

# SUPALAI

## SUPALAI PUBLIC COMPANY LIMITED

SPL. 132/2024

August 13, 2024

Subject: Report of operating results for the three-month and six-month periods ended 30 June 2024

To Director and Manager  
The Stock Exchange of Thailand

Supalai Public Company Limited would like to inform the operating results for the three-month and six-month periods ended 30 June 2024. Detailed explanations are as followed:

1. The Company and its subsidiaries' operating results for the three-month period ended 30 June 2024 and 2023.

(Unit: Million Baht)						
	Consolidated financial statements			Separate financial statements		
	Second Quarter 2024	Second Quarter 2023	Increase / (Decrease) %	Second Quarter 2024	Second Quarter 2023	Increase / (Decrease) %
Total revenues	8,132.57	8,444.00	(4%)	6,413.63	7,144.64	(10%)
Revenue from sales of real estate	7,858.24	8,089.19	(3%)	6,237.59	6,866.35	(9%)
Selling and administrative expenses	1,007.89	956.65	5%	862.14	869.70	(1%)
% Selling and administrative expenses / Total revenue	12.4%	11.3%		13.4%	12.2%	
Share of profit from investments in joint ventures and associates	237.06	127.44	86%	-	-	-
Finance cost	158.27	103.09	54%	156.60	100.77	55%
Profit before income tax expenses	2,132.04	2,205.81	(3%)	1,535.04	1,803.85	(15%)
Income tax expenses	509.65	482.84	6%	312.88	378.62	(17%)
Effective corporate income tax rate (%)	23.9%	21.9%		20.4%	21.0%	
Profit for the period	1,598.90	1,700.73	(6%)	1,222.16	1,425.23	(14%)
Net profit margin (%)	19.7%	20.1%		19.1%	19.9%	
Basic earnings per share (Baht)	0.82	0.87	(6%)	0.63	0.73	(14%)
(Unit: Million Baht)						
	Consolidated financial statements			Separate financial statements		
	30 June 2024	31 December 2023	Increase / (Decrease) %	30 June 2024	31 December 2023	Increase / (Decrease) %
Net Gearing Ratio (%)	47%	44%		68%	56%	
Book Value per share (Baht)	26.97	26.35	2%	24.15	23.98	1%

1. The revenue from sales of real estate was 7,858.24 million Baht, decreased by 230.95 million Baht from the same period of the previous year, representing a decrease of 3%. It was divided into the revenue of 69% from the transfer of ownership of detached houses and townhouses and the remaining 31% from the transfer of ownership of condominiums. This year, the Company has 5 completed condominium projects which are due for ownership transfer. The ownership of 3 condominium projects had been gradually transferred in the second quarter, while revenue from ownership transfer of 1 project has been recognized continuously since the first quarter. The remaining project is scheduled to commence ownership transfers starting in the third quarter.
2. Selling and administrative expenses were 1,007.89 million Baht, increased by 51.24 million Baht from the same period of the previous year or an increase of 5%. However, selling and administrative expenses of the Company and its subsidiaries were 12.4% compared with the total revenue, which slightly increased from the same period of the previous year at 11.3%.
3. Share of profit from investments in joint ventures and associates amounted to 237.06 million Baht, an increase of 109.62 million Baht from the same period of the previous year or an increase of 86%. This was mainly due to an increase in revenue from ownership transfers by joint ventures and associates in Australia.
4. Finance costs amounted to 158.27 million Baht, increased by 55.18 million Baht from the same period of the previous year or an increase of 54%, because the policy rate increased and some increased debt from the expansion of investment in the group of companies.
5. Profit for the period amounted to 1,598.90 million Baht, decreased by 101.83 million Baht from the same period of the previous year, representing a decrease of 6%, due to a decrease in revenue from ownership transfer as mentioned in Clause 1, an increase in selling and administrative expenses as mentioned in Clause 2 and an increase in finance costs as mentioned in Clause 4. As a result, basic earnings per share amounted to 0.82 Baht per share, which decreased from the previous year at 0.87 baht per share.
6. Net Gearing Ratio remains at the level of 47% as at June 30, 2024, a slight increase from the level of 44% as of December 31, 2023.

