

Ref. AC 23/042

November 14, 2023

Re: Management Discussion and Analysis of the Operating Performance for the 3rd Quarter of 2023

To: President

The Stock Exchange of Thailand

Amata Corporation Public Company Limited ("AMATA" or "The Company") and its subsidiaries would like to report the operating performance results of the company for the 3rd Quarter of 2023 as follows:

Economic and Industry Situation

The world economy remains uncertain, growth rate was low and discontinuity. Also, there were many concerns due to China economic slowdown, commodity prices fluctuation and geopolitical conflicts. The International Monetary Fund (IMF) forecasted the world GDP growth at 3 percent in 2023 but lower the growth of 2024 down to 2.9 percent from 3 percent. On the other hand, forecasted GDP of China and Eurozone also adjusted down by 0.2 percent in 2023 and 0.3 percent in 2024. Therefore, new forecasted for China will stay at 5 percent and 4.2 percent and for Eurozone will stay at 0.7 percent and 1.2 percent respectively. Moreover, Asia currencies tend to be depreciated since many countries were tighten their monetary policy.

Thai economy continuously improved with the main driven were from exports and tourism. While headline inflation has decreased and in September 2023, general inflation increased only 0.3 percent compared to the same period last year due to the government subsidies and expected to continue slowdown in quarter 4 as well because price of energy and necessary commodities tend to decrease. While the core inflation rate increased by 0.63 percent. On the other hand, for economic expansion, the Bank of Thailand (BOT) reported that for 2023 GDP expected to growth around 2.8 percent. In addition, the Fiscal Policy Office expected Thai economy still in a positive position, external stability was secure and possible to go through the world economic fluctuation.

For Thailand investment, the Board of Investment of Thailand (BOI) stated that the next 2-3 years there was continuous flow of investment toward ASEAN which also the opportunity to Thailand because Thailand located in the middle part of ASEAN, well infrastructure and transportation, and there were quality employees. Moreover, there will be activities for the investment promotion for the next 4 years (2024-2027) to attract five strategic industries which are (1) Green transformation; (2) Technology development; (3) Talent development and attraction; (4) Cluster-based investment; and (5) Ease of investment.

Business Overview

Amata Corporation PCL., (The Company) established in 1989, the world's leading private developer and operator of industrial real estate sites, or "industrial cities". The company specializes in the planning, developing, managing, and marketing these industrial estates as well as entire related businesses. Furthermore, the company also strictly on environmental protection and strives to create "A Perfect City" to improve quality of life of the people working in the industrial estates and people in surrounding communities, so that they can work and live happily.

As of 30 September 2023, Amata has developed industrial estates in four countries which are Thailand, Vietnam, Myanmar, and Laos. The total area was approximately 94,206 Rais.

Sustainability Goals and Guidelines

Amata gives priority to climate change issues and committed to take part in reducing the climate change effects. The company announced intention to reduce greenhouse gas emissions and had formulated the policies and the management approaches to tackle the climate change problem as follow:

- Target to be a Carbon Neutral City in 2040 with a business development plan to build Amata Smart City projects that focus on energy efficiency through the support of technology and low carbon energy sources as well as application of the principles of circular economy to the work process.
- Mitigate the impact of climate change effects. The Company has considered the sustainable management of all types of water as a very significant issue, i.e. raw water, consumption water, wastewater and flood by continuously developing the water management project for each type of water including the provision of raw water reserves to be at least 150 percent.

Sustainability Performance

- **Greenhouse Gas Emission and Energy Management**

The Company recognizes the importance of reducing greenhouse gas emissions, especially from indirect activities from the use of electricity. Therefore, the company encourage and support the use of renewable energy while reduce fossil fuel consumption as well as promoted energy saving in office and common areas.

- **Circular Water Management**

The Company realized the importance of efficient water management prevention and correction by established the Water Management Committee to be responsible for water management. The company also built reservoirs within the industrial estate and secured water reserve from outside suppliers which now there were total 19 reservoirs with a total storage capacity of 61.4 million cubic meters that can

stored surface water for more than 150 percent of the total demand. Furthermore, from 100 percent of treated wastewaters, 57 percent was reproduced to high quality water through water reclamation system. Therefore, in case of a severe drought crisis, Amata can be able to have water for production and consumption up to 18 months.

