

PROUD/FIN/SET-2025/002

May 13, 2025

Subject: Management Discussion and Analysis for the first quarter ended March 31, 2025

To: The President of the Stock Exchange of Thailand
The Stock Exchange of Thailand

Proud Real Estate Public Company Limited hereby provides an analysis and explanation of the changes in the Company's operating performance for the first quarter ended March 31, 2025, in comparison to the corresponding period of the previous year, as detailed in the table below.

Operating Performance for the first quarter of 2025

Income Statement (YoY)

(Unit: million baht)	Q1/2025	Q1/2024	Changes + / (-)	%Changes + / (-)
Revenue from sales of real estate	1,688.66	1,069.74	618.92	57.86
Cost of real estate sold	(1,344.58)	(842.12)	502.46	59.67
Gross profit	344.08	227.62	116.46	51.16
Other income	4.17	0.86	3.31	384.88
Selling and distribution expenses	(207.07)	(80.70)	126.37	156.59
Administrative expenses	(68.85)	(64.21)	4.64	7.23
Operating profit (loss)	72.33	83.57	(11.24)	(13.45)
Finance income	0.08	0.05	0.03	60.00
Finance cost	(12.45)	(16.69)	(4.24)	(25.40)
Profit (loss) before income tax income (expenses)	59.96	66.93	(6.97)	(10.41)
Income tax (expenses) income	4.60	10.30	(5.70)	(55.34)
Profit (loss) for the period	64.56	77.23	(12.67)	(16.41)

Revenue from sales of real estate

In the first quarter of 2025, the Company reported revenue from real estate sales amounting to THB 1,688.66 million, representing an increase of THB 57.86 million or 57.86% compared to the same period of the previous year. The primary source of this revenue was the commencement of ownership transfers for the Nue District R9 project, with over 24% of units already transferred. Meanwhile, ownership transfers for the VI Ari project and the Nue Cross Khu Khot Station project continued, reaching approximately 35% and 97%, respectively.

Cost of real estate sold

In the first quarter of 2025, the Company reported cost of real estate sales of THB 1,344.58 million, an increase of THB 502.46 million or 59.67% compared to the same period of the previous year. This increase was in line with the growth in

revenue from real estate sales. As a result, the Company recorded a gross profit of THB 344.08 million for the first quarter of 2025, representing a gross profit margin of 20.38%.

Other income

In the first quarter of 2025, the Company reported other income of THB 4.17 million, an increase of THB 3.31 million or 384.88% compared to the same period of the previous year. This increase was primarily attributable to forfeited booking and down payments from projects, as well as income from juristic management services.

Selling and distribution expenses

In the first quarter of 2025, the Company recorded selling and distribution expenses amounting to THB 207.07 million, representing an increase of THB 126.37 million or 156.59% compared to the same period of the previous year. The increase was primarily driven by the higher volume of ownership transfers.

Administrative expenses

In the first quarter of 2025, the Company recorded administrative expenses of THB 68.85 million, representing an increase of THB 4.64 million or 7.23% compared to the same period of the previous year. The increase was primarily driven by higher personnel-related expenses, in line with the growth in headcount to support the Company's future expansion.

Finance income and finance cost

In the first quarter of 2025, the Company reported finance income of THB 0.08 million, an increase of THB 0.03 million or 60.00% from the same period of the previous year, primarily due to interest income from project-related bank deposits.

On the other hand, finance costs amounted to THB 12.45 million, a decrease of THB 4.24 million or 25.40% year-over-year. This was mainly attributable to the full repayment of bank loans for the Nue Cross Khu Khot Station project, which was completed in the second quarter of 2024.

As a result of the above financial income and cost factors, the Company recorded operating profit of THB 72.33 million in the first quarter of 2025, representing a decrease of THB 11.24 million or 13.45% compared to the same period of the previous year.

Net profit for the period

In the first quarter of 2025, the Company recorded a net profit of THB 64.56 million, representing a decrease of THB 12.67 million or 16.41% compared to the same period of the previous year. The decline was primarily due to an increase in cost of sales and selling expenses, driven by a higher-than-expected and earlier-than-scheduled transfer of ownership. Despite this, the Company remains confident in its strong growth trajectory, supported by the solid demand for all active residential projects from both Thai and international buyers seeking high-quality properties at reasonable prices. The Company continues to focus on developing high-potential projects that address the needs of diverse target groups—combining modern design with prime, convenient locations that offer long-term growth prospects.

The Company remains committed to developing high-potential real estate projects that cater to a broad spectrum of customers. With a strong emphasis on contemporary design and strategically located sites offering long-term growth prospects, these developments are well-positioned to meet evolving market demands. The consistently positive market response underscores the Company's proven ability to deliver high-quality, value-driven projects that enhance customer satisfaction—even amid a challenging economic environment.

As of the end of March 2025, the Company's active projects have achieved strong pre-sales performance in line with the business plan. VEHHA Hua Hin has achieved pre-sales of 71% of total project value, with revenue recognition expected in the second quarter of 2025. ROMM Convent has reached 72% in pre-sales, VI Ari at 35%, and Nue District R9 at an impressive 98%.

As of March 31, 2025, the Company's backlog of THB 9,602 million, which will be gradually recognized as revenue through to 2026. This backlog will serve as a key driver in supporting the Company's long-term growth visibility. In addition, the Company is preparing to launch new projects with a total value exceeding THB 9,200 million in the near future, further reinforcing the outlook for strong and sustainable future revenue growth.

