

29th February 2024

Subject: Management Discussion and Analysis of

Operating Results for the year ended 31 December 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 results for the year ended 31 December 2023 as following:

Throughout 2023, Overall of the real estate sector still faces the pressure from various important factors such as the household debt and increasing of Thailand’s policy interest rate. As a result, domestic purchasing power growth below expectation because of consumer’s concerns about higher interest rate for home loans. Causing all real estate developers to find ways and strategies to adapt to cope with the uncertain situations. Britania is still able to operate the business until it has achieved good performance by expanding to new potential provinces and diversify the project development portfolio into several segments.

The Group operates business under the strategy of “B To The Top” to achieve the goal of being the leader in the top housing development business in various dimensions, Britania launches 12 new projects with a total value of more than Baht 16,850 million. As a result, the Group's presale amounted to Baht 12,561 million, increase by 14 percent compared to 2022. Moreover, The Group has joint venture projects with partners and land owners in potential locations based on new business model “JV Landlord”. In 2023, The Group has 28 joint venture projects with partners and landlords both in Bangkok Metropolitan Region and upcountry that helps expand investment in project development rapidly.

The Group continues to rise its business competitiveness, finds the marketing and sales opportunities to reach new customers, create new housing experiences for original residents, including grow sustainable together to make maximum satisfaction to customers, partners, alliances and stakeholders, and Britania employees in order for every sector to fulfill the fullness of life according to the concept of “CRAFT a life you love”, the best thing is to live a life that you love.

In 2023, Revenues from sales of real estate amounted to Baht 4,274.2 million, decrease by 20.9 percent, compared to the same period of 2022. In addition, the group has Revenues from project management amounted to Baht 1,437.9 million, Gain on disposal of investments in subsidiaries amounted to Baht 113.0 million, and Other Income amounted to Baht 36.7 million. From the aforementioned revenue, the Group has total revenue of 2023 amounted to Baht 5,861.9 million, decrease by 6.9 percent, compared to the same period of 2022. And the group made profit for the period of 2023 amounted to Baht 1,194.5 million, decrease by 18.8 percent, compared to the same period of 2022.

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

Description	2023 (Mil.Baht)			2022 (Mil.Baht)		
	Consolidate	Joint Venture	Total	Consolidate	Joint Venture	Total
Real Estate transferred activities	4,274.2	959.2	5,233.4	5,404.2	283.0	5,687.2

Operating Results for the year ended 31 December 2023 are as the following

Items	2023		2022		Change	
	Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Revenues						
Revenues from sales of real estate	4,274.2	72.9	5,404.2	85.8	(1,130.0)	(20.9)
Revenues from project management	1,437.9	24.5	444.0	7.1	993.9	223.8
Interest revenue calculated using the effective interest method	14.8	0.3	4.8	0.1	10.0	100.0
Gain on disposal of investments in subsidiaries	113.0	1.9	417.2	6.6	(304.2)	(72.9)
Other income	21.9	0.4	25.5	0.4	(3.6)	(14.1)
Total revenues	5,861.9	100.0	6,295.7	100.0	(433.8)	(6.9)
Expenses						
Cost of real estate sales	2,916.3	49.8	3,620.4	57.5	(704.1)	(19.4)
Selling expenses	618.0	10.5	544.5	8.6	73.4	13.5
Administrative expenses	183.7	3.1	115.4	1.8	68.3	59.2
Total Expenses	3,718.0	63.4	4,280.3	68.0	(562.3)	(13.1)
Operating profit	2,143.9	36.6	2,015.4	32.0	128.4	6.4
Share of loss from investments in joint ventures	(494.4)	(8.4)	(134.7)	(2.1)	(359.7)	100.0
Finance cost	(20.6)	(0.4)	(9.9)	(0.2)	(10.7)	107.3
Profit before income tax expenses	1,628.9	27.8	1,870.8	29.7	(241.9)	(12.9)
Income tax expenses	(434.4)	(7.4)	(400.3)	(6.4)	(34.1)	8.5
Profit for the period	1,194.5	20.4	1,470.5	23.4	(276.0)	(18.8)
Total comprehensive income for the period	1,194.5	20.4	1,470.5	23.4	(276.0)	(18.8)

The above table can be analyzed as the following,

1. Total revenues

In 2023 and 2022, total revenues of the Group amounted to Baht 5,861.9 million and Baht 6,295.7 million respectively, decreased by Baht 433.8 million or 6.9 percent. Detail following as below,

