

PROUD/FIN/SET-2023/003

07 August 2023

Subject: Management's Discussion and Analysis for the three-month period ended 30 June 2023

To: The President  
The Stock Exchange of Thailand

Proud Real Estate Public Company Limited would like to explain operating results for the three-month period ended 30 June 2023 which has changed from the same period of prior year as follows:

(Unit Thousand Baht)

	Consolidated Financial Statements		Change Increase/(Decrease)	
	2022	2021	Thousand Baht	%
<b>Profit or loss:</b>				
Revenues from sale of real estate	275,290	109,858	165,432	100%
Cost of real estate sold	(181,012)	(68,415)	112,597	100%
<b>Gross profit</b>	<b>94,278</b>	<b>41,443</b>	<b>52,835</b>	<b>100%</b>
Other income	12,737	20	12,717	63585%
Selling and distribution expenses	(35,472)	(8,259)	27,213	329%
Administrative expenses	(42,749)	(38,388)	4,361	11%
<b>Operating profit (loss)</b>	<b>28,794</b>	<b>(5,184)</b>	<b>(33,978)</b>	<b>-655%</b>
Finance income	701	148	553	374%
Finance cost	(9,382)	(13,700)	(4,318)	-32%
<b>Profit (loss) before income tax income (expenses)</b>	<b>20,113</b>	<b>(18,736)</b>	<b>(38,849)</b>	<b>-207%</b>
Income tax income (expenses)	(11,372)	(1,170)	(10,202)	872%
<b>Profit (loss) for the period</b>	<b>8,741</b>	<b>(19,906)</b>	<b>(28,647)</b>	<b>-144%</b>
<b>Other comprehensive income:</b>				
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total comprehensive income (loss) for the period</b>	<b>8,741</b>	<b>(19,906)</b>	<b>(28,647)</b>	<b>-144%</b>
<b>Earnings per share</b>				
Basic profit (loss) per share				
Loss (Bath/Share)	0.014	(0.031)		
Weighted average number of ordinary shares (Thousand shares)	641,469	641,469		

The Company's operating result for the three-month period ended 30 June 2023 resulted in a net profit of Baht 8.7 million in the consolidated financial statements, which loss decrease by Baht 28.6 million or 144% from the same period of prior year.

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**1. Revenues and cost from sale of real estate**

The Company has revenues amount Baht 275.3 million from ownership transferred at the "InterContinental Residence Hua Hin, which increased by Baht 165.4 million as compared to Q2/2022. Cost of real estate sold is Baht 181 million, which increased by Baht 112.6 million as compared to Q2/2022 and gross profit margin is 34%. The increase in revenue and cost of real estate sales since the company has just started transferring ownership in Q2/2022.

**2. Other income**

The Company's other income were Baht 12.7 million, which increased by Baht 12.7 million as compared to Q2/2022. The significant increase was due to the company's income from seizing the reservation of the InterContinental Residences Hua Hin project in the amount of 11.5 million baht, the Rom Convent project in the amount of 0.5 million baht, the Vehha Hua Hin project in the amount of 0.3 million baht and Revenue from management fees of Prompt Solution Management Co., Ltd. amounted to 0.3 million baht.

**3. Selling and distribution expenses**

The Company's selling and distribution expenses were Baht 35.5 million, which increased by Baht 27.2 million as compared to Q2/2022. The significant increase was due to Ownership transfer expenses of project the "InterContinental Residence Hua Hin".

**4. Administrative expenses**

The Company's administrative expenses were Baht 42.7 million, which increased by Baht 4.4 million as compared to Q2/2022, main increase was due to staff costs, according to the increase in the number of employees and accrued bonus expenses.

**5. Finance Cost**

The Company's finance cost was Baht 9.4 million, which decreased by Baht 4.3 million or 32% compared to Q2/2022, which was 13.7 million baht, resulting from the redemption of preferred shares in the amount of 600 million baht in Q1/2023 until full amount in Q2/2023.

Please be informed accordingly and please disseminate the above information.

Yours sincerely



(Ms. Naruedee Koslathip)

Chief Financial Officer