

Sansiri Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and six-month periods ended 30 June 2022

1. General information

1.1 Corporate information

Sansiri Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development. The registered office of the Company is at 59 Soi Rim Khlong Phra Khanong, Phra Kranong Nuea Sub-district, Vadhana District, Bangkok.

1.2 Basis for the preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standards No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders’ equity and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language have been translated from the Thai language financial information.

1.3 Basis of consolidation

This interim consolidated financial information include the financial statements of Sansiri Public Company Limited and its subsidiaries (the Group) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. There have been no significant changes in the composition of the subsidiaries during the period, except as described in Note 7.

1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

2. Related party transactions

- 2.1 During the three-month and six-month periods ended 30 June 2022 and 2021, the Group had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties. Summaries significant business transactions with related parties as follows.

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Revenues from sales of construction materials	-	-	62,014	11,360
Commission income	-	-	19,882	14,928
Sales of land transaction	-	-	7,919	-
Finance income	-	-	106,038	81,739
Project management fee	-	-	25,966	24,562
Finance cost	-	-	9,819	12,935
Consulting fee and other expenses	-	-	6,280	5,103
<u>Transactions with joint ventures</u>				
Revenues from sales of construction materials	11,378	-	37,927	-
Revenue from business management and project management	66,531	151,265	108,656	275,401
Commission income	9,090	8,853	19,043	19,393
Finance income	46,888	43,965	46,888	43,965
Land acquisition income	-	10,081	-	20,161

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Revenues from sales of construction materials	-	-	92,324	25,277
Commission income	-	-	27,985	34,459
Sales of land transaction	-	-	24,637	-
Dividend income	-	-	300,000	100,000
Finance income	-	-	209,691	168,614
Project management fee	-	-	51,225	46,519
Finance cost	-	-	21,223	23,360
Consulting fee and other expenses	-	-	12,677	12,849
<u>Transactions with joint ventures</u>				
Revenues from sales of construction materials	12,377	-	41,255	-
Revenue from business management and project management	107,750	306,882	178,112	575,172
Commission income	19,445	20,601	40,386	46,344
Sales of land transaction	523,150	-	1,743,832	-
Finance income	92,716	79,873	92,716	79,873
Land acquisition income	-	10,081	-	20,161

There have been no significant changes in transactions, pricing policies and related contracts as were disclosed in the financial statements for the year ended 31 December 2021.

2.2 Directors and management's benefits

During the three-month and six-month periods ended 30 June 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2022	2021	2022	2021
Short-term employee benefits	56,375	25,508	85,794	49,135
Post-employment benefits	626	683	1,251	1,367
Share-based payment (Note 20)	1,477	8,158	3,420	8,158
Total	58,478	34,349	90,465	58,660

(Unaudited but reviewed)

- 2.3 The balances of the accounts as at 30 June 2022 and 31 December 2021 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
<u>Trade accounts receivable and unbilled receivable</u>				
Subsidiaries	-	-	137,434	29,821
Joint ventures	883,663	1,239,729	883,411	1,239,377
Associates	249	243	249	243
Related party	2	24	2	24
Total	883,914	1,239,996	1,021,096	1,269,465
Less: Allowance for expected credit losses	(25,341)	(49,287)	(25,341)	(49,287)
Net	858,573	1,190,709	995,755	1,220,178
<u>Loans to related parties</u>				
Subsidiaries	-	-	12,341,469	11,649,966
Joint ventures	3,745,538	3,664,552	3,745,538	3,664,552
Related party	5,000	5,000	-	-
Total	3,750,538	3,669,552	16,087,007	15,314,518
Less: Allowance for expected credit losses	(216,000)	(216,500)	(371,388)	(371,886)
Less: Losses under equity method in excess of investment in joint ventures (Note 8)	(314,633)	(330,186)	-	-
Net	3,219,905	3,122,866	15,715,619	14,942,632
Current portion	1,391,299	2,845,666	1,480,038	3,175,852
Long-term portion	1,828,606	277,200	14,235,581	11,766,780
Total	3,219,905	3,122,866	15,715,619	14,942,632
<u>Non-current financial asset – Investment under credit linked agreement</u>				
Associate	67,000	67,000	67,000	67,000
Total	67,000	67,000	67,000	67,000
<u>Loans from related parties</u>				
Subsidiaries	-	-	1,085,894	1,463,896
Total	-	-	1,085,894	1,463,896
<u>Advance received from customers</u>				
Subsidiaries	-	-	97	97
Joint ventures	513,132	424,940	513,132	424,940
Total	513,132	424,940	513,229	425,037

(Unaudited but reviewed)

2.4 During the period, movements of loans to/loans from related parties were as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	Balance as at	During the period		Balance as at
	1 January 2022	Increase	Decrease	30 June 2022
<u>Loans to</u>				
Joint ventures	3,664.55	668.09	(587.10)	3,745.54
Related party	5.00	-	-	5.00
Total	3,669.55	668.09	(587.10)	3,750.54
Less: Allowance for expected credit losses	(216.50)	-	0.50	(216.00)
Less: Losses under equity method in excess of investment in joint ventures (Note 8)	(330.19)	(47.73)	63.29	(314.63)
Net	3,122.86	620.36	(523.31)	3,219.91

(Unit: Million Baht)

