

Ref. AC 21/021

November 12, 2021

Re: Management Discussion and Analysis of the Operating Performance for the 3rd Quarter 2021

To: President

The Stock Exchange of Thailand

Amata Corporation Public Company Limited ("AMATA" or "The Company") would like to report economic situations, the company's business overview, and the operating performance results of the company for 3rd Quarter 2021 as follows:

Overall, Thailand's economy has been gradually improved since the relieve of prevention and control measures due to the Covid-19 pandemic, the rising private-sector confidence, active encouragement of domestic vaccination, also purchasing power support program by the government. Those increase the consumption index of private sector as well as the investment index, comparing to the previous quarter. Both partner countries and local manufacturing could now operate normally. In addition, Thailand's export could also be recovered by an improvement of the economy. The main factor accountable for an expansion in Thailand's export is an increase in volume despite an increase in cost. This is an indicator that signal a positive perspective in Thailand's manufacturing industry. Various research institutions are standing by the belief that Thailand's exportation will keep growing due to the recovery of global demand from the supply chain disruption in ASEAN countries, and the resume of economic activities in many countries. Recently, WTO has estimated that the global trading will be expanded in this year and in the following year by 10.8% and 4.7%, respectively. The exportation, therefore, is considered a key success factor in Thailand's economy.

Regarding the global economic situation, in respect of this year Asian economy, International Monetary Fund (IMF) has announced a decrease in an estimated rate of economic growth from 7.6% to 6.5%; however, in 2022, the estimation is increased from 5.3% to 5.7%. Nevertheless, IMF has warned about an incoming of a new wave of Covid-19 pandemic as well as a problem in supply chain and a pressure from inflation that could potentially make ASEAN economy be a risk of economic decline. In respect of the World Economic Outlook, IMF has reduced the economic growth rate for 2021 from 6.0% to 5.9% due to the slowdown in economy among developed countries, which is a result from supply disruption. The slowdown in the World's Economy has still been on going due to the widespread of Covid-19, especially in low-income countries. However, the level of economic recovery is fluctuated based on each country group. Despite the significant improvement in the World's Economy, the business sector is still affected by supply disruption, sluggish recovery in recruitment during the widespread of Covid-19 together with the adoption of automation that can replace human workforce, increasing inflation rate that could reach the top floor within the remaining period of this year, the end of governmental support in household purchasing in many countries, and an increase in global oil price.

These above-mentioned factors play a big role in world economic growth. IMF projected that the World's Economy will be expanded by 4.9% in 2022.

For the Company's industrial estate industry, recently the industrial estate industry's growth has been delayed as a result from the restriction in cross border commuting during the pandemic of Covid-19. In this regard, the Company's land sale and revenue recognition from the land sale are decreased. At present, the Company view that current government policies, such as opening country for foreigners, more effective control from the widespread, as well as the development plan that continuously encourage the direct investment in Thailand, could drive the Company's business to improved. Currently, the investors are continuously interested to invest in Thailand and Vietnam. For the Company's rental income and Utility services continued to improve from the previous quarter. This is mainly due to the tendency to increase export capacity of customers.

Operating Performance Summary 3rd quarter of 2021, ended 30 September 2021

3rd Quarter of 2021 versus 3rd Quarter of 2020:

- Total revenues reported at Baht 1,041.4 million, increased by 0.1% year on year
- Share of profit from investments in associates and JV at Baht 59.4 million, decreased by 50.7%
- Profit to equity holders of the Company posted Baht 228.7 million, down 15.0%

	3-Quarter	3-Quarter	Increase/(Decrease)	
	2021	2020	Million Baht	%
Total revenues	1,041.4	1,039.9	1.5	0.1
Total expenses	618.4	656.7	(38.3)	(5.8)
Share profit from investments in associates and joint venture	59.4	120.4	(61.0)	(50.7)
Profit to equity holders of the Company	228.7	268.9	(40.2)	(15.0)
Basic earnings per share (THB/share)	0.20	0.25		

• Operating Performance Analysis of Core Businesses

	3-Quarter	3-Quarter	Increase/(Decrease)	
	2021	2020	Million Baht	%
Revenue from real estate sales	181.0	294.0	(113.0)	(38.4)
Gross profit margin	71%	71%		
Revenue from utility services	493.7	446.1	47.6	10.7
Gross profit margin	33%	34%		
Revenue from rental	239.4	209.2	30.2	14.4
Gross profit margin	76%	71%		

