



No. CRD/035/2566

February 25, 2023

Subject: Management Discussion and Analysis of Operating Results of the year 2022, ended December 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 year 2022, ended December 31, 2022. Details are as follows:

Business Overview

To summarize, in 2022, the Company had total revenue from construction and service of 1,247.65 million baht and presented net loss of 14.24 million baht resulting in a net loss margin of 1.13%. The total backlog at the end of December 2022 was 1,274.08 million baht, consisting of the revenue from construction of 346.67 million baht, which mostly will be recognized as revenue in year 2023, and revenue from waste collection and disposal services of 927.41 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	1,005.00	80.55%	745.49	84.16%	259.51	34.81%
Revenue from service	242.65	19.45%	140.35	15.84%	102.30	72.89%
Total revenue from construction and service	1,247.65	100.00%	885.84	100.00%	361.81	40.84%
Cost of construction	998.82	80.06%	703.22	79.38%	295.60	42.04%
Cost of service	201.57	16.16%	121.49	13.71%	80.08	65.91%
Total cost from construction and service	1,200.39	96.21%	824.71	93.10%	375.68	45.55%
Gross profit	47.26	3.79%	61.13	6.90%	(13.87)	-22.69%
Profit from acquisition business under net fair value	0.00	0.00%	3.90	0.44%	(3.90)	-100.00%
Other incomes	7.20	0.58%	6.08	0.69%	1.12	18.42%
Service & Administrative expenses	52.73	4.23%	50.58	5.71%	2.15	4.25%
Finance costs	17.54	1.41%	8.85	1.00%	8.69	98.19%
Sales profit of Joint Venture and Consortium	0.37	0.03%	0.81	0.09%	(0.44)	-54.32%
Corporate tax expenses / (tax incomes)	(1.20)	-0.10%	3.19	0.36%	(4.39)	-137.62%
Net profit	(14.24)	-1.14%	9.30	1.05%	(23.54)	-253.12%
Gross profit margin	3.79%		6.90%			
Net profit margin	-1.13%		1.04%			

Total Revenue for the year 2022 of 1,254.85 million baht, increased by 40.69% compared to last year (YOY), details are as follows:

- **Revenue from construction** for the year 2022 of 1,005.00 million baht which increased by 34.81% YoY, consisting of the continuing projects of 765.41 million baht and the new projects of 239.59 million baht. The increasing was mainly due to a higher proportion of revenue recognition of work progress.
- **Revenue from services** for the year 2022 of 242.65 million baht, increased by 72.89% (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 project from Chiangmai Municipal.
- **Other incomes** for the year 2022 of 7.20 million baht, increased by 18.42% (YoY).

Cost and Expenses

Total Cost for the year 2022 of 1,200.39 million baht, increased by 45.55% compared to last year (YOY), details are as follows:

- **Cost of construction** for the year 2022 of 998.82 million baht which consistently increased due to the increasing of revenue from construction. Also, the company has adjusted the cost estimate due to the delay of construction and the price of building materials and labor costs is higher. The cost margin increased comparing last year.
- **Cost of service**, which mostly were wages & salaries and garbage vehicle related expenses, for the year 2022 of 201.57 million baht which was correspondingly increased to the revenue from service due to the new project.

Administrative expense for the year 2022 of 52.73 million baht, increased by 4.25% YOY, resulting from the increase in the employee expenses.

Finance Cost for the year 2022 of 17.54 million baht, increased by 98.19% YOY, due to the increase in loans for working capital.

Gross Profit & Net Profit

Gross Profit for the year 2022 of 47.26 million baht, representing the gross profit margin of 3.79% which decreased from the gross profit margin of the same period previous year which had a net profit margin of 6.90%. due to the increase in the costs mentioned above.

Net Loss for the year 2022 of 14.24 million baht, representing the net loss margin of 1.13%. The Company had higher net loss margin comparing to the same period of previous year which had a net profit was 9.30 million baht.

Your Sincerely,



(Mrs.Patcharin Thumtanom)

Chief Financial Officer