

Ref: PSH-CS 31/2022

13 May 2022

Subject: Clarification of 1Q22 Operating Results

To: President
The Stock Exchange of Thailand

Pruksa Holding Public Company Limited ("the Company") would like to clarify operating results of the Company for the three months ended 31 March 2022 as follows:

The operating results for 1Q22 mainly derived from the real estate business.

Presale comparison by segment for the three months ended 31 March 2022 and 2021

Unit: Bt million

Products	Three months presale ended		Increase (Decrease)	% Change
	31 March 2022	31 March 2021		
Townhouse	2,801	3,783	(982)	(26.0)
Single-detached house	1,705	1,779	(74)	(4.2)
Condominium	838	1,378	(540)	(39.2)
Total	5,344	6,940	(1,596)	(23.0)

Note: All presale as of 31 March 2022 and 2021 were reported as net presale (presale-promotion)

In 1Q22, the Company delivered presale from real estate business of Bt5,344 million, down Bt1,596 million or 23.0% compared to the same period of last year. The decrease was from townhouse, single-detached house and condominium businesses of Bt982 million, Bt74 million and Bt540 million, respectively.



Performance comparison of the Company for the three months ended 31 March 2022 and 2021

Unit: Bt million

Statement of income	31 March 2022	%	31 March 2021	%	Increase/ (Decrease)	%YoY
Revenue from sales of real estate	5,790	96.8	7,051	102.2	(1,261)	(17.9)
Promotions	(111)	(1.9)	(163)	(2.4)	52	31.9
Revenue from sales of real estate-net	5,679	95.0	6,888	99.9	(1,209)	(17.6)
Revenue from hospital operations	244	4.1	-	-	244	100.0
Other Income	58	1.0	9	0.1	49	544.4
Total Revenues	5,981	100.0	6,897	100.0	(916)	(13.3)
Cost of sales of real estate	3,940	69.4	5,052	73.3	(1,112)	(22.0)
Cost of hospital operations	226	92.6	-	-	226	100.0
Gross profit	1,757	29.7	1,836	26.7	(79)	(4.3)
Selling and Administrative expenses	989	16.5	1,039	15.1	(50)	(4.8)
Profit from operating activities	826	13.8	806	11.7	20	2.5
Finance costs	(120)	(2.0)	(144)	(2.1)	24	16.7
Share of profit of joint ventures accounted for using equity method	15	0.3	107	1.6	(92)	(86.0)
Profit before income tax expense	721	12.1	769	11.1	(48)	(6.2)
Tax expense	(158)	(2.6)	(153)	(2.2)	(5)	(3.3)
Profit for the period	563	9.4	616	8.9	(53)	(8.6)
Non-controlling interests	11	0.2	10	0.1	1	10.0
Owners of the parent	552	9.2	606	8.8	(54)	(8.9)

Remark: Percentage in statement of income derived from total revenues, while percentage of cost of sales of real estate and cost of hospital operations derived from revenue from sales of real estate-net and revenue from hospital operations, respectively. Gross profit is derived from revenue from sales of real estate-net +revenue from hospital operations.

Revenues

For 1Q22, the Company generated revenue of Bt5,679 million from sales of real estate and Bt244 million from revenue from hospital operations, which has commenced operations since May 2021 and Bt58 million from other revenue, resulted in total revenues of Bt5,981 million.



Revenue from sales of real estate business by product segment for the three months ended 31 March 2022 and 2021

Unit: Bt million

Products	Three months revenues ended 31 March				Increase (Decrease)	%YoY
	2022	%	2021	%		
Townhouse	2,461	43.4	3,461	50.2	(1,000)	(28.9)
Single-detached house	1,143	20.1	1,600	23.3	(457)	(28.6)
Condominium	1,432	25.2	1,827	26.5	(395)	(21.6)
Others*	643	11.3	-	-	643	100.0
Revenue from sales real estate-net	5,679	100.0	6,888	100.0	(1,209)	(17.6)

* Revenue from Land Sale

For 1Q22, revenue from sales of real estate business was Bt5,679 million, a decrease of Bt1,209 million or 17.6% YoY. This was due to a decrease in townhouse revenue of Bt1,000 million or 28.9%, single-detached house revenue of Bt457 million or 28.6% and condominium revenue of Bt395 million or 21.6%. In addition, revenue from land sale during the first quarter was Bt643 million.

