

Eastern Star Real Estate Public Company Limited
and its subsidiaries

Review report and interim financial information

For the three-month and nine-month periods ended
30 September 2023



Building a better
working world

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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Eastern Star Real Estate Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Eastern Star Real Estate Public Company Limited and its subsidiaries as at 30 September 2023, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Eastern Star Real Estate Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Chayapol Suppasertanon

Certified Public Accountant (Thailand) No. 3972

EY Office Limited

Bangkok: 14 November 2023

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		174,126	278,527	171,677	268,550
Other current financial assets		30,180	23,319	-	-
Trade and other receivables	3	9,095	7,579	12,397	11,738
Real estate development costs and inventories	4	2,831,796	2,597,958	2,835,803	2,601,867
Advances for construction work		142,070	27,406	142,070	27,406
Costs to obtain contracts	8	38,090	54,353	38,090	54,353
Other current assets		14,109	10,838	12,677	9,606
Total current assets		3,239,466	2,999,980	3,212,714	2,973,520
Non-current assets					
Lease receivables		17,663	19,725	17,663	19,725
Investments in subsidiaries		-	-	505,374	505,374
Investment properties	5	1,514,283	1,454,093	1,550,386	1,490,961
Property, building and equipment	6	419,232	421,415	256,569	260,980
Right-of-use assets	10	26,967	26,093	26,967	26,093
Intangible assets		3,773	5,553	3,749	5,518
Deferred tax assets		37,742	35,497	35,699	33,682
Land and improvements awaiting development	7	1,286,023	1,387,206	1,140,405	1,241,588
Other non-current assets		64,044	60,414	59,422	55,872
Total non-current assets		3,369,727	3,409,996	3,596,234	3,639,793
Total assets		6,609,193	6,409,976	6,808,948	6,613,313

The accompanying notes are an integral part of the interim financial statements.

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks		180,000	-	180,000	-
Trade and other payables		90,498	52,349	89,308	50,809
Current portion of long-term loans	9	42,800	107,516	42,800	107,516
Current portion of lease liabilities	10	6,413	5,534	6,413	5,534
Advances received from customers		100,392	129,684	99,399	127,679
Accrued expenses		112,135	118,454	111,330	117,446
Corporate income tax payable		-	8,933	-	8,933
Other current liabilities		58,428	68,550	57,685	67,154
Total current liabilities		590,666	491,020	586,935	485,071
Non-current liabilities					
Long-term loans - net of current portion	9	955,199	854,000	955,199	854,000
Lease liabilities - net of current portion	10	21,498	21,726	21,498	21,726
Provision for long-term employee benefits		44,893	39,354	33,716	29,314
Retention guarantees		16,390	20,344	16,390	20,344
Advance received from land lease		2,139	2,109	2,139	2,109
Deferred tax liabilities		11,578	15,366	11,578	15,366
Other non-current liabilities		34,209	30,845	34,202	30,837
Total non-current liabilities		1,085,906	983,744	1,074,722	973,696
Total liabilities		1,676,572	1,474,764	1,661,657	1,458,767

The accompanying notes are an integral part of the interim financial statements.

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
5,172,246,185 ordinary shares of Baht 1 each	5,172,246	5,172,246	5,172,246	5,172,246
Issued and fully paid				
5,022,246,185 ordinary shares of Baht 1 each	5,022,246	5,022,246	5,022,246	5,022,246
Share discount	(429,265)	(429,265)	(429,265)	(429,265)
Capital reserve for share-based payment transactions	979	979	979	979
Retained earnings				
Appropriated - statutory reserve	84,204	84,204	84,204	84,204
Unappropriated	67,871	71,208	469,127	476,382
Other components of shareholders' equity	74,131	74,131	-	-
Total shareholders' equity	4,820,166	4,823,503	5,147,291	5,154,546
Non-controlling interest of the subsidiaries	112,455	111,709	-	-
Total shareholders' equity	4,932,621	4,935,212	5,147,291	5,154,546
Total liabilities and shareholders' equity	6,609,193	6,409,976	6,808,948	6,613,313

The accompanying notes are an integral part of the interim financial statements.

