

Date 27 February 2023

Subject: Management Discussion and Analysis of the Company's Performance from the Financial Reporting for the Year Ended 31 December 2022

To: Director and Manager
The Stock Exchange of Thailand

Primo Service Solutions Public Company Limited ("**the Company**" or "**PRI**") would like to submit the Management Discussion and Analysis for the Year Ended 31 December 2022 as follows:

The company conducts the business by holding shares in other firms (Holding Company) which the firms operate and provide real estate service and related service to customers (One Stop Service). The company provide extensive services which cover upstream real estate service to downstream real estate service by holding shares in the proportion of 100% of paid registered capital of 8 major subsidiaries which are segmented in 3 business groups as follow:

(1) Engineering Consulting and Design Business

- United Project Management Company Limited ("UPM")
- UPM Design Studio Company Limited ("UDS")

(2) Real Estate Management Business

- Primo Management Company Limited ("PMM")
- Crown Residence Company Limited ("CRD")
- Hampton Hotel and Residence Company Limited ("HHR")
- Passion Realtor Company Limited ("PRT")

(3) Real Estate After Sales Services Business

- WYDE Interior Company Limited ("WYD")
- UNO Service Company Limited ("UNO")

Operating Results for the year ended 31 December 2022 are as follows

Items	For the Years Ended 31 December (MTHB)				Change	
	2021	%	2022	%	MTHB	%
Revenue from services and sales	485.6	99.2	913.5	99.9	427.9	88.1
Other Income	4.0	0.8	1.1	0.1	(2.9)	(72.5)
Total revenues	489.6	100.0	914.6	100.0	425.0	86.8
Cost of services and sales	288.2	58.9	519.8	56.8	231.6	80.4
Administrative expenses	54.2	11.0	87.4	9.6	33.2	61.3
Total expenses	342.4	69.9	607.2	66.4	264.8	77.3
Operating profit	147.2	30.1	307.4	33.6	160.2	108.8
Finance income	-	-	0.2	0.0	0.2	100
Finance cost	(0.5)	(0.1)	(0.4)	(0.0)	0.1	20
Profit before tax	146.7	30.0	307.2	33.6	160.5	109.4
Tax expenses	35.5	7.3	67.1	7.3	31.6	89.0
Profit for the year	111.2	22.7	240.1	26.3	128.9	115.9
Other comprehensive income	111.9	22.9	239.9	26.2	128.0	114.4

I Operating Income

For the Years Periods ended 31 December 2021 and 2022, the total revenues of the company were Baht 489.6 million baht, and 914.6 million baht, respectively increased by 425.0 million baht or equivalent to 86.8% as a result of increase in all groups. Details are as follows

Business Groups	For the Years Ended 31 December (MTHB)		Change	
	2021	2022	MTHB	%
Engineering Consulting and Design Business	42.0	126.3	84.3	200.7
Real Estate Management Business	193.9	412.7	218.8	112.8
Real Estate after Sales Service Business	253.1	374.5	121.4	48.0
Other Income	0.6	1.1	0.5	83.3
Total Revenue	489.6	914.6	425.0	86.8

- For the years Periods ended 31 December 2022, Engineering Consulting and Design Business had increased revenue from the same period of previous year details as follow: 1) The revenue from consulting service and construction management are increased as a consequence of increase in

project number. 2) The Company had expanded the scope of architectural design during the 4th quarter of year 2021 and. 3) an increase in training services (UPM Academy) as increasing of number and type of training courses.

- For the years Periods ended 31 December 2022, Real Estate Management Business had increased revenue from the same period of the previous year details as follows: 1) an increase in juristic management for condominiums and housing estates, also residential properties and 2) an increase in brokerage services and JV deal makers as a result of real estate sector has recovered and Land & Building tax ACT B.E. 2562 (2019) was fully tax effective in year 2022 which encourage buying-selling of condominiums and lands.
- For the years Periods ended 31 December 2022, Real Estate after Sales Service Business had increased revenue from the same period of the previous year due to an increase in interior design and installation services from expanding the business scope of design and decoration services to the common areas of real estate projects. Moreover, an increase in cleaning services as increasing in number of service contracts and one-time cleaning from sale promotions collaborated with real estate developers.

II Expense

1. Cost of services and sales

For the Years Periods ended 31 December 2021 and 2022, the Company's cost of services and sales were 288.2 million baht and 519.8 million baht, respectively which increased by 231.6 million baht or equivalent to 80.4%. The details are as follows

Business Groups	For the Years Ended 31 December (MTHB)		Change	
	2021	2022	MTHB	%
Engineering Consulting and Design Business	20.9	99.9	79.0	378.0
Real Estate Management Business	90.4	135.6	45.2	50.0
Real Estate after Sales Service Business	176.4	283.5	107.1	60.7
Other costs	0.5	0.8	0.3	60.0
Total Cost of services and sales	288.2	519.8	231.6	80.4

- For the Years Periods ended 31 December 2022, Engineering consulting and design business had increased cost of services from the same period of the previous year due to an increase in employee benefit expenses from expanding business. In addition, an increase in cost of

architectural design from expanding the scope of architectural design during the 4th quarter of year 2021 are occurred.

- For the Years Periods ended 31 December 2022, Real Estate Management Business had increased cost of services from the same period of the previous year due to an increase in employee benefit expenses from expanding business which was in line with the increase in revenue.
- For the Years Periods ended 31 December 2022, Real Estate after Sales Service Business had increased cost of services and sales due to 1) an increase in employee benefit and 2) an increase in cost of equipment for interior design which was in line with the increase in revenue.

2. Administrative Expenses

Administrative expenses of the Company mainly consist of employee benefit expenses, audit fee depreciation & amortization expense and other expenses such as advisory fee and other fees. For the Years Periods ended 31 December 2021 and 2022, the Company's administrative expense were 54.2 million baht and 87.4 million baht, respectively which increased by 33.2 million or equivalent to 61.3%.

III Profit for the year

For the Years Periods ended 31 December 2021 and 2022, the Company's net profit were 111.2 million baht and 240.1 million baht, respectively which increased by 128.9 million baht or equivalent 115.9%. The reason was increasing in revenues of current business and expanding new services.

VI Statement of Financial Position

Items	As of 31 December (MTHB)		Change	
	2021	2022	MTHB	%
Total Assets	265.4	1,635.8	1,370.4	516.4
Total Liabilities	76.3	152.5	76.2	99.9
Total Equity	189.1	1,483.3	1,294.2	684.4

1. Total Assets

Major assets comprised cash and cash equivalents, trade account and other receivables, inventory, and other current assets. Total assets as at 31 December 2021 and 2022, were 265.4 million baht and 1,635.8 million baht, respectively which increased by 516.4% as a result of expansion of business and client's credit term.

2. Total Liabilities

Major liabilities comprised trade account and other payables, accrued income taxes, other current liabilities, and lease liabilities. Total liabilities as at 31 December 2021 and 2022, were 76.3 million baht and 152.5 million baht, respectively which increased by 99.9% due to increase in account payables along with the business expansion.

3. Total Equity

As at 31 December 2021 and 2022, the equity of the company were 189.1 million baht and 1,483.3 million baht, respectively increased by 684.4 percent due to the increase in paid-up capital and share premium from initial public offering (IPO).

Please be informed accordingly,

Sincerely yours,

Miss Jatuporn Wilaikaew
Chief Executive Officer