

# THANASIRI



ธนาสิริ...บริบทเพื่อความยั่งยืน

THANASIRI...Return on Sustainability



## Thansiri Group Public Company Limited

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*Management Discussion and Analysis (MD&A)  
of Consolidated Financial Statements for the Third  
quarter ended 30 September 2023*

## Summary of Operating Performance

for the Third quarter of 2023 (million Baht)	3-month ended September 30, 2023		increase / (decrease)	9-month ended September 30, 2023		increase / (decrease)
	3Q23	3Q22		9M23	9M22	
Revenue from Sales	72	153	-81	392	461	-69
Cost of Sales	67	104	-37	290	318	-27
Gross Profit	5	49	-44	101	144	-42
Gross Profit (%)	6.8%	31.9%	-25.1%	25.9%	31.2%	-5.3%
Other Income	41	2	39	60	8	53
Cost of distribution	10	13	-2	37	35	2
Administration expenses	23	25	-2	71	70	1
Profit / (Loss) from operating activities	12	13	0	54	46	7
Financial Cost	3	2	1	6	8	-1
Share of Profit / (Loss) of investment in Joint venture	5	3	1	14	11	3
Net profit - Owners of Parent	12.1	12.1	0	52.0	42.8	9
Net profit - Owners of Parent (%)	16.9%	7.9%	9.0%	13.3%	9.3%	4.0%

### 3Q23

- Consolidated net profit – Owners of Parent 3Q23 total 12.1 million Baht** same as 12.1 million Baht compared to the same period of the previous year, mainly from One-time income from loan facilities guarantee and land sourcing service for affiliates total 34 million Baht while houses sold of new project “Thana Village Wongwaan-Pinklao” launched since end of year 2022, had less gross profit rate.
- Other income 3Q23 total 41 million Baht** increased 39 million Baht compared to the same period of the previous year from One-time income from loan facilities guarantee and land sourcing service for affiliates total 34 million Baht and Revenue from services to related company for project management which had sales growth since 2022.

### 9M23

- Consolidated net profit – Owners of Parent 9M23 total 52.0 million Baht** increased 9 million Baht compared to the same period of the previous year *(Consolidated net profit - Owners of Parent excluding one-time income from loan facilities guarantee and land sourcing service for affiliates total 10 million Baht decreased 32.8 million Baht compared to 9M22)*, mainly from houses sold of new project “Thana Habitat Groove Pinklao-Sirinthorn” launched since end of year 2021, the high gross profit project applied with Value Engineering and Zero Waste concept in design and development of the project together with reasonable material selection and pricing strategy, while other current projects had less gross profit rate.
- Other income 9M23 total 60 million Baht** increased 53 million Baht compared to the same period of the previous year due to one-time income from loan facilities guarantee total 14.6 million Baht and land sourcing service for affiliates total 24.0 million Baht, net of with Revenue from services to related company for project management which had sales growth in 2022.

