables - unrelated parties	8.82	2.92
Accrued expenses	49.41	26.74
Total trade and other payables	93.74	32.33

Equities

As of 30 September 2022 and 31 December 2021, the shareholders' equity was Baht 1,264.05 million and Baht 618.90 million, respectively. Shareholders' equity increased Baht 645.15 million or 104.24% mainly from the increase of share premium from newly issued shares amounted to Baht 560.44 million and from the increase of net profit from operation.

Sincerely yours,

(Mr. Apisek Tewinpagti)

Chief Executive Officer

Beryl 8 Plus Public Company Limited

Authorized Person to Disclose Information