

## **Current situation and impact on the company**

On April 10, 2024, the Monetary Policy Committee (MPC) of the Bank of Thailand resolved to maintain the policy interest rate at 2.50 percent per annum. The economic outlook for Thailand in 2024, as reported by the Office of the National Economic and Social Development Council, anticipates that the Thai economy will expand by 2.2 to 3.2 percent, an increase from 1.9 percent in 2023. This positive trend is driven by the expansion of exports following the recovery of global trade, solid growth in consumer spending and private sector investment, and the continuous recovery of the tourism sector.

## **Management outlook and future plan**

The residential business sector during 2024 to 2026 is expected to grow gradually, supported by factors such as consumer purchasing power, which is expected to recover in line with the Thai economy. Continued government investment, particularly in transportation infrastructure, is anticipated to stimulate housing demand along mass transit lines and in areas accessible by mass transit. The ongoing growth of the tourism sector also helps boost the purchasing power of foreigners, both for investment and as second homes, and the presence of foreigners investing or working in Thailand increases the demand for housing. The challenges for the business include a sustained high level of household debt, causing consumers to be cautious about incurring long-term debt. Financial institutions continue to maintain strict lending criteria. Additionally, a high level of unsold inventory in some areas limits the ability to price properties according to rising costs.

A significant event that occurred during the year was Raimon Land Public Company Limited (RML) approving the appointment of Mr. Brenton Justin Mauriello AM as the Chief Executive Officer (CEO), replacing Mr. Korn Narongdej, effective from April 1, 2024. Additionally, on April 22, 2024, the company held its annual general meeting of shareholders for 2024. The key agenda was to acknowledge the performance of the year 2023, set the business goals for 2024, and consider the approval for the election of directors whose terms had expired. This agenda approved the reappointment of Mr. Kris Narongdej, Mr. Korn Narongdej, and Mr. Brenton Justin Mauriello AM to their positions. Furthermore, on April 26, 2024, the company held its extraordinary general meeting of shareholders 1/2024. The meeting concerned the company's capital increase for investing in real estate development projects or related activities and for repaying debts under promissory notes and/or loan agreements and/or debentures and/or for working capital. The extraordinary general meeting approved this agenda, enabling the company to increase capital as authorized.

## **Q1 2024 for the 3-month period financial highlight**

- The company's sales backlog, which is revenue yet to be recognized, totaled 1,273.1 million Baht as of March 31, 2024.
- Presales amounted to 173.0 million Baht.
- Total revenue was 52.5 million Baht.
- Total assets as of March 31, 2024, were 7,292.4 million Baht, with total liabilities of 4,079.1 million Baht.

## Management Discussion & Analysis ( - translation - )

For operating result of Q1 2024, ended March 31, 2024

- The interest-bearing debt to equity ratio was 1.09 as of March 31, 2024, up from 1.06 at the end of 2023.

### Operating results Q1 2024

#### *Summary of statement of profit and loss*

	3M 2024		3M 2023		Change	
	THB mn	%	THB mn	%	THB mn	%
<b>Revenues</b>						
Revenue from rentals and services	9.6	18.3	8.7	12.5	0.9	10.3
Project management fee income	12.7	24.2	21.6	30.8	(8.9)	(41.2)
Marketing commission income	6.8	13.0	8.8	12.6	(2.0)	(22.7)
Guarantee fee income	11.6	22.0	13.4	19.1	(1.8)	(13.4)
<b>Total Revenues</b>	<b>52.5</b>	<b>100.0</b>	<b>70.1</b>	<b>100.0</b>	<b>(17.6)</b>	<b>(25.1)</b>
<b>Expenses</b>						
Selling expenses	6.9	13.1	1.7	2.4	5.2	305.9
Administrative expenses	196.6	374.5	105.3	150.2	91.3	86.7
Finance costs	86.0	163.8	72.9	104.0	13.1	18.0
Impairment loss of investment in a joint venture	(27.7)	(52.8)	12.2	17.4	(39.9)	(327.0)
Profit (loss) before income tax	(245.6)	(467.8)	(101.1)	(144.2)	(144.5)	(142.9)
Income tax	10.7	20.4	0.2	0.3	10.5	5,250.0
<b>Profit (loss) for the period</b>	<b>(256.3)</b>	<b>(488.2)</b>	<b>(101.3)</b>	<b>(144.5)</b>	<b>(155.0)</b>	<b>(153.0)</b>