**Summary of Operating Performance (cont.)**

**3Q23**

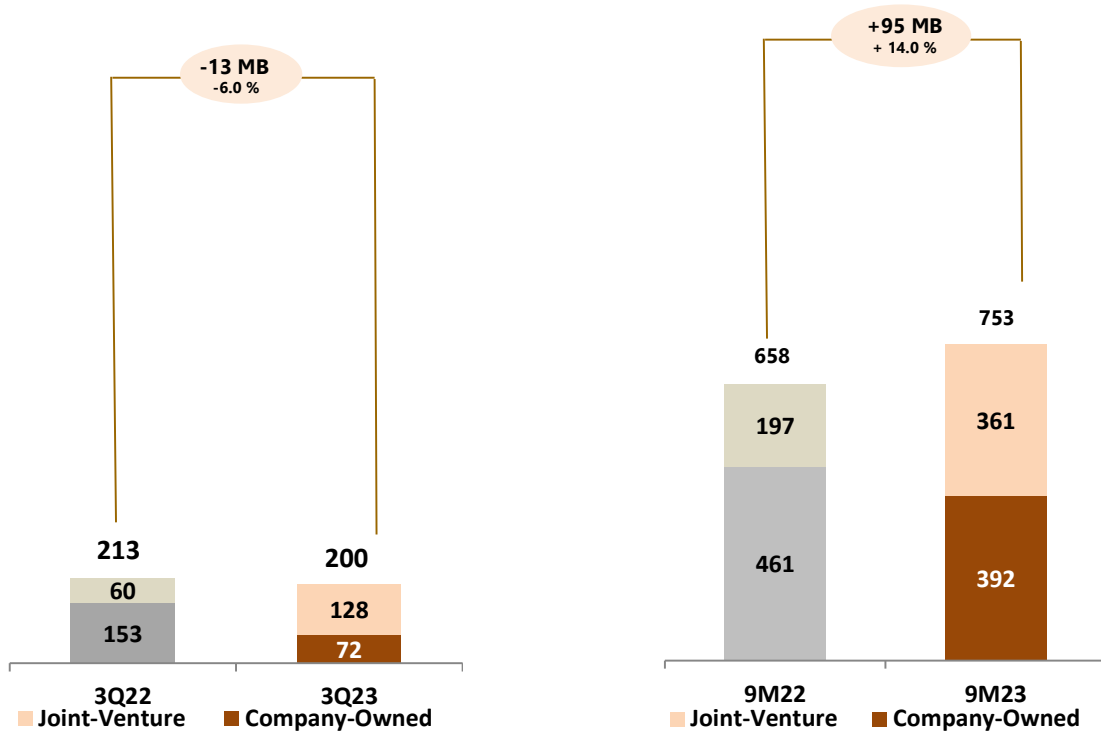
- **Shared Profit of investment in joint venture 3Q23 total 4.5 million Baht** increased 1.3 million Baht compared to the same period of the previous year due to the policy to accelerate sales of the second venture project between Thanasiri Group and Anabuki Japan, “Anabuki Thana Habitat Ratchapruek, which had Grand Opening in July 2022.
- **Income tax expenses in 3Q23** increased 0.3 million Baht compared to the same period of the previous year as a result of increased profits during the quarter and accounting adjustment for Deferred tax income in 3Q23.

**1H23**

- **Shared Profit of investment in joint venture 9M23 total 14 million Baht** increased 3.2 million Baht compared to the same period of the previous year due to the policy to accelerate sales of the second venture project between Thanasiri Group and Anabuki Japan, “Anabuki Thana Habitat Ratchapruek, which had Grand Opening in July 2022 and the first project “Anabuki Thana Habitat Maha Chesadabodindranusorn Bridge – Ratchapruek that had recognized revenue for the last unit of project in 1Q23.
- **Income tax expenses in 9M23** increased 2.7 million Baht compared to the same period of the previous year as a result of increased profits during the year.

