



Ananda Development Public Company Limited

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Subject: Clarification of the quarter 1Q2024 Operating Results

To: President

The Stock Exchange of Thailand

Ananda Development Public Company Limited (the “Company”) would like to clarify 1Q2024 of the Company’s operating results and its subsidiaries as following details:

Statement of profit (loss) for the quarter 1Q2024 ended 31 March 2024

(Consolidated Financial Statement)						
Statement of Comprehensive Income	Quarter 1/2567		Quarter 1/2566		Increased (Decreased)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Revenue from sales of real estate	1,826.6	86.7	417.6	57.1	1,409.1	337.4
Revenue from project management services and commission income	107.0	5.1	128.9	17.6	(21.8)	(16.9)
Revenue from rental and services	69.2	3.3	65.2	8.9	4.0	6.2
Other incomes	103.1	4.9	119.5	16.3	(16.4)	(13.8)
Total Revenues	2,105.9	100.0	731.1	100.0	1,374.8	188.0
Cost of goods sold						
Cost of real estate sold	1,254.8	59.6	301.6	41.3	953.2	316.0
Cost of project management services and commission	103.9	4.9	93.3	12.8	10.6	11.4
Cost of rental and services	44.7	2.1	40.9	5.6	3.8	9.3
Total Cost of goods sold	1,403.5	66.6	435.8	59.6	967.6	222.0
Profit before selling & administration expenses	599.4	28.5	175.8	24.0	423.6	241.0
Selling & Administrative Expenses						
Selling expenses	197.8	9.4	110.6	15.1	87.3	78.9
Administrative expenses	308.0	14.6	278.8	38.1	29.1	10.5
Total Selling & Administrative Expenses	505.8	24.0	389.4	53.3	116.4	29.9
Operating Profit (loss)	196.7	9.3	(94.1)	(12.9)	290.7	309.1
Finance cost	(134.3)	(6.4)	(238.9)	(32.7)	104.6	43.8
Tax income (expenses)	(53.8)	(2.6)	(14.1)	(1.9)	(39.7)	(282.5)
Profit (loss) before share of profit from investments in joint ventures	8.6	0.4	(347.0)	(47.5)	355.6	102.5
Share of profit from investments in joint ventures	189.9	9.0	294.0	40.2	(104.1)	(35.4)
Profit (loss) for the periods from continuing operations	198.6	9.4	(53.0)	(7.2)	251.5	474.9
Profit (loss) for the periods from discontinuing operations	-	-	-	-	-	-
Profit (loss) for the period	198.6	9.4	(53.0)	(7.2)	251.5	474.9
Profit attributable to non-controlling interests	3.1	0.1	6.6	0.9	(3.5)	(52.9)
Profit (loss) attributable to equity holders of the Company	195.4	9.3	(59.6)	(8.1)	255.0	428.1

Net Profit

The operating results for 1Q2024, the Company and its subsidiaries reported the profit of Baht 198.6 million, increasing of Baht 251.5 million, or increased by 474.9% YoY.

The gross profit (loss) accounted for Baht 599.4 million, an increased for Baht 423.6 million, or 241.0% YoY, mainly reason was from revenue from sales of real estate increased for Baht 1,409.1 million, or 337.4% YoY, and cost of real estate sold increased for Baht 953.2 million, or 316.0% YoY was corresponding to increase in revenue from sales of real estate.

During 1Q2024, the Company conducted campaigns to boost sales continuously from the end of the previous year. At the beginning of the year, the Company launched the "ANANDA URBAN JOY" campaign in January, followed by the "ANANDA JOY DAY SUPER DEAL" promotion in 19 ready to move projects at the 45th House and Condo Show during 21st - 24th March 2024, at Queen Sirikit National Convention Center received positive response.

Revenue

Total revenue in 1Q2024 accounted for Baht 2,105.9 million, an increase of Baht 1,374.8 million, or 188.0% YoY.

