

THANASIRI



ธนาสิริ...บริบทเพื่อความยั่งยืน

THANASIRI...Return on Sustainability



Thanasiri Group Public Company Limited

*Management Discussion and Analysis (MD&A)
of Consolidated Financial Statements for the Second
quarter ended 30 June 2022*

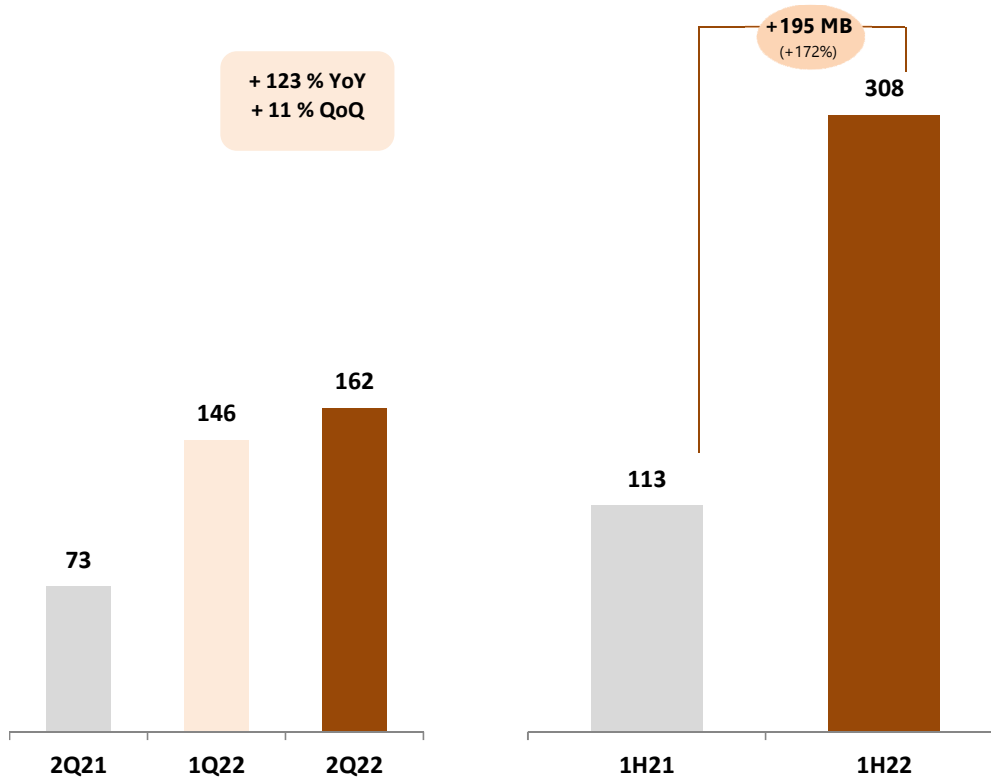
Summary of Operating Performance

for the second quarter of 2022 (million baht)	3-month ended June 30, 2022		increase (decrease)	6-month ended June 30, 2022		increase (decrease)
	2Q21	2Q22		1H21	1H22	
Revenues from sales	73	162	89	113	308	195
Cost of sales	55	114	60	80	213	134
GROSS PROFIT	18	48	30	34	95	61
<i>Gross profit (%)</i>	<i>25.0%</i>	<i>29.6%</i>	<i>4.6%</i>	<i>29.8%</i>	<i>30.8%</i>	<i>1.0%</i>
Cost of distribution	4	12	7	7	22	15
Administrative expenses	19	22	3	38	45	7
Profit (loss) from operating activities	-1	16	18	-6	34	40
Financial cost	2	2	0	5	6	1
Share of Profit (loss) of investment in joint	8	3	-5	12	8	-4
Net Profit - Owners of parent	6	14	8	4	31	27
<i>Net Profit Margin (%)</i>	<i>7.7%</i>	<i>8.6%</i>	<i>0.9%</i>	<i>3.39%</i>	<i>9.97%</i>	<i>6.58%</i>