	Separate financial statements			
	Balance as at	During the period		Balance as at
	1 January 2022	Increase	Decrease	30 June 2022
<u>Loans to</u>				
Subsidiaries	11,649.97	2,453.98	(1,762.48)	12,341.47
Joint ventures	3,664.55	668.09	(587.10)	3,745.54
Total	15,314.52	3,122.07	(2,349.58)	16,087.01
Less: Allowance for expected credit losses	(371.89)	-	0.50	(371.39)
Net	14,942.63	3,122.07	(2,349.08)	15,715.62
<u>Loans from</u>				
Subsidiaries	1,463.90	36.63	(414.64)	1,085.89
Total	1,463.90	36.63	(414.64)	1,085.89

As at 30 June 2022 and 31 December 2021, loans to and loans from related parties are clean loans, due for repayment at call, and carry interest at rates of 3.50% - 5.50% per annum.

3. Trade accounts receivable and unbilled receivable

Trade accounts receivable and unbilled receivable as at 30 June 2022 and 31 December 2021 are presented as follows.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Trade accounts receivable and unbilled receivable				
- related parties				
<u>Trade accounts receivable</u>				
Aged on the basis of due dates				
Not yet due	0.04	0.04	-	-
Past due				
Up to 3 months	51.13	103.74	141.01	126.92
3 - 6 months	4.85	-	37.41	3.52
6 - 12 months	-	-	12.43	2.81
Over 12 months	815.23	1,075.24	817.59	1,075.24
<u>Unbilled receivable</u> - not yet due	12.66	60.98	12.66	60.98
Total	883.91	1,240.00	1,021.10	1,269.47
Less: Allowance for expected credit losses	(25.34)	(49.29)	(25.34)	(49.29)
Trade accounts receivable and unbilled receivable - related parties, net (Note 2.3)	858.57	1,190.71	995.76	1,220.18
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	55.10	49.51	-	-
Past due				
Up to 3 months	205.60	141.33	43.39	14.24
3 - 6 months	41.56	4.81	25.86	1.95
6 - 12 months	3.48	13.25	2.29	9.23
Over 12 months	94.91	98.85	47.49	48.99
Total	400.65	307.75	119.03	74.41
Less: Allowance for expected credit losses	(132.22)	(113.13)	(79.85)	(62.01)
Total trade accounts receivable - unrelated parties, net	268.43	194.62	39.18	12.40
Total trade accounts receivable and unbilled receivable - net	1,127.00	1,385.33	1,034.94	1,232.58

4. Short-term loan receivable

As at 4 February 2022, a subsidiary (buyer) entered into an agreement to sell land with the right of redemption with an unrelated company (seller with the right of redemption), who has legal title in the land. Selling price as stipulated in the agreement is Baht 200 million. The land can be redeemed on 4 February 2023 with redemption amount of Baht 220 million. The subsidiary has received partial compensation of Baht 5 million on the contract date. Upon the expiry of the agreement, if the seller fails to make a repayment (redemption), such land will legally belong to the subsidiary.

As at 30 June 2022, the amount paid by a subsidiary to an unrelated company under the agreement to sell of land with the right of redemption is presented as short-term loan receivable in the consolidated statements of financial position.

5. Real estate development for sales

- 5.1 Movements in the reduction of cost to net realisable value during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2022	739.52	448.30
Addition during the period	37.00	-
Reversal from sale during the period	(29.70)	-
Translation adjustment	(7.99)	-
Balance as at 30 June 2022	738.83	448.30

- 5.2 As at 30 June 2022 and 31 December 2021, land and construction thereon of projects of the Group with net book value of Baht 41,940 million and Baht 34,163 million, respectively, (the Company only: Baht 27,685 million and Baht 21,715 million, respectively) were pledged as collateral for loans obtained from banks.

(Unaudited but reviewed)

6. Other financial assets

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
<u>Debt instruments at amortised cost</u>				
Fixed deposits	0.05	0.05	0.05	0.05
Total debt instruments at amortised cost	0.05	0.05	0.05	0.05
<u>Debt instruments at FVOCI</u>				
Quoted corporate bonds	20.02	-	20.02	-
Total debt instruments at FVOCI	20.02	-	20.02	-
<u>Equity instruments designated at FVOCI</u>				
Listed equity investments	141.84	-	141.84	-
Non-listed equity instruments	1,327.35	1,311.59	154.83	154.83
Total equity instruments designated at FVOCI	1,469.19	1,311.59	296.67	154.83
<u>Financial assets at FVTPL</u>				
Sirihub Investment Token	476.05	207.65	476.05	207.65
Investment under credit linked agreement	67.00	67.00	67.00	67.00
Listed equity investments	11.98	-	11.98	-
Total financial assets at FVTPL	555.03	274.65	555.03	274.65
Total other financial assets - net	2,044.29	1,586.29	871.77	429.53
Current	32.05	0.05	32.05	0.05
Non-current	2,012.24	1,586.24	839.72	429.48
	2,044.29	1,586.29	871.77	429.53

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers to hold for strategic purposes and long-term appreciation.

Significant investment during the period

- (1) On 14 February 2022, the Company's Board of Directors' meeting approved the investment of Baht 350 million in a private fund. The fund is managed by XSpring Asset Management Company Limited (the fund manager).

