

EXECUTIVE SUMMARY

In 3Q24, private consumption in Thailand was more upbeat in July relative to June but weakened again in August and September, partly due to heavy rain. Foreign tourists arrival, which continued to be the main economic driver, in 9M24 was 26 mn, on track of Tourism Authority of Thailand's full-year expectation of 35-36 mn. Consumer confidence index in September continued to trend downward for 6 consecutive months, also partly due to floods in some provinces, but could improve going forward thanks to political stability and government stimulus plan.

In terms of 2024 outlook, the Office of the National Economic and Social Development Council (NESDC) expects Thai economy to grow by 2.2-2.8% YoY, with private consumption and continued recovery of tourism as key drivers. NESDC expects private consumption expenditure to grow 4.5% YoY in 2024 thanks to robust labour market and government stimulus measures. In Oct 2024, the Fiscal Policy Office maintained 2024 GDP growth at 2.7% after the upward revision from 2.4% in July and forecasted 2025 GDP growth at 3%. Furthermore, inflation rate continued to be mildly positive mainly driven by energy and food prices.

CPN's 3Q24 financial performance remained robust with total reported revenues excluding other income continued to grow by 3% YoY but slightly decreased by 5% QoQ. Shopping malls and hotel revenues maintained positive growth momentum YoY and QoQ thanks to additional NLA from Central Westville, Central Nakhon Sawan and Central Nakhon Pathom, and improving tenants' sales. However, the condominium transfers dropped in this quarter as some projects already completed the transfer that started since 2H23. On costs side, despite additional depreciation and finance costs related to Pinklao lease extension, the impact was partially offset by lower electricity tariff (from Baht 4.70/unit in Jul-Aug 2023 to Baht 4.18/unit in 3Q24) as well as amortization income of the renewed Pinklao lease with CPNREIT. As such, the Company reported 3Q24 total revenues (including other income) of Baht 12,284 mn, and net profit of Baht 4,126 mn, both were similar to 3Q23 level. Compared to 2Q24, total revenues and net profit dropped by 9% QoQ and 9% QoQ, respectively, mainly due to lower transfer of condominium as mentioned above. Excluding the impact of 1) Baht 380 mn (after tax) on investment income in relation to pending Rama 2 lease payment with CPNREIT 2) depreciation and finance costs related to Pinklao land lease extension of Baht 330 mn (after tax) and 3) Baht 154 mn (after tax) amortization of Pinklao lease extension with CPNREIT, the Company reported **core net profit of Baht 3,922 mn**, increased 2% YoY (please refer to the table on page 3).

Regarding 3Q24 operation highlights, the shopping malls that opened since 4Q23, namely Central Westville, Central Nakhon Sawan, and Central Nakhon Pathom saw improving occupancy MoM throughout the quarter. The Company also decided not to renew the land leases of 2 community malls, Market Place Bangbon and Meng Jai (B-Quik) in June and September 2024, respectively. One new hotel was opened next to Central Rayong, under the brand Hilton Garden Inn Rayong in August 2024. Lastly two condominium projects were also launched in September 2024, ESCENT HATYAI II and ESCENT PHUKET, which achieved pre-sale of approx. 20% and 40%, respectively. Successful launches of both condominium projects resulted in another quarter of solid pre-sale performance.

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 3Q24

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	788	3	152		
Shopping malls in provinces	23	937	23	823	4	100		
Shopping mall in overseas	1	84	1	84				
Mega Bangna Shopping Mall	1	169	1	169				
Total Shopping Mall	42	2,120	42	1,864	7	253		
Community Mall	15	173	15	173				
Total Retail Business	57	2,293						
Other Business								
Office	7	170	4	53	2	34	1	82
Hotel	10	1,681 rooms	8	1,377 room	1	304 rooms		
Residential for sales to date (high-rise)	25							
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, Mega Bangna), 15 community malls with a total NLA of 2.3 mn sqm. The Company’s 3Q24 occupancy rate of shopping mall was similar to 2Q24 level at 92% with improving occupancy rate at Central Westville, Central Nakhon Sawan, and Central Nakhon Pathom offset by softer occupancy in the shopping malls under asset enhancement plan.

The Company has 10 office buildings for rent with a total rental area of 314,654 sqm. The occupancy rate in 3Q24 was at 85%, similar to the previous quarter.

