

Executive Summary

In 3Q21, Thailand economy was impacted by the 4th wave of coronavirus disease (COVID-19) which demonstrated a high number of daily infected cases resulting in economic indicator shrinkage. Hence, Thailand economic in 3Q21 declined from the same period of previous year mainly due to a lower household and private consumption as pandemic concerns, private and government investment decelerated while tourism which is the driving force of Thailand economy, was still impacted although allow non-infected tourists who pass and meet COVID-19 standard entering to Phuket since July 2021. However, The COVID situation improved in several countries allows an export sector to recover in line with the recovery of trading countries. Thailand public sector, together with private sector, commenced the vaccine roll-out plan to help businesses resume activities as well as stimulus measures to support certain COVID-19 impacted group. By having considered COVID outbreak situation, the Bank of Thailand lowered the Thai economy growth outlook in 2021, from an increase of 1.8% to an increase of 0.7% and maintain the policy rate at 0.5% to stimulate the economic momentum and stabilized financial system.

The performance of Central Pattana Public Company Limited ("The Company" or "Central Pattana") in 3Q21 shows total revenue of THB 5,103 mn, a decrease of 32.9% YoY and net profit stood at THB 229 mn, a decrease of 90.8% YoY (for the first nine months of 2021, the Company reported total revenue of THB 20,995 mn, a decrease of 11.6% YoY, and net profit of THB 5,332 mn, an increase of 29.3 % YoY. Excluding the non-recurring items and impact of financial reporting standards, total revenue stood at THB 4,808 mn and net loss stood at THB 199 mn (for the first nine months of 2021, total revenue stood at THB 17,389 mn and net profit stood at THB 1,687 mn) mainly due to impact from lockdown measures resulting in temporary close shopping malls in high risky area approximately two months compare to the same period of previous year which all shopping malls opened as usual and rapidly recovered from the 1st wave of COVID-19 outbreak. However, the Company implemented an effective cost saving initiatives as planned to minimize impact on business performance and protect interests of all stakeholders.

As a result, The Company was impacted by the 3rd and 4th wave of COVID-19 outbreak which representing a higher number of infected cases hence, the government announced the measurement to control an outbreak in specific areas. The Company strictly comply with government provisions by temporary close shopping malls located in BMA and highly control provinces even though still provide an essential service to facilitate customers. The Company has strictly concerned to all stakeholders and initiated the policy of efficiency management in terms of maximizing cost saving and resource allocation together with manage a cashflow adequacy to operate business during uncertainty circumstance. The Company currently manages 34 shopping malls with the net leasable area (NLA) of approximately 1.8 mn sqm. In 3Q21, the average occupancy rate for all domestic retail properties stood at 91%.

Major Events in 3Q21

Mitigation plan for businesses during COVID-19 pandemic situation

- **Strictly comply with government restriction to control COVID-19 outbreak in high risky area and keep providing vaccination centers within shopping malls nationwide**

During July 2021 the government announced lockdown measurement to control and reduce an outbreak in specific areas, The Company strictly comply with government provisions by temporary close shopping malls located in BMA and highly control provinces starting from July 12 until August 31, 2021. For shopping malls where temporary close still provide some certain essential business such as Supermarket, drug stores and vaccination area while restaurants were not allowed dine-in. Delivery services and take away were impacted by stringent measures for certain period. The shopping malls in such areas had adjusted opening hour compatible with the restriction and refrain all marketing activities. The government announce easing lockdown on September 1, 2021, allowed shopping mall to resume its business with a limit operating hour as well as easing restriction for a specific business such as allowed 50% of total seats dine-in which appear a gradual recovery. In 3Q21 overall traffic was impacted directly particular on shopping malls in BMA however, upcountry shopping mall had a limit impact due to operate as usual and has a strong customer base. The Company closely monitors situation and promptly adjust management strategy to operate shopping malls to attract domestic customers. In addition, the Company continue put in to practice the "Central's Hygiene and Safety Plan" to enhance cleanliness and highest safety measures to ensure customers' confident after lockdown easing and minimize the risk to response a "New Normal" lifestyle. Tenant's sales performance recovery was in line with traffic level. Furthermore, the Company allocated common area or Convention Hall of 23 shopping malls nationwide, accumulating to over 40,000 sq.m. of area, to act as vaccination centers for the citizens which in turn helps accelerate the distribution of vaccines in all regions as quickly as possible and help resuming business activities.
- **Continue to provide support for impacted tenants and business partners including announcement of new business model to emphasize business ecosystem**

The Company continued tenant's relief measures by considering provide rent waiver during lockdown period for tenants who directly impacted and unable to operate their usual business and rent discount after easing lockdown by considering a proper rate depending on how much of the impact. The relief measures are considered based on mall traffic recovery, impacted business type and sales performance. Moreover, the Company assists tenants to access omnichannel platform namely Chat & Shop, Drive-Thru and Delivery service during lockdown.

The Company recently announced new business model to incorporate with business partners comprising;

 - 1) Sustain a business or enable to scale up your business via Fully Integrated Mixed-use development and increase brand exposure to uplift and strengthen regular traffic
 - 2) Provide and facilitate hygiene and safety common area to customers (Excellent services and facilities) together with CRM Marketing (Retail academy, CPN Lead to support SME and initiate new disruptive sales channels such as Chat & Shop, Central Kitchen
 - 3) Attract shops to incorporate The 1 ecosystem or empower with Big Data via The 1 Biz platform to assist tenants to better understand The 1 customer's behavior which encourage a new marketing campaign for direct target customers and expand customer base at the same time.
- **Exercise rigid cost control measures to retain company's profitability and sufficient cashflow**

The Company remains variable cost reduction initiatives constituted utilities, outsource service as well as reduce unnecessary costs at organization levels to mitigate the impact on revenue and profitability as plan under the situation that has yet to fully recover to normal levels. Furthermore, in light of the COVID-19 situation, the Company has entirely prepared its cashflow sufficiency, maintain liquidity and proper capital structure amidst uncertainty circumstance.

Diversification into Mixed-use Development Projects

In 3Q21, the Company has developed totaling of 19 residential projects by emphasizing on development of condominium project in area close to existing shopping mall which well received a good response in terms of booking. This enhances company's leadership in Mixed-used development to sustain its revenue growth. In addition, the Company continuously develops high potential low-rise projects to response customer's New Normal lifestyle given more personal space, locate in good location, close to shopping mall with full facilities. There was a plenty demand of customers to come and visit residential projects including online virtual tour. The Company lately is on process of developing NIRATI Donmuang which opened for booking since 3Q21 and starting transfer in 4Q21 onwards. Currently, the Company prepare to launch 3 new residential projects by the end of the year.

