

MJD.IR. 006/2025

14 August 2025

Subject : Management Discussion and Analysis for the quarter 2/2025 ended of June 30, 2025

Attention : Director and Manager  
The Stock Exchange of Thailand

Major Development Public Company Limited ("The Company") would like to inform the operating result and financial position of the consolidated financial statement for the quarter 2/2025 ended of June 30, 2025. As follows.

### A) Operating Results

Unit: Million Baht

| Consolidated<br>Income Statement                          | 3-month period |               | Increase (Decrease) |                | 6-month period |                 | Increase (Decrease) |                |
|---|----------------|---------------|---------------------|----------------|----------------|-----------------|---------------------|----------------|
|   | Q2 2025        | Q2 2024       | Amount              | %              | Q2 2025        | Q2 2024         | Amount              | %              |
| Sales   | 190.33         | 434.48        | (244.15)            | (56.19)        | 378.55         | 871.75          | (493.20)            | (56.58)        |
| Revenues from<br>hotel operations                         | 55.15          | 61.76         | (6.61)              | (10.70)        | 144.36         | 152.67          | (8.31)              | (5.44)         |
| Management fee<br>income                                  | 58.09          | 30.76         | 27.33               | 88.85          | 157.82         | 61.80           | 96.02               | 155.37         |
| Rental income   | 64.25          | 51.02         | 13.23               | 25.93          | 124.20         | 97.60           | 26.60               | 27.25          |
| Other income  | 6.30           | 28.21         | (21.91)             | (77.67)        | 8.92           | 42.80           | (33.88)             | (79.16)        |
| <b>Total revenues</b>                                     | <b>374.12</b>  | <b>606.23</b> | <b>(232.11)</b>     | <b>(38.29)</b> | <b>813.85</b>  | <b>1,226.62</b> | <b>(412.77)</b>     | <b>(33.65)</b> |
| Cost of sales   | 170.57         | 299.54        | (128.97)            | (43.06)        | 314.98         | 618.19          | (303.21)            | (49.05)        |
| Cost from hotel<br>operations                             | 39.67          | 44.15         | (4.48)              | (10.15)        | 85.98          | 94.81           | (8.83)              | (9.31)         |
| Cost of<br>management<br>services                         | 24.94          | 25.92         | (0.98)              | (3.78)         | 54.00          | 51.47           | 2.53                | 4.92           |
| Cost of rental  | 14.46          | 12.70         | 1.76                | 13.86          | 28.30          | 24.78           | 3.52                | 14.21          |
| Selling expenses  | 33.37          | 69.54         | (36.17)             | (52.01)        | 69.43          | 130.81          | (61.38)             | (46.92)        |
| Administrative<br>expenses                                | 127.82         | 135.10        | (7.28)              | (5.39)         | 254.09         | 266.47          | (12.38)             | (4.65)         |
| Expenses and<br>provision related to<br>litigation claims | -              | 30.88         | (30.88)             | (100.00)       | 1.71           | 34.82           | (33.11)             | (95.09)        |
| Loss on sales of<br>fixed assets                          | 72.90          | 0.49          | 72.41               | 14,777.55      | 72.90          | 0.90            | 72.00               | 8,000.00       |

