

EXECUTIVE SUMMARY

In 1Q24, private consumption in Thailand was mainly driven by stronger foreign tourists arrival momentum as well as government stimulus, Easy E-Receipt. Although consumer confidence index trended lower from the peak of 55.2 point in 4Q23, the trend may improve in 2H24 thanks to government budget disbursement and more clarity on government stimulus campaigns.

In terms of 2024 outlook, the Office of the National Economic and Social Development Council (NESDC) expects Thai economy to grow by 2.2-3.2%, with private consumption and continued recovery of tourism as the main drivers. NESDC expects private consumption expenditure to grow 3% in 2024 thanks to robust labour market and expected improvement in consumer confidence. More recently, on April 29, 2024, the Fiscal Policy Office revised down 2024 GDP growth from 2.8% to 2.4% mainly on weaker-than-expected 1Q24 export, but also expected the economic growth to accelerate in 2H24 mainly from government budget disbursement and tourism which will likely drive private investment and private consumption.

CPN's revenues in 1Q24 continued to grow impressively YoY across all businesses, especially residential business of which the revenues almost doubled. Rental revenues also grew 10% YoY thanks to new NLA from Central Westville and Central Nakhon Sawan, higher tenants' sales, and increased marketing activities in common area. Although there was additional depreciation and finance costs related to Pinklao lease extension, the impact was partially offset by lower electricity tariff (from Baht 5.33/unit in 1Q23 to Baht 4.18/unit in 1Q24). In 1Q24, The Company reported total revenue of Baht 12,234 mn, and net profit of Baht 4,154 mn, growing 19% and 28% YoY, respectively. Compared to 4Q23, total revenue slightly dropped by 7% QoQ, while net profit improved by 9% QoQ, mainly from higher tenants' sales which also came with high SG&A during festive events in 4Q23. Excluding the impact of financial reporting standards of Baht 348 mn (after tax) on investment income and depreciation and finance costs related to Pinklao land lease extension of Baht 315 mn (after tax), the Company's core performance showed a net profit of Baht 4,121 mn, increased 40% YoY.

On 1Q24 business highlights, following the successful opening of CPN's 40th shopping mall, Central Westville, in November 2023, CPN opened 2 new malls in upcountry namely 1) Central Nakhon Sawan on January 31, 2024 and 2) Central Nakhon Pathom on March 30, 2024. Both projects' design incorporated the province's identity and offer comprehensive tenants' categories and brands, leading to opening occupancy higher than 70%. In addition, CPN also launched 2 condominium projects, ESCENT NAKHON SAWAN and ESCENT NAKHON PATHOM, at the same time as the new mall opening. Successful launches of both condominium projects mainly contributed to strong pre-sale during the quarter. Lastly, the Company also launched 1 low-rise project, BAAN NIRADA WONGWAN-EKKACHAI, in January 2024 after delaying from the original plan in 4Q23.

On May 8, CPNREIT successfully executed its capital increase plan for the contracts of Central Pinklao project as planned. The offer for additional trust units to existing unit holders and the general public, held from April 23-29, 2024, was well-received and achieved the anticipated success. CPNREIT issued and offered a total of 1,053 million trust units at a final offering price of 10.20 baht per unit, raising a total of

10.741 billion baht, including additional capital and some borrowed funds from financial institutions. These funds will be invested in extending the lease rights for the Central Pinklao project for another 15 years, with a total value of 12.161 billion baht. With the Company's support as the Sponsor, Central Pattana's stake in CPNREIT has increased to approximately 39%, up from the previous 30%. Subsequently on the same day, CPNREIT also entered into the agreement for Pinklao lease extension for another 15 years from **January 1, 2025 to December 31, 2039**.

OVERVIEW

The Company has 4 business units under its management:

- 1) Rental and services.
- 2) Food center services,
- 3) Hotels, and
- 4) Residential properties for sale

Besides the above businesses, the Company also manages properties, which have been transferred to CPN Retail Growth Leasehold REIT (“CPNREIT”), CPN Commercial Growth property fund (“CPNCG”) as well as properties under the management of Grand Canal Land PLC (“GLAND”), Company’s subsidiary.