Revenues from sales of real estate

In 2023, revenues from sales of real estate of the Group amounted to Baht 4,274.2 million, accounted for 72.9 percent from the total revenues, decreased by Baht 1,130.0 million or decreased by 20.9 percent from the same period of last year. In 2023 when combined with Real Estate transferred activities from joint ventures company amount of Baht 959.2 million, total Baht 5,233.4 million respectively, decreased by Baht 453.9 million or decreased by 8.0 percent from the same period of last year. Mainly, revenues from sales of real estate of the Group were 37 projects, 22 projects continued from year 2022 and year 2023 were 9 projects is 1) Britania Udon Dusadee 2) Britania Maliwan 3) Britania Ayutthaya 4) Britania Thepharak-Srinakarin 5) Britania Ratchaphruek Kanjanapisek 6) Britania Bangna-Srivaree 7) Grand Britania Pracha Uthit 76 8) Britania Bangna Thepharak 9) Grand Britania Thawi Watthana. As for the joint ventures company were 6 projects, including 1) Britania Amata – Phantong 2) Britania Home Bangna km.17 3) Britania Town Bangna km.17 4) Grand Britania Khukhot Station 5) Grand Britania Bangna km.35 6) Britania Bangna KM.39

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. In 2023, revenues from project management amounted to Baht 1,437.9 million, accounted for 24.5 percent from the total revenues, increased by Baht 993.9 million or increased by 223.8 percent from the same period of last year.

Interest revenue calculated using the effective interest method

In 2023, Interest revenue calculated using the effective interest method amounted to Baht 14.8 million, accounted for 0.3 percent of total revenues.

Gain on disposal of investments in subsidiaries

In 2023, Gain on disposal of investments in subsidiaries amounted to Baht 113.0 million, accounted for 1.9 percent of total revenues by disposing of investments in 21 subsidiaries.

Other income

In 2023, amounted to Baht 21.9 million, accounted for 0.4 percent of total revenues, decreased by Baht 3.6 million or decreased by 14.1 percent from the same period of last year.

2. Expenses

Cost of real estate sales

In 2023, cost of real estate sales of the Group amounted to Baht 2,916.3 million, accounted for 49.8 percent of total revenues, decreased by Baht 704.1 million or decreased by 19.4 percent from the same period of last year, which varies according to revenues from sales of real estate.

Selling expenses

In 2023, selling expenses of the Group amounted to Baht 618.0 million, accounted for 10.5 percent of total revenues and increased by Baht 73.4 million or increased by 13.5 percent from the same period of last year. This was mainly due to an increase in sales and marketing expense, other selling expense, and employee expenses and for the expansion of project development plan.

Administrative expenses

In 2023, administrative expenses of the Group amounted to Baht 183.7 million, accounted for 3.1 percent of total revenues and increased by Baht 68.3 million or increased by 59.2 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. In 2023, finance cost of the Group amounted to Baht 20.6 million, accounted for 0.4 percent of total revenues and increased by Baht 10.7 million or increased by 107.3 percent from the same period of last year.

4. Income tax expenses

In 2023, income tax expenses of the Group amounted to Baht 434.4 million, accounted for 7.4 percent of total revenues and increased by Baht 34.1 million or increased by 8.5 percent from the same period of last year.

5. Profit for the period

In 2023, Profit for the year of the Group amounted to Baht 1,194.5 million, accounted for 20.4 percent of total revenues and decreased by Baht 276.0 million or increased by 18.8 percent from the same period of last year.

6. Financial position

Items	As of	As of	Change	
	31 December 2023	31 December 2022	Mil.Baht	%
Total assets	19,907.9	12,842.9	7,065.0	55.0
Total liabilities	14,561.2	7,979.6	6,581.5	82.5
Total shareholders' equity	5,346.7	4,863.3	483.5	9.9

As of 31 December 2023, increased by Baht 7,065.0 million or increased by 55.0 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 6,581.5 million baht or increase by 82.5 percent. This was mainly due to an increase in Long-term loans from banks, Long-term debentures, and Bills of exchange

As of 31 December 2023, increased by Baht 483.5 million or increased by 9.9 percent comparing to the end of the year 2022. This was mainly due to Retained earnings. In addition the group paid dividend for the year 2022 amounted to Baht 615.0 million and interim dividend for 2023 amounted to Bath 98.1 million.

Please be informed accordingly.

Yours sincerely,

(Mr. Theeradej Kerdsamang)

Chief Executive Officer