| Consolidated<br>Income Statement  | 3-month period  |                 | Increase (Decrease) |                | 6-month period  |                 | Increase (Decrease) |                   |
|---|-----------------|-----------------|---------------------|----------------|-----------------|-----------------|---------------------|-------------------|
|   | Q2 2025         | Q2 2024         | Amount              | %              | Q2 2025         | Q2 2024         | Amount              | %                 |
| Allowance for<br>reduction of cost of<br>real estate<br>development costs | 18.20           | -               | 18.20               | 100.00         | 18.20           | -               | 18.20               | 100.00            |
| <b>Total cost and<br/>expenses</b>  | <b>501.93</b>   | <b>618.32</b>   | <b>(116.39)</b>     | <b>(18.82)</b> | <b>899.59</b>   | <b>1,222.25</b> | <b>(322.66)</b>     | <b>(26.40)</b>    |
| <b>Operating loss</b>   | <b>(127.81)</b> | <b>(12.09)</b>  | <b>(115.72)</b>     | <b>957.15</b>  | <b>(85.74)</b>  | <b>4.37</b>     | <b>(90.11)</b>      | <b>(2,062.01)</b> |
| Share of profit (loss)<br>from investments in<br>joint ventures           | 9.04            | (0.04)          | 9.08                | (22,700.00)    | (17.32)         | 0.50            | (17.82)             | (3,564.00)        |
| Finance income  | 12.19           | 10.43           | 1.76                | 16.87          | 20.17           | 18.91           | 1.26                | 6.66              |
| Finance cost  | (137.55)        | (98.84)         | (38.71)             | 39.16          | (259.95)        | (195.40)        | (64.55)             | 33.03             |
| Income tax expenses   | (15.37)         | (15.08)         | (0.29)              | 1.92           | (19.86)         | (10.45)         | (9.41)              | 90.05             |
| <b>Loss for the period</b>  | <b>(259.50)</b> | <b>(115.62)</b> | <b>(143.88)</b>     | <b>124.44</b>  | <b>(362.70)</b> | <b>(182.07)</b> | <b>(180.63)</b>     | <b>99.21</b>      |

1. The total revenue for Q2/2024 for the 3-month and 6-month periods amounted to 374.12 million baht and 813.85 million baht, respectively, representing a decrease of 232.11 million baht, or 38.29%, and 412.77 million baht, or 33.65%, respectively, compared to the same periods last year, due to a decrease from:

- Revenue from sales Q2/2025 for the 3-month and 6-month periods amounted to THB 190.33 million and THB 378.55 million, respectively. Compared to the same periods last year, which were THB 434.48 million and THB 871.75 million, sales revenue decreased by THB 244.15 million, or 56.19%, for the 3-month period, and by THB 493.20 million, or 56.58%, for the 6-month period. The decline was primarily due to lower revenue recognition from the transfer of ownership in the Malton Gates Krungthep Kreetha single-house project, Metris Phatthanakan-Ekkamai project, and projects that were gradually recognized until completion in 2024. However, the Company began recognizing revenue from ownership transfers in the Mayfield Pinklao project, Mayfield Lane Ratchada-Ladprao project, and Milford Ekkamai-Ladprao project in the second quarter of 2025.
- Revenues from hotel operations Q2/2025 for the 3-month and 6-month periods amounted to THB 55.15 million and THB 144.36 million, respectively. Compared to the same periods last year, which were THB 61.76 million and THB 152.67 million, hotel

revenue decreased by THB 6.61 million, or 10.70%, for the 3-month period, and by THB 8.31 million, or 5.44%, for the 6-month period. The decline was primarily due to lower occupancy rates and a corresponding decrease in food and beverage revenue.