Directors

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Sales of real estate		272,603	600,283	272,603	600,283
Services income		15,573	13,008	2,450	1,703
Rental income		6,779	8,556	6,845	8,608
Other income		7,420	4,046	6,884	7,014
Total revenues		302,375	625,893	288,782	617,608
Expenses					
Cost of real estate sold		193,967	422,001	193,968	422,001
Cost of services		8,763	7,358	1,048	761
Cost of rental		6,524	7,163	6,782	7,421
Selling and distribution expenses		29,994	81,832	29,696	81,852
Administrative expenses		63,704	63,953	57,828	59,724
Total expenses		302,952	582,307	289,322	571,759
Profit (loss) before finance cost and tax expense					
Finance cost		(1,024)	(2,711)	(1,024)	(2,710)
Profit (loss) before tax expense		(1,601)	40,875	(1,564)	43,139
Tax expense	11	(835)	(11,097)	(911)	(11,166)
Profit (loss) for the period		(2,436)	29,778	(2,475)	31,973
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(2,436)	29,778	(2,475)	31,973

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit (loss) attributable to:				
Equity holders of the Company	(2,408)	30,233	(2,475)	31,973
Non-controlling interests of the subsidiaries	(28)	(455)	-	-
	<u>(2,436)</u>	<u>29,778</u>	<u>(2,475)</u>	<u>31,973</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(2,408)	30,233	(2,475)	31,973
Non-controlling interests of the subsidiaries	(28)	(455)	-	-
	<u>(2,436)</u>	<u>29,778</u>	<u>(2,475)</u>	<u>31,973</u>

(Unit: Baht)

Earnings per share

Basic earnings (loss) per share

Profit (loss) attributable to equity holders of the Company	<u>(0.0005)</u>	<u>0.0060</u>	<u>(0.0005)</u>	<u>0.0064</u>
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The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Sales of real estate		844,615	1,318,307	844,615	1,318,307
Services income		49,796	34,703	6,563	4,162
Rental income		26,356	28,195	26,425	28,292
Other income		28,481	18,954	29,995	23,461
Total revenues		949,248	1,400,159	907,598	1,374,222
Expenses					
Cost of real estate sold		600,093	944,984	600,093	944,984
Cost of services		25,731	20,774	2,928	2,271
Cost of rental		20,787	22,190	21,552	22,956
Selling and distribution expenses		111,352	158,177	110,400	158,290
Administrative expenses		191,034	175,074	176,810	163,283
Total expenses		948,997	1,321,199	911,783	1,291,784
Profit (loss) before finance cost and tax expense					
Finance cost		(2,842)	(9,772)	(2,842)	(9,846)
Profit (loss) before tax expense		(2,591)	69,188	(7,027)	72,592
Tax expense	11	-	(19,903)	(228)	(20,110)
Profit (loss) for the period		(2,591)	49,285	(7,255)	52,482
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(2,591)	49,285	(7,255)	52,482

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) attributable to:				
Equity holders of the Company	(3,337)	50,019	(7,255)	52,482
Non-controlling interests of the subsidiaries	746	(734)	-	-
	<u>(2,591)</u>	<u>49,285</u>	<u>(7,255)</u>	<u>52,482</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(3,337)	50,019	(7,255)	52,482
Non-controlling interests of the subsidiaries	746	(734)	-	-
	<u>(2,591)</u>	<u>49,285</u>	<u>(7,255)</u>	<u>52,482</u>

(Unit: Baht)