- **Consolidated net profit – Owners of parent 2Q22 total 14 million Baht** increased 8 million Baht compared to the same period of the previous year, mainly from houses sold of new project “Thana Habitat Groove Pinklao-Sirinthon launched since end of year 2021, and mainly houses sold were Single and Detached House group resulting in increasing Gross profit compared to the same quarter of previous year.
- **Consolidated net profit – Owners of parent 1H22 total 31 million Baht** increased 27 million Baht compared to the same period of the previous year mainly from houses sold of new project and stocks of on-hand projects resulting in increasing Gross profit of 79% compared to previous year.
- **Shared Profit of investment in joint venture 2Q22 total 3 million Baht** decreased 5 million Baht compared to the same period of the previous year due to the policy to accelerate sales of last phase of “Anabuki Thana Habitat Maha Chesadabodindranusorn Bridge – Ratchapruek, the joint venture project between Thanasiri Group and Anabuki Japan. And the second project had Grand Opening in July 2022.
- **Revenue from house sold 2Q22 162 million Baht** increased 89 million Baht while **Revenue from house sold 1H22 308 million Baht** increased 195 million Baht compared to the same period of the previous year due to new project launched since December 2021 which had continuing volume of visitors and sales resulting in higher backlog. Backlog of total group company were 467 million Baht (company-owned total 359 million Baht, the joint venture 108 million Baht).
- **General and Administration Expenses 2Q22 and 1H22 total 22 million Baht and 45 million Baht** respectively, increased from company restructure in year 2022. The Company had recruited new professional team for growth in developing new projects, community management services and strengthen the management team, together with reprocessing and applying new digital technology for more efficiency.

