

AMD 65357/OCO

November 10, 2022

Subject: Management Discussion and Analysis for the Third Quarter of 2022 ending as of September 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 9 months period ending as of September 30, 2022 with the following details:

Unit: Million Baht

Profit and Loss Statement for 9 months as of September 30, 2022 and 2021	9 months ending as of		Change	
	September 30, 2022	September 30, 2021	Amount	Percent
Revenue from services	403.98	215.43	188.55	87.52
Service cost	311.40	178.15	133.25	74.79
Gross profits	92.58	37.28	55.30	148.34
Other revenues	2.83	4.25	(1.42)	(33.41)
Management expenses	68.16	63.98	4.18	6.53
Financial cost	0.44	0.50	(0.06)	(12.00)
Benefit (expense) of income tax	(5.68)	3.89	(9.57)	(246.02)
Net profit (loss) of the period	21.13	(19.06)	40.19	(210.85)

Revenue from services

For the 9 months of 2022, the Company had revenue from services for 403.98 million Baht, increasing for 188.55 million Baht or 87.52%, compared with the first 9 months of 2021 with following details:

- The Company had revenue from conceptual and detailed design increased from the 9 months 2021 for 60.54 million Baht or increased for 179.91%. The reason was that the Company had more new design works in the 9 months of 2022 for 7 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 9 months of 2022 more than the same period in 2021.
- The Company earned revenue from the design-build more than the 9 months of 2021 for 120.77 million Baht or increased 74.81%, this was because the Company realized revenue from large scale of design-build project: the aviation fuel stations at U-Tapao Airport. 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. Moreover, the Company delivered the completed project to the clients. 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 9 months of 2021 for 7.33 million Baht or increased 36.67% because the Company realized revenues from the large project like Purple MRT Line, Tao Pun- Rat Burana Section (Kanchanapisek Roundabout) and the projects that have been continued from former year. Additionally, the Company realize revenue from project administration and construction control works in different nearly completed projects, the Company had revenue from the project management and construction supervision higher than the same period of period of previous year.
- Revenue from other services of the Company decreased for 0.09 million Baht or decreased for 25.00% because in the 9 months for 2022, the Company accepted new projects with lower value than 2021. Moreover, the Company delivered the completed projects to the clients. As a result, the Company earned lower revenue from other services.

Service cost and gross profit margin

In the 9 months of 2022, the company had higher service cost for 133.25 million Baht or increased for 74.79% from the 9 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 the services.

The gross profit in the 9 months of 2022 increased for 55.30 million Baht or increased 148.34%, compared with the 9 months of 2021. The higher gross profit corresponded to the increased revenue of the Company.

Management expense

In the 9 months 2022, the Company's management expenses increased for 4.18 million Baht, equating to 6.53% because the Company had higher expenses related to employees compared with the same period in 2021. Furthermore, other expenses increased including expenses about the computers and cars, resulting higher administration expenses of the Company.

Net profit (loss)

In the 9 months of 2022, the Company had net profit for 21.13 million Baht which increasing from the same period of previous year 40.19 million Baht, equating to 210.85% because the Company had higher revenue from operation in the large-scale project. Moreover, in the 9 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 9 months of 2022 more than the same period in 2021.

Financial Statement of the Company

Unit: Million Baht

Financial Statement as of September 30, 2022 and December 31, 2021	As of September 30, 2022	As of December 31, 2021	Change	
			Amount	Percent
Asset	731.36	671.57	59.79	8.90
Liability	335.56	292.58	42.98	14.69
Shareholder's Equity	395.80	378.99	16.81	4.44
Debt to Equity Ration (D/E Ratio) : Time	0.85	0.77	0.08	10.39
Interest/Bearing Debt to Equity (IBD/E Ratio) : Time	0.02	0.01	0.01	100.00

Asset

As of September 30, 2022, the Company had total asset for 731.36 million Baht, increasing from December 31, 2021 for 59.79 million Baht, which is equal to 8.90%. The increase 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 clients. Therefore, the accrued receivables increased. From the delivery of such project, the contractual assets grew accordingly. Moreover, the Company had higher secured savings compared with the end of 2021.

Liability

As of September 30, 2022, the Company had total liabilities for 335.56 million Baht, which increased from December 31, 2021 for 42.98 million Baht or increased for 14.69%. It was the growth of liabilities mainly from contracts because the Company accepted the 2 new large-scale projects with advance charges from its clients. Therefore, the balance of such particulars in the third quarter of 2022 expanded from the four quarter of 2021.

Shareholder's Equity

As of September 30, 2022, the Company had shareholder's equity for 395.80 million Baht, which increased from December 31, 2021 for 16.81 million Baht or 4.44%. This was the increase of unallocated net accumulated profit because the Company had operating in the 9 months of 2022 from higher revenue, and thus the shareholder's equity's soaring corresponded to the higher revenue.

Debt to equity ratio

As of September 30, 2022, the Company had debt to equity ratio for 0.85, which improved, compared with as of December 31, 2021 at 0.77 times due to the increase in total liabilities of the Company.

Please be informed accordingly.

Yours sincerely,



(Mr. Rathawit Na Lamphun)
Assistant Chief Executive Officer
and Company Secretary
Index International Group Public Company Limited