

11 November 2022

Subject : Management Discussion and Analysis of

Operating Results for 3-month period ended 30 September 2022

To Director and Manager
The Stock Exchange of Thailand

Britania Public Company Limited and its subsidiaries hereinafter called “The Group” would like to clarify the Management Discussion and Analysis of the Group operating result for 3-month period ended 30 September 2022 as following:

Overall, the real estate sector still faces all-round challenges factors from the beginning of the year until the third quarter of 2022, both internal and external economic conditions that have not fully recovered, inflation, construction material costs and interest rate increase. The third quarter of 2022, the policy rate was raised twice, bringing interest rate to 1.00 percent per annum. These factors affect the real estate sector, both in the part of real estate developers and consumers.

In 2022, the Group operates business under the strategy of 'Growth Together' to create maximum efficiency and to keep up with the situation. The first strategy is to expand the market to new locations which has the opportunity from consumer demand and has the potential to grow at a high rate. In the third quarter of 2022, there were 4 newly launched projects with total project value of 4,350.0 million baht including 1) Britania Wongwaen-Pinklao with a project value of Baht 550.0 million. 2) Britania Home Bangna KM.17 with a project value of Baht 1,500.0 million. 3) Britania Town Bangna KM.17 with a project value of Baht 1,100.0 million. 4) Grand Britania Khukhot Station with a project value of Baht 1,200.0 million. As a result, the Group has Presale in the third quarter and 9 months of 2022 amounted to Baht 2,843.4 million and Baht 7,840.4 million, respectively, increase by 29.1 percent and 23.3 percent, respectively, compared to the same period of 2021. In addition, the Group also uses a joint venture strategy with partners, which is considered a diversification of investment risks. It also helps to expand investment in project development quickly. The Group has gained the trust and confidence in its continuous good operating potential from its partners. Therefore, there is a joint venture to develop one more project, Grand Britania Bangna KM.35 with a project value of Baht 2,000.0 million. As a result, the Group has developed total 5 projects.

And the last strategy is to conduct business with all stakeholders in mind. both to increase the potential and enhance the image of employees and realizes the importance of those involved for sustainable growth together in all sectors

In addition, the group continues to operate strictly the business. strictly planned and followed. and constantly study the changing behavior of consumers. including design to cover future basic needs which is designed and developed for Work From Everywhere. Also focuses on technology along with the environment for example, installing solar rooftop, and installing an EV charging system etc. to maintain the standard of continuously delivering quality projects and services to consumers and society.

Revenues from sales of real estate in the third quarter and 9 months of 2022 amounted to Baht 1,241.9 million and Baht 3,993.6 million, respectively, increase by 18.7 percent and 42.4 percent, respectively, compared to the same period of 2021. In addition, the group has Gain on disposal of investments in subsidiaries in the third quarter and 9 months of 2022 amounted to Baht 85.7 million and Baht 322.1 million, respectively, and Revenues from project management in the third quarter and 9 months of 2022 amounted to Baht 72.0 million and Baht 213.2 million, respectively, From the aforementioned revenue, the Group has total revenue in the third quarter and 9 months of 2022 amounted to Baht 1,420.6 million and Baht 4,555.5 million, respectively, increase by 35.6 percent and 62.2 percent, respectively, compared to the same period of 2021. The group can also manage Cost of real estate, Selling expenses and Administrative expenses effectively, which made profit for the period in the third quarter and 9 months of 2022 amounted to Baht 330.6 million and Baht 1,059.4 million, respectively, increase by 100.8 percent and 134.2 percent, respectively, compared to the same period of 2021.

Operating Results for 3-month period ended 30 September 2022 are as the following

Items	Q3'2022		Q3'2021		Change	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Revenues						
Revenues from sales of real estate	1,241.9	87.4	1,046.0	99.9	195.9	18.7
Revenues from project management	72.0	5.1	-	-	72.0	100.0
Interest revenue calculated using the effective interest method	0.2	0.0	-	-	0.2	100.0
Gain on disposal of investments in subsidiaries	85.7	6.0	-	-	85.7	100.0
Other income	20.8	1.5	1.5	0.1	19.3	1,247.0
Total revenues	1,420.6	100.0	1,047.5	100.0	373.1	35.6
Expenses					-	
Cost of real estate sales	833.5	58.7	720.9	68.8	112.6	15.6
Selling expenses	131.6	9.3	94.2	9.0	37.5	39.8
Administrative expenses	30.6	2.2	24.6	2.4	6.0	24.3
Total Expenses	995.8	70.1	839.7	80.2	156.1	18.6
Operating profit	424.8	29.9	207.8	19.8	217.0	104.4
Share of loss from investments in joint ventures	(6.0)	(0.4)	-	-	(6.0)	100.0
Finance cost	(1.4)	(0.1)	(1.7)	(0.2)	0.3	(18.6)
Profit before income tax expenses	417.5	29.4	206.1	19.7	211.4	102.6
Income tax expenses	(86.9)	(6.1)	(41.5)	(4.0)	(45.4)	109.4
Profit for the period	330.6	23.3	164.6	15.7	166.0	100.8
Total comprehensive income for the period	330.6	23.3	164.6	15.7	166.0	100.8

The above table can be analyzed as the following,

1. Total revenues

The third quarter of 2022 and 2021, total revenues of the Group amounted to Baht 1,420.6 million and Baht 1,047.5 million respectively, increased by Baht 373.1 million or 35.6 percent, which was in according to the business expansion plan. Detail following as below,