The Company invested Baht 222 million in the fund in accordance with the investment policy to invest in listed and non-listed equity securities, debt securities or to keep the fund as an investment reserve.

- (2) During the current period, the Company made an additional investment in SiriHub A and SiriHub B digital tokens for 25,000,000 tokens of Baht 253.7 million and 1,840,000 tokens of Baht 18.4 million, respectively. The Company's investment objective is to achieve returns from holding or owning digital tokens.

7. Investments in subsidiaries

During the six-month periods ended 30 June 2022 and 2021, the Company received dividend income as follows.

	(Unit: Million Baht)	
	2022	2021
Plus Property Co., Ltd.	300	-
Sansiri Holding Twelve Co., Ltd.	-	50
Sansiri Holding Fourteen Co., Ltd.	-	50
Total	300	100

During the three-month periods ended 30 June 2022 and 2021, the Company did not received dividend income.

During the current period, the change in the group's structure were as follows:

Sale of investment in indirect subsidiary

On 28 January 2022, Sansiri Global Investment Pte. Ltd. (a subsidiary) entered into an agreement to sell all ordinary shares of Sansiri International Pte. Ltd. (an indirect subsidiary) to unrelated person at a selling price of SGD 0.2 million. As a result of this transaction, the Group lost control over Sansiri International Pte. Ltd. (an indirect subsidiary). Therefore, the Group decided to deconsolidate net assets of Sansiri International Pte. Ltd. from the Group's consolidated financial statements and recorded the lower of the consideration received under net assets value of the indirect subsidiary by Baht 8 million as loss on sale of investment in subsidiary in the consolidated comprehensive income statement.

(Unaudited but reviewed)

The book value of net assets of Sansiri International Pte. Ltd. as at disposal date, were detailed below:

	(Unit: Thousand Baht)
	Net book value
Assets	
Other current assets	8,860
Other non-current assets	8,639
Total asset	17,499
Liabilities	
Other current liabilities	3,886
Other non-current liabilities	2,213
Total liabilities	6,099
Translation adjustment	(607)
Total net assets value	12,007
Consideration received	4,381
Loss on sale of investment in subsidiary	(7,626)

8. Investments in joint ventures

Movements of the investment in joint ventures during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2022	(131,099)	513,632
Capital increase	105,000	105,000
Share of profit from joint ventures	71,488	-
Deferred profit of transactions with joint ventures	(301,769)	-
Net book value as at 30 June 2022	(256,380)	618,632
Classified as:		
Investments in joint ventures	494,906	618,632
Balance of losses under equity method in excess of investment in joint ventures which recognised through loans to related parties (Note 2.3)	(314,633)	-
Provision for transaction under equity method of investments in joint ventures	(436,653)	-
	(256,380)	618,632

(Unaudited but reviewed)

During the three-month and six-month periods ended 30 June 2022 and 2021, the Company did not receive dividend income from joint ventures.

Capital increase of joint ventures

On 8 February 2022, the Extraordinary General Meeting of Siri TK Three Co., Ltd. passed a resolution to increase the registered share capital of Baht 150 million from the existing registered capital of Baht 50 million to Baht 200 million by issuing new 1,500,000 ordinary shares at a price of Baht 100 each, fully called up. The Company paid for the capital increase on a pro rata basis amounting to Baht 105 million. The joint venture registered the capital increase with the Ministry of Commerce on 17 February 2022.

As at 30 June 2022, the Company has pledged all shares held by the Company in BFTZ Bangpakong Co., Ltd. with a bank as collateral against joint venture's credit facilities obtained from the bank.

9. Investments in associates

Movements of the investment in associates which are accounted using the equity method during the six-month periods ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)
	Consolidated
	financial statements
Net book value as at 1 January 2022	2,031,144
Capital increase	6,250
Share of loss from associates	(18,336)
Share of other comprehensive income from associates	2,809
Loss on changes in shareholding investment in associate	(22,000)
Translation adjustment	976
Net book value as at 30 June 2022	2,000,843

During the three-month and six-month periods ended 30 June 2022 and 2021, the Group did not receive dividend income from associated companies.

Additional investments in associate company

On 2 March 2022, Hugs Insurance Broker Company Limited (an associated company) called for additional payment of 250,000 shares, which were not fully paid, at Baht 25 per share, totaling Baht 6.25 million. Sansiri China Company Limited (a subsidiary), a shareholder in such associated company, made payment for additional shares in full on 8 March 2022.

(Unaudited but reviewed)

As at 30 June 2022, Investments in associates presented in separate financial statements which are accounted using cost method were no significant changes during the period.

10. Investment properties

Movements of the investment properties for the six-month periods ended 30 June 2022 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2022	3,930.83	2,122.77
Acquisition of assets	8.72	0.28
Capitalised interest	2.01	-
Transferred from land, building and equipment	105.69	-
Transferred from real estate development for sales	891.42	-
Disposals	(2.41)	(2.41)
Depreciation for the period	(33.87)	(9.15)
Net book value as at 30 June 2022	<u>4,902.39</u>	<u>2,111.49</u>

As at 30 June 2022 and 31 December 2021, The Group has pledged investment properties amounting to approximately Baht 3,227 million and Baht 2,346 million, respectively (the Company only: Baht 838 million and Baht 839 million, respectively) as collateral against credit facilities received from financial institutions.

