

Ref. AC 24/043

November 14, 2024

Re: Management Discussion and Analysis of the Operating Performance for the 3<sup>rd</sup> Quarter of 2024

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 3<sup>rd</sup> Quarter of 2024 as follows:

**Economic and Industry Situation**

The Organization for Economic Co-operation and Development (OECD) released its latest economic outlook forecast stating that global gross domestic product (GDP) will expand by 3.2% in both 2024 and 2025, while inflation is likely to continue to ease. The OECD forecasts that US GDP is expected to slow to 2.6% in 2024 and continue to slow to 1.6% in 2025, but with monetary easing in place. Meanwhile, the OECD also added that for the eurozone, GDP is likely to expand by 0.7% in 2024 and accelerate to 1.3% in 2025, supported by a recovery in real incomes and the availability of credit. Additionally, the OECD said that in addition to stable GDP growth and easing inflation, real incomes will improve, while less stringent monetary policies in many countries will also help boost demand.

In Q3-2024, the Thai economy expanded from the previous quarter. However, in September, economic activities slowed down as exports of goods declined after strong growth in the previous month. Private consumption also declined, particularly in durable goods, consistently with a decrease in manufacturing production, while private investment was stable. Nonetheless, foreign tourism receipts improved. Government spending also expanded, driven by both current and investment expenditures by the central government, while investment expenditures by state-owned enterprises contracted, primarily in rail transport projects.

For Thailand investment, the Board of Investment of Thailand (BOI) revealed that applications for investment promotion in the first nine months of 2024 continuously growing in both of projects and investment, with a total of 2,195 projects and an investment of over 720 billion baht, increased 42%. Large projects in target sectors such as semiconductors and advanced electronics, digital, electric vehicles, and renewable energy, led rankings due to a significant afflux of foreign direct investments (FDI) Singapore is ranks first, followed by China and Hong Kong. The results of the proactive investment attraction amid the global production base relocation trend drove investment figures in 2024 to a 10-year high. The investment applications clearly demonstrate the rising confidence of investors in key tech industries that Thailand is the strategically located, safe and resilient place that's best for their business. Thailand's robust digital infrastructure, clean energy resources, and strong government support are providing the right environment for data center and advanced technology investment, including wafer manufacturing.

## **Business Overview**

Amata Corporation PCL., (The Company) was 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 of 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 2024, Amata has developed industrial estates in four countries which are Thailand, Vietnam, Myanmar, and Laos.

## **Sustainable Business Development**

### **Sustainable Development Policy**

The Company is determined to develop both business and Thai economy with balancing the coexistence of the industrial sector and surrounding communities strictly on the fundamentals of social and environmental responsibility. Therefore, the company announced a "Sustainable Development Policy" which will serve a foundation for stable and sustainable growth as follows:

- Enhance business value with innovation and quality.  
Focus on improving and developing operational processes and services, as well as promoting the creation of innovations and new businesses that benefit both the Company and its stakeholders.
- Accountability to all stakeholders.  
Conduct business and maintain a dedicated approach to risk management in alignment with international standards aiming to create sustainable benefits for all stakeholders.
- Good Corporate Governance.  
Conduct business with integrity and fairness as well as with legal compliance and good business ethics. Also promote anti-corruption measures and compliance with human rights principles.
- Social and Environmental Responsibility.  
Promote the most efficient use of natural resources and encourage innovation and new business development aimed at reducing operations' impact on society and the environment. Additionally, foster employee awareness of social and environmental responsibility.

### **Sustainability Development Goals**

The company's sustainability development key strategy and goal are as follow:

- Creating smart cities that foster economic development and are environmentally friendly.  
The company has set the target to becoming a Carbon-neutral city by 2040 and reduce the intensity of greenhouse gas emissions by 30% by 2030 compared to the 2019 base year.





- Grow through strategic business partnerships.  
 Develop products and services that promote long-term economic growth for the company and create positive impacts as well as possess innovations capable of mitigating social and environmental impacts.
- Creating a safe and environmentally friendly society such as Zero environmental and social non-compliance by our employees, suppliers, and contractors, zero waste to the landfills, zero wastewater discharge from AMATA Industrial Estates, increase natural surface water independence and 100% of key suppliers and new suppliers are assessed for ESG risks.
- Creating opportunities for stakeholders by Not violating human rights due to any of the Company's activities throughout the value chain.
- Creating a decent civil society for the benefit of society as a whole such as  
 Zero tolerance for corruption, 100% of complaints are resolved within the specified period, and promote cooperative activities and projects among the company and factories in the industrial estates for the benefit of the local community and society.

