

ARIN 018/2022

November 9, 2022

 Subject: Management Discussion and Analysis for the 3rd quarter of 2022

 To: President
 The Stock Exchange of Thailand

 Arinsiri Land Public Company Limited (the “Company”) would like to inform the Company’s operating performance for the 3rd quarter of 2022 as follows:

unit: Million Baht

For the 3 rd quarter period ended September 30 th						
Items	2022		2021		Changes	
	Amount	%	Amount	%	Amount	%
Revenues from sales	55.73	100.00	40.53	100.00	15.20	37.51
Cost of sales	41.87	75.14	29.75	73.40	12.13	40.76
Gross profit	13.85	24.86	10.78	26.60	3.08	28.54
Other income	0.08	0.15	1.09	2.70	(1.01)	(92.52)
Profit before expenses, financial cost, and taxes	13.94	25.01	11.87	29.29	2.06	17.39
Distribution costs	3.34	6.00	2.36	5.83	0.98	41.60
Administrative expenses	9.32	16.73	9.36	23.09	(0.03)	(0.36)
Profit (loss) before financial cost, and taxes	1.27	2.27	0.15	0.37	1.12	735.99
Financial costs	4.53	8.13	6.09	15.04	(1.56)	(25.68)
Profit (loss) before taxes	(3.26)	(5.85)	(5.94)	(14.66)	2.68	45.10
Tax expense (income)	-	-	0.06	0.16	(0.06)	(100.00)
Net profit (loss)	(3.26)	(5.85)	(6.01)	(14.82)	2.74	45.68

1. Total Revenues (For the 3rd quarter of 2022)

For the 3rd quarter of 2022, the Company had revenue from sales of real estate equal to Baht 55.73 million, increased in the amount of Baht 15.20 million, or 37.51% compared to the same period of the previous year which generated from Arinsiri Sport Village, Arinsiri Country Hill and Arinsiri Privacy.

For the 3rd quarter of 2022, the Company had other incomes equal to Baht 0.08 million, decreased in the amount of Baht 1.01 million or 92.52% compared to the same period of the previous year.

2. Cost of sales and expenses (For the 3rd quarter of 2022)

2.1 Cost of sales of real estate for the 3rd quarter of 2022 was equal to Baht 41.87 million, increased in the amount of Baht 12.13 million, or representing with 40.76% 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 3rd quarter of 2022 were equal to Baht 3.34 million, increased in the amount of Baht 0.98 million or representing with 41.60% compared to the same period of the previous year, mainly due to the increase in employee expenses, special business tax and advertising expenses.

2.3 Administrative expenses for the 3rd quarter of 2022 were equal to Baht 9.32 million, decreased in the amount of Baht 0.03 million or 0.36% compared to the same period of the previous year.

3. Financial costs (For the 3rd quarter of 2022)

Financial costs for the 3rd quarter of 2022 were equal to Baht 4.53 million, decreased in the amount of Baht 1.56 million, or 25.68% compared to the same period of the previous year.

4. Net profit (loss) (For the 3rd quarter of 2022)

For the 3rd quarter of 2022, the Company had a net loss amounted to Baht 3.26 million from the reasons mentioned above.

unit: Million Baht

For the first 9-months period of						
Items	9-months period of 2022		9-months period of 2021		Changes	
	Amount	%	Amount	%	Amount	%
Revenues from sales of real estate	135.20	100.00	135.34	100.00	(0.14)	(0.10)
Cost of sales	96.48	71.36	99.03	73.17	(2.55)	(2.58)
Gross profit	38.73	28.64	36.32	26.83	2.41	6.64
Other income	0.56	0.41	2.48	1.83	(1.92)	(77.58)
Income from the sale of land	98.68	72.99	-	-	98.68	100.00
Profit before expenses, financial cost, and taxes	137.96	102.04	38.79	28.66	99.17	255.64
Distribution costs	8.92	6.60	7.81	5.77	1.11	14.22
Cost of land distribution	97.62	72.20	-	-	97.62	100.00
Administrative expenses	27.82	20.58	26.15	19.32	1.67	6.41
Profit (loss) before financial cost, and taxes	3.61	2.67	4.84	3.57	(1.23)	(25.46)
Financial costs	14.98	11.08	17.32	12.80	(2.33)	(13.48)
Profit (loss) before taxes	(11.38)	(8.41)	(12.48)	(9.22)	1.10	8.84
Tax expense (revenue)	(0.03)	(0.02)	0.19	0.14	(0.22)	(116.62)
Net profit (loss)	(11.35)	(8.39)	(12.67)	(9.36)	1.32	10.45