Assets under Central Pattana as at 1Q24

Business Type	Total		CPN		CPNREIT		CPNCG	
	No.	'000 sqm	No.	'000 sqm	No.	'000 sqm	No.	'000 sqm
Shopping Mall								
Shopping malls in Bangkok	17	929	17	777	3	152		
Shopping malls in provinces	23	937	23	837	4	100		
Shopping mall in overseas	1	84	1	84				
Shopping mall under JV	1	169	1	169				
Total Shopping Mall	42	2,120	42	1,867	7	253		
Community Mall	17	173	17	173				
Total Retail Business	59	2,293						
Other Business								
Office	7	170	4	53	2	34	1	82
Hotel	9	1,481 rooms	8	1,177 rooms	1	304 rooms		
Residential for sales to date (high-rise)	22							
Residential for sales to date (low-rise)	12							
Assets under GLAND								
Office	3	145	1	68	2	77		
Residential for sales to date (high-rise)	1							
Residential for sales to date (low-rise)	1							

The Company has 42 shopping malls (17 in the Bangkok Metropolitan area, 23 upcountry, 1 overseas, 1 joint-venture), 17 community malls with a total NLA of 2.3 mn sqm. The Company’s occupancy rate of shopping mall was improved from 92% in 4Q23 to 93% in 1Q24 mainly from the improving occupancy rate in Central Westville and selected upcountry locations.

The Company has 10 office buildings for rent with a total rental area of 314,569 sqm. The occupancy rate in 1Q24 was at 86%, slightly lower than the previous quarter at 88% due to lower occupancy at centralwOrld offices, which CPN is in the process of negotiating with potential tenants in the waitlist.

In 1Q24, the Company has a total of 9 hotels and 1,481 rooms with an average occupancy rate of 67%, similar to the previous quarter of 68% mainly from seasonally lower occupancy QoQ at Go! Bowin and Centara Ubon. Other hotels in the portfolio continued to see QoQ improvement in occupancy.

The Company has launched and developed a total of 36 residential projects to date following the launch of 2 condominiums and 1 low-rise project in 1Q24, ESCENT NAKHON SAWAN, ESCENT NAKHON PATHOM, and BAAN NIRADA WONGWAN-EKKACHAI. The Company has a total of 27 projects available for sale and transfer, comprising 14 high-rise projects that are mainly adjacent to the shopping centers and 13 low-rise projects.

ESG ACTIVITIES

Central Pattana has been selected for the 6th consecutive years on DJSI World and 10th consecutive year on DJSI Emerging Markets. This recognition demonstrates its global leadership in constantly driving sustainable development. In 2023, CPN was able to secure the top position on DJSI World by achieving Top 1% S&P Global CSA Score in the Real Estate Management & Development category among 299 companies globally in the sector, according to the Sustainability Yearbook 2024.

FINANCIAL PERFORMANCE

1Q24 Profit & Loss Statement reconciliation between F/S and core performance

Unit: Baht mn	Per F/S	Impact from Pinklao Land Lease Extension	Impact from TFRS16	Core Performance
Revenue from rental & services	9,659			9,659
Revenue from other businesses	2,046			2,046
Other income	529			529
Total Revenue	12,234			12,234
Cost of rental & services	(4,205)	104		(4,101)
Cost of other businesses	(1,103)			(1,103)
Administrative expense	(1,996)			(1,996)
Operating profit (loss)	4,930	104		5,034
Share of profit from invested co.	596			596
Investment income	469		(435)	34
Interest expense	(888)	290		(599)
Income tax	(899)	(79)	87	(891)
Minority interest	(54)			(54)
Net profit to parent co.	4,154	315	(348)	4,121

Non-operating items

- In 1Q24, the Company booked depreciation and finance costs from Pinklao lease extension of Baht 83 mn and Baht 232 mn (after tax), respectively

Impact from Thai Financial Reporting Standard

From 2020, the Company has adopted the Thai Financial Reporting Standard (TFRS16) – Leases, which impacted the financial statement in terms of differences between actual and accounting performance. An impact on the statement of comprehensive profit and loss in 1Q24 was as follow:

- **Value adjustment to financial lease:** The Company recognized lease receivable from financial lease with CPNREIT in 1Q20 which reflects the present value at that time. The Company will record accrued interest income until 2025 when the cash payment will be made. As such, the lease receivable will become equivalent to the actual cash receipt on the actual transaction date in 2025. In 1Q24, the Company recognized an interest income from the Central Rama 2 lease contract amounting to Baht 435 mn and recorded its deferred tax of Baht 87 mn.

The following management discussion excludes an impact of non-operating items and accounting standard (TFRS16) as mentioned above to the Company's best ability to reflect the financial performance based on actual business events, which may differ from the financial statements reviewed and/or audited by the auditors authorized by the Securities and Exchange Commission of Thailand (SEC). Rental discount already returned to pre-Covid level since 1Q23. Therefore, the impact of TFRS16 from rental discount during Covid period on revenue from rental and service income will no longer be presented from 1Q23 onwards.