### **Significant Events**

#### **Providing financial support to the subsidiary**

On October 11, 2024, the Company concluded to amend the long-term loan agreement of THB 450,000,000 (four hundred and fifty million baht) and THB 110,000,000 (one hundred and ten million baht) with Amata VN Public Company Limited, a subsidiary in which the Company holds a 72.84%, to extend the repayment period of the long-term loan under the loan agreement dated October 6, 2020 and February 3, 2023, to October 11, 2026 and February 3, 2027, respectively, and to determine the interest rate based on the Company's borrowing cost plus 1% per annum, which is equal to 4.92% per annum.

#### **Operating Performance Summary for the three-months period ended 30 September 2024**

Operation result for 3 months period for 3rd Quarter of 2024 versus 3rd Quarter of 2023

- Total revenues reported at Baht 3,598 million, increased by 25.63%.
- Share of profit from investments in associates and JV at Baht 403 million, increased by 24.95%.
- Net profit to equity holders of the Company posted at Baht 765 million, increased by 93.02%.

	3-Months	3-Months	Increase/(Decrease)	
	2024	2023	Million Baht	%
Total revenues	3,598	2,864	734	25.63
Total expenses	2,880	2,283	597	26.18
Share profit from investments in associates & joint venture	403	322	81	24.95
Profit for the period	822	567	255	44.91
Net profit to equity holders of the Company	765	396	369	93.02
Basic earnings per share (THB/share)	0.67	0.34	0.32	

- Operating Performance Analysis of Core Businesses

	3-Months	3-Months	Increase/(Decrease)	
	2024	2023	Million Baht	2024
Revenue from real estate sales	2,216	1,614	602	37.32
Gross profit margin	38.29%	37.25%		
Revenue from utility services	1,121	1,010	111	11.00
Gross profit margin	17.64%	19.47%		
Revenue from rental	239	216	23	10.75
Revenue from real estate sales	78.24%	79.36%		

#### Industrial Estate Development Business

For the 3<sup>rd</sup> Quarter of 2024 (3Q/2024), AMATA reported revenue from real estate sales at Baht 2,216 million, increased Baht 602 million or 37.32% from same period last year. The Company transferred and recognized 452 Rais of land (Thailand 362 Rais and Vietnam 90 Rais) for the 3<sup>rd</sup> Quarter of 2024 (Q3/2024) which higher than the 3<sup>rd</sup> Quarter of 2023 (Q3/2023) that transferred and recognized 272 Rais (Thailand 106 Rais and Vietnam 166 Rais). The gross profit margin was at 38.29%, slightly increase from 37.25%.

#### Utility Services Business

AMATA achieved utility services revenue of Baht 1,121 million in the 3<sup>rd</sup> Quarter of 2024 (Q3/2024), increased Baht 111 million or 11.00% from the same period last year mainly from higher consumption especially from the industrial estates in Vietnam. However, gross profit margin declined from 19.47% to 17.64% 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 239 million for 3<sup>rd</sup> Quarter in 2024 (Q3/2024), rose by Baht 23 million or 10.75% compared to the same period last year which the gross profit margin was at 79.36%.

### • Other Income

	3-Months	3-Months	Increase/(Decrease)	
	2024	2023	Million Baht	%
Finance income	17	16	1	4.53
Other income	23	25	(2)	(9.51)

The Company reported finance income at Baht 17 million in 3rd Quarter of 2024 (3Q/2024). Other income decreased Baht 2 million from the same period last year to Baht 23 million in 3rd Quarter of 2024 (3Q/2024).

