

Ref. AC 24/03

23 February 2024

Subject: Management Discussion and Analysis of the Operating Performance for the year ended 31 December 2023

To: The President of the Stock Exchange of Thailand

Amata VN Public Company Limited (“**Company**”) and its subsidiaries would like to report the operating performance result of the company for the year ended 31 December 2023 as follows:

**Summary of Operating Performance for the year ended 31 December 2023**

YE-2023’s Performance versus YE-2022’s performance

- Total revenues were THB 4,287.18mn, increased THB 1,606.59mn or 59.93%
- Share of profit from investment in associates was THB 7.79mn, increased THB 10.25mn
- The Company has net profit for YE-2023, THB 424.90mn, decreased THB 745.05mn or 63.68%

**Revenue from core businesses**

Unit: Million Baht	YE-2023	YE-2022	Change	% Change
Revenue from real estate sales	2,251.62	203.82	2,047.80	1,004.71
Revenue from utility services	1,923.11	994.49	928.62	93.38
Revenue from rental	32.94	100.00	(67.06)	(67.06)
Gain on sales of investment properties	66.93	1,331.67	(1,264.74)	(94.97)
Gain from exchange	-	28.03	(28.03)	(100.00)
Other income	12.58	22.58	(10.00)	(44.30)
<b>Total revenue</b>	<b>4,287.18</b>	<b>2,680.59</b>	<b>1,606.59</b>	<b>59.93</b>

**Revenue from real estate sales**

The Company has revenue from real estate sales of THB 2,251.62mn, an increase of THB 2,047.80mn or 1,004.71% compared to the same period last year. The revenue is generated from the sales of real estate in AMATA City Long Thanh (“**ACLT**”) 17.9 ha and in AMATA City Halong (“**ACHL**”) 41.7 ha industrial estate, totaling 59.6 ha, increased from YE-2022 which had revenue from real estate sales THB 203.82mn, equal to area 7.1 ha.

**Revenue from utility services**

The Company has revenue from utility services of THB 1,923.11mn increase of THB 928.62 or 93.38%. The rise in the utility services income was the higher utility consumption, especially in ACHL industrial estate.

### **Revenue from rental**

For YE-2023, the Company has rental revenue of THB 32.94mn, a decrease of THB 67.06mn or 67.06%. The reduction in rental revenue occurred at AMATA City Bien Hoa (“**ACBH**”) industrial estate. In 2022, the Company sold 24 Ready Built Factories (“**RBFs**”) at ACBH which was recognized as a gain on sales of investment properties THB 1,333.67mn. The number of RBFs has decreased; thus, the rental revenue has also been reduced.

### **Gain on sales of investment properties**

In 2023, the Company sold 2 RBFs at ACBH, recording a gain on the sale of investment properties equal to THB 66.93mn, a reduction of THB 1,264.73mn or 94.97% from 2022 in which the Company had sold the 24 RBFs as mentioned earlier.

### **Other income**

Other income in 2023 was THB 12.56mn, an decrease of THB 10.00mn or 44.29% from the same period last year due to no recognition of rental income from ACBH as other income during the sales process of RBF in ACBH since the beginning of 2023.

### **Operating Performance Analysis of Core Businesses**

<b>Unit: Million Baht</b>	<b>YE-2023</b>	<b>YE-2022</b>	<b>Change</b>	<b>% Change</b>
<b>Revenue from real estate sales</b>	2,251.62	203.82	2,047.80	<b>1,004.71</b>
Cost of real estate sales	1,482.50	119.27	1,363.22	<b>1,142.94</b>
Gross profits	769.13	84.54		
<b>Gross margin (%)</b>	<b>34.16</b>	<b>41.48</b>		
<b>Revenue from utility services</b>	1,923.11	994.49	928.62	<b>93.38</b>
Cost of utility services	1,751.69	869.10	882.59	<b>101.55</b>
Gross profits	171.42	125.39		
<b>Gross margin (%)</b>	<b>8.91</b>	<b>12.61</b>		
<b>Revenue from rental</b>	32.94	100.00	(67.06)	<b>(67.06)</b>
Cost of rental	7.57	21.55	(13.98)	<b>(64.88)</b>
Gross profits	25.37	78.45		
<b>Gross margin (%)</b>	<b>77.02</b>	<b>78.45</b>		

Revenue from real estate sales for YE-2023 has a gross profit of THB 769.13mn or Gross Profit Margin (“**GPM**”) 34.16% increased from 2022 which has a gross profit of THB 84.54mn. However, the GPM decreased from 41.48% because ACHL has a lower GPM from real estate sales compared to the ACLT.

Despite the increase in revenue from utility services in 2023, THB 928.62mn or 93.38%. The Company has only a GPM of 8.91%, less than the GPM of 12.61% in 2022. The electricity service in ACHL contributed less profit margin resulting in the reduction of utility services GPM in 2023.

The revenue from the rental in 2023 has a GPM of 77.02% which was reduced from 2022 which has a GPM of 78.45% due to the number of RBFs in 2022 being greater than that of 2023 leading to economies of scale in RBF management. Nonetheless, the GPM in 2023 was still in line with the Company's rental revenue GPM target which will preserve GPM not less than 65.00%.

**Selling and administrative expenses**

Unit: Million Baht	YE-2023	YE-2022	Change	% Change
Selling expenses	33.80	24.45	9.36	38.27
Administrative expenses	215.05	177.75	37.30	20.99
<b>Total</b>	<b>248.86</b>	<b>202.20</b>	<b>46.66</b>	<b>23.08</b>

In 2023, the Company had selling and administrative expenses of THB 248.86mn increased by THB 46.66mn or 23.08%. The increase in the selling and administrative expenses were mainly due to commission of ACHL that related with revenue from real estate sale, the advisory fee of ACLT and employee-related expenses from ACBH where companies in Vietnam are required to recognize the employee fund expenses at a specific rate proportionally with net profit in the subsequent year according to Vietnam law. In YE-2022, ACBH has a higher net profit compared to the net profit in 2021; as a result, the Company recorded this expense in 2023.

**Share of profit from investment in associates**

In 2023, the Company recognized a share of profit from investment in associates THB 7.79mn which came from the investment of ACBH that invested in AMATA Power Bien Hoa (“APBH”). APBH is the electricity provider to customers in the AMATA City Bien Hoa industrial estate.

**Net profit**

In 2023, the Company incurred a net profit of THB 424.90mn, a reduction of 745.05mn or 63.68% from the same period last year THB



**Statement of Financial Position**

Unit: Million Baht	YE-2023	YE-2022	Change	% Change
Total assets	13,236.56	12,433.92	802.64	6.46
Total Liabilities	7,145.10	6,402.86	742.24	11.59
Shareholders' equity	6,091.46	6,031.06	60.40	1.00

- Total assets increased by THB 802.64mn or 6.46% mainly due to the increase in Cash and cash equivalents from cash received from real estate sales and the increase in real estate development costs because the Company has developed more land available for sales.
- Total liabilities increased by THB 742.24mn or 11.59% due to the increase in Trade and other payables, long-term loans from parent company, and long-term deposits and advances received from customers.
- Shareholders' equity increased by THB 60.40mn or 1.00% from the change in other components of shareholders' equity and net profit for the year.

For your information.

Yours sincerely,

AMATA VN PUBLIC COMPANY LIMITED



(Mrs. Somhatai Panichewa)  
Chief Executive Officer

