

- Translation -

PROUD/FIN/SET-2021/004

8 November 2021

Subject: Management's Discussion and Analysis for the three-month period ended 30 September 2021

To: The President
The Stock Exchange of Thailand

Proud Real Estate Public Company Limited would like to explain the operating result for the three-month period ended 30 September 2021 which has changed from the same period of prior year as follows:

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Consolidated Financial Statements		Change Increase/(Decrease)	
	2021	2020	Thousand Baht	%
Profit or loss:				
Revenues	-	170,418	(170,418)	-100%
Cost	-	(138,394)	(138,394)	-100%
Gross profit	-	32,024	(32,024)	-100%
Other income	1,579	12,738	(11,159)	-88%
Selling and distribution expenses	(20)	(10,068)	(10,048)	-100%
Administrative expenses	(25,848)	(24,758)	1,090	4%
Gain (loss) from operating activities	(24,289)	9,936	(34,225)	-344%
Finance income	70	47	23	49%
Finance cost	(3,316)	(696)	2,620	376%
Gain (loss) before income tax expenses	(27,535)	9,287	(36,822)	-396%
Income tax (expenses) income	4,946	(640)	5,586	873%
Gain (loss) for the period	(22,589)	8,647	(31,236)	-361%
Other comprehensive income:				
Other comprehensive income for the period	-	-	-	
Total comprehensive income (loss) for the period	(22,589)	8,647	(31,236)	-361%
Earnings per share (Baht)				
Basic profit (loss) per share				
Profit (loss)	(0.035)	0.013		
Weighted average number of ordinary shares (shares)	641,469	641,469		

The Company's operating result for the three-month period ended 30 September 2021 resulted in a net loss of Baht 22.59 million in the consolidated financial statements, the net loss increased by Baht 31.24 million or 361% from the same period of prior year.

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1. Revenue and cost of sales from property development business

In this period, the Company did not have the revenue from property development business due to the “Focus Ploenchit” condominium was sold out. At present, the new projects are under the construction. While in Q3/2020, the Company has the revenue from property development business Baht 170.42 million from 30 units ownership transferred at the “Focus Ploenchit” condominium and the cost of sales was Baht 138.39 million.

2. Other income

The Company’s other income was Baht 1.58 million, which decreased by Baht 11.16 million or 88% as compared to Q3/2020. The significant decrease was due to the reversal of estimated cost for rectification and maintenance expense decreased by Baht 7.29 million, gain on compensation received from insurance decreased by Baht 2.25 million, and the other income decreased by Baht 1.55 million

3. Selling and distribution expenses

The Company’s selling and distribution expenses was Baht 0.02 million, which decreased by Baht 10.05 million or 100% as compared to Q3/2020. The significant decrease was due to the decreasing in selling expenses (main expenses was ownership transfer fee of “Focus Ploenchit” condominium) and also decreasing in sales and promotion expenses for support sales of project the “Focus Ploenchit” condominium which was sold out.

4. Administrative expenses

The Company’s administrative expenses was Baht 25.85 million, which increased by Baht 1.09 million or 4% as compared to Q3/2020, which was Baht 24.76 million. The main increase was due to the specific business tax increased by Baht 2.34, research expenses increased by Baht 1.19 million, and staff costs increased by Baht 0.70 million. While bank charges decreased by Baht 2.05 million and the other expenses decreased by Baht 0.95 million.

5. Finance Cost

The Company’s finance cost was Baht 3.32 million, which increased by Baht 2.62 million or 376% as compared to Q3/2020, which was Baht 0.70 million. Main increase was due to recognition of the return on cumulative and redeemable preference shares amount Baht 2.94 million according to adoption of TFRS 9: Financial Instruments. While interest of loan from financial institution decreased by Baht 0.25 million due to repayment of entire loan according to ownership transferred at the “Focus Ploenchit” condominium.

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6. Income tax (expenses) income

The Company has income tax income for the period Baht 4.95 million, which increased by Baht 5.59 million or 873% as compared to Q3/2020, the income tax expenses was Baht 0.64 million. The increment was due to adjustments of deferred tax assets of subsidiary companies according to increasing in deficit.

Please be informed accordingly and please disseminated the above information.

Yours sincerely



(Ms. Budsabong Pansawadi)

Senior Vice President of Accounting and Financial Division