### • Expense

	3-Months	3-Months	Increase/(Decrease)	
	2024	2023	Million Baht	%
Selling and distribution expenses	101	40	61	151.50
Administrative expenses	310	259	51	19.71
Loss on exchange	126	113	13	11.67
Finance cost	162	212	(50)	(23.63)
Income tax expenses	154	141	13	9.07

Selling and distribution expenses for 3<sup>rd</sup> Quarter of 2024 (3Q/2024) was recorded at Baht 101 million, increased by Baht 61 million or 151.50% compared to 3<sup>rd</sup> Quarter of 2023 (3Q/2023) as an increase in land transfers. Administrative expenses of 3<sup>rd</sup> Quarter of 2024 (3Q/2024) was Baht 310 million increased Baht 51 million or 19.71% compared to the 3<sup>rd</sup> Quarter of 2023 (3Q/2023) mainly from higher personnel expenses from Thailand, Vietnam and Laos. There was loss on exchange Baht 126 million for 3<sup>rd</sup> Quarter of 2024 (3Q/2024), Finance cost in 3<sup>rd</sup> Quarter of 2024 (3Q/2024) was at Baht 162 million decreased Baht 50 million or 23.63% compared to the 3<sup>rd</sup> Quarter of 2023 (3Q/2023) and income tax expenses Baht 154 million increased by Baht 13 million or 9.07% 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 3<sup>rd</sup> Quarter of 2024 (3Q/2024) was Baht 403 million, increase by Baht 81 million or 24.95% from the 3<sup>rd</sup> Quarter of 2023 (3Q/2023) mainly contributed from power plants and natural gas distribution group.



- **Net Profit**

The net profit of 3<sup>rd</sup> Quarter of 2024 (3Q/2024) achieved Baht 822 million, increased by Baht 255 million or 44.91% from 3<sup>rd</sup> Quarter of 2023 (3Q/2023) mainly because the company has recognized increased revenue from real estate sales.

**Operating Performance Summary first nine months of 2024, ended 30 September 2024**

First nine months of 2024 versus the first nine months of 2023

- Total revenues reported at Baht 9,011 million, increased by 39.06% year on year.
- Share of profit from investments in associates and JV at Baht 817 million, up 14.04%.
- Net profit to equity holders of the Company posted at Baht 1,460 million, increased by 21.49%.

	9-Months	9-Months	Increase/(Decrease)	
	2024	2023	Million Baht	%
Total revenues	9,011	6,480	2,531	39.06
Total expenses	7,066	4,770	2,296	48.14
Share profit from investments in associates & joint venture	817	717	100	14.04
Profit for the period	1,860	1,620	240	14.79
Net profit to equity holders of the Company	1,460	1,202	258	21.49
Basic earnings per share (THB/share)	1.27	1.04	0.23	

- **Operating Performance Analysis of Core Businesses**

	9-Months	9-Months	Increase/(Decrease)	
	2024	2023	Million Baht	%
Revenue from real estate sales	4,254	3,166	1,088	34.37
Gross profit margin	43.29%	49.95%		
Revenue from utility services	3,967	2,617	1,350	51.57
Gross profit margin	16.80%	21.44%		
Revenue from rental	702	610	92	15.21
Gross profit margin	77.49%	76.69%		

### Industrial Estate Development Business

For the first nine months of 2024 (9M/2024), AMATA reported revenue from real estate sales at Baht 4,254 million, rose Baht 1,088 million or 34.37% from the same period last year (9M/2023). This year the land was already transferred 765 Rais (Thailand 618 Rais and Vietnam 147 Rais) versus in 2023 (9M/2023) transferred 485 Rais (Thailand 307 Rais and Vietnam 178 Rais). The gross profit margin of this year was 43.29%, while in 2023 (9M/2023) was 49.95% mainly because there was higher cost of land development in Thailand and higher cost of construction in Vietnam.

### Utility Services Business

AMATA achieved utility services revenue of Baht 3,967 million for the first nine months of 2024 (9M/2024), increased Baht 1,350 million or 51.57% year on year from the revenue realized from utility services in Vietnam. However, gross profit margin declined from 21.44% (9M/2023) to 16.80% on the first nine months of 2024 (9M/2024) 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 702 million for the first nine months of 2024 (9M/2024), increased by Baht 92 million or 15.21% compared to the same period of the previous year of 2023 (9M/2023) and gross profit margin of the first nine months of 2024 (9M/2024) was at 77.49%.