11. Land held for development

As at 30 June 2022 and 31 December 2021, land held for development of the Group of which the net book value amounting to Baht 14,835 million and Baht 23,861 million, respectively (the Company only: Baht 10,856 million and Baht 16,634 million, respectively) was pledged as collateral for loans obtained from banks.

(Unaudited but reviewed)

12. Land, building and equipment

Movements of the land, building and equipment account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2022	3,469.98	2,061.05
Additions during the period	137.67	40.77
Disposal/write-off	(2.77)	(0.72)
Depreciation for the period	(183.10)	(124.02)
Decrease from sale of investment in subsidiary	(6.90)	-
Transferred to investment properties	(105.69)	-
Translation adjustment	0.88	-
Net book value as at 30 June 2022	3,310.07	1,977.08

As at 30 June 2022 and 31 December 2021, the Group's land and construction thereon of which the net book value amounting to Baht 1,740 million and Baht 1,808 million, respectively (the Company only: Baht 1,512 million and Baht 1,576 million, respectively) were mortgaged to secure loans from banks.

13. Other intangible assets

Movements of other intangible assets during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2022	3,994.01	208.00
Additions during the period	86.93	4.63
Write-off	(4.61)	(4.61)
Amortisation for the period	(112.11)	(58.83)
Translation adjustment	209.35	-
Net book value as at 30 June 2022	4,173.57	149.19

14. Short-term loans from banks/Bills of exchange

As at 30 June 2022, short-term loans from banks carry interest at rates of 1.70% to 3.00% per annum and are unsecured loans (31 December 2021: 1.63% to 3.25% per annum). Bills of exchange carry interest at rates of 1.75% to 1.85% per annum (31 December 2021: 1.85% to 2.25% per annum).

As at 30 June 2022 and 31 December 2021, the short-term credit facilities of the Group which has not yet been drawn down amounted to Baht 2,532 million and Baht 2,840 million, respectively (the Company only: Baht 2,492 million and Baht 2,800 million, respectively).

15. Long-term loans

Movements of the long-term loans for the six-month periods ended 30 June 2022 are summarised below.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2022	18,156.10	10,697.84
Additional borrowings	5,192.34	4,506.34
Repayments	(5,554.23)	(4,502.96)
Translation adjustment	(4.33)	-
Balance as at 30 June 2022	<u>17,789.88</u>	<u>10,701.22</u>

During the six-month periods ended 30 June 2022, the Group entered into agreements with local commercial banks granting new loans amounting to Baht 4,718 million, on which the interest is charged at the rate of MLR minus 2.00% per annum to MLR minus 3.10% per annum. Payments of the principal are to be made at a percentage of the value of property transferred to customers and the full payment is to be made within 2028. The loans are secured by land and construction thereon of the projects.

As at 30 June 2022, long-term loans of the Group carry interest at the rates of MLR minus 2.00% per annum to MLR minus 3.15% per annum, SPRL minus 3.90% per annum and BoE plus 2.85% per annum. They are due for repayment at a percentage of the value of property transferred to customers and on a quarterly and yearly basis.

As at 30 June 2022 and 31 December 2021, the long-term credit facilities of the Group which has not yet been drawn down amounted to Baht 60,167 million and Baht 65,831 million, respectively (the Company only: Baht 37,502 million and Baht 41,279 million, respectively).

(Unaudited but reviewed)

As at 30 June 2022 and 31 December 2021, the long-term loan of the Group amounting to Baht 17,722 million and Baht 18,070 million, respectively (the Company only: Baht 10,701 million and Baht 10,612 million, respectively), were secured by land and constructions of projects, building and equipment and investment properties of the Group.

Most of the loan agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loan guarantees, changes of directors and maintenance of certain financial ratios.

16. Unsecured debentures

Movements of the unsecured, registered debentures and unsubordinated for the six-month period ended 30 June 2022 are summarised below.

	(Unit: Million Baht) Consolidated/Separate financial statements
Balance as at 1 January 2022	35,664.07
Issuance	7,400.00
Transaction costs related to debenture issuance	(45.64)
Repayment	(5,983.40)
Redemption	(2.00)
Discount on debentures	(17.84)
Amortisation of discount on debentures	0.81
Amortisation of deferred transaction costs	23.95
Balance as at 30 June 2022	37,039.95

Details of unsecured, registered debentures and unsubordinated which the Company issued during the period as follows:

				(Unit: Million Baht) Consolidated / Separate financial statements
Debentures	Interest rate / Discount rate	Terms	Due date	30 June 2022
Digital Debentures # 1/2022	3.10% p.a.	2 years, 6 months	20 July 2024	2,000.00
Debentures # 1/2022	3.20% p.a.	3 years	18 February 2025	100.00
Debentures # 2/2022	3.75% p.a.	4 years	11 March 2026	5,000.00
Debentures # 4/2022	3.10% p.a.	1 year, 11 months, 28 days	17 June 2024	300.00
Total debentures, at face value				7,400.00

(Unaudited but reviewed)

Under rights and responsibilities of debenture issuer, the Company has to comply with certain covenants and restrictions including maintenance of a debt to equity ratio of consolidated financial statements with no excess of 2.5:1 along with debentures' periods ("debts" means interest bearing loans).