Earnings per share

Basic earnings (loss) per share

Profit (loss) attributable to equity holders of the Company	<u>(0.0007)</u>	<u>0.0100</u>	<u>(0.0014)</u>	<u>0.0104</u>
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The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to shareholders of the Company					Other components of shareholders' equity				
	Issued and fully paid share capital	Share discount	Capital reserve for share-based transactions	Retained earnings Statutory reserve	Unappropriated	Surplus from change in the ownership interests in subsidiaries	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
Balance as at 1 January 2022	5,022,246	(429,265)	979	81,604	22,660	74,131	4,772,355	111,757	4,884,112	
Profit for the period	-	-	-	-	50,019	-	50,019	(734)	49,285	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	50,019	-	50,019	(734)	49,285	
Balance as at 30 September 2022	5,022,246	(429,265)	979	81,604	72,679	74,131	4,822,374	111,023	4,933,397	
Balance as at 1 January 2023	5,022,246	(429,265)	979	84,204	71,208	74,131	4,823,503	111,709	4,935,212	
Loss for the period	-	-	-	-	(3,337)	-	(3,337)	746	(2,591)	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	(3,337)	-	(3,337)	746	(2,591)	
Balance as at 30 September 2023	5,022,246	(429,265)	979	84,204	67,871	74,131	4,820,166	112,455	4,932,621	

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and fully paid share capital		Capital reserve for share-based payment transactions	Retained earnings		Total shareholders' equity
	Share discount			Statutory reserve	Unappropriated	
Balance as at 1 January 2022	5,022,246	(429,265)	979	81,604	427,484	5,103,048
Profit for the period	-	-	-	-	52,482	52,482
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	52,482	52,482
Balance as at 30 September 2022	<u>5,022,246</u>	<u>(429,265)</u>	<u>979</u>	<u>81,604</u>	<u>479,966</u>	<u>5,155,530</u>
Balance as at 1 January 2023	5,022,246	(429,265)	979	84,204	476,382	5,154,546
Loss for the period	-	-	-	-	(7,255)	(7,255)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(7,255)	(7,255)
Balance as at 30 September 2023	<u>5,022,246</u>	<u>(429,265)</u>	<u>979</u>	<u>84,204</u>	<u>469,127</u>	<u>5,147,291</u>

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Cash flow statement

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before tax expense	(2,591)	69,188	(7,027)	72,592
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Decrease in real estate development costs as a result of transfer to cost of real estate sold	600,093	945,166	600,093	945,166
Reversal of loss on diminution in value of project	-	(182)	-	(182)
Expected credit losses	92	-	92	-
Depreciation and amortisation	40,366	35,985	37,460	33,027
Long-term employee benefits expenses	5,539	5,021	4,402	3,987
Unearned revenues recognised as revenues	(6,001)	(2,902)	-	-
Recognised income from lease	(1,105)	(1,036)	(1,105)	(1,036)
Gain on sales of financial assets	(252)	(7)	-	(7)
Unrealised gain on changes in value of financial assets	(8)	(34)	-	-
Loss on written off of income tax	142	-	142	-
Loss on sales and written off of building and equipment	3,892	45	3,842	29
Gain on sales of land awaiting development	-	-	(122)	-
Finance cost	2,842	9,772	2,842	9,846
Profit from operating activities before changes in operating assets and liabilities	643,009	1,061,016	640,619	1,063,422
Decrease (increase) in operating assets				
Trade and other receivables	(1,535)	(1,372)	(556)	(2,820)
Real estate development costs and inventories	(842,869)	(759,379)	(842,967)	(759,176)
Advance for construction work	(43,987)	(27,458)	(43,987)	(27,458)
Other current assets	(3,268)	3,866	(3,068)	4,352
Finance lease receivables and advance received from land lease	3,194	1,818	3,194	1,818
Cost to obtain contracts	16,263	11,644	16,263	11,644
Other non-current assets	(163)	(1,673)	(98)	(1,590)
Increase (decrease) in operating liabilities				
Trade and other payables	42,527	(3,640)	43,646	(3,694)
Accrued expenses	(6,407)	15,694	(6,204)	15,199
Advances received from customers	(23,290)	12,229	(28,279)	10,978
Other current liabilities	(10,121)	(1,393)	(9,468)	(918)
Retention guarantees	(3,954)	6,265	(3,954)	6,265
Other non-current liabilities	3,363	8,793	3,365	8,795
Cash flows from (used in) operating activities	(227,238)	326,410	(231,494)	326,817
Cash paid for finance cost	(33,638)	(36,824)	(33,638)	(36,897)
Cash paid for income tax	(18,718)	(16,564)	(18,704)	(16,554)
Income tax refund	-	465	-	-
Net cash flows from (used in) operating activities	(279,594)	273,487	(283,836)	273,366