## Analysis of Statement of Comprehensive Income

### 1. Revenue (Company-Owned and Joint venture)



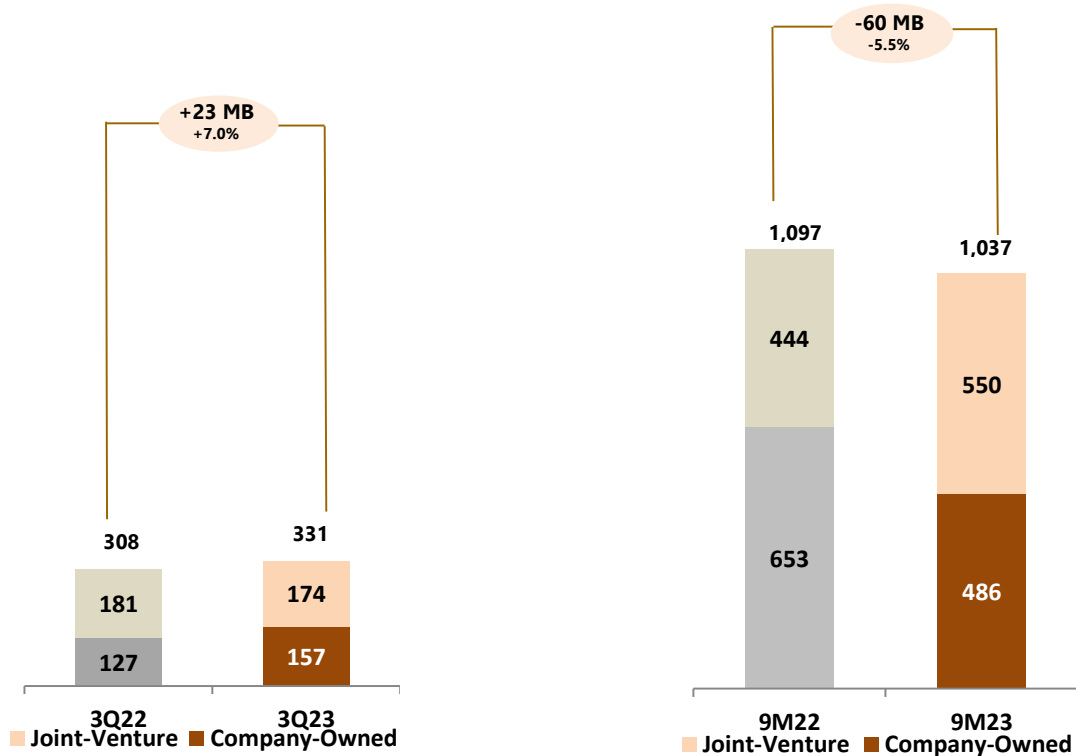
#### 3Q23

- Revenue from house sold in 3Q23 total 200 million Baht (Company-Owned and Joint Venture), decreased 81 million Baht in Company-Owned compared to the same period of the previous year mainly revenue in 3Q23 were from the project "Thana Village Wongwaan Pinklao", the Detached houses project, while Revenue in the second joint venture project between Thanasiri Group and Anabuki Japan, "Anabuki Thana Habitat Ratchapruek" increased 68 million Baht.

#### 9M23

- Revenue from house sold 9M23 increased 95 million Baht compared to the same period of the previous year. Almost 50% of recognized revenue came from the project "Thana Habitat Groove Pinklao-Sirinthon" launched since end of year 2021 and the second joint venture project between Thanasiri Group and Anabuki Japan, "Anabuki Thana Habitat Ratchapruek", had Grand Opening and recognized revenue in 3Q22. The mainly houses sold were Single and Detached House.

**2. Presales** (Company-Owned and Joint Venture)



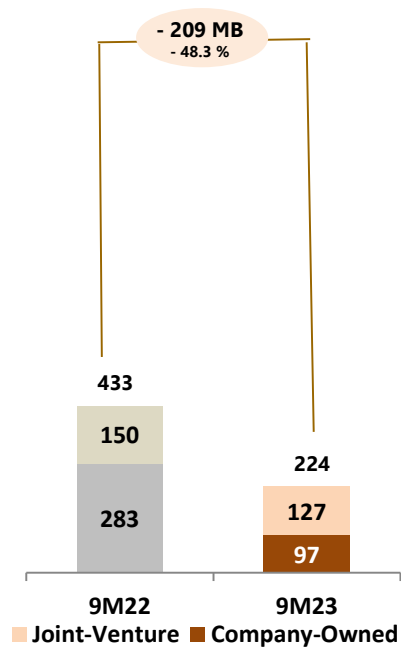
**3Q23**

- Presales of 3Q23 total 331 million Baht, increased 23 million Baht compared to previous year. Mainly of Presales came from the new project in 3Q23 "Thana Residence Boromrachchonnee-Pinklao" which had well market response. While the project "Thana Village 3 Wongwaen Pinklao" had better actual presales, but less than target. However, the second joint venture "Anabuki Thana Habitat Ratchapruek" had the better presales in 3Q23.