Profit & Loss Statement (Baht mn)	1Q23	4Q23	1Q24	YoY (%)	QoQ (%)
Revenue from rental & services	8,751	9,964	9,659	10%	(3%)
Shopping Mall & Community Mall	8,389	9,607	9,303	11%	(3%)
Office	362	357	355	(2%)	(1%)
Revenue from Food Service Center	207	241	249	21%	3%
Revenue from Hotel Business	353	449	491	39%	9%
Revenue from Residential Business	670	2,195	1,306	95%	(40%)
Other Income	309	240	529	71%	121%
Total Revenue	10,291	13,089	12,234	19%	(7%)
Total Revenue (excl. non-recurring items)	10,291	13,089	12,234	19%	(7%)
Cost of Rental and Service Income	4,075	4,043	4,205	3%	4%
Shopping Mall & Community Mall	3,962	3,951	4,105	4%	4%
Office	113	92	100	(11%)	9%
Cost of Food Service Center	109	121	126	15%	4%
Cost of Hotel Business	118	149	155	32%	4%
Cost of Residential Business	453	1,403	822	81%	(41%)
Total Cost	4,755	5,716	5,308	12%	(7%)
Total Cost (excl. non-recurring items)	4,755	5,716	5,204	9%	(9%)
Administrative Expenses (incl. impact from TFRS9)	1,752	2,496	1,996	14%	(20%)
Operating Profit	3,784	4,877	4,930	30%	1%
Operating Profit (excl. non-recurring items)	3,784	4,877	5,034	33%	3%
Net Finance Cost/Income Tax/Others	(511)	(846)	(722)	41%	(15%)
Profit to Non-Controlling Interest	(27)	(55)	(54)	99%	(3%)
Profit to Parent Company	3,246	3,976	4,154	28%	4%
Profit to Parent Company (excl. non-recurring items)	2,941	3,772	4,121	40%	9%
EPS to Parent Company	0.72	0.89	0.93	28%	4%
EPS to Parent Company (excl. non-recurring items)	0.66	0.84	0.92	40%	9%

Total Income

In 1Q24, the Company has a total income of Baht 12,234 mn, increased 19% YoY, mainly from strong performance of shopping mall and food court businesses and significant increase in condominium transfers. The hotel business' revenues also grew 39% YoY thanks to strong occupancy and room rate at Hilton Pattaya and improved occupancy YoY across all hotels.

1. Rental & Service business recorded revenue of Baht 9,659 mn, increased 10% YoY but slightly lower by 3% QoQ due to seasonality. The YoY improvement was mainly from higher tenants' sales in line with traffic recovery closed to pre-Covid level during 1Q24, which also drove higher revenues from casual leasing. Additional NLA from Central Westville and Central Nakhon Sawan also contributed to solid rental revenue growth YoY.
2. Food center services posted revenue of Baht 249 mn, increased 21% YoY and 3% QoQ in line with improved traffic and rental & service revenues.
3. Hotel business recorded revenue of Baht 491 mn, up 39% YoY and 9% QoQ. Overall occupancy rate remained similar to the previous quarter at 67%. Overall average daily room rate (ADR) dropped 18% YoY and 1% QoQ from higher contribution from new hotels that have been opened since 2H22 which has lower ADR but occupancy mostly trended higher QoQ. Hilton Pattaya, which is the main contributor of hotel revenues, had all-time-high RevPar thanks to its high occupancy of 95% and ADR of Baht 9,225.
4. Residential for sale business reported revenue of Baht 1,306 mn, increased 95% YoY but lower 40% QoQ. The significant increase YoY was mainly from transfer in condominium projects continuing from 2H23, which contributed almost 80% of the overall transfers, from ESCENT VILLE AYUTTHAYA, ESCENT HATYAI, and PHYLL PHUKET.
5. Other income of Baht 529 mn, increased 71% YoY and 121% QoQ thanks to higher management income in line with better performance of retail business under CPNREIT as well as positive impact from other investments.

Gross profit

The Company's 1Q24 gross profit was Baht 6,501 mn, up 24% YoY but lower 9% QoQ. The gross profit margin in 1Q24 was 56% (exclude impact from Pinklao lease extension) similar to previous quarter (4Q23 56%; 1Q23 52%), as the soften revenue QoQ was offset by lower cost. The YoY improvement was mainly due to significant improvement in rental business gross margin thanks to lower electricity tariff as well as higher residential gross margin due to transfer of condominium units in higher floors.

