



Padaeng Industry Public Company Limited and its subsidiaries

Management Discussion and Analysis (MD&A)

For the three-month and six-month periods ended June 30, 2021



Ref. PDI/BK-BS-054/2021

August 10, 2021

Re: Management Discussion and Analysis (MD&A)

For the three-month and six-month periods ended June 30, 2021

To: President

The Stock Exchange of Thailand

Padaeng Industry Public Company Limited and its subsidiaries (the “Company”) reassessed its business structure to move towards on the hotel and hospitality business to enhance added value in the long term and lead to stable and sustainable growth, along with downsizing the renewable energy business by accomplishing in negotiations of a plan to sell solar power plants of 36.3 megawatts in Thailand.

The Company would like to announce the operating results for the three-month and six-month periods ended June 30, 2021, which have been reviewed by the auditor as follows:

Consolidate Financial Statements				
	Unit : Million Baht			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2021	2020	2021	2020
REVENUES	37.90	41.60	178.06	94.66
Revenue from sales and services	4.02	2.98	8.05	7.09
Dividend income	4.08	5.50	7.08	5.50
Gain from disposal of investments in subsidiaries	-	-	130.60	-
Gain on investments	20.06	29.38	17.25	37.99
Gain on exchange rate	8.04	-	-	36.75
Other income	1.70	3.74	15.08	7.33
EXPENSES	(51.32)	(74.32)	(99.11)	(88.29)
Cost of sales and services	(3.25)	(1.13)	(6.54)	(4.74)
Administrative expenses	(48.07)	(42.91)	(92.09)	(83.55)
Loss on exchange rate	-	(30.28)	(0.48)	-
OPERATING PROFIT (LOSS)	(13.42)	(32.72)	78.95	6.37
Share of loss from investments in joint ventures	-	(0.11)	(0.01)	(0.12)
Finance income	3.72	4.17	6.99	6.24
Finance cost	(12.99)	(16.72)	(27.96)	(33.74)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSES	(22.69)	(45.38)	57.97	(21.25)
INCOME TAX REVENUE (EXPENSE)	0.33	0.48	(13.68)	0.95
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	(22.36)	(44.90)	44.29	(20.30)
PROFIT FOR THE PERIOD FROM DISCONTINUED OPERATION	-	34.62	29.87	73.33
PROFIT (LOSS) FOR THE PERIODS	(22.36)	(10.28)	74.16	53.03



Overview the performance

For the three-month period ended June 30, 2021, the Company announces loss of Baht 22.36 million, an increased by Baht 12.08 million compared to a loss of Baht 10.28 million from the same period of last year.

For the six-month period ended June 30, 2021, the Company announces profit of Baht 74.16 million, an increased by Baht 21.13 million compared to a profit of Baht 53.03 million from the same period of last year which included profit from discontinued operation amounting Baht 29.87 million.

Gain from disposal of investments in subsidiaries

The Company reached gain from disposal of investments in subsidiaries for the six-month period ended June 30, 2021 of Baht 130.60 million which were the disposal investments of (1) PDI Mae Ramat Co., Ltd. (2) ATC Enviro Co., Ltd. (3) P.P. Solar (Nong-No) Co., Ltd., subsidiaries of PDI Energy Company Limited.

Gain from disposal of investments in subsidiaries

Unit : Million Baht

	Consolidate Financial Statements	
	For the six-month period ended	
	June 30,	
	2021	
Net assets	1,573.95	
Cash received from disposal of investments in subsidiaries	1,704.55	
Gain from disposal of investments in subsidiaries	130.60	

Administrative expenses

The Company has administrative expenses for the three-month period ended June 30, 2021 of Baht 48.07 million, an increased by Baht 5.16 million from the same period of last year and six-month period ended June 30, 2021 of Baht 92.09 million, an increased by Baht 8.54 million from the same period of last year, following the plan of business transition from energy business to hospitality.

Gain on investment

For the three-month and six-month periods ended June 30, 2021, the Company has gain on investment by Baht 20.06 million and Baht 17.25 million, respectively, from efficient investment strategy.

Gain (loss) on exchange rate

For the three-month and six-month periods ended June 30, 2021, the Company has gain on exchange rate by Baht 8.04 million and loss on exchange rate by Baht 0.48 million, respectively, due to revaluation foreign exchange rate in JPY of investments on solar farms in Japan.



In 2021, the Company has set crucial operational goals and plans as follows;

- To complete the acquisition process of two world class hotels to generate immediate revenue recognition.
- To operate the construction and development of a 200-room luxury hotel on Sathorn Road, the heart of Bangkok under a new brand hotel owned by the Company.
- To manage the cost reduction in all aspects with continuous efficiency and the investment expenditures in accordance with the approved budget.

Please be informed accordingly.

Yours truly,

-- Signature --

(Mr. Tommy Taechaubol)

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