

# THANASIRI



ธนาสิริ...บริบทเพื่อความยั่งยืน

THANASIRI...Return on Sustainability



## Thanasiri Group Public Company Limited

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

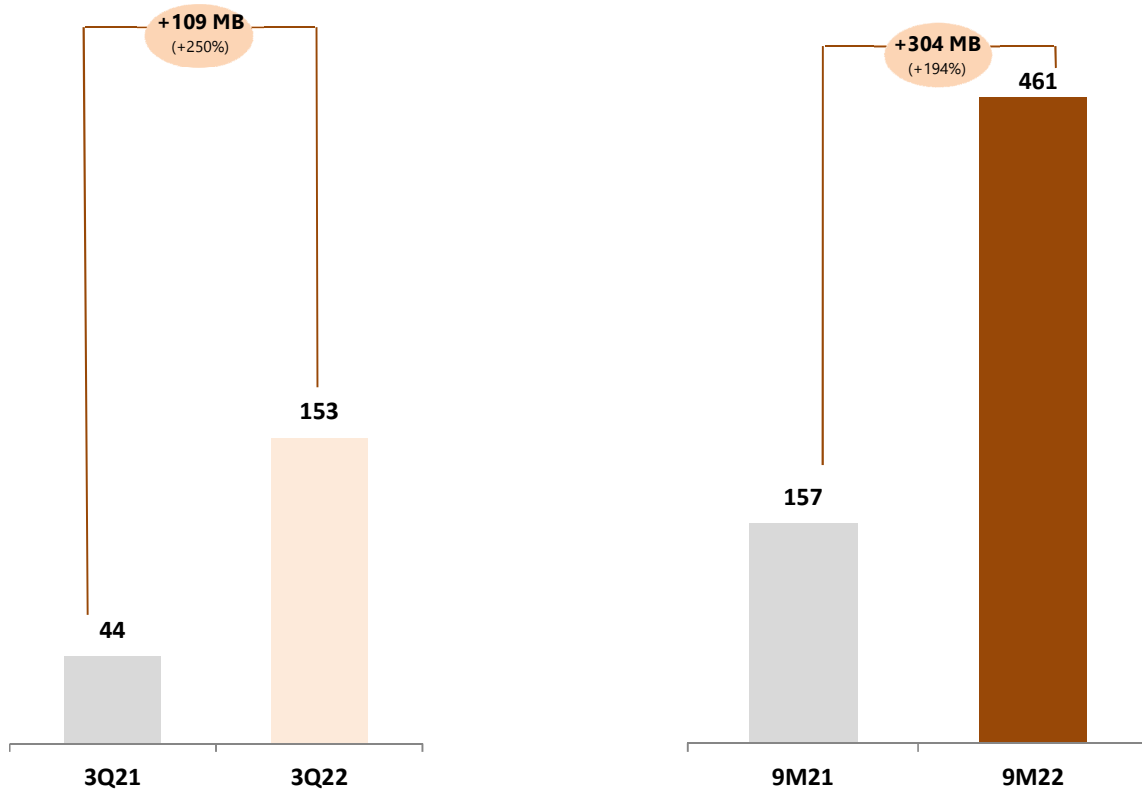
## Summary of Operating Performance

for the Third quarter of 2022 (million Baht)	3-month ended September 30, 2022		increase / (decrease)	9-month ended September 30, 2022		increase / (decrease)
	3Q21	3Q22		9M21	9M22	
Revenue from Sales	44	<b>153</b>	109	157	<b>461</b>	304
Cost of Sales	32	<b>104</b>	72	112	<b>318</b>	206
Gross Profit	11	<b>49</b>	37	45	<b>144</b>	99
<i>Gross Profit (%)</i>	<i>26.0%</i>	<i><b>31.9%</b></i>	<i>5.9%</i>	<i>28.7%</i>	<i><b>31.2%</b></i>	<i>2.4%</i>
Cost of distribution	3	<b>13</b>	9	10	<b>35</b>	24
Administration expenses	19	<b>25</b>	6	57	<b>70</b>	13
Profit / (Loss) from operating activities	-9	<b>13</b>	22	-15	<b>46</b>	61
Financial Cost	3	<b>2</b>	-1	7	<b>8</b>	0
Share of Profit / (Loss) of investment in Joint venture	3	<b>3</b>	0	15	<b>11</b>	-4
Net profit - Owners of Parent	-9	<b>12</b>	21	-5	<b>42.8</b>	48
<i>Net profit - Owners of Parent (%)</i>	<i>-19.5%</i>	<i><b>7.9%</b></i>	<i>27.4%</i>	<i>-3.0%</i>	<i><b>9.3%</b></i>	<i>12.3%</i>