Analysis of Statement of Comprehensive Income

1. Revenue (Company-Owned)



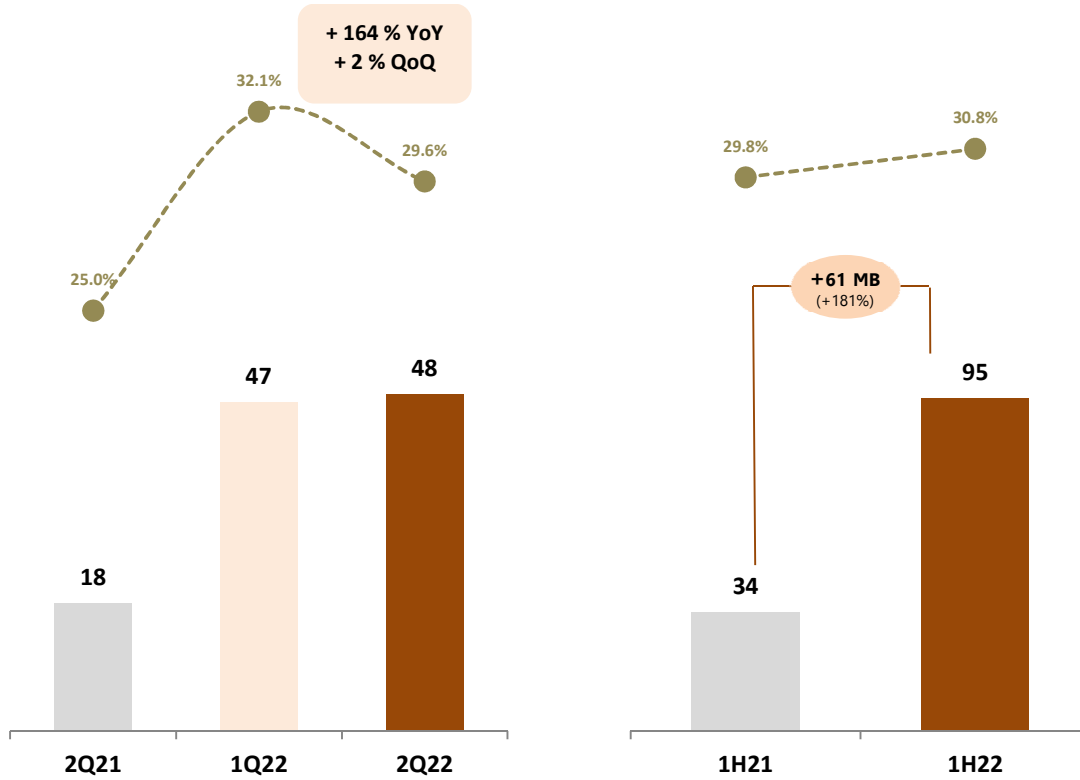
2Q22

- Revenue from house sold 2Q22 increased 89 million Baht compared to the same period of the previous year. Almost 80% of recognized revenue came from the new project launch since December 2021.
- Net Presales 2Q22 total 216 million Baht, increased 177 million Baht compared to previous year mainly from new project launched during the year resulting in total backlog of 359 million Baht.

1H22

- Revenue from house sold 1H22 increased 195 million Baht compared to the same period of the previous year. More than 50% of recognized revenue came from the new project launch since December 2021 which had continuing volume of visitors and sales, and stocks of on-hand projects.
- The Company would have 3 new projects to recognize revenue this year.
- Net Presales 1H22 total 364 million Baht, increase 260 million Baht compared to previous year.

2. Gross Profit



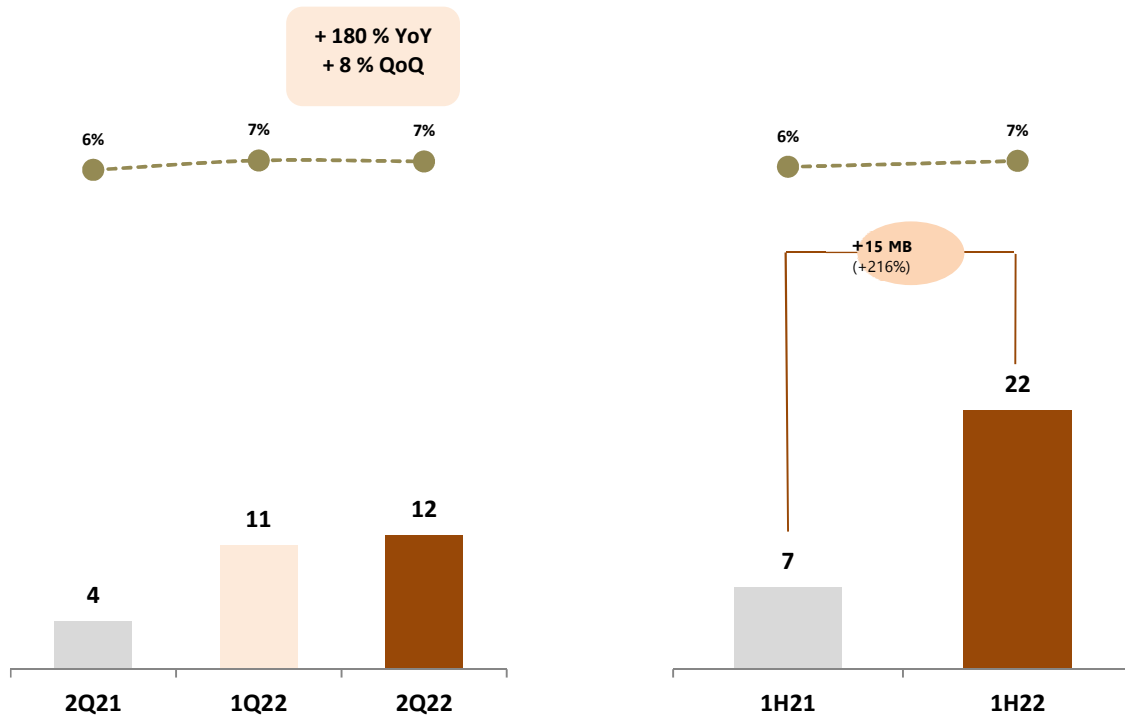
2Q22

- Gross profit rate 2Q22 increased 4.6% compared to the same period of previous year due to gross profit rate of new project of Single and Detached houses focused on design and development according to the budget and plan, together with pricing strategy to accelerate sales.