All 18 residential projects in 3Q21 comprise of;

- 6 Condominium projects completely transferred namely 1) ESCENT RAYONG 2) ESCENT CHIANGMAI 3) ESCENT KHONKAEN 4) ESCENT NAKHONRATCHASIMA 5) ESCENT VILLE CHIANGRAI and 6) ESCENT VILLE CHIANGMAI
- 6 Low-rise projects under selling and transfer process namely 1) ESCENT TOWN PHITSANULOK, townhome projects 2) NINYA KALLAPAPRUEK, twin home projects 3) NIRATI CHIANGRAI 4) NIRATI BANGNA 5) NIRATI DONMUANG 6) NIYHAM BOROMRATCHACHONNANI, which are single house projects. Each project is accumulated ample interest in terms of visitor number from potential customers both site visit and online format.
- 4 Condominium projects completely built and under transfer process namely 1) ESCENT UBONRATCHATHANI 2) ESCENT PARK VILLE CHIANGMAI 3) PHYLL PHAHOL 34 and 4) Belle Grand Rama 9
- 3 Condominium projects under construction namely 1) ESCENT KORAT 2) ESCENT RAYONG II and 3) ESCENT HATYAI which well received attentions and booking continue to increase.

Retail-led Mixed use development project has recently launched on October 27, 2021 namely Central Si Racha which received a good response while Central Ayutthaya will be launched on November 30, 2021, respectively.

Siam Future Development share acquisition

- In July 2021, Central World Company Limited, a subsidiary which the Company own 100% stake both direct and indirect has announced to entered into an agreement to purchase of common shares in Siam Future Development Public Company Limited ("SF") from Major Cineplex Group Public Company Limited and a group of major shareholders at the purchase price of THB 12.00 per share, amounting to THB 13,341 mn in total. The transactions had completely done on August 30, 2021, which the Company has share ownership in SF at 56.26% of the total outstanding shares.
- After the completion of the transactions, the Company proceed a mandatory tender offer for the remaining shares in SF during September 10, 2021 to October 10, 2021 at the purchase price of THB 12.00 per share with an approximate amount of THB 11,191 mn. The Company received a tender share 39.98% of all issued and sold SF shares at tender period ended. The Company therefore own SF stake at 96.24% according to announcement to the Stock Exchange of Thailand on October 20, 2021.
- As a result of SF acquisition, the Company recognizes an increase in total assets of THB 33,474 mn and increase in liabilities of THB 8,044 mn ((see details of acquisition in the Notes to Financial Statements No. 3). This investment is objectively to expand business potential into a small new retail format as well as a high potential regional mall in the long run which enhance company's competitiveness and contribute long-term shareholders' return.

Asset Enhancement Initiatives to enhance long-term competitiveness

The ex-ISETAN department store area at CentralwOrld is currently under the renovation process by developing to multi-destination zone format, comprising a mixture of anchor and retail tenants along with new magnet brands to capture all customer demands. The Company expects the renovation to be completed and ready to open by end of 2021 to serve demand from domestic and tourist customers. Currently is under the process of negotiation with tenants who potentially interested this area.

In addition, the Company continuously renovates existing shopping malls namely, Central Rama2 under "Destination Concept" including Food zone, Family zone, Sport zone, Fashion plus and arrange various interesting activities reflect customer's Center of Life by emphasizing new safety and hygiene experiences compatible with the "New Normal" lifestyle in current situation. The renovation area partially completed and inline as plan.

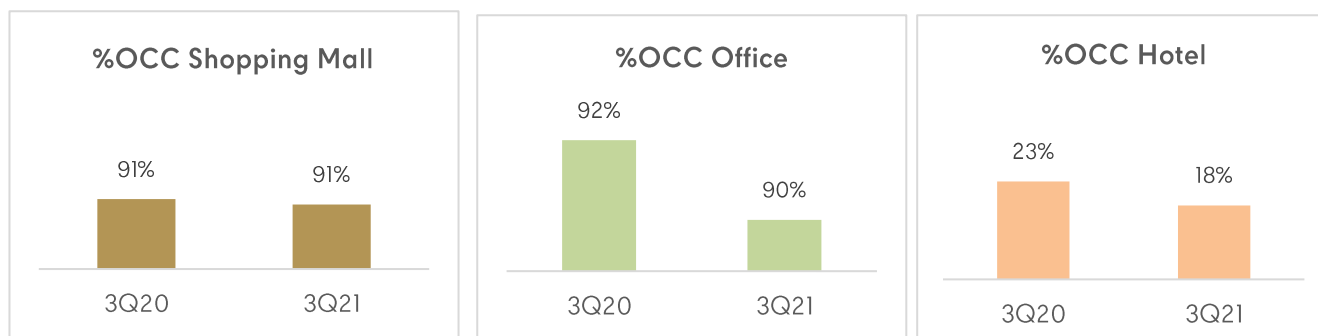
Financial and Operating Performance in 3Q21

Table 1: Summary of net leasable area and occupancy rate

	Number of projects and net leasable/salable area under CPN management as of 3Q 2021							
	Total		CPN		CPNREIT ⁽¹⁾		CPNCG ⁽²⁾	
	No.	sq.m.	No.	sq.m.	No.	sq.m.	No.	sq.m.
<i>Retail properties</i>								
Shopping malls - BMA	15	929,152	15	780,289	3	148,863		
Shopping malls - Provinces ⁽³⁾	18	793,058	18	695,018	4	98,040		
Total domestic retail properties	33	1,722,210	33	1,475,307	7	246,903		
Shopping malls - International	1	83,639	1	83,639				
Total retail properties	34	1,805,849	34	1,558,946	7	246,903		
<i>Non-core businesses</i>								
Office buildings	9	246,966	4	53,474	4	111,820	1	81,672
Hotels	2	563 rooms	1	257 rooms	1	306 rooms		
Residential (high rise)	12	5052 units	12	5052 units				
Residential (low rise)	6	1127 units	6	1127 units				
<i>Assets under GLAND</i>								
Office buildings	1	67,604	1	67,604				
Residential (high rise)	1	1991 units	1	1991 units				
Retail space in buildings		24,936		24,936				
<i>Assets under SF</i>								
Shopping malls under JV	1	160,242	1	160,242				
Retail space in buildings	17	204,641	17	204,641				

Remarks

- (1) Assets under CPNREIT comprises 1) 7 shopping malls, namely 1) Central Rama 2, Central Rama 3, Central Pinklao, Central Chiangmai Airport and Central Pattaya; 2) 1 hotel, namely Hilton Pattaya and 3) 2 office buildings Pinklao Tower A & B and offices which under the management of GLAND, namely The Ninth Towers Grand Rama 9, Unilever House Grand Rama 9.
- (2) Assets under CPNCG comprises 1 office building, namely CENTRALWORLD OFFICES
- (3) Central Phuket, which consists of the Central Phuket Floresta and Central Phuket Festival, is counted as a single project



Overview

The Company has 4 business categories under management: 1) Shopping Center and office for rent; 2) Food center services; 3) Hotel; and 4) Residential for sale which includes the properties transferred to CPN Retail Growth Leasehold REIT ("CPNREIT") and CPN Commercial Growth Leasehold Property Fund ("CPNCG") as well as properties of Grand Canal Land PCL ("GLAND"), which is company's subsidiaries and all properties under Siam Future Development ("SF").