Operating profit

1Q24 operating profit was Baht 5,034 mn grew 33% YoY and 3% QoQ with operating profit margin of 41% (exclude impact from Pinklao lease extension) (4Q23 and 1Q23 37%). The YoY improvement was in line with higher gross profit and higher other income. The QoQ improvement was due to seasonally lower SG&A and higher other income (SG&A to total revenues ratio was 16% in 1Q24 and 19% in 4Q23).

Net profit

The Company delivered 1Q24 **operating core** net profit of Baht **4,121** mn, increased 40% YoY and 9% QoQ with a net profit margin of 34% (exclude impact from Pinklao lease extension) (4Q23 29%; 1Q23 29%). The change was largely in line with the change in operating profit.

CAPITAL STRUCTURE

At the end of 1Q24, the Company reported an interest-bearing debt from financial institution (excl. loans from related parties) of Baht 73,289 mn, lower QoQ from Baht 75,336 mn in 4Q23, from repayment during the quarter. As a result, total net interest-bearing debt to equity improved to 0.66x from 0.71x in 4Q23 and weighted average interest rate rose slightly from 2.80% in 4Q23 to 2.96% with rising interest rate environment. The Company sustained its solid financial position with an interest coverage ratio at 18.94x in 1Q24 (interest expense excludes impact from TFRS16).

Statement of Financial Position (Baht mn)	End 1Q23	End 4Q23	End 1Q24	YoY (%)	QoQ (%)
Current assets					
Cash, cash equivalents and financial investments	5,388	5,059	5,541	3%	10%
Trade accounts payable	2,370	2,217	2,034	(14%)	(8%)
Other current assets	16,481	18,269	18,724	14%	2%
Total current assets	24,239	25,546	26,298	8%	3%
Non-current assets					
Investment properties	169,841	170,976	182,319	7%	7%
Property & equipment (PP&E)	4,290	4,822	4,779	11%	(1%)
Other non-current assets	77,080	78,529	80,156	4%	2%
Total non-current assets	251,212	254,327	267,254	6%	5%
Total assets	275,451	279,873	293,552	7%	5%
Current liabilities					
Interest-bearing debt - 1 year	31,469	36,527	27,183	(14%)	(26%)
Other current liabilities	15,986	17,341	17,882	12%	3%
Total current liabilities	47,455	53,868	45,065	(5%)	(16%)
Non-current liabilities					
Interest-bearing debt	45,604	38,808	46,106	1%	19%
Other non-current liabilities	89,408	86,614	97,427	9%	12%
Total non-current liabilities	135,012	125,423	143,533	6%	14%
Total liabilities	182,467	179,291	188,598	3%	5%
Shareholders' equity					
Retained earnings - unappropriated	84,806	92,273	96,617	14%	5%
Other shareholders' equity	8,177	8,309	8,338	2%	0%
Total shareholders' equity	92,984	100,582	104,955	13%	4%

Financial Ratio	1Q23	4Q23	1Q24	YoY (Chg)	QoQ (Chg)
Profitability Ratio					
Gross profit margin	52%	56%	55%	2%	(1%)
Excluding impact from Pinklao lease extension	52%	56%	56%	3%	0%
Rental and Service Business	53%	59%	56%	3%	(3%)
Excluding impact from Pinklao lease extension	53%	59%	58%	4%	(2%)
Food Service Business	47%	50%	50%	3%	(0%)
Hotel Business	67%	67%	68%	2%	1%
Real Estate Business	32%	36%	37%	5%	1%
Operation profit margin	35%	37%	40%	5%	3%
Excluding non-recurring items and impact from Pinklao lease extension	37%	37%	41%	4%	4%
Net profit margin	32%	30%	34%	2%	4%
Excluding non-recurring items and impact from Pinklao lease extension	29%	29%	34%	5%	5%
Return on equity	13%	15%	15%	2%	0%
Excluding non-recurring items and impact from Pinklao lease extension	12%	14%	14%	3%	1%
Efficiency Ratio					
Return on assets	4.2%	5.4%	5.4%	1.2%	0.1%
Excluding non-recurring items and impact from Pinklao lease extension	3.7%	5.0%	5.2%	1.5%	0.3%
Liquidity Ratio					
Current ratio (times)	0.51	0.47	0.58	0.07	0.11
Quick ratio (times)	0.16	0.14	0.17	0.00	0.03
Financial Policy Ratio					
Liabilities to equity ratio (times)	1.96	1.78	1.80	(0.17)	0.01
Net interest-bearing debt to equity (times)	0.79	0.71	0.66	(0.13)	(0.05)
Interest Coverage Ratio (times)	19.62	17.71	18.94	(0.68)	1.23

