

11st Aug 2023

Subject: Management Discussion and Analysis of

Operating Results The second quarter ended 30 June 2023

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 the second quarter ended 30 June 2023 as following:

By the strategy of the year 2023, the Group drives a business forward under the strategy "B To The Top" continuously to achieve the goal of being the leader in the top housing development business in various dimensions. For 6-month period of 2023, the Group has Presale amounted to Baht 2,840 million, increased by 8 percent. And the Group launched 3 new projects are Britania Ayutthaya, Britania Thepharak-Srinakarin and Britania Bangna KM.39.

Under the situation of Thai economy gradually recovered to normalcy, but the growth potential and business recovery still be pressured by inflation that makes domestic purchasing power stable. Therefore, the Group issues the promotions which meet the needs of new generation to boost purchasing decisions, by joint with business partners to launch new campaigns. For example, launches “Britania Summer Campaign” with special promotions, joints with financial institutions to launch “Green Loan Campaign” by provides special interest rate for the residences which save energy and eco-friendly. The campaign relates to the Group’s strategy that encourage environment trends by adaptation innovation and clean energy technology to housing project.

Moreover, there are activities with the residents to create a society of community, social and environmental development to make the happiness for all ages residents, such as “B SHARE Let’s B GREEN” and “Waste Cycle Day” campaigns. All campaigns are the group’s business driving that due to ESG concept are Environmental, Social, and Governance.

The Group continues to raise its business competitiveness, finds the marketing and sales opportunities to reach new customers, create new housing experiences for original residents, continually make maximum satisfaction to sustainably improve the residents’ life quality such as the expansion business to new provinces. For 6 months period, the Group has joint ventures in 10 projects in 5 provinces with partners and land lords by Baht 8,700 million project value

As results of Real Estate transferred activities from consolidated and joint ventures company are as table shown below.

Description	For Q2’2023 (Mil.Baht)			For Q2’2022 (Mil.Baht)		
	Consolidate	Joint Venture	Total	Consolidate	Joint Venture	Total
Real Estate transferred activities	1,062.5	277.5	1,340.0	1,483.6	-	1,483.6

Description	For 6-month 2023 (Mil.Baht)			For 6-month 2022 (Mil.Baht)		
	Consolidate	Joint Venture	Total	Consolidate	Joint Venture	Total
Real Estate transferred activities	2,169.3	565.1	2,734.4	2,751.7	-	2,751.7

Operating Results The second quarter ended 30 June 2023 are as the following

Items	Q2'2023		Q2'2022		Change	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Revenues						
Revenues from sales of real estate	1,062.5	68.4	1,483.6	89.8	(421.1)	(28.4)
Revenues from project management	481.8	31.0	72.6	4.4	409.2	563.4
Interest revenue calculated using the effective interest method	3.0	0.2	2.2	0.1	0.8	100.0
Gain on disposal of investments in subsidiaries	4.0	0.3	92.1	5.6	(88.1)	(95.7)
Other income	2.5	0.2	1.4	0.1	1.1	87.4
Total revenues	1,553.8	100.0	1,651.9	100.0	(98.1)	(5.9)
Expenses						
Cost of real estate sales	715.0	46.0	980.3	59.3	(265.4)	(27.1)
Selling expenses	137.2	8.8	133.7	8.1	3.5	2.7
Administrative expenses	50.0	3.2	29.2	1.8	20.8	71.4
Total Expenses	902.2	58.1	1,143.2	69.2	(241.0)	(21.1)
Operating profit	651.6	41.9	508.8	30.8	142.9	28.1
Share of loss from investments in joint ventures	(167.0)	(10.7)	(25.9)	(1.6)	(141.1)	100.0
Finance cost	(4.8)	(0.3)	(3.3)	(0.2)	(1.4)	42.9
Profit before income tax expenses	479.9	30.9	479.5	29.0	0.4	0.1
Income tax expenses	(131.8)	(8.5)	(103.1)	(6.2)	(28.7)	27.8
Profit for the period	348.1	22.4	376.4	22.8	(28.3)	(7.5)
Total comprehensive income for the period	348.1	22.4	376.4	22.8	(28.3)	(7.5)

The above table can be analyzed as the following,

1. Total revenues

The second quarter of 2023 and 2022, total revenues of the Group amounted to Baht 1,553.8 million and Baht 1,651.9 million respectively, decreased by Baht 98.1 million or 5.9 percent. Detail following as below,