In 3Q21 the Company managed 34 shopping centers (15 projects in Bangkok Metropolitan Area (BMA), 18 projects in the provinces, and 1 project overseas), 10 office towers, 30 food centers, 2 hotel properties namely Centara Hotel and Convention Centre Udon Thani, Hilton Pattaya and 18 residential projects consist of 13 high-rise projects and 5 low-rise projects as well as 1 regional mall and 17 community malls under investment through SF.

As of September 30, 2021, the average occupancy rate of the Company's domestic shopping malls stood at 91%, slightly decreased from the same period of previous year at 92%. Most of the shopping malls maintained high level of occupancy rate despite most of tenants were impacted by COVID-19. The Company render an assistance to tenants by implementing remedy measure so that they could re-operate their business which resulting in maintaining mall occupancy rate.

In 3Q21, same store rental revenue increased approximately 74% YoY (for the first six months of 2021, same store rental revenue growth decline to 32.1% (for the first nine month of 2021 decline 8.9% YoY) mainly from COVID-19 impact by providing rent discount to tenants as well as lower marketing activities and temporary close shopping malls as mentioned above. The same store rental revenue excludes that of malls under renovation during 2020 and 2021, namely CentralWorld, Central Ladprao, Central Chonburi, Central Chiangrai, Central Phuket Festival, Central Pattaya and Central Rama 2.

Non-recurring items

The Company has non-recurring items in 3Q21 and the first nine months of 2021 compared to the previous year as follows;

- In 1Q21 The Company has completed the transaction of lease of assets to CPNREIT namely Central Marina with a lease tenure of 15 years ending 2035 and Central Lampang with a lease tenure of 22 years ending 2041. The Company has recognized the transaction in its consolidated financial statement as follows;
 - Revenue from assets injection to CPNREIT amounted THB 2,667 mn which recognized under other income and THB 533 mn of income tax expense on the revenue recognition.
 - Acquisition fee from CPNREIT amounted THB 84 mn, recognized under other income.
- In 2Q21 The Company received rental waiver of Hilton Pattaya from CPNREIT amount THB 115 mn which recognized in other income.
- In 3Q21 the Company recognized non-recurring items in other income as follows;
 - The Company received rental waiver of Hilton Pattaya from CPNREIT amount THB 59 mn
 - The Company recognized write-off ROU and lease liability of Lampang project due to the asset transfer transaction earlier this year amount THB 58 mn
 - The Company recognized unrealized gain from exchange rate amount THB 111 mn

- The Company transferred units invested in CPNREIT between subsidiaries, which resulted in a recognition of deferred tax adjustment of approximately THB 125 mn.

For the same period in the previous year, non-recurring items include:

- In 1Q20 GLAND Office Leasehold Real Estate Investment Trust (GLANDRT) was dissolved and delisted from Stock Exchange of Thailand (GLAND has 15% ownership stake in GLANDRT) by complete assets transferred of The Ninth Towers Grand Rama 9 and Unilever House Grand Rama 9 to CPNREIT. The Company has recognized the transaction in consolidate financial statement as follows:
 - Income from GLANDRT leasehold asset divestment amount THB 270 mn was recognized in share of profit from associated companies
 - GLANDRT dissolve expense amount THB 227 mn was recognized in administrative expenses
 - Tax on GLANDRT dividend received amount THB 62 mn, the final dividend payment before dissolution and delisting of the Trust
 - Commission fee on GLANDRT assets acquisition to CPNREIT amount THB 56 mn was recognized in management income.
- In 1Q20 The Company recognized revenue from financial lease, a one-time revenue complies with accounting standard amount THB 2,796 mn which recognized in other income and THB 559 mn tax is recognized in the income tax expense. The transaction does not affect the Company's cash flow.
- In 2Q20 The Company recognized an insurance claim on CentralwOrld fire, amount THB 280 mn.
- In 3Q20 The Company recognized selling & administrative expense related to gain on settlement of financial instruments, which are non-recurring, amount THB 119 mn (for the first nine months of 2020, recognize loss on settlement of financial instruments amount THB 120 mn)

Impact from the implementation of new financial reporting standards to company's financial statement

From 2020, the Company has adopted Thai Financial Reporting Standard (TFRS16) - Leases which impacted to the financial statement in terms of differences from actual performance. An impact to statement of comprehensive profit and loss in 2Q21 and the first six months of 2021 as follows;

- **Impact from COVID-19 situation** according to relief measure by providing rent discount to tenants as forecast, impacted directly to rental and services revenue which will be regularly recognized on straight-line amortization basis through contract remaining period amounted THB 67 mn and THB 13 mn of income tax expense on the rental revenue recognition (for the first nine months of 2021, amounted THB 512 mn and THB 102 mn). The transaction does not affect the Company's cash flow. (see details in the Notes to Financial Statements No. 2 "Impact from COVID-19 outbreak")
- **Value adjustment of financial lease** The Company recognized lease receivable from financial lease with CPNREIT in 1Q20 which reflect present value at transaction date and will recognized receivable from financial lease until 2025 which will reflect the Company's cash flow that time. The Company recognized an interest income from Rama2 lease contract amounted THB 340 mn and recorded its deferred tax of THB 68 mn in this quarter (for the first nine months of 2021, interest income was recorded at THB 1,001 mn and the tax at THB 200 mn).

Overall impact of non-recurring items and TFRS16 implementation to statement of comprehensive profit and loss in 3Q21 and 9M21 as follow;

(For the summary of impact in the same periods in the previous year, please see the appendix section of this document)

