

-TRANSLATED VERSION-

Opinion Report of the Independent Financial Advisor

Regarding

An Asset Acquisition Transaction of the Investment in

Sansiri Public Company Limited

For

The Shareholders of

M.K. Real Estate Development Public Company Limited



Prepared by



I V Global Securities Public Company Limited

25 October 2023

The English Translation of the Opinion Report of the Independent Financial Advisor on The Acquisition of Asset of M.K. Real Estate Development Public Company Limited has been prepared solely for the convenience of foreign shareholders of M.K. Real Estate Development Public Company Limited and should not be relied upon as the definitive and official document.

The Thai language version of the Opinion of the Company is the definitive and official document and shall prevail in all M.K. Real Estate Development Public Company Limited aspects in the event of any inconsistency with this translation.

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GLOSSARY

Glossary used in this report have not been sorted by alphabet but sorted by category for convenient in reading

Abbreviation	Meaning
SEC	The Securities and Exchange Commission
SET	The Stock Exchange of Thailand
Notification on Acquisition or Disposal of Assets	Notification of the Capital Market Supervisory Board No. Thor.Jor. 20/ 2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Stock Exchange of Thailand Re: Disclosure and Guideline for Listed Company on Acquisition or Disposal of Assets B.E. 2547 and its amendments
Silent Period	Bor.Jor (Wor) 17/2015: The stipulation on prohibiting the sales of shares in specified period (Silent Period) for shares or convertible securities offered through private placement
Independent Financial Advisor or “I V Global” or “IFA”	I V Global Securities Public Company Limited
“the Company” or “MK”	M.K. Real Estate Development Public Company Limited
“Sansiri” or “SIRI”	Sansiri Public Company Limited
“SIRI Warrant”	Warrant representing the rights to purchase ordinary shares of Sansiri Public Company Limited in private placement.
“Terms and Conditions”	The Term and Conditions, and Right of the Issuer and Holder of the Warrant Representing the Right to Purchase Ordinary Shares of Sansiri Public Company Limited to be issued and offered for sale for private placement.
BV	Book Value Approach
ABV	Adjusted Book Value Approach
PE	P/E Ratio
VWAP	Volume Weighted Average Price Approach or VWAP
EV	Enterprise Value
EBITDA	Earnings before interest, taxes, depreciation, and amortization

Ref: IB 41/2566

October 25, 2023

Subject: Opinion of the Independent Financial Advisor regarding the asset acquisition transaction of M.K. Real Estate Development Public Company Limited

To: Audit Committee and Shareholders of M.K. Real Estate Development Public Company Limited

Attachment: 1) Overview of business operations and operating results of M.K. Real Estate Development Public Company Limited
2) Overview of business operations and operating results of Sansiri Public Company Limited

References: 1) Resolution of the meeting of M.K. Real Estate Development Public Company Limited's Board of Directors no. 4/2023 held on June 19, 2023;
2) Resolution of the meeting of M.K. Real Estate Development Public Company Limited's Board of Directors no. 7/2023 held on October 2, 2023;
3) Information Memorandum of M.K. Real Estate Development Public Company Limited on the acquisition transaction of the Investment in Sansiri Public Company Limited dated October 2, 2023;
4) Annual Report (Form 56-1 One Report) of M.K. Real Estate Development Public Company Limited for the year ended December 31, 2022;
5) Annual Report (Form 56-1 One Report) of Sansiri Public Company Limited for the year ended December 31, 2022;
6) Audited Financial Statements of M.K. Real Estate Development Public Company Limited for 12-month period ended December 31, 2020 – 2022 and 6-month period ended June 30, 2023;
7) Audited Financial Statements of Sansiri Public Company Limited for 12-month period ended December 31, 2020 – 2022 and 6-month period ended June 30, 2023;
8) Information and other documents, as well as interviews with managements and relevant personal of M.K. Real Estate Development Public Company Limited;
9) Information and other documents, as well as interviews with managements and relevant personal of Sansiri Public Company Limited;
10) Information and other documents related to this transaction from M.K. Real Estate Development Public Company Limited.
11) Information from an interview of the executive and officer of M.K. Real Estate Development Public Company Limited.
12) Information from an interview of the executive and officer of Sansiri Public Company Limited.

Disclaimers:

The result of the study by I V Global Securities Public Company Limited (“**Independent Financial Advisor**” or “**IFA**”) in this report (or the “**IFA Report**”) is based on the information and assumptions provided by the executives of M.K. Real Estate Development Public Company Limited and the information disclosed to the public through the website of the Securities and Exchange Commission of Thailand (the “**SEC**”) (www.sec.or.th), the Stock Exchange of Thailand (the “**SET**”) (www.set.or.th), and Business Online Public Company Limited (www.bol.co.th).

The opinion of the IFA in this report is based on the assumptions that all the information and documents received are accurate and complete and reflects the operating environment and most up-to-date information at the time of issuance of this report. However, there may be any incident having material impact on the Company’s business operations and plans, as well as decision of the shareholders. The Independent Financial Advisor expresses its opinion under the current circumstance. If there is a significant change in the circumstance or any information, the result of the study may be affected. The IFA shall not be responsible for the profits or the losses and any impacts resulting from this transaction.

In rendering its opinion in this report, the IFA has considered the reasonableness of conditions of the transaction as well as other related factors thoroughly and rationally in accordance with the professional judgments.

The Attachment of this IFA report is the part of IFA’s opinion, audit committee and shareholders of the Company should consider the attachment together with the report.

Executive Summary

According to the Company's Board of Directors Meeting of M.K. Real Estate Development Public Company Limited (the "Company" or "MK") no. 4/2023 on June 19, 2023 has resolved to approve the investment in ordinary shares of Sansiri Public Company Limited ("SIRI") which has been issued in private placement, The holder warrants to purchase ordinary shares of SIRI ("SIRI warrants") has the rights to purchase ordinary shares in the ratio of warrant 1 unit to 1 ordinary share (1 : 1) with the exercise price of THB 1.10 per share and it is valid for approximately 2 years (The valid term of SIRI warrants is 5 years from the issue date on November 3, 2020) from Rumbia Street (Thailand) Co., Ltd. who is not considered as a connected person of the Company in the number of 700 million units with the warrant price of THB 0.75 per unit, in total amount of THB 525.00 million.

The SIRI warrants purchased by the Company were issued to be allocated to Theater Lane Limited under the resolution of the Annual General Meeting of Shareholders No. 25/2020 of the Company, held on 24 July 2020, SIRI has offered (A) perpetual bonds for sale in private placement to the specific investors of 2.05 million units, with the total offering value of 2,050 million baht ("perpetual bonds"); and (B) warrants of 2,050 million units, representing the rights to purchase ordinary shares, in private placement, which allotted to the investors who wish to subscribe and have been allotted perpetual bonds at the combined offering, without an offering value ("SIRI warrants"), to Theatre Lane Limited with the exercise ratio of one unit of warrant per one ordinary share at the exercising price of Baht 1.10 per share, and with maturity of five years beginning from the date of their issuance. Warrant Holders can exercise their Warrants once a quarter on the last business day of each quarter, beginning from the first quarter they received the confirmation of the allotment from SIRI, and they can exercise their right under the Warrants for the last time on the five-year warrants' maturity date. The Company holds SIRI warrants of 700,000,000 units by accepting the transfer of Warrants from a transferee of Theatre Lane Limited within the criteria under the Notification of the Capital Market Supervisory Board No. TorChor. 34/2551, clause 21.

As per the interview with the registrar responsible for the SIRI Warrants, issued on a private placement basis, the Company's acquisition of 700 million units of SIRI Warrants is in full compliance with the guidelines outlined in the notification of the Capital Market Supervisory Board No. TorChor. 34/2551, Section 21. There is no discernible reason why the SIRI Warrants should lose their status of a private placement. The registrar of SIRI has duly recorded this transfer in the warrant holder registry and issued new warrants to the Company on 29 June 2023. Given these circumstances, the Independent Financial Advisor is of the opinion that the Company will have the capacity to exercise its right to convert the SIRI Warrants into ordinary shares, be it all at once or in several occasions, in accordance with the provisions stipulated in the SIRI Warrants or wholly sell SIRI warrants during exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company. In addition, the Company can sell warrants without requesting permission from SIRI. And the company must comply with terms and conditions of SIRI warrants and relevant regulators.

(Reference to the SIRI Warrants can be found in Section 1.1.2, which outlines the general characteristics of the items discussed in this report.)

Therefore, The Board of Directors' meeting No. 7/2023 on October 2, 2023 has resolved to propose to the Shareholders' Meeting to consider the investment in the ordinary shares of Sansiri Public Company Limited ("Sansiri" or "SIRI") by exercising the rights of warrants to purchase ordinary shares of SIRI ("SIRI warrants") which has been issued in private placement, of 700 million units to purchase ordinary shares of 700 million shares with a par value of THB 1.07 per share and at the exercise price of THB 1.10 per share, representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants (in case of only the Company exercises the rights), In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023) and the Company shall purchase such ordinary shares in the amount of THB 770.00 million by cash (the "**Investment in SIRI Transaction**").

Furthermore, during the Board of Directors' Meeting No. 7/2023 of M.K. Real Estate Development Public Company Limited (the "**Company**"), held on October 2, 2023, a resolution was made to present the proposal to the shareholders' meeting for consideration to approve the investment in ordinary shares of Sansiri Public Company Limited ("Sansiri" or "SIRI") by exercising the right to convert stock warrants of SIRI ("SIRI Warrants") in the amount of 700 million units, which equates to 700 million ordinary shares. These shares have a par value of 1.07 baht per share and are priced at 1.10 baht per share, amounting to approximately 4.08 percent of the total number of ordinary shares available post an increase in the paid-up capital of SIRI (assuming the Company only exercises the right to convert). In this scenario, the Company will pay the share price in cash, totaling 770.00 million baht (referred to as the "Investment Transaction in SIRI").

The Investment in SIRI Transaction is deemed as the acquisition of assets transaction of the Company under the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated October 29, 2004 (as amended) (collectively, the "**Notifications on Acquisition or Disposition of Assets**"). The Investment in SIRI Transaction has a maximum acquisition of assets transaction value of equivalent to 127.12 percent according to the net operating profit basis based on the consolidated financial statements of the Company for the period ended June 30, 2023, which reviewed by the Company's auditors. The Company has not entered into any acquisition of assets transactions according to the net operating profit basis in the previous 6-month period before the date of the Board of Directors Meeting. The transaction size of the Investment in SIRI Transaction is equal to, or more than 50 percent based on the consolidated financial statements of the Company for the period ended June 30, 2023, and there is the entering into transaction between a listed company and another listed company, which is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposition of Assets.

The Company thus has duties as follows:

- (1) To disclose information to the SET related to the acquisition of assets for the Investment in SIRI Transaction according to the Notifications on Acquisition or Disposition of Assets;
- (2) To arrange for a shareholder meeting to approve the acquisition of assets transaction which the resolution of the shareholder meeting must be approved by a majority of not less than three-fourths of the votes of the present shareholders who are eligible to vote and by not counting the vote of shareholders who have conflict of interest;
- (3) To appoint the independent financial advisor to express the opinion related to the Investment in SIRI Transaction to the SEC, SET and the Company's shareholders.

The Board of Directors Meeting of the Company no. 7/2023, held on 2 October 2023, resolved to propose to the Extraordinary Shareholders' Meeting no. 1/2023, held on 20 November 2023 to approve the Transaction.

Nonetheless, in deciding whether to approve or disapprove the said Transaction, the shareholders can make consideration thereon based on the above reasons and opinion rendered by the Independent Financial Advisor. The final decision depends on the shareholders' individual judgment.

I V Global Securities Public Company Limited ("Independent Financial Advisor" or "IFA"), the Independent Financial Advisor appointed by the Company, has studied the relevant information as well as interviewed with Company's management and related company, price and conditions necessary for acquisition transaction of M.K. Real Estate Development Public Company Limited. In addition, IFA has considered rationale of the Transaction and fairness of Transaction price of acquisition transaction and connected transaction, as well as benefits, consequences, risk factors, and strengths and weaknesses of the Transaction. IFA's opinion on the Transaction can be summarized as follows:

Opinion of the Independent Financial Advisor Regarding the Reasonableness of the Asset Acquisition Transaction

The Independent Financial Advisor holds the view that the investment transaction in SIRI represents an opportunity to invest in a business with a robust financial foundation and commendable operational performance. This, in turn, is anticipated to generate incremental value for the group as a whole. An examination of SIRI's historical net profits over the past three years, spanning from 2019 to 2022, reveals a consistent upward trajectory. Notably, the compound annual growth rate (CAGR) of net profit over this period approximates 21.75 percent. Furthermore, even in the aftermath of the COVID-19 outbreak in 2020 and 2021, SIRI exhibited a steadfast resurgence in total revenue in both 2022 and the projected figures for 2023. The Company's investment in SIRI at this juncture is undertaken with the expectation of reaping returns and receiving dividends. A review of SIRI's dividend disbursement history attests to its consistent commitment to providing returns to shareholders. This reliability stems from SIRI's solid financial standing and commendable operational performance, affording it the capacity to sustainably distribute dividends.

Additionally, the Company's current investment represents a foray into the real estate development sector, a key domain in which the Company holds significant expertise. Consequently, the Company is well-equipped to conduct a thorough analysis of potential risks and anticipated returns. Furthermore, assuming the role of a shareholder in SIRI establishes a valuable connection between the Company and SIRI, fostering the potential for robust future business collaborations. The Company and SIRI had a history of successful joint ventures, such as the establishment of BFTZ Bangpakong Company Limited, focused on operating rental warehouses and factory buildings. This joint venture is a partnership between Prospect Development Company Limited, a subsidiary of the Company, and SIRI. Additionally, on 31 August 2023, the Company executed the sale of shares in S 71 Property Company Limited to SIRI. Given SIRI's esteemed position as a prominent player in the Thai real estate development sector, and the Company's own standing in the same domain, there exists a mutual opportunity for future collaboration and support. This synergy holds the potential to open up new avenues of business prospects for the Company down the line.

While opting to invest in SIRI, the 770.00 million baht allocated for this purpose would not be available for further investments in the Company's primary ventures, such as real estate project development or acquiring additional buildings and equipment. Nevertheless, it is standard practice for the Company to have already earmarked a budget and secured funding sources for its core business operations in accordance with the established business plan. This investment in SIRI's ordinary shares stands as an additional investment, operating in tandem with the Company's primary business pursuits.

Moreover, when contemplating the funding required for the SIRI warrant conversion, totaling 770.00 million baht, the Company intends to draw from its existing cash reserves and operational cash flow. As of 30 June 2023, the Company maintains a balance of 554.62 million baht in cash and cash equivalents. This includes remaining cash, which encompasses advance deposits received from the sale of shares from S 71 Property Company Limited to SIRI. It is anticipated that there will be surplus cash flow generated from operations, further augmented by the projected proceeds from the sale of certain company assets starting from the 3rd quarter of 2023, estimated to be in the range of 500 to 600 million baht. This affirms the Company's ample liquidity for the intended transaction. In terms of day-to-day business operations, the Company typically generates funds from its annual operational cash flow. Each year, the Company allocates a budget for expenses related to project development, administrative functions, and working capital, among other essential components. The company had set up a budget for administrative expenses and working capital in amount of 600 - 700 million baht per year. Historical data substantiates that the Company consistently maintains positive net operating cash flow, signifying a healthy cash inflow that surpasses outflows. Specifically, the Company achieved a positive net operating cash flow of 1,632.09 million baht for the six-month period ending on 30 June 2023, and 572.14 million baht for the twelve-month period ending on 31 December 2022.