- Management fee income Q2/2025 for the 3-month and 6-month periods amounted to THB 58.09 million and THB 157.82 million, respectively. Compared to the same periods last year, which were THB 30.76 million and THB 61.80 million, management fee income increased by THB 27.33 million, or 88.85%, for the 3-month period, and by THB 96.02 million, representing more than a 100% increase for the 6-month period. This growth was primarily driven by an increase in project management contracts under joint ventures, mainly from the Mavista Phrom Phong, Muniq Charoen Krung and Muniq Phrom Phong projects.
  - Rental income for Q2/2025 for the 3-month and 6-month periods amounted to THB 64.25 million and THB 124.20 million, respectively. Compared to the same periods last year, which were THB 51.02 million and THB 97.60 million, rental income increased by THB 13.23 million, or 25.93%, for the 3-month period, and by THB 26.60 million, or 27.25%, for the 6-month period. The growth was primarily driven by an increase in tenants at Major Tower Rama 9–Ramkhamhaeng office building and a corresponding rise in average rental rates.
  - Other Income for Q2/2025 for the 3-month and 6-month periods amounted to THB 6.30 million and THB 8.92 million, respectively. Compared to the same periods last year, THB 28.21 million and THB 42.80 million, other income decreased by THB 21.91 million, or 77.67%, for the 3-month period, and by THB 33.88 million, or 79.16%, for the 6-month period. The decline was primarily due to lower revenue recognition from cancellations of bookings and contracts by customers on previous projects, as well as reduced recognition of income from long-outstanding estimated liabilities that were reversed.
2. Total costs and expenses for Q2/2025 for the 3-month and 6-month periods amounted to THB 501.93 million and THB 899.59 million, respectively. Compared to the same periods last year, these figures decreased by THB 116.39 million, or 18.82%, for the 3-month period, and by THB 322.66 million, or 26.40%, for the 6-month period. The decrease was primarily due to the following:
- Cost of sales for Q2/2025 for the 3-month and 6-month periods amounted to THB 170.57 million and THB 314.98 million, respectively. Compared to the same periods last year, which were THB 299.54 million and THB 618.19 million, cost of sales decreased by THB 128.97 million, or 43.06%, for the 3-month period, and by THB 303.21 million, or 49.05%, for the 6-month period. The decline was primarily due to lower revenue recognition from property transfers, in line with the decrease in sales revenue.
  - Cost from hotel operations for Q2/2025 for the 3-month and 6-month periods amounted to THB 39.67 million and THB 85.98 million, respectively. Compared to the same periods last year, which were THB 44.15 million and THB 94.81 million, hotel

operating costs decreased by THB 4.48 million, or 10.15%, for the 3-month period, and by THB 8.83 million, or 9.31%, for the 6-month period. The decrease was consistent with the decline in hotel revenue.

- Cost of management services for Q2/2025 for the 3-month and 6-month periods amounted to THB 24.94 million and THB 54.00 million, respectively. Compared to the same periods last year, which were THB 25.92 million and THB 51.47 million, management costs for the 3-month period decreased by THB 0.98 million, or 3.78%, reflecting improved operational efficiency. For the 6-month period, management costs increased by THB 2.53 million, or 4.92%, in line with higher management fee income.
- Cost of rental for Q2/2025 for the 3-month and 6-month periods amounted to THB 14.46 million and THB 28.30 million, respectively. Compared to the same periods last year, which were THB 12.70 million and THB 24.78 million, rental costs increased by THB 1.76 million, or 13.86%, for the 3-month period, and by THB 3.52 million, or 14.21%, for the 6-month period, in line with the increase in rental income.
- Selling expenses for Q2/2025 for the 3-month and 6-month periods amounted to THB 33.37 million and THB 69.43 million, respectively. Compared to the same periods last year, which were THB 69.54 million and THB 130.81 million, selling expenses decreased by THB 36.17 million, or 52.01%, for the 3-month period, and by THB 61.38 million, or 46.92%, for the 6-month period. The decrease was primarily due to lower commission expenses, transfer fees, and specific business tax, in line with the decline in revenue from property transfers.
- Administrative expenses for Q2/2025 for the 3-month and 6-month periods amounted to THB 127.82 million and THB 254.09 million, respectively. Compared to the same periods last year, which were THB 135.10 million and THB 266.47 million, administrative expenses decreased by THB 7.28 million, or 5.39%, for the 3-month period, and by THB 12.38 million, or 4.65%, for the 6-month period. The decrease was primarily due to the allocation of administrative expenses to management costs in line with the increase in project management contracts under joint ventures.
- Expenses and provision related to litigation claims for Q2/2025 litigation expenses and provisions decreased by THB 30.88 million, or 100%, compared to the same period last year, as there were no legal cases during the current period. For the 6-month period, litigation expenses and provisions amounted to THB 1.71 million, a decrease of THB 33.11 million, or 95.09%, compared to THB 34.82 million in the same period last year.
- Loss on sales of fixed assets for Q2/2025 for the 3-month and 6-month periods, the Company reported a loss on disposal of assets of THB 72.90 million for both the 3-month and 6-month periods, compared to THB 0.49 million and THB 0.90 million, respectively, in the same periods last year. This represented an increase of THB 72.41 million and THB 72.00 million, respectively, both exceeding 100%. The increase was

primarily due to a subsidiary entering into an agreement to sell land together with a hotel building to an external party during the period.