3Q21 Profit & Loss Statement reconciliation between F/S and core performance

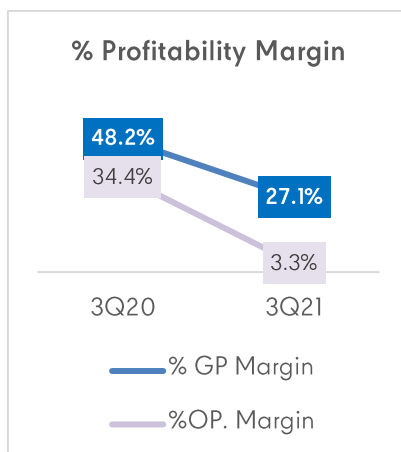
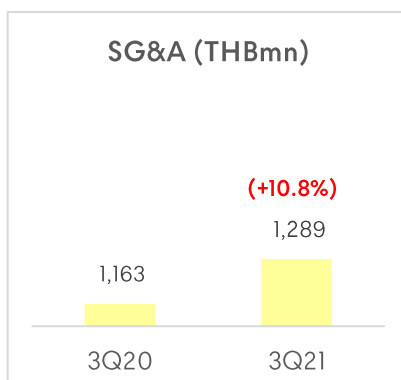
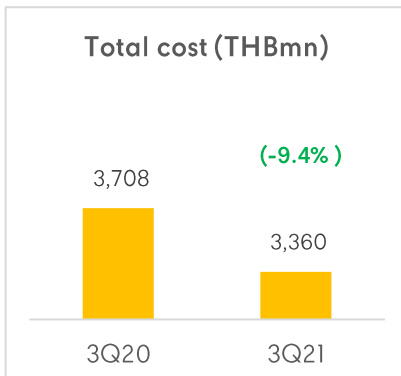
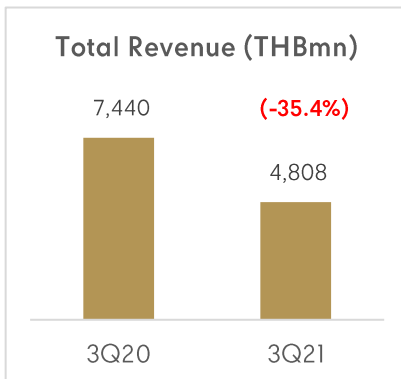
Unit: MTHB	Per F/S	Adj. non-recurring	Excl. non-recurring	TFRS16 Impact	Core performance (excl. non-recurring and TFRS16)
Revenue from rental and services	4,199		4,199	(67)	4,132
Revenue from other businesses	477		477		477
Other Income	426	(228)	198		198
Total income	5,103	(228)	4,875	(67)	4,808
Cost of rental & services	3,002		3,002		3,002
Cost of other businesses	359		359		359
Administrative expenses	1,289		1,289		1,289
Operating profit (loss)	454	(228)	226	(67)	159
(+)Share of profit from invested co.	78		78		78
(+)Investment income	356		356	(340)	16
(-)Interest expense	436		436		436
(-)Income tax expense	234	(125)	109	(81)	28
(-)Minority interest	(11)		(11)		(11)
Net profit to parent company	229	(103)	126	(326)	(199)

9M21 Profit & Loss Statement reconciliation between F/S and core performance

Unit: MTHB	Per F/S	Adj. non-recurring	Excl. non-recurring	TFRS16 Impact	Core performance (excl. non-recurring and TFRS16)
Revenue from rental and services	15,574		15,574	(512)	15,062
Revenue from other businesses	1,595		1,595		1,595
Other Income	3,827	(3,094)	733		733
Total income	20,995	(3,094)	17,901	(512)	17,389
Cost of rental & services	9,329		9,329		9,329
Cost of other businesses	1,135		1,135		1,135
Administrative expenses	3,879		3,879		3,879
Operating profit (loss)	6,652	(3,094)	3,558	(512)	3,046
(+)Share of profit from invested co.	397		397		397
(+)Investment income	1,048		1,048	(1,001)	47
(-)Interest expense	1,250		1,250		1,250
(-)Income tax expense	1,507	(658)	849	(303)	546
(-)Minority interest	7		7		7
Net profit to parent company	5,332	(2,436)	2,897	(1,210)	1,687

Overall Business Performance

The following management discussion consolidate a performance of Siam Future Development into the Company financial statement. The description below excludes an impact of non-recurring items and new accounting standard (TFRS16) applied as mentioned above to the Company's best ability to reflect the financial performance based on actual business events, which may differ from the financial statements reviewed and/or audited by the auditors authorized by the Securities and Exchange Commission of Thailand (SEC).



Total Revenue

In 3Q21, the Company reported total revenue of THB 4,808 mn, a decrease of 35.4% YoY (for the first nine months of 2021, the Company reported total revenue of THB 17,389 mn, a decrease of 11.4% YoY) mainly from the Company provided rent waiver and rent discount to tenants who impacted from temporary close shopping malls located in high-risk area together with refrain of marketing activities and events due to restriction in those areas.

Total Costs

In 3Q21, the Company reported total costs of THB 3,360 mn, an increase of 9.4% YoY (for the first nine months of 2021, the Company reported total cost of THB 10,464 mn, a decrease of 3.1% YoY) mainly from overall cost declined especially an impacted shopping mall however, the Company still effectively manage a cost reduction to be in lined with revenue.

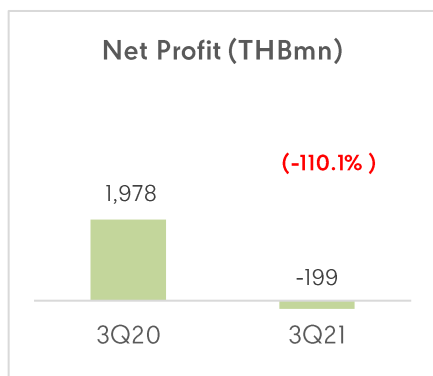
Administrative Expenses

Total administrative expenses constituted expenses on personnel, marketing & promotion, rental expense of Hilton Pattaya Hotel based on the sublet agreement with CPNREIT, office supplies, professional fees, and depreciation and amortization of office equipment and hotel properties.

In 3Q21, the Company reported total administrative expenses at THB 1,289 mn, an increase of 10.8% YoY (for the first nine months of 2021, administrative expenses at THB 3,879 mn, an increase of 7.0% YoY) mainly attributed by marketing and administrative expenses to support economic activities and campaigns amidst the current situation, together with the public and private sectors. However, the Company demonstrated prudent cost control measures to be in-line with revenue to retain business normalcy in current situation. The administrative expenses to total revenue ratio stood at 26.2% increased from 15.6% in the same period of previous year (for the first nine months of 2021, the ratio stood at 22.2%, increase from the previous year at 18.5%), mainly from a decrease of revenue proportionately more than an increase of administrative expenses.