#### *Presales and backlog*

In the first quarter of 2024, the company recorded sales of 173.0 million Baht, a decrease from 517.8 million Baht in 2023. As of March 31, 2024, the company's sales backlog totaled 1,273.1 million Baht, down from 4,959.0 million Baht on March 31, 2023. The primary reason for this decrease was the transfer of ownership of condo units in the projects The Estelle Phrom Phong and Tait Sathorn 12, which were completed and are in the process of being transferred, with sales gradually being finalized.

### **Revenue from rental and services**

Revenue from rental and services primarily comes from the Somerset Riverside Bangkok project and the Vue Mall, which is a community shopping center located adjacent to The River condominium. In the first quarter of 2024, this revenue increased to 9.6 million Baht, up from 8.7 million Baht in the same period of the previous year.

### **Project management income**

Project management income stems from fees that the company charges its joint venture partners for construction management and juristic management of various residential projects. In the first quarter of 2024, the company earned 12.7 million Baht, a decrease from 21.6 million Baht in the same period the previous year. This decline in revenue corresponds with the progress of construction in the three joint venture projects, which were completed in stages over the past two years.

### **Marketing commission income and guarantee fee income**

Marketing commission income refers to the commissions that the company charges its joint venture partners when condo units within joint venture projects are sold. This revenue also includes commissions from the brokerage business of buying, selling, and renting real estate. For the first quarter of 2024, marketing commission income was 6.8 million Baht, a decrease from 8.8 million Baht in the same period of the previous year. This decline was due to the reduction in commission income from fewer projects ready for transfer.

Marketing fee revenue for the first quarter of 2024 was 6.8 million Baht, a decrease from 8.8 million Baht in the same period of the previous year. This reduction was due to decreased commission income from brokerage activities in buying, selling, and renting real estate, as the number of projects ready for transfer gradually diminished. Additionally, guarantee fee revenue in the first quarter of 2024 was 11.6 million Baht, down from 13.4 million Baht in the same period last year. This decrease aligns with the reduction in loans from joint venture projects that were completed and have been progressively repaying their loans over the past year.

### **Selling expenses and administrative expenses**

Selling expenses include costs for advertising, marketing, commissions, and expenses related to the transfer of condo units. Meanwhile, the majority of administrative expenses are fixed costs associated with employee salaries and all other expenses related to running the business. In the first quarter of 2024, the company incurred selling expenses of 6.9 million Baht, an increase from 1.7 million Baht in the same period of the previous year. In the first quarter of 2024, administrative expenses were 196.6 million Baht, up from 105.3 million Baht in the same period last year. The increase was due to the provision for an impairment loss of advance payment for investments for project development in the first quarter of 2024.

## Financial cost

Currently, the company is raising funds through bond issuances and loans from financial institutions, with the majority of financial costs coming from the interest on these bonds and loans. In the first quarter of 2024, the company had a net financial cost of 86.0 million Baht, an increase from 72.9 million Baht in the same period of the previous year. The majority of these costs are due to the interest rates on new bond issues made during 2023 and early 2024. The purposes of these bond issues include redeeming old bonds, providing working capital for the company, and financing new projects. As of the end of the first quarter of 2024, the company's interest-bearing debt stood at 3,486.0 million Baht, a decrease from 3,682.0 million Baht at the end of 2023.

## Net loss

In the first quarter of 2024, the company incurred a net loss of 256.3 million Baht, an increase from a net loss of 101.3 million Baht in the same period of the previous year. Additionally, in the first quarter of 2024, the net loss per share was 0.06 Baht.

