



Date 23 February 2023

Re: Management Discussion & Analysis for the year ended 31 December 2022

To The President of the Stock Exchange of Thailand (SET)

CHAOPRAYAMAHANAKORN PUBLIC COMPANY LIMITED (“The Company”) would like to provide an explanation regarding our financial performance for the year ended 31 December 2022 as follows:

Financial Performance

For the year period ended	31 December 2022		31 December 2021		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Revenue from sales of real estate	962.8	76.5%	1,049.9	86.6%	(87.2)	(8.3%)
Revenue from construction	95.2	7.6%	69.2	5.7%	26.0	37.6%
Revenue from services	135.1	10.7%	66.7	5.5%	68.4	102.6%
Revenue from sales of goods	56.8	4.5%	0.0	-	56.8	100.0%
Total Revenues	1,249.9	99.3%	1,185.8	97.8%	64.1	5.4%
Cost from sales of real estate	(603.7)	(48.0%)	(610.2)	(50.4%)	(6.5)	(1.1%)
Cost of construction	(93.5)	(7.4%)	(94.2)	(7.8%)	(0.7)	(0.7%)
Cost of services	(129.0)	(10.2%)	(61.5)	(5.1%)	67.4	109.5%
Cost of goods sold	(52.1)	(4.1%)	0.0	-	52.1	100.0%
Total costs	(878.3)	(69.8%)	(765.9)	(63.2%)	112.4	14.7%
Gross Profit	371.6	29.5%	419.9	34.6%	(48.3)	(11.5%)
Other income	8.4	0.7%	26.1	2.2%	(17.6)	(67.7%)
Selling expenses	(155.9)	(12.4%)	(125.6)	(10.4%)	30.3	24.1%
Administrative expenses	(173.9)	(13.8%)	(185.8)	(15.3%)	(12.0)	(6.4%)
Profit before finance costs and income tax benefit (expense)	50.3	4.0%	134.5	11.1%	(84.2)	(62.6%)
Financing cost	(151.1)	(12.0%)	(90.4)	(7.5%)	60.7	67.2%
Profit (loss) before income tax benefit (expense)	(100.8)	(8.0%)	44.2	3.6%	(144.9)	(328.2%)
Income tax benefit (expense)	20.9	1.7%	0.0	0.0%	(20.8)	52100.0%
Net profit (loss) for the period	(79.9)	(6.3%)	44.2	3.6%	(124.1)	(280.7%)

Performance Overview

For the year 2022, the economy is likely to recover continuously from effected by the epidemic of COVID-19 which directly impact the real estate sector. The result of the epidemic led to slowdown in consumer purchasing decision causing from uncertainty in the economic situation. However, the epidemic situation for the year seems to be controllable which result to more foreign tourist coming into the country.



Therefore, the overall economic situation seemed to be more easing. Nonetheless, the economic situation in the last quarter of the year is still at risk of slowing again due to the volatility of world oil prices affected by the Russia-Ukraine War causing global inflation to rise steadily together with the depreciation of the baht against the dollar. As a result, prices of products in all sectors have increased significantly. Therefore, the company focus on cost management and cash flow management to prepare for the impact that will occur from inflation and rising interest rates.

The results of the year 2022, **Total revenue** has grown by 3.8 percent or 46.4 million baht. Total revenue increased from 1,211.9 million baht in the year 2021 to 1,258.3 million baht in the year 2022. The growth was driven by the company's new business that has diversified its revenue beyond the real estate business which is core business of the Group. Speaking of **Net profit** of the Group for the year 2022, the company had loss of 79.9 million baht whereas the year 2021, the company can make a profit 44.2 million baht because of the increase in investments in new businesses such as hotel to accommodate the return of foreign tourists. As a result, financial costs in 2022 increased by more than 60.7 million baht or 67.2 percent.

- Total revenue for the year of 2022 was Baht 1,258.3 million baht or increased by 3.8 percent compared to the same period of last year, divided into the revenue from sales of real estate was 962.8 million baht decreased by 8.3 percent from same period of last year. Moreover, revenue from other business including construction, service and sales business was 287.1 million baht combined which increased by 100.9 percent. This growth was driven by the expansion of the company's business in the cleaning business.
- In 2022, the Company achieved a gross profit margin of 371.6 million baht, down by 48.3 million baht from the same period last year. Gross margin from the real estate segment was 37.3%, decreased from the same period of last year with a margin of 41.9 percent.
- The Group was able to control selling & marketing expense and administration expense quite well. During 2022, the Group's selling and administrative expenses increased slightly by 5.9 percent from the same period last year (Selling and administrative expenses were 329.7 million baht and 311.4 million baht. for 2022 and 2021). Profit before interest and income tax for 2022 and 2021 was 50.3 million baht and 134.5 million baht.
- Net profit (loss) equal to (79.9) million baht decreased by 124.1 million baht from the same period last year, as a result of the increase in financial costs.



Financial Position

Financial Position as of	31 December 2022		31 December 2021		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Cash and cash equivalents	391.8	6.4%	292.2	5.2%	99.6	34.1%
Real estate projects under development	2,507.4	41.0%	2,347.1	42.1%	160.3	6.8%
Real estate projects held for development	1,353.5	22.1%	1,353.5	24.3%	0.0	-
Property, plant and equipment	1,005.3	16.4%	955.6	17.1%	49.7	5.2%
Total assets	6,122.8	100.0%	5,577.1	100.0%	545.7	9.8%
Interest-bearing debt	3,209.1	52.4%	2,610.9	46.8%	598.2	22.9%
Total liabilities	3,557.6	58.1%	2,893.3	51.9%	664.3	23.0%
Total equity	2,565.2	41.9%	2,683.8	48.1%	(118.6)	(4.4%)

As of 31 December 2022, the Company had total assets of Baht 6,122.8 million increase by 545.7 million baht or 9.8 percent from the end of 2021. This is an increase of 99.6 million baht in cash and cash equivalents and 160.3 million baht in real estate projects under development and for sale. The Company has total liabilities of Baht 3,557.6 million, increase by 664.3 million baht or 23.0 percent from the end of 2021. The increase was due to the issuance of debentures with a credit limit of Baht 347.5 million in the last quarter of 2022, with total shareholders' equity of Baht 2,565.2 million, decreased by 118.6 million baht Based on annual performance.

Conclusion

As 31 December 2022, the Company backlog was Baht 2,348.0 million and the company's inventory was Baht 4,009.3 million including 6 projects under construction which are currently on presale and expected to complete in 2023 – 2024. Moreover, there are several new projects planned to open shortly.

Please be informed accordingly.

Yours truly,

- Ms.Songthip Kotaravibul-

- Ms.Songthip Kotaravibul-
Chief Financial Officer