Gross Profit Ratio & Operating Profit Ratio

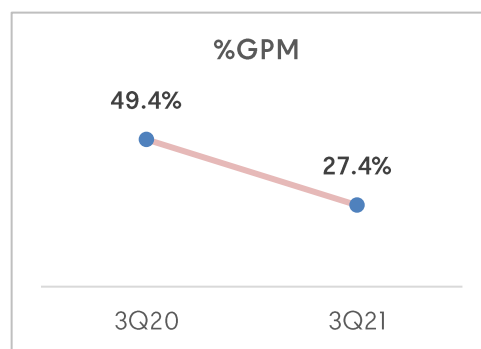
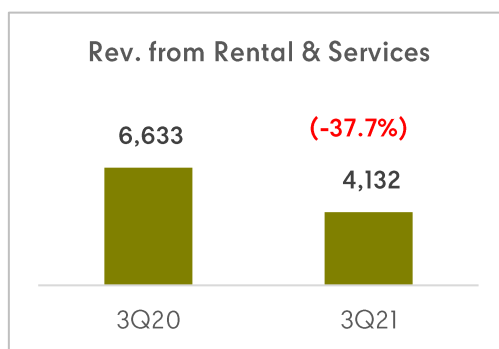
In 3Q21, the gross profit ratio excluding other income, decreased to 27.1% from 48.2% in the same period of previous year (the first nine months of 2021, increased to 37.2% compared to the previous year at 42.5%). Whilst operating profit ratio decreased to 3.3% from 34.4% in the same period of previous year (the first nine months of 2021, decreased to 17.5% compared to the previous year at 34.4%) mainly from COVID-19 outbreak impact on revenue side higher than the same period of last year. The Company continuously encourages cost saving and lower administrative expense.



Net Profit

In 3Q21, the Company reported a net loss of THB 199 mn, a decrease of 110.1% YoY (for the first nine months of 2021, the figure stood at THB 1,687 mn, a decrease of 55.5% YoY) mainly from impact of COVID-19 as mentioned above. Nonetheless, the Company significantly implemented cost effective management to retain normal business operation by considering all stakeholders and retain return to shareholders.

Performance of rental and services business



Revenue from rental and services

In 3Q21, the Company recorded revenue from rental and services at THB 4,132 mn, a decrease of 37.7% YoY. (for the first nine months of 2021, reported revenue of THB 15,062 mn, a decrease of 12.4% YoY) mainly from temporary close shopping malls in high-risk areas as mentioned above. The rent waiver and discount were provided on case-by-case basis at a proper rate. In addition, a lower revenue derived from certain events and marketing activities in line with a specific mall where temporary close.

Cost of rent and services

Costs of rent and services constituted utilities, security & cleaning services, on-site personnel, land rental, depreciation & amortization, repair & maintenance costs and insurance premium and property tax of properties owned for rental.

In 3Q21, the Company reported cost of rent and services at THB 3,002 mn, a decrease of 10.5% YoY (for the first nine months of 2021, reported cost of THB 9,329 mn, a decrease of 4.3% YoY) due to the following factors:

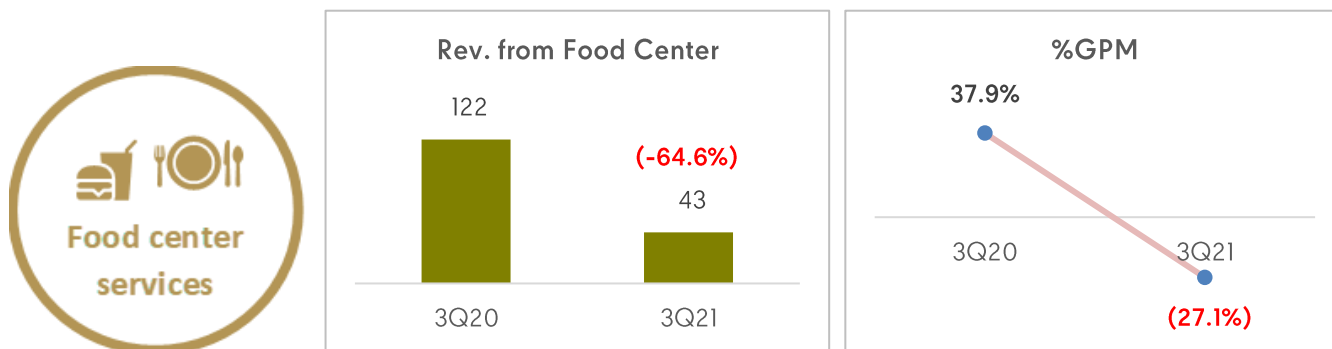
- Utility costs, a major component (accounts for approximately 30% of cost of rent and services) for shopping mall operations decreased in line with security service and maintenance cost mainly from partially close some shopping malls during the period while the same period last year was a recovery cycle. Nonetheless, the Company continues to emphasize on prudent cost management and presses on its effort to conserve energy and utilities in operations.
- Lower repair and maintenance and certain outsourced services costs in-line with the temporary close of certain shopping malls.

Gross profit of rental and services business

The gross profit ratio for the rental and services business, which is the Company's core business, stood at 27.4% decreased from 49.4% in the same period of previous year (the first nine months of 2021, stood at 38.1% decreased from 43.3% in the same period of previous year) mainly from a decrease in revenue proportion higher

than a decrease in cost. Nevertheless, the Company continues to implement effective and cost management and prudent cost control measures to maintain its profitability and ongoing to recover.

Performance of food center services business



Revenue from food center services

In 3Q21, the Company recorded revenue from food center services at THB 43 mn, a decrease of 64.6% YoY (for the first nine months of 2021, reported revenue of THB 209 mn, a decrease of 34.6% YoY) in line with direction of the shopping mall business and dine-in restriction as part of the effort to combat the COVID-19 situation.

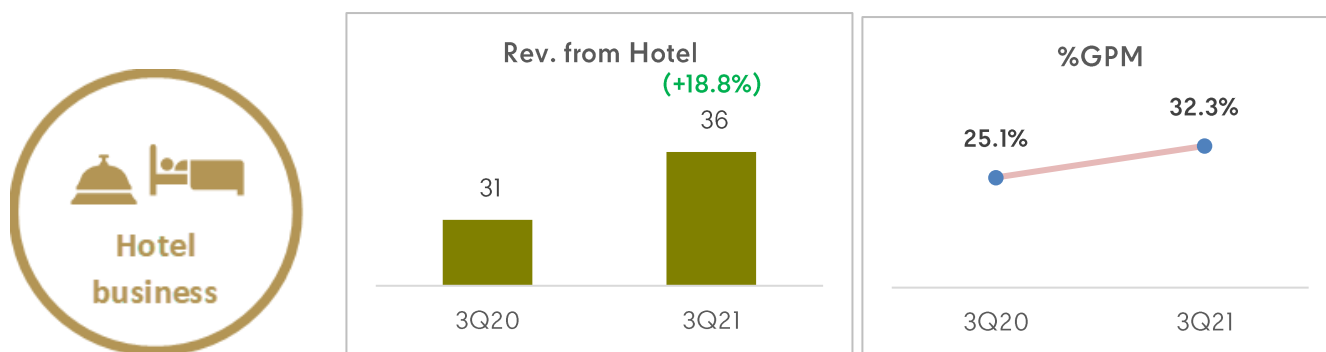
Cost of food center services

In 3Q21, the Company reported costs of food center services at THB 55 mn, a decrease of 27.5% YoY (for the first nine months of 2021, reported cost of THB 194 mn, a decrease of 13.5% YoY) in line with revenue from food center services performance.