- **Solid and Industrial Waste Management**

Over 1,000 industrial plants are in AMATA Industrial Estates in Thailand together with more than 300,000 employees, these can generate a large amount of solid waste and industrial waste each year. The company is aware of the responsibility for waste management and had setup a Waste Management Policy to minimize the environmental impacts as well as to comply with the laws. The Company has set the target to reduce solid waste to landfill as much as possible by using circular economy concept. All wastes will be sorted and classify for recycling and Refuse-derived fuel (RDF) production before disposed by landfill method. Currently, there was only 0.06 percent wastes that still required to be disposed by the landfill method.

Significant Events

Signed a Collaboration Agreement Introducing a Credit Facilitation Agreement

On August 3, 2023, the Export-Import Bank of Thailand (EXIM Thailand) and AMATA City Lao Company Limited, a fully owned subsidiary of AMATA Corporation Public Company Limited, signed a collaboration agreement introducing a credit facilitation agreement designed to expedite the industrial city development by AMATA in Laos.

Co-Develop Large Floating Solar Farm

On August 3, 2023, Amata Water Company Limited (Amata Water), which is 100% owned by Amata Corporation Public Company Limited, has signed an agreement with Amata B. Grimm Power Company Limited to co-develop a large-scale Floating Solar Farm for electricity generation using solar energy installed on floating platforms within the Amata City Industrial Estate, Chonburi, Thailand with the total capacity of 19.5 megawatts on the first phase.

Operating Performance Summary 3rd quarter of 2023 ended 30 September 2023

Operation result for 3 months period for 3rd Quarter of 2023 versus 3rd Quarter of 2022:

- Total revenues reported at Baht 2,864 million, increased by 47.10%
- Share of profit from investments in associates and JV at Baht 322 million, increased by 492.68%
- Net profit posted at Baht 396 million, increased by 12.18%

	3-Month	3-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Total revenues	2,864	1,947	917	47.10
Total expenses	2,283	1,131	1,152	101.86
Share profit from investments in associates and joint venture	322	(82)	404	492.68
Profit for the period	396	353	43	12.18
Basic earnings per share (THB/share)	0.34	0.31		

● **Operating Performance Analysis of Core Businesses**

	3-Month	3-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Revenue from real estate sales	1,614	558	1,056	189.25
Gross profit margin	37.24%	59.68%		
Revenue from utility services	1,010	829	181	21.83
Gross profit margin	19.50%	22.68%		
Revenue from rental	216	196	20	10.20
Gross profit margin	79.17%	79.59%		

Industrial Estate Development Business

For the 3rd Quarter of 2023 (3Q/2023), AMATA reported revenue from real estate sales at Baht 1,614 million, increased Baht 1,056 million or 189.25% from same period last year. The Company transferred and recognized 272 Rais of land (Thailand 106 Rais and Vietnam 166 Rais) for the 3rd Quarter of 2023 (Q3/2023) which higher than the 3rd Quarter of 2022 (Q3/2022) that transferred and recognized 132 Rais (Thailand 132 Rais). The gross profit margin was at 37.24%, decreased from 59.68% mainly because the higher cost of construction in Vietnam.

Utility Services Business

AMATA achieved utility services revenue of Baht 1,010 million in the 3rd Quarter of 2023 (Q3/2023), increased Baht 181 million or 21.83% from the same period last year mainly from higher consumption especially from the industrial estates in Vietnam. However, gross profit margin declined from 22.68% to 19.50%. Although there was higher electricity sold to customers in Vietnam, the gross profit margin of this services was quite low. As a result, it was lower total gross profit margin of utility services businesses.

Rental Business

Amata reported rental income of Baht 216 million for 3rd Quarter in 2023 (Q3/2023), rose by Baht 20 million or 10.20% compared to the same period last year. While the gross profit margin was at 79.17%



- **Other Income**

	3-Month	3-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Finance income	17	31	(14)	(45.16)
Gains on sales of investment properties	-	280	(280)	(100)
Gains on exchange	-	44	(44)	(100)
Other income	25	39	(14)	(35.90)

The Company reported finance income at Baht 17 million in 3rd Quarter of 2023 (3Q/2023). The gain on sales of investment properties decreased 100% because the 3rd Quarter of 2023 (3Q/2023) company didn't realize any sale from ready built factories while in 3rd Quarter of 2022 (3Q/2022) the company realized gain from 6 ready build factories sold. However, there was no gains on exchange in 3rd Quarter of 2023 (3Q/2023). Other income decreased Baht 14 million from the same period last year to Baht 25 million in 3rd Quarter of 2023 (3Q/2023).