- Consolidated net profit – Owners of parent 3Q22 total 12 million Baht** increased 21 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 2.2 times compared to the same quarter of previous year.
- Consolidated net profit – Owners of parent 9M22 total 42.8 million Baht** increased 48 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 1,014% compared to previous year.
- Shared Profit of investment in joint venture 3Q22 total 3 million Baht** equal 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, “Anabuki Thana Habitat Ratchapruek, had Grand Opening in July 2022 and recognized revenue in September 2022.
- Revenue from house sold 3Q22 153 million Baht** increased 109 million Baht while **Revenue from house sold 9M22 461 million Baht** increased 304 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 441 million Baht (company-owned total 290 million Baht, the joint venture 151 million Baht).
- General and Administration Expenses 3Q22 and 9M22 total 25 million Baht and 70 million Baht** respectively, increased from 3 new projects investment and 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 )



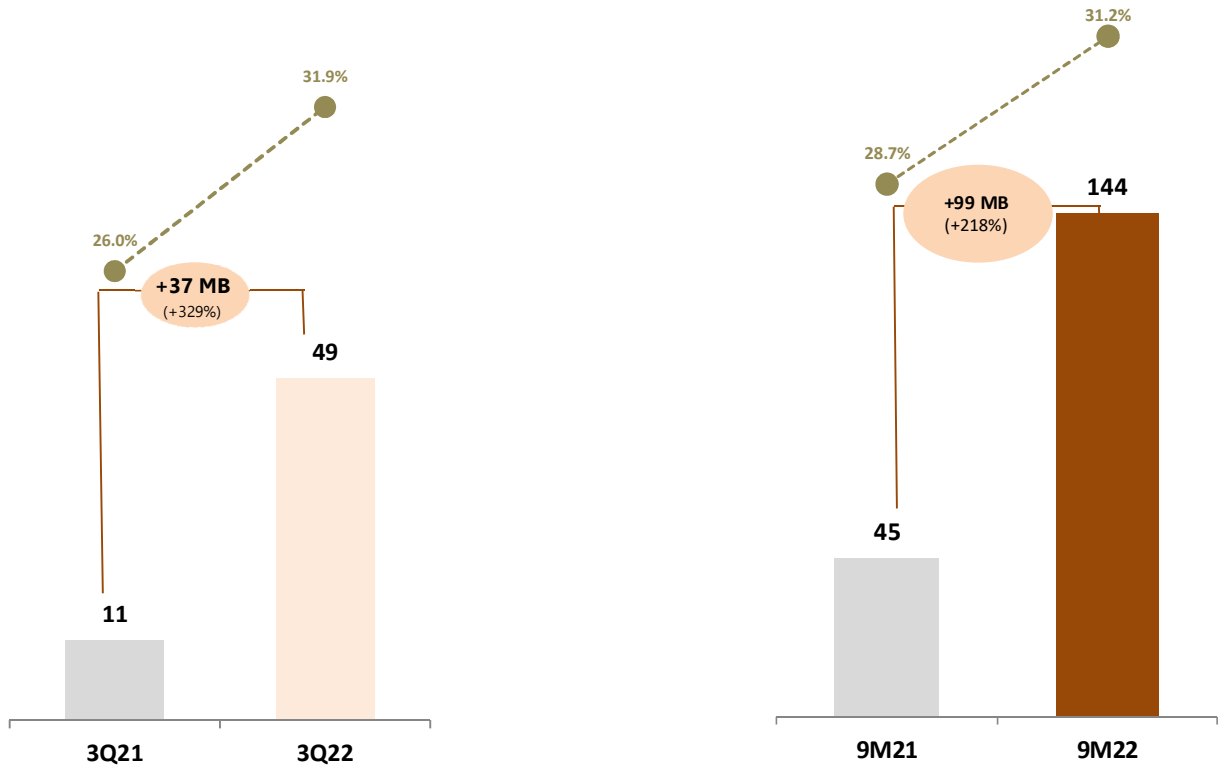
#### 3Q22

- Revenue from house sold 3Q22 increased 109 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 3Q22 total 85 million Baht, decreased 71 million Baht compared to previous year mainly from the slowdown in new project launched during the year affected from consumer's purchasing power in overall economic.

#### 9M22

- Revenue from house sold 9M22 increased 304 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 9M22 total 447 million Baht, increase 187 million Baht compared to previous year.