1H22

- Gross profit rate 1H22 increased 1% compared to the same period of the previous year came from Single and Detached houses of new project which had high rate of presales and sales, compensating with Townhome stocks of on-hand projects.

3. Cost of Distribution



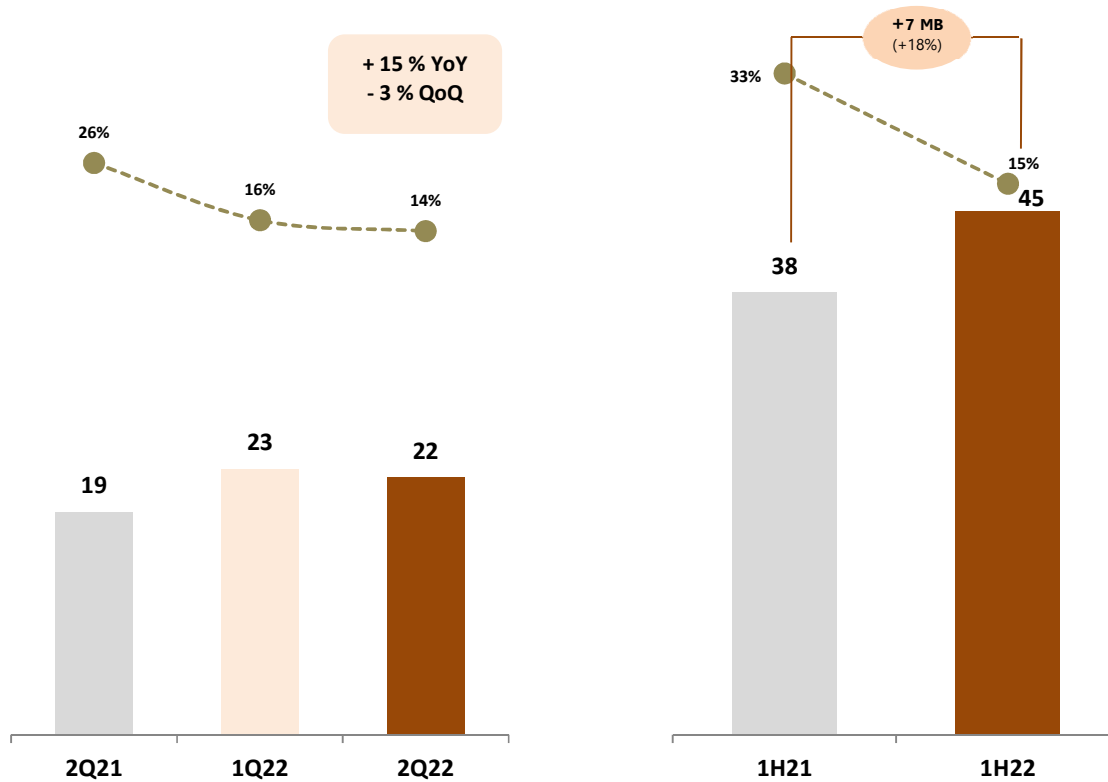
2Q22

- Cost of distribution 2Q22 were 7.1% of revenue from house sold, increased 1.5% compared to the same period of previous year. Mainly were online marketing cost for on-hand and new projects. Net presales of 317 million Baht (company-owned 216 million Baht, the joint venture 101 million Baht). Total Backlog at June 30, 2022 of 467 million Baht (company-owned 359 million Baht, the joint venture 108 million Baht).

1H22

- Cost of distribution 1H22 were 7.1% of revenue from house sold, increased 1.0% compared to the same period of previous year. Mainly were online marketing cost. Net presales of 561million Baht (company-owned 364 million Baht, the joint venture 197 million Baht). Total Backlog at June 30, 2022 of 467 million Baht (the highest).

