



Date 12 May 2023

Re: Management Discussion & Analysis for three months period ended 31 March 2023  
 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 three months period ended 31 March 2023 as follows:

### Financial Performance

For three months period ended	31 March 2023		31 March 2022		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Revenue from sales of real estate	140.5	56.2%	165.8	63.1%	(25.3)	(15.3%)
Revenue from construction	60.6	24.2%	43.7	16.6%	16.9	38.6%
Revenue from services	39.9	15.9%	36.1	13.7%	3.8	10.5%
Revenue from sales of goods	8.1	3.2%	14.7	5.6%	(6.6)	(45.0%)
<b>Total Revenues</b>	<b>249.1</b>	<b>99.6%</b>	<b>260.3</b>	<b>99.1%</b>	<b>(11.2)</b>	<b>(4.3%)</b>
Cost from sales of real estate	(91.9)	(36.7%)	(101.1)	(38.5%)	(9.2)	(9.1%)
Cost of construction	(55.0)	(22.0%)	(41.7)	(15.9%)	13.3	31.8%
Cost of services	(42.3)	(16.9%)	(29.5)	(11.2%)	12.8	43.4%
Cost of goods sold	(5.8)	(2.3%)	(12.3)	(4.7%)	(6.5)	(52.9%)
<b>Total costs</b>	<b>(195.0)</b>	<b>(78.0%)</b>	<b>(184.6)</b>	<b>(70.3%)</b>	<b>10.4</b>	<b>5.6%</b>
<b>Gross Profit</b>	<b>54.1</b>	<b>21.6%</b>	<b>75.7</b>	<b>28.8%</b>	<b>(21.6)</b>	<b>(28.5%)</b>
Other income	1.0	0.4%	2.4	0.9%	(1.4)	(57.3%)
Selling expenses	(25.9)	(10.4%)	(31.4)	(11.9%)	(5.4)	(17.3%)
Administrative expenses	(59.6)	(23.8%)	(44.5)	(17.0%)	15.1	33.9%
<b>Profit before finance costs and income tax benefit (expense)</b>	<b>(30.4)</b>	<b>(12.2%)</b>	<b>2.2</b>	<b>0.8%</b>	<b>(32.6)</b>	<b>(1483.2%)</b>
Financing cost	(40.9)	(16.4%)	(31.0)	(11.8%)	9.9	31.8%
<b>Profit (loss) before income tax benefit (expense)</b>	<b>(71.3)</b>	<b>(28.5%)</b>	<b>(28.8)</b>	<b>(11.0%)</b>	<b>(42.5)</b>	<b>147.4%</b>
Income tax benefit (expense)	4.6	1.8%	0.7	0.3%	(3.9)	551.4%
<b>Net profit (loss) for the period</b>	<b>(66.8)</b>	<b>(26.7%)</b>	<b>(28.1)</b>	<b>(10.7%)</b>	<b>(38.6)</b>	<b>137.3%</b>



## Performance Overview

The performance results of the Group for the three months period ended 31 March 2023, **Total revenue** has fallen by 4.8 percent or 12.6 million baht. Total revenue decreased from 262.7 million baht in the first quarter of 2022 to 250.1 million baht in this quarter. The decline in total revenue was mainly caused by the fall in real estate revenue of 25.3 million baht or 15.3 percent. However, the other company's business, including construction and service had grown compared to the same period of last year. Speaking of **Net profit** of the Group for the three months period ended 31 March 2023, the company had loss of 66.8 million baht whereas the same period of 2022, the company loss was only 28.1 million baht. Thus, the loss increased by 38.6 million baht or 137.3 percent because of the commencement of new business, namely the hotel business. The hotel business normally gives good returns in the long term. In the short term, a large amount of investment is required to operate a new business resulting in an increase in financial cost around 10 million baht or 31.8 percent.

- The total revenue of the Group in first quarter 2023 is divided into income from sales of real estate of 140.5 million baht, down by 15.3 percent from the same period in 2022. On the other hand, the income from other businesses, including construction, services and goods sold had a total revenue of 108.6 million baht which increased by 14.9% from the same period last year. Such growth came from the subsidiary business including cleaning, hotel and construction businesses.
- In the first quarter of 2023, the company was able to make a gross profit of 54.1 million baht, a decrease of 21.6 million baht from the same period last year. The gross margin from real estate was 34.6%, decreased from the same period last year when the gross profit margin was 39.0%.
- The Group's selling and administrative expenses only increased by 12.7 percent compared to the same period last year. (Selling and administrative expenses equal to 85.6 million baht and 75.9 million baht for the first quarter of 2023 and 2022) Such increase came from hotel operating expenses which was officially opened in December 2022, resulting in decreased in profit (loss) before interest and income tax for the first quarter of 2023 compared to the same period of 2022. The profit (loss) before interest and income tax were (30.4) million baht and 2.2 million baht, respectively.
- Financial costs for the first quarter of 2023 and 2022 were 40.9 million baht and 31.0 million baht, respectively. Therefore, financial costs increased by 9.9 million baht from the purchase of lands in Rang-Sit, Pathum Thani province and Bang Bua Thong, Nonthaburi province to expand new projects of the Group.
- Net profit (loss) equal to (66.8) million baht and (28.1) million baht, the company's loss increased by 38.6 million baht from the same period last year. This was caused by an increase in selling and administrative expenses from hotel operations and finance costs from land acquisition for new construction projects.



## Financial Position

Financial Position as of	31 March 2023		31 December 2022		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Cash and cash equivalents	469.1	6.9%	391.8	6.4%	77.3	19.7%
Real estate projects under development	3,097.4	45.5%	2,507.4	41.0%	589.9	23.5%
Real estate projects held for development	1,353.5	19.9%	1,353.5	22.1%	0.0	0.0
Property, plant and equipment	1,000.4	14.7%	1,005.3	16.4%	(4.9)	(0.5%)
<b>Total assets</b>	<b>6,800.1</b>	<b>100.0%</b>	<b>6,122.8</b>	<b>100.0%</b>	<b>677.3</b>	<b>11.1%</b>
Interest-bearing debt	3,915.4	57.6%	3,209.1	52.4%	706.3	22.0%
<b>Total liabilities</b>	<b>4,301.7</b>	<b>63.3%</b>	<b>3,557.6</b>	<b>58.1%</b>	<b>744.1</b>	<b>20.9%</b>
<b>Total equity</b>	<b>2,498.4</b>	<b>36.7%</b>	<b>2,565.2</b>	<b>41.9%</b>	<b>(66.8)</b>	<b>(2.6%)</b>

As of 31 March 2023, the Company had total assets of 6,800.1 million baht increase by 677.3 million baht or 11.1 percent from the end of 2022. This is an increase of 77.3 million baht in cash and cash equivalents and 589.9 million baht in real estate projects under development and for sale. The Company has total liabilities of 4,301.7 million baht, an increase of 744.10 million baht or 20.9 percent from the end of 2022. The increase was due to the withdrawal of the loan for construction projects and the issuance of debentures in the first quarter of 2023. Total shareholders' equity of 2,498.4 million baht decreased by 66.8 million baht resulted from performance for the first quarter of 2023.

### Conclusion

As of 31 March 2023, the Company backlog was 2,420.9 million baht and the company's inventory were 3,867.1 million baht including 6 projects under construction which are currently on presale and expected to be completed in 2023 – 2025. Moreover, there are several new projects planned to open shortly.

Please be informed accordingly.

Yours truly,

- Ms.Songthip Kotaravibul-

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- Ms.Songthip Kotaravibul-  
Chief Financial Officer