**9M23**

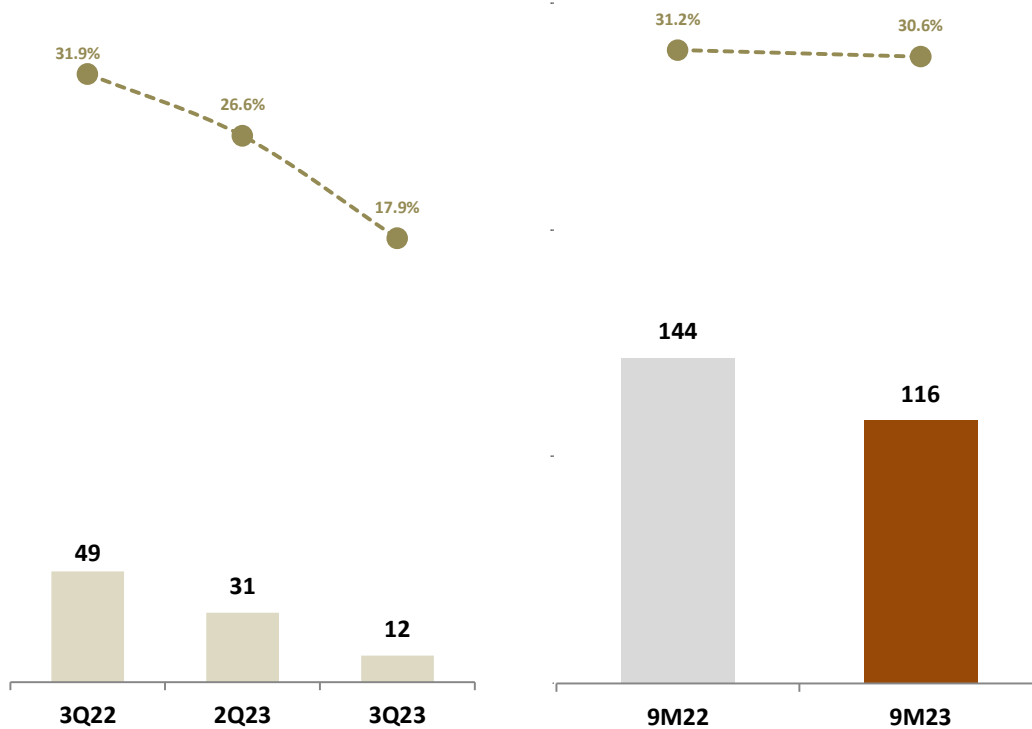
- Presales of 9M23 total 1,037 million Baht, decreased 60 million Baht compared to previous year due to the Presales of "Thana Habitat Groove Pinklao-Sirinthorn" which had well market response last year until now and the project were almost closed, while the new project "Thana Village 3 Wongwaen-Pinklao" had actual presales less than target. However, the second joint venture "Anabuki Thana Habitat Ratchapruek" had the better presales during the year.

### 3. Backlog (Company-Owned and Joint Venture)



- Backlog as of 30 September 2023 total 224 million Baht decreased 209 million Baht due to the acceleration of construction in order to hand-on houses as plan while some customers had cancelled their purchases during the year.
- Presales in 3Q23 mainly came from the second joint venture project, “Anabuki Thana Habitat Ratchapruek” which had been recognized revenue during the period, and the third joint venture project, “Anabuki Thana Village Bangna-Bangbo”.

**4. Gross Profit** (Project Development of Company-Owned)



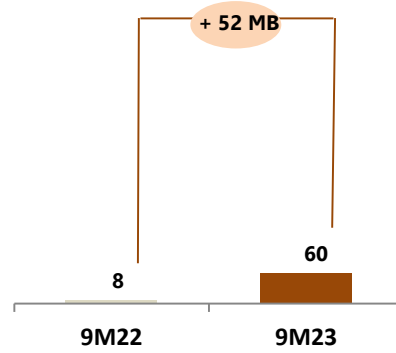
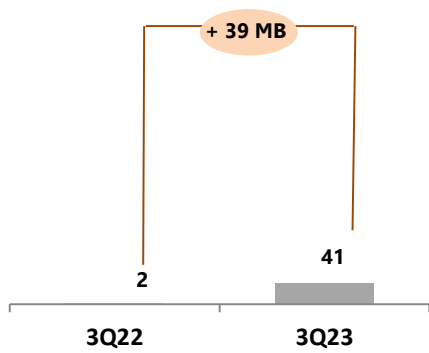
**3Q23**

- Gross profit rate 3Q23 decreased 14.0% compared to the same period of previous year due to gross profit rate of Townhome in current projects which had reconstruction to accelerate sales of stock during the period.

