

February 16, 2023

Subject: Management Discussion and Analysis for the Q3/2022 and 9 months 2022

President

The Stock Exchange of Thailand

Operating results for the Q3/2022 and 9 months 2022

(Thousand baht)

Consolidate	3 Months					9 Months		
	Q3/2022	Q2/2022	%QoQ	Q3/2021	%YoY	9M2022	9M2021	%YoY
	a	b	a : b	c	a : c	d	e	d : e
Revenue from services	114,635	104,426	10%	101,223	13%	323,499	299,548	8%
<i>BVG</i>	49,619	44,390	12%	39,790	25%	136,428	122,715	11%
<i>BVTPA</i>	59,119	54,091	9%	57,178	3%	168,952	163,748	3%
<i>BVA & BVTECH</i>	5,897	5,945	-1%	4,255	39%	18,119	13,084	38%
Costs of services	49,801	45,153	10%	44,027	13%	143,089	128,452	11%
<i>BVG</i>	25,510	21,807	17%	22,064	16%	71,306	64,013	11%
<i>BVTPA</i>	19,083	18,044	6%	18,185	5%	56,049	55,135	2%
<i>BVA & BVTECH</i>	5,209	5,302	-2%	3,778	38%	15,734	9,304	69%
Gross profit	64,834	59,273	9%	57,196	13%	180,410	171,096	5%
Administrative expenses	43,113	41,650	4%	42,460	2%	127,486	115,566	10%
Operation profit	21,721	17,623	23%	14,736	47%	52,925	55,529	-5%
Other income(expenses)	683	1,944	-65%	37	1744%	3,619	1,504	141%
Profit before tax	22,404	19,567	14%	14,773	52%	56,544	57,034	-1%
Net Profit	18,370	15,330	20%	9,082	102%	45,082	43,383	4%

Consolidate	30/9/2022	31/12/2021	%+/-
	a	b	a : b
Total assets	515,159	508,600	1%
Total liabilities	160,783	124,456	29%
Shareholders' equity	354,376	384,143	-8%

1. Revenue from services

The company had revenue of 114.64 million baht in Quarter 3/2022, which increased from 2/2022 by 10.21 million baht or +10% and had increased revenue of 13.41 million baht or +13% compared to Quarter 3/2021 of the previous year due to the COVID situation having been resolved, causing people to return to their daily lives and social activities, which resulted in an increase in the number of companies using the system.

For the 9-month period of 2022, revenue from services was in the amount of 323.50 million baht, which is an increase of 23.95 million baht or +8% from the same period in the previous year.

- BVG: The Motor insurance-related business management platform and application services ("EMCS system") increased by 13.71 million baht, or +11% due to the increase in the number of customers applying for AI Review products, for which the company has been providing services since December 2021.
- BVTPA: Medical benefits and claims management services, including related advice through platforms and applications ("TPA Services"), increased by 5.61 million baht from the increased number of claims processing services for customers, who are a general group of organizations that manage their own employee welfare (self-insured).
- BVA: Actuarial consulting increased in the amount of 2.87 million baht from the financial impact assessment on insurance company customers in accordance with Thai Financial Reporting Standards No. 17 Re: Insurance Contracts (TFRS 17).
- BVTECH: Businesses providing electronic platforms and software development services increased by 2.17 million baht, namely Wellnesso and Insurance Network.

2. Cost of Services

The company had a cost of 49.80 million baht in quarter 3/2022 which was an increase of 4.65 million baht or +10% from quarter 2/2022 and an increase of 5.77 million baht or +13% compared to quarter 3/2021 and for the 9-month period of 2022, the cost was 143.09 million baht, which is an increase of 14.64 million baht or +11% compared to the same period of the previous year.

- BVG: The cost of providing AI services that have been started since December 2021.
- BVG and BVTECH: Preparation of IT personnel to support business expansion.

3. Gross profit

The company had a gross profit of 64.83 million baht in quarter 3/2022, which is an increase of 5.56 million baht or +9% from quarter 2/2022 and an increase of 7.64 million baht or +13% compared to quarter 3/2021. For the 9-month period of 2022, it was 180.41 million baht, which is an increase of 9.32 million baht or +5% compared to the same period of 2021. The increase in gross profit was due to the increase in revenue being higher than the increase in cost ratio.

4. Administrative expenses

The company had administrative expenses of 43.11 million baht in quarter 3/2022, which was an increase of 1.46 million baht or +4% from quarter 2/2022 and an increase of 0.65 million baht or +2% compared to quarter 3/2021. For the 9-month period of 2022, it was 127.49 million baht which is an increase of 11.92 million baht or +10% compared to the same period of 2021. The increase was from

BVG's employee expenses to support the company's growth and the expenses in preparing for the company to be listed on the stock market.

5. Operating profit

The company had operating profit of 21.72 million baht in quarter 3/2022, which was an increase of 4.10 million baht or +23% from quarter 2/2022 and an increase of 6.99 million baht or +47% compared to quarter 3/2021 due to the increased revenue after the COVID-19 situation was relieved. Although the company still has costs and expenses to prepare for business expansion and the company's listing on the stock exchange, it still maintains the ability to make a profit to reach the target.

For the 9-month period of 2022, there was a profit of 52.93 million baht, a slight decrease of 2.61 million baht, or -5% due to an increase in expenses in preparation for business expansion and listing the company on the stock market in 2022.

6. Financial position

As of September 30, 2022, the group had total assets of 515.16 million baht, an increase of 6.56 million baht from the end of 2021, or +1%, mainly from an increase in intangible assets of 8.59 million baht from computer programs for BVG's customer service, namely AI Review and AI Estimate.

Total liabilities were 160.78 million baht, which is an increase of 36.33 million baht, or +29% from the accrued dividend of 34.92 million baht according to the resolution of the Board of Directors' meeting held in September 2022 and the dividend payment was scheduled for October 2022.

Shareholders' equity was 354.38 million baht, which is a decrease of 29.77 million baht, or -8%, as in the first 9 months of 2022, the company had a profit after tax of 45.08 million baht and a dividend payment of 72.72 million baht was approved.

Please be informed accordingly.

Yours sincerely,

(Mrs. Nawarat Wongthitirat)

Chief Executive Officer