- **Expense**

	3-Month	3-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Selling and distribution expenses	40	41	(1)	(2.44)
Administrative expenses	259	185	74	40
Loss on exchange	113	-	113	100
Finance cost	212	121	91	75.21
Income tax expenses	141	81	60	74.07

Selling and distribution expenses for 3rd Quarter of 2023 (3Q/2023) was recorded at Baht 40 million, decreased by Baht 1 million or 2.44% compared to 3rd Quarter of 2022 (3Q/2022). Administrative expenses of 3rd Quarter of 2023 (3Q/2023) was Baht 259 million increased Baht 74 million or 40% compared to the 3rd Quarter of 2022 (3Q/2022) mainly from higher expenses on employees. There was loss on exchange Baht 113 million for 3rd Quarter of 2023 (3Q/2023), Finance cost in 3rd Quarter of 2023 (3Q/2023) was at Baht 212 million increased Baht 91 million or 75.21% compared to the 3rd Quarter of 2022 (3Q/2022) and income tax expenses was Baht 141 million increased by Baht 60 million or 74.07% compared to the same period last year.

- **Share of Profit from Investments in Associates and Joint Venture**

The Company reported share of profit from investments in associates and joint venture in 3rd Quarter of 2023 (3Q/2023) was Baht 322 million, increase by Baht 404 million or 492.68% from the 3rd Quarter of 2022 (3Q/2022) mainly contributed from power plants group.

- **Net Profit**

The net profit of 3rd Quarter of 2023 (3Q/2023) achieved Baht 567 million, increased by Baht 3 million or 0.53% from 3rd Quarter of 2022 (3Q/2022) mainly because the company has recognized increased revenue from real estate sales.

Operating Performance Summary first nine months of 2023, ended 30 September 2023

First nine months of 2023 versus the first nine months of 2022

- Total revenues reported at Baht 6,480 million, increased by 11.65% year on year
- Share of profit from investments in associates and JV at Baht 717 million, up 602.94%
- Net profit posted at Baht 1,202 million, decreased 22.75%

	9-Month	9-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Total revenues	6,480	5,804	676	11.65
Total expenses	4,770	2,991	1,779	59.48
Share profit from investments in associates and joint venture	717	102	615	602.94
Profit for the period	1,202	1,556	(354)	(22.75)
Basic earnings per share (THB/share)	1.04	1.35		

- **Operating Performance Analysis of Core Businesses**

	9-Month	9-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Revenue from real estate sales	3,166	1,579	1,587	100.51
Gross profit margin	49.94%	57.31%		
Revenue from utility services	2,617	2,006	611	30.46
Gross profit margin	21.44%	26.17%		
Revenue from rental	610	630	(20)	(3.17)
Gross profit margin	76.72%	78.89%		

Industrial Estate Development Business

For the first nine months of 2023 (9M/2023), AMATA reported revenue from real estate sales at Baht 3,166 million, rose Baht 1,587 million or 100.51% from the same period last year (9M/2022). This year the land was already transferred 485 Rais (Thailand 307 Rais and Vietnam 178 Rais) versus in 2022 (9M/2022) transferred 385 Rais (Thailand 340 Rais and Vietnam 45 Rais). The gross profit margin of this year was 49.94%, while in 2022 (9M/2022) was only 57.31% mainly because there was higher cost of land in Thailand and higher cost of construction in Vietnam.

Utility Services Business

AMATA achieved utility services revenue of Baht 2,617 million for the first nine months of 2023 (9M/2023), increased Baht 611 million or 30.46% year on year from the revenue realized from new utility services in Vietnam. However, gross profit margin declined from 26.17% (9M/2022) to 21.44% on the first nine months of 2023 (9M/2023) because cost and price of the utility services were regulated by the Vietnam government so the company could not be able to control on the gross profit generation.

Rental Business

Amata reported rental income of Baht 610 million for the first nine months of 2023 (9M/2023), down by Baht 20 million or 3.17% compared to the same period of the previous year of 2022 (9M/2022) and gross profit margin of the first nine months of 2023 (9M/2023) was at 76.72%.