## Financial position as of March 31, 2024

	March 31, 2024		December 31, 2023		Change	
	THB mn	%	THB mn	%	THB mn	%
<b>Assets</b>	<b>7,292.4</b>	<b>100.0</b>	<b>7,557.5</b>	<b>100.0</b>	<b>(265.1)</b>	<b>(3.5)</b>
<b>Liabilities</b>	<b>4,079.1</b>	<b>55.9</b>	<b>4,089.1</b>	<b>54.1</b>	<b>(10.0)</b>	<b>(0.2)</b>
Interest-bearing debt	3,486.0	47.8	3,682.0	48.7	(196.0)	(5.3)
Other liabilities	593.1	8.1	407.1	5.4	186.0	45.7
<b>Equity</b>	<b>3,213.3</b>	<b>44.1</b>	<b>3,468.4</b>	<b>45.9</b>	<b>(255.1)</b>	<b>(7.4)</b>
<b>Total Liabilities and Equity</b>	<b>7,292.4</b>	<b>100.0</b>	<b>7,557.5</b>	<b>100.0</b>	<b>(265.1)</b>	<b>(3.5)</b>

## Assets

As of March 31, 2024, the company's total assets were 7,292.4 million Baht, a decrease of 265.1 million Baht, or 3.5%, from 7,557.5 million Baht as of December 31, 2023. Significant changes in the asset categories include: 1) Investments in joint ventures, net decreased by 297.5 million Baht, 2) Trade and other current receivables, net increased by 148.2 million Baht, 3) Advance payment for investments, net decreased by 101.8 million Baht 4) Cash and cash equivalents decreased by 29.9 million Baht and 5) Long-term loan to a related party increased by 23.2 million Baht.

## Liabilities

As of March 31, 2024, the company's total liabilities were 4,079.1 million Baht, a decrease of 10.0 million Baht, or 0.2%, compared to total liabilities of 4,089.1 million Baht as of December 31, 2023. The breakdown of these

liabilities includes interest-bearing debt totaling 3,486.0 million Baht, a decrease of 196.0 million Baht from the 3,682.0 million Baht recorded as of December 31, 2023. The reduction in liabilities resulted from the following changes: 1) Current portion of debentures increased by 457.6 million Baht, 2) Debentures, net decreased by 433.8 million Baht, 3) Advance received for investment increased by 171.1 million Baht 4) Short-term borrowings from other parties decreased by 156.8 million Baht, and 5) Current portion of long-term borrowings from other parties decreased by 51.5 million Baht.

### ***Shareholders' equity***

As of March 31, 2024, the company's equity, representing the shareholders' portion, amounted to 3,213.3 million Baht, a decrease of 255.1 million Baht, or 7.4%, from 3,468.4 million Baht as of December 31, 2023.