Revenues from sales of real estate

The third quarter of 2022, revenues from sales of real estate of the Group amounted to Baht 1,241.9 million, accounted for 87.4 percent from the total revenues, increased by Baht 195.9 million or increased by 18.7 percent from the same period of last year. Mainly, revenues from sales of real estate of

the Group were from ownership transfer of housing development in existing 13 projects continued from year 2021. The third quarter of 2022 the Group were also from ownership transfer of housing development in 8 new projects including 1) Britania Tiwanon-Ratchaphruek 2) Britania Praksa Station 3) Grand Britania Bangna-Suvarnabhumi 4) Grand Britania Nontaburi Station 5) Britania Ratchaphruek-Nakhon In 6) Brighton Bangpakong 7) Britannia Amata-Phanthong 8) Grand Britania Rama 9 - Krungthep Kreetha Grand Total 21 projects.

Revenues from project management

Revenues from project management consists of Revenues from project management, Revenue from sales and marketing management and Revenue from administrative management from Joint Ventures. The third quarter of 2022, Revenues from project management amounted to Baht 72.0 million, accounted for 5.1 percent from the total revenues.

Interest revenue calculated using the effective interest method

The third quarter of 2022, Interest revenue calculated using the effective interest method amounted to Baht 0.2 million.

Gain on disposal of investments in subsidiaries

The third quarter of 2022, Gain on disposal of investments in subsidiaries amounted to Baht 85.7 million, accounted for 6.0 percent from the total revenues by disposing of investments in 1 subsidiaries, Britannia Bangna KM.35 Company Limited.

Other income

The third quarter of 2022, other income of the Group amounted to Baht 20.8 million, accounted for 1.5 percent of total revenues and increased by Baht 19.3 million or increased by 1,247.0 percent from the same period of last year.

2. Expenses

Cost of real estate sales

The third quarter of 2022, cost of real estate sales of the Group amounted to Baht 833.5 million, accounted for 58.7 percent of total revenues and increased by Baht 112.6 million or increased by 15.6 percent from the same period of last year. This was in according to increase in revenues from sales of real estate.

Selling expenses

The third quarter of 2022, selling expenses of the Group amounted to Baht 131.6 million, accounted for 9.3 percent of total revenues and increased by Baht 37.5 million or increased by 39.8 percent from the same period of last year. This was mainly due to an increase in Specific Business Taxes and Transfer Fees, in according to increase in revenues from sales of real estate, and also an increase in sales and marketing employee expenses and other selling expense for the expansion of project development plan, especially, the Group launched 6 new projects since 6-month period of 2021 including 1) Britania Tiwanon-Ratchaphruek 2) Britania Praksa Station 3) Grand Britania Bangna-Suvarnabhumi 4) Grand Britania Nontaburi Station 5) Grand Britania Rama 9 - Krungthep Kreetha 6) Brighton Bangpakong. And in 2022, The group launched 2 new projects is Britania Ratchaphruek-Nakhon In and Britania Wongwaen-Pinklao.

Administrative expenses

The third quarter of 2022, administrative expenses of the Group amounted to Baht 30.6 million, accounted for 2.2 percent of total revenues and increased by Baht 6.0 million or increased by 24.3 percent from the same period of last year. This was mainly due to an increase in employee expenses because the Company adjusted annual compensation and recruited additional staff, together with the increase in other administrative expenses to support the expansion of the business and the new projects launch continually increasing.

3. Finance cost

Finance cost of the Group was mainly from interest payment of short-term loans from parent company, loans from banks and bank overdrafts using for working capital, and also interest payment of office building lease agreement. The third quarter of 2022, finance cost of the Group amounted to Baht 1.4 million, accounted for 0.1 percent of total revenues and decreased by Baht 0.3 million or decreased by 18.6 percent from the same period of last year.

4. Income tax expenses

The third quarter of 2022, income tax expenses of the Group amounted to Baht 86.9 million, accounted for 6.1 percent of total revenues and increased by Baht 45.4 million or increased by 109.4 percent from the same period of last year.

5. Profit for the period

The third quarter of 2022, Profit for the year of the Group amounted to Baht 330.6 million, accounted for 23.3 percent of total revenues and increased by Baht 166.0 million or increased by 100.8 percent from the same period of last year, which was in according to the business expansion plan.

6. Financial position

Items	As of	As of	Change	
	30 September 2022	31 December 2021	Mil.Baht	%
Total assets	10,410.0	9,116.2	1,293.8	14.2
Total liabilities	5,959.1	5,729.7	229.4	4.0
Total shareholders' equity	4,450.8	3,386.5	1,064.4	31.4

As of 30 September 2022, increased by Baht 1,293.8 million or increased by 14.2 percent comparing to the end of the year 2021. This was mainly due to an increase in Investment in joint ventures, Restricted bank deposits, and Other receivables. As for liabilities, an increase by 229.4 million baht or increase by 4.0 percent. This was mainly due to an increase in Short-term Loans from parent company, Income tax payable, and Deposits and advances received from customers.

As of 30 September 2022, increased by Baht 1,064.4 million or increased by 31.4 percent comparing to the end of the year 2021. This was mainly due to Retained earnings.

Please be informed accordingly.

Yours sincerely,

(Mrs. Supaluk Chanpitak)

Chief Executive Officer