



Date 11 August 2023

Re: Management Discussion & Analysis for the six-month period ended 30 June 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 the six-month period ended 30 June 2023 as follows:

### Financial Performance

For six months period ended	30 June 2023		30 June 2022		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Revenue from sales of real estate	202.5	49.6%	420.3	70.2%	(217.8)	(51.8%)
Revenue from construction	93.1	22.8%	59.7	10.0%	33.5	56.1%
Revenue from services	93.1	22.8%	71.8	12.0%	21.3	29.7%
Revenue from sales of goods	10.6	2.6%	43.7	7.3%	(33.1)	(75.7%)
<b>Total Revenues</b>	<b>399.4</b>	<b>97.9%</b>	<b>595.5</b>	<b>99.4%</b>	<b>(196.1)</b>	<b>(32.9%)</b>
Cost from sales of real estate	(132.3)	(32.4%)	(252.5)	(42.1%)	(120.2)	(47.6%)
Cost of construction	(86.3)	(21.1%)	(59.2)	(9.9%)	27.1	45.8%
Cost of services	(87.7)	(21.5%)	(58.3)	(9.7%)	29.4	50.4%
Cost of goods sold	(15.1)	(3.7%)	(38.8)	(6.5%)	(23.7)	(61.2%)
<b>Total costs</b>	<b>(321.3)</b>	<b>(78.7%)</b>	<b>(408.7)</b>	<b>(68.2%)</b>	<b>(87.4)</b>	<b>(21.4%)</b>
<b>Gross Profit</b>	<b>78.0</b>	<b>19.1%</b>	<b>186.8</b>	<b>31.2%</b>	<b>(108.7)</b>	<b>(58.2%)</b>
Other income	8.8	2.1%	3.7	0.6%	5.1	139.7%
Selling expenses	(54.6)	(13.4%)	(64.1)	(10.7%)	(9.5)	(14.8%)
Administrative expenses	(123.1)	(30.2%)	(81.7)	(13.6%)	41.4	50.6%
<b>Profit before finance costs and income tax benefit (expense)</b>	<b>(90.9)</b>	<b>(22.3%)</b>	<b>44.6</b>	<b>7.4%</b>	<b>(135.5)</b>	<b>(303.9%)</b>
Financing cost	(94.0)	(23.0%)	(69.7)	(11.6%)	24.3	34.8%
<b>Profit (loss) before income tax benefit (expense)</b>	<b>(184.9)</b>	<b>(45.3%)</b>	<b>(25.1)</b>	<b>(4.2%)</b>	<b>(159.8)</b>	<b>636.2%</b>
Income tax benefit (expense)	9.5	2.3%	(0.2)	(0.0%)	(9.7)	(5115.8%)
<b>Net profit (loss) for the period</b>	<b>(175.3)</b>	<b>(43.0%)</b>	<b>(25.3)</b>	<b>(4.2%)</b>	<b>(150.0)</b>	<b>593.3%</b>



## Performance Overview

The performance results of the Group for the six-month period ended 30 June 2023, **Total revenue** has fallen by 32.9 percent or 196.1 million baht. Total revenue decreased from 595.5 million baht in the six-month of 2022 to 399.4 million baht in the first six-month of 2023. The decline in total revenue was mainly caused by the fall in real estate revenue of 217.8 million baht or 51.8 percent. However, other company's business including construction and service have grown compared to the same period of last year. Speaking of Net profit of the Group for the six-month period ended 30 June 2023, the company had loss of 175.3 million baht whereas the same period of 2022, the company loss was only 25.3 million baht. Thus, the loss increased by 150.0 million baht or 593.3 percent because of the commencement of new businesses, 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 24.3 million baht or 34.8 percent.

- The total revenue of the Group in the first six-month of 2023 is divided into income from sales of real estate of 202.5 million baht, down by 51.8 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 196.9 million baht, which increased by 12.4% from the same period last year. Such growth came from the subsidiary business including cleaning, hotel and construction businesses.
- In the first six-month of 2023, the company was able to make a gross profit of 78.1 million baht, a decrease of 108.7 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 39.9%.
- The Group's selling and administrative expenses only increased by 21.8 percent compared to the same period last year. (Selling and administrative expenses equal to 177.7 million baht and 145.8 million baht for the first six-month 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 six-month of 2023 compared to the same period of 2022. The profit (loss) before interest and income tax were (90.9) million baht and 44.6 million baht, respectively.
- Financial costs for the first six-month of 2023 and 2022 were 94.0 million baht and 69.7 million baht, respectively. Therefore, financial costs were 24.3 million baht, increased by 34.8% from the purchase of lands to expansion new projects of the Group.
- Net profit (loss) equal to (175.3) million baht and (25.3) million baht, the company's loss increased by 150.0 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	30 June 2023		31 December 2022		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Cash and cash equivalents	142.1	2.1%	391.8	6.4%	(249.7)	(63.7%)
Real estate projects under development	3,364.4	49.3%	2,507.4	41.0%	857.0	34.2%
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>6,818.2</b>	<b>100.0%</b>	<b>6,122.8</b>	<b>100.0%</b>	<b>695.4</b>	<b>11.4%</b>
Interest-bearing debt	4,044.7	59.3%	3,209.1	52.4%	835.6	26.0%
<b>Total liabilities</b>	<b>4,432.7</b>	<b>65.0%</b>	<b>3,557.6</b>	<b>58.1%</b>	<b>875.1</b>	<b>24.6%</b>
<b>Total equity</b>	<b>2,385.5</b>	<b>35.0%</b>	<b>2,565.2</b>	<b>41.9%</b>	<b>(179.7)</b>	<b>(7.0%)</b>

As of 30 June 2023, the Company had total assets of 6,818.2 million baht increase by 695.4 million baht or 11.4 percent from the end of 2022. This is a decrease of 249.7 million baht in cash and cash equivalents and an increase of 857.0 million baht in real estate projects under development and for sale. The Company has total liabilities of 4,044.7 million baht, an increase of 835.6 million baht or 26.0 percent from the end of 2022. The increase was due to the withdrawal of the loan for construction of the projects and the issuance of debentures in the first six-month of 2023. Total shareholders' equity of 2,385.5 million baht decreased by 179.7 million baht resulted from performance for the first six months of 2023.

### Conclusion

As of 30 June 2023, the Company backlog was 2,663.4 million baht and the company's inventory were 5,910.0 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-

---

- Ms.Songthip Kotaravibul-  
Chief Financial Officer