### ***Interest-bearing debt to equity ratio***

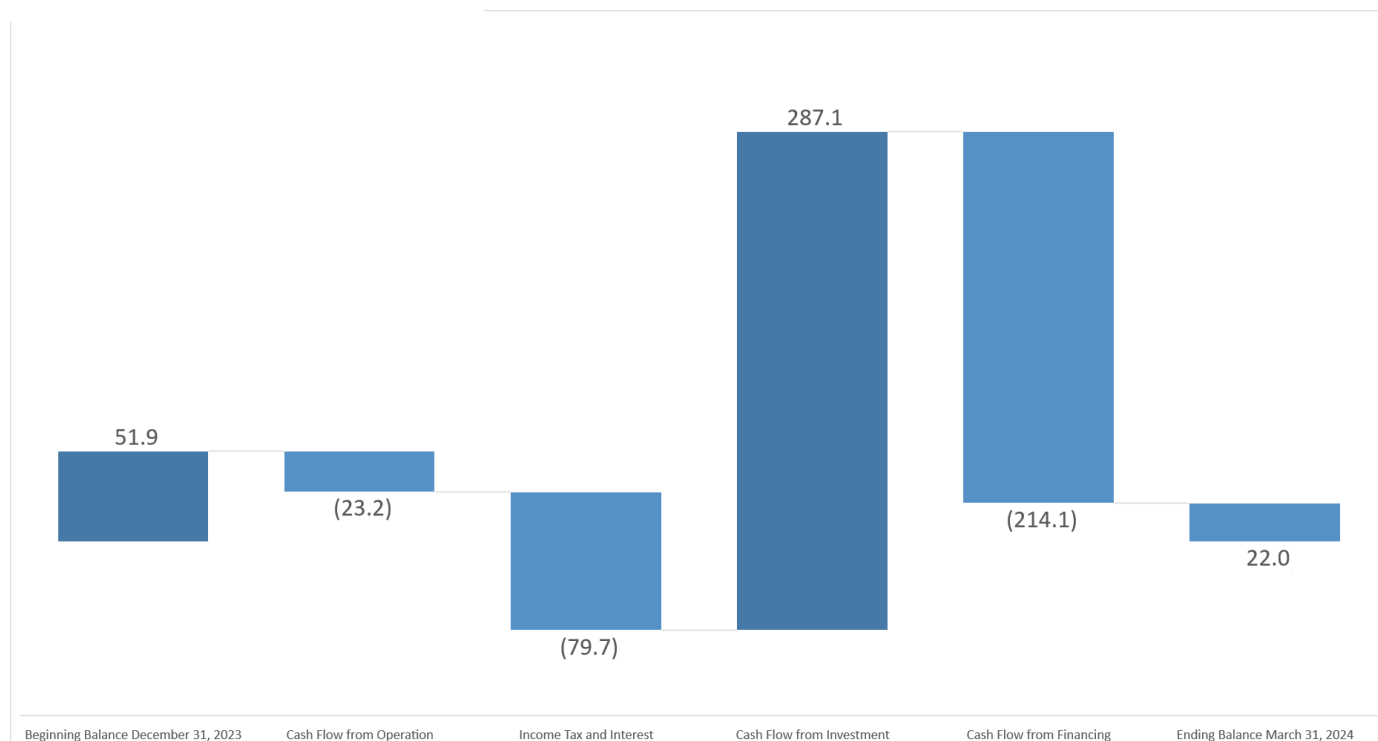
The interest-bearing debt to equity ratio of the company at the end of the first quarter of 2024 was 1.09, up from 1.06 as of December 31, 2023.

### **Cash flow**

In the first quarter of 2024, the company had cash outflows from operating activities totaling 23.2 million Baht, with interest and tax payments amounting to 79.7 million Baht, resulting in a net cash used in operating activities of 102.9 million Baht. Significant changes in cash flows from operating activities included: 1) A pre-tax loss of 245.6 million Baht, 2) An impairment loss of advance payment for investments amounting to 101.8 million Baht, 3) Finance costs totaling 86.0 million Baht, 4) Cash paid for finance costs of 82.3 million Baht, and 5) Trade and other receivables totaling 31.9 million Baht. For cash flows from investing activities, the company had a net cash inflow of 287.1 million Baht, with significant transactions including: 1) Cash received for advance for investment of 165.5 million Baht, 2) Cash received from capital reduction of a joint venture of 110.2 million Baht, 3) Cash received from dividend from a joint venture of 55.2 million Baht, 4) Cash paid for long-term loan to a related party of 23.2 million Baht, and 5) Cash paid for short-term loans to related parties of 13.1 million Baht. For cash flows from financing activities, the company had a net cash outflow of 214.1 million Baht, including: 1) Cash received from issue of debentures totaling 477.5 million Baht, 2) Cash paid for debentures amounting to 456.4 million Baht, 3) Cash paid for short-term borrowings from other parties totaling 226.5 million Baht, 4) Cash received from short-term borrowings from other parties of 67.0 million Baht, and 5) Cash paid for short-term borrowings from related parties of 60.0 million Baht. As a result of these transactions, the company had cash and cash equivalents totaling 22.0 million Baht as of March 31, 2024.

# Management Discussion & Analysis ( - translation - )

For operating result of Q1 2024, ended March 31, 2024



- Maneekarn Wuttikullert -

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Maneekarn Wuttikullert  
Acting Chief Financial Officer