In 3Q24, the Company has a total of 10 hotels and 1,681 rooms with an average occupancy rate of 71%, similar to previous quarter. Most hotels in the portfolio continued to see QoQ improvement in occupancy, except Hilton Pattaya which had lower occupancy rate compared to 2Q24 due to seasonality effect.

The Company launched the pre-sale of ESCENT HATYAI II and ESCENT PHUKET in September 2024, bringing total active projects to 26 (13 condominiums and 13 low-rise) as of 3Q24.

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.

In August 2024, Central Pattana issued sustainability-linked bonds (SLB) with a total value of Baht 8 bn. The funds will support projects related to renewable energy, sustainable water and wastewater management, energy efficiency improvements, and other sustainability-related projects for its operations or subsidiaries. The ESG financing is part of the Company's commitment to environmental care, or Better Planet, in line with the United Nations' sustainable development goals and the Journey to Net Zero by 2050. The bonds are issued under Central Pattana's Sustainability-linked Finance Framework, which aligns with the Sustainability-Linked Bond Principles (SLBP) established by the International Capital Market Association (ICMA). Moreover, Central Pattana was granted the Commended Sustainability Award in the Sustainability Excellence categories and Outstanding Investor Relations Awards in Business Excellence category from SET Awards 2024 which was organized by the Stock Exchange of Thailand and Money & Banking Journal

FINANCIAL PERFORMANCE

3Q24 Profit & Loss Statement reconciliation between F/S and core performance

Unit: Baht mn	Per F/S	Impact from Pinklao Land Lease Extension	Impact from Pinklao lease extension with CPNREIT	Impact from TFRS16	Core Performance
Revenue from rental & services	10,511		(193)		10,318
Revenue from other businesses	1,732				1,732
Other income	41		-		41
Total Revenue	12,284		(193)		12,091
Cost of rental & services	(4,373)	106			(4,267)
Cost of other businesses	(919)				(919)
Administrative expense	(1,986)				(1,986)
Operating profit (loss)	5,005	106			4,918
Share of profit from invested co.	509				509
Investment income	633			(475)	158
Interest expense	(969)	307			(661)
Income tax	(980)	(83)	39	95	(929)
Minority interest	(73)				(73)
Net profit to parent co.	4,126	330	(154)	(380)	3,922

3Q24 Non-operating items

- The Company booked depreciation and finance costs from Pinklao lease extension (between CPN and landlord) of Baht 413 mn (before tax) and Baht 330 mn (after tax). These expenses will be recurring throughout the lease contract, which will expire in 2047.

- The Company booked revenue from rental & service as a result of amortization of Pinklao lease extension between CPN and CPNREIT of Baht 193 mn (before tax) and Baht 154 mn (after tax). This amortization will be booked throughout the lease contract, which will expire in 2039.
- 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 3Q24, the Company recognized an interest income from the Central Rama 2 lease contract amounting to Baht 475 mn and recorded its deferred tax of Baht 95 mn, amounting to Baht 380 mn (after tax).

The following management discussion **excludes** an impact of non-operating items, non-recurring, and accounting standard (IFRS16) 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).