#### • Other Income

	9-Months 2024	9-Months 2023	Increase/(Decrease)	
			Million Baht	%
Finance income	62	61	1	2.00
Other income	87	87	-	-

The Company reported finance income at Baht 62 million for the first nine months of 2024 (9M/2024), increased by Baht 1 million or 2.00% compared to the same period last year (9M/2023). The other income was Baht 87 million for the first nine months of 2024 (9M/2024).

#### • Expense

	9-Months 2024	9-Months 2023	Increase/(Decrease)	
			Million Baht	%
Selling and distribution expenses	225	146	79	54.24
Administrative expenses	882	747	135	18.10
Loss on exchange	87	94	(7)	(7.30)
Finance cost	505	513	(8)	(1.56)
Income tax expenses	459	354	105	29.74

Selling and distribution expenses for the first nine months of 2024 (9M/2024) was recorded at Baht 225 million, increased by Baht 79 million or 54.24% compared to the same period of 2023 (9M/2023). Administrative expenses for the first nine months of 2024 (9M/2024) were Baht 882 million increased Baht 135 million or 18.10% compared to the first nine months of 2023 (9M/2023) mainly from higher personnel expenses both of Thailand, Vietnam and Laos. Also, loss on exchange Baht 87 million in 2024 (9M/2024) Finance cost in the first nine months of 2024 (9M/2024) was at Baht 505 million decreased Baht 7 million or 7.30% compared to the first nine months of 2023 (9M/2023) due to partial loan repayment. Income tax expenses for the first nine months of 2024 (9M/2024) were Baht 459 million increased by Baht 105 million or 29.74%.

- **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 2024 (9M/2024) of Baht 817 million, increase by Baht 100 million or 14.04% from the same period of last year (9M/2023) mainly contributed from power plants and natural gas distribution group.

- **Net Profit**

The net profit for the nine months of 2024 (9M/2024) achieved Baht 1,860 million, increased by Baht 240 million or 14.79% from the same period of 2023 (9M/2023) mainly due to the increase in real estate sales.

#### Financial Position

Unit (THB million)	30 Sep 2024	31 Dec 2023	Change	%
Current assets	22,655	20,235	2,420	11.96
Non-current assets	41,234	37,353	3,881	10.39
<b>Total assets</b>	<b>63,889</b>	<b>57,588</b>	<b>6,301</b>	<b>10.94</b>
Current liabilities	18,643	15,323	3,320	21.66
Non-current liabilities	18,708	16,538	2,170	13.12
<b>Total liabilities</b>	<b>37,351</b>	<b>31,861</b>	<b>5,490</b>	<b>17.23</b>
Total shareholders' equity	26,538	25,727	811	3.15
<b>Total liabilities and shareholders' equity</b>	<b>63,889</b>	<b>57,588</b>	<b>6,301</b>	<b>10.94</b>

- **Assets**

As of 30 September 2024, the Company had total assets of Baht 63,889 million increased Baht 6,301 million or 10.94% from 31 December 2023, from cash and cash equivalents, land awaiting for future development, and prepayment for land-use rights.



- **Liabilities**

As of 30 September 2024, the Company had total liabilities of Baht 37,351 million increased Baht 5,490 million or 17.23% from 31 December 2023, from higher deposits and advances received from customers and loans from financial institutions in order to purchase and development land.

- **Shareholder's Equity**

As of 30 September 2024, the Company's shareholders' equity was Baht 26,538 million, increased Baht 811 million or 3.15% from 31 December 2023, from higher retained earnings.

**Financial Ratio**

Ratio	9-Months 2024	9-Months 2023
Gross Profit Margin (Core Business) (%)	34.20	40.83
Current Ratio (Times)	1.22	1.74
Return on Asset (%)	6.68	7.00
Return on Equity (%)	10.40	10.12
Average Inventory Turnover Period (Days)	1,438	2,059
Average Collection Period (Days)	31	32
Average Payment Period (Days)	233	546
Debt to Equity (Times)	1.41	1.15
Interest Coverage Ratio (Times)	6.23	5.50
Debt Service Coverage Ratio (Times)	0.61	1.01
Effective Tax Rate (%)	20%	18%

For your information.

Yours sincerely,

AMATA CORPORATION PUBLIC COMPANY LIMITED

(Ms. Dendao Komolmas)

DIRECTOR