

Ref. AC 021/003

February 25, 2021

President

The Stock Exchange of Thailand

93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400

Dear Sir,

Re: Management Discussion and Analysis of the Operating Performance for the year 2020

Amata Corporation Public Company Limited ("AMATA" or "The Company") would like to report the operating performance results of the company for the year 2020 as follows:

1. Operating Performance Summary year-ended 31 December 2020

2020's year-end performance versus 2019's year-end performance

- Total revenues reported at Baht 4,347.4 million, decreased by 29.6% year on year
- Share of profit from investments in associates and joint venture at Baht 548.4 million, decreased by 23.3%
- Profit to equity holders of the Company posted at Baht 1,103.4 million, down 36.7%

	Year 2020	Year 2019	Increase/(Decrease)	
			Million Baht	%
Total revenues	4,347.4	6,175.7	(1,828.3)	(29.6)
Total expenses	2,926.4	4,115.5	(1,189.1)	(28.9)
Share profit from investments in associates and joint venture	548.4	714.8	(166.4)	(23.3)
Profit to equity holders of the Company	1,103.4	1,742.0	(638.6)	(36.7)
Basic earnings per share (THB/share)	1.02	1.63		

• **Operating Performance Analysis of Core Businesses**

	Year 2020	Year 2019	Increase/(Decrease)	
			Million Baht	%
Revenue from real estate sales	1,540.6	3,209.8	(1,669.2)	(52.0)
Gross profit margin	61%	56%		
Revenue from utility services	1,841.3	1,941.4	(100.1)	(5.2)
Gross profit margin	33%	33%		
Revenue from rental	820.4	763.1	57.3	7.5
Gross profit margin	72%	73%		

1.1 Industrial Estate Development Business

For the whole year of 2020, AMATA reported a revenue from real estate sales at Baht 1,540.6 million, decreased by Baht 1,669.2 million or 52.0% from 2019. The company had revenue recognition for the land transferred of 333-rai (Thailand 333 rai) in 2020, decreased from overall of 2019 which transferred amounting of 867-rai (Thailand 854 rai, Vietnam 13 rai). This is mainly due to that our customers were unable to travel internationally to proceed with the transfer of title deeds during the COVID-19 pandemic situation. Furthermore, gross profit margin in 2020 was 61%, increased from 2019 by 5%. This is because The Company has recognized revenue from land sales mostly in Amata City Rayong Industrial Estate, which has higher average selling price per rai referring to signed contract, resulting in higher gross profit margin.

1.2 Utility Services Business

AMATA achieved utility services revenue of Baht 1,841.3 million for 2020, decreased by Baht 100.1 million or 5.2% year on year. Such revenue comprises of the following items;

- Revenue from water products supplied to AMATA's industrial users
- Revenue from operation and maintenance services

Gross profit margin of Utility service maintains at the same level at 33% in 2020 and 2019.

1.3 Rental Business

Amata had a rental income of Baht 820.4 million in 2020, up by Baht 57.3 million or 7.5%, compared to the previous year but gross profit margin slightly decreased by 1%, from 73% in 2019 to 72% in 2020.

● Other Income

	Year	Year	Increase/(Decrease)	
	2020	2019	Million Baht	%
Finance income	32.2	57.0	(24.8)	(43.5)
Gains on sales of investment properties	29.3	120.1	(90.8)	(75.6)
Other income	115.9	141.4	(25.5)	(18.0)

The Company reported finance income at Baht 32.2 million in 2020, decreased by Baht 24.8 million or 43.5%, compared to the same period last year. Gains on sales of investment properties decreased by Baht 90.8 million or 75.6% from Baht 120.1 million in 2019 to Baht 29.3 million in 2020. The other income in 2020 decreased by Baht 25.5 million from Baht 141.4 million in 2019 to Baht 115.9 million in 2020 or down by 18.0%.

- **Expense**

	Year	Year	Increase/(Decrease)	
	2020	2019	Million Baht	%
Selling and distribution expenses	132.3	258.4	(126.1)	(48.8)
Administrative expenses	713.0	794.8	(81.8)	(10.3)
Losses on exchange	15.0	144.9	(129.9)	(89.6)
Finance cost	435.9	329.9	106.0	32.1
Income tax expenses	163.9	314.2	(150.3)	(47.8)

For the Selling and distribution expenses in 2020 was Baht 132.3 million, which is baht 126.1 million or 48.8% lower than previous year. It is mainly due to the decreased in the land transfer expenses to customers. Administrative expenses down by Baht 81.8 million or 10.3% from Baht 794.8 million in 2019 to Baht 713.0 million in 2020. This was because the Company has focused on cost reduction program to cope with the COVID-19 pandemic situation. The mainly decreased was other admins expenses, including domestic and overseas traveling expense. Additionally, finance cost up by Baht 106.0 million or 32.1% compared to previous year.

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

The Company had a share profit from investments in associates and joint venture in 2020 of Baht 548.4 million, decreased by Baht 166.4 million or 23.3% from last year. The decrease in share of profit from investments in associates and joint venture mostly came from natural gas business and power plant business group.

- **Net Profit**

The Company reported net profit for 2020 reported at Baht 1,401.9 million, decreased by Baht 786.1 million or 35.9% from 2019. The decreased in the net profit was mainly decreased by revenue from real estate, revenue from utility services, Share of Profit from Investments in Associates and Joint Venture, and other income.

● **Credit term and collection period**

Key Financial Ratio	Year	Year	Increase/(Decrease)	
	2020	2019	Days	%
Average Collection Period (Days)	42	32	10	30.6

The normal credit term granted by the Company ranges from 15 – 45 days depend on type of business and type of customers. Besides the average collection period (days) for 2020 was 42 days, slight increased from 32 days in 2019. Regarding to overall economy of the country has slow-down in both of sales and manufacturing sectors as impact from COVID-19 pandemic situation but the Company still maintain the normal collection process had been used. For Outstanding trade receivables are regularly monitored. Therefore, do not expect to incur material financial losses. In addition, the Company manage the risk by adopting appropriate credit control policies and procedures.

For your information.

Yours sincerely,

AMATA CORPORATION PUBLIC COMPANY LIMITED



(Mr. Viboon Kromadit)

DIRECTOR

**AMATA CORPORATION
 PUBLIC COMPANY LIMITED**
 บริษัท อมตะ คอร์ปอเรชั่น จำกัด (มหาชน)