Profit & Loss Statement (Baht mn)	3Q23	2Q24	3Q24	YoY (%)	QoQ (%)	9M23	9M24	YoY (%)
Revenue from rental & services	9,358	10,178	10,511	12%	3%	27,339	30,348	11%
Shopping Mall & Community Mall	8,996	9,830	10,160	13%	3%	26,255	29,293	12%
Office	362	348	351	(3%)	1%	1,084	1,055	(3%)
Revenue from Food Service Center	229	289	268	17%	(7%)	680	807	19%
Revenue from Hotel Business	384	452	472	23%	4%	1,105	1,415	28%
Revenue from Residential Business	1,947	1,957	991	(49%)	(49%)	3,640	4,254	17%
Other Income	359	606	41	(89%)	(93%)	937	1,177	26%
Total Revenue	12,277	13,483	12,284	0%	(9%)	33,701	38,000	13%
Total Revenue (excl. non-recurring items)	12,277	13,118	12,091	(2%)	(8%)	33,701	37,442	11%
Cost of Rental and Service Income	4,230	4,364	4,373	3%	0%	12,648	12,941	2%
Shopping Mall & Community Mall	4,126	4,261	4,274	4%	0%	12,317	12,640	3%
Office	104	102	99	(5%)	(4%)	331	301	(9%)
Cost of Food Service Center	116	137	133	15%	(3%)	344	396	15%
Cost of Hotel Business	134	153	159	19%	4%	377	467	24%
Cost of Residential Business	1,284	1,262	627	(51%)	(50%)	2,425	2,712	12%
Total Cost	5,764	5,916	5,292	(8%)	(11%)	15,793	16,516	5%
Total Cost (excl. non-recurring items)	5,764	5,812	5,186	(10%)	(11%)	15,793	16,202	3%
Administrative Expenses (incl. impact from TFRS9)	1,755	2,003	1,986	13%	(1%)	5,159	5,985	16%
Operating Profit	4,758	5,564	5,005	5%	(10%)	12,749	15,499	22%
Operating Profit (excl. non-recurring items)	4,758	5,303	4,918	3%	(7%)	12,749	15,255	20%
Net Finance Cost/Income Tax/Others	(544)	(963)	(807)	48%	(16%)	(1,548)	(2,492)	61%
Profit to Non-Controlling Interest	(53)	(45)	(73)	38%	63%	(116)	(171)	48%
Profit to Parent Company	4,162	4,556	4,126	(1%)	(9%)	11,085	12,836	16%
Profit to Parent Company (excl. non-recurring items)	3,829	4,206	3,922	2%	(7%)	10,144	12,249	21%
EPS to Parent Company	0.93	1.02	0.92	(1%)	(9%)	2.47	2.86	16%
EPS to Parent Company (excl. non-recurring items)	0.85	0.94	0.87	2%	(7%)	2.26	2.73	21%

Total Income

In 3Q24, the Company has a total income of Baht 12,091 mn, decreased 2% YoY. While rental revenues and hotel revenues still growing by double-digit YoY, lower transfer of condominium due to transfer completion and unrealized FX loss were the main causes of lower total income.

1. Rental & Service business recorded all-time-high revenue of Baht 10,318 mn, increased 10% YoY and 3% QoQ. The YoY improvement was mainly from additional NLA from Central Westville, Central Nakhon Sawan, and Central Nakhon Pathom as well as increasing tenants' sales. Improving occupancy from these new malls and slight improvement in rental rate were the drivers of revenue growth QoQ.
2. Food center services posted revenue of Baht 268 mn, increased 17% YoY but decreased 7% QoQ, mainly due to seasonality effect. The YoY improvement was mainly due to increased food court locations in the new shopping malls: Central Westville since 4Q23, Central Nakhon Sawan (31 Jan 2024) and Central Nakhon Pathom (30 Mar 2024).
3. Hotel business recorded revenue of Baht 472 mn, up 23% YoY and 4% QoQ. Overall occupancy rate was 71%, similar to the previous quarter. Overall average daily room rate (ADR) dropped 11% YoY and 6% QoQ due to higher contribution from newer hotels which has lower ADR. Revenue growth YoY was from improvement in RevPar in all hotels as well as base effect from new hotels. However, Hilton Pattaya, which is the main contributor of hotel revenues, saw RevPar dropped 3% QoQ due to the seasonality effect.
4. Residential for sale business reported revenue of Baht 991 mn, dropped 49% YoY and QoQ. Condominium transfers dropped 67% YoY and 62% QoQ due to condominium transfer schedule as the following project transfers have been completed - Escent Korat, Escent Hatyai, Escent Ville Ayutthaya and Phyll Phuket. Low-rise transfers was similar to 3Q23 level but decreased 27% QoQ.
5. Other income of Baht 41 mn, decreased 193% YoY and 168% QoQ mainly from unrealized FX loss impact from overseas operation and other investments.

Gross profit

The Company's 3Q24 gross profit was Baht 6,864 mn, up 12% YoY and similar to the previous quarter. The gross profit margin in 3Q24 was 57% (excluding impact to revenues and costs related to Pinklao lease extension), improved from the previous quarter and previous year (2Q24 54%; 3Q23 52%). Every business saw YoY improvement in gross profit margin thanks to improved efficiency, lower electricity tariff, as well as higher residential gross margin due to transfer of condominium units in higher floors. The only business which saw softer gross margin QoQ was the food center services due to seasonality effect.

