

IR 031/2021

12 November 2021

Re: Notification of the changes of the Profit and Loss Statement

To: President

Stock Exchange of Thailand

We, PSG Corporation Public Company Limited (the “Company”) would like to notify the Stock Exchange of Thailand regarding the business operation for the 3rd Quarter of the year 2021 ended 30 September 2021 as follows:

Outline of Business operation

The COVID-19 pandemic has continued until the third quarter of 2021 and the construction industry has been badly impacted due to the lockdown measures and the suspension of construction operations imposed since late June 2021. Furthermore, the Company has been impacted by rising raw material prices and labor shortages. The government relaxed the restriction in early August, allowing construction activities to proceed, but only under the supervision of the Ministry of Public Health, with 85% of camp employees required to be vaccinated, depending on the area. In mid-October, the Company returned to work at its construction site. As a result, the Company earned no construction revenue in the third quarter. Due to the outbreak of COVID-19, participation in the bidding process for various projects is still on hold. Therefore, the Company's revenue in the third quarter of 2021 was considerably lower because of these factors.

Total Revenue

The Company generated total revenue of THB 0.91 million and THB 11.54 million for the three-month and nine-month periods ended 30 September 2021, respectively, compared to the same period in the previous year of THB 11.71 million and THB 61.70 million, respectively. Total revenue dropped by THB 10.80 million, or 92.23%, over the three-month period of the previous year, and THB 50.16 million, or 81.30%, during the nine-month period of the previous year.

Total Comprehensive Loss

The Company's loss for the three-month period ended 30 September 2021 was THB 21.13 million, an increased loss of THB 38.25 million, or 223.34%, compared to the same period in the previous year. A total comprehensive loss of THB 14.57 million has been recorded in the third quarter of 2021.

The Company's loss for the nine-month period ended 30 September 2021 was THB 52.50 million, an increased loss of THB 35.56 million, or 210.04%, compared to the same period in the previous year. A total comprehensive loss of THB 34.13 million has been recorded.

The Company would like to provide explanations on the changes of the Profit and Loss Statement for the third quarter ended 30 September 2021 as follows:

1. Revenue from construction and other revenues

The Company generated no construction revenue for the past three months due to the Company's employer issued an order for construction works to be temporarily halted, in compliance with the government's COVID-19 measures. As a result, the Company was unable to carry out its original plans and construction revenue for the three-month period ended 30 September 2021 decreased by THB 10.88 million compared to the same period in 2020. The project owner instructed the Company to resume work in mid-October. However, the previous subcontractor hired by the Company was unable to return to work, due to a labor shortage, and the Company suffered a significant setback. Further delays are expected, and the project owner may impose late penalties on the Company. As a result, the Company had to make a provision for penalty charges related to construction delays, which impacted previously recorded revenue from construction. Furthermore, the Company generated no revenue from construction this quarter, thus its revenue is shown as a loss from a provision for penalty charges for construction delays. Other revenues for the three-month and nine-month period ended 30 September 2021 amounted to THB 1.33 million and THB 5.03 million, respectively, an increase of the THB 0.08 million and THB 1.11 million, respectively when compared to the same period of 2020.

2. Cost of construction

Owing to the COVID-19 pandemic, construction materials acquired but not yet put to use in any construction project during the third quarter of 2021 were recorded as work in progress of THB 2.26 million. Cost of construction for the nine-month period

ended 30 September 2021 was THB 7.46 million, a decrease of THB 41.47 million compared to the same period in 2020, which was in line with the proportion of ongoing projects this year.

### 3. Administrative Expenses

The administrative expenses for three-month period are as follows:

Expense/Income	2021	2020
Employee expenses and benefits	10,723,245	16,420,127
Other expenses	10,261,407	8,340,193
Bad debt	61,433	1,841,890
Total administrative expenses	21,046,085	26,602,210

The administrative expenses for nine-month period are as follows:

Expense/Income	2021	2020
Employee expenses and benefits	33,798,370	42,970,528
Other expenses	21,502,272	25,466,719
Bad debt	61,433	15,089,495
Total administrative expenses	55,362,075	83,526,742

When compared to the same period in 2020, administrative expenses for the three-month period ended 30 September 2021 were THB 21.05 million, a decrease of THB 5.56 million, or 20.89%, and for the nine-month period ended 30 September 2021 were THB 55.36 million, a drop of THB 28.16 million, or 33.72%. It was the outcome of the Company's reorganization in 2020, as well as a reduction in office rental expense as the Company relocated to its original location. Other expenses increased from the previous year due to the Company's advisory fee for raising capital through a private placement. In addition, the company wrote off one bad debt account.

### 4. Financial Costs

The financial cost for three-month period and nine-month period is in the amount of THB 0.55 million and THB 1.26 million, respectively, which increased in the amount of

THB 0.50 million and THB 0.90 million, respectively, when compared to the same period of in 2020. The increase in financial cost is a result of the bank fees incurred from the issuance of a letter of guarantee issued to the Company's employer as collateral and interest incurred from a long-term loan with a financial institution.

Please be informed accordingly.

Faithfully yours,

(Mr. Chaiyod Chirabowornkul)

Chief Executive Officer

PSG Corporation Public Company Limited