## 2. Gross Profit



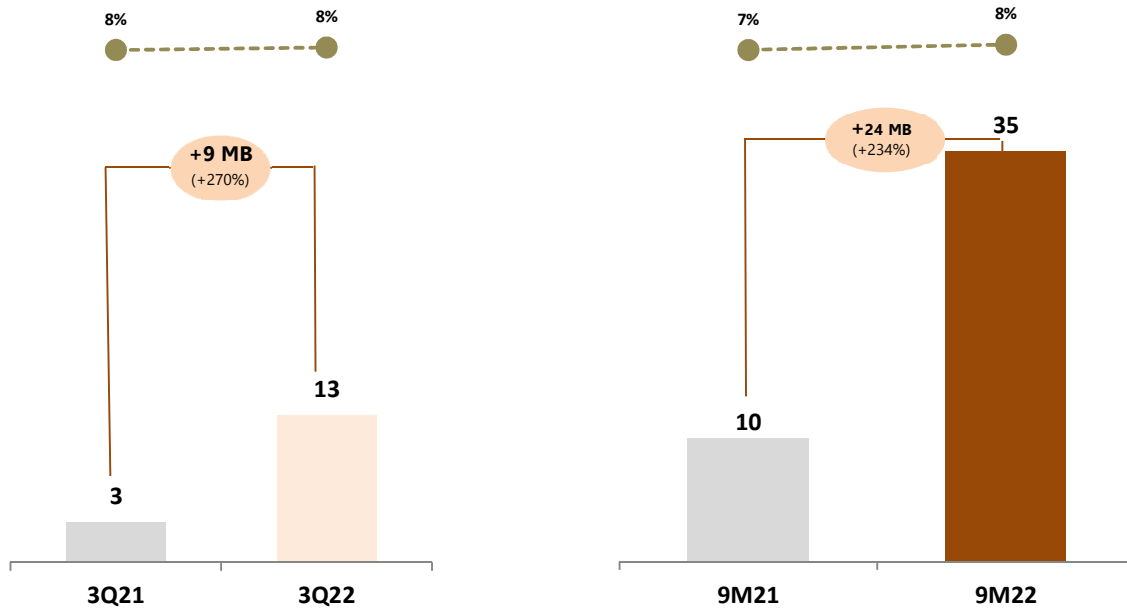
### 3Q22

- Gross profit rate 3Q22 increased 1% 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.

### 9M22

- Gross profit rate 9M22 increased 218% 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



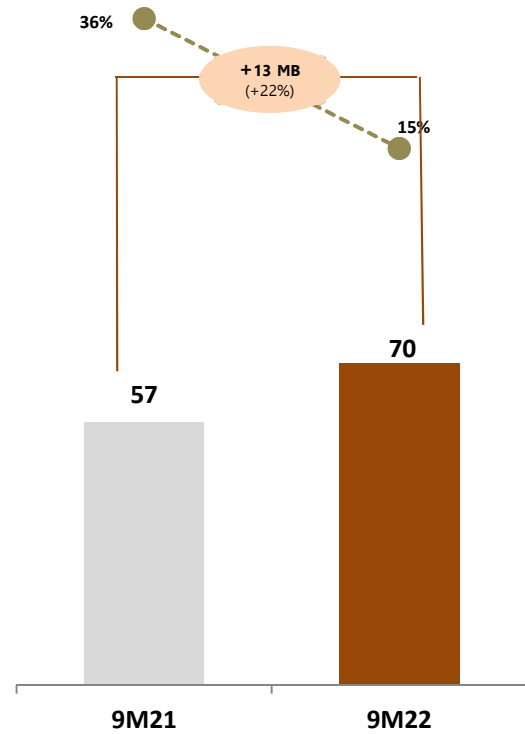
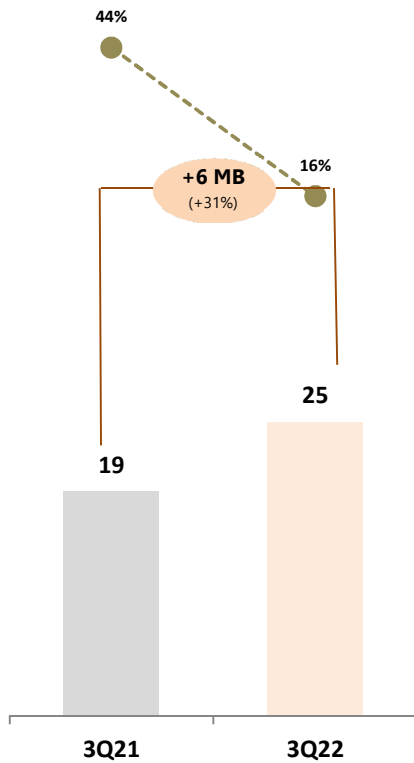
#### 3Q22

- Cost of distribution 3Q22 were 8.2% of revenue from house sold, increased 270% compared to the same period of previous year. Mainly were online marketing cost for on-hand and new projects. Net presales of 188 million Baht (company-owned 85 million Baht, the joint venture 103 million Baht). Total Backlog at September 30, 2022 of 441 million Baht (company-owned 290 million Baht, the joint venture 151 million Baht).