- **Other Income**

	9-Month	9-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Finance income	61	69	(8)	(11.59)
Gains on sales of investment properties	-	1,363	(1,363)	(100)
Gains on exchange	-	121	(121)	(100)
Other income	87	107	(20)	(18.69)

The Company reported finance income at Baht 61 million on the first nine months of 2023 (9M/2023), decreased by Baht 8 million or 11.59% compared to the same period last year (9M/2022). Gain on sales of investment properties decreased Baht 1,363 million when compared to 2022 (9M/2022) because this year (9M/2023) there was none realized from gain on sales of investment properties. There was no gains on exchange amount realized in 2023 (9M/2023) and other income was Baht 87 for the first nine months of 2023 (9M/2023) decreased Baht 20 million or 18.69% from the same period last year (9M/2022).

- **Expense**

	9-Month	9-Month	Increase/(Decrease)	
	2023	2022	Million Baht	%
Selling and distribution expenses	146	115	31	26.96
Administrative expenses	747	589	158	26.83
Loss on exchange	94	-	94	100
Finance cost	513	351	162	46.15
Income tax expenses	354	325	29	8.92

Selling and distribution expenses for the first nine months of 2023 (9M/2023) was recorded at Baht 146 million, increased by Baht 31 million or 26.96% compared to the same period of 2022 (9M/2022). Administrative expenses for the first nine months of 2023 (9M/2023) were Baht 747 million increased Baht 158 million or 26.83% compared to the first nine months of 2022 (9M/2022) mainly from higher expenses on employees both of Thailand and Vietnam. Also, loss on exchange Baht 94 million in 2023 (9M/2023) Finance cost in the first nine months of 2023 (9M/2023) was at Baht 513 million increased Baht 162 million or 46.15% compared to the first nine months of 2022 (9M/2022) due to higher rate of interest. Income tax expenses for the first nine months of 2023 (9M/2023) was Baht 354 million increased by Baht 29 million or 8.92%.

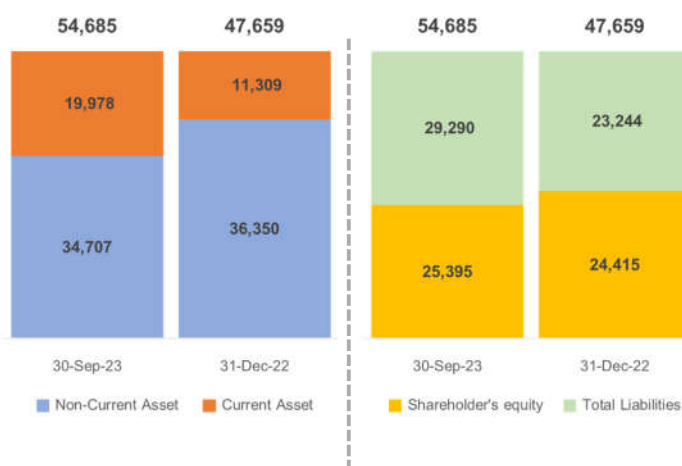
- **Share of Profit from Investments in Associates and Joint Venture**

The Company reported share of profit from investments in associates and joint venture in the first nine months of 2023 (9M/2023) of Baht 717 million, increase by Baht 615 million or 602.94% from the same period of last year (9M/2022) mainly because performance of the power plants group was better than the previous year.

- **Net Profit**

The net profit for the first nine month of 2023 (9M/2023) achieved Baht 1,620 million, decreased by Baht 689 million or 29.84% from the same period of 2022 (9M/2022) mainly because this year there was no realized on the gain on sale of investment properties.

Financial Position



- **Assets**

As of 30 September 2023, the Company had total assets of Baht 54,685 million increased Baht 7,026 million or 14.74 percent from 31 December 2022, from current asset in terms of cash and cash equivalents and real estate development cost since the company has developed and prepared more land for sale.

- **Liabilities**

As of 30 September 2023, the Company had total liabilities of Baht 29,290 million increased Baht 6,046 million or 26.01 percent from 31 December 2022, from higher deposits and advances received from customers and long-term loans, net of current portion.

- **Shareholder's Equity**

As of 30 September 2023, the Company's shareholders' equity was Baht 25,395 million, increased Baht 980 million or 4.01 percent from 31 December 2022, from higher retained earnings.

Financial Ratio

Ratio	9-Month 2023	9-Month 2022
Current Ratio (time)	1.74	1.27
Return on Asset (%)	6.32	9.60
Return on Equity (%)	10.12	12.70
Debt to Equity (Time)	1.46	1.25
Gross Profit Margin (Core Business) (%)	40.83	45.72

For your information.

Yours sincerely,

AMATA CORPORATION PUBLIC COMPANY LIMITED



(Mr. Chackchai Panichapat)

DIRECTOR