

Executive Summary

In 2021, Thailand economy was slightly recovered due to an impact from the strings of coronavirus disease (COVID-19) outbreak, which resulted in high numbers of daily cases and a restricted economic activity by lockdown approximately two months during the third quarter. However, after COVID situation unravel and vaccine roll-out proceeding lead to a recovery of economic activity in 4Q21 for instance, a household and private consumption and private investment were expandable along with an economic supported via government spending and export sector which majority driven by a recovery of world trade and overall economic circumstance. Nonetheless, tourism sector even now impacted from Omicron globally resulting in low foreign tourists compare to previous year while test & go was allowed since second half of the year. According to COVID outbreak situation, Thailand GDP increased 0.9%, higher than previous forecast. The Bank of Thailand still maintained 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 2021 shows total revenue of THB 28,977 mn, a decrease of 9.6% YoY and net profit stood at THB 7,148 mn, a decrease of 25.2% YoY (for 4Q20, total revenue was reported at THB 7,981 mn, a decrease of 3.9% YoY and net profit stood at THB 1,816 mn, a decrease of 10% YoY). Excluding the non-recurring items and impact of financial reporting standards, total revenue and net profit decreased 8.1% YoY and 39.4% YoY, respectively mainly due to rental and services revenue in 2021 was impacted by COVID-19 all over the year and impact from lockdown measures resulting in temporary close shopping malls in high risky area approximately two months during 3Q21. However, the Company implemented an effective cost saving initiatives as planned to minimize impact on business performance and protect interests of all stakeholders.

In 4Q21, Due to festive seasons in December and ease of restriction from government sector, the Company foreseen traffic improvement in shopping mall after an outbreak unravel. The Company emphasizes on "Hygiene and Safety Master Plan" to enhance cleanliness and highest safety measures for our customers and visitors. The Company has significantly concerned all stakeholders and initiated efficiency management policy 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 36 shopping malls with the net leasable area (NLA) of approximately 1.86 mn sqm. At the end of 2021, the average occupancy rate for all domestic retail properties stood at 91%.

Major Events in 2021

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**

Since the beginning of 2021, the Company temporary closed shopping malls located in high-risk area totaling of 4 locations comprises Central Mahachai, Central Rayong, Central Pattaya and Central Marina since the end of last year between 7-30 days according to an announcement from government sector depends on each area then re-opening in January to February 2021. Thereafter the 3rd and 4th wave of COVID outbreak occurred during July 2021, the government announced lockdown measurement to control and reduce an outbreak in specific areas where the Company strictly comply with the provisions by temporary close shopping malls located in BMA and highly control provinces almost 2 months starting from July 2021 to end of August 2021. Only some certain essential businesses were allowed to operate such as Supermarket, drug stores and vaccination area while restaurants were not allowed dine-in. Delivery services and take away also were impacted by stringent measures for certain period. On September 1, 2021, the government allowed shopping mall to resume its business and additionally easing other restriction of a specific business and allowed dine-in which appear a recovery. Overall traffic was explicitly improved mainly supported by a strong domestic 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 and response a "New Normal" lifestyle. Tenant's sales performance recovery was in line with traffic level on average. 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 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. The rent discount provided to tenant gradually reduce in 4Q21 regarding to a recovery as mentioned above. Moreover, the Company assists tenants to access omnichannel platform namely Chat & Shop, Drive-Thru and Delivery service during lockdown. In addition, new platform such as The 1 Biz and SERVE Central Pattana were designed to facilitate our tenants via assisting them to better understand The 1 customer's behavior which encourage a new marketing campaign for direct target customers and expand customer base going forward.
- **Exercise rigid cost control measures to retain company's profitability and sufficient cashflow**

The Company emphasizing on maintaining 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

At the end of 2021, the Company has developed totaling of 22 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 launched 3 new residential projects in 4Q21 namely PHYLL PHUKET, ESCENT AVENUE RAYONG and ESCENT VILLE AYUTTHAYA.

All 22 residential projects at the end of 2021 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
- 7 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, a single house project and 7) ESCENT AVENUE RAYONG. 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
- 5 Condominium projects launched for booking and under construction namely 1) ESCENT KORAT 2) ESCENT RAYONG II 3) ESCENT HATYAI 4) PHYLL PHUKET and 5) ESCENT VILLE AYUTTHAYA which well received attentions and booking continue to increase.

Retail-led Mixed use development project recently launched on October 27, 2021 and November 30, 2021 namely Central Si Racha and Central Ayutthaya, respectively received a good response and ample interested.