#### 9M22

- Cost of distribution 9M22 were 7.5% of revenue from house sold, increased 234% compared to the same period of previous year. Mainly were online marketing cost. Net presales of 746 million Baht (company-owned 447 million Baht, the joint venture 299 million Baht).

#### 4. General and Administration Expenses



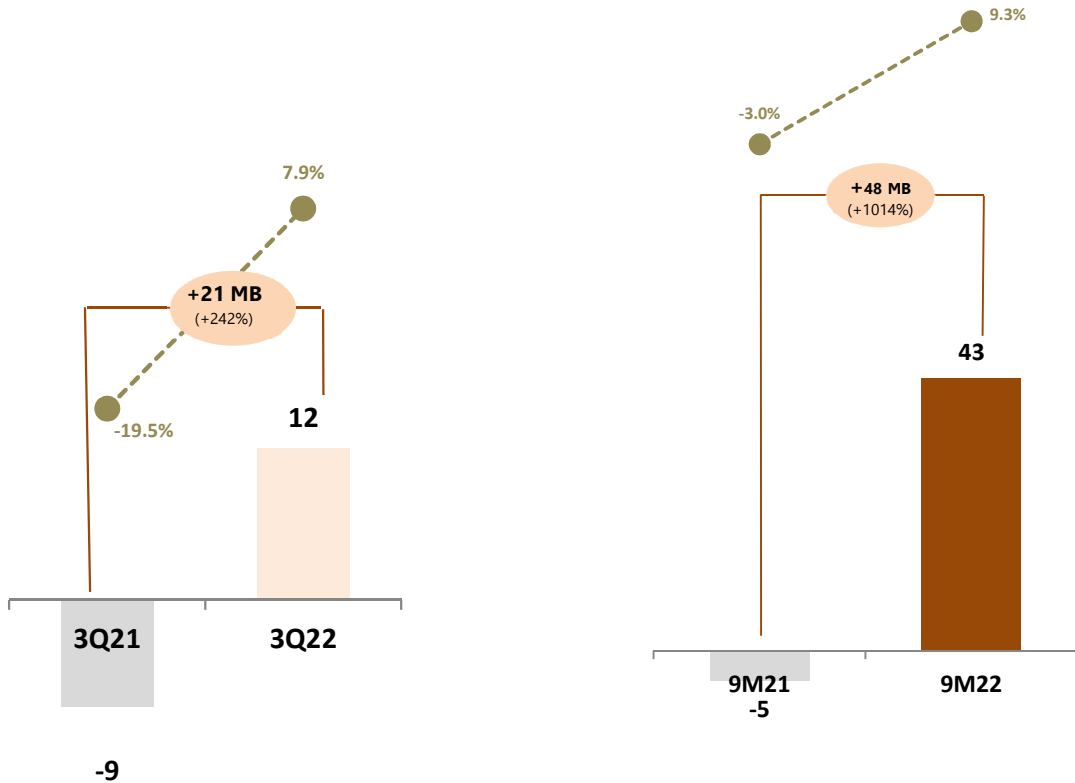
##### 3Q22

- General and Administration Expenses 3Q22 total 25 million Baht, increased 6 million baht compared to the same period of the previous year due to employee expenses from 3 new projects during the year and Company restructuring since the 1<sup>st</sup> quarter of year 2022. The Company had 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.

##### 9M22

- General and Administration Expenses 9M22 total 70 million Baht, increased 27 million baht compared to the same period of the previous year due to people expenses as a result of company restructuring and recruiting new professional to strengthen management team for company's growth, and one-time expenses of 4 million Baht for employee health care during Covid-19 Pandemic and professional fees.
- The Company applied new digital technology for more work efficiency also.

### 5. Profit for the period attributed to Owners of Parent



#### 3Q22

- Profit for the period attributed to Owners of Parent 3Q22 total 12 million Baht, increased 21 million Baht compared to the same period of previous year mainly from revenue of houses sold of "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.

#### 9M22

- Profit for the period attributed to Owners of Parent 9M22 total 43 million Baht, increased 48 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 1,014% compared to previous year.

