

ARIN 012/2022

May 9, 2022

Subject: Management Discussion and Analysis for the 1st quarter of 2022

 Attention: President
 The Stock Exchange of Thailand

 Arinsiri Land Public Company Limited (the “Company”) would like to inform the Company’s operating performance for the 1st quarter of 2022 as follows:

unit: Million Baht

For the 1 st quarter period ended March 31 st						
Items	2022		2021		Changes	
	Amount	%	Amount	%	Amount	%
Revenues from sales	29.62	100.00	16.25	100.00	13.37	82.25
Cost of sales	20.43	68.95	11.99	73.78	8.43	70.31
Gross profit	9.20	31.05	4.26	26.22	4.94	115.84
Other income	0.44	1.50	0.68	4.21	(0.24)	(35.04)
Income from the sale of land	98.68	333.12	-	-	98.68	100.00
Profit before expenses, financial cost, and taxes	108.33	365.67	4.95	30.43	103.38	2,090.07
Distribution costs	2.28	7.70	1.47	9.03	0.81	55.47
Cost of land distribution	99.43	335.65	-	-	99.43	100.00
Administrative expenses	8.83	29.80	8.19	50.37	0.64	7.82
Profit (loss) before financial cost, and taxes	(2.22)	(7.48)	(4.71)	(28.97)	2.49	52.93
Financial costs	4.51	15.23	5.32	32.74	(0.81)	(15.26)
Profit (loss) before taxes	(6.73)	(22.71)	(10.03)	(61.71)	3.30	32.94
Tax expense (income)	(0.03)	(0.11)	0.06	0.39	(0.09)	(149.87)
Net profit (loss)	(6.70)	(22.60)	(10.09)	(62.10)	3.40	33.67

Tax (expense) income

1. Total Revenues (For the 1st quarter of 2022)

For the 1st quarter of 2022, the Company had revenue from sales of real estate equal to Baht 29.62 million, increased in the amount of Baht 13.37 million, or 82.25% compared to the same period of the previous year which generated from Arinsiri Sport Village, Arinsiri Country Hill and Arinsiri Privacy. However, the current real estate market situation has affected the decrease number of walk-in customers including the ongoing pandemic of coronavirus disease 2019 (COVID-19) in the country causing the inability to transfer ownership as scheduled.

For the 1st quarter of 2022, the Company had other incomes equal to Baht 0.44 million, decreased in the amount of Baht 0.24 million or 35.04% compared to the same period of the previous year. And the Company entered into a land purchase and sale agreement with an unrelated company. The total contract price is amounts of Baht 98.68 million and the ownership has been transferred on March 2022. The proceeds from sale of land were used to repay long-term borrowings from financial institution and used for working capital in business operations.

2. Cost of sales and expenses (For the 1st quarter of 2022)

2.1 Cost of sales of real estate for the 1st quarter of 2022 was equal to Baht 20.43 million, increased in the amount of Baht 8.43 million, or representing with 70.31% compared to the same period of the previous year, due to increased income from the transfer of ownership. The cost of sales is increase directly according to the income.

2.2 Distribution costs for the 1st quarter of 2022 were equal to Baht 2.28 million, increased in the amount of Baht 0.81 million or representing with 55.47% compared to the same period of the previous year, mainly due to saleperson salary and special business tax and advertising expenses.

2.3 Cost of land distribution for the 1st quarter of 2022 were equal to Baht 99.43 million.

2.4 Administrative expenses for the 1st quarter of 2022 were equal to Baht 8.83 million, increased in the amount of Baht 0.64 million or 7.82% compared to the same period of the previous year, mainly due to the increase in employees and office expenses

3. Financial costs (For the 1st quarter of 2022)

Financial costs for the 1st quarter of 2022 were equal to Baht 4.51 million, decreased in the amount of Baht 0.81 million, or 15.26% compared to the same period of the previous year.

4. Net profit (loss) (For the 1st quarter of 2022)

For the 1st quarter of 2022, the Company had a net loss amounted to Baht 6.70 million from the reasons mentioned above.

5. Statement of financial position

Items	As of 31 st March 2022,	As of 31 st December 2021,	Changes	
	Million Baht	Million Baht	Million Baht	%
Trade and other current receivables	7.03	5.64	1.39	24.71
Inventories	656.92	659.64	(2.72)	(0.41)
Real estate foreclosed	-	90.33	(90.33)	(100.00)
Property, plant and equipment, net	13.16	13.55	(0.39)	(2.89)
Other assets	185.48	186.23	(0.75)	(0.40)
Bank overdrafts from the financial institution	10.06	10.27	(0.21)	(2.05)
Trade and other current payables	82.15	83.39	(1.25)	(1.49)

Items	As of 31 st March 2022,	As of 31 st December 2021,	Changes	
	Million Baht	Million Baht	Million Baht	%
Current portion of long – term liabilities	235.48	320.91	(85.42)	(26.62)
Short – term borrowings	115.81	115.06	0.76	0.66
Short - term debentures	20.00	19.96	0.04	100.00
Long – term borrowings	6.24	6.44	(0.21)	(3.21)
Other liabilities	8.67	8.49	0.18	2.11
Total shareholders' equity	384.18	390.88	(6.70)	(1.71)

As of March 31st, 2022, the Company had trade and other current receivables increased in the amount of Baht 1.39 million or equal to 24.71% compared to the year-end 2021, mainly due to the increase of withholding income tax.

The Company had inventories decreased in the amount of Baht 2.72 million or equal to 0.41% compared to the year-end 2021, mainly due to the sales and units' ownership transferring and the construction in the project for sale

Property held for sales decreased in the amount of Baht 90.33 million or equal to 100.00% compared to the year-end 2021, mainly due to the sale of land.

The Company had a net of property, plant and equipment decreased in the amount of Baht 0.39 million or equal to 2.89% compared to the year-end 2021, mainly due to the increase of depreciation.

The Company had other assets decreased in the amount of Baht 0.75 million or equal to 0.40% compared to the year-end 2021, mainly due to the increase of depreciation of Investment property and right of use assets.

The Company had bank overdrafts from financial institutions decreased in the amount of Baht 0.21 million or equal to 2.05% compared to the year-end 2021.

The Company had trade and other current payables decreased in the amount of Baht 1.25 million or equal to 1.49% compared to the year-end of 2021, mainly due to the decrease of the down payment from the customer.

The Company had increased the current portion of long–term liabilities, short–term borrowings, short-term debentures, and long–term borrowings decreased in the amount of Baht 84.83 million or equal to 18.35% compared to the year-end of 2021, mainly due to the sales and units' ownership transferring. This caused the Company to be able to repay loans to the financial institutions according to the terms of the loan agreement which the repayment must be paid in the specific percentage of the sale price of each ownership transferred unit and the sale of land.

The Company's Shareholders' equity has decreased when compared to the year-end of 2021 at the amount of Baht 6.70 million, which mainly due to the Company had a net loss from the reasons mentioned above.

Please be informed accordingly,

Yours sincerely

Miss Wimonjit Arintamapong
Managing Director



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