

Aiming for sustainable growth, Pruksa synergizes 2 main businesses while expanding and diversifying its' investment portfolios

Pruksa Holding PCL reported its first quarter, 2022, net profit grew 10% over the same period last year.

Strong financial structure has a low gearing ratio. Focusing on creating synergy between real estate and health care businesses and expanding business opportunities through alliances with more diversification of other investment portfolios. As well as, increasing work efficiency by using digital technology to improve various systems and processes within the organization. In Q2 expecting to launch 9 new projects according to the business development plan, totaling Baht 5,900 million.

Mr. Uthen Lohachitpitak Group Chief Executive Officer of Pruksa Holding Public Company Limited revealed that in the first quarter 2022, overall real estate business, Pruksa's main activity, clearly shows the demand for housing persists, especially in the low-rise group of detached houses which has grown from the impact of the coronavirus that encourages people stay at home more. Even though the Thai economy is still in a sluggish condition and there are many factors that affect the people's purchasing power.

The company made real estate sales of Baht 5,344 million, total revenue of Baht 5,679 million, with a net profit of Baht 640 million, growing 10% from the same period last year, while Pruksa Holding's net profit (combining real estate and healthcare business) was Baht 552 million. Its backlog was Baht 20,200 million and expect to achieve total revenue of Baht 18,700 million in 2022. 7 high-rise projects are expected to be completed and transferred this year, worth around Baht 15,200 million in total.

Mr. Uthen further explained that this year's strategy aims to integrate the real estate and healthcare businesses. "There is a mixed-use real estate development plan that will integrate health services into the same project, as well as looking for new partners to complement the services that best fulfill the consumers' need. In terms of investment, Pruksa has expanded a diversified portfolio. Combining cooperation between the real estate business and the healthcare business, we are about to open the first 50-bed health center in a Pruksa community, located in front of Pruksa Avenue Bangna-Wongwaen in August this year. At the same time, new business alliances have been established. Vimut Hospital has joined with JAS ASSET to establish Senera Vimut Health Service to undertake the SENERA Senior Wellness project on Khubon Road. It is a medical center, with 5,713 sq.m., 4 floors, and 78 beds, planned to be opened in December. In addition, there have been investments in Thai, Malaysia, Australia, and Singapore. The corporate venture focuses on investment in businesses related to ESG Innovation, Digital Securities, Health Tech and Prop Tech, which supports the consumer trends toward housing as well as health and wellness.

Pruksa has also improved its work processes within the organization, in order to increase efficiency, speed and reduce unnecessary costs. including the adoption of Value Engineering by using substitute material that are as efficient as the original materials. The new system has reduced unnecessary cement usage more than 15,000 tons. We also

have introduced a Blockchain technology electronic procurement system and the development of the Streamline system. These cutting-edge systems enable man hours reduction more than 10,400 hours., Last but not least, cost management has been used to control expenses effectively, which helps the company saves cost more than Baht 460 million, or approximately 1.4% of total revenue.

As for Q2 plans, Mr. Uthen revealed that Pruksa expects to launch 9 new projects with a total value of Baht 5,900 million, consisting of 8 townhouse projects and a single detached house project, for which the project design will be based on the 'Tomorrow, Reimagined' concept, which has been extended to "Pruksa Living Solution", reinforcing the guidelines for the development of housing quality, responding to 3 main areas of the consumer trends: Health & Wellness, Lifestyle Disruption, and Sustainability, which reflects Pruksa's committing to elevate the quality of lives in every dimension. Pruksa continues to penetrate the market by developing new standard homes and projects as well as using integrated digital marketing tools and online channels to communicate directly with the target audience.

One of Pruksa's core principles is excellence in home design for healthy living. Pruksa welcomes a team of experts from Vimut Hospital to give advice on the house design in each project to meet the needs of healthy living especially the universal housing design that supports people of all generations living together in the house. This might include designing larger doors to accommodate wheelchair access, wider stairways and interior floors designed as a smooth path (Non Step Floor), with no need to worry about tripping, and the use of shock absorbing floor, which is the same standard as using in Japan, which also helps prevent accidents or reduces injuries. Also included are the selection of Senior Ergonomic Design toilet bowls that allow elderly to sit and get up easily. There is also a well-designed area to promote health as a River Healing Stone Garden, where each stone has been meticulously selected and arranged to be suitable for foot massage.

Leading our healthcare business is Vimut Hospital, a tertiary specialty hospital that aims to provide services in the New Normal Ecosystem by focusing on holistic integrated treatments through health centers and digital health models. The hospital was opened in May 2021, during the Covid-19 pandemic. The hospital quickly gained public awareness and a reputation for delivering healthcare services with international standard quality at an accessible price. By using the Accelerated Growth Strategy, Vimut Hospital is quickly well known among both Thai and international customers for its services as a COVID-19 vaccination center. As a result, in the first quarter, the Vimut Hospital business had a revenue of Baht 244 million, an increase of 59% from the 4th quarter of 2021. Furthermore, due to the restructuring of the organization and the new management of Theptarin Hospital. As a result, the health care business receives a share of profit from the performance of Theptarin Hospital which has continued to grow. The business plan for the second quarter includes the full operation of medical services, and hospitals and rehabilitation centers for family and elderly health care (ViMut Wellness Services), which will continue to develop along with Pruksa's new housing projects.