Revenue from sales of real estate accounted for Baht 1,826.6 million, an increase of Baht 1,409.1 million or 337.4% YoY. The main reason for increasing was from the transfer of ready-to-move (RTM) projects such as Ideo Chula-Samyan, Coco Parc, Artale Asok-Rama 9, and Ashton Residence 41.

Revenue from project management services and commission income accounted for Baht 107.0 million, an decrease of Baht 21.8 million or 16.9% YoY, due to a decrease in the number of joint venture projects YoY, In addition, the Residences 38, a world-class residential project by Rabbit Holdings Public Company Limited, appointed the Company as the project manager was generated revenue of Baht 10.6 million.

Revenue from rental and services is accounted for Baht 69.2 million, an increase of Baht 4.0 million or 16.2% YoY, mainly from the Company's rental income collection.

Other incomes are accounted for Baht 103.0 million, a decrease of Baht 16.4 million or 13.8% YoY.

Share of Profit (Loss) from Investments in Joint Ventures

In 1Q2024, share of profit (loss) from investments in joint ventures are accounted for Baht 189.9 million, a decrease of Baht 104.1 million, or 53.4 % YoY. The main reason for the decrease income during in 1Q2024 the Company did not open new projects. Instead, the Company recognized revenue from the continuous transfer of ready to move (RTM) projects such as Ideo Rama 9, Ideo Q Sukhumvit 36, Elio Del Nest and Elio Sathorn – Wutthakat.

Cost of Goods Sold

In 1Q2024, total cost of goods sold is accounted for Baht 1,403.5 million, increased of Baht 967.6 million, or 222.0%, YoY. The main reason was cost of real estate sold increased of Baht 953.2 million, or 316.0% was corresponding to increase in revenue from sales of real estate.

Selling & Administrative Expenses

In 1Q2024, Selling and administration expenses is accounted for Baht 505.8 million, increased of Baht 116.4 million, or 29.9%, YoY.

Selling expenses sold increased of Baht 87.3 million, or 78.9% from the expenses incurred from the transfer which increased due to the higher volume of transfers.

Administrative expenses were increased by Baht 29.1 million, or 10.5%, YoY.

Finance cost

Finance cost is accounted for Baht 134.3 million, a decrease of Baht 104.6 million, or 43.8%, YoY. The Company has made a repayment on debentures amounting to Baht 3,825.3 million in January 2024

Tax income (expenses) is increased by Baht 39.7 million, or 282.5%, YoY. It was in line with the net profit of the Company.

Statement of financial position for the quarter 1Q2024 ended 31 March 2024

(Unit: Thousand Baht)				
Statement of financial position	Quarter 1/2024	2023	Increased (Decreased)	%
Assets				
Current assets				
- Cash and cash equivalents	736.5	4,678.8	(3,942.3)	-84.3%
- Real estate development costs	16,693.4	17,143.8	(450.4)	-2.6%
- Other current assets	2,419.5	2,676.7	(257.2)	-9.6%
Total current assets	19,849.4	24,499.3	(4,649.9)	-19.0%
Non-current assets				
- Investments in joint ventures	4,678.1	4,603.0	75.1	1.6%
- Land held for development	1,590.5	1,679.0	(88.5)	-5.3%
- Other non-current assets	6,352.5	6,251.5	101.1	1.6%
Total non-current assets	12,621.1	12,533.5	87.6	0.7%
Total assets	32,470.5	37,032.7	(4,562.2)	-12.3%

Assets.

In 1Q2024, the Company had total assets of Baht 32,470.5 million, a decrease of Baht 4,562.2 million, or 12.3% from year end of 2023.

Current assets are accounted for Baht 19,849.4 million, a decrease of Baht 4,649.9 million or 19.0% from year end of 2023, mainly from the decrease in cash and cash equivalents of Baht 3,942.3 million as the Company has made a repayment on debentures amounting to Baht 3,825.3 million in January 2024.

Real estate development costs are decreased of Baht 450.4 million, or 2.6% from year end of 2023 due to the fact that the Company and its subsidiaries were able to generate revenue from transfer of ready to move (RTM) projects such as Ashton Residence 41, Ideo Chula-Samyang, and Coco Parc.