Business partnership via Joint Investment and M&A to generate long-term growth

- On May 17, 2021, the Company announced the joint investment transaction of Mixed-use development project located on Wireless Road and Soi Somkid, Bangkok. The Company joint invested in Central and Hongkong Land Company Limited ("CHKL"). The Company invested through CE Holding Company Limited, the joint venture company between the Company and Harng Central Department Store Company Limited ("HCDS") and HKL (Thai Developments) with the shareholding ratio of 25: 26: 49, respectively. The joint investment has the objective to develop the mixed-use project comprises 1 retail 8th floor with total NLA of 70,000 sq.m. and 2 offices 36th floor with total NLA of 140,000 sq.m. with total investment value of no more than THB 13,873 mn. The project is expected to be developed in 5 years and will be completed approximately by 2026. The joint investment with partners who has expertise could enhance assets potential and create long-term growth going forward.
- 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. 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 18, 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. Currently, under process of planning for the delisting of Siam Future Development Public Company Limited.

- As a result of SF acquisition in 3Q21, the Company recognizes an increase in total assets of THB 33,372 mn and increase in liabilities of THB 7,942 mn (see details of acquisition in the Notes to Financial Statements Yearly 2021 No. 5). 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" introducing new area such as Tech space, Showcase, Little campus as well as 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.

Uphold Excellence of Business Sustainability

The Company has been selected to be a membership of Dow Jones Sustainability Indices (DJSI) during 2021. Central Pattana is the only property developer company and be one of thirteen company in Thailand that has been selected to be a membership of DJSI World for four consecutive years (2018-2021) and DJSI Emerging Market for eight consecutive years (2014-2021) reflecting the philosophy of sustain business sense which be aware of community, environment and all stakeholders to drive a sustain social and community.

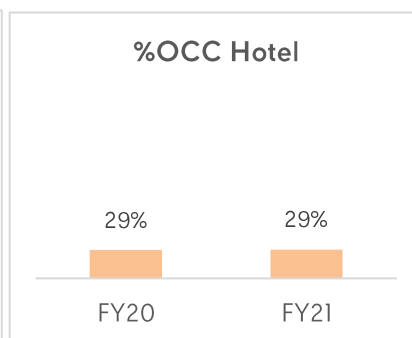
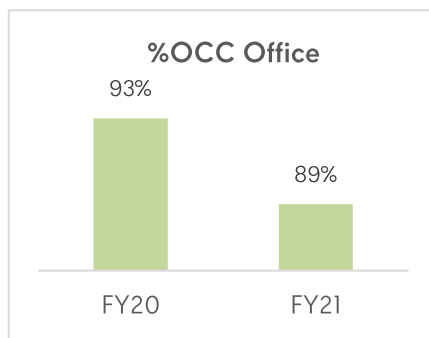
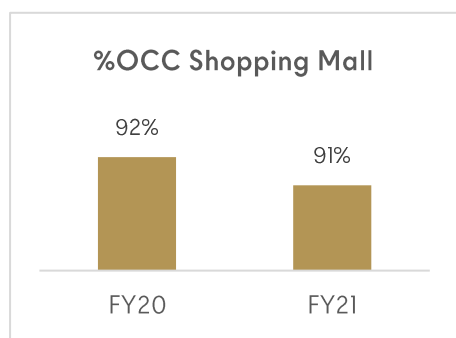
Financial and Operating Performance in 2021

Table 1: Summary of net leasable area and occupancy rate

	Number of projects and net leasable/salable area under CPN management as of 4Q 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	935,065	15	786,192	3	148,873		
Shopping malls - Provinces ⁽³⁾	20	846,846	20	749,071	4	97,775		
Total domestic retail properties	35	1,781,911	35	1,535,263	7	246,648		
Shopping malls - International	1	83,639	1	83,639				
Total retail properties	36	1,865,551	36	1,618,903	7	246,648		
<i>Non-core businesses</i>								
Office buildings	9	247,083	4	53,425	4	111,773	1	81,886
Hotels	2	563 rooms	1	257 rooms	1	306 rooms		
Residential (high rise)	15	5950 units	15	5950 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	166,942	1	166,942				
Retail space in buildings	18	209,674	18	209,674				

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").

At the end of 2021 the Company managed 36 shopping centers (15 projects in Bangkok Metropolitan Area (BMA), 20 projects in the provinces, and 1 project overseas), 10 office towers, 32 food centers, 2 hotel properties namely Centara Hotel and Convention Centre Udon Thani, Hilton Pattaya and 22 residential projects consist of 15 high-rise projects and 7 low-rise projects as well as 1 regional mall and 18 community malls under investment through SF.

At the end of 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.

At the end of 2021, same store rental revenue decreased approximately 6.0% YoY (for 4Q21, same store rental revenue decline 4.5% 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 and new malls opened during 4Q21 namely Central Si Racha and Central Ayutthaya.