Gross profit of food center services business

The gross profit ratio for the food center services business stood at -27.1% decreased from 37.9% in the same period of previous year (the first nine months of 2021 at 7.2% decreased from 29.8% in the same period of previous year) mainly from impact on revenue which was unable to cover fixed cost.

Performance of hotel business



Revenue from hotel operations

Hotel operations are considered as a non-core business. In 3Q21, revenue from hotel operations was THB 36 mn, an increase 18.8% YoY (for the first nine months of 2021, reported revenue of THB 136 mn, a decrease of 42.7% YoY). The quarter performance was increased from hotel fully operated compared to temporary close resulting in lack of revenue stream during the same period of previous year. Nonetheless, foreign tourists still unrecovered due to travel restriction from COVID-19 outbreak. The nine-month of 2021 performance on the other hand revenue lower than the same period of previous year due to lessen impact of outbreak in 1Q20 which allowed foreign travelling.

The average room occupancy at Hilton Pattaya Hotel stood at 20.3% while occupancy rate of Centara Hotel and Convention Center Udon Thani stood at 14.5% due to lockdown restriction to control an outbreak.

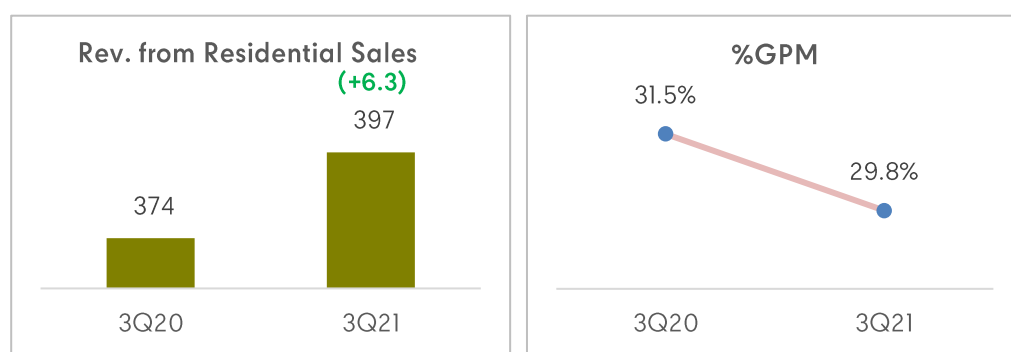
Cost of hotel operations

In 3Q21, the Company reported costs of hotel operations at THB 25 mn, an increase of 7.4% YoY (for the first nine months of 2021, reported cost of THB 78 mn, a decrease of 30.2% YoY) in line with revenue performance due to fully operated of hotel operations occurred both fixed and variable costs. In the meantime, both hotels maintain an effective cost control conform the changing situation.

Gross profit of hotel operations

The gross profit ratio for the hotel business stood at 32.3%, an increase from 25.1% in the same period of previous year (the first nine months of 2021 stood at 42.8%, a decrease from 53.0% in the same period of previous year) in line with revenue and cost performance.

Performance of real estate business



Revenue from sales

In 3Q21, the Company recorded revenue from sales at THB 397 mn, an increase of 6.3% YoY (for the first nine months of 2021, reported revenue of THB 1,249 mn, an increase of 20.4% YoY) due to higher transferred of both low-rise and condominium projects if compared to the same period of previous year, namely NIYHAM BOROMRATCHACHONNANI, ESCENT TOWN PHITSANULOK, NINYA KALLAPAPRUEK, NIRATI CHIANGRAI and NIRATI BANGNA, Phyll Pahol 34, ESCENT Ubonratchathani, ESCENT PARK VILLE Chiangmai and Belle Grand Rama 9 in BKK which completely transferred as Company's target.

Cost of sales

In 2Q21, the Company reported costs of sales at THB 279 mn, an increase of 9.0% YoY (for the first nine months of 2020, reported cost of THB 863 mn, an increase of 20.2% YoY) in line with its revenue performance.

Gross profit of real estate business

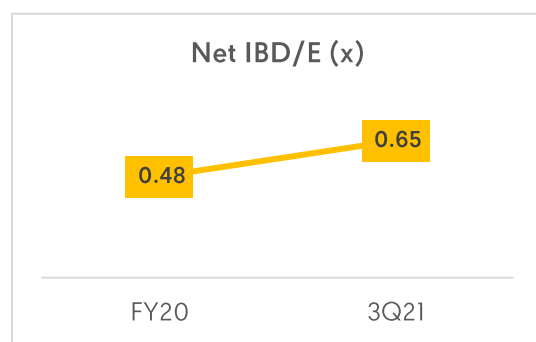
The gross profit ratio for residential business stood at 29.8%, decreased from 31.5% in the same period of previous year (the first nine months of 2021 stood at 30.9% increased from 30.8% in the same period of previous year) mainly from the transfer attributed mostly new development in standalone land plot or projects outside of existing land bank including some discount offered to encouraging sales which achieved as plan.

Table 2: Summary of Profit & Loss Statement

Unit: million THB	3Q 2020	2Q 2021	3Q 2021	YoY (%)	QoQ (%)	9M 2020	9M 2021	YoY (%)
Revenue from rent and services	6,792	5,396	4,199	(38%)	(22%)	18,201	15,574	(14%)
Retail	6,446	5,100	3,919	(39%)	(23%)	17,249	14,673	(15%)
Office	346	296	281	(19%)	(5%)	953	901	(5%)
Revenue from hotel operations	31	47	36	19%	(23%)	238	136	(43%)
Revenue from food center services	122	72	43	(65%)	(40%)	320	209	(35%)
Revenue from real estate sales	374	466	397	6%	(15%)	1,037	1,249	20%
Other income	281	383	426	51%	11%	3,957	3,827	(3%)
Total revenues	7,599	6,364	5,103	(33%)	(20%)	23,753	20,995	(12%)
<i>Excluding non-recurring items</i>	<i>7,440</i>	<i>5,933</i>	<i>4,808</i>	<i>(35%)</i>	<i>(19%)</i>	<i>19,623</i>	<i>17,389</i>	<i>(11%)</i>
Cost of rent and services	3,354	3,152	3,002	(10%)	(5%)	9,748	9,329	(4%)
Retail	3,261	3,070	2,930	(10%)	(5%)	9,493	9,093	(4%)
Office	93	82	72	(22%)	(12%)	255	236	(7%)
Cost of hotel operations	23	26	25	7%	(6%)	112	78	(30%)
Cost of food center services	76	68	55	(27%)	(19%)	225	194	(14%)
Cost of real estate sales	256	328	279	9%	(15%)	717	863	20%
Total cost of operations	3,708	3,574	3,360	(9%)	(6%)	10,802	10,464	(3%)
<i>Excluding non-recurring items</i>	<i>3,708</i>	<i>3,574</i>	<i>3,360</i>	<i>(9%)</i>	<i>(6%)</i>	<i>10,802</i>	<i>10,464</i>	<i>(3%)</i>
Selling, general and admin expense	1,044	1,326	1,289	23%	(3%)	3,972	3,879	(2%)
Operating profits	2,847	1,464	454	(84%)	(69%)	8,979	6,652	(26%)
<i>Excluding non-recurring items</i>	<i>2,569</i>	<i>1,033</i>	<i>159</i>	<i>(94%)</i>	<i>(85%)</i>	<i>5,196</i>	<i>3,047</i>	<i>(41%)</i>
Net finance cost/income tax/others	366	196	224	(39%)	15%	1,440	1,320	(8%)
Net profit	2,481	1,269	229	(91%)	(82%)	7,540	5,332	(29%)
<i>Excluding non-recurring items</i>	<i>1,978</i>	<i>629</i>	<i>(199)</i>	<i>(110%)</i>	<i>(132%)</i>	<i>3,793</i>	<i>1,687</i>	<i>(56%)</i>
Earnings per basic share (THB)	0.55	0.28	0.05	(91%)	(82%)	1.68	1.19	(29%)
<i>Excluding non-recurring items</i>	<i>0.44</i>	<i>0.14</i>	<i>(0.04)</i>	<i>(110%)</i>	<i>(132%)</i>	<i>0.85</i>	<i>0.38</i>	<i>(56%)</i>