Revenues from sales of real estate

The second quarter of 2023, revenues from sales of real estate of the Group amounted to Baht 1,062.5 million, accounted for 68.4 percent from the total revenues, decreased by Baht 421.1 million or decreased by 28.4 percent from the same period of last year. For 6-month period when combined with Real Estate transferred activities from joint ventures company amount of Baht 565.1 million, total Baht 2,734.4 million respectively, decreased by Baht 17.3 million or decreased by 0.6 percent from the same period of last year. Mainly, revenues from sales of real estate of the Group were 28 projects, 22 projects continued from year 2022 and year 2023 were 2 project is Britania Udon Dusadee, and Britania Maliwan. As for the joint ventures company were 5 projects, including 1) Britania Amata – Phantong 2) Britania Home Bangna km.17 3) Britania Town Bangna km.17 4) Grand Britania Khukhot Station and 5) Grand Britania Bangna km.35

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 second quarter of 2023, revenues from project management amounted to Baht 481.8 million, accounted for 31.0 percent from the total revenues, increased by Baht 409.2 million or increased by 563.4 percent from the same period of last year. Mainly from new Joint Venture to develop 10 projects.

Interest revenue calculated using the effective interest method

The second quarter of 2023, Interest revenue calculated using the effective interest method amounted to Baht 3.0 million, accounted for 0.2 percent of total revenues.

Gain on disposal of investments in subsidiaries

The second quarter of 2023, Gain on disposal of investments in subsidiaries amounted to Baht 4.0 million, accounted for 0.3 percent of total revenues by disposing of investments in 8 subsidiaries including, 1) Britania SPV 1 Company Limited 2) Britania Asian Khaoyai Company

Limited 3) Britania SPV 10 Company Limited 4) Britania SPV 11 Company Limited and 5) Britania SPV 12 Company Limited 6) Britania SPV 13 Company Limited 7) Britania SPV 14 Company Limited 8) Britania SPV 15 Company Limited.

Other income

The second quarter of 2023, amounted to Baht 2.5 million, accounted for 0.2 percent of total revenues, increased by Baht 1.2 million or increased by 87.4 percent from the same period of last year.

2. Expenses

Cost of real estate sales

The second quarter of 2023, cost of real estate sales of the Group amounted to Baht 715.0 million, accounted for 46.0 percent of total revenues, decreased by Baht 265.4 million or decreased by 27.1 percent from the same period of last year, which varies according to revenues from sales of real estate.

Selling expenses

The second quarter of 2023, selling expenses of the Group amounted to Baht 137.2 million, accounted for 8.8 percent of total revenues and increased by Baht 3.5 million or increased by 2.7 percent from the same period of last year. This was mainly due to an increase in sales and marketing employee expenses and other selling expense for the expansion of project development plan.

Administrative expenses

The second quarter of 2023, administrative expenses of the Group amounted to Baht 50.0 million, accounted for 3.2 percent of total revenues and increased by Baht 20.8 million or increased by 71.4 percent from the same period of last year. This was mainly due to an increase in other administrative expenses, which was the administrative fees for business

support from the parent company, and an increase in employee expenses because the Company adjusted annual compensation and recruited additional staff 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 Interest payment for debentures using for working capital and develop new project as plan, and also interest payment of office building lease agreement. The second quarter of 2023, finance cost of the Group amounted to Baht 4.8 million, accounted for 0.3 percent of total revenues and increased by Baht 1.4 million or increased by 42.9 percent from the same period of last year.

4. Income tax expenses

The second quarter of 2023, income tax expenses of the Group amounted to Baht 131.8 million, accounted for 8.5 percent of total revenues and increased by Baht 28.7 million or increased by 27.8 percent from the same period of last year.

5. Profit for the period

The second quarter of 2023, Profit for the year of the Group amounted to Baht 348.1 million, accounted for 22.4 percent of total revenues and decreased by Baht 28.3 million or decreased by 7.5 percent from the same period of last year.

6. Financial position

Items	As of	As of	Change	
	30 June 2023	31 December 2022	Mil.Baht	%
Total assets	16,189.8	12,842.9	3,346.9	26.1
Total liabilities	11,260.7	7,979.6	3,281.0	41.1
Total shareholders' equity	4,929.1	4,863.3	65.8	1.4

As of 30 June 2023, increased by Baht 3,346.9 million or increased by 26.1 percent comparing to the end of the year 2022. This was mainly due to an increase in Project development costs for sale, Other receivables, and Short-term loans to related parties. As for liabilities, an increase by 3,281.0 million baht or increase by 41.1 percent. This was mainly due to an increase in Long-term debentures, Long-term loans from banks, and Bank overdrafts and short-term loans from banks.

As of 30 June 2023, increased by Baht 65.8 million or increased by 1.4 percent comparing to the end of the year 2022. This was mainly due to Retained earnings, and paid dividend for the year 2022 amounted to Baht 615.0 million.

Please be informed accordingly.

Yours sincerely,

(Mr. Surin Sahachatpocanan)

Chief Executive Officer