

At SR-E2566/009

10th August, 2023

Subject : Management Discussion and Analysis (MD&A) for the second quarter ended 30 June 2023.

To : President of the Stock Exchange of Thailand

Siamraj Public Company Limited (“The Company”) would like to clarify the operating results for the second quarter ended 30 June 2023 which the details are as followings;

Table of key financial results

(Unit : Million Baht)

Statement of comprehensive income (loss)	Quarter 2 Y2023	Quarter 2 Y2022	% Inc.(Dec.) QOQ	6 M 2022	6 M 2021	% Inc.(Dec.) YOY
Revenues from construction contracts, sales and services	270.19	313.73	(13.88)%	528.38	559.51	(5.56)%
Other incomes	1.67	3.12	(46.47)%	2.71	4.93	(45.03)%
Total revenues	271.86	316.85	(14.20)%	531.09	564.44	(5.91)%
Cost	(230.10)	(275.08)	(16.35)%	(448.23)	(485.93)	7.76%
Selling & Administrative expense	(31.68)	(40.99)	(22.71)%	(69.57)	(80.02)	(13.06)%
Other gains (losses)	0.87	2.18	(60.09)%	3.11	3.21	(3.12)%
Share of profits	(0.06)	(0.06)	(0.00)%	(0.12)	(0.11)	(9.09)%
Finance cost	(17.43)	(3.93)	(343.51)%	(34.34)	(4.99)	588.18%
Income Tax	(2.29)	(3.00)	(23.67)%	(2.71)	(6.84)	(60.38)%
Total cost and operating expenses	(280.69)	(320.88)	(12.52)%	(551.85)	(574.68)	(3.97)%
Profit (loss) attributable to Owners of the Parent	(4.99)	(2.11)	136.49%	(13.95)	(6.32)	120.73%

For the second quarter of 2023 compared with the second quarter of 2022

In the second quarter of 2023 (Q2/2023), net loss of the Company was Baht 4.99 million, net loss increasing by Baht 2.88 million or at the rate 136.49% when compared with the second quarter of 2022 (Q2/2022) mainly due to;

Main revenues

The Company generated main revenue of Baht 270.19 million, decreased by Baht 43.54 million or 13.88% from the second quarter of 2022 (Q2/2022). The significant decrease in revenue were from;

(1) The NGV distribution station, Bangna branch, has been closed due to the expiration of the gas purchase agreement from PTT Public Company Limited.

(2) In 2022, Industrial pumps business group increasing revenue from sales from the company. PTT Public Company Limited by Baht 13.77 million and Cargill Siam Co., Ltd. by Baht 3.20 million , respectively.

Other incomes

The Company reported other incomes of Baht 1.67 million, decreased from the second quarter of 2022 (Q2/2022) by Baht 1.45 million or 46.47%. These mostly was from in the second quarter of 2022 (Q2/2022), there were gained by sales of used cars.

Cost and operation expenses

The Company had cost and operation expenses of Baht 280.69 million, an increasing from the second quarter of 2022 (Q2/2022) by Baht 40.21 million or at the rate 12.52%, due to;

- (1) The Company had decreased costs from the decrease of avaiable costs corresponding to the decrease in main revenue.
- (2) Sales and administrative expenses were reduced from the staff expenses.
- (3) In the second quarter of 2023, there was a reversal of the allowance for distressed accounts receivable, due to receiving payment in installments and reversal of inferior reserves Subsidiary's investment cost (SR Power Holding Co., Ltd.) due to receipt of payment from sale of investment in Soltech Solution Co., Ltd. (STS) and C.2.C. Solution Co., Ltd. (C2C).

Profit (loss) attributable to Owner of the parent

The Company had loss attributable to Owners of the parent of Baht 4.99 million, net loss decreasing by Baht 2.88 million or at the rate 136.49% when compared with the second quarter of 2022 (Q2/2022) mainly due to

The car park service business group has been opened for business in 2023, whose income is not related to costs and expenses incurred in the period. Most of them are direct costs.

For the six-month period ended 30 June 2023 compared with 2022

For the six-month period end June 2023, net loss of the Company was Baht 13.95 million, net loss increasing by Baht 7.63 million or at the rate 120.38% from the same period last year. The significant change of revenues, costs and operation expenses compared with the same period of last years are all mentioned in the comparison topic between the second quarter of 2022 compared with the second quarter of 2022 above.

Statement of Consolidated Financial Position

(Unit : Million Baht)

STATEMENTS OF FINANCIAL POSITION	financial statements(Consolidated)		Change	
	December 31, 2022	June 30, 2023	Amount	%
Total assets	2,699.64	2,517.08	(182.56)	(6.76)%
Total liabilities	1,871.98	1,708.25	(163.72)	(8.75)%
Total shareholders' equity (owners of the Company)	804.68	790.62	(14.07)	(1.75)%

The Statement of Consolidated Financial Position as of 30 June, 2023 in comparison with the Statements of Consolidated Financial Position as of 31 December, 2022.

Total assets

As of 30 June, 2023, the Company and subsidiaries had total assets of Baht 2,517.08 million, an decreased of Baht 182.56 million or 6.76% from the previous year which the reason of decreased assets were from decreased, varying with the decrease in revenue and work in progress for the construction of assets of subsidiaries, parking building management project for Thammasat Hospital Plaza B and Burapha University parking building management project Has opened for business in early 2023, has been transferred to property and amortization of depreciation has increased.

Total liabilities

As of 30 June, 2023, the Company and subsidiaries had total liabilities of Baht 1,708.25 million, an decreased of Baht 163.72 million or 8.75% from payment of short-term loans from financial institutions in the part of construction projects and working capital.

Total shareholders' equity (Total owners of the Company)

As of 30 June, 2023, the Company and subsidiaries had shareholders' equity (Part of the parent company) amounting of Baht 790.62 million, a decreased of Baht 14.07 million baht from the previous year or 1.75% from the net loss in the period.

Sincerely Yours.

(Ms. Kornkanok Klinkachonwong)
Chief Finance Officer and Accounting