4. General and Administration Expenses



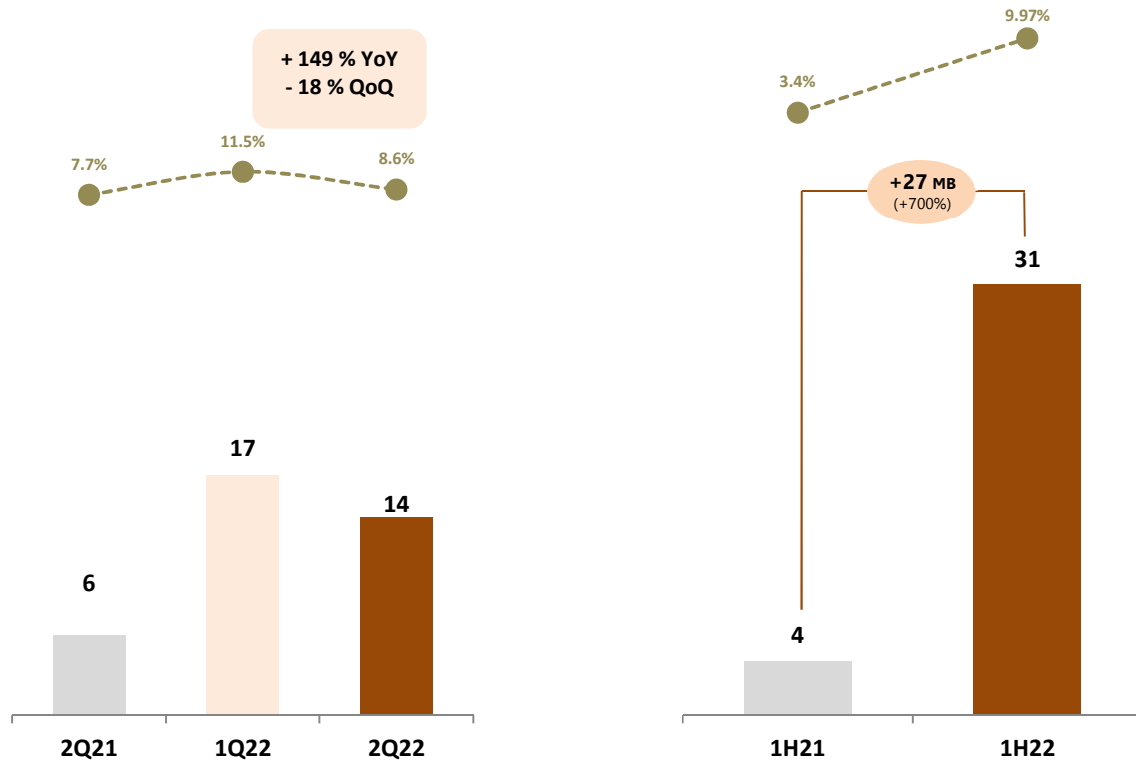
2Q22

- General and Administration Expenses 2Q22 total 22.1 million Baht, increased 3 million baht compared to the same period of the previous year due to employee expenses of which the Company had restructure, developed new operating strategy of the company and recruited new team for growth in developing new projects, community management services and strengthen the management team.

1H22

- General and Administration Expenses 1H22 total 44.9 million Baht, increased 7 million baht compared to the same period of the previous year due to One-time expenses of 4 million Baht for employee health care during Covid-19 Pandemic and professional fees. The Company had restructure, developed new operating strategy of the company and recruited new professional team for growth in developing new projects, community management services and strengthen the management team.
- The Company applied new digital technology for more work efficiency also.

5. Profit for the period attributed to Owners of Parent



2Q22

- Profit for the period attributed to Owners of Parent 2Q22 total 14 million Baht, increased 8 million Baht compared to the same period of previous year mainly from revenue of houses sold of "Thana Habitat Groove Pinklao-Sirinthorn" launched since end of year 2021, and mainly houses sold were Single and Detached House group resulting in increasing Gross profit compared to the same quarter of previous year.