17. Provisions

Movements of provisions during the six-month period ended 30 June 2022 are as follow:

Short-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Provision for lawsuits	Provision for home care warranty	Total	Provision for lawsuits	Provision for home care warranty	Total
Beginning balance	6.20	109.45	115.65	6.20	85.80	92.00
Increase during the period	-	63.43	63.43	-	53.51	53.51
Paid during the period	(6.20)	(57.69)	(63.89)	(6.20)	(53.61)	(59.81)
Reversal	-	(12.51)	(12.51)	-	-	-
Ending balance	-	102.68	102.68	-	85.70	85.70

Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Provision for project for rent maintenance	Total	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Provision for project for rent maintenance	Total
Beginning balance	305.02	3.68	4.48	313.18	280.23	1.01	4.48	285.72
Increase during the period	61.39	1.43	0.58	63.40	55.16	0.59	0.58	56.33
Paid during the period	(16.64)	(0.54)	-	(17.18)	(15.00)	(0.07)	-	(15.07)
Reversal	(10.00)	(0.60)	-	(10.60)	(10.00)	-	-	(10.00)
Ending balance	339.77	3.97	5.06	348.80	310.39	1.53	5.06	316.98

18. Share capital

During the six-month period ended 30 June 2022, the Company received payment for the exercise of ESOP#8 as described in Note 20 allocated to directors, management and employees of the Company and its subsidiaries. The detail is below.

Date of exercise	Ordinary shares			Weighted average share price at the exercise date	Date of registration with the Ministry of Commerce	Date that the Stock Exchange of Thailand approved ordinary
	Quantity of exercised warrants	issued for exercised warrants	Exercise price			shares as listed securities
	(Units)	(Shares)	(Baht)	(Baht)		
<u>ESOP#8</u>						
31 January 2022	810,000	810,000	1.1	1.32	3 February 2022	8 February 2022
28 February 2022	1,985,000	1,985,000	1.1	1.23	2 March 2022	4 March 2022
	<u>2,795,000</u>	<u>2,795,000</u>				

The exercise of the warrants above resulted to increase in the registered and paid-up share capital of the Company. The details are summarised below.

Reconciliation of number of issued and paid-up ordinary shares

	Number of shares	Face value	Paid up capital	Share premium
	(Thousand Shares)	(Baht)	(Thousand Baht)	(Thousand Baht)
<u>Issued and paid-up ordinary shares</u>				
Ordinary shares as at 1 January 2022	14,883,054	1.07	15,924,868	2,359,191
Increase due to exercise of warrants during the period	<u>2,795</u>	1.07	<u>2,991</u>	<u>616</u>
Ordinary shares as at 30 June 2022	<u>14,885,849</u>		<u>15,927,859</u>	<u>2,359,807</u>

19. Subordinated perpetual debentures

During the six-month periods ended 30 June 2022 and 2021, the Company paid out interest for subordinated perpetual debentures (net of income tax) amounting to Baht 163.05 million. These were presented under “Dividend paid for subordinated perpetual debentures - net of income tax” in the statement of changes in shareholders' equity.

As at 30 June 2022, the accumulated accrued interest expense from last payment of interest amounted to Baht 33.40 million (31 December 2021: Baht 34.52 million).

(Unaudited but reviewed)

20. Warrants / Capital reserve for share-based payment transactions

The Company's warrants are as follows:

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2022	Number of warrants exercised during the period	Number of warrants outstanding as at 30 June 2022
Warrants issued and offered for investor of perpetual debenture No.2/2020	Baht 1.10	1: 1	2,050,000,000	-	2,050,000,000
ESOP#8	Baht 1.10	1: 1	679,680,000	(2,795,000)	676,885,000

Movement of capital reserve for share-based payment transactions of the Group are summarised as below:

	(Unit: Thousand Baht) Consolidated / Separate financial statements
Balance as at 1 January 2022	57,484
Addition	24,430
Exercised warrants to be ordinary shares	(532)
Balance as at 30 June 2022	81,832

During the six-month period ended 30 June 2022, the Company recorded expenses of the ESOP#8 amounting to Baht 24.43 million (2021: 33.59 million) as employee expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

21. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)				
For the three-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current income tax:				
Interim corporate income tax charge	257,160	252,342	169,665	125,445
Deferred tax:				
Relating to origination and reversal of temporary differences	6,351	20,645	2,588	(6,848)
Income tax expenses reported in profit or loss	<u>263,511</u>	<u>272,987</u>	<u>172,253</u>	<u>118,597</u>

(Unit: Thousand Baht)				
For the six-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current income tax:				
Interim corporate income tax charge	450,534	416,330	309,106	231,281
Deferred tax:				
Relating to origination and reversal of temporary differences	(57,473)	7,443	2,798	(9,723)
Income tax expenses reported in profit or loss	<u>393,061</u>	<u>423,773</u>	<u>311,904</u>	<u>221,558</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for three-month and six-month periods ended 30 June 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax relating to changes in value of financial assets measured at FVOCI	(6,558)	(490)	(6,867)	-

	(Unit: Thousand Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax relating to changes in value of financial assets measured at FVOCI	962	9,384	(8,629)	-