Non-recurring items

The Company has non-recurring items in 2021 compared to the previous year as follows;

- 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.
- The Company received rental waiver of Hilton Pattaya from CPNREIT amount THB 174 mn which recognized in other income.
- The Company recognized non-recurring items in other income as follows;
 - 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:

- 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.
- 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.
- The Company recognized an insurance claim on CentralwOrld fire, amount THB 280 mn.
- The Company recognized selling & administrative expense related to expense on settlement of financial instruments, which are non-recurring, amount THB 172 mn (for 4Q20, recognize loss on settlement of financial instruments amount THB 52 mn)
- The Company recognized defer tax asset adjustment on Rama2 lease amount THB 78 mn under

income tax expense.

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 4Q21 and 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 325 mn and THB 65 mn of income tax expense on the rental revenue recognition (for 4Q21, recognized discount reversal amounted THB 187 mn and tax THB 37 mn). The transaction does not affect the Company's cash flow. (see details in the Notes to Financial Statements No. 3 "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. In 2021, the Company recognized an interest income from Rama2 lease contract amounted THB 1,314 mn and recorded its deferred tax of THB 268 mn in this quarter (for 4Q21, interest income was recorded at THB 340 mn and the tax at THB 68 mn).

Overall impact of non-recurring items and TFRS16 implementation to statement of comprehensive profit and loss in 4Q21 and 2021 as follow;

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

4Q21 Profit & Loss Statement reconciliation between F/S and core performance

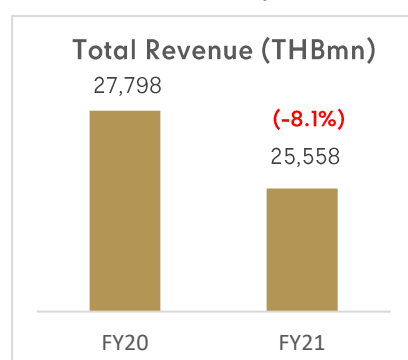
Unit: MTHB	Per F/S	Adj. non-recurring	Excl. non-recurring	TFRS16 Impact	Core performance (excl. non-recurring and TFRS16)
Revenue from rental and services	6,499		6,499	187	6,686
Revenue from other businesses	1,173		1,173		1,173
Other Income	310		310		310
Total income	7,981	0	7,981	187	8,168
Cost of rental & services	3,541		3,541		3,541
Cost of other businesses	779		779		779
Administrative expenses	1,621		1,621		1,621
Operating profit (loss)	2,041	0	2,041	187	2,228
(+)Share of profit from invested co.	307		307		307
(+)Investment income	373		373	(340)	33
(-)Interest expense	540		540		540
(-)Income tax expense	291	0	291	(31)	260
(-)Minority interest	74		74		74
Net profit to parent company	1,816	0	1,816	(122)	1,693

FY2021 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	22,073		22,073	(325)	21,748
Revenue from other businesses	2,767		2,767		2,767
Other Income	4,137	(3,094)	1,043		1,043
Total income	28,977	(3,094)	25,883	(325)	25,558
Cost of rental & services	12,871		12,871		12,871
Cost of other businesses	1,913		1,913		1,913
Administrative expenses	5,499		5,499		5,499
Operating profit (loss)	8,693	(3,094)	5,599	(325)	5,274
(+)Share of profit from invested co.	704		704		704
(+)Investment income	1,421		1,421	(1,341)	80
(-)Interest expense	1,790		1,790		1,790
(-)Income tax expense	1,798	(658)	1,140	(333)	806
(-)Minority interest	82		82		82
Net profit to parent company	7,148	(2,436)	4,713	(1,333)	3,380

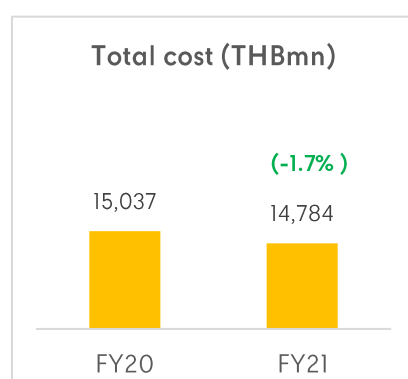
Overall Business Performance

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 2021, the Company reported total revenue of THB 25,558 mn, a decrease of 8.1% YoY (for 4Q21, the Company reported total revenue of THB 8,168 mn, a decrease of 0.1% 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.