Furthermore, following this investment, the Company will hold 700 million ordinary shares of SIRI, constituting approximately 4.08 percent of the total ordinary shares issued subsequent to the augmentation of SIRI's paid-up capital. In the event that all SIRI warrant holders exercise their fully diluted rights, the Company's shareholding in SIRI will amount to approximately 3.98 percent (calculated as of 29 September 2023). This proportion denotes a non-controlling interest, lacking the authority to partake in substantial policy or operational determinations. It does not confer upon the Company a level of influence or control over SIRI. While the Company presently harbors no intentions of appointing directors to represent SIRI, it will remain vigilant in monitoring SIRI's performance, assessing the merit of returns garnered from this investment.

Considering acquiring SIRI shares directly through the Stock Exchange, bypassing the need to exercise the right to purchase additional shares resulting from warrant conversion, the Company will augment its shareholding by procuring extra shares from the warrant conversion process. Purchasing SIRI ordinary shares directly on the Stock Exchange is a swifter process compared to exercising SIRI warrants, as the latter can only be executed once per quarter. However, it is imperative to take into account the trading volume of such securities on the Stock Exchange. SIRI securities exhibit an average daily trading volume over the past 360 business days of approximately 186.05 million shares per day.

The transaction of shares acquisition exposes to following risks:

- 1) Fluctuations or volatility in the price of SIRI's ordinary shares, impacting the gains or losses from warrant conversion as well as post-conversion share price differentials.

Due to SIRI Warrants being backed by SIRI ordinary shares as underlying securities, their value, which is influenced by market conditions, may experience volatility. The price of SIRI ordinary shares at the time of exercising conversion rights will directly impact the gains or losses incurred from the conversion of SIRI Warrants. Furthermore, any fluctuations in the price of SIRI ordinary shares will have an effect on future gains or losses from price differences. The Company cannot accurately anticipate the future price movements of SIRI ordinary shares.

- 2) Potential price shifts in SIRI's ordinary shares during the exercise of conversion rights, potentially rendering the exercise unprofitable.

Should the price of SIRI shares fall below the exercise price of 1.10 baht per share, the SIRI Warrants will be considered Out-of-the-Money (OTM). In such a scenario, it may not be advantageous to exercise the conversion right for these warrants.

- 3) Exposure to the risk of adjusting the value of investments in the financial statements, particularly for investments not associated with the Company's affiliated companies or subsidiaries.

Following the acquisition of SIRI's ordinary shares, in the Company's financial statements, the investment in SIRI's ordinary shares will be recorded as a financial asset. This asset will be subject to fair value

adjustments at the end of each reporting period. Consequently, fluctuations in the market price of SIRI's ordinary shares will impact the valuation of the Company's investment in SIRI. This could potentially lead to significant alterations in the Company's comprehensive income in the future.

- 4) Potential receipt of dividends from SIRI that deviate from initial expectations.

The Company is receiving dividends from SIRI that deviate from initial expectations, consequently impacting the anticipated returns from this investment. However, in the event that SIRI exceeds growth expectations and performs exceptionally well in the future, the Company also stands to receive dividends that surpass initial projections, offering the potential for higher-than-expected returns.

- 5) Risk of achieving a return on investment lower than the capital cost of engaging in the Transaction.

After entering to the transaction, the Company will likely receive may not cover the financial costs associated with this transaction. The Company intends to utilize funds sourced from its operational cash flow, potential credit lines from financial institutions, or investment from shareholders' equity. In the event that the Company opts for financial support from credit lines from financial institutions, it may result in an increased financial commitment. Conversely, if the funding comes from shareholders' equity, it will come with the expectations of returns from shareholders or the associated cost of their capital. As such, the Company is exposed to the risk that the returns generated from SIRI may fall short of covering the Company's cost of capital.

- 6) Exposure to changes in pertinent rules and conditions governing warrants.

Any alterations made by regulatory agencies to the aforementioned measures, criteria, or conditions could potentially influence the warrant or its conversion process. This dynamic regulatory landscape may have implications on the transaction at hand. Nonetheless, the Company has established protocols to vigilantly monitor updates, new regulations, and official announcements. Additionally, ongoing analysis of potential scenarios in alignment with the rights provisions outlined in the warrants is consistently undertaken.

- 7) Risk of non-approval by the shareholder meeting of both the Company and/or the parent company.

The asset acquisition transaction necessitates fulfilling certain conditions precedent, which encompass obtaining approval from the Company's shareholder meeting. This approval requires a majority vote, with at least three out of four attending shareholders entitled to vote, and shareholders with conflicts of interest are exempt from this voting. Additionally, approval from the parent company, FNS Holdings Public Company Limited, is imperative. FNS Holdings is the majority shareholder, holding a substantial 49.50 percent of shares in the Company as of 29 September 2023. This shareholding constitutes a significant proportion. It is also crucial to secure approval from FNS Holdings Public Company Limited for compliance with relevant criteria. Transactions involving FNS Holdings Company Limited must also receive the endorsement of their respective shareholders' meeting.

For this reason, engaging in this transaction entails the risk of not obtaining approval from both the shareholder meeting of the Company and FNS Holdings Public Company Limited. This outcome would lead to the Company forfeiting the opportunity to invest in SIRI, a business poised for growth and foregoing the potential return on investment. Additionally, expenses incurred for initiating this transaction, such as financial advisory fees, legal advisory fees, and other related costs, would be unrecoverable.

Upon examining the aforementioned analysis for determining SIRI's fair value range, each valuation approach exhibits its respective strengths and weaknesses, as delineated earlier. In light of this, the shareholder's advisor holds the view that the most suitable approaches for valuing SIRI's shares are Volume Weighted Average Price Approach or VWAP, IFA uses the Volume Weighted Average Price from SIRI's securities trading through the SET on different period in the past. The IFA has considered the volume weighted average price of SIRI (Market capitalization / trading volume) based on the retroactive 7 business days, 15 business days, 30 business days, 60 business days, 90 business days, 120 business days, 180 business days, and 360 business days. The valuation of the Volume Weighted Average Price Approach is calculated to be 1.72 - 1.93 baht per share.

Furthermore, the average turnover rate for trading SIRI's ordinary shares (Average Turnover Ratio) during the period spanning 7 to 360 business days, from 5 April 2022 to 29 September 2023, has ranged from 1.19 to 2.28 percent. This figure surpasses the average trading turnover ratio (Turnover Ratio) observed in companies with analogous business operations, which stands at approximately 0.24 to 0.32 percent.

The cost of acquiring SIRI ordinary shares encompasses the purchase price of SIRI warrants at 0.75 baht per unit and the exercise price for the warrants to purchase SIRI ordinary shares at 1.10 baht per share, totaling 1.85 baht per unit. This share price remains within the fair valuation range of SIRI, assessed using the volume weighted average price approach (VWAP) at 1.72 to 1.93 baht per share. Consequently, the Independent Financial Advisor is of the opinion that the purchase price of the warrants and the exercise price of SIRI's warrants are appropriate.

Taking into account the most recent market price of SIRI as of 20 October 2023, which stands at 1.57 baht per share, and assuming that the Company is able to promptly exercise its right to convert SIRI Warrants, the Independent Financial Advisor can conclude further that the Company will have various transactional options available, contingent on different scenarios as follows:

- Scenario 1) Exercising the right to convert the aforementioned warrant: By considering the market price of SIRI at 1.57 baht per share and the total cost of acquiring SIRI's ordinary shares through conversion at 1.85 baht per share, using an exercise ratio of 1 warrant per 1 ordinary share, the Company would incur a net loss of 0.28 baht per share (1.85 baht per share - 1.57 baht per share), equivalent to an approximate loss of 196 million baht.
- Scenario 2) Investing in SIRI ordinary shares by acquiring SIRI shares via the Stock Exchange: The Company will incur total costs equivalent to the ordinary share price of 1.57 baht per share plus the cost of

the warrants at 0.75 baht per share. Considering an exercise ratio of 1 warrant per 1 ordinary share, the total cost amounts to 2.32 baht per share. This would result in a calculated loss of 0.75 baht per share (2.32 baht per share - 1.57 baht per share), or a loss of 525 million baht. However, the Company will still retain warrants which can be sold. The value obtained from the sale of these warrants will offset the aforementioned loss. Consequently, the Company will incur a net loss not exceeding 525 million baht.

Scenario 3) If the Company considers not exercising warrant, the Company can sell SIRI warrants to a third party: If the selling price exceeds 0.75 baht per warrant, the Company will generate a profit from the warrant sale. Conversely, if the selling price falls below 0.75 baht per warrant unit, the Company will incur a loss. The maximum loss incurred from the sale of warrants will not exceed 0.75 baht per warrant, equivalent to a calculated loss not exceeding 525 million baht. However, under this scenario, the Company will not retain any shares in SIRI.

Scenario 4) In case that the Company opting not to engage in the warrant conversion transaction until the warrants expire: In this case, the Company will incur a loss equivalent to 0.75 baht per share, totaling 525 million baht. The SIRI Warrants still have approximately two years of remaining maturity.

In summary, under the assumption that the Company can promptly exercise the right to convert the SIRI Warrants, a loss would be incurred from this transaction. However, the outcome of entering this transaction depends on the future market price of SIRI, leading to potential gains or losses across various scenarios. It is worth noting that the aforementioned warrants have an approximate remaining term of two years.

Additionally, when assessing the cost of acquiring warrants, according to the resolution of the Company's Board of Directors Meeting No. 4/2023 on 19 June 2023, the purchase of SIRI warrants, not exceeding 700 million units, at a rate of 0.75 baht per unit, was approved. In light of the weighted market price, calculated as the average over the past 7 to 360 business days leading up to 19 June 2023, SIRI's shares ranged from 1.55 to 1.89 baht per share. Comparatively, the warrant's exercise price is 0.75 baht per unit, translating to 1.10 baht per share when exercised, totaling 1.85 baht per share. The Independent Financial Advisor is of the opinion that this price falls within the range of the weighted average market price of SIRI, based on historical averages spanning the 7 to 360 business days leading up to 19 June 2023, which stood between 1.55 and 1.89 baht per share. Given this context, the current warrant acquisition presents an opportunity for the Company to contemplate future conversion within the remaining two-year exercise period, aligning with a principle of prudence in investing in SIRI. Hence, the Independent Financial Advisor opines that the purchase price of 700 million warrants at 0.75 baht per unit is appropriate.

Furthermore, assuming the Company promptly exercises the right to convert SIRI Warrants on 19 June 2023, with the market price of SIRI at 1.87 baht per share, the calculated profit would be 0.02 baht per share (1.87

baht per share - 1.85 baht per share), equivalent to a profit of 14 million baht. Consequently, the decision to proceed with the warrant purchase in line with the resolution of the Board of Directors' meeting on 19 June 2023 is deemed appropriate. In addition, the difference between purchasing warrants and purchasing ordinary shares directly is the maximum amount of loss. In this scenario, the Company's maximum loss from investing in SIRI warrants will not exceed 0.75 baht per share, even if the market price of SIRI drops significantly, falling below 1.10 baht per share. The warrant would be considered Out-of-the-Money (OTM) until it reaches a value of zero. Conversely, directly investing in SIRI's ordinary shares at 1.87 baht per share (as of 19 June 2023) would incur a greater loss if the market price of SIRI falls below 1.10 baht per share. Therefore, the approval of the transaction to purchase SIRI warrants on 19 June 2023 is deemed appropriate at that juncture.

IFA has opined that the conditions of entering into the transaction are appropriate and relate to Notifications on Acquisition or Disposition of Assets and all terms and conditions are common for business perspective and don't damage Company's interest and shareholders' interest.

After considering information and rationale of this report, IFA opined that the shareholders, thus, should **approve** the acquisition transaction.

However, the Company can exercise the right to convert SIRI warrants into ordinary shares at one time or multiple times within the period from the last business day of Q4 2023 and no later than November 2, 2025, in accordance with the exercise period in accordance with the terms and conditions of the SIRI Warrants issued to a private placement. Therefore, the Company should consider the appropriateness and cost-effectiveness of exercising the rights to convert SIRI warrants at that time as well.

However, The Board of Directors would be empowered by the shareholder meeting to consider revising the Investment in SIRI Transaction to partially or not to exercise SIRI warrants for the ordinary shares of SIRI and partially or wholly sell SIRI warrants during exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company.

If the Company considers the sale of SIRI Warrants, it will adhere to the stipulations outlined in the notification pertaining to the acquisition or disposal of assets, in addition to complying with various pertinent regulations governing such transactions.

Nonetheless, in deciding whether to approve or disapprove the said Transaction, the shareholders can make consideration thereon based on the above reasons and opinion rendered by the Independent Financial Advisor. The final decision depends on the shareholders' individual judgment.

The details of independent financial advisor's opinion are described as follows:

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Part 1: General Characteristics of the Transaction

1.1 Characteristics and Details of the Transaction

1.1.1 The Objective and Necessity of the Transaction

According to the Company's Board of Directors Meeting of M.K. Real Estate Development Public Company Limited (the "Company" or "MK") no. 4/2023 on June 19, 2023 has resolved to approve the investment in ordinary shares of Sansiri Public Company Limited ("SIRI") which has been issued in private placement, The holder warrants to purchase ordinary shares of SIRI ("SIRI warrants") has the rights to purchase ordinary shares in the ratio of warrant 1 unit to 1 ordinary share (1 : 1) with the exercise price of THB 1.10 per share and it is valid for approximately 2 years (The valid term of SIRI warrants is 5 years from the issue date on November 3, 2020) from Rumbia Street (Thailand) Co., Ltd. who is not considered as a connected person of the Company in the number of 700 million units with the warrant price of THB 0.75 per unit, in total amount of THB 525.00 million.

The SIRI warrants purchased by the Company were issued to be allocated to Theater Lane Limited under the resolution of the Annual General Meeting of Shareholders No. 25/2020 of the Company, held on 24 July 2020, SIRI has offered (A) perpetual bonds for sale in private placement to the specific investors of 2.05 million units, with the total offering value of 2,050 million baht ("perpetual bonds"); and (B) warrants of 2,050 million units, representing the rights to purchase ordinary shares, in private placement, which allotted to the investors who wish to subscribe and have been allotted perpetual bonds at the combined offering, without an offering value ("SIRI warrants"), to Theatre Lane Limited with the exercise ratio of one unit of warrant per one ordinary share at the exercising price of Baht 1.10 per share, and with maturity of five years beginning from the date of their issuance. Warrant Holders can exercise their Warrants once a quarter on the last business day of each quarter, beginning from the first quarter they received the confirmation of the allotment from SIRI, and they can exercise their right under the Warrants for the last time on the five-year warrants' maturity date. The Company holds SIRI warrants of 700,000,000 units by accepting the transfer of Warrants from a transferee of Theatre Lane Limited within the criteria under the Notification of the Capital Market Supervisory Board No. TorChor. 34/2551, clause 21.