Cost

For 1Q22, the Company reported cost of sales of real estate of Bt3,940 million or 69.4% of revenue from sales of real estate-net compared to Bt5,052 million or 73.3% of revenue from sales of real estate-net in 1Q21. The Company also reported cost of hospital operation of Bt226 million which was from the commencement of Vimut Hospital in 2Q21.

Gross profit margin

For 1Q22, the Company reported gross profit margin of 29.7%, increase from the same period of last year at 26.7% which was due to the decrease in cost of sales of real estate ratio.

Selling & Administrative expenses

For 1Q22, the Company reported selling and administrative expenses of Bt989 million or 16.5% of total revenue, dropping Bt50 million or 4.8% from the same period of last year. The decrease was from selling expenses of Bt42 million or 9.3%.

Finance costs

For 1Q22, the Company reported financing cost of Bt120 million, a decrease of Bt24 million from the same period of last year, due mainly to debenture repayment of Pruksa Holding from 2Q21 to 1Q22 totaling Bt8,250 million.



As of 31 March 2022, interest-bearing debt to equity ratio was relatively low at 0.39 times and net interest-bearing debt to equity ratio was 0.37 times, resulted from an efficient debt management of the Company and its subsidiaries.

Share of profit of joint ventures accounted for using equity method

For 1Q22, the Company recognized the share of profit of joint ventures accounted for using equity method amounting to Bt15 million. This was because on 1 February 2021, Vimut Hospital Holding Co., Ltd. which is a subsidiary of the Company acquired the shares and voting interests of 51% of the issued and paid-up share capital in Theptanyapa Co., Ltd. which is the owner and operator of Theptarin Hospital and holds shares in 5 subsidiaries which consists of DM Food Co., Ltd., Lab Plus One Co., Ltd., Intervention Consulting at Theptarin Hospital Co., Ltd., Theptarin Dental Center Co., Ltd., and Contours Express (Thailand) Co., Ltd. The transaction is accounted for as an investment in joint venture. The consideration consisted of a cash payment of Bt708.7 million and incurred acquisition-related costs of Bt15.6 million.

Profit

For 1Q22, profit of the Company was Bt552 million or 9.2% of total revenue, decreased Bt54 million or 8.9% from the same period of last year, mainly due to one-time gain from acquisition of interest in joint venture Bt106 million during 1Q21. Nonetheless, profit margin increased 0.4 percentage point from 1Q21.

Consolidated statement of financial position

	31 March	31 December		31 March	31 December
	2022	2021		2022	2021
	(Bt million)			(Bt million)	
Assets			Non-interest bearing debt		
Current Assets			Trade accounts payable	1,289	1,350
Cash and cash equivalents	1,127	3,348	Other liabilities	7,674	7,518
Real estate development for sale	55,292	56,756	Total non interest bearing debt	8,963	8,868
Other current assets	1,736	1,771	Short-term loans from financial institutions	1,750	4
Total current assets	58,155	61,875	Current portion of long-term loans	400	400
Property, plant and equipment	6,523	6,566	Long-term loans	357	457
Other non-current assets	6,172	3,610	Current portion of long-term debentures	6,000	9,500
Total non-current assets	12,695	10,176	Long-term debentures	8,750	8,750
Total assets	70,850	72,051	Total interest bearing debt	17,257	19,111
			Total liabilities	26,220	27,979
			Equity	43,870	43,324
			Non-controlling interests	760	748
			Total liabilities and equity	70,850	72,051

Remark: Portion of consolidated statement of financial position



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As of 31 March 2022, the Company reported 142 active projects with total project value of Bt151,404 million. It was categorized by product segment as follows; 81 townhouse projects with total value of Bt67,189 million, 41 single-detached house projects with total value of Bt46,186 million, 20 condominium projects with total value of Bt38,029 million.

As of 31 March 2022, the Company reported total assets of Bt70,850 million. A decrease was mainly from lower amount of real estate development for sale. Interest-bearing debt consists of short-term loans from financial institutions with value of Bt1,750 million long-term loans with value of Bt757 million and debentures with value of Bt14,750 million. The purpose of IBD use was for liquidity management and working capital.

Please be informed accordingly.

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