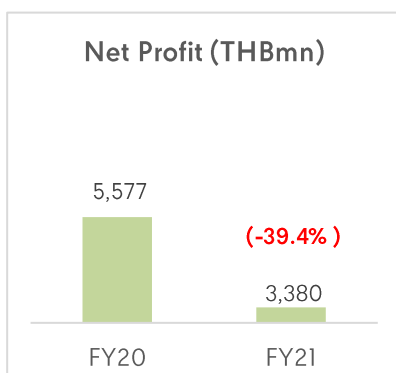
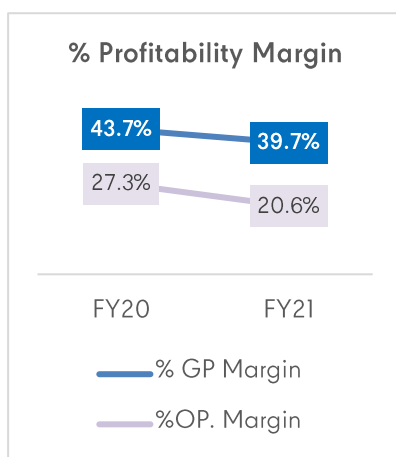
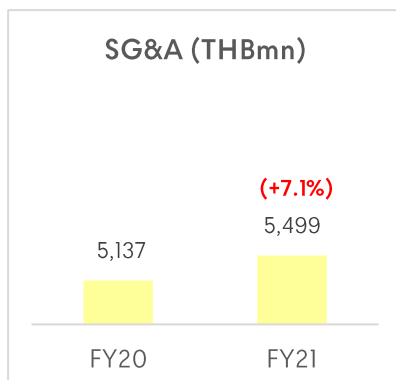


Total Costs

In 2021, the Company reported total costs of THB 14,784 mn, a decrease of 1.7% YoY (for 4Q21, the Company reported total cost of THB 4,320 mn, an increase of 2.0% YoY) mainly from overall cost declined especially an impacted shopping mall and effectively manage a cost reduction to be in lined with revenue. However, in 4Q21 cost increased from festive seasons.

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 2021, the Company reported total administrative expenses at THB 5,499 mn, an increase of 7.1 YoY (for 4Q21, administrative expenses at THB 1,621 mn, an increase of 7.3% 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 and during festive season. The administrative expenses to total revenue ratio stood at 21.5% increased from 18.5% in previous year (for 4Q21, the ratio stood at 19.8%, increase from the previous year at 18.5%), mainly from a decrease of overall revenue whilst administrative expenses increased. However, the Company demonstrated prudent cost control measures to be in-line with revenue to retain business normalcy in current situation.

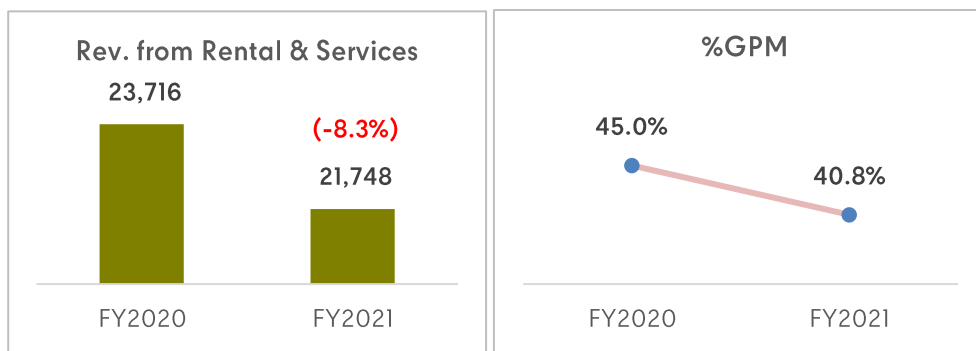
Gross Profit Ratio & Operating Profit Ratio

In 2021, the gross profit ratio excluding other income, decreased to 39.7% from 43.7% in previous year (for 4Q21, decreased to 45.0% compared to the previous year at 46.6%). Whilst operating profit ratio decreased to 20.6% from 27.3% in previous year (for 4Q21, decreased to 27.2% compared to the previous year at 29.6%) 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 2021, the Company reported a net profit of THB 3,380 mn, a decrease of 39.4% YoY (for 4Q21, the figure stood at THB 1,693 mn, a decrease of 5.0% 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 2021, the Company recorded revenue from rental and services at THB 21,748 mn, a decrease of 8.3% YoY. (for 4Q21, reported revenue of THB 6,686 mn, an increase of 2.7% 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. While 4Q21 revenue from rental and services increased from fully consolidated SF quarterly performance.

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.

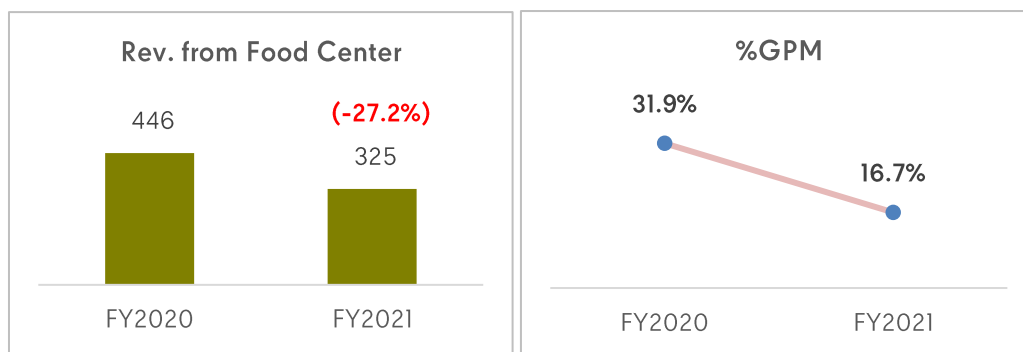
In 2021, the Company reported cost of rent and services at THB 12,871 mn, a decrease of 1.4% YoY (for 4Q21, reported cost of THB 3,451 mn, an increase of 7.1% YoY) due to the following factors:

- 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.
- In 4Q21, costs of rent and services increased due mainly to a consolidation of SF performance that in line with revenue side.

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 40.8% decreased from 45.0% in previous year (for 4Q21, stood at 47.0% decreased from 49.2% 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 2021, the Company recorded revenue from food center services at THB 325 mn, a decrease of 27.2% YoY (for 4Q21, reported revenue of THB 115 mn, a decrease of 8.4% 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.

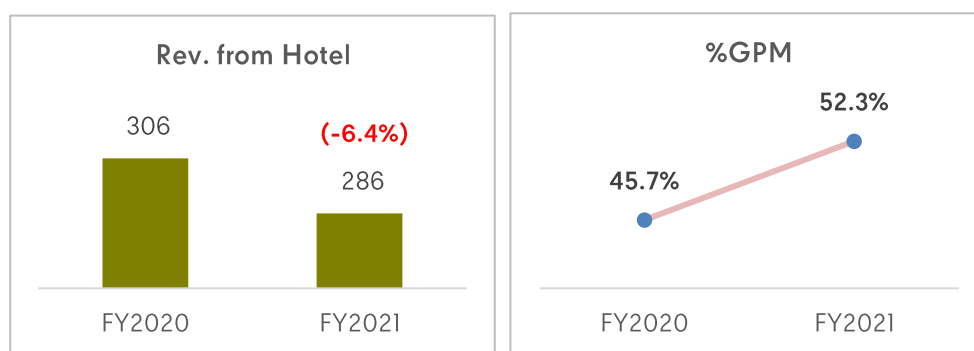
Cost of food center services

In 2021, the Company reported costs of food center services at THB 271 mn, a decrease of 10.9% YoY (for 4Q21, reported cost of THB 76 mn, a decrease of 3.5% 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 16.7% decreased from 31.9% in previous year (for 4Q21, stood at 33.8% decreased from 37.1% in the same period of previous year) mainly from impact on revenue proportionately higher than a decrease in cost due to dine-in restriction and stringent food delivery compare to previous year.

Performance of hotel business



Revenue from hotel operations

Hotel operations are considered as a non-core business. In 2021, revenue from hotel operations was THB 286 mn, a decrease 6.4% YoY (for 4Q21, reported revenue of THB 150 mn, an increase of 119.8% YoY). The quarter performance was increased from a recovery of local tourists during end of the year and relaxation of government restriction. Nonetheless, foreign tourists still unrecovered due to travel restriction from COVID-19 outbreak. 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 tourists travelling.

In 2021, an average room occupancy at Hilton Pattaya Hotel stood at 60% while occupancy rate of Centara Hotel and Convention Center Udon Thani stood at 35% due to lockdown restriction to control an outbreak while recovered in 4Q21.

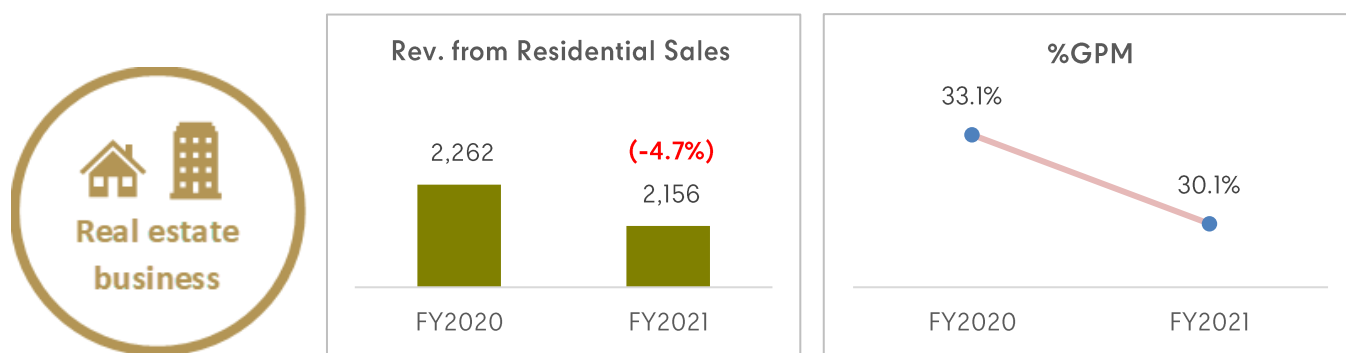
Cost of hotel operations

In 2021, the Company reported costs of hotel operations at THB 137 mn, a decrease of 17.7% YoY (for 4Q21, reported cost of THB 59 mn, an increase of 8.0% 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 52.3%, an increase from 45.7% in previous year (for 4Q21 stood at 60.9%, an increase from 20.5% in the same period of previous year) reflected an effective cost management.