As per the interview with the registrar responsible for the SIRI Warrants, issued on a private placement basis, the Company's acquisition of 700 million units of SIRI Warrants is in full compliance with the guidelines outlined in the notification of the Capital Market Supervisory Board No. TorChor. 34/2551, Section 21. There is no discernible reason why the SIRI Warrants should lose their status of a private placement. The registrar of SIRI has duly recorded this transfer in the warrant holder registry and issued new warrants to the Company on 29 June 2023. Given these circumstances, the Independent Financial Advisor is of the opinion that the Company will have the capacity to exercise its right to convert the SIRI Warrants into ordinary shares, be it all at once or in several occasions, in accordance with the provisions stipulated in the SIRI Warrants or wholly sell SIRI warrants during

exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company. In addition, the Company can sell warrants without requesting permission from SIRI. And the company must comply with terms and conditions of SIRI warrants and relevant regulators.

(Reference to the SIRI Warrants can be found in Section 1.1.2, which outlines the general characteristics of the items discussed in this report.)

Therefore, The Board of Directors' meeting No. 7/2023 on October 2, 2023 has resolved to propose to the Shareholders' Meeting to consider the investment in the ordinary shares of Sansiri Public Company Limited ("Sansiri" or "SIRI") by exercising the rights of warrants to purchase ordinary shares of SIRI ("SIRI warrants") which has been issued in private placement, of 700 million units to purchase ordinary shares of 700 million shares with a par value of THB 1.07 per share and at the exercise price of THB 1.10 per share, representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants (in case of only the Company exercises the rights), In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023) and the Company shall purchase such ordinary shares in the amount of THB 770.00 million by cash (the "**Investment in SIRI Transaction**").

The Investment in SIRI Transaction is deemed as the acquisition of assets transaction of the Company under the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated October 29, 2004 (as amended) (collectively, the "**Notifications on Acquisition or Disposition of Assets**"). The Investment in SIRI Transaction has a maximum acquisition of assets transaction value of equivalent to 127.12 percent according to the net operating profit basis based on the consolidated financial statements of the Company for the period ended June 30, 2023, which reviewed by the Company's auditors. The Company has not entered into any acquisition of assets transactions according to the net operating profit basis in the previous 6-month period before the date of the Board of Directors Meeting. The transaction size of the Investment in SIRI Transaction is equal to, or more than 50 percent based on the consolidated financial statements of the Company for the period ended June 30, 2023, and there is the entering into transaction between a listed company and another listed company, which is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposition of Assets.

The Company is required to disclose the information relating to the entering into the acquisition of assets transaction as follows:

- (1) To disclose information to the SET related to the acquisition of assets for the Investment in SIRI Transaction according to the Notifications on Acquisition or Disposition of Assets;

- (2) To arrange for a shareholder meeting to approve the acquisition of assets transaction which the resolution of the shareholder meeting must be approved by a majority of not less than three-fourths of the votes of the present shareholders who are eligible to vote and by not counting the vote of shareholders who have conflict of interest;
- (3) To appoint the independent financial advisor to express the opinion related to the Investment in SIRI Transaction to the SEC, SET and the Company's shareholders. In this regard, the Company has appointed a financial advisor from I V Global Securities Public Company Limited to act as an independent financial advisor for this transaction.

The Board of Directors Meeting of the Company no. 7/2023, held on 2 October 2023, resolved to propose to the Extraordinary Shareholders' Meeting no. 1/2023, held on 20 November 2023 to approve the Transaction.

Nonetheless, in deciding whether to approve or disapprove the said Transaction, the shareholders can make consideration thereon based on the above reasons and opinion rendered by the Independent Financial Advisor. The final decision depends on the shareholders' individual judgment.

1.1.2 General Characteristics of the Transaction

According to the Company's Board of Directors Meeting No. 4/2023 on June 19, 2023, the Board of Directors Meeting has resolved to purchase SIRI warrants which has been issued in private placement, from a company who is not considered as a connected person of the Company in the number of 700 million units with the warrant price of THB 0.75 per unit, in total amount of not exceeding THB 525.00 million.

On June 28, 2023, the Company purchased SIRI warrants from Rumbia Street (Thailand) Co., Ltd. who is not considered as a connected person of the Company in the number of 700 million units with the warrant price of THB 0.75 per unit, in total amount of THB 525.00 million. The details of SIRI warrants are as follows:

Warrant Description	Warrant representing the rights to purchase ordinary shares of Sansiri Public Company Limited in private placement.
Warrant Type	Specified names of the holders and are limitedly transferable ^{1/}
Period of Exercise	5 years from warrant issuance dated on November 3, 2020
Exercise Ratio	1 unit of warrant is entitled to purchase 1 ordinary share (however based on warrants right adjustment as prescribed in the terms and conditions)
Exercise Period	Warrant holders can exercise their warrants once a quarter on the last business day of each quarter, beginning from the first quarter they received the confirmation of the allotment from Sansiri Public Company Limited and throughout the term of the warrants (the "exercise date"). Warrant holders can exercise their rights under the warrants for the last time on the five-year warrants' maturity date (the "last exercise date"). If the maturity date falls on a non-business day of Sansiri Public Company Limited, warrant holders can exercise their rights under the warrants for the last time on the last business day before that off day.

Exercise Price	THB 1.10 per unit (one Baht and ten Satang) (however based on warrants right adjustment as prescribed in the terms and conditions)
Warrant Issuance Date	October 21, 2020
Warrant Expiration Date	October 20, 2025
Secondary Market of Warrant	Warrants will <u>not</u> be listed on the Stock Exchange of Thailand.
Secondary Market of Ordinary Share from Warrant Exercised	Stock Exchange of Thailand
Silent Period	According to Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015)
Registrar	Sansiri Public Company Limited

Remark: 1/ To comply with the Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558 re: Approval for the Listed Companies to issue the Newly-Issued Shares to the Specific Investors dated on 28 October 2015 (as amended) ("Tor Chor. 72/2558"). Sansiri Public Company Limited will not accept any transfer registration of the Warrants if it would result in the non-compliance with the criteria of an offer sale of the Warrants in the manner of private placement, except for the case of transfer by succession, as specified in Tor Chor. 72/2558.

In this regard, according to the terms and conditions of SIRI warrants, the Company has intention to invest in ordinary shares of Sansiri Public Company Limited by exercising the rights of SIRI warrants of 700 million units to purchase ordinary shares of 700 million shares with a par value of THB 1.07 per share and at the exercise price of THB 1.10 per share, in the amount of THB 770.00 million, representing 4.08 percent of the total paid-up shares after the capital increase of SIRI (in case of only the Company exercises the rights). In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023)

The Board of Directors would be empowered by the shareholder meeting to consider revising the Investment in SIRI Transaction to partially or not to exercise SIRI warrants for the ordinary shares of SIRI and partially or wholly sell SIRI warrants during exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company.

If the Company considers the sale of SIRI Warrants, it will adhere to the stipulations outlined in the notification pertaining to the acquisition or disposal of assets, in addition to complying with various pertinent regulations governing such transactions.

1.1.3 The Date of Transaction

The Company shall exercise the rights of SIRI warrants once or many times to purchase ordinary shares of SIRI during from the last business day of fourth quarter of the year of 2023 and within the date of November 2, 2025, which is an exercise period according to the terms and conditions of SIRI warrants which has been issued in private placement.

1.1.4 Parties involved and their relationship with the Company

The Company will invest in the ordinary shares of Sansiri Public Company Limited by exercising the rights of warrants to purchase ordinary shares of SIRI in number of 700 million units to purchase ordinary shares of 700 million shares, is as follows.

<u>The warrant issuer:</u>	Sansiri Public Company Limited
<u>The warrant holder who exercises the rights:</u>	M.K. Real Estate Development Public Company Limited
<u>Relationship:</u>	- none -

This investment in SIRI, It is not considered as connected persons under the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (as amended).

1.1.5 Details of Acquired Assets

The Company will invest in the ordinary shares of SIRI in number of 700 million shares by exercising the rights of SIRI warrants of 700 million units in the ratio of warrant 1 unit to 1 ordinary share (1 : 1) at the exercise price of THB 1.10 per share in the amount of THB 770.00 million, representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants. In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023). In this regard, the details of SIRI are as follows:

1.1.5.1 Information of Sansiri Public Company Limited

(1) General Information

Company Name	: Sansiri Public Company Limited
Head Office Address	: Siri Campus Building 59 Soi Rim Khlong Phra Khanong, Phra Khanong Nuea, Vadhana Bangkok 10110
Registration Number	: 0107538000665
Business Description	: Property development business consists of: <ol style="list-style-type: none"> 1. For sale business includes landed property and high-rise property 2. For rent business includes office buildings and leasehold commercial building and property services business providing property and asset management, property brokerage services, property development consultancy and property management.
Registered Capital	: THB 20,343,625,722.40 (As of June 30, 2023)
Issued and Paid-up Capital	: THB 17,616,171,081.37 (As of September 4, 2023)
Established	: 1984

Source: 56-1 of SIRI and Information from the SET

(2) List of Shareholders

List of shareholders before and expected to be after entering into the transaction.

No.	Shareholder Name	Before Entering into the Transaction		After Entering into the Transaction	
		As of September 4, 2023 ^{1/}		No. of Shares (Shares)	Portion (%)
		No. of Shares (Shares)	Portion (%)		
1	Existing Shareholders	16,473,711,291	100.00	16,473,711,291	95.92
2	M.K. Real Estate Development Public Company Limited	-	-	700,000,000	4.08 ^{2/}
Total		16,473,711,291	100.00	17,173,711,291	100.00

Source: Information from the SET as of August 3, 2023

Remark: 1/ On September 4, 2023, SIRI has already registered the change in its paid-up capital at the Department of Business Development, Ministry of Commerce, from THB 17,616,171,081.37 to THB 17,626,871,081.37 or divided into the number of shares from 16,463,711,291 shares to 16,473,711,291 shares at a par value of THB 1.07 each. That change results from the exercise of the warrants to purchase SIRI's ordinary shares issued to the Directors and Management/Employees of SIRI and/or its subsidiaries under ESOP # 8 schemes for the period of August 2023.

2/ The Company will hold SIRI's shares representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants (in case of only the Company exercises the rights). In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023)

(3) List of Directors

No.	Director Name	Position
1	Mr. APICHART CHUTRAKUL	CHAIRMAN OF THE BOARD, CHAIRMAN OF THE EXECUTIVE COMMITTEE, CHIEF EXECUTIVE OFFICER
2	Mr. JESADAVAT PRIEJRIVAT	VICE CHAIRMAN, INDEPENDENT DIRECTOR, CHAIRMAN OF THE AUDIT COMMITTEE
3	Mr. WANCHAK BURANASIRI	DIRECTOR
4	Mr. THONGCHAI JIRA-ALONGKORN	DIRECTOR
5	Mr. VICHAYA CHATIKAVANIJ	DIRECTOR
6	Mr. UTHAI UTHAISANGSUK	DIRECTOR
7	Mr. SUPAKORN VEJAJIVA	DIRECTOR
8	Mr. PORNTAT AMATAVIVADHANA	INDEPENDENT DIRECTOR
9	Mr. KITTICHAJ RAKTAKANIT	INDEPENDENT DIRECTOR, AUDIT COMMITTEE
10	Mr. WEERANANT CHUENSUWAN	INDEPENDENT DIRECTOR, AUDIT COMMITTEE

Source: Information from the SET

Remark: There is no change of directors or number of directors of SIRI after entering into the transaction

(4) Financial Position Statement

Financial Position Statement (Unit: THB Million)	31 Dec 2020	31 Dec 2021	31 Dec 2022	30 Jun 2023
Cash and cash equivalents	3,006.63	2,181.01	2,659.68	4,222.65
Trade accounts receivable and unbilled receivable	1,667.01	1,385.33	982.56	1,019.79
Current portion of loans to related parties	2,562.84	2,845.67	1,187.94	463.25
Current portion of long-term loan receivable	0.60	-	-	-
Real estate development for sales	56,080.73	55,142.51	85,859.15	92,498.80
Advance payment to contractors	685.05	548.13	621.29	674.14
Deposits for purchase of land and asset	3,373.56	3,331.76	5,238.27	4,377.16
Cost to obtain contracts	611.20	340.63	164.35	149.69
Prepaid expenses	50.00	84.03	97.87	195.93
Other current financial assets	692.82	0.05	160.68	89.34
Other current assets	178.58	179.94	282.63	222.00
Total current assets	68,909.01	66,039.05	97,254.41	103,912.75
Restricted bank deposits	-	71.95	70.00	272.39
Loans to related parties	123.90	277.20	1,703.52	3,161.67
Note receivable	143.67	93.54	93.75	98.49
Other non-current financial assets	1,099.37	1,586.24	2,035.73	1,934.63
Investments in subsidiaries	-	-	-	-
Investments in joint ventures	171.53	443.54	581.41	977.96
Investments in associates	199.46	2,031.14	1,954.23	1,964.07
Investment properties	2,711.63	3,930.83	4,818.50	4,619.55
Land held for development	27,610.49	30,465.56	7,351.69	7,316.57
Land, building and equipment	3,545.56	3,469.98	3,360.14	7,074.05
Right-of-use assets	1,835.79	1,695.60	1,546.19	1,458.39
Other intangible assets	3,884.12	3,994.01	4,009.48	4,004.76
Goodwill	697.10	784.77	814.38	841.00
Deferred tax assets	1,342.76	1,388.77	1,489.54	1,600.47
Other non-current assets	357.72	359.77	368.49	579.76
Total non-current assets	43,723.09	50,592.92	30,197.05	35,903.74
Total assets	112,632.10	116,631.98	127,451.47	139,816.50
Short-term loans from banks	2,919.00	5,880.00	3,476.79	1,623.67
Bills of exchange	1,123.20	3,993.90	6,417.52	6,085.77
Trade accounts payable	2,214.30	1,084.11	1,235.42	1,745.29
Current portion of long-term loans	5,359.91	8,559.48	10,211.31	9,156.34
Current portion of liabilities from agreements to sell and purchase	-	-	33.83	-

Financial Position Statement (Unit: THB Million)	31 Dec 2020	31 Dec 2021	31 Dec 2022	30 Jun 2023
assets with right to buy back and sell back				
Short-term payable from purchase of land	-	-	160.12	-
Current portion of long-term payable from purchase of land	2,372.35	1,011.13	-	-
Unsecured debentures - due within one year	8,196.65	10,728.35	12,036.41	6,170.38
Current portion of long-term lease liabilities	175.73	179.26	170.55	181.75
Corporate income tax payable	124.26	159.70	404.96	629.80
Short-term provisions	147.00	115.65	363.10	315.14
Unearned income	3,670.31	2,290.51	3,260.66	3,326.45
Other current liabilities:				
Advance received from customers	709.85	497.28	574.32	488.41
Construction retention	836.86	567.68	741.24	846.62
Accrued expenses	876.03	1,173.75	1,768.99	1,264.72
Accrued construction costs	1,227.16	974.94	959.10	971.77
Others	760.69	429.50	501.94	464.50
Total current liabilities	30,713.28	37,645.24	42,316.26	33,270.61
Deferred leasehold revenue	221.05	179.17	137.75	120.30
Long-term loans	14,455.78	9,596.62	8,290.28	9,019.98
Liabilities from agreements to sell and purchase assets with right to buy back and sell back	637.78	635.69	-	-
Long-term payable from purchase of land	-	-	-	5,962.10
Long-term promissory note - purchase of land	990.59	-	-	-
Unsecured debentures	23,464.99	24,935.73	30,222.21	41,225.86
Provision for transaction under equity method of investments in joint ventures	501.81	244.45	110.85	1,039.26
Long-term lease liabilities	1,588.26	1,530.59	1,409.64	1,328.39
Provision for long-term employee benefits	329.39	350.51	319.37	318.74
Long-term provisions	289.64	313.18	366.41	401.04
Deferred tax liabilities	24.10	1.47	-	-
Other non-current liabilities	218.18	232.67	238.19	177.01

Financial Position Statement (Unit: THB Million)	31 Dec 2020	31 Dec 2021	31 Dec 2022	30 Jun 2023
Total non-current liabilities	42,721.57	38,020.08	41,094.70	59,592.67
Total liabilities	73,434.86	75,665.32	83,410.96	92,863.28
Registered share capital ^{1/}	21,146.13	20,343.63	20,343.63	20,343.63
Issued and paid-up share capital ^{2/}	15,903.13	15,924.87	15,967.75	16,981.50
Share premium	2,354.71	2,359.19	2,368.02	2,447.77
Subscription received in advance from exercise of warrants	-	-	522.09	605.55
Subordinated perpetual debentures	4,973.74	4,973.74	4,973.74	4,973.74
Warrants	47.15	47.15	47.15	29.42
Capital reserve for share-based payment	-	57.48	88.72	67.90
Appropriated-statutory reserve	1,706.07	1,806.93	2,020.84	2,020.84
Retained earnings - unappropriated	12,784.65	13,790.01	16,088.26	17,425.73
Other components of shareholders' equity	(393.89)	266.03	356.41	819.41
Equity attributable to owners of the parent	37,375.55	39,225.41	42,432.98	45,371.85
Non-controlling interests of subsidiaries	1,821.69	1,741.24	1,607.53	1,581.36
Total shareholders' equity	39,197.24	40,966.66	44,040.51	46,953.21
Total liabilities and shareholders' equity	112,632.10	116,631.98	127,451.47	139,816.50

Source: Audited or Reviewed Financial Statements.