The amounts of current tax that recognised directly in equity for the six-month periods ended 30 June 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	Consolidated /	
	Separate financial statements	
	2022	2021
Current income tax:		
Current income tax on interest for subordinated perpetual debentures	40,763	40,763

22. Earnings per share

The following table sets forth the computation of basic and diluted earnings per share:

For the three-month periods ended 30 June						
Consolidated financial statements						
		Weighted average		Earnings per share		
Profit for the periods		number of ordinary shares				
2022	2021	2022	2021	2022	2021	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company	917,619	661,833				
Less: Cumulative interest expense on subordinated perpetual debenture, net income tax	(81,526)	(81,526)				
Net basic earnings per share	836,093	580,307	14,885,849	14,862,887	0.056	0.039
Effect of dilutive potential ordinary shares						
Warrants issued and offered for investor of subordinated perpetual debenture No.2/2020	-	-	3,916	171,932		
ESOP#8	-	-	491	14,291		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	836,093	580,307	14,890,256	15,049,110	0.056	0.039

For the three-month periods ended 30 June						
Separate financial statements						
		Weighted average		Earnings per share		
Profit for the periods		number of ordinary shares				
2022	2021	2022	2021	2022	2021	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company	675,480	353,659				
Less: Cumulative interest expense on subordinated perpetual debenture, net income tax	(81,526)	(81,526)				
Net basic earnings per share	593,954	272,133	14,885,849	14,862,887	0.040	0.018
Effect of dilutive potential ordinary shares						
Warrants issued and offered for investor of subordinated perpetual debenture No.2/2020	-	-	3,916	171,932		
ESOP#8	-	-	491	14,291		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	593,954	272,133	14,890,256	15,049,110	0.040	0.018

(Unaudited but reviewed)

For the six-month periods ended 30 June						
Consolidated financial statements						
Profit for the periods		Weighted average number of ordinary shares		Earnings per share		
2022	2021	2022	2021	2022	2021	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company	1,220,170	1,045,892				
Less: Cumulative interest expense on subordinated perpetual debenture, net income tax	(162,156)	(162,156)				
Net basic earnings per share	1,058,014	883,736	14,885,079	14,862,811	0.071 0.059	
Effect of dilutive potential ordinary shares						
Warrants issued and offered for investor of subordinated perpetual debenture No.2/2020	-	-	157,448	-		
ESOP#8	-	-	19,851	7,185		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	1,058,014	883,736	15,062,378	14,869,996	0.070 0.059	

For the six-month periods ended 30 June						
Separate financial statements						
		Weighted average		Earnings per share		
Profit for the periods		number of ordinary shares				
2022	2021	2022	2021	2022	2021	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company	1,505,507	888,609				
Less: Cumulative interest expense on subordinated perpetual debenture, net income tax	(162,156)	(162,156)				
Net basic earnings per share	1,343,351	726,453	14,885,079	14,862,811	0.090	0.049
Effect of dilutive potential ordinary shares						
Warrants issued and offered for investor of subordinated perpetual debenture No.2/2020	-	-	157,448	-		
ESOP#8	-	-	19,851	7,185		
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	1,343,351	726,453	15,062,378	14,869,996	0.089	0.049

(Unaudited but reviewed)

There is no disclosure of diluted earnings per share from effect of warrants issued and offered for investor of perpetual debenture No.2/2020 in the financial statements for the six-month period ended 30 June 2021 since the exercise price of warrants exceeded the fair value of the Company's ordinary shares.

23. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2022 and 2021, respectively.

(Unit: Million Baht)

For the three-month period ended 30 June 2022							
	Real estate	Building management, project management and real estate brokerage	Hotel management	Other business	Total reportable segments	Adjustments and Eliminations	Consolidated
Revenues from sales of real estate							
- Houses	4,957						
- Condominium	1,638						
Total	6,595						
Revenues from sales of construction materials	9						
Revenues from projects for rent	50						
Total revenues from external customers	6,654	381	129	104	7,268	-	7,268
Inter-segment revenues	94	117	9	11	231	(231)	-
Finance income	167	7	-	1	175	(119)	56
Finance cost	(333)	(2)	-	(11)	(346)	115	(231)
Depreciation and amortisation	(89)	(3)	(1)	(1)	(94)	-	(94)
Segment profit (loss)	1,568	260	(88)	(20)	1,720	(235)	1,485
Other income							568
Share of gain from investments in joint ventures							52
Share of loss from investments in associates							(12)
Common expense							(940)
Profit before income tax expenses							1,153
Income tax expenses							(263)
Profit for the period							890

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 30 June 2021

	Real estate	Building management, project management and real estate brokerage	Hotel management	Other business	Total reportable segments	Adjustments and Eliminations	Consolidated
Revenues from sales of real estate							
- Houses	4,380						
- Condominium	2,869						
Total	7,249						
Revenues from sales of construction materials	6						
Revenues from projects for rent	41						
Total revenues from external customers	7,296	446	67	37	7,846	-	7,846
Inter-segment revenues	21	194	-	9	224	(224)	-
Finance income	137	12	-	2	151	(101)	50
Finance cost	(370)	(6)	(2)	(7)	(385)	99	(286)
Depreciation and amortisation	(101)	(5)	(19)	(1)	(126)	-	(126)
Segment profit (loss)	1,665	346	(139)	(15)	1,857	(226)	1,631
Other income							197
Share of loss from investments in joint ventures							(31)
Share of loss from investments in associates							(4)
Common expense							(878)
Profit before income tax expenses							915
Income tax expenses							(273)
Profit for the period							642