Capital Structure

As of September 30, 2020, the Company reported total interest-bearing debt of THB 65,928 mn, an increase from the balance as of December 31, 2020 of THB 45,535 mn, mainly due to long-term borrowings from financial institutions, debenture issuance, short-term debt and debt from SF consolidation. Meanwhile, the weighted average financing cost as of September 30, 2021 stood at 1.80%, decrease from 2.03% as of December 31, 2020. Fixed interest rates debt comprises 48% of total interest-bearing debt, floating interest rates make up 52%.



Net interest-bearing debt to equity ratio stood at 0.65x, increased from the ratio at the end of 2020 at 0.48x. The ratio does not exceed policy level at 1 time and debt covenant at 1.75 times. The Company has a higher interest-bearing debt from debt financing while emphasizes on the importance of effective management of its capital structure to be resilient towards the volatile money market and capital market, as well as maintain its financing cost at an optimum level for its businesses going forward.

Table 3: Summary of Financial Position

<i>Unit: million THB</i>	End of FY 2020	End of 3Q 2021	YTD (%)
<i>Current assets</i>			
Cash and current investments	9,225	7,964	(14%)
Other current assets	14,661	16,759	14%
Total current assets	23,886	24,723	4%
<i>Non-current assets</i>			
Investment properties ⁽¹⁾	159,983	166,095	4%
Property & equipment (PP&E)	3,242	3,120	(4%)
Other non-current assets	34,664	63,934	84%
Total non-current assets	197,888	233,149	18%
Total assets	221,774	257,872	16%
<i>Current liabilities</i>			
Interest-bearing debt - 1 year	18,131	25,865	43%
Other current liabilities	12,423	12,674	2%
Total current liabilities	30,554	38,540	26%
<i>Non-current liabilities</i>			
Interest-bearing debt	28,355	41,251	45%
Other non-current liabilities	85,741	87,561	2%
Total non-current liabilities	114,096	128,813	13%
Total liabilities	144,650	167,352	16%
<i>Shareholders' equity</i>			
Retained earnings - unappropriated	58,782	60,985	4%
Other shareholders' equity	18,341	29,534	61%
Total shareholders' equity	77,123	90,519	17%

- (1) Investment Properties are booked at cost and depreciated with the straight-line basis over the life of the assets. The estimated fair value as of December 31, 2020 is THB 350,420 mn (THB 252,051 mn as of December 31, 2019), as stated in the disclosure notes to the main financial statements no. 12 under "Investment Properties".

Table 4: Key Financial Ratios

	3Q 2020	2Q 2021	3Q 2021	YoY (%)	QoQ (%)	9M 2020	9M 2021	YoY (%)
Profitability Ratio								
Gross profit margin (%)	49%	40%	28%	(21%)	(12%)	45%	39%	(6%)
<i>Rent and services</i>	51%	42%	29%	(22%)	(13%)	46%	40%	(6%)
<i>Hotel operations</i>	25%	45%	32%	7%	(12%)	53%	43%	(10%)
<i>Food center services</i>	38%	5%	(27%)	(65%)	(32%)	30%	7%	(23%)
<i>Real estate sales</i>	31%	30%	30%	(2%)	0%	31%	31%	0%
Operating profit margin (%)	37%	23%	9%	(29%)	(14%)	38%	32%	(6%)
<i>Excluding non-recurring items</i>	35%	17%	3%	(31%)	(14%)	26%	18%	(9%)
Net profit margin (%)	33%	20%	4%	(28%)	(15%)	32%	25%	(6%)
<i>Excluding non-recurring items</i>	27%	11%	(4%)	(31%)	(15%)	19%	10%	(10%)
Return on equity ⁽¹⁾ (%)	15%	13%	9%	(6%)	(4%)	15%	9%	(6%)
<i>Excluding non-recurring items</i>	10%	7%	4%	(5%)	(3%)	10%	4%	(5%)
Efficiency Ratio								
Return on assets ⁽¹⁾ (%)	6%	4%	3%	(3%)	(1%)	6%	3%	(3%)

	End of FY 2020	3Q 2021	YTD (Unit)
Liquidity Ratio			
Current ratio (times)	0.78	0.64	-0.14
Quick ratio (times)	0.30	0.21	-0.09
Financial Policy Ratio			
Liabilities to equity ratio (times)	1.88	1.85	-0.03
Net interest-bearing debt to equity ratio ⁽²⁾ (times)	0.48	0.65	0.17

(1) Return on assets and return on equity are calculated based on net profit in the last twelve months

(2) Interest bearing debt to equity net of cash and cash equivalent and short-term investments

Business Plan

Outlook for 2021 Performance

For the first nine months of the year, the COVID-19 outbreak situation is the major external factor that impacted the Company's business and financial performances. The situation intensified and reached a year-to-date peak during July and August, which resulted in a significant decline in financial performance compared to the previous year. Despite a more challenging situation in the current year, the Company has consistently adjusted its business plan and strategy according to the changing circumstances with the best interest of its shareholders as priority. The situation has recently started to take the turn for the better, as evidenced by the gradually declining number of daily cases, the accelerated distribution of vaccines to citizens, and the relaxation of restrictive measures including the country re-opening plan to welcome foreign tourists in the final quarter of the year. Hence, the Company foresees that a strong recovery of the overall situation, as well as its own business performance, will take place and continue into 2022.