Remarks:1/ As of 31 December 2021 and 2022 and 30 June 2023: Registered share capital 19,012,734,320 shares and par value 1.07 baht

As of 31 December 2020: Registered share capital 19,762,734,320 shares and par value 1.07 baht

2/ As of 30 June 2023: Issued and paid-up share capital 15,870,561,291 shares and par value 1.07 baht

As of 31 December 2022: Issued and paid-up share capital 14,923,126,291 shares and par value 1.07 baht

As of 31 December 2021: Issued and paid-up share capital 14,883,054,320 shares and par value 1.07 baht

As of 31 December 2020: Issued and paid-up share capital 14,862,734,320 shares and par value 1.07 baht

(5) Profit and Loss Statement

Profit and Loss Statement (Unit: THB Million)	12-Month Period of 2020	12-Month Period of 2021	12-Month Period of 2022	6-Month Period of 2022	6-Month Period of 2023
Revenues from sales of real estate	30,558.84	26,170.23	30,716.21	10,883.17	14,761.23
Revenues from business management services	2,751.29	1,687.06	1,678.58	745.40	1,229.12
Revenues from hotel management services	139.34	314.80	548.09	234.52	283.23
Revenues from sales of construction materials	53.00	52.35	45.43	13.46	23.15
Revenues from projects for rent	119.09	155.59	209.69	98.10	90.93
Revenues from other services	211.57	261.88	514.11	233.36	444.57

Profit and Loss Statement (Unit: THB Million)	12-Month Period of 2020	12-Month Period of 2021	12-Month Period of 2022	6-Month Period of 2022	6-Month Period of 2023
Other revenues:					
Income from forfeiture of booking and down payments	-	107.79	514.79	429.96	258.92
Gain on sale of land	10.69	-	239.53	178.88	502.73
Gain on sale of assets	-	-	-	4.23	623.41
Gain on sale of investment in joint ventures	93.13	-	-	-	
Dividend income	-	0.54	3.90	2.79	0.82
Others	770.31	807.51	513.16	233.48	274.55
Total revenues	34,707.26	29,557.75	34,983.48	13,057.34	18,492.65
Cost of real estate sales	22,909.90	17,319.27	19,834.32	7,227.16	9,781.82
Cost of business management services	1,974.96	1,121.68	1,071.02	468.91	644.80
Cost of hotel management services	472.90	728.19	1,022.55	419.25	526.16
Cost of construction materials sales	47.20	49.77	39.53	11.38	24.56
Cost of projects for rent	93.29	96.78	93.63	44.84	45.03
Cost of other services	269.99	290.95	529.54	256.81	452.56
Selling expenses	2,232.72	2,022.47	2,238.44	791.57	1,131.48
Administrative expenses	4,227.23	4,352.63	4,926.24	1,894.15	1,979.30
Total expenses	32,228.20	25,981.75	29,755.26	11,114.08	14,585.70
Operating profit	2,479.05	3,576.00	5,228.23	1,943.27	3,906.94
Share of profit from joint ventures	452.36	75.10	494.06	71.49	138.43
Share of loss from associates	(23.13)	(0.10)	(21.25)	(18.34)	3.84
Finance income	287.59	189.77	229.63	116.59	110.57
Finance cost	(977.80)	(1,165.42)	(737.43)	(556.06)	(236.76)
Profit before income tax expenses	2,218.07	2,675.35	5,193.24	1,556.94	3,923.02
Income tax expenses	(760.24)	(736.81)	(1,086.66)	(393.06)	(812.18)
Profit for the year	1,457.83	1,938.55	4,106.59	1,163.88	3,110.84
Profit (loss) attributable to:					
Equity holders of the parent	1,673.09	2,017.28	4,279.88	1,220.17	3,202.93
Non-controlling interests of the subsidiaries	(215.26)	(78.73)	(173.30)	(56.29)	(92.09)

Source: Audited or Reviewed Financial Statements.

1.1.6 Type and Transaction Size

Calculation of the Size of the Acquisition

The summary of financial information of the Company and relevant companies based on the audited or reviewed financial statements by the certified public accountant, is as follows:

Financial Information (Unit: THB Million)	The Company	SIRI
	Consolidated Financial Statement ^{1/}	Consolidated Financial Statement ^{1/}
As of	June 30, 2023	June 30, 2023
Total Assets	20,243.66	139,816.50
Less Total Liabilities	13,871.57	92,863.28
Less Intangible Assets ^{2/}	300.22	7,904.62
Less Non-Controlling Interest	34.15	1,581.36
Net Tangible Assets (NTA)	6,037.71	37,467.24
Net profit for 12-month period ended June 30, 2023 ^{3/}	200.81	6,262.64

Remarks: 1/ Financial statements as of June 30, 2023, reviewed by the certified public accountant.

2/ Intangible assets including right-of-use assets, goodwill, deferred tax assets, other intangible assets etc.

3/ Calculation from net profit attributable to owners of the parent.

The details of transaction size calculation according to Notifications on Acquisition or Disposition of Assets are as follows:

Basis of Calculation	Calculation
1. Net Tangible Assets (NTA) Basis	$= \frac{(\text{NTA}^{1/} \text{ of the investment in company x acquired or disposed portion}) \times 100}{\text{NTA of the listed company}^{2/}}$
2. Net Operating Profit Basis	$= \frac{(\text{Net operating profit of the investment in company x selling or buying portion}) \times 100}{\text{Net operating profit of the listed company}^{2/}}$
3. Total Value of Consideration Basis	$= \frac{\text{Value of payment or receive} \times 100}{\text{Total assets of the listed company}^{2/}}$
4. Value of Securities Issued as Consideration for the Assets Basis	$= \frac{\text{Number of shares issued as consideration for assets} \times 100}{\text{Number of paid-up shares of company}}$

Remarks: 1/ Net Tangible Assets (NTA) = Total Assets - Intangible Assets - Total Liabilities - Non-Controlling Interest

2/ Based on the consolidated financial statements of the Company

Basis of Calculation	Calculation	Transaction Size
1. Net Tangible Assets (NTA) Basis	$= \frac{(\text{THB } 37,467.24 \text{ million} \times 4.08\%^{1/}) \times 100}{\text{THB } 6,037.71 \text{ million}}$	25.29%
2. Net Operating Profit Basis	$= \frac{(\text{THB } 6,262.64 \text{ million} \times 4.08\%^{1/}) \times 100}{\text{THB } 200.81 \text{ million}}$	127.12%
3. Total Value of Consideration Basis	$= \frac{\text{THB } 770.00 \text{ million} \times 100}{\text{THB } 20,243.66 \text{ million}}$	3.80%
4. Value of Securities Issued as Consideration for the Assets Basis	= Not applicable as there is no issuance of new securities.	Not applicable

Remark: 1/ Calculation from number of shares of SIRI in number of 16,473,711,291 shares as of September 4, 2023.

(1) The Summary of the Highest Combination of Transaction Size

Transaction	Net Tangible Assets (NTA) Basis	Net Operating Profit Basis	Total Value of Consideration Basis	Value of Securities Issued as Consideration for the Assets Basis
Acquisition of assets	25.29%	127.12%	3.80%	Not applicable
Total	25.29%	127.12%	3.80%	-
Prior 6-month period ^{1/}	-	-	2.75% ^{1/}	-
Grand Total	25.29%	127.12%	6.55%	-
The basis with the highest transaction size is net operating profit basis that is equal to 127.12%.				

Remark: 1/ According to the Company's Board of Directors Meeting No. 4/2023 on June 19, 2023, the Board of Directors Meeting has resolved to purchase SIRI warrants which has been issued in private placement, from a seller who is not considered as a connected person of the Company in the number of 700 million units with the warrant price of THB 0.75 per unit, in total amount of not exceeding THB 525.00 million.

In entering into this transaction, a maximum transaction size is equivalent to 127.12 percent according to the net operating profit basis based on the consolidated financial statements of the Company for the period ended June 30, 2023. The Company has not entered into any acquisition of assets transactions according to the net operating profit basis in the previous 6-month period before the date of the Board of Directors Meeting. The transaction size of the entering into this transaction is equal to or more than 50 percent and there is the entering into transaction between a listed company and another listed company, which is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposition of Assets.

In this regard, the Company is required to disclose the information relating to the entering into the acquisition of assets transaction as follows:

- 1) To disclose information to the SET related to the acquisition of assets for the Investment in SIRI Transaction according to the Notifications on Acquisition or Disposition of Assets;
- 2) To arrange for a shareholder meeting to approve the acquisition of assets transaction which the resolution of the shareholder meeting must be approved by a majority of not less than three-fourths of the votes of the present shareholders who are eligible to vote and by not counting the vote of shareholders who have conflict of interest;
- 3) To appoint the independent financial advisor to express the opinion related to the Investment in SIRI Transaction to the SEC, SET and the Company's shareholders.

1.1.7 Value of Acquired Assets

The total value is approximately THB 770.00 million from exercising of warrants in number of 700 million units, the Company will pay compensation at such value in cash to SIRI who is not a connected person of the Company.

1.1.8 Basis for Determining the Value of Consideration

The basis for determining the value of consideration is the exercise price of warrants at the exercise ratio of 1 unit of warrant per 1 ordinary share at the exercise price of 1.10 THB per share.

1.1.9 Terms of Payment

The Company will exercise of warrants beginning from the last business day of fourth quarter of the year of 2023 and within the date of November 2, 2025, which is a payment term according to the terms and conditions of warrants of SIRI which is the warrant holders can exercise their warrants once a quarter on the last business day of each quarter, beginning from the first quarter they received the confirmation of the allotment from SIRI and throughout the term of the warrants. Warrant holders can exercise their rights under the warrants for the last time on the five-year warrants' maturity date. If the maturity date falls on a non-business day of SIRI, warrant holders can exercise their rights under the warrants for the last time on the last business day before that off day.

1.1.10 The Source of Fund and Sufficiency of the Source of Fund

The Company will use the source of funds from the Company's internal cash flow. The Board of director had an opinion that the Company shall exercise the rights of SIRI warrants once or many times to purchase ordinary shares of SIRI during from the last business day of fourth quarter of the year of 2023 and within the date of November 2, 2025, which is an exercise period according to the terms and conditions of SIRI warrants which has been issued in private placement.

However, the Board of Directors would be empowered by the shareholder meeting to consider revising the Investment in SIRI Transaction to partially or not to exercise SIRI warrants for the ordinary shares of SIRI and partially or wholly sell SIRI warrants during exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company. Therefore, the company can manage its working capital adequately and appropriately.

In addition, if the Company considers selling SIRI warrants. The company must comply with terms and conditions of SIRI warrants and relevant regulators.

The company will consider exercising conversion rights at an appropriate period and the SIRI stock price and the company's capital as not to affect the company's operating cash flow.

Requesting approval from the shareholder meeting due to opportunities and options for the company to invest with the most beneficial to the company.

However, investing in SIRI common shares by exercising the right to convert 700 million units of SIRI warrants into 700 million common shares at a price of 1.10 baht per share, totaling 770 million baht when referring to the company's consolidated financial statements. As of June 30, 2023, the company has cash and cash equivalents in the amount of 554.62 million baht. If the company exercise its total rights, The company will use the

money from the company's operations in the 3rd quarter onwards, including the disposal assets (if any), which will cause the company have cash flow and sufficient funds for investment. and does not affect the cash flow and liquidity of the company in any way.

In terms of working capital and normal business operations. The Company expects to use the source of funds from the cash flow that will be received from the Company's normal operations each year.

1.1.11 Conditions of the Transaction

The entering into transaction between a listed company and another listed company, which is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposition of Assets. In this regard, the Company is required to 1) To disclose information to the SET related to the acquisition of assets for the Investment in SIRI Transaction according to the Notifications on Acquisition or Disposition of Assets; 2) To arrange for a shareholder meeting to approve the acquisition of assets transaction which the resolution of the shareholder meeting must be approved by a majority of not less than three-fourths of the votes of the present shareholders who are eligible to vote and by not counting the vote of shareholders who have conflict of interest; and 3) To appoint the independent financial advisor to express the opinion related to the Investment in SIRI Transaction to the SEC, SET and the Company's shareholders. In this regard, the Company has appointed a financial advisor from I V Global Securities Public Company Limited to act as an independent financial advisor for this transaction.

Therefore, The Company will enter into the Transaction after receiving approval from the Shareholders Meeting, this is an important condition under the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated October 29, 2004

1.1.12 The Opinion of the Board of Directors regarding the Entering into the Transaction

The Company's Board of Directors Meeting No. 7/2023 convened on October 2, 2023, has considered the details of the transaction, benefits, risks, and other related information and the Company's Board of Directors Meeting has unanimous resolution to approve the transaction. the Board of Directors considered that the said transaction is reasonable transaction for which appropriate and helpful in creating best benefits for the Company and shareholders and it is also consistent with the Company's business plan and business objectives.

1.1.13 The Opinion of the Audit Committee and/or the Directors of the Company which is Different from the Opinion of the Board of Directors

There are no directors who have any different opinion from the opinion of the Board of Directors meeting.

