

Ref. ever/list 013/2023

November 10, 2023

To: Director and Manager
The Stock Exchange of Thailand

Subject: Management Discussion and Analysis third quarter of 2023 Ending 30 September 2023

Everland Public Company Limited (“the Company”) would like to clarify the change of operating results for the third quarter of 2023 more than 20 percent comparing to the third quarter of 2022 as follow;

The operating results according to the consolidated financial statements of the Company and its subsidiaries for the third quarter of 2023. The company had total revenue for the 3 months period of Baht 458.18 million. And had the loss of attributable to owner of the Parent of 2023 of Baht 80.78 million compared to net loss of Baht 47.29 million of 2022, The company the loss of increase by Baht 33.49 million or 70.82 %, The details are as follows:

Unit : Million

STATEMENTS OF PROFIT OR LOSS	CONSOLIDATED FINANCIAL STATEMENTS					
	As at September 30, 2023		As at September 30, 2022		Change	
	Amount (TB)	% To Revenue	Amount (TB)	% To Revenue	Amount (TB)	% To Revenue
Revenue from sales and revenue from services	456.47	99.63%	531.22	99.82%	(74.75)	-14.07%
Other income	1.71	0.37%	0.95	0.18%	0.76	80.00%
Total Revenue	458.18	100.00%	532.17	100.00%	(73.99)	-13.90%
Cost of sales of goods and costs of rendering services	(358.02)	-78.14%	(437.84)	-82.27%	(79.82)	-18.23%
Gross profit	98.44	21.49%	93.38	17.55%	5.06	5.42%
Distribution costs	(40.63)	-8.87%	(39.22)	-7.37%	1.41	3.60%
Administrative expenses	(77.20)	-16.85%	(76.71)	-14.41%	0.49	0.64%
Reversal of lawsuit provision	-	0.00%	0.62	0.12%	(0.62)	-100.00%
Loss from operating activities	(17.67)	-3.86%	(20.97)	-3.94%	(3.30)	-15.74%
Finance income	0.01	0.00%	0.01	0.00%	-	0.00%
Finance costs	(60.86)	-13.28%	(45.05)	-8.47%	15.81	35.09%
Net gain arising from the modification of financial instruments measured at amortized cost that has not resulted in derecognition	-	0.00%	29.09	5.47%	(29.09)	-100.00%
Loss on impairment determined in accordance with TFRS 9	(0.12)	-0.03%	(0.51)	-0.10%	(0.63)	-123.53%
Loss before income tax	(78.64)	-17.16%	(37.43)	-7.03%	41.21	110.10%
Income tax income (expenses)	(0.51)	-0.11%	(9.45)	-1.78%	(8.94)	-94.60%
Loss for the periods	(79.15)	-17.27%	(46.90)	-8.81%	32.25	68.76%
Total comprehensive loss for the periods	(79.15)	-17.27%	(46.90)	-8.81%	32.25	68.76%
Loss for the periods attributable to Owners of the Company	(80.78)	-17.63%	(47.29)	-8.89%	33.49	70.82%

1.Revenues from sales or revenues from services

The third quarter 2023 revenues from sales or revenues from services of Baht 456.47 million, compared with Baht 531.22 million of the year 2022, which decreased by Baht 74.75 million or 14.07 %, The significant reasons were as follows:

1) Realrestate

- revenues from sales condominium, single house and townhome Baht 335.54 million, which decreased by Baht 96.45 million or 22.33 % at the same period of last yearly ending, As a result of the main reason is from the transfer of ownership in various projects of the decreased group company.

2) Hospital

- revenues from sales of Hospital with Baht 120.93 million, which increase Baht 21.70 million, or 21.87 % at the same period of last yearly ending. This is a result of increase visits and treatment of patients in the hospital group.

2. Other income

The third quarter 2023, the company had other incomes of Baht 1.71 million, compared with Baht 0.95 million of the year 2022, which increase by Baht 0.76 million or 80.00 % compared to the same period last year. The main cause is a result of contract changes and money seized from customers due to breach of contract. and income from renting premises of the hospital group.

