



(English Translation)

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1 March 2022

Subject : Clarification of Year 2021 Operating Result

To : President
The Stock Exchange of Thailand

Sansiri Public Company Limited (SIRI) would like to clarify the operating result for the year ended 31 December 2021 of the Company and its subsidiaries as follows.

Total revenue in 2021 amounted to 29,558 Million Baht, decreased by 15 percent from 34,707 Million Baht in 2020. The decrease in total revenue was caused by a decrease in the revenue from project sales and revenue from business management services by 14 percent and 39 percent, respectively. For the year 2021, Sansiri and its subsidiaries reported net profit (equity holders of the Company) of 2,017 Million Baht, an increase of 21 percent from net profit (equity holders of the Company) of 1,673 Million Baht in 2020.

Revenue from Property Development for Sale

The breakdown of revenue from project sales during 2019 - 2021 is as follows;

Product Type	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached Houses	10,968	57.3	14,392	47.1	12,753	48.7
Townhome / Home Offices	2,499	13.1	2,838	9.3	2,277	8.7
Mix Product	292	1.5	1,199	3.9	2,633	10.1
Condominiums	5,368	28.1	12,130	39.7	8,508	32.5
Total	19,126	100.0	30,559	100.0	26,170	100.0

In 2021, Sansiri and its subsidiaries reported the revenue from project sales amounted to 26,170 Million Baht, resulting in a 14 percent decrease in revenue from project sales from 30,559 Million Baht in 2020. Revenue from project sales decreased in almost every product type, except mix product which tremendously increased by 120 percent.

Revenue from single-detached house projects in 2021 amounted to 12,753 Million Baht, accounted for 49 percent of total revenue from project sales, an 11 percent decrease from 14,392 Million Baht in 2020. The revenue from single-detached house was mainly from 3 projects, including Setthasiri Krungthep Kreetha, Setthasiri Charan-Pinklao 2, and Setthasiri Rama 5, which altogether contributed 2,737 Million Baht or 10 percent of total revenue from project sales.

In 2021, revenue from condominium projects amounted to 8,508 Million Baht, accounted for 33 percent of total revenue from project sales, a decrease of 30 percent from 12,132 Million Baht in 2020. In this regard, XT Huaikwang, Oka Haus, and EDGE Central Pattaya were the top 3 highest contributors in 2021 respectively, contributing revenue of 5,747 Million Baht or accounting for 22 percent of the total revenue from project sales.

Revenue from mix product project in 2021 amounted to 2,633 Million Baht, accounted for 10 percent of total revenue from project sales. The revenue tremendously increased by 120 percent from 1,199 Million Baht in 2020. Anasiri Bangyai was the highest contributor amounted to 618 Million Baht in 2021.

In 2021, Revenue from townhome projects amounted to 2,277 Million Baht, a 9 percent of total revenue from project sales or a decrease of 20 percent compared to that of last year. In this regard, revenue was from 4 main projects under brand 'Siri Place', namely Siri Place Prachautit 90, Siri Place Ratchapruke-Rama5, Siri Place Rangsit-Khlong2, and Siri Place Charan-Pinklao, which total revenue accounted for 949 Million Baht.

Revenue from Property Services

In 2021, revenue from projects for rent increased by 31 percent from 119 Million Baht in 2020 to 156 Million Baht in 2021, resulted from additional areas for rent, discontinuity of rental fee discount, and a rise in occupancy rate compared to that during the beginning of the crisis in 2020. On the other hand, revenue from business management in 2021 amounted to 1,687 Million Baht, decreased by 39 percent from 2,751 Million Baht in the last year due to a decrease in revenue from construction management for joint ventures. In 2021, Sansiri recorded revenue from hotel management amounted to 315 Million Baht, a 126 percent increase from 139 Million Baht in 2020. Besides, Sansiri has revenue from other services including revenue from hotel business and education business amounted to 262 Million Baht, which increase from 212 Million Baht in 2020 due to the relief of COVID-19 prevention measures which led to more economic activities compared to the pandemic situation in 2020.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For the year 2021, cost of project sales amounted to 17,319 Million Baht, a 24 percent decrease from that of the year 2020, in accordance with a decrease in revenue from project sales. Gross profit margin of project sales significantly increased from 25.0 percent in 2020 to 33.8 percent in 2021. Cost of business management services decreased from 1,975 Million Baht in 2020 to 1,122 Million Baht in 2021 in accordance with a decrease in revenue from business management services. Cost of projects for rent amounted to 97 Million Baht, increased from 93 Million Baht in 2020. In 2021, Sansiri recorded cost of hotel management services amounted to 728 Million Baht, increased from 473 Million Baht in 2020 in line with an increase in revenue from hotel management. In addition, cost of other services including hotel business and education business increased by 8 percent from that of last year in accordance with an increase in revenue from other services.