1.1.14 Summary of the key conditions of the Sale and Purchase Agreement.

The key conditions under the Sale and Purchase Agreement between the Company and Rumbia Street (Thailand) Limited relating to the purchase of warrants are as follows:

Conditions	Details
Condition Precedent	<p>The Seller and the Purchaser shall be conditional upon satisfaction of the following conditions:</p> <ol style="list-style-type: none"> 1) All the representations and warranties given by the Seller and the Purchaser remain true and accurate in all material respects as at the Effective Date and as at the Closing Date; 2) The Seller and the Purchaser shall have complied with all of its material obligations, covenants and undertakings under this agreement which are required to be complied, performed or completed by the Seller on or prior to the Closing Date; 3) The Seller and the Purchaser shall have obtained sufficient corporate approvals (e.g. resolutions from the board of directors or the shareholders) approving the execution of this agreement; and 4) The agreement and other definitive documentation in relation to or contemplated by this agreement shall have been executed.
Seller's Undertakings	<p>Between the Effective date and the Closing Date, the Seller shall not do any of the following actions:</p> <ol style="list-style-type: none"> 1) Create, extend, grant, permit or issue, or agree to create, extend, grant, permit or issue any Encumbrance or other interests in the nature of security over any of the Warrants, including sell, transfer or otherwise dispose any of the Warrants; 2) Do anything which might materially jeopardize or diminish any of the Warrants, including but not limited to the exercise of any units in the Warrants; 3) Take any action that would result in breach of any of the representations and warrants.
Representation and Warranties	<p>The Seller expressly represents and warrants to the Purchaser that the Warrants to be sold and purchased under this agreement are free and clear of Encumbrance, including the Seller and the Purchaser agreed to perform its obligations under this agreement.</p>
Termination	<p>This agreement shall be effective on the Effective Date and shall terminate:</p> <ol style="list-style-type: none"> (1) By the agreement of all both Parties in writing; (2) By the Purchaser in writing upon (1) the non-fulfilment of any of the conditions precedent by the Seller on the Closing Date of the Long Stop Date (as the case may be); or (2) any breach by the Seller of any of its obligations, covenants and undertakings under this agreement; or (3) the Seller's failure to deliver the Seller's Deliverables on the Closing date or the Long Stop Date; (4) the Purchaser's failure to pay the Purchase Price on the Closing Date or the Long Stop Date; or (5) if the shareholders of the Seller have passed a special resolution to wind up the Seller

Conditions	Details
	<p>or the Seller is put into liquidation, whether voluntary or compulsory, prior to the Closing Date or the Long Stop Date; or</p> <p>In the event that this agreement is or has been terminated by the Seller, the Parties agree that:</p> <p>(1) The Seller shall, at its own discretion and without any further demand, notice or legal formality of any kind, be entitled to sell the Warrants, whether in whole or in part, to a third party whether by a private sale or otherwise by any other manner as the Seller shall deemed appropriate;</p> <p>(2) The Seller shall, at its own discretion and without any further demand, notice or legal formality of any kind, be entitled to exercise the Warrants, whether in whole or in part, and sell any ordinary shares in Sansiri Public Company Limited resulting from the exercise of the Warrants by the Seller under this sub-Clause hereof to a third party whether by a private sale or otherwise by any other manner as the Seller shall deemed appropriate;</p> <p>The Purchaser shall indemnify and hold harmless the Seller from all losses, shortfall, deficit, costs and expenses in relation to, or arising out of the termination of this agreement by the Seller, including the difference of any outstanding amount under this agreement</p>

Source: Sale and Purchase Agreement between the Company and Rumbia Street (Thailand) Limited dated 28 June 2023

Remark: After the purchase of warrants under the agreement between the Company and the Company and Rumbia Street (Thailand) Limited, the registrar of SIRI has completed the registration of the transfer in the Warrant Holders' Register Book and issued new warrants to the Company on 29 June 2023.

1.2	Overview of business operations and operating results of M.K. Real Estate Development Public Company Limited ("MK" or the "Company")
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Please refer to Attachment 1 of this report

1.3	Overview of business operations and operating results of Sansiri Public Company Limited ("SIRI")
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Please refer to Attachment 2 of this report

Part 2: Opinion of the Independent Financial Advisor Regarding the Reasonableness of the Asset Acquisition Transaction

The independent financial advisor holds the view that entering into this asset acquisition transaction is reasonable. This assessment takes into account various key factors, including the advantages, disadvantages, and risks associated with the transaction, as outlined below:

2.1 The Objective of Entering into the Transaction

In accordance with the Company's Board of Directors Meeting No. 4/2023 on 19 June 2023, a resolution was passed to authorize the Company's purchase of stock warrants of SIRI ("SIRI Warrants") issued on a private placement basis. The holders of SIRI Warrants possess the right to purchase ordinary shares at an exercise rate of 1 warrant per 1 ordinary share (1 : 1) at a price of 1.10 baht per share. The remaining exercise period is approximately 2 years (SIRI Warrants are valid for 5 years from the date of warrant issuance on 3 November 2020) from Rumbia Street (Thailand) Co., Ltd. who is not considered as a connected person of the Company. The total amount does not exceed 700 million units, valued at 0.75 baht per unit, totaling not more than 525.00 million baht.

The SIRI warrants purchased by the Company were issued to be allocated to Theater Lane Limited under the resolution of the Annual General Meeting of Shareholders No. 25/2020 of the Company, held on 24 July 2020, SIRI has offered (A) perpetual bonds for sale in private placement to the specific investors of 2.05 million units, with the total offering value of 2,050 million baht ("perpetual bonds"); and (B) warrants of 2,050 million units, representing the rights to purchase ordinary shares, in private placement, which allotted to the investors who wish to subscribe and have been allotted perpetual bonds at the combined offering, without an offering value ("SIRI warrants"), to Theatre Lane Limited with the exercise ratio of one unit of warrant per one ordinary share at the exercising price of Baht 1.10 per share, and with maturity of five years beginning from the date of their issuance. Warrant Holders can exercise their Warrants once a quarter on the last business day of each quarter, beginning from the first quarter they received the confirmation of the allotment from SIRI, and they can exercise their right under the Warrants for the last time on the five-year warrants' maturity date. The Company holds SIRI warrants of 700,000,000 units by accepting the transfer of Warrants from a transferee of Theatre Lane Limited within the criteria under the Notification of the Capital Market Supervisory Board No. TorChor. 34/2551, clause 21.

Furthermore, during the Board of Directors' Meeting No. 7/2023 of the Company, held on 2 October 2023, a resolution was made to present the proposal to the shareholders' meeting for consideration to approve the investment in ordinary shares of Sansiri Public Company Limited SIRI by exercising the right to convert stock warrants of SIRI in the amount of 700 million units, which equates to 700 million ordinary shares. These shares have a par value of 1.07 baht per share and are priced at 1.10 baht per share, amounting to approximately 4.08 percent of the total number of ordinary shares available post an increase in the paid-up capital of SIRI (assuming the

Company only exercises the right to convert) In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023). In this scenario, the Company will pay the share price in cash, totaling 770.00 million baht (referred to as the “Investment Transaction in SIRI”).

(Reference to the SIRI Warrants can be found in Part 1, Section 1.1.2, which outlines the general characteristics of the items discussed in this report.)

The independent financial advisor holds the view that engaging in this transaction will bear implications for both the Company and its shareholders. The particulars are outlined below

2.2 Transaction Benefits and Drawbacks of Pursuing the Transaction

2.2.1 Transaction benefits

(1) The Company will hold a stake in SIRI, a robust and financially sound enterprise. This is poised to enhance the overall value of the Company's group.

With this investment, the Company will become a shareholder of 700 million shares in SIRI, an esteemed player in the Thai real estate development sector known for its robust financial standing. As of 30 June 2023, SIRI's total assets amount to 139,816.50 million baht, and shareholders' equity stands at 46,953.21 million baht. Moreover, SIRI has consistently demonstrated commendable operational performance, sustaining profitability even in the face of the COVID-19 outbreak. Projections indicate a positive trajectory for SIRI's profits, reflecting growth from 2021 onwards. Key financial data for the years ending 31 December 2020 to 2022, as well as for the six-month period ending 30 June 2023, are outlined below.

Performance summary	For the year ending 31 December			for the six-month period ending 30 June	
	2563	2564	2565	2565	2566
Unit	THB million	THB million	THB million	THB million	THB million
Total revenue	34,707.26	29,557.75	34,983.48	13,057.34	18,492.65
Net profit	1,457.83	1,938.55	4,106.59	1,163.88	3,110.84
Net profit of equity of parent company	1,673.09	2,017.28	4,279.88	1,220.17	3,202.93

Source: SIRI's audited or reviewed consolidated financial statements, as attested by a certified public accountant.

When analyzing SIRI's historical net profits, a notable trend of continuous growth over the past three years (2020 to 2023) is evident. In terms of income, despite the challenges posed by the COVID-19 outbreak in 2020 and 2021, SIRI rebounded with substantial growth in total income in 2022 and 2023. Consequently, the Company's Investment Transaction in SIRI at this instance signifies a strategic move towards acquiring a stake in a financially

robust enterprise with a proven track record of operational excellence. This, in turn, is poised to enhance the overall value proposition of the entire group of companies.

(2) The Company shall be entitled to dividends as a shareholder in SIRI

Historically, SIRI has consistently distributed dividends to its shareholders. This practice is attributed to SIRI's robust financial standing and commendable operational performance, affirming its capacity for sustained dividend payouts. As of 30 June 2023, SIRI's consolidated financial statements reflect unallocated retained earnings of 17,425.73 million baht, and its separate financial statements show 13,401.80 million baht. These figures bolster the expectation of continued dividends for shareholders. The following is a summary of SIRI's dividend distributions from 2018 to the present.

Payment Date	Dividend (Baht/Shares)	Operation Period
11 Sep 2023	0.10	1 Jan 2023 - 30 Jun 2023
17 May 2023	0.11	1 Jan 2022 - 31 Dec 2022
13 Sep 2022	0.04	1 Jan 2022 - 30 Jun 2022
20 May 2022	0.06	1 Jan 2022 - 31 Dec 2021
20 May 2021	0.04	1 Jan 2020 - 31 Dec 2020
12 May 2020	0.06	1 Jan 2019 - 31 Dec 2019
10 Sep 2019	0.02	-
14 May 2019	0.08	1 Jan 2018 - 31 Dec 2018
12 Sep 2018	0.04	1 Jan 2018 - 30 Jun 2018

Source: SET

SIRI adheres to a policy of semi-annual dividend distribution to shareholders, comprising interim and annual dividends. These distributions typically amount to approximately 50 percent of net profits, as per the consolidated financial statements, after accounting for various reserves required by law and stipulated by SIRI. It is important to note, however, that the Board of Directors of SIRI retains the discretion to adjust dividend payments, factoring in considerations such as cash flow, investment commitments of SIRI and its affiliates, and other pertinent future contingencies.

(3) This initiative enhances the structure and composition of the group's holdings and business operations. By investing in real estate development ventures with high growth potential, alongside the Company's independent projects, it serves as a strategic measure to diversify risk within the group's operational framework.

SIRI stands as a preeminent real estate development firm in Thailand, offering a comprehensive range of residential products and services tailored to diverse demographic needs. SIRI has a business of developing real estate for sale. Including single houses, semi-detached houses, townhomes, shophouses, and condominiums. covers all price levels and also has a real estate development business for rent real estate service business, hotel business, and other service businesses, etc. With a robust financial position, commendable operational

performance, and a consistent dividend payout track record, SIRI represents an attractive investment opportunity. This strategic investment in SIRI by the Company marks a pivotal step towards broadening the group's shareholding structure and enhancing its business operations. The Company will acquire a stake in SIRI, a high-potential and competitive player in the real estate development sector. Beyond the Company's independent real estate ventures, this move is instrumental in diversifying investment risks and expanding the business portfolio through a range of investment formats. Furthermore, this initiative offers a strategic risk diversification strategy for income sources and business operations across the group. While investing in ordinary stocks of other businesses yields dividends, real estate development investments provide revenue streams through sales, rentals, and associated services. It is important to acknowledge that project development incurs costs, and the profit structure may vary based on economic conditions, industry competitiveness, and market dynamics that several real estate players are involved. Therefore, a diversified approach to risk and income sources not only mitigates overall business risk for the group but also contributes to creating additional value. This investment represents a strategic foray into the real estate development sector, an area where the Company has demonstrated expertise. It empowers the Company to conduct a thorough risk analysis and anticipate expected returns with precision.

Moreover, an analysis of the historical income structure of the group of companies reveals a diverse array of revenue streams. This includes income derived from real estate-related activities, such as revenue from real estate sales, rentals, and various services associated with real estate development. Below is an outline of the revenue structure for the Group spanning from 2020 to 2023, as well as for the six-month periods concluding on 30 June 2022 and 2023:

Unit	For the year ending 31 December						for the six-month period ending 30 June			
	2020		2021		2022		2022		2023	
	THB million	%	THB million	%	THB million	%	THB million	%	THB million	%
Revenue from sale of real estate	2,530.40	73.42	2,481.14	74.70	1,790.54	69.88	654.74	64.64%	935.08	57.77
Revenue from rental and rendering of services	374.27	10.86	341.33	10.28	340.11	13.27	162.93	16.08%	203.57	12.58
Revenue from management of real estate	100.84	2.93	-	-	-	-	-	-	-	-
Revenue from sale of real estate	48.37	1.40	91.04	2.74	118.26	4.62	48.23	4.76%	82.71	5.11
Revenue from health and beauty	3.04	0.09	25.82	0.78	57.32	2.24	25.58	2.53%	49.10	3.03
Gain on disposal of investment and investment income	10.73	0.31	297.33	8.95	70.84	2.76	33.72	3.33%	44.00	2.72
Gain on sale of investment property	263.29	7.64	-	-	-	-	-	-	252.64	15.61
Other incomes	115.52	3.35	84.68	2.55	185.34	7.23	87.77	8.66%	51.55	3.18
Total revenue	3,446.47	100.00	3,321.34	100.00	2,562.41	100.00	1,012.97	100.00%	1,618.64	100.00

- (4) **Investing in SIRI's ordinary shares is considered an investment in liquid assets, given that they are securities listed on the Stock Exchange of Thailand.**

Investing in SIRI's publicly listed ordinary shares on the Stock Exchange provides access to a secondary market for trading securities. This characteristic significantly enhances the liquidity of such investments compared to ventures in businesses lacking a secondary market, such as those outside the Stock Exchange. Opting for highly liquid assets is a strategic move to mitigate the risk of potential future liquidity constraints within the company.

- (5) **SIRI exhibits substantial potential for future growth, as it operates within the real estate sector, providing a diverse range of products and services, coupled with a robust customer base and a sound financial standing.**

SIRI, distinguished by its comprehensive range of housing products and services, stands poised for future expansion. With a robust customer base and solid financial standing, SIRI is well-positioned for sustained growth. The company's offerings span a diverse spectrum of housing solutions, including single-detached houses, townhomes, mixed-use developments, or condominiums. Additionally, SIRI engages in office and commercial property rentals, complemented by an array of real estate services. This extensive product and service portfolio, coupled with SIRI's formidable financial position, underpins its capacity for ongoing expansion. Furthermore, as we anticipate the resolution of the COVID-19 crisis and a return to economic normalcy, a positive upswing is expected in the trajectory of the real estate development sector. Thus, the decision to invest in SIRI's ordinary shares at this juncture confers upon the Company a stake in an enterprise poised for growth. This strategic move is poised to create enduring value for the group in the years ahead.