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the nine-month period ended 30 September 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from investing activities				
Proceed from fixed deposits	-	45	-	45
Purchase of financial instruments	(8,000)	(15,000)	-	-
Proceeds from sales of financial instruments	1,400	40,133	-	40,133
Acquisitions of investment properties	(2,817)	(1,942)	(2,816)	(1,942)
Acquisitions of building and equipment and intangible assets	(26,781)	(14,819)	(21,591)	(11,208)
Acquisition of right-of-use assets	(228)	(27)	(228)	(27)
Cash paid for improvements awaiting development	(1,200)	(1,200)	(1,200)	(1,200)
Proceed from sales of assets	1,778	50	1,757	50
Net cash flows from (used in) investing activities	(35,848)	7,240	(24,078)	25,851
Cash flows from financing activities				
Cash receipt from short-term loans from financial institutions	180,000	80,000	180,000	80,000
Cash receipt from long-term loans from financial institutions	266,374	459,366	266,374	459,366
Repayments of short-term loan from subsidiary	-	-	-	(15,000)
Repayments of short-term loans from financial institutions	-	(80,000)	-	(80,000)
Repayments of long-term loans from financial institutions	(229,891)	(796,115)	(229,891)	(796,115)
Repayments of lease liabilities	(5,442)	(4,939)	(5,442)	(4,939)
Net cash flows from (used in) financing activities	211,041	(341,688)	211,041	(356,688)
Net decrease in cash and cash equivalents	(104,401)	(60,961)	(96,873)	(57,471)
Cash and cash equivalents at beginning of period	278,527	312,172	268,550	306,074
Cash and cash equivalents at end of period	174,126	251,211	171,677	248,603
Supplemental cash flows information				
Non-cash transactions				
Transfer advances for construction work to real estate development costs	70,677	35,993	70,677	35,993
Transfer land awaiting development to real estate development costs	29,811	-	29,811	-
Transfer land awaiting development to investment properties	71,562	537,320	71,562	537,320
Capitalisation of interest expenses to real estate development costs	31,928	28,039	31,928	28,039
Transfer advance for construction work to other receivables	-	1,957	-	1,957
Transfer real estate development cost to land awaiting development	-	1,997	-	1,997
Transfer investment properties of property, building and equipment	8,950	-	8,950	-
Transfer property, building and equipment to investment properties	4,171	-	4,171	-
Decrease in payables for purchases of equipment and intangible assets	(3,653)	(5,216)	(4,422)	(5,097)
Decrease in payables for purchases of investment properties	(725)	(214)	(725)	(214)
Dividends payable	975	977	975	977
Increase in lease liabilities - net	5,191	-	5,191	-

The accompanying notes are an integral part of the interim financial statements.

Eastern Star Real Estate Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month and nine-month periods ended 30 September 2023

1. General information

1.1 Basis for the preparation of interim financial information

These interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial information. 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. These 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 statements of the Company. The interim financial information in English language has been translated from the Thai language financial information.

1.2 Basis of consolidation

The interim consolidated financial statements include the financial statements of Eastern Star Real Estate Public Company Limited ("the Company") and its subsidiary companies ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022, with no change in shareholding structure of subsidiaries during the current period.

1.3 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 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group's financial statements.

1.4 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

2. Related party transactions

During the period, the Group had significant business transactions with its related parties. These transactions which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses. There were no significant changes in the pricing policies of transactions with related parties during the current period.

Summaries significant business transactions with related parties were as follows.