2. The Company and its subsidiaries' operating results for the six-month period ended 30 June 2024 and 2023.

(Unit: Million Baht)						
	Consolidated financial statements			Separate financial statements		
	Six-month period 2024	Six-month period 2023	Increase / (Decrease) %	Six-month period 2024	Six-month period 2023	Increase / (Decrease) %
Total revenues	12,806.90	14,345.71	(11%)	10,095.60	12,464.46	(19%)
Revenue from sales of real estate	12,330.54	13,730.61	(10%)	9,739.91	11,968.29	(19%)
Selling and administrative expenses	1,788.98	1,771.91	1%	1,541.15	1,611.57	(4%)
% Selling and administrative expenses / Total revenue	14.0%	12.4%		15.3%	12.9%	
Share of profit from investments in joint ventures and associates	237.32	193.48	23%	-	-	-
Finance cost	303.27	198.90	52%	300.88	192.68	56%
Profit before income tax expenses	2,961.56	3,624.53	(18%)	2,200.16	3,035.61	(28%)
Income tax expenses	708.67	800.40	(11%)	437.67	630.06	(31%)
Effective corporate income tax rate (%)	23.9%	22.1%		19.9%	20.8%	
Profit for the period	2,212.54	2,781.14	(20%)	1,762.49	2,405.55	(27%)
Net profit margin (%)	17.3%	19.4%		17.5%	19.3%	
Basic earnings per share (Baht)	1.13	1.42	(20%)	0.90	1.23	(27%)

Revenue from sales of real estate was 12,330.54 million Baht, decreased by 1,400.07 million Baht from the same period of the previous year, representing a decrease of 10%. It was divided into the revenue of 72% from the transfer of ownership of detached houses and townhouses and the remaining 28% from the transfer of ownership of condominiums. The primary factor contributing to the revenue decline is the reduction in income from condominium ownership transfers, which is primarily due to the overall unfavorable conditions in the real estate market. This year, the Company has 5 completed condominium projects which are due for ownership transfer. The ownership of 3 condominium projects had been gradually transferred in the second quarter, while revenue from ownership transfer of 1 project has been recognized continuously since the first quarter. The remaining project is scheduled to commence ownership transfers starting in the third quarter.

Share of profit from investments in joint ventures and associates for the six-month period of 2024 was 237.32 million Baht, increased by 43.84 million Baht from the same period of the previous year, representing an increase of 23%. This increase is due to higher revenue from ownership transfers by joint ventures and associates in Australia. In 2024, ownership transfers for projects in Australia are expected to begin from the second quarter onward.

In addition, selling and administrative expenses were 1,788.98 million Baht, increased by 17.07 million Baht from the same period of the previous year or an increase of 1%. The selling and administrative expenses of the Company and its subsidiaries accounted for 14.0% compared with the total revenue, which increased from the same period of the previous year at 12.4%.

According to the reasons mentioned above, along with increased financial costs resulting from the hike in the policy interest rate, the operating results for six-month period of this year have the net profit of 2,212.54 million Baht, decreased by 568.60 million Baht from the same period of the previous year at 2,781.14 million Baht or representing a decrease of 20%.

As at 30 June 2024, the Company and its subsidiaries have house and/or condominium backlogs of 16,450 million Baht. The Company expected to transfer 12,641 million Baht of these backlogs over the next 6 months in 2024, and the remaining of 3,809 million Baht over the next 2 years. The backlog means the total value of house and/or condominium sold but awaiting to be transferred, then the Company and its subsidiaries could recognize the revenue according to the Thai Accounting Standard, which will be recognized in full when ownership is transferred.

Please be informed and publicize to public accordingly.

(Mrs. Siriporn Wangsapar)

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