**9M23**

- Gross profit rate 9M23 decreased 0.6% compared to the same period of previous year due to gross profit rate of Townhome in Nontaburi and Udorntani Projects which had reconstruction, together with pricing strategy to accelerate sales.

### 5. Other Income (Company-Owned)



#### 3Q23

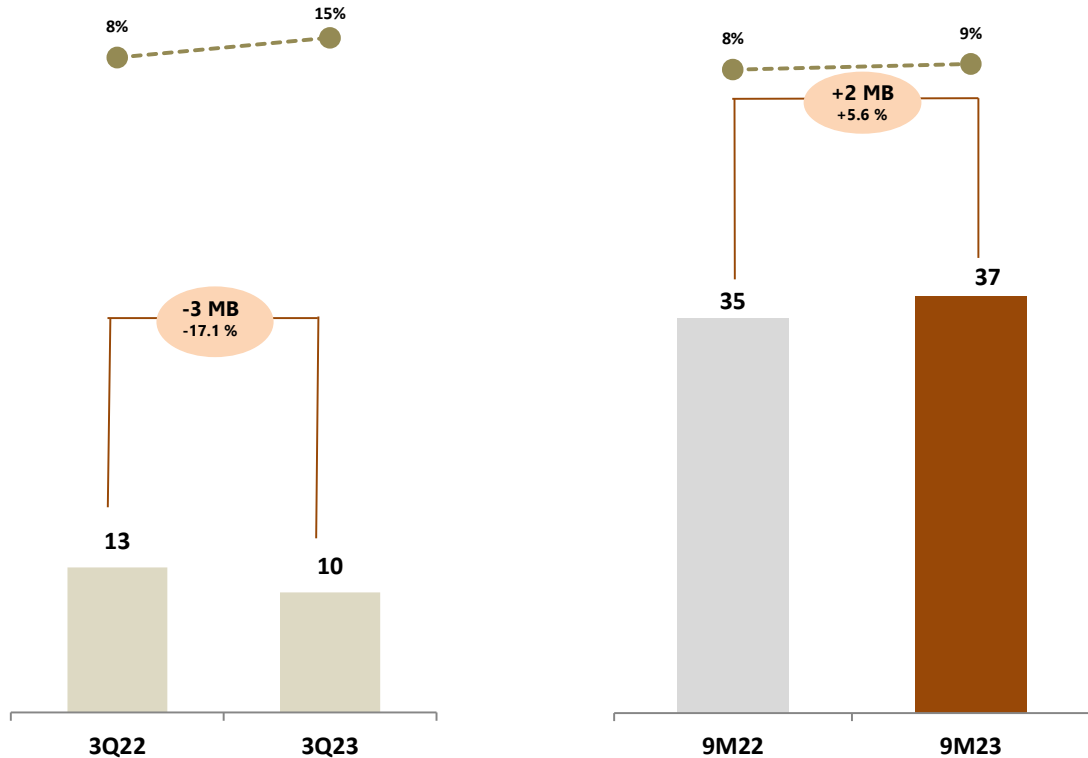
- Other income 3Q23 total 41 million Baht increased 39 million Baht compared to the same period of previous year due to the management fee for project management in affiliates increased according to the sales growth in 2Q23 and One-time income from loan facilities guarantee and land sourcing service for affiliates total 34 million Baht.

#### 9M23

- Other income 9M23 total 60 million Baht increased 52 million Baht compared to the same period of previous year due to the one-time income on loan facilities guarantee total 14.6 million Baht and land sourcing service for affiliates total 27.6 million Baht in. In addition, the management fee for project management in affiliates increased according to the sales growth during the year.