Performance of real estate business



Revenue from sales

In 2021, the Company recorded revenue from sales at THB 2,156 mn, a decrease of 4.7% YoY (for 4Q21, reported revenue of THB 907 mn, a decrease of 25.9% YoY) due to a big lot transferred in 4Q20. Nonetheless, in 2021, the Company continuously transferred both low-rise and condominium projects namely NIYHAM BOROMRATCHACHONNANI, NIRATI BANGNA, ESCENT TOWN PHITSANULOK, NINYA KALLAPAPRUEK, NIRATI CHIANGRAI, 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 2021, the Company reported costs of sales at THB 1,506 mn, a decrease of 0.4% YoY (for 4Q21, reported cost of THB 643 mn, a decrease of 19.0% YoY) in line with its revenue performance.

Gross profit of real estate business

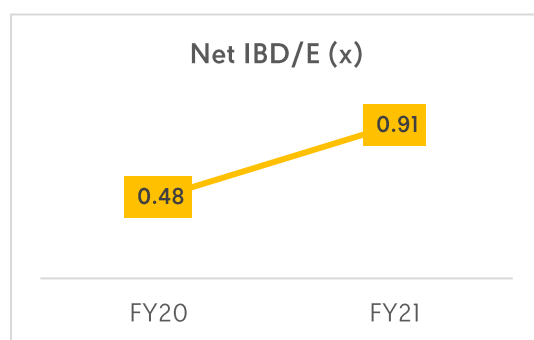
The gross profit ratio for residential business stood at 30.1%, decreased from 33.1% in previous year (4Q21 stood at 29.1% decreased from 35.1% in the same period of previous year) mainly from the transfer attributed mostly new development in standalone land plot or projects outside of existing land bank including some discount offered to encouraging sales which achieved as plan.

Table 2: Summary of Profit & Loss Statement

<i>Unit: million THB</i>	4Q 2020	3Q 2021	4Q 2021	YoY (%)	QoQ (%)	FY 2020	FY 2021	YoY (%)
Revenue from rent and services	6,647	4,199	6,499	(2%)	55%	24,848	22,073	(11%)
<i>Retail</i>	6,314	3,919	6,183	(2%)	58%	23,563	20,856	(11%)
<i>Office</i>	333	281	316	(5%)	13%	1,286	1,217	(5%)
Revenue from hotel operations	68	36	150	120%	314%	306	286	(6%)
Revenue from food center services	126	43	115	(8%)	167%	446	325	(27%)
Revenue from real estate sales	1,224	397	907	(26%)	128%	2,262	2,156	(5%)
Other income	244	426	310	27%	(27%)	4,200	4,137	(2%)
Total revenues	8,309	5,103	7,981	(4%)	56%	32,062	28,977	(10%)
<i>Excluding non-recurring items</i>	8,175	4,808	8,168	(0%)	70%	27,798	25,558	(8%)
Cost of rent and services	3,307	3,002	3,541	7%	18%	13,055	12,871	(1%)
<i>Retail</i>	3,218	2,930	3,469	8%	18%	12,712	12,562	(1%)
<i>Office</i>	89	72	72	(19%)	(0%)	344	308	(10%)
Cost of hotel operations	54	25	59	8%	139%	166	137	(18%)
Cost of food center services	79	55	76	(4%)	39%	304	271	(11%)
Cost of real estate sales	794	279	643	(19%)	131%	1,512	1,506	(0%)
Total cost of operations	4,235	3,360	4,320	2%	29%	15,037	14,784	(2%)
<i>Excluding non-recurring items</i>	4,235	3,360	4,320	2%	29%	15,037	14,784	(2%)
Selling, general and admin expense	1,563	1,289	1,621	4%	26%	5,536	5,499	(1%)
Operating profits	2,511	454	2,041	(19%)	350%	11,490	8,693	(24%)
<i>Excluding non-recurring items</i>	2,429	159	2,228	(8%)	1302%	7,625	5,274	(31%)
Net finance cost/income tax/others	493	224	225	(54%)	0%	1,933	1,545	(20%)
Net profit	2,017	229	1,816	(10%)	692%	9,557	7,148	(25%)
<i>Excluding non-recurring items</i>	1,783	-199	1,693	(5%)	(950%)	5,577	3,380	(39%)
Earnings per basic share (THB)	0.45	0.05	0.40	(10%)	692%	2.13	1.59	(25%)
<i>Excluding non-recurring items</i>	0.40	-0.04	0.38	(5%)	(950%)	1.24	0.75	(39%)

Capital Structure

As of December 31, 2021, the Company reported total interest-bearing debt of THB 79,550 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 supporting SF acquisition transaction and debt consolidation from SF performance. Meanwhile, the weighted average financing cost as of December 31, 2021 stood at 1.65%, decrease from 2.03% as of December 31, 2020. Fixed interest rates debt comprises 44% of total interest-bearing debt, floating interest rates make up 56%.



