



**The Practical Solution
Public Company Limited**

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Subject Interim Management's Discussion and Analysis for 3 months & 6 months ended 30 June 2023

To The President
The Stock Exchange of Thailand

Management's Discussion and Analysis of The Practical Solution Public Company Limited ("the Company") and subsidiaries for 3 months ended 30 June 2023, details are as follows.

Performance	3 Months 2022		3 Months 2023		Change
	MB	%	MB	%	%
Revenue from Sales and Services					
1. Revenue from IT System Sale	117.15	64.40	185.76	64.84	58.57
2. Revenue from Maintenance Services	51.34	28.22	75.73	26.43	47.51
3. Revenue from Construction	7.28	4.00	19.32	6.74	165.38
4. Revenue from Other IT Services	3.13	1.72	2.17	0.76	30.67
Total Revenue from Sales and Services	178.90	98.35	282.98	98.77	58.18
Interest income	1.44	0.79	1.99	0.69	37.69
Other Revenue*	1.56	0.86	1.53	0.53	-2.17
Total Revenue	181.91	100.00	286.49	100.00	57.50
Cost of sales and services	124.47	69.57	206.43	72.95	65.85
Selling expenses	9.37	5.15	11.81	4.12	25.98
Administrative expenses	32.27	17.74	38.41	13.41	19.03
Total Cost	166.11	91.31	256.65	89.58	54.50
Gross Profit	54.43	30.43	76.55	27.05	40.63
Operating Profit	15.80	8.69	29.84	10.42	89.00
Financial cost	0.26	0.14	0.45	0.16	69.83
Earnings before Taxes	15.54	8.54	29.40	10.26	89.32
Taxes	3.45	22.23	5.28	17.95	52.83
Net Profit	12.08	6.64	24.12	8.42	99.76
Profit (loss) attributable to:					
Shareholders of the parent company	12.60	6.93	24.38	8.51	93.43
Non-controlling interests	-0.52	-0.29	-0.26	-0.09	51.01
	12.08	6.64	24.12	8.42	99.87

Note: * Other revenue includes gains from sales of assets and gains from exchange rate etc.

Type of Customer	3 Months 2022		3 Months 2023		Change
	MB	%	MB	%	%
1. Private Companies	133.83	74.81	168.30	59.47	25.75
2. Government Agencies	45.07	25.19	114.68	40.53	154.44
Total	178.90	100.00	282.98	100.00	58.17

Revenue from sales and services

For the 3 months period ended June 30, 2023, the company revenue from sales and services to 282.98 MB increased 104.08 MB or increased 58.18% comparing with the same period last year. The proportion of revenue from IT systems sales included installation and revenue from after-sales services was approximately 65% to 26%. Revenue increasing was mainly due to the closure of large projects worth more than 5MB. The total increased was 20.34 MB or 25%. Construction revenue from subsidiaries increased by 12.04 MB or 165.38%

Cost of sales and services Gross profit and Gross profit margin

For the 3 months period ended June 30, 2023, the cost of sales and services increased by 81.96 MB or 65.85% from the same period last year in accordance with the increase in revenue from sales and services, as a result, the company's gross profit increased to by 76.55 MB, but the gross profit margin decrease to 27.05%.

Selling and Administrative expenses Operating profit and Operating profit margin

For the 3 months period ended June 30, 2023, selling expenses increased 2.44 MB or 25.98% from the same period of the previous year. The main reason came from an increase in commission with the main reasons comes from an increase in commissions and customer care expenses. Administrative expenses increased 6.14 MB or 19.03% from the same period last year caused by increase in employee compensation and allowance for impairment of accounts receivable from the parent company and operating expenses in the part of the subsidiary. The profit from the company's operations increased to 29.84 MB, and the operating profit margin increased to 10.42%

Net profit and Net profit margin

For the first 3 months period ended June 30, 2023, the net profit attributable to the parent company was 24.38 MB increasing 93.43% from the previous year due to the increased in revenue.

