

ARIN 002/2023

February 22, 2023

Subject: Management Discussion and Analysis for the year ended 31 December 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 year 2022 as follows:

unit: Million Baht

<b>For the year ended 31 December</b>						
<b>Items</b>	<b>2022</b>		<b>2021</b>		<b>Changes</b>	
	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
Revenues from sales of real estate	175.59	100.00	183.33	100.00	(7.74)	(4.22)
Cost of sales	130.66	74.42	135.15	73.72	(4.48)	(3.32)
Gross profit	44.92	25.58	48.18	26.28	(3.26)	(6.76)
Other income	0.66	0.38	3.18	1.74	(2.52)	(79.15)
Income from the sale of land	98.68	56.20	-	-	98.68	100.00
Profit before expenses, financial cost, and taxes	144.27	82.16	51.36	28.02	92.91	180.89
Distribution costs	12.47	7.10	11.62	6.34	0.85	7.31
Cost of land distribution	97.62	55.60	-	-	97.62	100.00
Administrative expenses	37.01	21.08	69.47	37.90	(32.46)	(46.73)
Profit (loss) before financial cost, and taxes	(2.83)	(1.61)	(29.74)	(16.22)	26.90	(90.47)
Financial costs	19.01	10.82	24.04	13.11	(5.04)	(20.95)
Profit (loss) before taxes	(21.84)	(12.44)	(53.78)	(29.33)	31.94	59.39
Tax expense (revenue)	7.37	4.20	0.89	0.48	6.48	732.65
Net profit (loss)	(29.21)	(16.63)	(54.66)	(29.82)	25.46	46.57

#### **1. Total Revenues**

For the year ended 2022, the Company had revenue from sales of real estate equal to Baht 175.59 million, decreased in the amount of Baht 7.74 million or 4.22% compared to the previous year. The Company had the other incomes equal to Baht 0.66 million, decreased in the amount of Baht 2.52 million or 79.15% compared to 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**

2.1 Cost of sales of real estate for the year ended 2022 was equal to Baht 130.66 million, decreased in the amount of Baht 4.48 million, or representing with 3.32% compared to the previous year.

2.2 Distribution costs for the year ended 2022 was equal to Baht 12.47 million, increased in the amount of Baht 0.85 million or representing with 7.31% compared to the previous year, mainly due to the increase in employee expenses.

2.3 Cost of land distribution for the year ended 2022 were equal to Baht 97.62 million.

2.4 Administrative expenses for the year ended 2022 were equal to Baht 37.01 million, decreased in the amount of Baht 32.46 million or representing with 46.73% compared to the previous year, mainly due to the decrease in Allowance for losses on property held for sales

#### **3. Financial costs**

Financial costs for the year ended 2022 were Baht 19.01 million, decreasing by Baht 5.04 million, or 20.95% compared to the previous year.

#### **4. Net profit (loss)**

For the year ended 2022, the Company had a net loss amounted to Baht 29.21 million from the above-mentioned causes.

**5. Statement of financial position**

Items	As of December 31 <sup>st</sup> , 2022	As of December 31 <sup>st</sup> , 2021	Changes	
	Million Baht	Million Baht	Million Baht	%
Other current receivables	9.65	5.64	4.01	71.06
Inventories	611.55	659.64	(48.09)	(7.29)
Real estate foreclosed	-	90.33	(90.33)	(100.00)
Investment property	62.98	66.72	(3.74)	(5.61)
Property, plant and equipment, net	12.64	13.55	(0.90)	(6.67)
Deferred tax assets	1.12	8.49	(7.37)	(86.80)
Other assets	110.61	111.02	(0.41)	(0.37)
Bank overdrafts from the financial institution	20.20	10.27	9.92	96.57
Trade and other current payables	77.05	88.45	(11.39)	(12.88)
Current portion of long – term liabilities	206.67	320.91	(114.24)	(35.60)
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	5.59	6.44	(0.85)	(13.18)
Other liabilities	9.67	8.49	1.19	13.98
Total shareholders' equity	361.67	390.88	(29.21)	(7.47)

As of December 31<sup>st</sup>, 2022, the Company had other current receivables increased in the amount of Baht 4.01 million or equal to 71.06% 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 48.09 million or equal to 7.29% 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.

Investment property decreased in the amount of Baht 3.74 million or equal to 5.61% compared to the year-end 2021, mainly due to the increase of depreciation during the year.

The Company had a net of property, plant and equipment decreased in the amount of Baht 0.90 million or equal to 6.67% compared to the year-end 2021, mainly due to the increase of accumulated depreciation.

The Company had deferred tax assets decreased in the amount of Baht 7.37 million or equal to 86.80% compared to the year-end 2021, mainly due to the adjust of deferred tax temporary differences.

The Company had other assets decreased in the amount of Baht 0.41 million or equal to 0.37% compared to the year-end 2021, mainly due to the decrease of right-of-use assets.

The Company had bank overdrafts from financial institutions increased in the amount of Baht 9.92 million or equal to 96.57% compared to the year-end 2021.

The Company had trade and other current payables decreased in the amount of Baht 11.39 million or equal to 12.88% 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 117.35 million or equal to 25.66% 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 29.21 million, which mainly due to the Company had a net loss from the reasons mentioned above.

Please be informed accordingly

Yours sincerely

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Miss Wimonjit Arintamapong