- (6) **Expanding potential business partnerships may lead to a surge in new business opportunities for the Company in the future.**

Becoming a shareholder in SIRI not only signifies a valuable partnership, but it also lays the foundation for robust business collaborations in the future. SIRI, a distinguished leader in Thailand's real estate development sector, shares the same entrepreneurial spirit as the Company. This mutual alignment presents opportunities for reciprocal support, potentially leading to an expansion of business prospects for the Company. In the past, the Company and SIRI had joint business, such as establishing a joint venture company, BFTZ Bangpakong Company Limited, to operate warehouses and factory buildings for rent. which is a joint venture between Prospect Development Company Limited, a subsidiary of the Company, and SIRI. In addition, the Company also has joint transactions, for example, on August 31, 2023, the Company had sale of shares of S71 Property Company Limited to SIRI, etc.

Post the asset acquisition, the Company will hold approximately 4.08 percent of SIRI's issued and paid-up ordinary shares. While this may not represent a remarkably high proportion, it's worth noting that within SIRI's expansive market capitalization and shareholder base, the Company's influence stands as a meaningful factor. SIRI operates as a public company without concentrated control or major shareholders exerting significant influence.

Instead, it boasts a wide distribution of smaller shareholders. By holding around 4.08 percent of shares (in case of only the Company exercises the rights), the Company ranks among the top 10 shareholders in the entirety of SIRI's shareholder base. In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023), signifying a notable position. SIRI's latest shareholder list, as of 29 August 2023 (Record Date), is summarized below:

No.	Shareholder list	As of 29 August 2023	
		No. of shares	Porportion
		Shares	%
1	Thai NVDR Company Limited	1,716,981,883	10.43
2	UBS AG SINGAPORE BRANCH	1,498,394,480	9.10
3	The Viriyah Insurance Public Company limited	1,193,267,873	7.25
4	MISS. CHANANDA THAVISIN	793,002,734	4.82
5	Mr. WANCHAK BURANASIRI	615,469,201	3.74
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	543,427,672	3.30
7	STATE STREET EUROPE LIMITED	386,466,212	2.35
8	MR. PIPAT TIATAWAT	350,000,000	2.13
9	Mr. APICHART CHUTRAKUL	321,900,000	1.96
10	RAFFLES NOMINEES (PTE) LIMITED	250,000,000	1.52
	Total of top 10 shareholders	7,668,910,055	46.58
	Other shareholders	8,794,801,236	53.42
	Total	16,463,711,291^{1/2/}	100.00

Source: Information from the SET

Remark: 1/ On September 4, 2023, SIRI has already registered the change in its paid-up capital at the Department of Business Development, Ministry of Commerce, from THB 17,616,171,081.37 to THB 17,626,871,081.37 or divided into the number of shares from 16,463,711,291 shares to 16,473,711,291 shares at a par value of THB 1.07 each. That change results from the exercise of the warrants to purchase SIRI's ordinary shares issued to the Directors and Management/Employees of SIRI and/or its subsidiaries under ESOP # 8 schemes for the period of August 2023.

2/ On October 3, 2023, SIRI has already registered the change in its paid-up capital at the Department of Business Development, Ministry of Commerce, from THB 17,626,871,081.37 to THB 17,631,632,581.37 or divided into the number of shares from 16,473,711,291 shares to 16,478,161,291 shares at a par value of THB 1.07 each. That change results from the exercise of the warrants to purchase SIRI's ordinary shares issued to the Directors and Management/Employees of SIRI and/or its subsidiaries under ESOP # 8 schemes for the period of September 2023.

(7) The acquisition of ordinary shares in SIRI presents the cost of acquisition as lower than SIRI's book value

Holders of SIRI Warrants possess the right to acquire ordinary shares of SIRI at a conversion rate of 1 warrant unit per 1 ordinary share (1 : 1) with an exercise price of 1.10 baht per share. The cost of obtaining SIRI's ordinary shares totals 1.85 baht per share, considering the acquisition of SIRI Warrants at a unit price of 0.75 baht, as stated. As of 30 June 2023, the latest consolidated financial statement, audited and approved by an SEC-certified public accountant, indicates a book value of 46,953.21 million baht, representing a book value of 2.85 baht per

share for the issued and paid ordinary shares, which amount to 16,473,711,291 shares as of 4 September 2023 - the most recent registered date of paid-up capital change. Moreover, the independent financial advisor has made adjustments to the book value as of 30 June 2023, accounting for the value of capital increase and interim dividends from 30 June 2023, to 29 September 2023. This modified book value for SIRI stands at 46,029.62 million baht, corresponding to an adjusted book value of 2.79 baht per share. Therefore, the cost of acquiring SIRI's ordinary shares, at 1.85 baht per share, compared to both the book value and the adjusted book value by the independent financial advisor demonstrates that this acquisition cost, at 1.85 baht per share, is lower than both the book value (2.85 baht per share) and the adjusted book value. Consequently, the acquisition of SIRI ordinary shares is deemed a valuable investment.

(8) Acquiring ordinary shares of SIRI at a cost well within the range of SIRI's market price.

The weighted average market price of SIRI, spanning the past 7 to 90 business days, stands at 1.72 - 1.93 baht per share, representing the average between 5 April 2023 and 29 September 2023. The conversion price to ordinary shares is fixed at 1.10 baht per share. Considering the combined cost of SIRI Warrants at 0.75 baht per unit, the total expense for acquiring SIRI's ordinary shares amounts to 1.85 baht per share. This figure falls within the range of the weighted average market price over the past 7 to 360 business days, concluding on 29 September 2023, which spans 1.72 - 1.93 baht per share. Should, in the future, the Company convert these warrants and SIRI's share price continues to rise above 1.85 baht per share, this investment will represent an astute acquisition of SIRI's ordinary shares and will prove worthwhile for the Company.

In the event that SIRI's stock price drops below 1.85 baht per share, the Company retains the option to consider exercising its right to convert SIRI Warrants into ordinary shares, either in one time or incrementally, within the stipulated period. This window extends from the last business day of the fourth quarter in 2023 to no later than 2 November 2025, adhering to the exercise timeline outlined in the terms of the SIRI Warrants. The Company may also contemplate partial conversion or refrain from converting the entirety of the SIRI Warrants into ordinary shares. Alternatively, the Company could opt to sell some or all of the SIRI Warrants within the designated exercise period, aligning decisions with the best interests of the Company and its shareholders over the long term.

(9) The conversion of warrants to acquire SIRI ordinary shares offers an exercise price for conversion that is lower than the market price of SIRI ordinary shares as of 29 September 2023, thereby indicating that the warrants possess In-the-Money characteristics (ITM).

SIRI Warrants are granted with an exercise price for conversion into ordinary shares at 1.10 baht per share, with a conversion rate of 1 warrant for 1 ordinary share (1 : 1). As of 29 September 2023, SIRI's ordinary shares are valued at 1.69 baht per share, and the weighted average market prices for the preceding 7 and 15 business days are 1.77 and 1.83 baht per share, respectively. These figures represent an average for the period spanning 11 September 2023, to 29 September 2023. The exercise price of 1.10 baht per share is lower than the market value of SIRI's ordinary shares as of 29 September 2023, and also lower than the weighted average market prices for the

preceding 7 and 15 business days starting from 29 September 2023. Therefore, this establishes these SIRI Warrants as 'In-the-Money' (ITM), a designation commonly referred to in warrant terminology. During the eligible period for converting them into ordinary shares, it is more cost-effective to exercise the conversion rights compared to directly purchasing ordinary shares. However, there are constraints on the exercise period for these SIRI Warrants, in accordance with the specified terms and conditions. Warrant holders can exercise their rights once each quarter, on the final business day of every quarter, commencing from the first quarter following the allocation confirmation received from SIRI and throughout the warrant's lifespan. The final exercise must occur on the day of warrant expiration, which spans a 5-year period. In the event that the expiration date falls on a SIRI business holiday, warrant holders may exercise their rights on the final business day preceding the holiday. As a result, due to these stipulations, there exists a potential risk that market fluctuations in SIRI's ordinary share price during the exercise period may lead to a scenario where the SIRI Warrants no longer retain their 'In-the-Money' (ITM) characteristics.

2.2.2 Drawbacks of Pursuing the Transaction

(1) This investment cannot be earmarked for additional ventures within the core operations of the Company.

By converting 700 million units of SIRI Warrants into an equivalent number of ordinary shares, totaling 770.00 million baht at a rate of 1.10 baht per share, including considering the cost of SIRI warrants equal to 525.00 million baht, the total amount will be 1,295.00 million baht, which the Company will not be able to utilize to additionally invest in its core business operations, such as real estate project development, additional infrastructure, and equipment, among other ventures. These core business activities typically have pre-allocated budgets and funding sources. This investment in SIRI's ordinary shares represents a supplementary endeavor, distinct from the Company's primary operations.

Moreover, when contemplating the funding required for the SIRI warrant conversion, totaling 770.00 million baht, the Company intends to draw from its existing cash reserves and operational cash flow. As of 30 June 2023, the Company maintains a balance of 554.62 million baht. This includes remaining cash, which encompasses advance deposits received from the sale of shares from S 71 Property Company Limited to SIRI. The Company anticipates an augmented cash flow from operations, coupled with potential additional sales of certain company assets in the 3rd quarter of 2023, among other factors, estimated to be in the range of 500 to 600 million baht. This affirms the Company's ample liquidity for the intended transaction. In terms of day-to-day business operations, the Company typically generates funds from its annual operational cash flow. Each year, the Company allocates a budget for expenses related to project development, administrative functions, and working capital, among other essential components. The company had set up a budget for administrative expenses and working capital in amount of 600 - 700 million baht per year. Historical data substantiates that the Company consistently maintains positive net operating cash flow, signifying a healthy cash inflow that surpasses outflows. Specifically, the Company achieved a positive net operating cash flow of 1,632.09 million baht for the six-month period ending on 30 June 2023, and 572.14 million baht for the twelve-month period ending on 31 December 2022.

- (2) It represents an investment in ordinary shares, albeit without the significant authority to partake in decision-making processes concerning policies or operations. This encompasses the authority to deliberate on SIRI's dividend payments.

Through this asset acquisition transaction via the conversion of SIRI Warrants, the Company will attain a 4.08 percent of the total issued ordinary shares, equivalent to 700 million ordinary shares in SIRI, post the increase in paid-up capital. In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023). This percentage signifies a non-controlling interest, lacking substantial influence over SIRI's strategic decisions or operational policies. It does not bestow upon the Company a level of authority or control in SIRI, including the ability to dictate dividend distributions.

While the Company currently has no intentions to appoint directors to represent SIRI, it will diligently oversee and assess SIRI's performance to gauge the viability and yield of returns from this investment.

Furthermore, the investment funds allocated by the Company toward SIRI's ordinary shares will be strategically deployed by SIRI to optimize returns and deliver maximum benefits to its shareholders. Notably, SIRI places significant emphasis on robust corporate governance measures. As part of its commitment to shareholders, SIRI has instituted comprehensive policies and guidelines to safeguard their rights. These encompass the right to buy, sell, or transfer shares, participation in profit-sharing, receipt of dividends, access to pertinent SIRI information, and the opportunity to attend and exercise voting rights at shareholder meetings, among other rights.

- (3) There are obligations to disclose information and adhere to specified criteria.

This asset acquisition transaction places an additional responsibility on the Company, necessitating thorough disclosure of information and adherence to regulatory guidelines, incurring expenses. Consequently, engaging in this transaction obligates the Company to formally report it to the Stock Exchange and seek approval from the shareholders' meeting. Additionally, the Company is required to engage an independent financial advisor to provide expert opinions on this transaction. This, in turn, leads to the Company incurring supplementary expenses for the preparation and submission of such reports.

2.3 Benefits and Drawbacks of Opting Out of the Transaction

2.3.1 Benefits of Opting Out of the Transaction

- (1) The Company will retain additional cash flow by abstaining from converting the warrants into ordinary shares of SIRI.

If the Company chooses not to exercise the right to convert the SIRI Warrants for the purchase of SIRI ordinary shares this time, it will retain an additional cash flow balance of 770.00 million baht. This is a result of forgoing the purchase of SIRI ordinary shares at the rate of 1 unit of right per 1 ordinary share (1 : 1) at a price of

1.10 baht per share, totaling 770.00 million baht. This sum can be utilized for various investments or serve as a source of funds to support business operations within the group of companies. This may include the development of real estate projects, investment in buildings and equipment, or allocation as working capital. Furthermore, the Company may direct the remaining cash flow towards debt repayment or distribution as dividends to the Company's shareholders, among other options.

Additionally, the Company can leverage this cash flow to increase its proportion of investment in other ventures that promise favorable returns. For example, enhancing its stake in the Prospect Logistics and Industrial Leasehold Real Estate Investment Trust. Presently, the Company holds 22.19 percent of the total investment units in the trust, according to the shareholder list of the Prospect Logistics and Industrial Leasehold Real Estate Investment Trust as of 29 September 2023. Historically, the Company has continuously received dividends from the trust. Moreover, the surplus cash flow can be invested in new or high-potential ventures that are projected to yield returns higher than the weighted average cost of capital (WACC) of the Company.

(2) This may lead to a reduced debt burden and financial costs for the Company.

Currently, the Company holds an interest-bearing debt of [xx] million baht and shareholders' equity of [xx] million baht, as of 30 June 2023, resulting in an interest-bearing debt-to-equity ratio of [xx] times, based on the consolidated financial statements. This ratio remains below the industry average of [xx] times.

Should the Company choose not to proceed with the asset acquisition transaction, it will retain operational cash flow. This can be utilized for internal business operations and to fulfill various financial obligations, thereby reducing overall financial costs. If the Company allocates 770.00 million baht towards repaying interest-bearing debt, the debt level will decrease to 10,910.46 million baht. This would result in an interest-bearing debt-to-equity ratio of approximately 1.71 times, based on the consolidated financial statements as of 30 June 2023. Such a reduction would help mitigate future financial risks and alleviate the cost burden on the Company. The Company's interest-bearing liabilities include: 1) Long-term loans from financial institutions - with collateral. The Company's has a total credit line of 2,355.90 million baht with an interest rate equal to the MLR rate minus 1.50 - 2.50 percent per year, and the subsidiary has a total credit limit of 3,253 million baht with an interest rate equal to the MLR rate minus 1.00 - 1.50 percent per year and the interest rate MLR plus 0.20 percent per annum and long-term loans from foreign financial institutions in the amount of USD 7.7 million. There is a rate of 4.75 percent per year. 2) Long-term loans from other parties - unsecured portion, with a total credit limit of 80 million baht, with an interest rate of 5.60 percent per year. 3) Short-term loans from other businesses - with collateral, in the amount of 750 million baht, with an interest rate of 5.60 percent per year. 12.50 percent per year and 4) short-term and long-term bonds totaling 6,840.99 million baht, with interest rates of 3.90 - 6.25 percent per year.

Nevertheless, if the investment is directed towards ventures with substantial growth potential, capable of generating significant returns for the Company, and if the Company's existing debt and financial costs are maintained at an appropriate level, redirecting these funds towards investment instead of debt repayment would

be a prudent approach. This strategy leverages cash flow to generate additional returns for the Company in the future.

