



POLAR\_005/2023

24 February 2023

Subject : Management Discussion and Analysis for the year ended December 31,2022

To : President

The Stock Exchange of Thailand

Polaris Capital Public Company Limited and its subsidiaries ("The Company") for the year ended December 31, 2022, reported in loss attributable to equity holder of the Company amounting to Baht 47.85 million while year ended December 31, 2021, loss was Baht 9.87 million, changes loss increase by Bath 37.98 million or 385%

The Company would like to clarify the operating results for the year ended December 31,2022 as follows:

1. Rental income under operating lease contracts in the year 2022 increased by Baht 2.08 million or 100%, and cost of service in the year 2022 increased by Baht 3.44 million compared with the year 2021. In the year 2022 the Company has invested in machines for the purpose of renting and enter into a rental agreement. Therefore, there is rental income for cost of service is depreciation of machinery.
2. Interest income in the year 2022 amount Bath 0.23 million increased by Baht 0.21 million or 1,349%, compared with the year 2021. Mainly resulted from the interest received on bank deposits.
3. Profit from reversal the provisions of liabilities in the year 2022 amount Baht 17.89 million increased by Baht 3.79 million or 27%, compared with the year 2021, mainly due to reversal of provisions of liabilities previously recognized in the past.
4. Administrative expenses in the year 2022 amount Baht 26.75 million increased by Baht 7.98 million or 43% compared with the year 2021, mainly resulted from the increasing of annual fee-listing of the Stock Exchange of Thailand and annual registration fee of Thailand securities depository company limited.
5. Other expenses in the year 2022 amount Baht 37.98 million increase by Baht 32.77 million or 630% compared with the year 2021 details are as follows:
  - In the year 2022, the Company recognize loss on impairment of machines amount Baht 34.52 million, while the year 2021 recognize loss on impairment of investment properties amount Baht 3.93 million.
  - In the year 2022, the Company recognize the provision for damages from litigation. When the court orders the company to pay amount Baht 3.46 million, while the year 2021 amount Baht 1.27 million.

Please be informed accordingly.

Best regards,

(Mr.Tischuan Nanavaratorn)

Chairman