Net interest-bearing debt to equity ratio stood at 0.91x, 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 to acquire SF. However, the Company 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.

Credit Term

During the COVID-19 outbreak, The Company maintains its credit term policy which allows between 1-30 days. In 2021, an average collection period was 45 days, increased from 41 days in 2020 mainly from receivables turnover ratio decreased to 7.92 times in 2021 from 8.87 times in 2020 due to on process of rent discount negotiation resulting in an increase in account receivables. The Company has not extended credit term policy, nonetheless, initiated the remedy measure by providing rent waiver and discount. In the meantime, the Company implemented the cost-effective management to manage sufficient liquidity.

Dividend

On February 18, 2022, the Board of Directors passed a resolution to propose to the Annual General Meeting of Shareholders (AGM) on April 22, 2022 to approve the dividend payment of THB 0.60 per share to be paid from the 2021 net profit. The date of dividend exemption (XD) will be on March 4, 2022 and the payment date, if approved at the AGM, will be made on May 17, 2022.

Table 3: Summary of Financial Position

<i>Unit: million THB</i>	End of FY 2020	End of 4Q 2021	YTD (%)
<i>Current assets</i>			
Cash and current investments	9,225	6,057	(34%)
Other current assets	14,661	17,457	19%
Total current assets	23,886	23,515	(2%)
<i>Non-current assets</i>			
Investment properties ⁽¹⁾	159,983	166,648	4%
Property & equipment (PP&E)	3,242	3,200	(1%)
Other non-current assets	34,664	70,058	102%
Total non-current assets	197,888	239,906	21%
Total assets	221,774	263,421	19%
<i>Current liabilities</i>			
Interest-bearing debt - 1 year	18,131	30,095	66%
Other current liabilities	12,423	13,397	8%
Total current liabilities	30,554	43,492	42%
<i>Non-current liabilities</i>			
Interest-bearing debt	28,355	50,684	79%
Other non-current liabilities	85,741	87,170	2%
Total non-current liabilities	114,096	137,853	21%
Total liabilities	144,650	181,346	25%
<i>Shareholders' equity</i>			
Retained earnings - unappropriated	58,782	62,801	7%
Other shareholders' equity	18,341	19,274	5%
Total shareholders' equity	77,123	82,075	6%

⁽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, 2021 is THB 371,788 mn (THB 350,420 mn as of December 31, 2020), as stated in the disclosure notes to the main financial statements no. 13 under "Investment Properties".

Table 4: Key Financial Ratios

	4Q 2020	3Q 2021	4Q 2021	YoY (%)	QoQ (%)	FY 2020	FY 2021	YoY (%)
Profitability Ratio								
Gross profit margin (%)	47%	28%	44%	(4%)	16%	46%	40%	(6%)
<i>Rent and services</i>	50%	29%	46%	(5%)	17%	47%	42%	(6%)
<i>Hotel operations</i>	20%	32%	61%	40%	29%	46%	52%	7%
<i>Food center services</i>	37%	(27%)	34%	(3%)	61%	32%	17%	(15%)
<i>Real estate sales</i>	35%	30%	29%	(6%)	(1%)	33%	30%	(3%)
Operating profit margin (%)	30%	9%	26%	(5%)	17%	36%	30%	(6%)
<i>Excluding non-recurring items</i>	30%	3%	27%	(2%)	24%	27%	21%	(7%)
Net profit margin (%)	24%	4%	23%	(2%)	18%	30%	25%	(5%)
<i>Excluding non-recurring items</i>	22%	(4%)	21%	(1%)	25%	20%	13%	(7%)
Return on equity ⁽¹⁾ (%)	12%	9%	9%	(3%)	0%	12%	9%	(3%)
<i>Excluding non-recurring items</i>	7%	4%	4%	(3%)	0%	7%	4%	(3%)
Efficiency Ratio								
Return on assets ⁽¹⁾ (%)	5%	3%	3%	(2%)	(0%)	5%	3%	(2%)

	End of FY 2020	4Q 2021	YTD (Unit)
Liquidity Ratio			
Current ratio (times)	0.78	0.54	-0.24
Quick ratio (times)	0.30	0.14	-0.16
Financial Policy Ratio			
Liabilities to equity ratio (times)	1.88	2.21	0.33
Net interest-bearing debt to equity ratio ⁽²⁾ (times)	0.48	0.91	0.43