Non-current assets are accounted for Baht 12,621.1 million, an increase of Baht 87.6 million or 0.7% from year end of 2023, The reason from investment in joint ventures was increase of Baht 75.1 million or 1.6%.

Statement of financial position for the quarter 1Q2024 ended 31 March 2024

(Unit: Thousand Baht)				
Statement of financial position	Quarter 1/2024	2023	Increased (Decreased)	%
Liabilities and shareholders' equity				
Current liabilities				
- Short-term loans from financial institutions	2,236.4	2,592.6	(356.1)	-13.7%
- Current portion of long-term debentures	6,207.5	7,050.1	(842.5)	-12.0%
- Current portion of long-term loans	1,571.9	1,090.2	481.7	44.2%
- Other current liabilities	3,865.7	4,023.9	(158.3)	-3.9%
Total current liabilities	13,881.5	14,756.8	(875.2)	-5.9%
Non-current liabilities				
- Long-term debentures - net of current portion	5,075.3	8,047.9	(2,972.6)	-36.9%
- Long-term loans - net of current portion	1,055.3	1,870.7	(815.3)	-43.6%
- Other non-current financial liabilities	496.8	520.3	(23.5)	-4.5%
Total non-current liabilities	6,627.5	10,438.9	(3,811.4)	-36.5%
Total liabilities	20,509.0	25,195.7	(4,686.7)	-18.6%
Total shareholders' equity	11,961.5	11,837.1	124.4	1.1%
Total liabilities and shareholders' equity	32,470.5	37,032.7	(4,562.2)	-12.3%

Liabilities

In 1Q2024, the Company's total liabilities are accounted for Baht 20,509.0 million, a decrease of Baht 4,686.7 million, or 18.6% from Baht 25,195.7 million as year-end of 2023.

Current liabilities are accounted for Baht 13,881.5 million, a decrease of Baht 875.2 million, or 5.9% from Baht 14,756.8 million as year-end of 2023, mainly reason from the short-term loans from financial institutions that were decrease of Baht 356.1 million or 13.7% from year end of 2023. The current portion of long-term debentures

will be due within 1 year decreased of Baht 842.5 million or 12% from year end of 2023 as the Company has made a repayment on debentures amounting to Baht 3,825.3 million in January 2024. In addition, the current portion of long-term loans will be due within 1 year increased of Baht 481.7 million or 44.2% from year end of 2023.

Non-current liabilities are accounted for Baht 6,627.5 million, a decrease of Baht 3,811.4 million or 36.5% from Baht 10,438.9 million at the year end of 2023. mainly from long-term debentures that will be due more than 1 year amounting Baht 5,075.3 million, a decrease of Baht 2,972.6 million or 36.9% from year end of 2023 and long-term debentures will be matured over 1 year amounting Baht 1,055.3 million, a decrease of Baht 815.3 million or 43.6% from year end of 2023.

As of 31 March 2024, the Company and its subsidiaries have net interest-bearing debt to equity ratio (Net IBD/E ratio) according to the terms of the bond covenant at 1.60 times. The Company is able to maintain its financial ratio of the requirement of bond covenant not exceeding 2.5 times.

Shareholders' equity

In 2023, the shareholders' equity is accounted for Baht 11,961.5 million, an increase of Baht 124.4 million, or 1.1% from year end of 2023, mainly from the increase of accumulated profit of Baht 195.5 million.

