

Ref. CHEWA 22-02/02

15 February 2022

**Subject:** Management and Analysis on the operating performance for the year ended 31 December 2021

**Dear:** Directors and Managers  
Stock Exchange of Thailand

#### **Summary on the Operating Performance Overview**

The overview of property development for 2021 is considered a period of continuous impact, that causes the market to not grow as it should as a result of the COVID-19 pandemic. Causing the overall activities have come to a halt. The company has adjusted the business plan accordance with the situation. Whether it is various marketing plans to boost sales to expedite the discharge of inventories as much as possible by adding online sales channels as well and the company still focuses on cost management. Cost to be worthwhile and to be as efficient as possible.

The Company and its subsidiaries have a new project that will begin to transfer ownership and recognize revenue in 2021. It is a condominium project Chewathai Hallmark Ladprao - Chokchai 4 Phase 1, total project value 1,100 million baht.

For the year 2021, the company and its subsidiaries had the total revenue of 2,136.67 million baht increased from the previous year by 493.35 million baht or increased by 30.02%. If comparing revenue from sale of real estate from the previous year, that in 2021 the company has revenue from the ownership transfer of condominiums increasing by 28.95%. Since in the year 2020, resulting in the company and its subsidiaries had net profits of 70.13 million baht increased from the previous year in net loss from the Operations amount 93.37 million baht, representing an increase of amount 163.50 million baht and a net profit margin of 3.28%.

(Unit: million baht)

Statement of comprehensive income	For the year			
	2021	2020	Change	%
<b>Revenue</b>				
Revenue from sale of real estate	2,091.89	1,622.25	469.64	28.95
Other income	44.78	21.07	23.71	112.53
<b>Total Revenue</b>	<b>2,136.67</b>	<b>1,643.32</b>	<b>493.35</b>	<b>30.02</b>
<b>Expenses</b>				
Cost of real estate sold	1,543.04	1,285.16	257.88	20.07
Selling expenses	211.00	191.59	19.41	10.13
Administrative expenses	202.84	202.07	0.77	0.38
<b>Total Expenses</b>	<b>1,956.88</b>	<b>1,678.82</b>	<b>278.06</b>	<b>16.56</b>
<b>Profit before share of profit (loss) from investments in joint venture and associate, finance costs and income tax</b>	<b>179.79</b>	<b>(35.50)</b>	<b>215.29</b>	<b>606.45</b>
Share of profit (loss) from investment in joint venture	(4.08)	(4.04)	0.04	0.99
Share of loss from investments in associates	(6.13)	(7.85)	1.72	21.91
<b>Profit before finance costs and income tax</b>	<b>169.58</b>	<b>(47.39)</b>	<b>217.05</b>	<b>458.01</b>
Finance costs	(78.26)	(67.66)	(10.60)	15.67
<b>Profit (loss) before income tax</b>	<b>91.32</b>	<b>(115.05)</b>	<b>206.45</b>	<b>179.44</b>
Income tax expenses	(21.19)	21.68	(42.87)	(197.74)
<b>Profit (loss) from operation</b>	<b>70.13</b>	<b>(93.37)</b>	<b>163.50</b>	<b>175.11</b>
Profit from cancelled operation	-	213.80	(213.80)	(100.00)
<b>Profit (loss) for the period</b>	<b>70.13</b>	<b>120.43</b>	<b>(50.30)</b>	<b>(41.77)</b>

## Revenue from Operating Performance

### 1. Revenue from sale of real estate

For the year 2021, the revenue from sale of real estate was in the amount of 2,091.89 million baht, representing 97.90 percent of the total revenue. The revenue from sale of real estate increased from the previous year by 469.64 million baht or increased by 28.95 percent by dividing into

-The revenue from sales condominium projects was in the amount of 1,370.89 million baht, representing 65 percent of the revenue from sale of real estate that increased from the previous year to 537.99 million baht or increased by 72.03 percent. For the year 2021 the company has transfer the ownership of new condominiums projects by Chewathai Hallmark Ladprao - Chokchai 4 Phase 1 That just recognized revenue in quarter 1 of 2021

- The revenue from sales housing projects was in the amount of 721 million baht, representing 35 percent of the revenue from sale of real estate, which decreased from the previous year to 102.56 million baht or decreased 12.45 percent. For the year 2021, the company hasn't the new housing projects with revenue recognition.

### 2. Other incomes

The company has other incomes of 44.78 million baht or 2.09 percent of total revenue, other incomes consist of management services for the related companies, interest income etc. For the year 2021, the company has other incomes an increase of 23.71 million baht from the previous year or increased 112.53 percent.

#### **Cost of Goods Sold and Gross Profit**

For the year 2021, the company had cost of real estate sold in the amount of 1,543.04 million baht, that increased from the previous year by 257.88 million baht or increased 20.07 percent. And gross profit margin from sales of real estate which increased from the previous year of 20.78 percent to 26.24 percent

#### **Selling and Administrative Expenses**

For the year 2021, the company had the total selling and administrative expenses in the amount of 393.66 million baht, which increased from the previous year by 40.29 million baht or increased 11.40 percent. If compared the total selling and administrative expenses with the total revenue the company had decreased in the SG&A Ratio from the previous year by 31.30 percent to 23.96 percent.

#### **Share of Profits (Loss) from Investments in Joint Ventures and associates**

The profit sharing from the investment in the joint venture is the recognition of the profit sharing from the investment in Chewathai Hup Soon Company Limited (“CTHS”) in the proportion of 50 percent and Chewa Heart Company Limited (“CWH”) in the proportion of 70 percent. In this regard, the company recognized the share of loss from the investments in the joint ventures in the amount of 4.08 million baht.

The Profit sharing from the investment in the associates is the recognition of the profit sharing from the investment in Kamala Senior Living Company Limited, which the company entered into a consortium contract with the proportion of shareholder at 25 percent. The company recognized the share of loss from the investment in the associates in the amount of 6.13 million baht.

#### **Net Profit (Loss)**

For the year 2021, the company had a Net Profit from operation of 70.13 million baht which profit increased from the previous year in the amount of 163.50 million baht or profit increased 175.11 percent and the net profit margin 3.28 percent, decreasing from the previous year. Which accounted for 41.77 % due to the year 2020, the factory was sold in the amount of 213.80 million baht. As a result, the company has a net profit (loss) for the period 120.43 million.

## Financial Position as at 31 December 2021 and 2020

(Unit: million baht)

Financial Position	31 Dec 21	31 Dec 20	Change	%
Total asset	6,760.27	6,683.01	77.26	1.16
Total Liability	4,855.90	4,822.12	33.78	0.70
Shareholders'equity	1,904.37	1,860.89	43.48	2.34

**Total Assets**

As of 31 December 2021, the company had total assets of 6,760.27 million baht, an increase of 77.26 million baht or increase 1.16 percent

**Total Liabilities**

As of 31 December 2021, the company had the total liabilities of 4,855.90 million baht, an increase of 33.78 million baht or 0.70 percent from the previous year. Due to the company long-term loans from financial institutions and issued debentures to be used as investment funds for the capital to future development of the projects.

**Shareholders' Equity**

The shareholders' equity as of 31 December 2021 is 1,904.37 million baht, an increase of 43.48 million baht or increase 2.34 percent from the previous year because the company has net profits in the year 2021.

Please be informed accordingly

Sincerely Yours,

(Mr. Boon Choon Kiat)

Managing director