- Allowance for reduction of cost of real estate development costs for Q2/2025 the Company recorded an additional loss of THB 18.20 million representing a 100% increase compared to the previous period. the allowance for decline in value of certain property development projects. This was the result of a review of the fair value of specific projects that may be impacted by market conditions and competition. The allowance reflects the expected realizable value from the sale of these projects in line with the current circumstances. While the recognition of this allowance increased expenses in terms of profit or loss for the current period, it had no immediate impact on the Company's cash flow, as it is a non-cash accounting item.
3. The share of profit (loss) from investments in joint ventures for Q2/2025 the Company recorded a share of profit from investments in joint ventures of THB 9.04 million for the 3-month period and a share of loss of THB 17.32 million for the 6-month period. Compared to the same periods last year, which recorded a share of loss of THB 0.04 million, the 3-month result improved by THB 9.08 million, exceeding 100%, while the 6-month result reflected an increased loss of THB 17.82 million, also exceeding 100%. The changes were primarily due to a decrease in property transfers in joint ventures, mainly from the Muniq Langsuan and Muniq Sukhumvit 23 projects, which had largely recognized their revenue in the prior year. Additionally, there was an increase in the share of loss from a new joint venture with projects still under construction that have yet to commence revenue recognition, as well as higher litigation expenses in certain joint ventures.
  4. Finance costs for Q2/2025 for the 3-month and 6-month periods amounted to THB 137.55 million and THB 259.95 million, respectively. Compared to the same periods last year, which were THB 98.84 million and THB 195.40 million, finance costs increased by THB 38.71 million, or 39.16%, for the 3-month period, and by THB 64.55 million, or 33.03%, for the 6-month period. The increase was mainly due to the cessation of interest capitalization for certain projects that have been completed, as well as higher interest rates and fees on newly issued debentures during the period.
  5. Income tax expenses for Q2/2025 for the 3-month and 6-month periods amounted to THB 15.37 million and THB 19.86 million, respectively. Compared to the same periods last year, which were THB 15.08 million and THB 10.45 million, income tax expense increased by THB 0.29 million, or 1.92%, for the 3-month period, and by THB 9.41 million, or 90.05%, for the 6-month period. The increase was mainly due to a subsidiary recognizing income tax expense from the reversal of deferred tax assets recorded in prior periods, following an assessment of the likelihood of utilizing future tax benefits. This resulted in higher income tax expense in the current period compared to the same period last year.

## **B) Financial Position**

### **Assets**

As of June 30, 2025, the Company reported total assets of THB 17,363.23 million, a decrease of THB 314.72 million from December 31, 2024, or 1.78%. compared to 31 December 2024. The decrease was mainly due to the sale of land, equipment, and hotel buildings by a subsidiary totaling THB 826 million, as well as a reduction in deferred tax assets of THB 23 million. During the period, the Company also experienced an increase in restricted bank deposits deposit due to the establishment of collateral accounts for business operations in accordance with bondholders' rights, totaling THB 408 million.

### **Liabilities and Shareholder's equity**

As of June 30, 2025, the Company's total liabilities amounted to THB 13,356.49 million, an increase of THB 47.98 million, or 0.36%, compared to 31 December 2024. The increase was primarily due to trade payables of THB 74.99 million, short-term borrowings from related parties of THB 100.82 million, and a net increase in long-term debentures of THB 128.59 million, which were used for repayment of maturing debentures and for current operations and future projects. However, long-term borrowings from financial institutions decreased by THB 231.35 million due to repayments during the period.

Shareholder's equity as of June 30, 2025, totaled THB 4,006.74 million, a decrease of THB 362.70 million, or 8.30%, compared to 31 December 2024. The decrease was mainly attributable to the net loss incurred during the current period.

Please be informed accordingly,

Sincerely yours,

(Ms. Petrada Poolvorakak)

Director and Chief Executive Officer