



August 13, 2022

Subject: Management Discussion and Analysis for the sixth month and three months as of June 30, 2022

To: The Director and Manager

The Stock Exchange of Thailand

Accordingly, minutes of meeting No.4/2022 on August 13, 2022, at Sirakorn Public Company Limited. To the approval of the Financial Statement as of June 30, 2022

Summary of company performance for the second quarterly 2022

Sirakorn Public Company Limited reports the company's performance for the sixth month and three months. The details of performance as of June 30, 2022, are as follows:

Consolidated Statement of Comprehensive Income

Descriptions	Sixth-month comparison				Three-month comparison			
	Q1-2/2022	Q1- 2/2021	increased / (decreased)		Q2/2022	Q1/2022	increased / (decreased)	
			Amount	%			Amount	%
Revenue from sales	169.71	184.13	(14.42)	(7.83)	79.40	90.31	(10.91)	(12.08)
Revenue from construction	131.68	105.06	26.62	25.34	42.45	89.23	(46.78)	(52.43)
Revenue from service	1.18	0.88	0.30	34.10	0.49	0.69	(0.20)	(28.99)
Total revenue	302.57	290.07	12.50	4.31	122.34	180.24	(57.90)	(32.12)
Other revenue	1.15	0.43	0.72	167.44	1.41	0.69	0.72	104.35
Total	303.72	290.50	13.22	4.55	123.75	180.93	(57.18)	(31.60)
Cost of goods sold and service	(142.40)	(144.01)	1.61	1.12	(66.33)	(76.07)	9.74	12.80
Cost of construction	(124.21)	(93.59)	(30.62)	(32.72)	(41.64)	(82.56)	40.92	49.56
Total cost	(266.01)	(237.60)	(28.41)	(11.96)	(107.97)	(158.63)	50.66	31.94
Gross profit	37.11	52.90	(15.79)	(29.85)	15.78	22.30	(6.52)	(29.24)
Sales and administration expenses	(44.63)	(46.91)	2.28	4.86	(22.57)	(22.57)	(0.50)	(2.27)
EBIT	(7.52)	5.99	(13.51)	225.54	(6.79)	0.23	(7.02)	(3,052.17)
Finance cost	0.40	(0.48)	0.88	183.33	(0.30)	(0.26)	(0.04)	(15.38)
Profit (loss) from discontinued operating segment	-	0.60	(0.60)	(100.00)	-	-	-	-
Taxation	(0.18)	(1.26)	1.08	85.71	-	(0.18)	0.18	100
Net profit	(7.30)	4.84	(12.14)	(250.83)	(7.09)	(0.21)	(6.88)	(3,276.19)
EBITDA	(0.21)	12.83	(13.04)	(101.64)	(3.84)	3.63	(7.47)	(205.76)
EPS (Baht)	(0.0159)	0.0105	-	-	(0.0154)	(0.0005)	-	-



Executive Summary

In the year ended the sixth month as of 30 June 2022, the Company had total revenue of Baht 303.72 million, an increase of 4.55% YOY. The total cost of sales and services amounts to Baht 266.01 million, an increase of 11.96% YOY. Resulting in a higher gross profit amount of Baht 37.11 million, a growth of 12.22% YOY. Distribution costs and administrative expenses amounted to Baht 44.63 million, a decrease of 4.86% YOY. Net loss for the sixth month period amount of Baht 7.30 million, (2.40%) decreased from the same period with previous year amount of Baht 12.14 million, 250.80% YOY, and EBITDA in the second quarter of 2022 amount of Baht (0.21) million.

The Company's major reasons for the performance for the second quarter of 2022, the Net loss was impacted by the sales-price competition, including mainly impact from raw material costs such steel price raise the price also rising oil prices, hence cost of production and cost of goods sold were raise also labor cost.

Total revenues

The period the sixth month ended on June 30, 2022, the Company had a total revenue amount of Baht 303.72 million, 4.55%, consisting of revenue from sales amount of Baht 169.71 million, which decreased 7.83%, consideration with Q'2/2022 revenue from the sale, it's decreased from the previous year, but revenue from construction amount of Baht 131.68 million, increased 25.34%, revenue from service amount of Baht 1.18 million, increased 34.10% and other revenue amounts of Baht 1.15 million, 167.44%

Project	Contract Price	% Complete
- 230 KV. Chantaburi-Trad	85.03	97.93
- Electricity system adjusted – Authaithani	3.08	46.14
- Underground cable GorForTor 1 Ranong – Chumporn , Rachaburi	112.27	78.29
- Electricity system adjusted – Sor. Serngsang	13.71	0.60
- Underground cable - Authaithani	35.59	90.72
Total	249.68	

Backlog of July 1, 2022

(Unit: million)

Description	Production	Civil work	Distribution and transmission line	Total
Backlog	207	-	45	252



Cost of sales and services

The period the sixth month ended on June 30, 2022, the Company had the total Cost of sales and services amount of Baht 266.01 million, 87.92%, an increasing amount of Baht 28.47 million, an increase of 11.96% YoY, Cost of sales and services had increased by the amount of Baht 142.40 million, increased of 83.91% YoY, there is Cost of construction increased by the amount of Baht 124.21 million, 94.33% YoY of total revenue. Mainly increased were impacted by the higher competition and the raise in the cost of the main raw material (steel).