Management's Discussion and Analysis of The Practical Solution Public Company Limited ("the Company") and subsidiaries for 6 months ended 30 June 2023, details are as follows.

Performance	6 Months 2022		6 Months 2023		Change
	MB	%	MB	%	%
Revenue from Sales and Services					
1. Revenue from IT System Sale	261.94	68.12	278.39	57.24	6.28
2. Revenue from Maintenance Services	101.24	26.33	144.71	29.75	42.94
3. Revenue from Construction	7.33	1.91	52.02	10.70	609.69
4. Revenue from Other IT Services	8.64	2.25	4.98	1.02	-42.36
Total Revenue from Sales and Services	379.15	98.60	480.10	98.71	26.63
Interest income	2.82	0.73	3.87	0.79	37.00
Other Revenue*	2.56	0.67	2.40	0.49	-6.08
Total Revenue	384.53	100.00	486.37	100.00	26.48
Cost of sales and services	266.24	70.22	347.68	72.42	30.59
Selling expenses	19.36	5.03	21.34	4.39	10.24
Administrative expenses	66.41	17.27	72.43	14.89	9.06
Total Cost	352.01	91.54	441.44	90.76	25.40
Gross Profit	112.91	29.78	132.42	27.58	17.29
Operating Profit	32.52	8.46	44.93	9.24	38.16
Financial cost	0.36	0.09	1.03	0.21	185.96
Earnings before Taxes	32.16	8.36	43.90	9.03	36.51
Taxes	7.21	22.41	8.05	18.35	11.75
Net Profit	24.95	6.49	35.84	7.37	43.66
Profit (loss) attributable to:					
Shareholders of the parent company	26.64	6.93	35.84	7.37	34.53
Non-controlling interests	-1.69	-0.44	0.01	0.00	-100.31
	24.95	6.49	35.84	7.37	43.66

Note: * Other revenue includes gains from sales of assets and gains from exchange rate etc.

Type of Customer	6 Months 2022		6 Months 2023		Change
	MB	%	MB	%	%
1.Private Companies	241.60	63.72	327.65	68.25	35.62
2.Government Agencies	137.55	36.28	152.45	31.75	10.53
Total	379.15	100.00	480.10	100.00	26.63

Revenue from sales and services

For the 6 months period ended June 30, 2023, the company revenue from sales and services to 480.10 MB increased 100.95 MB or increased 26.63% comparing with the same period last year. The proportion of revenue from IT systems sales included installation and revenue from after-sales services was approximately 57% to 30%. Revenue increasing was mainly due to the closure of large projects worth more than 5MB. The total increased was 12.71 MB or 6%. Construction revenue from subsidiaries increased by 44.69 million baht or 609.69%

Cost of sales and services Gross profit and Gross profit margin

For the 6 months period ended June 30, 2023, the cost of sales and services increased by 81.43 MB or 30.59% from the same period last year in accordance with the increase in revenue from sales and services, as a result, the company's gross profit increased to by 132.42 MB, but the gross profit margin decrease to 27.58%.

Selling and Administrative expenses Operating profit and Operating profit margin

For the 6 months period ended June 30, 2023, selling expenses increased 1.98 MB or 10.24% from the same period of the previous year. The main reasons It came from the increase in sales staff expenses and customer care expenses. Administrative expenses increased 6.02 MB or 9.06% from the same period last year caused by increase in employee compensation and allowance for impairment of accounts receivable from the parent company and operating expenses in the part of the subsidiary. The profit from the company operations increased to 44.93 MB and the operating profit margin increased to 9.24%

Net profit and Net profit margin

For the first 6 months period ended June 30, 2023, the net profit attributable to the parent company was 35.84 MB increasing 34.53% from the previous year due to the increased in revenue.

Please be informed accordingly,

Yours Sincerely,

(Mr. Bunsom Kitkasetstaporn)

Chief Executive Officer