## 6. Statement of Financial Position

Statements of Financial Position				
Key Indicator	as of September 30, 2022		as of December 31, 2021	
	ล้านบาท	%	ล้านบาท	%
Cash and Cash equivalents	6	1%	7	1%
Other current receivables	36	3%	97	10%
Short-term loans	0	0.0%	85	9%
Inventories	908	82%	636	65%
Other current assets	0	0.0%	0	0.0%
<b>Total current assets</b>	<b>950</b>	<b>86%</b>	<b>825</b>	<b>85%</b>
Investments in subsidiaries				
Investments in joint venture	48	4%	43	4%
Land held for development	79	7%	79	8%
Property, plant and equipment	4	0.4%	3	0.3%
Right of use assets	1	0.1%	2	0.3%
Other intangible assets	0	0.0%	0	0.0%
Deferred tax asset	5	0%	11	1%
Deposit with restrictions on use	11	1%	9	1%
Other non-current assets	2	0.2%	2	0.2%
<b>Total non-current assets</b>	<b>151</b>	<b>14%</b>	<b>151</b>	<b>15%</b>
<b>Total Assets</b>	<b>1,101</b>	<b>100%</b>	<b>976</b>	<b>100%</b>
Bank overdrafts and short-term borrowings from financial institutions	17	2%	165	17%
Trade and other current payables	80	7%	61	6%
Current portion of long-term borrowings	364	33%	150	15%
Current portion of finance lease liabilities	2	0.2%	3	0.3%
Short-term borrowings	110	10%		0%
Other current liabilities	21	2%	16	2%
<b>Total current liabilities</b>	<b>595</b>	<b>54%</b>	<b>396</b>	<b>41%</b>
Long-term borrowings	43	4%	145	15%
Lease liabilities	0	0.0%	1	0.1%
Non-current provision for employee benefits	26	2%	23	2%
<b>Total non-current liabilities</b>	<b>69</b>	<b>6%</b>	<b>169</b>	<b>17%</b>
<b>Total Liabilities</b>	<b>663</b>	<b>60%</b>	<b>565</b>	<b>58%</b>
Authorized share capital				
329,000,000 หุ้น ordinary shares at 1 Baht each,	279	25%	329	34%
Authorized, issued and paid-up share capital				
253,212,000 ordinary shares at 1 Baht each,	253	23%	253	26%
Premium on share capital	35	3%	35	4%
Retained earnings				
Appropriated legal reserve	17	2%	17	2%
Unappropriated	125	11%	94	10%
Other components of shareholder's equity	-1	-0.1%	-1	-0.1%
<b>Equity attributable to the owner of the company</b>	<b>429</b>	<b>39%</b>	<b>399</b>	<b>41%</b>
Non-controlling interests	9	1%	12	1%
<b>Total Shareholders' equity</b>	<b>438</b>	<b>40%</b>	<b>411</b>	<b>42%</b>
<b>Total Liabilities and Shareholders' equity</b>	<b>1,101</b>	<b>100%</b>	<b>976</b>	<b>100%</b>

- Comparing the ending balance as of September 30, 2022 and December 31, 2021, Cash and Cash Equivalents total 6 million Baht, decreased 1 million Baht from net cash received from operations
- Inventory total 908 million Baht, increased 272 million Baht mainly from projects development together with houses sold
- 3 Lands waiting for development total 79 million Baht
- Provision for employee benefits according to TFRS 19 total 26 million Baht
- Retained earnings of 142 million Baht increased 30 million Baht from net profit for the period of 43 million Baht and paid interim dividend of 12.66 million Baht at 0.05 per share



## 7. Statement of Cashflows

STATEMENT OF CASH FLOW		
Key indicator	as of Sep 30,2022 Unit : million baht	as of Sep 30,2021 Unit : million baht
Net Cash Provided by (Used in) operating activites	-26	-216
Net Cash Provided by (Used in) Investing activites	89	-16
Net Cash Provided by (Used in) Financing activites	-63	235
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-0.5</b>	<b>2.3</b>
CASH AND EQUIVALENTS-BEGINNING OF THE PERIOD	7	5
<b>CASH AND CASH EQUIVALENTS-END OF THE PERIOD</b>	<b>6.5</b>	<b>7.2</b>

- Net cash used in operating activities total 26 million Baht increased 190 million Baht from cash received from houses sold during the 9 months of year 2022.
- Net cash provided by investing activities total 89 million Baht increased 105 million Baht from cash received from repayment on loan to joint venture.
- Net cash used in financing activities total 63 million Baht increased 298 million Baht from cash paid for borrowing from financial institutes.