The period of three months from April 1, 2022, to June 30, 2022, the Company had the total Cost of sales and services amount of Baht 107.97 million, 88.25%, a decreasing amount of Baht 50.66 million, 31.94% QoQ, Cost of sales and services had decreased by the amount of Baht 66.33 million, 83.54% QoQ, there is the Cost of Construction amount of Baht 41.64 million, 98.09%. Mainly decreased were impacted by sales volume were lower than the last quarter, because of the guideline company competition also with mostly the Revenue of Construction was recognized.

Distribution costs and administrative expenses

The period the sixth month ended on June 30, 2022, the Company had a total distribution costs and administrative expenses amount of Baht 44.63 million, with 14.75%YoY of total revenue, decreased by an amount of Baht 2.28 million, 4.86%YoY. Distribution costs were decreased, there were mainly impacted by Oil and Gas transportation expenses but administration expenses decreased, mainly decreasing from employee's bonus payments, salary payments also with professional fees, and bank fees.

The period the three months from April 1, 2022, to June 30, 2022, the Company had a total distribution costs and administrative expenses amount of Baht 22.57 million, with 18.45% QoQ of the total revenue, there is rising in the amount of Baht 0.50 million, with 2.27% QoQ. As a result of Oil and Gas transportation expenses but administration expenses decreased, mainly decreasing from employee's bonus payments, salary payments also with professional fees, and bank fees.

Gross Profit and Net Profit

The period the sixth month ended on June 30, 2022, the Company's gross profit amount of Baht 37.11 million, Loss after corporate income tax for the period amount of Baht 7.30 million, Earning per share was the number of baht (0.0159) EBITDA was the amount of Baht (0.21) million. Unappropriated retained earnings amount of Baht 41.71 million.

The period the three months from April 1, 2022, to June 30, 2022, the Company's gross profit amount of Baht 15.78 million, Loss after corporate income tax for the period amount of Baht 7.09 million, and Earned per share was the number of Baht (0.0154) EBITDA was the amount of Baht (3.84) million. Unappropriated retained losses amount of Baht (18.59) million.



Statements of financial position

Statement of Financial position	June 30, 2022	December 31, 2021	Increased / (Decreased)	
			Amount (MB)	%
Assets	485.80	530.10	(44.30)	8.40
Liabilities	150.22	175.71	(25.49)	14.50
Share-Holders	335.58	354.38	(18.80)	(5.30)

Assets

As of June 30, 2022, the Company had a total asset amount of Baht 485.80 million decreased by 44.30 million in 2021. From a decrease in current asset amount of Baht 49.00 million by Construction contract-unbilled decreased amount of Baht 24.09 million, Cash and cash equivalents amount of Baht 32.02 million, Inventories decreased amount of Baht 6.47 million and increased of Trade-account receivable amount of Baht 18.91 million, Short-term loan increased amount of Baht 32.50 million, Non-current assets increased amount of Baht 4.70 million, impact from Plant, property, and equipment also increased from non-current contract assets and deferred tax assets too.

Liabilities

As of June 30, 2022, the Company had a total liabilities amount of Baht 150.22 million, which decreased by 25.49 million in 2021. From a decrease in current liabilities amount of Baht 11.36 million, by decreased from account payable and current other payable amounts of Baht 16.24 million. Decreased in current contract liabilities amount of Baht 5.00 million, also decreased in Non-current liabilities amount of Baht 2.86 million. An increase in short-term loans from financial institutions amounted to Baht 20 million, and Non-current liabilities decreased by 14.14 million there were changes in Finance Leasing, Long-term loans from the financial institution, and an increase in the provision for employee benefits.

Shareholders

As of June 30, 2022, share-holder with the amount of Baht 335.58 million, consist of share amount of Baht 230 million, share premium with amount of Baht 42.70 million, legal reserved with the amount of Baht 21.18 million, unappropriated retained earnings with the amount of Baht 41.71 million, decreased from 2021 amount of Baht 18.80 million (net-loss Q'2 2022).

Statements of cash flows

As of June 30, 2022, the Company had cash and cash equivalents amount of Baht 43.75 million, and at the beginning of the period on January 1 2022 amount of Baht 75.77 million. Plus cash and cash equivalents in operating activities amount of Baht 17.38 million, less cash used in investing activities amount of Baht 34.22 million, from loan to other party and less cash as an offer for financing activities amount of Baht 15.18 million, impact from increased from the loan from the financial institution and decreased from paid dividend and payment finance lease.



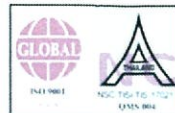
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Financial Ratios

Financial Ratios	6-mth/2022	6-mth-2021
Current Ratio (times)	2.63	3.05
Return on Equity (%)	(4.35)	2.89
Return on Assets (%)	(3.01)	1.92
Debt to Equity ratio (times)	0.45	0.51
Interest-bearing debt on Equity (times)	0.11	0.14

Please be informed accordingly.



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And Corporate Support Department