(Unit: Thousand Baht)

	For the three-month period ended				For the nine-month period ended			
	30 September				30 September			
	Consolidated		Separate		Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022	2023	2022	2023	2022
<u>Transactions with subsidiary company</u>								
(eliminated from the consolidated financial statements)								
Income of central service management	-	-	214	214	-	-	641	641
Other income	-	-	1,054	2,857	-	-	3,194	4,388
Rental and service income	-	-	8	63	-	-	20	131
Service expense	-	-	14	14	-	-	53	96
Interest paid	-	-	-	-	-	-	-	74
<u>Transactions with related party</u>								
Office rental and service expenses	1,649	1,636	1,649	1,636	4,945	4,861	4,945	4,861

(Unaudited but reviewed)

The balances of the accounts between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
		(Audited)		(Audited)
Other receivables (Note 3)				
Subsidiaries	-	-	3,439	4,359
Other payables				
Subsidiaries	-	-	641	329
Related party	23	44	23	44
Total	23	44	664	373
Accrued expense				
Subsidiary	-	-	63	63
Retentions				
Related party	1,555	1,555	1,555	1,555

Directors and management's benefits

(Unit: Thousand Baht)

For the three-month period ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	8,181	8,794	7,475	8,191
Post-employment benefits	778	708	751	684
Total	8,959	9,502	8,226	8,875

(Unit: Thousand Baht)

For the nine-month period ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	25,199	25,702	23,079	23,969
Post-employment benefits	2,334	2,123	2,254	2,052
Total	27,533	27,825	25,333	26,021

3. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
	(Audited)		(Audited)	
<u>Trade accounts receivable - third parties</u>				
Not yet due	582	505	557	489
Past due not over 3 months	1,475	1,590	1,462	1,589
Past due 3 - 6 months	26	-	19	-
Past due 6 - 12 months	8	3	4	1
Past due over 12 months	363	361	316	316
Total trade accounts receivable	<u>2,454</u>	<u>2,459</u>	<u>2,358</u>	<u>2,395</u>
<u>Other receivables</u>				
Other receivables - related parties				
(Note 2)	-	-	3,439	4,359
Other receivables - third parties	1,219	1,214	1,213	1,213
Accrued income	2,353	1,199	2,353	1,199
Advance payments	3,762	3,308	3,682	3,127
Total other receivables	<u>7,334</u>	<u>5,721</u>	<u>10,687</u>	<u>9,898</u>
Less: Allowance for expected credit losses	<u>(693)</u>	<u>(601)</u>	<u>(648)</u>	<u>(555)</u>
Total trade and other receivables - net	<u><u>9,095</u></u>	<u><u>7,579</u></u>	<u><u>12,397</u></u>	<u><u>11,738</u></u>

4. Real estate development costs and inventories

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Audited)		(Audited)
Land	1,738,381	1,709,486	1,742,981	1,714,086
Construction under development	1,093,060	888,019	1,093,060	888,019
Total	2,831,441	2,597,505	2,836,041	2,602,105
Less: Allowance for loss on diminution in value of projects	(238)	(238)	(238)	(238)
Real estate development costs - net	2,831,203	2,597,267	2,835,803	2,601,867
Other inventories	593	691	-	-
Total	2,831,796	2,597,958	2,835,803	2,601,867

The Company has mortgaged certain plots of land and construction thereon with a total net book value as at 30 September 2023 of Baht 2,370 million (31 December 2022: Baht 2,103 million) as collateral to secure credit facilities granted by banks.

During the nine-month period ended 30 September 2023, the Company recorded borrowing costs of Baht 32 million (2022: Baht 28 million) as cost of real estate development.

Additional information of the projects.

	(Unit: Million Baht)	
	Consolidated and Separate	
	30 September 2023	31 December 2022
Total estimated sales value of projects on hand		
of which the contracts have been signed	10,403	11,337
Total value of contracts signed for sales of land and structures thereon	5,509	5,726
Percentage of total estimated sales value of projects on hand	52.96	50.50
Total value of contracts signed of land and structures thereon not yet recognised as revenue *	1,701	1,282

* The revenue will be recognised in the next 1 to 2 years.