(Unit: Million Baht)

For the six-month period ended 30 June 2022

	Real estate	Building management, project management and real estate brokerage	Hotel management	Other business	Total reportable segments	Adjustments and Eliminations	Consolidated
Revenues from sales of real estate							
- Houses	8,387						
- Condominium	2,496						
Total	10,883						
Revenues from sales of construction materials	14						
Revenues from projects for rent	98						
Total revenues from external customers	10,995	745	235	233	12,208	-	12,208
Inter-segment revenues	142	206	9	11	368	(368)	-
Finance income	336	16	-	3	355	(238)	117
Finance cost	(763)	(4)	(1)	(21)	(789)	233	(556)
Depreciation and amortisation	(181)	(6)	(3)	(1)	(191)	-	(191)
Segment profit (loss)	2,383	488	(179)	(33)	2,659	(373)	2,286
Other income							849
Share of gain from investments in joint ventures							71
Share of loss from investments in associates							(18)
Common expense							(1,631)
Profit before income tax expenses							1,557
Income tax expenses							(393)
Profit for the period							1,164

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month period ended 30 June 2021

	Real estate	Building management, project management and real estate brokerage	Hotel management	Other business	Total reportable segments	Adjustments and Eliminations	Consolidated
Revenues from sales of real estate							
- Houses	8,765						
- Condominium	4,528						
Total	13,293						
Revenues from sales of construction materials	52						
Revenues from projects for rent	77						
Total revenues from external customers	13,422	878	129	110	14,539	-	14,539
Inter-segment revenues	41	420	-	11	472	(472)	-
Finance income	266	22	-	3	291	(204)	87
Finance cost	(764)	(11)	(4)	(14)	(793)	201	(592)
Depreciation and amortisation	(205)	(10)	(37)	(1)	(253)	-	(253)
Segment profit (loss)	2,662	699	(218)	(13)	3,130	(475)	2,655
Other income							329
Share of loss from investments in joint ventures							(22)
Share of loss from investments in associates							(5)
Common expense							(1,532)
Profit before income tax expenses							1,425
Income tax expenses							(424)
Profit for the period							1,001

24. Dividends

Dividends of the Company which were declared during the six-month periods ended 30 June 2022 and 2021 consist of the following:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Date of dividend payment
Final dividend from 2021 profit	The Annual General Meeting of the shareholders on 29 April 2022 ⁽¹⁾	893.15	0.06	20 May 2022
Final dividend from 2020 profit	The Annual General Meeting of the shareholders on 30 April 2021 ⁽²⁾	594.38	0.04	20 May 2021

(1) On 29 April 2022, the Annual General Meeting of the Company's shareholders approved the dividend payment from the operating results for the year 2021, to be paid in cash at the rate of Baht 0.06 per share on 20 May 2022. However, the Company's Board of Directors Meeting held on 13 August 2021 approved the omission of interim dividend payment for the operating results of the first six months of 2021 to the shareholders. The Company therefore made payment of the dividend only from the operating results for the year 2021 at a rate of Baht 0.06 per share for a total of 14,885.78 million shares.

(2) On 30 April 2021, the Annual General Meeting of the Company's shareholders approved the dividend payment from the operating results for the year 2020, to be paid in cash at the rate of Baht 0.04 per share on 20 May 2021. However, the Company's Board of Directors Meeting held on 14 August 2020 approved the omission of interim dividend payment for the operating results of the first six months of 2020 to the shareholders. The Company therefore made payment of the dividend only from the operating results for the year 2020 at a rate of Baht 0.04 per share for a total of 14,859.44 million shares.

25. Commitments and contingent liabilities

25.1 Capital commitments

As at 30 June 2022, the Group has the following capital commitments:

- a) The Group has commitments of Baht 11,349 million, under project construction agreements, decoration agreements, advisory service agreements and system development and installation agreements (the Company only: Baht 8,041 million).
- b) The Group has commitments of Baht 9,203 million, under land purchase agreements (the Company only: Baht 8,297 million).

25.2 Operating lease commitments and service agreements

- a) The Group has entered into several lease and service agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years.

As at 30 June 2022, future minimum lease payments required under lease agreements with a term of 12 months or less as from effective date or low value underlying assets and non-cancellable service agreements are as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Payable:		
In up to 1 year	4	3
In over 1 and up to 5 years	2	2
Total	6	5

- b) As at 30 June 2022, the Group has commitments of Baht 142 million, in relation to advertising and public relations for the projects (the Company only: Baht 115 million).
- c) As at 30 June 2022, the Group has servitude over land of approximately 114 rai (the Company only: 32 rai), of which the cost is included in the cost of projects.

25.3 Letter of credit

As at 30 June 2022, the Group and the Company had undrawn letters of credit amounting to Baht 2,516 million and EUR 2.67 million for payment of project construction costs to subcontractors and for import purchase of machines.

25.4 Bank guarantees

As at 30 June 2022, there were outstanding bank guarantees of Baht 6,074 million (the Company only: Baht 5,541 million), issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee contractual performance regarding preparation and maintenance of public utilities, public services and land improvement, to guarantee electricity use and others.