Operating profit

3Q24 operating profit was Baht 4,918 mn grew 3% YoY but dropped 7% QoQ with operating profit margin of 41% (excluding impact from Pinklao lease extension) (2Q24 40% and 2Q23 39%). The YoY and QoQ movement were in line with gross profit and other income trends mentioned above. (SG&A to total revenues ratio was 16% in 3Q24 and 15% in 2Q24).

Net profit

The Company delivered 3Q24 **core operating** net profit of Baht **3,922** mn, increased 3% YoY but decreased 6% QoQ with a net profit margin of 32% (excluding impact from Pinklao lease extension) (2Q24 32%; 3Q23 31%). The change was largely in line with the change in operating profit.

CAPITAL STRUCTURE

At the end of 3Q24, the Company reported an interest-bearing debt from financial institution (excluding loans from related parties) of Baht 71,828 mn, decreased QoQ from Baht 74,258 mn in 2Q24, due to repayments during the quarter. As a result, total net interest-bearing debt to equity decreased from 0.68x to 0.62x in 3Q24 and weighted average interest rate rose slightly from 3.03% in 2Q24 to 3.19% from newly issued debt instrument with longer maturity. The Company sustained its solid financial position with an interest coverage ratio at 20.47 in 3Q24 (interest expense excludes impact from TFRS16).

Statement of Financial Position (Baht mn)	End 3Q23	End 2Q24	End 3Q24	YoY (%)	QoQ (%)
Current assets					
Cash, cash equivalents and financial investments	4,357	6,834	6,403	47%	(6%)
Trade accounts payable	2,049	1,947	1,701	(17%)	(13%)
Other current assets	17,128	18,950	31,884	86%	68%
Total current assets	23,533	27,731	39,988	70%	44%
Non-current assets					
Investment properties	172,165	182,605	182,859	6%	0%
Property & equipment (PP&E)	4,694	4,792	4,805	2%	0%
Other non-current assets	78,853	86,789	75,336	(4%)	(13%)
Total non-current assets	255,712	274,185	263,000	3%	(4%)
Total assets	279,245	301,917	302,988	9%	0%
Current liabilities					
Interest-bearing debt - 1 year	36,703	24,146	13,858	(62%)	(43%)
Other current liabilities	16,566	17,682	20,330	23%	15%
Total current liabilities	53,269	41,828	34,188	(36%)	(18%)
Non-current liabilities					
Interest-bearing debt	40,980	50,112	57,970	41%	16%
Other non-current liabilities	88,276	108,372	104,539	18%	(4%)
Total non-current liabilities	129,256	158,484	162,510	26%	3%
Total liabilities	182,524	200,313	196,698	8%	(2%)
Shareholders' equity					
Retained earnings - unappropriated	88,503	93,290	97,122	10%	4%
Other shareholders' equity	8,218	8,314	9,168	12%	10%
Total shareholders' equity	96,721	101,604	106,290	10%	5%

Financial Ratio	3Q23	2Q24	3Q24	YoY (Chg)	QoQ (Chg)	9M23	9M24	YoY (Chg)
Profitability Ratio								
Gross profit margin	52%	54%	57%	5.1%	2.7%	52%	55%	3.4%
Excluding impact from Pinklao lease extension	52%	54%	57%	5.3%	2.7%	52%	56%	3.8%
Rental and Service Business	55%	57%	58%	3.6%	1.3%	54%	57%	3.6%
Excluding impact from Pinklao lease extension	55%	57%	59%	3.8%	1.3%	54%	58%	4.1%
Food Service Business	49%	53%	50%	0.9%	(2.3%)	49%	51%	1.5%
Hotel Business	65%	66%	66%	1.2%	0.2%	66%	67%	1.1%
Real Estate Business	34%	35%	37%	2.7%	1.3%	33%	36%	2.9%
Operation profit margin	39%	41%	41%	2.0%	(0.5%)	36%	41%	4.3%
Excluding non-recurring items and impact from Pinklao lease extension	39%	40%	41%	2.0%	0.2%	38%	41%	2.9%
Net profit margin	34%	34%	34%	(0.3%)	(0.2%)	33%	34%	0.9%
Excluding non-recurring items and impact from Pinklao lease extension	31%	32%	32%	1.2%	0.4%	30%	33%	2.6%
Return on equity	14.4%	16.6%	15.8%	1.5%	(0.8%)	15.0%	15.0%	1.5%
Excluding non-recurring items and impact from Pinklao lease extension	13.5%	15.8%	15.2%	1.6%	(0.6%)	13.7%	13.7%	1.6%
Efficiency Ratio								
Return on assets	5.0%	5.6%	5.6%	0.6%	0.0%	4.5%	4.5%	0.6%
Excluding non-recurring items and impact from Pinklao lease extension	4.7%	5.3%	5.3%	0.6%	0.0%	4.1%	4.1%	0.6%
Liquidity Ratio								
Current ratio (times)	0.44	0.66	1.17	0.73	0.51	0.52	0.52	0.73
Quick ratio (times)	0.12	0.21	0.24	0.12	0.03	0.16	0.16	0.12
Financial Policy Ratio								
Liabilities to equity ratio (times)	1.89	1.97	1.85	(0.04)	(0.12)	2.04	2.04	(0.04)
Net interest-bearing debt to equity (times)	0.77	0.68	0.62	(0.15)	(0.06)	0.85	0.85	(0.15)
Interest Coverage Ratio (times)	18.16	20.02	20.47	2.31	0.45	18.16	18.16	2.31

