



บริษัท พีชแอนด์ลีฟวิ่ง จำกัด (มหาชน)

231/14 ซอยเอกมัย 7 ถนนสุขุมวิท 63

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Re Management Discussion and Analysis (MD&A) for the year ended 31 December 2023

To President

The Stock Exchange of Thailand

Peace & Living Public Company Limited ("Company") would like to explain about our financial performance for the year ended 31 December 2023 as follows:

Statement of Income

Item	For the year ended:					
	31 December 2023		31 December 2022		Change Increase / (Decrease)	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Total revenues	1,057.47	100.00	1,783.70	100.00	(726.23)	(40.71)
Revenue from sales of real estate	1,053.26	99.60	1,780.55	99.82	(727.29)	(40.85)
Other income ⁽¹⁾	4.21	0.40	3.15	0.18	1.06	33.72
Total expenses	(849.27)	73.08	(1,303.55)	80.31	(454.28)	(34.85)
Cost of real estate sold	(617.69)	58.41	(1,051.72)	58.96	(434.03)	(41.27)
Selling expenses	(108.86)	10.29	(125.39)	7.03	(16.53)	(13.18)
Administrative expenses	(122.72)	11.60	(126.44)	7.09	(3.72)	(2.95)
EBIT	208.20	19.69	480.15	26.92	(271.95)	(56.64)
Financing cost	(0.87)	0.08	(0.17)	0.01	0.70	408.33
Corporate income tax	(41.26)	3.90	(95.98)	5.38	(54.72)	(57.01)
Net profit for the year	166.07	15.70	384.00	21.53	(217.93)	(56.75)
Item	Unit	2023	2022			
Gross profit margin	%	41.35	40.93			
Net profit margin	%	15.70	21.53			
EPS	THB/Share	0.33	0.78			

Note: 1. Other revenue includes revenue from cancellation, change unit fee, bad debt received, interest income, gain on sales of unit trust, etc.

Performance for the year ended 31 December 2023

Key Operating Revenue

Revenue from sales of real estate for the year ended 31 December 2023 and 31 December 2022 was THB 1,053.26 million and THB 1,780.55 million, respectively. The revenue from sales of real estate according to the project can be as follows:

	For the year ended :			
	31 December 2023		31 December 2022	
	Millions of THB	%	Millions of THB	%
Revenue from sales of real estate				
CORDIZ at Udomsuk	49.31	4.68	151.40	8.50
CHER Wongwan - Sathorn	-	-	48.29	2.71
CHER Watcharapol	41.53	3.94	93.96	5.28
CHER Ngamwongwan - Prachachuen	31.08	2.95	483.42	27.15
THE GLAMOR Ekkamai - Praditmanutham	28.57	2.71	287.04	16.12
CHER Suksawat - Putthabucha	260.16	24.70	279.09	15.68
CHER Bangkhunnon	441.91	41.96	437.35	24.56
CHERENE KrungthepKreetha - Romklao	65.66	6.23	-	-
CHEREA VICINITY Ratchaphruek - Jetsadabodin	60.46	5.74	-	-
CHER Ratchaphruek - Rama V	74.58	7.09	-	-
Total	1,053.26	100.00	1,780.55	100.00

Revenue from sales of real estate for the year ended 31 December 2023 decreased by THB 727.29 million or 40.85% compared to the previous year. This decline can be attributed primarily to a sluggish economy, increasing household debt, and continuously rising interest rates, resulting in reduced consumer purchasing power and tighter bank lending policies. Additionally, in 2023, there was a decrease in remaining inventory and the closure of 3 projects within the year. Consequently, the company recognized only a partial revenue, despite the introduction of new projects in the same year to replace the closed ones. These new projects include CHEREA VICINITY Ratchaphruek – Jetsadabodin and CHER Ratchaphruek - Rama V. However, since these projects were launched in the latter half of the year.

Gross profit

Gross profit for the year ended 31 December 2023 and 31 December 2022 was THB 435.57 million and THB 728.83 million or accounted for the gross profit margin of 41.35% and 40.93%, respectively.

Gross profit for year ended 31 December 2023 decreased by THB 293.26 million or 40.24% from the year ended 31 December 2022, in line with the decrease in revenue from sale of real estate.

Selling and administrative expenses

The selling expenses for the year ended 31 December 2023 and 31 December 2022 were THB 108.86 million and THB 125.39 million respectively. This represents a decrease of THB 16.53 million or 13.18%, compared to the previous year. The main reasons for this decrease are attributed to reductions in specific business taxes, commission, and transferring fees, resulting from decreased revenue from sales of real estate. Upon comparison, it is evident that the proportion of selling expenses to revenue from sales of real estate increased from 7.03% to 10.29%. This increase is primarily due to heightened advertising costs stemming from the organization's strategy to enhance corporate branding and the launch of new projects, namely CHEREA VICINITY Ratchaphruek – Jetsadabodin and CHER Ratchaphruek - Rama V.