1H22

- Profit for the period attributed to Owners of Parent 1H22 total 31 million Baht, increased 27 million Baht compared to the same period of previous year came from houses sold of new project and stocks of on-hand projects resulting in increasing Gross profit of 79% compared to previous year.

6. Statement of Financial Position

STATEMENTS OF FINANCIAL POSITION				
Key indicator	as of June 30,2022		as of December 31,2021	
	million baht	%	million baht	%
Cash and cash equivalents	46	6%	7	1%
Other current receivables	100	12%	97	10%
Short – term loans	0	0.0%	85	9%
Inventories	533	64%	636	65%
Other current assets	0	0.0%	0	0.0%
Total current assets	679	82%	825	85%
Investments in subsidiaries				
Investments in joint venture	51	6%	43	4%
Land held for development	79	9%	79	8%
Property, plant and equipment	4	0.4%	3	0.3%
Right of use assets	1	0.2%	2	0.3%
Other intangible assets	0	0.0%	0	0.0%
Deferred tax assets	5	1%	11	1%
Deposits with restrictions on use	11	1%	9	1%
Other non – current assets	2	0.3%	2	0.2%
Total non – current assets	153	18%	151	15%
TOTAL ASSETS	832	100%	976	100%
Bank overdrafts and short – term borrowings from financial institutions	20	2%	165	17%
Trade and other current payables	94	11%	61	6%
Current portion of long – term borrowings	87	10%	150	15%
Current portion of finance lease liabilities	2	0.2%	3	0.3%
Short - term borrowing	100	12%	100	10%
Other current liabilities	21	2%	16	2%
Total current liabilities	324	39%	496	51%
Long – term borrowings	43	5%	45	5%
Lease liabilities	0	0.0%	1	0.1%
Non - current provision for employee benefits	25	3%	23	2%
Total non – current liabilities	68	8%	69	7%
TOTAL LIABILITIES	392	47%	565	58%
Authorized share capital				
329,000,000 ordinary shares at 1 Baht each,	329	40%	329	34%
Authorized, issued and paid - up share capital				
253,212,000 ordinary shares at 1 Baht each,	253	30%	253	26%
Premium on share capital	35	4%	35	4%
Retained earnings				
Appropriated Legal reserve	17	2%	17	2%
Unappropriated	125	15%	94	10%
Other components of shareholder's equity	-1	-0.1%	-1	-0.1%
Equity attributable to the owner of the company	429	52%	399	41%
Non – controlling interests	10	1%	12	1%
TOTAL SHAREHOLDERS' EQUITY	440	53%	411	42%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	832	100%	976	100%

- Comparing the ending balance as of June 30, 2022 and December 31, 2021, Cash and Cash Equivalents total 46 million Baht, increased 39 million Baht from net cash received from operations
- Inventory total 533 million Baht, decreased 104 million Baht mainly from houses sold together with new project development
- 3 Lands waiting for development total 79 million Baht
- Provision for employee benefits according to TFRS 19
- Retained earnings of 142 million Baht increased 31 million Baht from net profit for the period

7. Statement of Cashflows

STATEMENTS OF CASH FLOW		
Key indicator	as of June 30, 2022 Unit : million baht	as of December 31, 2021 Unit : million baht
Net Cash Provided by (Used in) operating activities	176	-148
Net Cash Provided by (Used in) Investing Activities	83	-3
Net Cash Provided by (Used in) Financing Activities	-219	153
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	39	2
CASH AND CASH EQUIVALENTS-BEGINNING OF THE PERIOD	7	5
CASH AND CASH EQUIVALENTS-END OF THE PERIOD	46	7

- Net cash provided by operating activities total 176 million Baht increased 323 million Baht from cash received from houses sold during the first half of year 2022.
- Net cash provided by investing activities total 83 million Baht increased 86 million Baht from cash received from repayment on loan to joint venture.
- Net cash used in financing activities total 219 million Baht increased 372 million Baht from cash paid for borrowing from financial institutes.