Financial Positions

Assets

(Unit: million baht)

	March 31, 2025	December 31, 2024	Changes + / (-)	%Changes + / (-)
Current assets				
Cash and cash equivalents	739.39	484.90	254.49	52.48
Other receivables	50.86	42.17	8.69	20.61
Real estate development costs	8,496.55	9,045.14	(548.59)	(6.07)
Current tax assets	19.35	4.38	14.97	341.78
Other current assets	602.24	681.58	(79.34)	(11.64)
Total current assets	9,908.39	10,258.17	(349.78)	(3.41)
Non-current assets				
Building and equipment	14.63	23.10	(8.47)	(36.67)
Right-of-use assets	7.12	8.78	(1.66)	(18.91)
Intangible assets	4.42	4.54	(0.12)	(2.64)
Deferred tax assets	276.69	270.25	6.44	2.38
Other non-current financial assets	2.20	4.03	(1.83)	(45.41)
Other non-current assets	97.61	87.69	9.92	11.31
Total non-current assets	402.67	398.39	4.29	1.08
Total assets	10,311.05	10,656.56	(345.50)	(3.24)

As of March 31, 2025, the Company had total assets of THB 10,311.05 million, a decrease of THB 345.50 million or 3.24% compared to the end of 2024. The primary reasons for this change are as follows:

- A decrease in development costs for real estate projects to THB 8,496.55 million, a reduction of THB 548.59 million or 6.07%, primarily due to the transfer of ownership for the Nue District R9, VI Ari, and Nue Cross Khu Khot Station projects.

Offsetting by:

- An increase in cash and cash equivalents to THB 739.39 million, up by THB 254.49 million or 52.48%, primarily driven by higher cash flows from operating activities.

Liabilities and Shareholders' Equity

(Unit: million baht)

	March 31, 2025	December 31, 2024	Changes + / (-)	%Changes + / (-)
Current liabilities				
Bank overdrafts	21.37	14.84	6.53	44.00
Trade and other payables	1,091.78	923.06	168.72	18.28
Current portion of long-term loans from financial institutions	2,088.10	518.78	1,569.32	302.50
Current portion of lease liabilities	4.11	4.74	(0.63)	(13.29)
Deferred revenue from sale of real estate	2,167.16	2,215.03	(47.87)	(2.16)
Accrued expenses related to the projects	85.82	86.61	(0.79)	(0.91)
Retention payable - current	7.47	7.95	(0.48)	(6.04)
Income tax payable	19.78	19.49	0.29	1.49
Other current liabilities	18.05	11.38	6.67	58.61
Total current liabilities	5,503.64	3,801.88	1,701.76	44.76
Non-current liabilities				
Long-term loan from unrelated party and person	200.00	445.75	(245.74)	(55.13)
Long-term loans from financial institutions, net of current portion	1,460.78	3,860.21	(2,399.43)	(62.16)
Debenture	544.31	-	544.31	100.00
Lease liabilities, net of current portion	2.66	3.84	(1.18)	(30.73)
Cumulative and redeemable of preference shares, net of current portion	851.48	833.25	18.23	2.19
Provision for long-term employee benefits	6.06	5.61	0.45	8.02
Provision for decommissioning costs	6.86	6.85	0.01	0.15
Retention payable - non-current	105.45	133.91	(28.46)	(21.25)
Total non-current liabilities	3,177.60	5,289.41	(2,111.81)	(39.93)
Total liabilities	8,681.24	9,091.29	(410.05)	(4.51)

As of March 31, 2025, the Company had total liabilities of THB 8,681.25 million, a decrease of THB 410.04 million, or 4.51%, compared to the end of 2024. The primary reasons for this decrease include:

- Long-term loans from financial institutions amounted to THB 1,460.78 million, a decrease of THB 2,399.43 million, primarily due to repayments of bank loans related to the Nue Cross Khu Khot Station and Nue District R9 projects, which are currently undergoing ownership transfers.
- Long-term loans from unrelated parties and individuals stood at THB 200.00 million, a decrease of THB 245.74 million due to scheduled repayments.

Proud Real Estate Public Company Limited

548 One City Centre Building 19th Floor, Unit No.1902-1903, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330

Phone: (+66) 2 035 0999 Fax: (+66) 2 035 0998 โทรสาร 010754500331

Offsetting by:

- The current portion of long-term loans from financial institutions due within one year amounted to THB 2,088.10 million, an increase of THB 1,569.32 million from the end of the previous year, primarily due to a reclassification in the financial statements, as previously mentioned.
- The issuance of the Company's first tranche of debentures in 2025, which increased by THB 544.31 million in March 2025.
- Trade and other payables totaled THB 1,091.78 million, an increase of THB 168.72 million, primarily due to accrued land acquisition costs for the development of a new high-rise condominium project in Hua Hin.

As of March 31, 2025, the Company's interest-bearing debt to equity ratio (IBD/E) decreased to 3.17 times, down from 3.62 times at the end of 2024. Similarly, the total debt to equity ratio (D/E) declined to 5.33 times, compared to 5.81 times as of year-end 2024.

The Company's total shareholders' equity amounted to THB 1,629.82 million, representing an increase of THB 64.56 million from the previous year. This increase was primarily driven by higher retained earnings, resulting from continuous ownership transfers in accordance with the project delivery schedule.

Please be informed accordingly.

Yours sincerely,



(Ms. Naruedee Kosalthip)
Chief Financial Officer