

**CGD 67/0007**

February 28, 2024

Subject: Report on the operating results of Country Group Development PCL for the year ended December 31, 2023

To: The President  
The Stock Exchange of Thailand

Country Group Development Public Company Limited (the "Company") would like to report the operating results of the Company and its subsidiaries (the "Group") for the year ended December 31, 2023 as follows:

#### **BUSINESS OVERVIEW**

The Company continues to focus on "Return to Profitability" and "Debt Management". For the year ended December 31, 2023, the Group reported a net profit of Baht 256.8 million and interest bearing debt ratio continue to drop to 1.0 times.

#### **ASSETS FOR SALES BUSINESS**

For the year ending December 31, 2023, the Group reported revenues from condominium sales of Baht 4.0 Billion with gross profit margin at 41.9%.

#### **DEBT MANAGEMENT**

The successful hotels divestment since last year significantly reduce debt and finance costs obligation of the Company. The appropriate level of debt will help company to emerge with a bolstered financial position, and lay down a good foundation for future business expansion.

Currently, the Interest Bearing Debt to Equity ratio of the Group is 1.1 times, down from 1.8 times at the end of year 2022. Total debt to total equity ratio also reduced from 3.3 times at the end of 2022 to 2.7 times at December 31, 2023.

<b>TABLE PRESENT FINANCIAL RATIO</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>Change</b>
Interest Bearing Debt / Equity Ratio (Times)	1.1	1.8	(0.7)
Total Debt / Total Equity Ratio (Times)	2.7	3.3	(0.6)

## COMPANY OUTLOOK

Cash proceeds from new sales of FSPR and transfer proceeds will generate a significant cash inflow and will further reduce the current debt as well as drive down financial costs. This source of excess of cash flow will serve as equity as the company looks forward to developing the upcoming mixed use education/residential flagship project in Rama III.

- Rama III International School, a flagship mixed-use development located in 23 Rai at the Industrial Ring Road with the US tertiary focused and the International Baccalaureate Diploma (IB) and Mandarin Chinese pathway. It can accept about 1,700 students. Construction commenced in May 2023 and is expected to be complete and ready for the academic year commencing in August 2025.
- Rama III Residence, 315 units over 50 floors with 1BR – 4BR residences. It designed to serve families who aim to attend the adjacent school (1,700 students). Project will have ample family friendly amenities including large private parks, a promenade which features gardens and coffee shops connecting to the school, a 3,500 sq.m amenities deck featuring multiple pools and child friendly spaces as well as a Sky Lounge on level 49 overlooking the Chaophraya River. The project received official EIA approval on January 30, 2024.

The Group reported operating result for the year ended December 31, 2023 as follows:

Unit : Million Baht

TABLE PRESENT SUMMARY OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED	December 31,	December 31,	Percentage change
	2023	2022	
<b>REVENUES</b>			
Revenue	4,467.8	6,190.4	(27.8%)
<b>Total Revenues</b>	<b>4,467.8</b>	<b>6,190.4</b>	<b>(27.8%)</b>
<b>EXPENSES</b>			
COGS	2,304.2	3,372.0	(31.7%)
SG&A	1,016.3	1,273.9	(20.2%)
Loss on foreign exchange rate	0.0	2.6	(100.0%)
<b>Total Expenses</b>	<b>3,320.5</b>	<b>4,648.5</b>	<b>(28.6%)</b>
<b>PROFIT FROM OPERATING ACTIVITIES</b>	<b>1,147.3</b>	<b>1,541.9</b>	<b>(25.6%)</b>
Financial income	129.5	58.2	122.5%
Financial cost	(727.5)	(730.4)	(0.4%)
Income tax expense	292.5	479.8	(39.0%)
<b>NET PROFIT FOR THE PERIOD FROM CONTINUED OPERATION</b>	<b>256.8</b>	<b>389.9</b>	<b>(34.1%)</b>
Loss from discontinued operation	0.0	(4.4)	(100.0%)
<b>NET PROFIT FOR THE PERIOD</b>	<b>256.8</b>	<b>385.5</b>	<b>(33.4%)</b>

## Revenue

- Group's total revenue was Baht 4,467.8 million which is a decrease of 27.8% from the same period 2022 (due to occurrence of big lot sales in 2022). Ordinary revenue from sales of FSPR was the key contributor of total revenues with details as follows;

Unit : Million Baht

TABLE PRESENT FINANCIAL PERFORMANCE OF FSPR FOR THE YEAR ENDED	December 31,	December 31,	Percentage change
	2023	2022	
Revenue	3,963.3	5,752.9	(31.1%)
Cost of Sales	2,304.2	3,372.0	(31.7%)
GP%	41.9%	41.4%	

## Operating Profit

- The Group reported total operating profit of Baht 1,147.3 million, a decrease of 25.6% over the same period last year, due to decrease in revenues as mention above. Total cost, selling and administrative expense decreased by Baht 1,328.0 million which is a decrease of 28.6% in respect to decrease in revenue.

## Financial Income/Expense

- The Group reported financial income of Baht 129.5 million, an interest income from Baht 2 billion loan to the subsidiaries of Bound and Beyond PCL.
- The Group reported finance costs of Baht 727.5 million, a decrease of 0.4% from the same period last year.

## Net Operating performance

- The Group reported a net profit amount of Baht 256.8 million compared with a net profit of Baht 385.5 million of the same period last year. This mainly resulted from a decrease in revenue and cost from sale of condominiums.