Industrial Estate Development Business

During the 3rd Quarter 2021 (3Q/2021), AMATA reported revenue from real estate sales at Baht 181.0 million, decreased by Baht 113.0 million or 38.4% from the same period last year (3Q/2020). The Company transferred and recognized 20-rai of land (Thailand 20 rai) in 3rd Quarter of 2021 (3Q/2021), decrease compared to 70-rai of land (Thailand 70 rai) in 3rd Quarter of 2020 (3Q/2020). This is mainly due to the fact that our customers were unable to travel internationally to proceed with the transfer of title deeds during the COVID-19 pandemic situation. The Gross profit margins of revenue from real estate sales remained at 71% in 3rd Quarter 2021 (3Q/2021), similar with 3rd Quarter 2020 (3Q/2020).

Utility Services Business

The revenue from utility services was reported Baht 493.7 million on 3rd Quarter of 2021 (3Q/2021) which rose from Baht 446.1 million or 10.7% in 3rd Quarter of 2020 (3Q/2020). The change is due to increase in the customer's consumption in utilities. The gross profit margin slightly dropped by 1% to 33% in the 3rd Quarter 2021 (3Q/2021) compared to 3rd Quarter 2020 (3Q/2020).

Rental Business

The rental business contributed Baht 239.4 million of revenue to The Company in 3rd Quarter 2021 (3Q/2021), up by Baht 30.2 million or 14.4% increase compared to the same period of 2020 (3Q/2020) which reported at Baht 209.2 million of revenue from the rental business. The gross margin from rental business increased from 71% in 3rd Quarter 2020 (3Q/2020) to 76% in 3rd Quarter 2021 (3Q/2021).

● Other Income

	3-Quarter 2021	3-Quarter 2020	Increase/(Decrease)	
			Million Baht	%
Finance income	11.7	2.9	8.8	306.7
Gains on exchange	109.8	46.6	63.2	135.5
Other income	17.6	44.0	(26.5)	(60.1)

The Company received finance income at Baht 11.7 million in 3rd Quarter 2021 (3Q/2021), increased by Baht 8.8 million or 306.7% compared to the same period last year (3Q/2020) and gain on exchange amounted Baht 109.8 million in 3rd Quarter 2021 (3Q/2021), while other income decreased by Baht 26.5 million or 60.1% from Baht 44.0 million in 3rd Quarter 2020 (3Q/2020) to Baht 17.6 in 3rd Quarter 2021 (3Q/2021).

- **Expense**

	3-Quarter	3-Quarter	Increase/(Decrease)	
	2021	2020	Million Baht	%
Selling and distribution expenses	25.2	20.4	4.8	23.5
Administrative expenses	151.2	196.2	(45.0)	(22.9)
Finance cost	97.7	105.1	(7.4)	(7.0)
Income tax expenses	80.5	55.6	24.9	44.9

For the selling and distribution expenses, it is increased by Baht 4.8 million or 23.5% compared to the same period last year, from Baht 20.4 million (3Q/2020) to Baht 25.2 million (3Q/2021), which is mainly due to the increase in the marketing and promotion expenses. While administrative expenses in 3rd Quarter 2021 (3Q/2021) reported at Baht 151.2 million, decreased by Baht 45.0 million or 22.9%. Finance cost decreased by Baht 7.4 million or 7.0%, and income tax increased by Baht 24.9 million or 44.9%.

- **Share of Profit from Investments in Associates and Joint Venture**

The Company had a share of profit from investment in associates and joint venture in the 3rd Quarter 2021 (3Q/2021) of Baht 59.4 million, decrease Baht 61.0 million or 50.7% from last year (3Q/2020). The reduction was from power plant business group.

- **Net Profit**

In the 3rd Quarter 2021 (3Q/2021), The Company recorded a net profit for the period of Baht 315.8 million, decreased by Baht 29.9 million or 8.6% compared to the same period last year (3Q/2020), which mostly came from decrease in land sales.