- (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 2022 Performance

In 2021, the COVID-19 outbreak situation is the major external factor that impacted the Company's business and financial performances. The COVID-19 Omicron has spread out in various provinces location in Thailand since the end of the end of 2021. The pandemic cause concern a New Normal behave to people meanwhile business activity and living time in shopping mall and out of home still recovered. In addition, stimulus package together with a quick vaccine roll-out proceeding and relaxation of restrictive measures will support spending and customer confident to improve. Tourism sector will gradually recover along with global economy particularly on local tourism. Hence, the Company foresees a significant recovery on its core and support business from 2021. However, Thai economy still has risk factors such as Inflation rate increase from energy price, labor market not fully recover and high household debt level. The Company closely monitors and maintains utmost readiness to adapt its business plan to manage risks to decelerate impact on company's financial performance and able to drive long-term growth.

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 (2022-2026) investment plan and business objectives with the aim of preserving average revenue growth per year (CAGR) at more than 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** (opened in November 2021), **Central Si Racha** (opened in October 2021) and **Central Chanthaburi** (targeted opening in 2022) and **Dusit Central Park** (phasal opening from 2024 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	22,000	2021	★ Expected opening on 30 November ★ Opened on 27 October >> In the process of development ★ Expected opening							
Central Si Racha	31,000	2021								
Central Chanthaburi	18,000	2022								
<i>Residential - High-rise</i>	<i>Units</i>	<i>Qtr/Year</i>								
<i>Domestic - BMA</i>										
PHYLL PHAHOL 34	358	4/2019	Pre-sales 58% Transferred 57%							
<i>Domestic - Provinces</i>										
ESCENT UBONRATCHATHANI	395	3/2020	Completed transfer and closed out							
ESCENT PARK VILLE CHIANGMAI	450	3/2020	Pre-sales > 67% Transferred 67%							
ESCENT RAYONG 2	420	2022	Pre-sales 41% ; in the process of development							
ESCENT KORAT	395	2023	Pre-sales 63% ; in the process of development							
ESCENT HATYAI	665	2023	Pre-sales 100% ; in the process of development							
PHYLL PHUKET	439	2023	Pre-sales > 10% ; in the process of development							
ESCENT AVENUE RAYONG	63	2022	Pre-sales > 10% ; in the process of development							
Escent Ville Ayutthaya	396	2023	Pre-sales > 65% ; in the process of development							
<i>Residential - Low-rise</i>										
<i>Domestic - BMA</i>										
NIYHAM BOROMRATCHACHONNANI	71		Transferred 23 units							
ESCENT TOWN PHITSANULOK	311		Transferred 63 units							
NINYA KALLAPAPRUEK	144		Transferred 47 units							
NIRATI CHIANGRAI	183		Transferred 29 units							
NIRATI BANGNA	156		Transferred 44 units							
NIRATI DONMUANG	262		Transferred 32 units							
<i>Joint Mixed-use Development</i>										
<i>Domestic - BMA</i>										
Dusit Central Park *		2024 onwards	In the process of construction and prepare 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 (4Q20 and 2020)

4Q20 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	6,647		6,647	(134)	6,513
Revenue from other businesses	1,418		1,418		1,418
Other Income	244		244		244
Total income	8,309	0	8,309	(134)	8,175
Cost of rental & services	3,307		3,307		3,307
Cost of other businesses	928		928		928
Administrative expenses	1,563	(52)	1,511		1,511
Operating profit (loss)	2,511	52	2,563	(134)	2,429
(+)Share of profit from invested co.	170		170		170
(+)Investment income	343		343	(321)	22
(-)Interest expense	458		458		458
(-)Income tax expense	504	(78)	426	(91)	335
(-)Minority interest	44		44		44
Net profit to parent company	2,017	130	2,147	(364)	1,783

FY2020 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	24,848		24,848	(1,132)	23,716
Revenue from other businesses	3,014		3,014		3,014
Other Income	4,200	(3,132)	1,068		1,068
Total income	32,062	(3,132)	28,930	(1,132)	27,798
Cost of rental & services	13,055		13,055		13,055
Cost of other businesses	1,982		1,982		1,982
Administrative expenses	5,536	(399)	5,137		5,137
Operating profit	11,490	(2,733)	8,757	(1,132)	7,625
(+)Share of profit from invested co.	1,042	(270)	772		772
(+)Investment income	1,099		1,099	(963)	136
(-)Interest expense	1,865		1,865		1,865
(-)Income tax expense	2,148	(699)	1,449	(419)	1,031
(-)Minority interest	60		60		60
Net profit to parent company	9,557	(2,304)	7,253	(1,676)	5,577