*Interest Exp excl. impact from TFRS16

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 2H25.
- 2) **Dusit Central Park**, which is a joint venture with Dusit Thani PLC, includes retail GBA of 130,000 sqm and office NLA of approximately 60,000 sqm, 257-keys hotel and 550 units of luxury residential 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	2H25	22,000
2	DUSIT CENTRAL PARK	Mixed-use Project		
	- Dusit Thani BANGKOK	ownership 30%	Opened Sep-2024	257 Rooms
	- CENTRAL PARK	ownership 85%	2H25	130,000 (GBA)
	- CENTRAL PARK OFFICES	ownership 100%	2H25	Apx. 60,000
	- DUSIT RESIDENCES	ownership 30%	2H25	550 units

Active Projects of Residential for Sales

High-Rise Projects		Launched	Transfer	Project Value (bn Baht)	Total No. of Units
1	PHYLL PHAHOL 34	Sep-18	Nov-19	1.30	358
2	ESCENT RAYONG II	Dec-20	Nov-22	0.93	420
3	ESCENT VILLE SURATHANI	Aug-22	2024	1.11	459
4	ESCENT VILLE SUPANBURI	Oct-22	May-24	0.70	328
5	ESCENT VILLE CHACHOENGSAO	Oct-22	Apr-24	0.66	362
6	ESCENT TRANG	Dec-22	2024	0.88	378
7	ESCENT PHETCHABURI	Jun-23	2025	0.45	196
8	ESCENT BURIRAM	Nov-23	2025	0.91	372
9	ESCENT NAKHON SAWAN	Jan-24	2025	1.15	442
10	ESCENT NAKHON PATHOM	Mar-24	2026	1.07	425
11	ESCENT BANGNA	Jun-24	2026	0.71	285
12	ESCENT HATYAI II	Sep-24	2026	1.76	662
13	ESCENT PHUKET	Sep-24	2026	1.46	513

Low-Rise Projects		Launched	Transferred	Project Value (bn Baht)	Total No. of Units
1	NIYHAM BOROMRATCHACHONNANI	Nov-18	Feb-19	2.17	71
2	ESCENT TOWN PHITSANULOK	Dec-19	Mar-20	0.93	243
3	NINYA KALLAPAPRUEK	Dec-19	Apr-20	1.49	144
4	NIRATI CHIANGRAI	Sep-20	Oct-20	0.78	158
5	NIRATI BANGNA	Oct-20	Nov-20	1.21	153
6	NIRATI DON MUEANG	Sep-21	Oct-21	1.93	248
7	ESCENT AVENUE RAYONG	Nov-21	Jun-22	0.47	63
8	BAAN NIRATI CHIANGMAI	Nov-22	Dec-22	1.63	179
9	BAAN NINYA RATCHAPHRUEK	Dec-22	Mar-22	1.61	132
10	BAAN NIRATI NAKHON SI	Aug-23	Sep-23	0.71	79
11	BAAN NIRADA RAMA 2	Oct-23	Jun-24	2.96	110
12	BAAN NIRADA UTHAYAN-AKSA	Dec-23	Apr-24	2.36	96
13	BAAN NIRADA WONGWAN-EKKACHAI	Jan-24	Apr-24	1.63	72