

ARIN 010/2023

May 10, 2023

Subject: Management Discussion and Analysis for the three-month period ended 31 March 2023

 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 three-month period ended year 2023 as follows:

unit: Million Baht

For the three-month period ended 31 march						
Items	2023		2022		Changes	
	Amount	%	Amount	%	Amount	%
Revenues from sales of real estate	21.91	100.00	29.62	100.00	(7.72)	(26.05)
Cost of sales	18.53	84.58	20.43	68.95	(1.90)	(9.29)
Gross profit	3.38	15.42	9.20	31.05	(5.82)	(63.27)
Other income	0.26	1.20	0.44	1.50	(0.18)	(41.11)
Income from the sale of land	-	0.00	98.68	333.12	(98.68)	(100.00)
Profit before expenses, financial cost, and taxes	3.64	16.62	108.33	365.67	(104.68)	(96.64)
Distribution costs	2.21	10.09	2.28	7.70	(0.07)	(3.13)
Cost of land distribution	-	0.00	99.43	335.65	(99.43)	(100.00)
Administrative expenses	8.83	40.29	8.83	29.80	(0.00)	(0.00)
Profit (loss) before financial cost, and taxes	(7.40)	(33.76)	(2.22)	(7.48)	(5.18)	(233.76)
Financial costs	4.33	19.75	4.51	15.23	(0.18)	(4.05)
Profit (loss) before taxes	(11.72)	(53.52)	(6.73)	(22.71)	(5.00)	(74.30)
Tax expense (revenue)	0.13	0.58	0.03	0.11	0.10	305.27
Net profit (loss)	(11.60)	(52.93)	(6.70)	(22.60)	(4.90)	(73.21)

1. Total Revenues

For the three-month period of 2023, the Company had revenue from sales of real estate equal to Baht 21.91 million, decreased in the amount of Baht 7.72 million or 26.05% compared to the same period of the previous year. The Company had the other incomes equal to Baht 0.26 million, decreased in the amount of Baht 0.18 million or 41.11% compared to the same period of the previous year. And year ended 2022 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 three-month period ended year 2023 was equal to Baht 18.53 million, decreased in the amount of Baht 1.90 million, or representing with 9.29% compared to the same period of the previous year.

2.2 Distribution costs for the three-month period ended year 2023 was equal to Baht 2.21 million, decreased in the amount of Baht 0.07 million or representing with 3.13% compared to the same period of the previous year.

2.3 Administrative expenses for the three-month period ended year 2023 were equal to Baht 8.83 million, equal to the same period of the previous year.

3. Financial costs

2.4 Financial costs for the three-month period ended year 2023 were Baht 4.33 million, decreasing by Baht 0.18 million, or 4.05% compared to the same period of the previous year.

4. Net profit (loss)

For the three-month period ended year 2023, the Company had a net loss amounted to Baht 11.60 million from the above-mentioned causes.

5. Statement of financial position

Items	As of December 31 st , 2022	As of December 31 st , 2021	Changes	
	Million Baht	Million Baht	Million Baht	%
Other current receivables	7.55	9.65	(2.10)	(21.76)
Inventories	616.14	611.55	4.59	0.75
Investment property	62.04	62.98	(0.94)	(1.49)
Property, plant and equipment, net	12.41	12.64	(0.24)	(1.87)
Deferred tax assets	1.25	1.12	0.13	11.39
Other assets	117.65	110.61	7.04	6.36
Bank overdrafts from the financial institution	28.17	20.20	7.97	39.48
Trade and other current payables	75.86	77.05	(1.19)	(1.55)
Current portion of long – term liabilities	219.32	206.67	12.65	6.12
Short – term borrowings	107.70	107.70	0.00	0.00
Short – term debentures	20.00	20.00	0.00	0.00
Long – term borrowings	5.41	5.59	(0.18)	(3.22)
Other liabilities	10.50	9.67	0.83	8.59
Total shareholders' equity	350.07	361.67	(11.60)	(3.21)

As of March 31st, 2023, the Company had other current receivables decreased in the amount of Baht 2.10 million or equal to 21.76% compared to the year-end 2022, mainly due to the decrease of withholding income tax.

The Company had inventories increased in the amount of Baht 4.59 million or equal to 0.75% compared to the year-end 2022, mainly due to the sales and units' ownership transferring and the construction in the project for sale.

Investment property decreased in the amount of Baht 0.94 million or equal to 1.49% compared to the year-end 2022, 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 0.24 million or equal to 1.87% compared to the year-end 2022, mainly due to the increase of accumulated depreciation.

The Company had deferred tax assets increased in the amount of Baht 0.13 million or equal to 11.39% compared to the year-end 2022, mainly due to the adjust of deferred tax temporary differences for the employee benefit.

The Company had other assets increased in the amount of Baht 7.04 million or equal to 6.36% compared to the year-end 2022, mainly due to the increase of cash equivalents and withholding income tax.

The Company had bank overdrafts from financial institutions increased in the amount of Baht 7.97 million or equal to 39.48% compared to the year-end 2022.

The Company had trade and other current payables decreased in the amount of Baht 1.19 million or equal to 1.55% compared to the year-end of 2022, mainly due to the decrease of the construction payable.

The Company had increased the current portion of long-term liabilities, short-term borrowings, short-term debentures, and long-term borrowings increased in the amount of Baht 12.47 million or equal to 3.67% compared to the year-end of 2022, mainly due to paid the construction payable.

The Company's Shareholders' equity has decreased when compared to the year-end of 2022 at the amount of Baht 11.60 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