BUSINESS PLAN

The Company remains committed to delivering solid revenue growth over the next five years, with the target to grow total revenue by around 10% compounded annual growth rate (CAGR) over 2024-2028. This CAGR target was largely in line with company's 5-year growth targets in the previous years and before Covid-19 after taking out the impacts from 2022 low base effect. After robust launches of residential and hotel projects in 2023 as part of retail-led mixed-use strategy, the Company has strengthened the positioning of its retail properties and overall projects. The focus going forward would be to continue to create "Center of Life" and leverage on the strength from retail-led mixed-use strategy with asset enhancement initiatives as well as offering more customized shopping experience through data analytics in partnership with tenants. CPN plans to add, on average, around 100,000 sqm additional retail NLA per year from 2024-28 with strong pipeline of residential launches over the next five years. Announced projects are as follows:

- 1) **Central Krabi** with a Baht 2,300 mn investment budget for 22,000 sqm retail NLA, is expected to open in 2025.
- 2) **Hotel in Rayong** is expected to open in 2024
- 3) **Dusit Central Park**, which is a joint venture with Dusit Thani PLC, includes retail GBA of 130,000 sqm and office GBA of 90,000 sqm, 257-keys hotel and 406 units of luxury residentials for a total investment value of Baht 46 bn, expected to open in 2024 onwards.

In addition, within the next 5-10 years, the Company will invest in 5 mega mixed-use development projects, including Dusit Central Park project. The Company set aside a five-year investment budget of Baht 121 bn, of which majority will be funded by operating cash flows.

Summary of future projects under construction

Retail and Mixed-use Projects

Project		Type	Expected	NLA (sqm)
1	Central Krabi	Shopping Mall	1H25	22,000
2	DUSIT CENTRAL PARK	Mixed-use Project		
	- Dusit Thani BANGKOK	ownership 30%	4Q24	257 Rooms
	- CENTRAL PARK	ownership 85%	2025	80,000
	- CENTRAL PARK OFFICES	ownership 100%	2025	90,000
	- DUSIT RESIDENCES	ownership 30%	2025	550 units

Hotel

Project		Type	Expect to Open
1	Hotel in Rayong	Midscale Hotel	2024

Residential for Sales

Hight-Rise Projects		Launched	Transfer	Project Value (bn Baht)	Total No. of Units
1	PHYLL PHAHOL 34	Sep-18	2019	1.27	358
2	ESCENT RAYONG II	Dec-20	2022	0.93	420
3	ESCENT KORAT	Dec-20	2023	1.01	395
4	ESCENT HATYAI	Dec-20	2023	1.52	665
5	ESCENT VILLE AYUTTHAYA	Nov-21	2023	0.90	396
6	PHYLL PHUKET	Dec-21	2023	1.48	439
7	ESCENT VILLE SURATHANI	Aug-22	2024	1.02	459
8	ESCENT VILLE SUPANBURI	Oct-22	2024	0.69	328
9	ESCENT VILLE CHACHOENGSAO	Oct-22	2024	0.65	362
10	ESCENT TRANG	Dec-22	2024	0.88	378
11	ESCENT PHETCHABURI	Jun-23	2025	0.43	196
12	ESCENT BURIRAM	Nov-23	2025	0.91	372
13	ESCENT NAKHON SAWAN	Jan-24	2027	1.12	442
14	ESCENT NAKHON PATHOM	Mar-24	2027	1.06	425

Low-Rise Projects		Launched	Transferred	Project Value (bn Baht)	Total No. of Units
1	NIYHAM BOROMRATCHACHONNANI	Nov-18	2019	2.17	71
2	ESCENT TOWN PHITSANULOK	Dec-19	2020	0.96	243
3	NINYA KALLAPAPRUEK	Dec-19	2020	1.51	144
4	NIRATI CHIANGRAI	Sep-20	2020	1.09	183
5	NIRATI BANGNA	Oct-20	2020	1.21	156
6	NIRATI DON MUEANG	Sep-21	2021	1.94	248
7	ESCENT AVENUE RAYONG	Nov-21	2022	0.49	63
8	BAAN NIRATI CHIANGMAI	Nov-22	2022	1.66	179
9	BAAN NINYA RATCHAPHRUEK	Dec-22	2022	1.35	132
10	BAAN NIRATI NAKHON SI	Aug-23	2023	0.68	79
11	BAAN NIRADA RAMA 2	Oct-23	2024	2.99	110
12	BAAN NIRADA UTHAYAN-AKSA	Dec-23	2024	2.36	93
13	BAAN NIRADA WONGWAN-EKKACHAI	Jan-24	2024	1.64	72