

Ref. AC 21/03

19 February 2021

Subject: Management Discussion and Analysis of the Operating Performance for the year ended 31 December 2020 as follow:

To: The President of Stock Exchange of Thailand

Amata VN Public Company Limited ("AMATAVN") would like to report the operating performance result of the company for the year ended 31 December 2020 as follow:

### Revenue and gross margin

Total revenue for the year ended 31 December 2020 was THB 507.50 million compared with THB 665.99 million for the same period of 2019, representing an overall decrease of THB 158.49 million or a decrease of 23.95%, revenue breakdown are as follows:

Unit: THB, million	2019	2020	Change	% Change
Revenue from real estate sales	61.71	-	(61.71)	(100.00)
Revenue from rental	246.92	247.46	0.54	0.22
Revenue from utility services	222.63	219.29	(3.34)	(1.52)
Gains on sales of investment properties	120.11	29.28	(90.83)	(310.21)
Dividend income	4.65	4.68	(0.03)	0.64
Other income	9.97	6.79	(3.18)	(46.83)
<b>Total revenue</b>	<b>665.99</b>	<b>507.5</b>	<b>(158.49)</b>	<b>(457.70)</b>

Revenue decreased was mainly due to no revenue from real estate sales and gains on sales of investment properties also decreased by THB 90.83 million or 310.21% because of COVID pandemic resulted delay of revenue recognition of the Company's projects. If considering the gross profit by segment, the details are as follows:

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Unit: THB, million	2019	2020	Change	% Change
Revenue from real estate sales	61.71	-	(61.71)	(100.00)
Cost of real estate sales	13.46	-	(13.46)	(100.00)
Gross profits	48.25	-	(48.25)	(100.00)
Gross margin	78.19	-		
Revenue from rental	246.92	247.46	0.54	0.22
Cost of rental	77.41	74.50	(2.91)	(3.91)
Gross profits	169.51	172.96	3.45	1.99
Gross margin	68.65	69.90		
Revenue from utility services	222.63	219.29	(3.34)	(1.52)
Cost of services	157.77	149.65	(8.12)	(5.43)
Gross profits	64.86	69.64	4.78	6.86
Gross margin	29.13	31.76		

#### Selling and administrative expenses and other expenses

Selling and administrative expenses and other expenses for the year ended 31 December 2020, amounting to THB 165.98 million, decreased from the same period of the previous year by THB 130.81 million or 78.81%. The main reason was from Loss on exchange decreased by THB 125.91 million or 796.90% in 2020 and also administration expense decrease by THB 34.34 million or 30.77% because the Company improved on expense management, resulting in the overall expense of the Company decreased from the same period of 2019.

In the fourth quarter of 2020, the Company's subsidiary recorded additional charges to the Vietnamese government agency in the amount of THB 30.03 million for late payment during the period in which the subsidiary was waiting for the pending decision of the central government agency regarding the clarification and the waiver of additional penalties. This additional delay penalty was related to the fact that in 2017 the subsidiary received a letter from local Vietnamese government agency for collecting penalty with respect to late payment of land rental.

Unit: THB, million	2019	2020	Change	% Change
Selling expenses	9.12	8.53	(0.59)	(6.92)
Administrative expenses	145.96	111.62	(34.34)	(30.77)
Loss on exchange	141.71	15.80	(125.91)	(796.90)
Additional charges to Vietnamese government agency	-	30.03	30.03	100.00
<b>Total</b>	<b>296.79</b>	<b>165.98</b>	<b>(130.81)</b>	<b>(78.81)</b>

**Net Profit**

The Company had a net loss according to the consolidated financial statements for the year ended 31 December 2020, amounting to THB 20.56 million, compared to the same period of 2019 which the Company had a net profit of THB 21.24 million mainly due to the decreased in revenue, late payment penalty to Vietnam government amount of THB 30.03 million, and financial cost increase from loan for investments in new projects. If considering net profit from normal operations (excluding late payment penalty to Vietnam government), the Company would have the net profit of THB 9.67 million.

For your information,  
**AMATA VN PUBLIC COMPANY LIMITED**



(Mr. Nattorn Kijssamrej)  
Vice President – Finance & Accounting