5. Investment properties

The net book value of investment properties as at 30 September 2023 and 31 December 2022 was presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Land	Building and improvements	Total
30 September 2023:			
Cost	1,423,710	738,319	2,162,029
Less: Accumulated depreciation	-	(546,017)	(546,017)
Less: Allowance for impairment	(101,729)	-	(101,729)
Net book value	<u>1,321,981</u>	<u>192,302</u>	<u>1,514,283</u>
31 December 2022:			
Cost	1,361,098	722,646	2,083,744
Less: Accumulated depreciation	-	(527,922)	(527,922)
Less: Allowance for impairment	(101,729)	-	(101,729)
Net book value	<u>1,259,369</u>	<u>194,724</u>	<u>1,454,093</u>

(Unit: Thousand Baht)

	Separate financial statements		
	Land	Building and improvements	Total
30 September 2023:			
Cost	1,423,710	781,244	2,204,954
Less: Accumulated depreciation	-	(552,839)	(552,839)
Less: Allowance for impairment	(101,729)	-	(101,729)
Net book value	<u>1,321,981</u>	<u>228,405</u>	<u>1,550,386</u>
31 December 2022:			
Cost	1,361,098	765,571	2,126,669
Less: Accumulated depreciation	-	(533,979)	(533,979)
Less: Allowance for impairment	(101,729)	-	(101,729)
Net book value	<u>1,259,369</u>	<u>231,592</u>	<u>1,490,961</u>

(Unaudited but reviewed)

Movements of the investment properties account during the nine-month period ended 30 September 2023 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	1,454,093	1,490,961
Acquisitions - at cost	2,092	2,092
Transfer in - net book value at transfer date, net	67,390	67,390
Depreciation for the period	(9,292)	(10,057)
Net book value as at 30 September 2023	<u>1,514,283</u>	<u>1,550,386</u>

The Company mortgaged certain plots of land and construction thereon with a total net book value of Baht 274 million as at 30 September 2023 (31 December 2022: Baht 277 million) as collateral to secure credit facilities granted by a bank.

6. Property, building and equipment

Movements of the property, building and equipment account during the nine-month period ended 30 September 2023 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2023	421,415	260,980
Acquisitions - at cost	23,122	17,164
Transfer in - net book value at transfer date, net	4,171	4,171
Write-off/disposal - net book value	(5,677)	(5,613)
Depreciation for the period	(23,799)	(20,133)
Net book value as at 30 September 2023	<u>419,232</u>	<u>256,569</u>

The Company has mortgaged certain plots of land and construction thereon with a total net book value as at 30 September 2023, and 31 December 2022 of Baht 6 million as collateral to secure credit facilities granted by banks.

(Unaudited but reviewed)

7. Land and improvements awaiting development

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Audited)		(Audited)
Land	1,259,740	1,361,150	1,114,122	1,215,532
Improvement costs	26,283	26,056	26,283	26,056
Total	1,286,023	1,387,206	1,140,405	1,241,588

Movements of land and improvements awaiting development during nine-month period ended 30 September 2023 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2023	1,387,206	1,241,588
Acquisitions - at cost	227	227
Transfer out - net book value at transfer date, net	(101,410)	(101,410)
Net book value as at 30 September 2023	1,286,023	1,140,405

As at 30 September 2023 and 31 December 2022, land awaiting development of Baht 0.5 million (Separate financial statements: Baht 0.3 million) was land of which ownership is jointly held by the Company and a subsidiary. The Company and the subsidiary recorded the cost of land based on their ownership, with half allocated to each party.

The Company has mortgaged certain plots of land and improvements awaiting development with a total net book value as at 30 September 2023 of Baht 830 million (31 December 2022: 860 million) as collateral to secure credit facilities granted by banks.

8. Costs to obtain contracts

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
Balance as at 1 January 2023	54,353	
Increase during the period	35,878	
Recognised in profit or loss	(52,141)	
Balance as at 30 September 2023	38,090	

(Unaudited but reviewed)

9. Long-term loans

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	30 September 2023	31 December 2022
		(Audited)
Long-term loans from banks	997,999	961,516
Less: Current portion of long-term loans	(42,800)	(107,516)
Long-term loans - net of current portion	<u>955,199</u>	<u>854,000</u>

Movements in the long-term loans during the nine-month period ended 30 September 2023 were summarised below.