Ashton Asoke Case

On 27 July 2023, the Supreme Administrative Court rendered a judgement in case of Stop Global Warming Association and 16 residents of neighbourhood nearby the Ashton Asoke Project ("Project") filed a lawsuit against five government officials and government agencies in total with the Central Administrative Court. The court opined that the subsidiary, as the Project owner and another subsidiary (as the land seller to the Project owner) may be affected by the judgment or order of the court as the Project's owner and the former owner of the Project's land before being transferred to the subsidiary, and therefore ordered both subsidiaries to be interpleaders. Next the Supreme Administrative Court rendered a judgement in the case, upholding the judgement rendered by the Central Administrative Court. As a result, only the acknowledgement notification for construction and modification permits of condominium project was revoked. The reason for the permit revocation is that the MRTA is unauthorised to permit the use of its land as part of the Project's entrance - exit because this action is considered contrary to the purpose of expropriation and is subject to rights reserved in access permit issued to the Project. Consequently, the use of such land violates the Ministerial Regulation No. 33 issued under the Building Control Act B.E. 2522, with retroactive effect to the date of permit issuance. Despite the Supreme Administrative Court revoking the acknowledgement notification for construction and modification permits of condominium project, the issue is still being resolved and the subsidiary, as the Project owner, is allowed to re-apply for a construction permit.

The Project is operated by Ananda MF Asia Asoke Co., Ltd., currently a subsidiary of the Company (hereinafter referred to as the subsidiary, as the Project owner), In November 2023, the Company acquired additional 49% of ordinary shares in Ananda MF Asia Asoke Co., Ltd. As a result, Ananda MF Asia Asoke Co., Ltd., 's status was changed from joint venture to a subsidiary.

On 17 October 2023, representative residents of Ashton Asoke project submitted a letter seeking justice to the Ministry of Transport. The purpose of the letter was to request the MRTA to expedite the resolution of the project's entrance and exit issues. On 24 October 2023, the Deputy Minister of Transport issued Ministry of Transport Rules No. 1109/2023 regarding the appointment of a working group responsible for addressing and seeking solutions to the problems faced by those affected by the permission to use the area of the MRTA. The working group will consist of representatives from relevant government agencies and will have the authority and duty to study information related to such issues in a complete and comprehensive manner in accordance with various laws, rules, and regulations including coordinating with relevant agencies to establish guidelines and recommendations for solving problems and mitigating impacts on affected individuals as soon as possible.

In addition, in 2017, the Siam Society under the Royal Patronage filed a lawsuit against three government officials with the Central Administrative Court, requesting that the court suspend the construction and demolish the Project's building which was constructed unlawfully ("the second case"). The court opined that the subsidiary, as the Project owner, may be affected by the judgement or the court order, and therefore requested the subsidiary, as the Project owner, to be the first interpleader of the second case. On 24 November 2022, the Central Administrative Court ordered that the three defendants jointly consult with the first interpleader and the second interpleader to seek a solution to provide a side road that is at least 12 meters in length connecting to a public road on the land used as the project location. The land acquisition could be in any lawful mean that makes the project location comply with No.2 second paragraph of the Ministerial Regulation No. 33 and must be completed within 180 days from the date the case is finalised. If it cannot be resolved, the first defendant and/or the third defendant must comply with the court's order.

In December 2022, the subsidiary, as the project owner, the plaintiff and the defendant filed an appeal against the judgment of the Central Administrative Court with the Supreme Administrative Court. The second case is under consideration by the Supreme Administrative Court.

In addition, as of 31 March 2024, Ananda MF Asia Asoke Co., Ltd. has been involved in other cases related to the Ashton Asoke Project with compensatory damages claimed totalling Baht 122 million (31 December 2023: Baht 122 million). The outcomes of the certain cases above and other cases have not yet been finalised, are currently unpredictable, and have no impact on the operations of the Company. The Company has therefore not set aside the provision for losses that may result from such cases.

Presently, the subsidiary's management is actively seeking collaboration with the relevant government agencies in ascertaining appropriate alternative to the solution. Therefore, presently the Company's management is unable to determine the potential impacts financially on both the separate and consolidated financial statements of the Company for three-month period ended 31 March 2024 appropriately until when a clear alternative is known and approved by relevant government agencies.

Please be informed accordingly.

Sincerely yours,

- *Mr. Chanond Ruangkritya* -

(Mr. Chanond Ruangkritya)

Chief Executive Officer

Investor Relations

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