



Date 13 November 2023

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

Financial Performance

For nine months period ended	30 September 2023		30 September 2022		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Revenue from sales of real estate	664.9	68.2%	806.2	77.4%	(141.3)	(17.5%)
Revenue from construction	111.1	11.4%	77.4	7.4%	33.7	43.6%
Revenue from services	153.9	15.8%	98.6	9.5%	55.3	56.0%
Revenue from sales of goods	12.9	1.3%	54.0	5.2%	(41.0)	(76.1%)
Total Revenues	942.8	96.6%	1,036.2	99.4%	(93.4)	(9.0%)
Cost from sales of real estate	(428.0)	(43.9%)	(504.0)	(48.4%)	(76.0)	(15.1%)
Cost of construction	(118.0)	(12.1%)	(75.4)	(7.2%)	42.6	56.6%
Cost of services	(166.3)	(17.1%)	(86.8)	(8.3%)	79.5	91.7%
Cost of goods sold	(17.1)	(1.8%)	(49.3)	(4.7%)	(32.2)	(65.3%)
Total costs	(729.4)	(74.8%)	(715.4)	(68.7%)	14.0	2.0%
Gross Profit	213.3	21.9%	320.8	30.8%	(107.4)	(33.5%)
Other income	32.7	3.4%	5.9	0.6%	26.8	456.7%
Selling expenses	(106.8)	(10.9%)	(109.9)	(10.5%)	(3.1)	(2.8%)
Administrative expenses	(156.6)	(16.1%)	(129.2)	(12.4%)	27.4	21.2%
Profit before finance costs and income tax benefit (expense)	(17.4)	(1.8%)	87.5	8.4%	(104.9)	(119.9%)
Financing cost	(149.1)	(15.3%)	(108.3)	(10.4%)	40.8	37.7%
Profit (loss) before income tax benefit (expense)	(166.5)	(17.1%)	(20.8)	(2.0%)	(145.7)	700.5%
Income tax benefit (expense)	30.7	3.1%	0.6	0.1%	(30.1)	4932.8%
Net profit (loss) for the period	(135.8)	(13.9%)	(20.2)	(1.9%)	(115.6)	572.7%



Performance Overview

The performance results of the Group for the nine-month period ended 30 September 2023, **Total revenue** has fallen by 9.0 percent or 93.4 million baht. Total revenue decreased from 1,036.2 million baht in the nine-month of 2022 to 942.8 million baht in the nine-month of 2023. The decline in total revenue was mainly caused by the fall in real estate revenue of 141.3 million baht or 17.5 percent. However, other companies' business including construction and service have grown compared to the same period of last year. Speaking of Net profit of the Group for the nine-month period ended 30 September 2023, the company had loss of 135.8 million baht whereas the same period of 2022, the company loss was only 20.2 million baht. Thus, the loss increased by 115.6 million baht or 572.7 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 costs of 40.8 million baht or 37.7 percent.

- The total revenue of the Group in the nine-month of 2023 is divided into income from sales of real estate of 664.9 million baht, down by 141.3 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 227.9 million baht, which increased by 17.2% from the same period last year. Such growth came from the subsidiary business including cleaning, hotel, and construction businesses.
- In the nine-month of 2023, the company was able to make a gross profit of 213.3 million baht, a decrease of 107.4 million baht from the same period last year. The gross margin from real estate was 35.6%, decreased from the same period last year when the gross profit margin was 37.5%.
- The Group's selling and administrative expenses only increased by 10.2 percent compared to the same period last year. (Selling and administrative expenses equal to 263.4 million baht and 239.1 million baht for the nine-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 nine-month of 2023 compared to the same period of 2022. The profit (loss) before interest and income tax were (17.4) million baht and 87.5 million baht, respectively.
- Financial costs for the nine-month of 2023 and 2022 were 149.10 million baht and 108.3 million baht, respectively. Therefore, financial costs increased by 40.8 million baht or increased by 37.7% from the purchase of lands to expansion new projects of the Group.
- Net profit (loss) equal to (135.8) million baht and (20.2) million baht, the company's loss increased by 115.6 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	30 September 2023		31 December 2021		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Cash and cash equivalents	286.0	3.9%	391.8	6.4%	(105.8)	(27.0%)
Real estate projects under development	3,372.5	45.9%	2,507.4	41.0%	865.0	34.5%
Real estate projects held for development	1,252.3	17.1%	1,353.5	22.1%	(101.2)	(0.1)
Property, plant and equipment	1,006.0	13.7%	1,005.3	16.4%	0.7	0.1%
Total assets	7,341.0	100.0%	6,122.8	100.0%	1,218.2	19.9%
Interest-bearing debt	4,214.7	57.4%	3,209.5	52.4%	1,005.2	31.3%
Total liabilities	4,914.0	66.9%	3,557.6	58.1%	1,356.4	38.1%
Total equity	2,427.0	33.1%	2,565.2	41.9%	(138.2)	(5.4%)

As of 30 September 2023, the Company had total assets of 7,341.0 million baht increase by 1,218.2 million baht or 19.9 percent from the end of 2022. This is a decrease of 105.8 million baht in cash and cash equivalents and an increase of 865.0 million baht in real estate projects under development and for sale. The Company has total liabilities of 4,914.0 million baht, an increase of 1,356.4 million baht or 38.1 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 and third quarters of 2023. Total shareholders' equity of 2,427.0 million baht decreased by 138.2 million baht resulted from performance for the nine months of 2023.

Conclusion

As of 30 September 2023, the Company backlog was 2,678.9 million baht and the company's inventory were 3,741.4 million baht including 3 projects under construction which are currently on presale and expected to be completed in 2024 – 2025. Moreover, there are several new projects planned to open shortly.

Please be informed accordingly.

Yours truly,

- Ms.Songthip Kotaravibul-

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Chief Financial Officer