

Translation

Re: MANAGEMENT'S DISCUSSION AND ANALYSIS FOR SEPTEMBER 30, 2022

The Company wishes to explain the reasons contributing to the increase of loss on financial statement as of September 30, 2022, comparing to the previous year, the details are as follows:

Results of Operations

Revenues from construction work

In the first nine-month of 2022 the Company's revenues from construction work were Baht 43,158 million, an increase of Baht 7,212 million from the same period of previous year mainly from the increase of revenues from subsidiaries and joint ventures and the increase of revenues from large new projects.

Revenues from sales and services

In the first nine-month of 2022 the Company's revenues from sales and services were Baht 5,726 million, a decrease of Baht 373 million from the same period of previous year according to the decrease of revenues in a mining project.

Costs of construction work

In the first nine-month of 2022 the Company's costs of construction work were Baht 41,663 million, an increase of Baht 7,045 million from the same period of previous year according to the increase of the revenues from construction work.

Costs of sales and services

In the first nine-month of 2022 the Company's costs of sales and services were Baht 5,143 million, an increase of Baht 430 million from the same period of previous year according to the increase of cost of services in a mining project.

Gross profit

In the first nine-month of 2022 the Company's gross profit was Baht 2,077 million, a decrease from the same period of previous year for which the gross profit was Baht 2,713 million. While the Company's gross profit margin in the first nine-month of 2022 was 4.25%, a decrease from the same period of previous year for which the gross profit margin was 6.45% mainly from the loss in oversea branch, the increase of cost of services in a mining project as well as the loss incurred from a project in recovering unforeseen work of previous contractor.

Dividend income and share profit from joint ventures

In the first nine-month of 2022 the Company's dividend income and share profit from joint venture were Baht 5 million, a decrease of Baht 19 million from the same period of previous year according to the decrease of dividend income from a listed company.

Interest income

In the first nine-month of 2022 the Company's interest income was Baht 98.9 million, a decrease of Baht 0.4 million from the same period of previous year. The major interest income was from oversea subsidiaries and joint ventures.

Gain on fair value measurement of investment property

In the first nine-month of 2022 the Company's gain on fair value measurement of investment property was Baht 184 million, an increase from the same period of previous year from the value measurement in investment property of the Company's subsidiaries.

Gain on revaluation of investment

In the first nine-month of 2022 the Company had no gain on revaluation of investment while the same period of previous year had gain Baht 153 million.

Gain on exchange rate

In the first nine-month of 2022 the Company's gain on exchange rate was Baht 175 million, a decrease of Baht 87 million from the same period of previous year partially from the loss on exchange rate of subsidiaries and on foreign exchange hedging instruments. The gain on exchange rate in this period was mainly from the Company's foreign assets.

Gain (loss) on fair value measurement of derivatives

In the first nine-month of 2022 the Company's loss on fair value measurement of derivatives was Baht 12 million, an increase of loss Baht 137 million from the same period of previous mainly from loss on buying transactions of derivatives for hedging.

Gain on hedging instruments

In the first nine-month of 2022 the Company's gain on hedging instruments was Baht 23.5 million, an increase of Baht 0.5 million from the same period of previous.

Other income

In the first nine-month of 2022 the Company's other income was Baht 420 million, a decrease of Baht 76 million from the same period of previous year from the decrease of other income of oversea branches and subsidiaries.

Selling expenses

In the first nine-month of 2022 the Company's selling expenses were Baht 27 million, a decrease of Baht 5 million from the same period of previous year partially from the decrease of selling expenses of a subsidiary in a property development sector.

Administrative expenses

In the first nine-month of 2022 the Company's administrative expenses were Baht 2,219 million, an increase of Baht 26 million from the same period of previous year partially from the increase of administrative expenses in the oversea subsidiaries.

Allowance for impairment losses of receivable

In the first nine-month of 2022 the Company's allowance for impairment losses of receivable was Baht 73 million, an increase of loss Baht 47 million from the same period of previous year according to the increase of allowance for impairment losses ratio by accounting standard.

Impairment loss on assets

In the first nine-month of 2022 the Company had no impairment loss on assets while the same period of previous year had loss Baht 57 million.

Share of profit (loss) from investments in associated joint control companies and joint ventures

In the first nine-month of 2022 the Company's share of loss from investments in associated and joint control companies and joint ventures was Baht 1,170 million, an increase in share of loss Baht 1,296 million from the same period of previous year mainly from the increase on share of loss in a joint control company and joint ventures according to the unrealized loss on exchange rate of its foreign liabilities.

Financial costs

In the first nine-month of 2022 the Company's financial costs were Baht 1,979 million, an increase of Baht 79 million from the same period of previous year partially from the increase of debts.

Income tax expense

In the first nine-month of 2022 the Company's income tax expense was Baht 530 million, an increase of Baht 24 million from the same period of previous year partially from the increase of income tax expense from oversea subsidiaries.

Loss for the period attributable to shareholders of the Company

As a result of the foregoing, In the first nine-month of 2022 the Company's loss for the period attributable to shareholders of the company was Baht 3,213 million, an increase of loss Baht 2,360 million from the same period of previous year.