### 6. Cost of Distribution (Company-Owned)



#### 3Q23

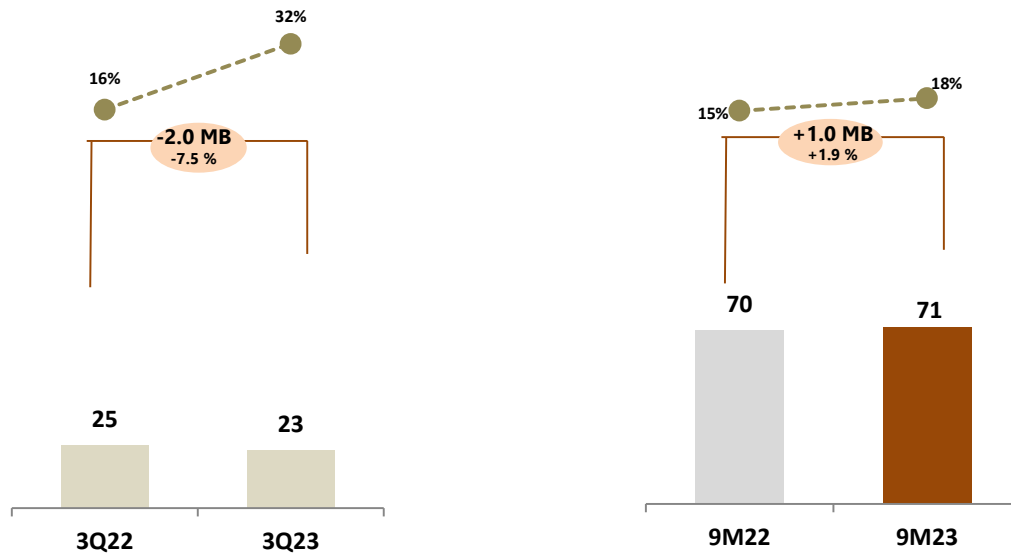
- Cost of distribution 3Q23 were 15% of revenue from house sold, increased 17.1% compared to the same period of previous year. Mainly were expenses for sales promotion, ownership transfer expenses and online marketing cost to generate presales from current and new projects, while the actual result were under the target resulting in higher Cost of distribution rate.

(Presales total 156 million Baht during the period, and Backlog total 97 million Baht at September 30, 2023.

#### 9M23

- Cost of distribution 9M23 were 9% of revenue from house sold, increased 1% compared to the same period of previous year. Mainly were expenses for sales promotion, ownership transfer expenses and online marketing cost to generate presales from current and new projects, while the actual result were under the target resulting in higher Cost of distribution rate.