3. Costs of sales of goods and costs of rendering of services

The third quarter 2023 costs of sales of goods or costs of rendering of services of Baht 358.02 million, compared with Baht 437.84 million of the year 2022, which decreased Baht 79.82 million or 18.23 %, which was decreased in proportion of revenue as follows:

1) Realrestate

- costs of sales of goods or costs of rendering of services of Baht 262.32 million which decreased Baht 91.29 million or 25.82 % at the same period of last yearly ending, The main reason is a decrease in the number of ownership transfers in various projects of the Group. As a result, the cost of sales decreased in the same direction as the income.

2) Hospital

- costs of sales of goods or costs of rendering of services of Baht 95.70 million which increase Baht 11.47 million or 13.62 % at the same period of last yearly ending, As a result of the medical treatment of patients increase which is in the same direction with income.

Unit : Million

CONSOLIDATED FINANCIAL STATEMENTS

	Property development		Hospital and dental clinic		Total	
	2023	2022	2023	2022	2023	2022
Revenues from sales or revenues from services	335.54	431.99	120.93	99.23	456.47	531.22
rendering of services	(262.32)	(353.61)	(95.70)	(84.23)	(358.02)	(437.84)
Gross profit	73.21	78.38	25.23	15.00	98.44	93.44

4. Distribution costs

The third quarter 2023 distribution costs of Baht 40.63 million, compared with Baht 39.22 million of the year 2022, which increase of Baht 1.41 million or 3.60 %, at the same period of last yearly ending, This was mainly due to the Company's projects being completed and ready for sale. And the project has organized sales promotions and various advertising media stimulate sales and speed up the transfers of ownership. Therefore, the cost of distribution increase.

5. Administrative expenses

The third quarter 2023 Administrative expenses of Baht 77.20 million, compared with Baht 76.71 million of the year 2022, which increase of Baht 0.49 million or 0.64 % at the same period of last yearly ending, This is a result of the company having started to develop a new horizontal project. Therefore, there are more costs involved.

6. Reversal of lawsuit provision

In the third quarter of 2022, the company loss from provisioning for losses from litigation. of Baht 0.62 million, The main reason is that in 2022 there was a lawsuit between the subsidiary and the contractor which has been resolved according to the judgment of the Supreme Court and the subsidiary has complied with the judgment. and received a partial refund. Therefore, there was a reversal of the loss from the estimated debt in 2022, but in 2023 there was no such item.

7. Finance costs

The third quarter 2023, the Company and its subsidiaries initially had financial cost of Baht 60.86 million compared with Baht 45.05 million of the year 2022, which increase Baht 15.81 million or 35.09 %, This was an increase from the withdrawal of loans to be used as working capital of the company and interest rates that have increase as follows:

1) Realrestate

- Finance costs of Baht 60.67 million which increase by Baht 15.89 million or 35.48 % at the same period of last yearly ending, This was an increase from the withdrawal of loans to be used as working capital of the company and interest rates that have increase.

2) Hospital

- Finance costs of Baht 0.19 million which decreased by Baht 0.08 million or 29.63% at the same period of last yearly ending.

Unit : Million

CONSOLIDATED FINANCIAL STATEMENTS

	Property development		Hospital and dental clinic		Total	
	2023	2022	2023	2022	2023	2022
Finance costs	(60.67)	(44.78)	(0.19)	(0.27)	(60.86)	(45.05)

8. Net gain arising from the modification of financial instruments measured at amortized cost that has not resulted in derecognition

The third quarter 2022, the Company Net gain (loss) arising from the modification of financial instruments measured at amortized cost that has not resulted in derecognition of Baht 29.09 million, Because in 2022 this was mainly due to the extension of the loan repayment period from the original schedule for another 2 years. Therefore, short-term loans from related parties were classified as long-term loans from related parties and requesting an extension of the repayment period as well as requesting a reduction in the interest rate. However, during the year 2023, no such transaction has occurred. As a result Net gain (loss) arising from the modification of financial instruments measured at amortized cost that has not resulted in derecognition decreased compared to the same period last year.

Please be informed accordingly

Yours Sincerely,

(Mr. Swechak Lochaya)

Chairman of the board