The Company maintains utmost readiness to adapt its business plan to the changing business and economic environment, with particular attention to cost efficiencies and perpetual review and calibrate its investment plan to maintain its cash flow and liquidity at sufficient levels to combat the COVID-19 situation whilst maintain the best interest of the stakeholders as consistently practiced.

Five-Year Business Plan

The Company has set its 5-year (2021-2025) investment plan and business objectives with the aim of preserving average revenue growth per year (CAGR) at around 10% as originally planned, primarily driven by new mixed-use development projects, enhancement of existing shopping malls, and development of new residential projects, hotels and offices, both announced and unannounced. Furthermore, the Company prepares adequate levels of cash flow and liquidity under challenging circumstance of COVID-19 outbreak to meet its near-term and long-term objectives. Nonetheless, the Company maintains its confidence in its growth strategy under the vision of

the “Center of Life”, such that its business operations will continue to be the center of happiness, create new experiences, and become the safe and health-conscious place for people in multiple communities and lifestyle preferences. The Company is studying potential new concepts to accommodate the lifestyle needs of customers and the more dynamic operations by tenants as they embrace living under the New Normal.

The Company recognizes the potential to develop mixed-use projects in the shopping mall area by utilizing the existing vacant plots of land adjacent to the shopping malls, thus enhancing the value of investments in the form of residential development, office buildings and hotels, to name a few. The Company announced development plan of new projects namely **Central Ayutthaya** (targeted opening in 2021), **Central Si Racha** (targeted opening in 2021) and **Central Chanthaburi** (targeted opening in 2022) and **Dusit Central Park** (phasal opening from 2023-24 onwards).

Furthermore, the Company continuously plan for **asset enhancements** and **studies new development platform of unannounced assets** including undeveloped land within the Company’s portfolio. The Company straight forward to develop projects such as **office, hotel, residential projects** under the concept of “Center of Life” to strengthen its core business. Moreover, the Company studied the **M&A opportunities** to invest in high growth potential assets and good return on investment as well as **expand its business the Southeast Asian countries**, especially Malaysia and Vietnam to access new revenue stream and accommodate its sustainable growth aspiration.

Table 5: Progress of Future Projects

Project	Area	Complete by	2021				2022			
			1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<i>Domestic - Provinces</i>										
Central Ayutthaya	30,000	2021	In the process of development				Expected opening on 30 November			
Central Si Racha	33,000	2021					Opened on 27 October			
Central Chanthaburi	18,000	2022					Expected opening			
<i>Residential - High-rise</i>	<u>Units</u>	<u>Qtr/Year</u>								
<i>Domestic - BMA</i>										
PHYLL PHAHOL 34	358	4/2019	Pre-sales ~54% Transferred 50%							
<i>Domestic - Provinces</i>										
ESCENT UBONRATCHATHANI	395	3/2020	Pre-sales 98% Transferred 96%							
ESCENT PARK VILLE CHIANGMAI	450	3/2020	Pre-sales > 64% Transferred 62%							
ESCENT RAYONG 2	420	2022-23	Pre-sales 33% ; in the process of development							
ESCENT KORAT	395	2022-23	Pre-sales 54% ; in the process of development							
ESCENT HATYAI	665	2022-23	Pre-sales 90% ; in the process of development							
<i>Residential - Low-rise</i>	<u>ยูนิต</u>	<u>Qtr/Year</u>								
<i>Domestic - BMA</i>										
NIYHAM BOROMRATCHACHONNANI	71		Transferred 17 units							
ESCENT TOWN PHITSANULOK	311		Transferred 49 units							
NINYA KALLAPAPRUEK	144		Transferred 44 units							
NIRATI CHIANGRAI	183		Transferred 21 units							
NIRATI BANGNA	156		Transferred 27 units							
NIRATI DONMUANG	262		Start transfer in 4Q21							
<i>Joint Mixed-use Development</i>		<u>Qtr/Year</u>								
<i>Domestic - BMA</i>										
Dusit Central Park *		2023-24	In the process of prepare building foundation, share facility construction							

* Joint venture project with Dusit Thani Public Company Limited on a 23-rai land at the corner of Silom Road - Rama 4 Road and comprises:

- 1.) Central Park : a retail property with a total of 80,000 sq.m. leasable area in which the Company has 85% stake in the project.
- 2.) Central Park Offices : an office building with a total of 90,000 sq.m. leasable area in which the Company has 100% stake in the project.
- 3.) Dusit Thani Hotel Bangkok : a 250-room hotel in which the Company has 40% stake in the project.
- 4.) Residential project under the names "Dusit Residences" and "Dusit Parkside" : a combined total of 389 units in which the Company has 40% stake in the project.

Appendix:

Summary of non-recurring items and impact of financial reporting standards to the statement of comprehensive profit and loss for the same period in the previous year (3Q20 and 9M20)

3Q20 Profit & Loss Statement reconciliation between F/S and core performance

Unit: MTHB	Per F/S	Adj. non-recurring	Excl. non-recurring	TFRS16 Impact	Core performance (excl. non-recurring and TFRS16)
Revenue from rental and services	6,792		6,792	(159)	6,633
Revenue from other businesses	526		526		526
Other Income	281		281		281
Total income	7,599	0	7,599	(159)	7,440
Cost of rental & services	3,354		3,354		3,354
Cost of other businesses	355		355		355
Administrative expenses	1,044	119	1,163		1,163
Operating profit (loss)	2,847	(119)	2,728	(159)	2,569
(+)Share of profit from invested co.	187		187		187
(+)Investment income	351		351	(321)	30
(-)Interest expense	436		436		436
(-)Income tax expense	448		448	(96)	352
(-)Minority interest	20		20		20
Net profit to parent company	2,481	(119)	2,362	(384)	1,978

9M20 Profit & Loss Statement reconciliation between F/S and core performance

Unit: MTHB	Per F/S	Adj. non-recurring	Excl. non-recurring	TFRS16 Impact	Core performance (excl. non-recurring and TFRS16)
Revenue from rental and services	18,201		18,201	(998)	17,203
Revenue from other businesses	1,595		1,595		1,595
Other Income	3,957	(3,132)	825		825
Total income	23,753	(3,132)	20,621	(998)	19,623
Cost of rental & services	9,748		9,748		9,748
Cost of other businesses	1,054		1,054		1,054
Administrative expenses	3,972	(347)	3,625		3,625
Operating profit	8,979	(2,785)	6,194	(998)	5,196
(+)Share of profit from invested co.	872	(270)	602		602
(+)Investment income	756		756	(642)	114
(-)Interest expense	1,407		1,407		1,407
(-)Income tax expense	1,645	(621)	1,024	(328)	696
(-)Minority interest	16		16		16
Net profit to parent company	7,540	(2,434)	5,106	(1,312)	3,793