(Unit: Thousand Baht)

	Consolidated and Separate financial statements
Balance as at 1 January 2023	961,516
Add: Additional borrowing	266,374
Less: Repayments	(229,891)
Balance as at 30 September 2023	<u>997,999</u>

On 12 January 2023, the Company has entered into a long-term credit facilities agreement with a financial institute to obtain credit facilities of Baht 286 million. The facilities are for purchase of land amounting to Baht 68 million, construction costs and real estate development amounting to Baht 179 million and bank guarantees amounting to Baht 39 million. The long-term loan credit facilities carried interest at MLR - fixed amount per annum, and secured by mortgage of land and construction of the project.

On 7 August 2023, the Company has entered into a credit facilities agreement with a financial institute to obtain credit facilities of Baht 481 million. The facilities are for acquisition of a plot of land amounting to Baht 97 million, construction costs and real estate development amounting to Baht 294 million, a bank overdraft amounting to Baht 10 million and bank guarantees amounting to Baht 80 million. This long-term credit facilities carried interest at MLR - fixed amount per annum and secured by mortgage of land and construction of the project.

The loan agreements contained covenants relating to various matters, such as the maintenance of financial ratio.

As at 30 September 2023, the long-term credit facilities of the Company which have not yet been drawn down are totaling Baht 1,910 million (31 December 2022: Baht 1,845 million).

The loans and credit facilities are secured by the mortgages of land and construction of the Company.

10. Leases

a) Right-of-use assets

Movements of the right-of-use assets account during the nine-month period ended 30 September 2023 were summarised below.

	(Unit: Thousand Baht) Consolidated and Separate financial statements
Net book value as at 1 January 2023	26,093
Increase during the period	6,907
Amortised during the period - Net book value	(536)
Depreciation for the period	(5,497)
Net book value as at 30 September 2023	<u>26,967</u>

b) Lease liabilities

As at 30 September 2023 and 31 December 2022, the balances of lease liabilities were as follows:

	(Unit: Thousand Baht) Consolidated and Separate financial statements	
	30 September 2023	31 December 2022
		(Audited)
Lease payments	30,522	30,149
Less: Deferred interest expenses	(2,611)	(2,889)
Total	<u>27,911</u>	<u>27,260</u>
Less: Portion due within one year	(6,413)	(5,534)
Lease liabilities - net of current portion	<u>21,498</u>	<u>21,726</u>

(Unaudited but reviewed)

The movements of lease liabilities for the nine-month period ended 30 September 2023 were as follows:

	(Unit: Thousand Baht) Consolidated and Separate financial statements
Balance as at 1 January 2023	27,260
Increase during the period	6,342
Decrease during the period	(527)
Decrease from deferred interest	278
Repayments during period	(5,442)
Balance as at 30 September 2023	27,911

11. Income tax

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

Tax expense for the three-month and nine-month periods ended 30 September 2023 and 2022 were made up as follows:

	(Unit: Thousand Baht)			
	For the three-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	1,600	17,085	1,600	17,085
Deferred tax:				
Relating to origination and reversal of temporary differences	(765)	(5,988)	(689)	(5,919)
Tax expense reported in the statements of comprehensive income	835	11,097	911	11,166

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended 30 September

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	6,033	25,194	6,033	25,194
Adjustment in respect of income tax of previous year	-	(125)	-	(125)
Deferred tax:				
Relating to origination and reversal of temporary differences	(6,033)	(5,166)	(5,805)	(4,959)
Tax expense reported in the statements of comprehensive income	-	19,903	228	20,110

12. Segment information

The Group are organised into business units based on its products and services. The business operations involve 3 principal segments as below.

- (1) Real estate business
- (2) Golf course business and sports center
- (3) Real estate for rental business

During the current period, the Group have not changed the organisation of their reportable segments.