The administrative expenses for the year ended 31 December 2023 and 31 December 2022 were THB 122.72 million and THB 126.44 million respectively. This represents a decrease of THB 3.72 million, with only minor changes observed. However, when comparing as a proportion, it is evident that the ratio of the administrative expenses to revenue from sales of real estate increased from 7.09% to 11.60%. This increase is primarily attributed to the decrease in direct expenses related to real estate projects. However, the company still incurs administrative expenses to maintain readiness in human resources to support business growth.

Net Profit

Net profit for the year ended 31 December 2023 decreased by THB 217.93 million or 56.75% from the year ended 31 December 2022. Comparing as a proportion, the ratio of net profit to revenue decreased from 21.53% to 15.70%. This decrease is primarily attributed to the decline in revenue from sales of real estate, as mentioned above.

Statement of Financial Position

Statement of Financial Position		Statement of Financial Position as at:					
		31 December 2023		31 December 2022		Change Increase / (Decrease)	
		Millions of THB	%	Millions of THB	%	Millions of THB	%
Total Assets		2,959.49	100.00	2,407.55	100.00	551.94	22.92
Total Liabilities		717.19	24.23	207.89	8.63	509.30	244.98
Total Shareholders' Equity		2,242.30	75.77	2,199.66	91.37	42.64	1.94
Item	Unit	31 December 2023		31 December 2022			
Current Ratio	X	5.27		12.41			
ROA	%	6.19		18.44			
ROE	%	7.48		20.38			
Debt-to-Equity	X	0.32		0.09			

Financial Position

Total Assets

Total assets as of 31 December 2023 and 31 December 2022 stood at THB 2,959.49 million and THB 2,407.55 million respectively. Its core asset is property development costs for sales.

Total assets as of 31 December 2023 increased by THB 551.93 million or 22.92% from that as of 31 December 2022. The main reasons are as follows:

- Cash and cash equivalent decreased by THB 266.26 million from the decrease in cash flow from operating activities by THB 811.40 million, the increase in investing activities by THB 146.84 million and the increase in financing activities by 398.30 million.
- Property development costs for sales increased by THB 506.67 million, mainly due to land cost of CORDIZ Phatthanakan – Onnut, CHER Phaholyothin – Saimai, CHER Vibhavadi Rangsit, and CHER WestVille Ratchaphruek. However, Other projects were decreasing due to transfer ownership during the year.
- Deposits for land purchase increased by THB 469.98 million for the new project development.
- Other current financial assets increased by THB 150.55 million.

Total Liabilities

Total liabilities as of 31 December 2023 and 31 December 2022 stood at THB 717.19 million and THB 207.89 million respectively. Most of which comprise long-term loans from financial institutions, account payable and other payable, retention guarantees, deposits and advances received from customers, accrued income tax, and provision for long-term employee benefits, etc.

Total liabilities as of 31 December 2023 increased by THB 509.30 million or 244.98% from that as of 31 December 2022. The main reasons for the increase include: a rise in long-term loans from financial institutions by THB 508.86 million, an increase in short-term loans from financial institutions by THB 25 million, an increase in trade payables and other payables by THB 15.57 million, a decrease in deferred income tax liabilities by THB 29.04 million, and a decrease in customer deposits and advance payments by THB 12.02 million due to the transfer of ownership during the period.

Total Shareholders' Equity

Shareholders' equity as of 31 December 2023 and 31 December 2022 stood at THB 2,242.30 million and THB 2,199.66 million respectively.

Shareholders' equity as of 31 December 2023 increased by THB 42.63 million or 1.94% from that as of 31 December 2022 due to the increase in retained earnings, which is in line with the company's normal operations.

Key Financial Ratios

Current Ratio

The Company's current ratio as of 31 December 2023 and 31 December 2022 stood at 5.27 times and 12.41 times respectively.

Current ratio as of 31 December 2023 decreased from that as of 31 December 2022 due to the increase in long-term loans from financial institutions to develop new projects aimed at expanding future business opportunities. There will be 3 new projects that will open in 2024, namely CHER WestVille Ratchaphruek, CHER Phaholyothin – Saimai, and CHER Vibhavadi Rangsit.

Return on Assets (ROA)

ROA for 2023 and 2022 stood at 6.19% and 18.44% consecutively.

ROA for the year ended 31 December 2023 decreased from the year ended 31 December 2022 due to an aforementioned decline in net profit, as well as an increase in development costs of real estate projects for sale and deposits for land to prepare for opening new projects in the future.

Return on Equity (ROE)

ROE for 2023 and 2022 stood at 7.48 % and 20.38% respectively.

ROE for the year ended 31 December 2023 decreased from the year ended 31 December 2022 due to an increase in the Company's net profit as mentioned above.

Debt-to-Equity Ratio (D/E)

D/E as at 31 December 2023 and 31 December 2022 stood at 0.32 times and 0.09 times respectively.

D/E as of 31 December 2023 increased from 31 December 2022 due to the increase of long-term loans from financial institutions to develop new projects aimed at expanding future business opportunities as mentioned above.

Please be informed accordingly.

Yours sincerely,



(Mr. Suthichai Poonlaptawee)

Director and Chief Executive Officer