- (3) **The Company has the option to acquire SIRI's ordinary shares directly through the Stock Exchange apart from the acquisition through the conversion of SIRI warrants, which will also allow the Company secure a stake in SIRI.**

Given that SIRI's ordinary shares are listed securities on the Stock Exchange, the Company has the ability to acquire them directly without necessitating the exercise of the right to purchase additional shares through warrant conversion. This acquisition method grants the Company the same shareholder status as obtaining additional SIRI shares through warrant conversion. Acquiring SIRI's ordinary shares directly on the Stock Exchange is a swifter process compared to exercising SIRI warrants, which are only executable once per quarter. Nonetheless, when engaging in trading on the exchange, the trading volume of such securities must be taken into account. SIRI securities demonstrate an average daily trading volume over the past 360 business days of approximately 186.05 million shares per day.

2.3.2 Drawbacks of Opting Out of the Transaction

- (1) **Opting not to convert SIRI Warrants will result in the complete loss of the invested amount in these warrants.**

If the Company opts not to exercise the SIRI Warrants in this instance, or if it refrains from selling them to other parties prior to their expiration, the warrants will remain unused. This would result in a complete loss of the Company's initial investment in the SIRI Warrants, which currently amounts to 525.00 million baht.

- (2) **The Company will lose the opportunity to receive dividends from SIRI.**

Historically, SIRI has maintained a consistent track record of distributing dividends to its shareholders. This is attributed to SIRI's robust financial standing and commendable operational performance, which enables it to sustain dividend payments. Should the Company choose not to convert the SIRI Warrants into SIRI ordinary shares promptly, it will not be entitled to receive dividends from SIRI. This is because holders of SIRI Warrants alone are not eligible for dividend disbursements from SIRI. Furthermore, the terms and conditions of the SIRI Warrants do not include provisions for adjustments in case of dividend payouts by SIRI. Thus, exclusively holding SIRI Warrants, without converting them into ordinary shares, would mean forgoing the opportunity to receive dividends from SIRI, should they be declared.

- (3) **Holding warrants for an extended period without conversion will limit the Company's ability to trade them in the future, as they are not listed on the stock exchange.**

As SIRI Warrants are not listed on the Stock Exchange, their liquidity is relatively low. Additionally, these warrants have a finite lifespan. Consequently, if the Company opts not to convert the SIRI Warrants, it may result in

an extended holding period for the Warrants. This, in turn, imposes constraints on potential future trading, given their relatively low liquidity.

- (4) If the Company opts not to proceed with the transaction at this juncture but maintains the intention to invest in SIRI's ordinary shares, there is the alternative of directly purchasing these shares. However, this approach may lead to the Company falling short of acquiring the initially planned quantity of ordinary shares or incurring potentially higher investment costs.

Given that SIRI's ordinary shares are listed on the Stock Exchange, the Company can engage in direct acquisition through this platform. Up to 700 million SIRI shares can be traded at once through the Stock Exchange. This, however, introduces the possibility of the Company not attaining the initially targeted quantity of ordinary shares, and additionally, the precise investment value cannot be definitively estimated. The share price may exhibit fluctuations due to the high trading volume of up to 700 million shares, potentially leading to an increase in the share price and consequently raising the overall investment cost. Notably, SIRI securities have demonstrated an average daily trading volume over the past 360 business days of approximately 186.05 million shares per day.

Moreover, there are currently no major shareholder proposals to sell up to 700 million of SIRI's ordinary shares. Consequently, the Company is unable to execute its option to purchase shares from other SIRI shareholders through large securities trading (Big Lot) at the presently agreed-upon price.

2.4 Risks Associated with the Transaction

- (1) Fluctuations or volatility in the price of SIRI's ordinary shares, impacting the gains or losses from warrant conversion as well as post-conversion share price differentials.

Due to SIRI Warrants being backed by SIRI ordinary shares as underlying securities, their value, which is influenced by market conditions, may experience volatility. The price of SIRI ordinary shares at the time of exercising conversion rights will directly impact the gains or losses incurred from the conversion of SIRI Warrants. Furthermore, any fluctuations in the price of SIRI ordinary shares will have an effect on future gains or losses from price differences. The Company cannot accurately anticipate the future price movements of SIRI ordinary shares. Consequently, any fluctuations will bear an impact on the Company. An increase in SIRI's share price will be beneficial for the investment, whereas a decrease will have an adverse effect, among other potential outcomes.

- (2) Potential price shifts in SIRI's ordinary shares during the exercise of conversion rights, potentially rendering the exercise unprofitable.

As outlined in the terms of the SIRI Warrants, holders may exercise their rights once per quarter, specifically on the final business day of each quarter, commencing from the initial quarter following confirmation of allocation from SIRI. This right persists throughout the Warrants' lifespan, with the last opportunity to exercise falling on the expiry date five years from issuance. In cases where this expiry coincides with a SIRI business holiday, the holder can utilize their right on the final business day before the holiday. Consequently, the market price of SIRI's ordinary

shares may fluctuate between the conversion dates (i.e., the last business day of each quarter) and the expiry date of the warrants. Should the price of SIRI shares fall below the exercise price of 1.10 baht per share, the SIRI Warrants will be considered Out-of-the-Money (OTM). In such a scenario, it may not be advantageous to exercise the conversion right for these warrants.

(3) Exposure to the risk of adjusting the value of investments in the financial statements, particularly for investments not associated with the Company's affiliated companies or subsidiaries.

Following the acquisition of SIRI's ordinary shares, the Company's stake will not confer significant influence, thus it will not be classified as an investment in an affiliated or subsidiary company. Instead, in the Company's financial statements, the investment in SIRI's ordinary shares will be recorded as a financial asset. This asset will be subject to fair value adjustments at the end of each reporting period, as it does not fall under the category of an affiliated or subsidiary company, aligning with pertinent financial reporting standards. This investment in ordinary shares is evaluated based on their fair value, determined by the prevailing market price of such shares, given their active trading on the Stock Exchange of Thailand. Consequently, fluctuations in the market price of SIRI's ordinary shares will impact the valuation of the Company's investment in SIRI, influencing the comprehensive income stated in the Company's financial reports at the close of each reporting period. This could potentially lead to significant alterations in the Company's comprehensive income in the future.

(4) Potential receipt of dividends from SIRI that deviate from initial expectations.

Following the acquisition of SIRI's ordinary shares, the Company's stake will not confer significant influence, hence it will not be classified as an investment in an affiliated or subsidiary company. The principal returns from this investment will primarily be in the form of dividends. The consideration for dividend distribution is contingent on SIRI's deliberation. The dividend distribution policy may be subject to change, depending on the discretion of SIRI's Board of Directors. Given that the Company's shareholding does not wield significant influence, the Company does not possess the authority to influence dividend distributions. This introduces the potential risk of receiving dividends from SIRI that deviate from initial expectations, consequently impacting the anticipated returns from this investment. However, in the event that SIRI exceeds growth expectations and performs exceptionally well in the future, the Company also stands to receive dividends that surpass initial projections, offering the potential for higher-than-expected returns.

(5) Risk of achieving a return on investment lower than the capital cost of engaging in the Transaction.

Based on SIRI's track record of consistent dividend payments, it is anticipated that the Company may continue to receive dividends from SIRI in the future. However, these future dividends that the Company will likely receive may not cover the financial costs associated with this transaction. The Company intends to utilize funds sourced from its operational cash flow. However, if the Company does not have sufficient cash flow. In the event that the Company opts for financial support from credit lines from financial institutions, it may result in an increased

financial commitment. Conversely, if the funding comes from shareholders' equity, it will come with the expectations of returns from shareholders or the associated cost of their capital. As such, the Company is exposed to the risk that the returns generated from SIRI may fall short of covering the Company's cost of capital.

(6) Exposure to changes in pertinent rules and conditions governing warrants.

Given the current regulatory environment, the Company is subject to oversight from various regulatory bodies, which may encompass guidelines, criteria, and conditions related to the supervision of financial assets and warrants. It is important to note that these regulations may evolve over time. Any alterations made by regulatory agencies to the aforementioned measures, criteria, or conditions could potentially influence the warrant or its conversion process. This dynamic regulatory landscape may have implications on the transaction at hand. Nonetheless, the Company has established protocols to vigilantly monitor updates, new regulations, and official announcements. Additionally, ongoing analysis of potential scenarios in alignment with the rights provisions outlined in the warrants is consistently undertaken.

(7) Risk of non-approval by the shareholder meeting of both the Company and/or the parent company.

The asset acquisition transaction necessitates fulfilling certain conditions precedent, which encompass obtaining approval from the Company's shareholder meeting. This approval requires a majority vote, with at least three out of four attending shareholders entitled to vote, and shareholders with conflicts of interest are exempt from this voting. Additionally, approval from the parent company, FNS Holdings Public Company Limited, is imperative. FNS Holdings or FNS is the majority shareholder, holding a substantial 49.50 percent of shares in the Company as of 29 September 2023. This is due to the transaction on 9 August 2023, in which FNS engaged in a purchase of MK's shares from a group of shareholders, amounting to 196,311,160 shares. Consequently, post this share transaction, FNS will hold a 49.50 percent stake in the Company, while the remainder is held by various minority shareholders. This establishes FNS as the controlling entity within the Company. This shareholding constitutes a significant proportion. It is also crucial to secure approval from FNS Holdings Public Company Limited for compliance with relevant criteria. Transactions involving FNS Holdings Company Limited must also receive the endorsement of their respective shareholders' meeting.

For this reason, engaging in this transaction entails the risk of not obtaining approval from both the shareholder meeting of the Company and FNS Holdings Public Company Limited. This outcome would lead to the Company forfeiting the opportunity to invest in SIRI, a business poised for growth and foregoing the potential return on investment. Additionally, expenses incurred for initiating this transaction, such as financial advisory fees, legal advisory fees, and other related costs, would be unrecoverable.

Part 3: Opinion of the Independent Financial Advisor regarding the Study of the Reasonableness of the Asset Acquisition transaction and the Appropriateness of the Conditions of the Transaction

3.1 Evaluating the appropriateness of SIRI

IFA had evaluated the appropriateness of engaging in a transaction involving the acquisition transaction such as the investment in the ordinary shares of Sansiri Public Company Limited (“Sansiri” or “SIRI”) by exercising the rights of warrants to purchase ordinary shares of SIRI of 700 million units to purchase ordinary shares of 700 million shares with a par value of THB 1.07 per share and at the exercise price of THB 1.10 per share, representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants (in case of only the Company exercises the rights). In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023).

The Independent Financial Advisor has employed a range of approaches to assess the value of SIRI's shares. These methodologies include:

1. Book Value Approach
2. Adjusted Book Value Approach
3. Volume Weighted Average Price Approach or VWAP
4. Market Comparable Approach
 - 4.1 Price to Earnings Ratio Approach: P/E Ratio
 - 4.2 Price to Book Value Ratio Approach: P/BV Ratio
 - 4.3 Enterprise Value to EBITDA Ratio Approach: EV/EBITDA Ratio
5. Discounted Cash Flow Approach
6. Research Analysis Consensus

However, the Independent Financial Advisor is unable to evaluate the value of SIRI's ordinary shares using Approach 5, the discounted cash flow approach (DCF), as a result of MK not holding a significant shareholding in SIRI, meaning MK lacks control and decision-making authority within SIRI's management. Furthermore, due to constraints in the information available to the Independent Financial Advisor, stemming from both SIRI's disclosures and public data, it is insufficient for valuing SIRI's ordinary shares through the discounted cash flow approach (DCF). However, as this information is provided for the preliminary consideration of the Company's shareholders, the Independent Financial Advisor has compiled insights gained from interviews with executives regarding the total revenue of the real estate development business for sale, as well as other businesses in 2023, and the analyses of SIRI's preliminary operating results are aimed at assisting shareholders in their decision-making process.

The Independent Financial Advisor considered the reasonableness of the SIRI share price based on a study of the generally disclosed data, financial statements audited and reviewed by the auditor and obtained from interviews with SIRI executives, as well as information disseminated to the general public, etc., for the preparation of the opinion of the independent financial advisor. The independent financial advisor's opinion is predicated on the assumption that the information and documents provided are accurate and true, without any significant alterations, and takes into account the economic conditions and information available at the time of the evaluation exclusively. If the aforementioned factors undergo substantial changes from the current state, the valuation may be influenced, potentially impacting the Company's transactions and the viewpoint of the independent financial advisor.

The Independent Financial Advisor can summarize his opinion on the reasonableness of the value of SIRI's ordinary shares as follows:

3.1.1 Book Value Approach

The valuation of SIRI's fair value through the book value approach provides an assessment of SIRI's worth to its shareholders based on the figures reported in the financial records at a specific point in time. This evaluation is grounded in the book value as per SIRI's financial statements for the period ending 30 June 2023, which has been audited by a certified public accountant approved by the Office of the Securities and Exchange Commission.

The valuation of ordinary shares using the book value approach derives from the shareholders' equity according to SIRI's financial statements. This figure is then divided by the number of SIRI shares issued and fully paid as of 30 June 2023, totaling 15,870,561,291 shares. This calculation can be expressed as follows:

Shareholders' Equity As of 30 June 2023	Unit	Amount
Registered share capital	THB Million	20,343.63
Par value	THB/Share	1.07
Issued and paid-up share capital	THB Million	16,981.50
Capital surplus on share-based payments	THB Million	2,447.77
Subscription received in advance from exercise of warrants	THB Million	605.55
Subordinated perpetual debentures	THB Million	4,973.74
Warrants	THB Million	29.42
Capital reserve for share-based payment	THB Million	67.90
Appropriated-statutory reserve	THB Million	2,020.84
Unappropriated retained earnings	THB Million	17,425.73
Other components of shareholders' equity	THB Million	819.41
Equity attributable to owners of the parent as of 30 June 2023	THB Million	45,371.85
Number of issued and paid-up shares as of 30 June 2023	Million shares	15,870.56
Book value per share	THB/Share	2.86

Source: SIRI's audited financial statements as of 30 June 2023, reviewed by a certified public accountant approved by the SEC Office.

The valuation derived from the book value approach places SIRI's value at 2.86 baht per share.

The Independent Financial Advisor holds the view that while the book value approach provides a snapshot of SIRI's financial standing as of 30 June 2023, it does not encapsulate the current market value of the assets, nor does it account for SIRI's future profitability and competitive edge. Consequently, the Independent Financial Advisor deems this valuation approach inappropriate for this particular valuation.

3.1.2 Adjusted Book Value Approach

The company valuation by Adjusted Book Value Approach is using total asset deducted by total liabilities and including Commitments and Contingent Liabilities which is shown in financial statement of SIRI as of 30 June 2023. The statement is further updated to incorporate any post-statement occurrences or factors that would influence a more accurate representation of the true value, such as adjustments in property appraisals not yet reflected in the financial records, potential tax-saving from losses carried forward (if applicable), and dividend payments. This process aims to align the market value of the assets more closely with their present or actual value after considering these adjustments. Consequently, the adjusted book value is determined and subsequently divided by the total number of issued and fully paid SIRI shares.

Based on the information derived from SIRI's consolidated financial statements for the period ending on 30 June 2023, the company's total assets amount to 139,816.49 million baht. The primary current assets include cash and cash equivalents, trade receivables, accrued income, loans to related entities due within one year, costs associated with the development of real estate for sale, advance payments to construction contractors, deposits for the acquisition of land and assets, contract acquisition costs, advance expenses, as well as other current financial assets and other current assets. The cumulative book value of these assets equates to 103,912.75 million baht, representing 74.32 percent of the total assets. The main portion of current assets is represented by the cost of developing real estate for sale, which stands at 92.50 million baht or 66.16 percent of total assets. This cost is assessed at either its cost or net realizable value, whichever is lower. The costs comprise expenses related to land acquisition, land development, design, utilities, construction, and pertinent interest charges considered as project costs, as well as other relevant expenses, including estimates for the cost of developing real estate for sale. The independent financial advisor concurs that the stated cost of developing real estate for sale accurately reflects its intrinsic value in accordance with SIRI's recognition policy.