25.5 Litigations

As at 30 June 2022 and 31 December 2021, the Group has various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and torts, with total damages claimed amounting to Baht 2,057 million and Baht 1,848 million, respectively (the Company only: Baht 964 million and Baht 736 million, respectively). Some cases are detailed below.

- a) During the year 2018, a subsidiary was sued to revoke a juristic act of sale and purchase of land and requested to revert the land ownership to the plaintiffs as an executor sold the land to a subsidiary without legal rights. If the juristic act cannot be revoked and the land ownership cannot be reverted to the plaintiffs, the subsidiary and other defendants involved in the case shall pay for the compensation of Baht 959 million together with the interest at a rate of 7.5% per annum to the plaintiffs. Subsequently, on 17 June 2021, the representative of the trustee made payment of Baht 80 million to all plaintiffs, and the plaintiffs jointly entered into a memorandum of agreement dated 17 June 2021 to settle the dispute with respect to the inheritance land. The Company therefore filed the statement dated 12 October 2021 regarding the settlement of all disputes with the Court. On 28 January 2022, the Court of First Instance rendered the judgement dismissing the case. However, the plaintiff filed an appeal and the case is currently being considered by the Appeal Court.

Based on facts and relevant laws as well as the past Supreme Court ruling based on similar facts, the Company therefore has a good faith opinion that the subsidiary is not at risk of the revocation of the land transfer and make payment of claim to the plaintiffs.

As at 30 June 2022, the value of land in dispute including development cost (book value) was amounting to Baht 2,217 million.

- b) During 2021 to the current period, the Company has been sued in numerous lawsuits by several residents of the Setthasiri Ratchaphruek Charansanitwong Project regarding land improvements in the land allocation area was not in accordance with the land subdivision permit, resulting in the subsidence of surrounding ground and damage to other property in the house. The plaintiffs demanded that the Company repair the damaged area and pay damages totaling Baht 302 million. However, some of the cases were dismissed by the Court of First Instance on 23 May 2022, while others are undergoing mediation and witness hearings.

In addition, during the year 2018, BTS Sansiri Holding Nineteen Limited (a joint venture), the developer of The LINE Sathorn project (the project), was sued by a juristic person of a condominium located nearby the project. The juristic person requested that the joint venture revoke the Environmental Impact Assessment (EIA) report and undertake public hearing on this matter for neighbouring stakeholders by using independent experts or entities as accepted by the Court. On 28 August 2019, the Central Administrative Court prescribed provisional remedial measures before delivering the judgement by ordering the joint venture to suspend this project temporarily. On 11 October 2019, the joint venture filed an appeal against such order of the Central Administrative Court and requested that the Supreme Administrative Court withhold its enforcement. On 30 June 2021, the Supreme Administrative Court reversed the order of the Central Administrative Court dismissing the plaintiff's request for provisional remedial measures before delivering the judgement. As a result, the order granting provisional remedial measure is rescinded and the Company is allowed to continue the construction of The Line Sathorn. However, currently the administrative case concerning the request to revoke the approval of the Environmental Impact Assessment (EIA) report and the permit for building construction, modification, and demolition under Section 39 ter No. 58/2561 dated 21 March 2018 between the Company and the government agencies and the plaintiff is still proceeded by the Central Administrative Court.

As at 30 June 2022, the project costs (book value) of Baht 1,761 million comprise land cost of Baht 793 million and construction cost and interest totaling Baht 968 million. Based on the plaint, petition, order, including facts and relevant laws that the joint venture has brought to defend the case, the management of the joint venture believe that the Administrative Court will not render judgement or give the order to revoke the approval for the Environmental Impact Assessment (EIA) report and the permit for building construction, modification, and demolition issued to BTS Sansiri Holding Nineteen Limited, and terminate the construction of The LINE Sathorn project as requested by the plaintiff.

The Group and a joint venture are defending the lawsuits. Since the management believe that the Group will not incur any losses from the litigation.

26. Financial instruments

26.1 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

26.2 Fair value hierarchy

As at 30 June 2022, the Group had the financial assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)				
Consolidated financial statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Equity investments	12	-	-	12
Debt investments	-	-	543	543
Financial assets measured at FVOCI				
Equity investments	142	66	1,261	1,469
Debt investments	-	20	-	20

(Unit: Million Baht)				
Separate financial statements				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Equity investments	12	-	-	12
Debt investments	-	-	543	543
Financial assets measured at FVOCI				
Equity investments	142	-	155	297
Debt investments	-	20	-	20

During the current period, there were no changes in the methods and the assumptions used to estimate the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

27. Events after the reporting period

- 27.1 On 30 June 2022, the resolutions passed by the Company's Board of Directors' meeting to approve the issue and offer of the Company's unsecured and unsubordinated debentures No. 3/2022, for a total value of Baht 3,000 million and with interest at a rate of 4.00% per annum, which will be redeemable in 2026. The debentures are to be issued and offered from 19 July 2022 to 21 July 2022.
- 27.2 On 15 August 2022, the Company's Board of Directors' meeting approved the Company to pay interim dividend from the operating results as from 1 January 2022 to 30 June 2022 at Baht 0.04 (Four Satang) per share. The dividend payment will be made on 13 September 2022.

28. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 15 August 2022.