Selling, General and Administrative Expenses

Sansiri and its subsidiaries recorded selling and administrative expense in 2021 at 6,375 Million Baht, accounted for 21.6 percent of the total revenue, an increase from 18.6 percent of total revenue of last year. The selling expenses in 2021 were at 2,022 Million Baht or 6.8 percent of total revenue, increased from 6.4 percent of total revenue at 2,233 Million Baht in 2020. The main factors in increasing in selling expense was from expense related to transfer, commission paid, and sale support expense. The administrative expenses (including management benefit expenses) amounted to 4,353 Million Baht or 14.7 percent of total revenue, increased from 12.2 percent of total revenue at 4,227 Million Baht in 2020. The higher administrative expense was caused by the decrease in allocated staff expense to joint venture projects from the decrease in project development under joint venture.

Financial Expense

Financial expense was at 1,165 Million Baht in 2021, increased from 978 Million Baht in 2020, which mainly due to the postponement of project launch. As a result, the interest expenses incurred by the undeveloped land plots, which were still in the design and marketing process, are unable to be capitalised.

Net Profit

For the year 2021, Sansiri and its subsidiaries reported net profit of 2,017 Million Baht, significantly increased by 21 percent from 1,673 Million Baht in 2020. In this regards, the net profit margin was at 6.8 percent

of total revenue, increased from 4.8 percent of total revenue in 2020. The main factor was from the significant increase in gross profit margin of core business from 23.8 percent in 2020 to 31.6 percent in 2021.

Assets

Total assets of Sansiri and its subsidiaries as of 31 December 2021 amounted to 116,632 Million Baht, an increase of 4,000 Million Baht from that of 31 December 2020. Current assets as of 31 December 2021 was at 66,039 Million Baht, decreased by 2,870 Million Baht from that of 31 December 2020 due to a decrease in real estate development for sales and cash and cash equivalent. Total non-current assets as of 31 December 2021 was at 50,593 Million Baht, an increase of 6,870 Million Baht from that of 31 December 2020 due to an increase in land held for development, investment in associates, and investment properties.

Liabilities

Total liabilities of Sansiri Group amounted to 75,665 Million Baht as of 31 December 2021, an increase of 2,230 Million Baht from that of 31 December 2020. Total current liabilities amounted to 37,645 Million Baht or increased by 6,932 Million Baht while total non-current liabilities decreased by 4,701 Million Baht to 38,020 Million Baht. In this regard, the interest-bearing debt increased from 55,520 Million Baht as of 31 December 2020 to 63,694 Million Baht as of 31 December 2021. The debt-to-equity ratio was 1.85 times with the interest-bearing debt-to-equity ratio (Gearing ratio) was 1.55 times. In this regard, Sansiri has been operating under restrictive financial covenants with gearing ratio less than 2.5 to 1.

By the definition, “Liabilities” means total liabilities as appears in the financial statements, including financial obligations and provisions from collateral of aval by bond issuers or any obligations in the same manner to any person or juristic person (The collateral is not included the case that other person acts as a guarantor for the bond issuer or subsidiary). However, financial obligations and provisions as mentioned above are not included financial obligations and provisions with account payables, advanced received from customer or any debt of bond issuer with no interest obligation, and lease payables.

Shareholders' Equity

Shareholders' Equity as of 31 December 2021 amounted to 40,967 Million Baht, an increase of 1,769 Million Baht from as of 31 December 2020 caused by an increase in retained earnings. Furthermore, dividend payment was paid at 594 Million Baht out of net profit in 2020, together with 327 Million bath dividend paid for subordinated perpetual debentures.

Cashflow

For the year 2021, beginning cash balance was 3,007 Million Baht, with net cash used in operating activities of 2,374 Million Baht, net cash used in investing activities of 3,430 Million Baht, and net cash from financing activities of 4,844 Million Baht, resulting in the ending cash balance as of 31 December 2021 of 2,181 Million Baht. In this regard, profit from operating activities before changes in operating assets and liabilities was at 22,600 Million Baht. Cash outflow as development costs for property development for sale amounted to 19,429 Million Baht. For investing activities, payment on purchase of investments in associate and long-term loans to related parties amounted to 2,063 Million Baht and 1,780 Million Baht, respectively. For financing activities, cash outflow for loan repayment including interest payment to financial institutions were 11,221 Million Baht, while cash outflow from repayment of debentures amounted to 8,204 Million Baht, with dividend payment amounted to 594 Million Baht.

Please be informed accordingly.

Yours Sincerely,

(Mr. Apichart Chutrakul)

Authorised Director