5. Total Revenues (For the first 9-months period of 2022)

For the first 9-months period of 2022, the Company had revenue from sales of real estate equal to Baht 135.20 million, decreased in the amount of Baht 0.14 million or 0.10% compared to the same period of the previous year. The Company had the other incomes equal to Baht 0.56 million, decreased in the amount of Baht 1.92 million or 77.58% 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.

6. Cost of sales and expenses (For the first 9-months period of 2022)

6.1 Cost of sales of real estate for the first 9-months period of 2022 was equal to Baht 96.48 million, decreased in the amount of Baht 2.55 million, or representing with 2.58% compared to the same period of the previous year.

6.2 Distribution costs for the first 9-months period of 2022 was equal to Baht 8.92 million, increased in the amount of Baht 1.11 million or representing with 14.22% compared to the previous year, mainly due to the increase in employee expenses and special business tax.

6.3 Cost of land distribution for the first 9-months period of 2022 were equal to Baht 97.62 million.

6.4 Administrative expenses for the first 9-months period of 2022 were equal to Baht 27.82 million, increased in the amount of Baht 1.67 million or 6.41 compared to the same period of the previous year, mainly due to the increase in employees and office expenses and land and building tax.

7. Financial costs (For the first 9-months period of 2022)

Financial costs for the first 9-months period of 2022 were Baht 14.98 million, decreasing by Baht 2.33 million, or 13.48% compared to the same period of the previous year.

8. Net profit (loss) (For the first 9-months period of 2022)

For the first 9-months period of 2022, the Company had a net loss amounted to Baht 11.35 million from the above-mentioned causes.

9. Statement of financial position

Items	As of September 30 th , 2022	As of December 31 st , 2021	Changes	
	Million Baht	Million Baht	Million Baht	%
Trade and other current receivables	6.75	5.64	1.11	19.69
Inventories	617.46	659.64	(42.19)	(6.40)
Real estate foreclosed	-	90.33	(90.33)	(100.00)
Property, plant and equipment, net	12.52	13.55	(1.02)	(7.56)
Other assets	191.55	186.23	5.32	2.85
Bank overdrafts from the financial institution	-	10.27	(10.27)	(100.00)
Trade and other current payables	73.91	88.45	(14.53)	(16.43)
Current portion of long – term liabilities	232.30	320.91	(88.61)	(27.61)
Short – term borrowings	107.70	110.00	(2.30)	(2.09)
Short – term debentures	20.00	19.96	0.04	0.21
Long – term borrowings	5.81	6.44	(0.63)	(9.76)
Other liabilities	9.02	8.49	0.54	6.32
Total shareholders' equity	379.53	390.88	(11.35)	(2.90)

As of September 30th, 2022, the Company had trade and other current receivables increased in the amount of Baht 1.11 million or equal to 19.69% 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 42.19 million or equal to 6.40% 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 1.02 million or equal to 7.56% compared to the year-end 2021, mainly due to the increase of depreciation.

The Company had other assets increased in the amount of Baht 5.32 million or equal to 2.85% compared to the year-end 2021, mainly due to the increase of cash equivalents.

The Company had bank overdrafts from financial institutions decreased in the amount of Baht 10.27 million or equal to 100.00% compared to the year-end 2021.

The Company had trade and other current payables decreased in the amount of Baht 14.53 million or equal to 16.43% 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 91.50 million or equal to 20.01% 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 11.35 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