**7. General and Administration Expenses** (Company-Owned)



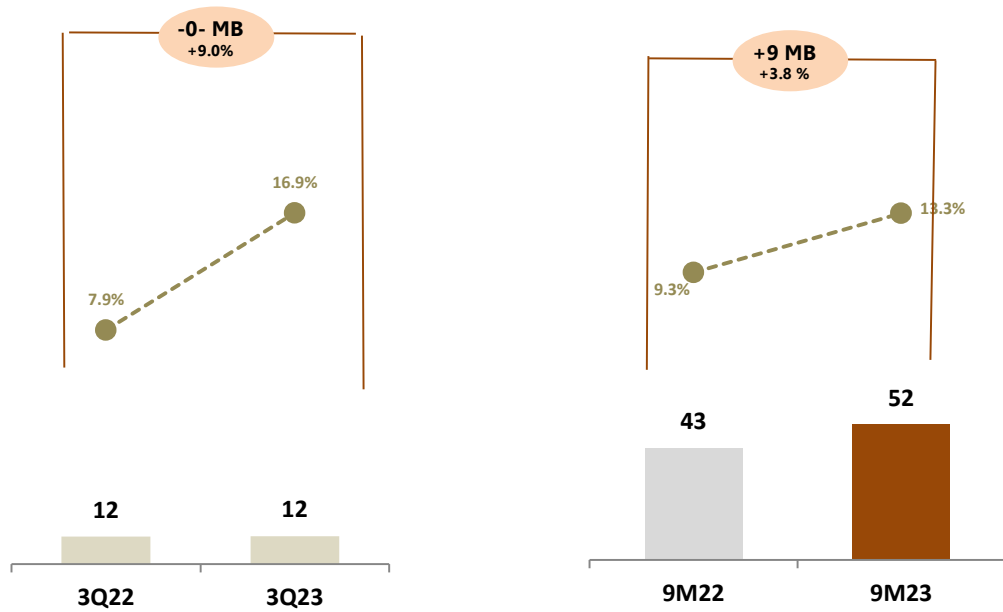
**3Q23**

- General and Administration Expenses 3Q23 total 23 million Baht, decreased 2.0 million baht compared to the same period of the previous year due to Related management fee while the company had recruited management and staffs to strengthen team according to the Company restructuring during the year to enlarge proficiency in operation as plan during the year and in future.

**9M23**

- General and Administration Expenses 9M23 total 71 million Baht, increased 1 million baht compared to the same period of the previous year due to recruitment of management and staffs to strengthen team according to the Company restructuring during the year to enlarge proficiency in operation as plan during the year and in future, while actual result were less than target.

### 8. Profit for the period attributed to Owners of Parent



**3Q23**

- Profit for the period attributed to Owners of Parent 3Q23 total 12.1 million Baht, same as the 12.1 million Baht compared to the same period of previous year mainly from One-time income from loan facilities guarantee and land sourcing service for affiliates total 34 million Baht, while revenue from houses sold were Single and Detached House which had less gross profit rate.

**9M23**

- Profit for the period attributed to Owners of Parent 9M23 total 52 million Baht, increased 9 million Baht compared to the same period of previous year mainly from revenue of Single and Detached houses sold of "Thana Habitat Groove Pinklao-Sirinthorn" launched since end of year 2021 which had high gross profit rate, while the Townhome and Detached house in other current projects had less gross profit rate.

## 9. Statement of Financial Position

Statements of Financial Position			
Key Indicator	as of September 30, 2023	as of December 31, 2022	Increase/(Decrease)
	MB	MB	MB
Cash and Cash equivalents	22	53	-31
Other current receivables	115	22	93
Short-term loans	0	0	0
Inventories	903	857	45
Other current assets	0	0	0
<b>Total current assets</b>	<b>1,039</b>	<b>932</b>	<b>107</b>
Deposit with restrictions on use	10	12	-2
Investments in joint venture	79	59	20
Investments in subsidiaries			
Long-term loans	51	0	51
Land held for development	79	78	1
Real Estate for investment	5	0	5
Property, plant and equipment	5	5	0
Right of use assets	20	8	12
Other intangible assets	1	0	1
Deferred tax asset	6	5	1
Other non-current assets	4	3	1
<b>Total non-current assets</b>	<b>259</b>	<b>170</b>	<b>89</b>
<b>Total Assets</b>	<b>1,299</b>	<b>1,103</b>	<b>196</b>
Bank overdrafts and short-term borrowings from financial institutions	84	20	64
Trade and other current payables	91	80	11
Current portion of long-term borrowings	358	291	67
Current portion of finance lease liabilities	5	2	2
Short-term borrowings	26	0	26
Corporate Tax Payable	1	5	-4
Other current liabilities	24	23	1
<b>Total current liabilities</b>	<b>589</b>	<b>421</b>	<b>168</b>
Long-term borrowings	101	103	-3
Lease liabilities	12	4	8
Non-current provision for employee benefits	30	27	3
<b>Total non-current liabilities</b>	<b>143</b>	<b>134</b>	<b>9</b>
<b>Total Liabilities</b>	<b>732</b>	<b>555</b>	<b>177</b>
Authorized share capital			
329,000,000 หุ้น ordinary shares at 1 Baht each,	279	279	0
Authorized, issued and paid-up share capital			
253,212,000 ordinary shares at 1 Baht each,	277	277	0
Premium on share capital	80	80	0
Retained earnings			
Appropriated legal reserve	20	20	0
Unappropriated	178	156	21
Other components of shareholder's equity	5	5	0
<b>Equity attributable to the owner of the company</b>	<b>561</b>	<b>539</b>	<b>21</b>
Non-controlling interests	6	8	-2
<b>Total Shareholders' equity</b>	<b>567</b>	<b>548</b>	<b>20</b>
<b>Total Liabilities and Shareholders' equity</b>	<b>1,299</b>	<b>1,103</b>	<b>196</b>

