

Aug 13, 2021

Subject Interim Management's Discussion and Analysis for 3 months ended 30 June 2021

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 2021, details are as follows.

Performance	3 Months 2020		3 Months 2021		Change
	MB	%	MB	%	%
Revenue from Sales and Services					
1. Revenue from System Integrator	138.14	74.93	65.18	54.61	(52.82)
2. Revenue from Maintenance Services	41.58	22.55	47.32	39.65	13.80
3. Revenue from Other IT Services	3.25	1.76	5.70	4.78	75.38
Total Revenue from Sales and Services	182.97	99.25	118.20	99.04	(35.40)
Interest income	0.81	0.44	0.89	0.75	9.88
Other Revenue*	0.57	0.31	0.26	0.22	(54.39)
Total Revenue	184.35	100.00	119.35	100.00	(35.26)
Cost of sales and services	126.53	69.15	72.13	61.02	(42.99)
Selling expenses	10.11	5.48	6.80	5.70	(32.74)
Administrative expenses	28.15	15.27	26.75	22.41	(4.97)
Total Cost	164.79	89.39	105.68	88.55	(35.87)
Gross Profit	56.44	30.85	46.07	38.98	(18.37)
Operating Profit	19.56	10.61	13.67	11.45	(30.11)
Financial cost	0.20	0.11	0.12	0.10	(40.00)
Earnings before Taxes	19.36	10.50	13.55	11.35	(30.01)
Taxes	3.78	19.52	2.96	21.85	(21.69)
Net Profit	15.58	8.45	10.59	8.87	(32.03)

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

Type of Customer	3 Months 2020		3 Months 2021		Change
	MB	%	MB	%	%
1. Private Companies	143.87	78.63	79.15	66.96	-44.99
2. Government Agencies	39.10	21.37	39.05	33.04	-0.13
Total	182.97	100.00	118.20	100.00	-35.40

Revenue from sales and services

For the first 3 months of 30 June 2021, revenue from sales and services decrease by Baht 64.77 million or 35.40% from the same period last year, with the proportion of system integrator to maintenance services approximately 55% to 40%. Sales and services revenue mainly decrease Due to the epidemic situation of COVID-19, the company has delayed the delivery of work. Due to being unable to work as planned.

Cost of sales and services Gross profit and Gross profit margin

For the first 3 months of 30 June 2021, cost of sales and services decrease by Baht 54.41 million or 43% from the same period last year in accordance with the decrease in revenue from sales and services, As a result, the gross profit decrease to Baht 46.08 million But the company's gross profit margin increased to 38.98 because the company have the ability to manage costs more.

Selling and Administrative expenses Operating profit and Operating profit margin

For the first 3 months of 30 June 2021, selling expenses decrease by Baht 3.31 million or 32.74% from the same period last year in accordance with the decrease in commissions based Due to revenue from sales and services decrease and Administrative expenses decreased by Baht 1.39 million or 4.94% from the same period last year, mainly due to the decrease in employee compensation Baht 2.48 million, And the company can follow up on long overdue debtors As a result, the estimated cost of bad debts was reduced by 2.40 million baht. As a result, the operating profit margin increased to 11.45%.

Overview of Net profit and Net profit margin

For the first 3 months of 30 June 2021, net profit decrease by Baht 5.00 million or 32.03% from the same period last year, mainly due to revenue from sales and services decrease. But the Company's net profit margin increased to 8.87% because the Company Can reduce sales costs and expenses more.

Management's Discussion and Analysis of The Practical Solution Public Company Limited ("the Company") and subsidiaries for 6 months ended 30 June 2021, details are as follows.

Performance	6 Months 2020		6 Months 2021		Change
	MB	%	MB	%	%
Revenue from Sales and Services					
1. Revenue from System Integrator	248.58	72.46	143.17	57.83	-42.40
2. Revenue from Maintenance Services	83.90	24.46	87.29	35.26	4.04
3. Revenue from Other IT Services	8.54	2.49	13.86	5.60	62.30
Total Revenue from Sales and Services	341.02	99.41	244.32	98.68	-28.36
Interest income	1.39	0.41	1.72	0.69	23.74
Other Revenue*	0.63	0.18	1.55	0.63	146.03
Total Revenue	343.04	100.00	247.59	100.00	-27.82
Cost of sales and services	236.17	69.25	161.86	66.25	-31.46
Selling expenses	17.47	5.09	12.91	5.21	-26.10
Administrative expenses	54.74	15.96	55.55	22.44	1.48
Total Cost	308.38	89.90	230.32	93.02	-25.31
Gross Profit	104.85	30.75	82.46	33.75	-21.35
Operating Profit	34.66	10.10	17.27	6.98	-50.17
Financial cost	0.72	0.21	0.23	0.09	-68.06
Earnings before Taxes	33.94	9.89	17.04	6.88	-49.79
Taxes	6.70	19.74	3.78	22.18	-43.58
Net Profit	27.24	7.94	13.26	5.36	-51.32

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

Type of Customer	6 Months 2020		6 Months 2021		Change
	MB	%	MB	%	%
1. Private Companies	274.04	80.36	173.05	70.83	-36.85
2. Government Agencies	66.98	19.64	71.27	29.17	6.40
Total	341.02	100.00	244.32	100.00	-28.36

Revenue from sales and services

For the first 6 months of 30 June 2021, revenue from sales and services decrease by Baht 96.70 million or 28.36% from the same period last year, with the proportion of system integrator to maintenance services approximately 58% to 35%. Sales and services revenue mainly decrease Due to the epidemic situation of COVID-19, the company has delayed the delivery of work. Due to being unable to work as planned.

Cost of sales and services Gross profit and Gross profit margin

For the first 6 months of 30 June 2021, cost of sales and services decrease by Baht 74.31 million or 31.46% from the same period last year in accordance with the decrease in revenue from sales and services, As a result, the gross profit decrease to Baht 82.46 million or 21.35% But the company's gross profit margin increased to 33.75 because the company have the ability to manage costs more.

Selling and Administrative expenses Operating profit and Operating profit margin

For the first 6 months of 30 June 2021, selling expenses decrease by Baht 4.56 million or 26.10% from the same period last year in accordance with the decrease in commissions based Due to revenue from sales and services decrease and Administrative expenses increased by Baht 0.81 million or 1.48% from the same period last year, mainly Due to the increase in operating expenses in the subsidiary's part As a result, operating profit decreased to 17.27 million baht, a decrease of 50.17%.

Overview of Net profit and Net profit margin

For the first 6 months of 30 June 2021, net profit decrease by Baht 13.98 million or 51.32% from the same period last year, mainly due to revenue from sales and services decrease. As a result, the net profit margin decreased to 5.36%.

Please be informed accordingly,

Yours Sincerely,

(Ms. Janchay Wetpanya)
Authorized to sign on behalf of the company,