



Date 23 February 2024

Re: Management Discussion & Analysis for the year ended 31 December 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 year ended 31 December 2023 as follows:

### Financial Performance

For the year ended	31 December 2023		31 December 2022		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Revenue from sales of real estate	925.5	69.8%	962.8	76.5%	(37.3)	(3.9%)
Revenue from construction	111.0	8.4%	95.2	7.6%	15.7	16.5%
Revenue from services	208.4	15.7%	135.1	10.7%	73.3	54.2%
Revenue from sales of goods	17.6	1.3%	56.8	4.5%	(39.2)	(69.0%)
<b>Total Revenues</b>	<b>1,262.4</b>	<b>95.3%</b>	<b>1,249.9</b>	<b>99.3%</b>	<b>12.6</b>	<b>1.0%</b>
Cost from sales of real estate	(580.1)	(43.8%)	(603.7)	(48.0%)	(23.6)	(3.9%)
Cost of construction	(166.0)	(12.5%)	(93.5)	(7.4%)	72.5	77.5%
Cost of services	(219.9)	(16.6%)	(128.9)	(10.2%)	90.9	70.5%
Cost of goods sold	(18.2)	(1.4%)	(52.1)	(4.1%)	(33.9)	(65.0%)
<b>Total costs</b>	<b>(984.2)</b>	<b>(74.3%)</b>	<b>(878.3)</b>	<b>(69.8%)</b>	<b>106.0</b>	<b>12.1%</b>
<b>Gross Profit</b>	<b>278.2</b>	<b>21.0%</b>	<b>371.6</b>	<b>29.5%</b>	<b>(93.4)</b>	<b>(25.1%)</b>
Other income	62.7	4.7%	8.4	0.7%	54.3	645.1%
Selling expenses	(156.2)	(11.8%)	(155.9)	(12.4%)	0.3	0.2%
Administrative expenses	(202.5)	(15.3%)	(173.9)	(13.8%)	28.6	16.5%
<b>Profit before finance costs and income tax benefit (expense)</b>	<b>(17.7)</b>	<b>(1.3%)</b>	<b>50.3</b>	<b>4.0%</b>	<b>(68.0)</b>	<b>(135.1%)</b>
Financing cost	(207.2)	(15.6%)	(151.1)	(12.0%)	56.1	37.1%
<b>Profit (loss) before income tax benefit (expense)</b>	<b>(224.9)</b>	<b>(17.0%)</b>	<b>(100.8)</b>	<b>(8.0%)</b>	<b>(124.1)</b>	<b>123.2%</b>
Income tax benefit (expense)	31.2	2.4%	20.9	1.7%	(10.3)	49.3%
<b>Net profit (loss) for the period</b>	<b>(193.7)</b>	<b>(14.6%)</b>	<b>(79.9)</b>	<b>(6.3%)</b>	<b>(113.8)</b>	<b>142.5%</b>



## Performance Overview

The performance results of the Group for the year ended 31 December 2023, **Total revenue** has increased by 5.3 percent or 66.9 million baht. Total revenue increased from 1,258.3 million baht in 2022 to 1,325.2 million baht in 2023. The increase in total revenue was mainly caused by service revenue which increased by 54.2% or 73.3 million baht. However, the main business of the group which is real estate had an annual revenue of 925.5 million baht, decreased by 3.9 percent compared to last year. Speaking of Net profit of the Group for the year ended 31 December 2023, the company had loss of 193.7 million baht whereas the same period of 2022, the company loss was only 79.9 million baht. Thus, the loss increased by 113.8 million baht or 142.5 percent because of the commencement of new businesses, namely the service apartment business. This 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 56.1 million baht or 37.1 percent.

- The total revenue of the Group in the year 2023 is divided into income from sales of real estate of 925.5 million baht, down by 3.9 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 336.9 million baht, which increased by 17.4% from the same period last year. Such growth came from the subsidiary business including cleaning, service apartment, and construction businesses.
- In the year 2023, the company was able to make a gross profit of 278.2 million baht, a decrease of 93.4 million baht from the same period last year. The gross margin from real estate was 37.3%, which was exactly the same as last year.
- The Group's selling and administrative expenses only increased by 8.8 percent compared to the same period last year. (Selling and administrative expenses equal to 358.6 million baht and 329.7 million baht for the year 2023 and 2022) Such increase came from service apartment operating expenses which was just fully operated in the year 2023, resulting in decreased in profit (loss) before interest and income tax for the year 2023 compared to the same period of 2022. The profit (loss) before interest and income tax were (17.7) million baht and 50.3 million baht, respectively.
- Financial costs for the year 2023 and 2022 were 207.2 million baht and 151.1 million baht, respectively. Therefore, financial costs increased by 56.1 million baht or increased by 37.1% from the purchase of lands to expansion new projects of the Group.
- Net profit (loss) equal to (193.7) million baht and (79.9) million baht, the company's loss increased by 113.8 million baht from the same period last year. This was caused by an increase in selling and administrative expenses from service apartment operations and finance costs from land acquisition for new construction projects.



## Financial Position

Financial Position as of	31 December 2023		31 December 2021		Change	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Cash and cash equivalents	262.2	3.5%	391.8	6.4%	(129.6)	(33.1%)
Real estate projects under development	3,610.3	47.6%	2,507.4	41.0%	1,102.8	44.0%
Real estate projects held for development	1,252.3	16.5%	1,353.5	22.1%	(101.2)	(0.1)
Property, plant and equipment	1,018.6	13.4%	1,005.3	16.4%	13.3	1.3%
<b>Total assets</b>	<b>7,591.1</b>	<b>100.0%</b>	<b>6,122.8</b>	<b>100.0%</b>	<b>1,468.3</b>	<b>24.0%</b>
Interest-bearing debt	4,519.8	59.5%	3,209.1	52.4%	1,310.7	40.8%
<b>Total liabilities</b>	<b>5,222.5</b>	<b>68.8%</b>	<b>3,557.6</b>	<b>58.1%</b>	<b>1,664.8</b>	<b>46.8%</b>
<b>Total equity</b>	<b>2,368.6</b>	<b>31.2%</b>	<b>2,565.2</b>	<b>41.9%</b>	<b>(196.6)</b>	<b>(7.7%)</b>

As of 31 December 2023, the Company had total assets of 7,591.1 million baht increase by 1,468.3 million baht or 24.0 percent from the end of 2022. This is a decrease of 129.6 million baht in cash and cash equivalents and an increase of 1,102.8 million baht in real estate projects under development and for sale. The Company has total liabilities of 5,222.5 million baht, an increase of 1,664.8 million baht or 46.8 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 2,368.6 million baht decreased by 196.6 million baht resulted from performance for the year 2023.

### Conclusion

As of 31 December 2023, the Company backlog was 2,630.0 million baht and the company's inventory were 3,453.4 million baht including 3 projects under construction which are currently on presale and expected to be completed in 2024 – 2025.

Please be informed accordingly.

Yours truly,

- Ms.Songthip Kotaravibul-

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- Ms.Songthip Kotaravibul-  
Chief Financial Officer