Operating Performance Summary nine months of 2021, ended 30 September 2021

Nine months of 2021 versus the nine months of 2020

- Total revenues reported at Baht 2,902.3 million, decreased by 10.2% year on year
- Share of profit from investments in associates and JV at Baht 338.5 million, up 3.1%
- Profit to equity holders of the Company posted at Baht 661.5 million, down by 6.4%

	9-Month	9-Month	Increase/(Decrease)	
	2021	2020	Million Baht	%
Total revenues	2,902.3	3,233.6	(331.3)	(10.2)
Total expenses	1,862.1	2,182.6	(320.5)	(14.7)
Share profit from investments in associates	338.5	328.2	10.3	3.1

and joint venture				
Profit to equity holders of the Company	661.5	706.8	(45.3)	(6.4)
Basic earnings per share (THB/share)	0.58	0.66		

● **Operating Performance Analysis of Core Businesses**

	9-Month	9-Month	Increase/(Decrease)	
	2021	2020	Million Baht	%
Revenue from real estate sales	442.5	1,096.5	(654.0)	(59.6)
Gross profit margin	64%	59%		
Revenue from utility services	1,482.0	1,371.3	110.7	8.1
Gross profit margin	33%	32%		
Revenue from rental	676.9	619.9	57.0	9.2
Gross profit margin	74%	72%		

Industrial Estate Development Business

For the nine months of 2021 (9M/2021), AMATA reported revenue from real estate sales at Baht 442.5 million, down Baht 654.0 million or 59.6% from the same period last year (9M/2020). The Company transferred and recognized 88-rai of land (Thailand 88 rai) in nine months of 2021 (9M/2021) decrease compared to 258-rai of land (Thailand 258 rai) in the same period of previous year (9M/2020). The gross profit margin in the nine months of 2021 (9M/2021) was 64%, jump from the same period last year (9M/2020) which was 59%.

Utility Services Business

AMATA achieved utility services revenue of Baht 1,482.0 million for the nine months of 2021 (9M/2021), increased Baht 110.7 million or 8.1% year on year. The gross profit margin slightly increased by 1% from 32% in the nine months of 2020 (9M/2020) to 33% in the nine months of 2021 (9M/2021).

Rental Business

Amata reported rental income of Baht 676.9 million for the nine months of 2021 (9M/2021), up by Baht 57.0 million or 9.2% compared to the same period of the previous year of 2020 (9M/2020). The gross profit margin increased from 72% in the nine months of 2020 (9M/2020) to 74% in the similar period of 2021 (9M/2021).

- **Other Income**

	9-Month	9-Month	Increase/(Decrease)	
	2021	2020	Million Baht	%
Finance income	31.0	30.1	0.9	3.1
Gains on exchange	225.9	69.2	156.7	226.3
Other income	75.0	76.6	(1.6)	(2.2)

The Company reported other income totaling to Baht 331.9 million for the nine months of 2021 (9M/2021) up by Baht 155.9 million or 88.6%. This is due to the Company has received gains on exchange increased by Baht 156.7 million and finance income increased by Baht 0.9 million, while other income decreased by Baht 1.6 million, compared to the same period of the previous year of 2020 (9M/2020).

- **Expense**

	9-Month	9-Month	Increase/(Decrease)	
	2021	2020	Million Baht	%
Selling and distribution expenses	56.5	89.7	(33.2)	(37.0)
Administrative expenses	481.6	551.5	(69.9)	(12.7)
Finance cost	345.8	318.9	26.9	8.4
Income tax expenses	149.2	126.6	22.6	17.8

Selling and distribution expenses for the nine months of 2021 (9M/2021) was recorded at Baht 56.5 million, decreased by baht 33.2 million or 37.0% compared to the same period of 2020 (9M/2020). Administrative expenses on this period decreased Baht 69.9 million or 12.7% compared to the nine months of 2020 (9M/2020). This is due to management in expense during the slowdown in economy and situation of the pandemic of coronavirus 2019 (COVID-19).

- **Share of Profit from Investments in Associates and Joint Venture**

The Company reported share of profit from investments in associates and joint venture in the nine months of 2021 (9M/2021) of Baht 338.5 million, increased by Baht 10.3 million or 3.1% from the same period of last year (9M/2020). This is due to the increase in share of profit from investments in Associates and Joint Venture from natural gas business.

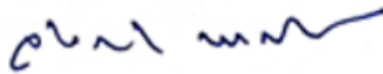
- **Net Profit**

The net profit for the nine months of 2021 (9M/2021) achieved Baht 914.7 million, decreased by Baht 48.9 million or 5.1% from the same period of 2020 (9M/2020). The reduction was from the decrease in revenue from real estate sales.

For your information.

Yours sincerely,

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(Mr. Chackchai Panichapat)

DIRECTOR