**The Company's wealth on September 30, 2023, total 1,299 million Baht, better than previous year 196 million Baht** as a result of increasing Total Shareholder's equity total 20 million Baht due to net profit from operation, while Total Asset increased 196 million Baht from inventory and other receivables (related) from new projects development and operation, while 2 new projects were invested according to plan to accelerate sales growth.

Total Liabilities increase 4 million Baht from trade and other current payables for new projects development, while loan from financial institutions were settled as commitment and new project loans had been applied.

## 9. Statement of Financial Position (cont.)

Comparing the ending balance as of September 30, 2023, and December 31, 2022

- **Cash and Cash Equivalents total 22 million Baht**, decreased 31 million Baht from net cash received from operations.
- **Inventory total 903 million Baht**, increased 45 million Baht mainly from 3 new projects development together with houses sold.
- **Investment in joint venture total 79 million Baht**, increased 20 million Baht from net profit from the operation of the joint venture and investment in 1 new project development.
- **Bank overdrafts and short-term borrowing 84.3 million Baht** increased 64.1 million Baht from cash received increasing from revenue of houses sold together with the loan settlement as commitment.
- **Long-term total 101 million Baht** decreased 3 million Baht from Loans from financial institutions for develop new projects.
- **Authorized issued and paid-up share capital 277,212,000 Baht** increased -0- million Baht from newly issued ordinary shares, registered on November 10, 2022, with increasing paid-up capital total 80 million Baht.
- **Retained earnings of 198 million Baht** increased 20 million Baht from net profit for the period.
- **Debt to Equity Ratio as of 30 September 2023 of 1.0 time** better than previous year of 1.5 time, which were in accordance with commitment to the financial institution rate.

## 10. Statement of Cashflows

STATEMENT OF CASH FLOW			
Key indicator	as of Sep 30,2023 Unit : million baht	as of Sep 30,2022 Unit : million baht	as of Dec 31,2022 Unit : million baht
Net Cash Provided by (Used in) operating activities	-54.7	-26.2	-24.0
Net Cash Provided by (Used in) Investing activities	-51.3	89.0	87.7
Net Cash Provided by (Used in) Financing activities	75.2	-63.3	-18.0
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>-30.8</b>	<b>-0.5</b>	<b>45.6</b>
CASH AND EQUIVALENTS-BEGINNING OF THE PERIOD	52.6	7.0	7.0
<b>CASH AND CASH EQUIVALENTS-END OF THE PERIOD</b>	<b>21.7</b>	<b>6.5</b>	<b>52.6</b>

**Total Cashflow as of September 30, 2023 total 21.7 million Baht decrease 15.2 million Baht** came from cashflow in each categories as follows

- **Net cash used in operating activities total 54.7 million Baht** from
  - Net cash received from revenue on stock on hand and sold houses in new project which had better profit resulting in increasing cash balance and financial institution loans were settled as commitment.
  - Cash paid in 2 new projects development (the company would had cash received from revenue in future)
- **Net cash provided by investing activities total 51.3 million Baht** mainly from cash received from fixed assets sold and received interest on loan to affiliates.
- **Net cash used in financing activities total 75.2 million Baht** from
  - Settlement for financial institution loan and promissory note total 63 million Baht
  - Settlement for interest on loans total 20 million Baht
  - Interim dividend paid total 30 million Baht