Below is the revenue and gross profit of the Group for the three-month and nine-month periods ended 30 September 2023 and 2022 by segments.

(Unit: Million Baht)

For the three-month period ended 30 September

	Revenue from contracts with customers									
	Real estate business		Golf course business and sports center		Rental business		Adjustments and eliminations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues										
External	273	600	16	13	6	8	-	-	295	621
Inter- segment	-	-	-	-	-	-	-	-	-	-
Total revenues	273	600	16	13	6	8	-	-	295	621
Gross profit of segments	79	178	7	6	-	1	-	-	86	185
Other income									8	4
Selling and distribution expenses									(30)	(82)
Administrative expenses									(64)	(64)
Finance cost									(1)	(2)
Tax expenses									(1)	(11)
Profit (loss) for the period									(2)	30

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September

	Revenue from contracts with customers									
	Real estate business		Golf course business and sports center		Rental business		Adjustments and eliminations		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues										
External	845	1,318	50	35	26	28	-	-	921	1,381
Inter- segment	-	-	-	-	-	-	-	-	-	-
Total revenues	845	1,318	50	35	26	28	-	-	921	1,381
Gross profit of segments	244	373	24	14	6	6	-	-	274	393
Other income									28	19
Selling and distribution expenses									(111)	(158)
Administrative expenses									(191)	(175)
Finance cost									(3)	(10)
Tax expense									-	(20)
Profit (loss) for the period									(3)	49

13. Commitments and contingent liabilities

As at 30 September 2023 and 31 December 2022, the Company and its subsidiaries had the following commitments and contingent liabilities:

13.1 The Company had commitments in respect of construction projects and interior design of projects totaling Baht 1,539 million (31 December 2022: Baht 278 million).

13.2 The Company had commitments in respect of the construction of building amounting to Baht 6 million. (31 December 2022: Baht 13 million).

13.3 The Group have entered into several lease agreements to lease building space and equipment, with short-term period, and services agreements with the terms of agreements generally between 1 and 4 years.

Future minimum payments required under rental and service agreements as at 30 September 2023 are as follows:

(Unit: Million Baht)

Payable	Consolidated financial statements	Separate financial statements
In up to 1 year	6	5

13.4 Bank guarantees

There were bank guarantees issued by the banks on behalf of the Company as follow:

(Unit: Million Baht)

Bank guarantees for	Consolidated and Separate financial statements	
	30 September 2023	31 December 2022
		(Audited)
An arrangement and maintenance of public utilities	121	119
Electricity usage	7	7
Total	128	126

Bank guarantees facilities are secured by the mortgages of the Company's land and construction.

14. Litigations

As at 30 September 2023, civil lawsuits were filed against the Company by customers, and consumer lawsuit were filed against the Company by the condominium juristic person, and other litigation cases, with the claim amounts of totaling Baht 192 million (31 December 2022: Baht 184 million). These cases are currently under the court proceedings. Based on the Company's internal and external legal counsels opinions, the Company's management believes that the result of these cases will not have significant impact on the financial position of the Company.

Nevertheless, the Company has set aside certain provisions in its financial statements, as considers appropriate, for claims that may arise from final judicial processes.

15. Fair value of financial instruments

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate, therefore the carrying amounts of these financial instruments are estimated to approximate their fair value.

During the current period, there were no transfer between the levels of the fair value hierarchy.

16. Subsequent event

On 6 November 2023, the Company has entered into a long-term credit facilities agreement with a financial institute to obtain credit facilities of Baht 369 million. The facilities are for purchase of land amounting to Baht 131 million, construction costs and real estate development amounting to Baht 173 million and bank guarantees amounting to Baht 65 million. The long-term loan credit facilities carried interest at MLR - fixed amount per annum. The Company had drawdown such loan amounting to Bath 131 million on 9 November 2023. The loan agreement contained covenants relating to various matters, such as the maintenance of financial ratio. This long-term credit facilities secured by mortgage of land and construction of the project.

17. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 14 November 2023.