

No. CRD/096/2566

August 11, 2023

Subject: Management Discussion and Analysis of Operating Results of the 2nd Quarter of 2023, ended June 30, 2023

Attention: The President
The Stock Exchange of Thailand

Chiangmai Rimdoi Public Company Limited (“The Company”) would like to clarify the operating result of the 2nd quarter of 2023, ended June 30, 2023. Details are as follows:

Business Overview

To summarize 2nd quarter of 2023, the Company had total revenue from construction and service of 203.40 million baht and presented net profit of 0.98 million baht resulting in a net profit margin of 0.47%. The total backlog at the end of June 30, 2023, was 1,146.71 million baht, consisting of the revenue from construction of 347.60 million baht, which mostly will be recognized as revenue in year 2024, and revenue from waste collection and disposal services of 799.11 million baht which will be recognized as revenue until the 1st quarter of 2027.

Income Statement

| Income Statement | Q2/2023 | Q2/2022 | Increasing (Decreasing) | 6M/2023 | 6M/2022 | Increasing (Decreasing) |
|--|---------------|---------------|----------------------------|----------------|---------------|----------------------------|
| | MB | MB | % | MB | MB | % |
| Revenue from construction | 134.46 | 235.54 | -42.91% | 308.92 | 458.32 | -32.60% |
| Revenue from service | 68.94 | 64.83 | 6.34% | 134.58 | 112.08 | 20.07% |
| Total revenue from construction and service | 203.40 | 300.37 | -32.28% | 443.50 | 570.40 | -22.25% |
| Cost of construction | 132.77 | 245.48 | -45.91% | 315.94 | 466.94 | -32.34% |
| Cost of service | 54.09 | 50.34 | 7.45% | 109.16 | 90.44 | 20.69% |
| Total cost from construction and service | 186.87 | 295.82 | -36.83% | 425.10 | 557.38 | -23.73% |
| Gross profit | 16.54 | 4.55 | 263.52% | 18.40 | 13.02 | 41.32% |
| Other incomes | 4.03 | 2.15 | 87.44% | 5.00 | 3.81 | 31.58% |
| Service & Administrative expenses | 13.73 | 11.11 | 23.58% | 28.38 | 25.53 | 11.16% |
| Finance costs | 5.30 | 5.06 | 4.74% | 9.94 | 8.29 | 19.90% |
| Sales profit of Joint Venture and Consortium | 0.0004 | 0.09 | -99.56% | (0.24) | 0.25 | -196.00% |
| Income tax expenses | 0.56 | (1.62) | -134.57% | (2.55) | (2.98) | -14.43% |
| Net profit | 0.98 | (7.76) | -112.63% | (12.61) | -13.76 | -8.42% |
| Gross profit margin | 8.13% | 1.51% | | 4.15% | 2.28% | |
| Net profit margin | 0.47% | -2.57% | | -2.81% | -2.40% | |

Total Revenue 2nd quarter of 2023 was 207.43 million baht, decreased by 31.43% compared to the last year (YOY), details are as follows:

- **Revenue from construction** for the 2nd quarter of 2023 was 134.46 million baht which decreased by 42.91% YoY, consisting of the continuing projects of 125.30 million baht and the new projects of 9.16 million baht. This was due to a decrease in revenue recognition from continuing project and near the end of the project.
- **Revenue from services** for the 2nd quarter of 2023 was 68.94 million baht, increased by 6.34% 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 and disposal project from Nonthaburi.
- **Other incomes** consisted of the revenue from disposal of assets, sales of scrap material, and interest income. Other incomes for the 2nd quarter of 2023 were 4.03 million baht, increased by 87.44% YoY.

Cost and Expenses

Total Cost 2nd quarter of 2023 was 186.87 million baht, decreased by 36.83% compared to the last year (YOY), details are as follows:

- **Cost of construction** for the 2nd quarter of 2023 was 132.77 million baht, decreased by 45.91% YOY, the decrease coincided with the decline in revenue.
- **Cost of service**, which mostly were wages & salaries and garbage vehicle related expenses, for the 2nd quarter of 2023 was 54.09 million baht, which increased according to the revenue from service.

Administrative expense for the 2nd quarter of 2023 was 13.73 million baht, increased by 23.58% YOY, mainly resulting from the increased in employee related expenses.

Finance Cost for the 2nd quarter of 2023 was 5.30 million baht, increased by 4.74% YOY, due to the increase in long-term loans for working capital.

Gross Profit & Net Profit

Gross Profit for the 2nd quarter of 2023 was 16.54 million baht, representing the gross profit margin of 8.13% which increased from the gross profit margin of the same period previous year which had a net profit margin of 1.51%.

Net Profit for the 2nd quarter of 2023 was 0.98 million baht, representing the net margin of 0.47%. The Company had higher net loss margin comparing to the same period of previous year which had a loss profit was 7.76 million baht.

Your Sincerely,



(Mrs.Patcharin Thumtanom)

Chief Financial Officer