

No. CRD/041/2565

May 14, 2022

Subject: Management Discussion and Analysis of Operating Results of the 1st Quarter of 2022, ended March 31, 2022

Attention: The President

The Stock Exchange of Thailand

Chiangmai Rimdoi Public Company Limited (“The Company”) would like to clarify the operating result of the 1st quarter of 2022, ended March 31, 2022. Details are as follows:

Business Overview

To summarize 1st quarter of 2022, the Company had total revenue from construction and service of 270.03 million baht and presented loss profit of 6.01 million baht resulting in a loss profit margin of 2.21%. The total backlog at the end of March 31, 2022. was 1,899.06 million baht, consisting of the revenue from construction of 776.66 million baht, which mostly will be recognized as revenue in year 2022, and revenue from waste collection and disposal services of 1,122.40 million baht which will be recognized as revenue until the 1st quarter of 2027.

Income Statement

Income Statement	2022		2021		Increasing (Decreasing)	
	MB	%	MB	%	MB	%
Revenue from construction	222.78	82.50%	182.25	94.56%	40.53	22.24%
Revenue from service	47.25	17.50%	10.48	5.44%	36.77	350.86%
Total revenue from construction and service	270.03	100.00%	192.73	100.00%	77.30	40.11%
Cost of construction	221.45	82.01%	168.23	87.29%	53.22	31.64%
Cost of service	40.11	14.85%	10.29	5.34%	29.82	289.80%
Total cost from construction and service	261.56	96.86%	178.52	92.63%	83.04	46.52%
Gross profit	8.47	3.14%	14.21	7.37%	(5.74)	-40.39%
Profit from acquisition business under net fair value	0.00	0.00%	3.90	2.02%	(3.90)	-100.00%
Other incomes	1.65	0.61%	1.14	0.59%	0.51	44.74%
Service & Administrative expenses	14.42	5.34%	14.58	7.56%	(0.16)	-1.10%
Finance costs	3.23	1.20%	1.84	0.95%	1.39	75.54%
Sales profit of Joint Venture and Consortium	0.16	0.06%	0.17	0.09%	(0.01)	-5.88%
Corporate tax expenses / (tax incomes)	(1.36)	-0.50%	0.09	0.05%	(1.45)	1,611.11%
Net profit	(6.01)	-2.23%	2.91	1.51%	(8.92)	-306.53%
Gross profit margin	3.14%		7.37%			
Net profit margin	-2.21%		1.50%			

Total Revenue 1st quarter of 2022 was 270.03 million baht, increased by 40.11% compared to the last year (YOY), details are as follows:

- **Revenue from construction** for the 1st quarter of 2022 was 222.78 million baht which increased by 22.24% YoY, consisting of the continuing projects of 220.52 million baht and the new projects of 2.26 million baht. due to the Company's clients on several projects that postponed the project construction plan in 2021 has resumed operations and recognized as revenue.
- **Revenue from services** for the 1st quarter of 2022 was 47.25 million baht, increased by 350.86% YoY. The revenue from services is the waste collection and disposal services. The increase of revenue from services in this quarter was due to the waste collection and disposal project from Nonthaburi and Chiangmai Municipal.
- **Other incomes** consisted of the revenue from project management fee, sales of scrap material, and interest income. Other incomes for the 1st quarter of 2022 were 1.65 million baht, increased by 44.74% YoY.

Cost and Expenses

Total Cost 1st quarter of 2022 was 261.56 million baht, increased by 46.52% compared to the last year (YOY), details are as follows:

- **Cost of construction** for the 1st quarter of 2022 was 221.45 million baht, increased by 31.64% YOY, The Company has adjusted the cost estimate due to the delay of construction and the price of building materials is higher.
- **Cost of service**, which mostly were wages & salaries and garbage vehicle related expenses, for the 1st quarter of 2021 was 40.11 million baht which was correspondingly increased to the revenue from service due to the new project.

Administrative expense for the 1st quarter of 2022 was 14.42 million baht, close to the same period of the previous year.

Finance Cost for the 1st quarter of 2022 was 3.23 million baht, increased by 75.54% YOY, due to the increase in long-term loans for working capital.

Gross Profit & Net Profit

Gross Profit for the 1st quarter of 2022 was 8.47 million baht, representing the gross profit margin of 3.14% which decreased from the gross profit margin of the same period previous year which had a loss profit margin of 7.37%. due to the increase in the costs mentioned above.

Loss Profit for the 1st quarter of 2022 was 6.01 million baht, representing the loss profit margin of 2.21%. The Company had lower net profit margin comparing to the same period of previous year which had a net profit was 2.91 million baht.

Your Sincerely,



(Mrs.Patcharin Thumtanom)

Chief Financial Officer