As for other current assets, the majority are highly liquid; therefore, their book value closely approximates their fair value. Non-current assets comprise bank deposits subject to withdrawal restrictions, loans to related entities (net of the portion due within one year), long-term notes receivable, non-current financial assets, investments in associated companies, investments in joint ventures, investment properties, land earmarked for future development, real estate, buildings, equipment, right-of-use assets, intangible assets, goodwill, deferred tax assets, deposits, and other non-current assets. Collectively, these assets have a combined book value of 35,903.74 million baht, equivalent to 25.68 percent of the total assets. The investments in associated companies and

investments in SIRI joint ventures are evaluated using the equity approach of investment value. Deferred tax assets are valued through estimated accounting transactions. Consequently, these assets have book values closely aligned with their fair values.

According to SIRI's consolidated financial statements as of 30 June 2023, total liabilities were recorded at 92,863.28 million baht. Notable current liabilities encompass short-term loans from banks, bills of exchange, trade payables, a long-term loan due within one year, short-term land purchase creditors, unsecured bonds due within one year, lease liabilities due within one year, accrued corporate income tax, estimated short-term debt, unrealized income from installments, and other current liabilities. The cumulative value of these liabilities is 33,270.61 million baht, or 23.80 percent of total assets. Non-current liabilities encompass deferred leasehold rights income, loans from related businesses, long-term loans net of the portion due within one year, long-term land purchase creditors net of the portion due within one year, unsecured bonds net of the portion due within one year, lease liabilities net of the portion due within one year, reserves for items under the equity approach of investments in joint ventures, reserves for long-term employee benefits, estimated long-term debt, and other non-current liabilities. Collectively, these liabilities amount to 59,592.67 million baht, or 42.62 percent of total assets. Both current and non-current liabilities are already valued closely to their fair values.

After completing this investment in SIRI, MK will hold shares equivalent to 4.08 percent of the total issued shares following the increase in SIRI's paid-up capital (assuming only one company exercises conversion rights). In addition, other warrant holders may exercise their rights to convert SIRI warrants in the future, which may result in MK's decreased stake in SIRI. In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent of the total number of shares issued after the increase of SIRI's paid-up capital.

Although MK is the first 10 major shareholders, MK does not have a significant shareholding, and MK has not represented directors to SIRI. At present MK is not a shareholder of SIRI, so the Independent Financial Advisor is limited in obtaining sufficient information from SIRI. The Independent Financial Advisor will only receive information related to SIRI through interviews and publicly available information. However, it does not receive detailed numerical information and related supporting documents, such as property valuation report, cash flow, costs and gross profit of each project being developed or developed, etc. Therefore, independent financial advisors do not have sufficient information to adjust premium or discount from appraised assets that un recognized in financial statement.

Upon considering potential obligations and liabilities based on the information presented in SIRI's consolidated financial statements as of 30 June 2023, SIRI has commitments and potential liabilities, including capital expenditure commitments, obligations related to operating leases and service contracts, letters of credit, bank guarantees, and commitments from investment contracts. The anticipated obligations and liabilities primarily pertain to the operational activities of all Sansiri Group companies, and the Independent Financial Advisor has

refrained from making adjustments in this section. This decision is based on the understanding that these obligations and liabilities are events that will transpire in the future, and their value will already be accurately reflected in SIRI's financial statements at that time. Additionally, with regards to capital expenditure obligations, if payments are made in the future, the company will reclaim the assets at the same value, eliminating the necessity for a book value adjustment.

Regarding the damages from the lawsuits, a portion of the 1,741 million baht, SIRI has not provided information indicating that such damages will incontrovertibly and definitively materialize. However, if it becomes reasonably certain in the future that these damages will occur and their amount can be reasonably estimated, SIRI will duly account for such expenses in its financial statements. Consequently, the Independent Financial Advisor has refrained from making adjustments in this regard.

However, SIRI issued new shares totaling Baht 668.36 million for exercise of warrants for purchasing ordinary shares by directors and executives/employees of SIRI in the amount of 668.36 million baht. Additionally, dividends in the amount of 1,646.37 million baht were disbursed. These events transpired after the date of SIRI's consolidated financial statements ending on 30 June 2023. Consequently, the Independent Financial Advisor has adjusted for this particular item.

In the assessment of the value of SIRI using the adjusted book value approach, the Independent Financial Advisor applies the book value as per SIRI's latest financial statement dated 30 June 2023 reviewed by a certified public accountant approved by the SEC Office, taking into consideration the following items:

Shareholders' Equity As of 30 June 2023	Unit	Amount
Registered share capital	THB Million	20,343.63
Par value	THB/Share	1.07
Issued and paid-up share capital	THB Million	16,981.50
Capital surplus on share-based payments	THB Million	2,447.77
Subscription received in advance from exercise of warrants	THB Million	605.55
Subordinated perpetual debentures	THB Million	4,973.74
Warrants	THB Million	29.42
Capital reserve for share-based payment	THB Million	67.90
Appropriated-statutory reserve	THB Million	2,020.84
Unappropriated retained earnings	THB Million	17,425.73
Other components of shareholders' equity	THB Million	819.41
Equity attributable to owners of the parent as of 30 June 2023	THB Million	45,371.85
<u>Adjustments:</u>		
<u>Capital increase for warrant and ESOP</u>		
Add Capital increase from the exercise of ESOP	THB Million	650.13
<i>as of 6 Jul 2023</i>	THB Million	589.04
<i>as of 7 Aug 2023</i>	THB Million	45.64

Shareholders' Equity As of 30 June 2023	Unit	Amount
<i>as of 6 Sep 2023</i>	THB Million	10.70
<i>as of 5 Oct 2023</i>	THB Million	4.76
Add Capital surplus	THB Million	18.23
<i>as of 6 Jul 2023</i>	THB Million	16.52
<i>as of 7 Aug 2023</i>	THB Million	1.28
<i>as of 6 Sep 2023</i>	THB Million	0.30
<i>as of 5 Oct 2023</i>	THB Million	0.13
Deduct Subscription received in advance from exercise of warrants	THB Million	(605.55)
<i>as of 6 Jul 2023</i>	Million shares	(605.55)
Deduct Dividend payment	THB Million	(1,587.06)
Equity value after adjustment	THB Million	43,847.61
Number of issued and paid-up shares	Million shares	15,870.56
Add Number of issued and paid-up shares	Million shares	607.60
<i>as of 6 Jul 2023</i>	Million shares	550.50
<i>as of 7 Aug 2023</i>	Million shares	42.65
<i>as of 6 Sep 2023</i>	Million shares	10.00
<i>as of 5 Oct 2023</i>	Million shares	4.45
Number of issued and paid-up shares	Million shares	16,478.16
Book value after adjustment	(THB / Share)	2.66

Source: SIRI's audited financial statements as of 30 June 2023, reviewed by a certified public accountant approved by the SEC Office.

Following the valuation of the adjusted book value approach, SIRI's value is calculated to be 2.66 baht per share.

The Independent Financial Advisor asserts that while the fair valuation using the adjusted book value approach offers insight into the shareholders' equity at a specific point in time and adjusts the value of SIRI's principal assets to mirror fair value, it does not yet account for SIRI's forthcoming profitability and competitive edge. Hence, this approach might introduce inaccuracies in the valuation. As a result, the Independent Financial Advisor deems this valuation approach unsuitable for appraising this item.

3.1.3 Volume Weighted Average Price Approach or VWAP

Share valuation by Volume Weighted Average Price Approach is calculated by market volume weighted average price of ordinary shares of SIRI in stock market and considering in value and volume of trading of the company listed in stock market.

The chart showing SIRI's price and trading volume over the 360 business days of SIRI stock between April 5, 2022 and September 29, 2023 is as follows:

Closing price and trading volume of SIRI common shares for the past 360 business days



Source: SETSMART

From 5 April 2022 to 29 September 2023, spanning 360 business days, SIRI shares experienced a range from their lowest closing price of 0.98 baht per share to their highest closing price of 2.04 baht per share. On average, over the last 360 business days, the trading volume of SIRI shares resulted in a turnover rate of approximately 1.19 percent of the total number of SIRI shares.

This valuation of SIRI by Volume Weighted Average Price Approach, IFA uses the Volume Weighted Average Price from SIRI's securities trading through the SET on different period in the past. The IFA has considered the volume weighted average price of SIRI (Market capitalization / trading volume) based on the retroactive 7 business days, 15 business days, 30 business days, 60 business days, 90 business days, 120 business days, 180 business days, and 360 business days between the period of 5 April 2022 to 29 September 2023. The valuation approach can be shown as follow:

Trading Period	Closing Price - Low (THB per share)	Closing price-High (THB per share)	Trading Value (THB Million per day)	Trading Volume (Million Shares per day)	Turnover Ratio ^{1/} (%)	Volume Weighted Average Price ^{2/} (THB per share)
7 business days	1.69	1.83	397,189,623.80	224,281,739	1.36	1.77
15 business days	1.69	1.94	413,583,105.19	226,093,299	1.37	1.83

Trading Period	Closing Price - Low (THB per share)	Closing price-High (THB per share)	Trading Value (THB Million per day)	Trading Volume (Million Shares per day)	Turnover Ratio ^{1/} (%)	Volume Weighted Average Price ^{2/} (THB per share)
30 business days	1.69	2.04	675,500,878.82	349,101,887	2.12	1.93
60 business days	1.69	2.04	722,680,769.96	374,664,420	2.28	1.93
90 business days	1.69	2.04	552,548,434.28	287,949,976	1.76	1.92
120 business days	1.69	2.04	495,646,691.17	260,658,504	1.60	1.90
180 business days	1.61	2.04	459,980,500.75	245,423,654	1.53	1.87
360 business days	0.98	2.04	320,701,727.81	186,053,108	1.19	1.72

Source: SETSMART and calculated by IFA

Remarks: 1/ Turnover Ratio is an Average Trading Volume calculated from trading volume and listed volume of shares with the MAI on the specific date.

2/ It is calculated based on the total trading value divided by the total trading volume on the specific date.

Following the valuation of the Volume Weighted Average Price Approach, SIRI's value is calculated to be 1.72 - 1.93 baht per share.

Based on the volume weighted average price approach, SIRI's value will be 1.72 - 1.93 baht per share.

In addition, SIRI's average turnover ratio for the past 7-360 business days from April 5, 2022 to September 29, 2023 was 1.19 - 2.28 percent, which is higher than the turnover ratio of similar companies at around 0.24 - 0.32 percent.

The share price valued by the volume weighted average price approach, referencing the period from 29 September 2023 (one business day prior to the Board of Directors' meeting date). The Independent Financial Advisor asserts that this timeframe adequately captures the market dynamics and aligns with the current operational reality of SIRI. The application of this approach is deemed suitable and rational by the Independent Financial Advisor, grounded in the principle that market prices reflect investors' assessments of SIRI securities, based on anticipated returns and profitability of SIRI, which the investors expected at the time. Furthermore, once the Company exercises its right to convert the SIRI warrants, it will hold 700 million ordinary shares of SIRI, equivalent to 4.08 percent of the total shares issued after the increase in SIRI's paid-up capital (assuming only one company exercises conversion rights). In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023). Essentially, the Company's shareholding resembles that of an investor in funds and financial institutions. Given the Company's non-significant shareholding proportion in SIRI, the Independent Financial Advisor deems the evaluation using the volume weighted average price approach as appropriate.

However, the Company can exercise the right to convert SIRI warrants into ordinary shares at one time or multiple times within the period from the last business day of Q4-2023 and no later than November 2, 2025, in

accordance with the exercise period in accordance with the terms and conditions of the SIRI Warrants issued to a private placement. Therefore, the Company should consider the appropriateness and cost-effectiveness of exercising the rights to convert SIRI warrants at that time as well.

3.1.4 Market Comparable Approach

The market comparable approach involves valuing a company by comparing its price ratios traded on the Stock Exchange with those of listed companies in the same industry. This is based on the assumption that companies in the same industry and similar market conditions should have comparable market value ratios. The Independent Financial Advisor, therefore, seeks to identify comparable companies from those listed on the Stock Exchange that share similar business operations with SIRI. These companies must have a trading history on the Stock Exchange of at least 3 years.

The Independent Financial Advisor has scrutinized and identified a total of 12 companies for comparison, which is deemed a suitable comparable for statistical calculation. These selections have been main revenue for property development and/or property development and listed in SET.

In assessing fair value through the market comparable approach, the principle is based on the expectation that companies with similar business characteristics should exhibit comparable market value ratios concerning operational results, book value of assets, or shareholders' equity. This evaluation employs three key market ratios:

- 1) Price to Earnings Ratio Approach: P/E Ratio
- 2) Price to Book Value Ratio Approach: P/BV Ratio
- 3) Enterprise Value to EBITDA Approach: EV/EBITDA Ratio

Details of the nature of business of each company. as follows:

No.	Listed company	Code	Nature of business
1	Sansiri Public Company Limited	SIRI	The Core businesses are 1. Property development consists of: 1.1 For sale includes landed property - single detached house, detached house, townhouse, and high-rise property - condominium projects 1.2 For rent includes office buildings and leasehold commercial building and 2. Property services : Providing property and asset management, property brokerage services, property sales management, property development consultancy, and property management.
2	AP (Thailand) Public Company Limited	AP	Property Development
3	Asset Worla Corp Public Company Limited	AWC	AWC is a holding company that also run various companies that operate, manage hospitality and commercial properties. We are supported by TCC Group in our hospitality, retail and

No.	Listed company	Code	Nature of business
			commercial businesses consisting of Retail & Wholesale and Office Building in Thailand.
4	Bangkok Land Public Company Limited	BLAND	The principal business operations of the Company and its subsidiaries are the development of real estate for sale. Other business activities include retail business, building maintenance, management services, property rental as well as exhibition and convention facilities and services.
5	Central Pattana Public Company Limited	CPN	Develop and invest in retail property for rent comprising large-scale shopping complexes and other related and supportive businesses, such as office buildings, hotels, residential development and food court. In addition, the Company invests in CPN Commercial Growth Leasehold Property Fund (CPNCG) and CPN Retail Growth Leasehold REIT (CPNREIT), and is the property manager and REIT manager.
6	Fraser property (Thailand) Public Company Limited	FPT	The Company operates and develops an integrated property platform across multi-asset classes of industrial, residential, commercial, hospitality sector. In addition, the Company invests and is the property manager in FTREIT, GVREIT and GOLDPF.
7	Grand Canal Land Public Company Limited	GLAND	Property Development
8	Land and House Public Company Limited	LH	The Company focuses on the development of quality residential projects in the category of detached houses, townhouses and residential condominiums for sale to target customers according to the needs of customers at different price levels by focusing on project development in Bangkok and boundaries and projects in the large provinces such as Chiang Mai, Chiang Rai, Nakorn Ratchasima, Khon Kaen, Maha Sarakham, Udon Thani, Prachuap Khiri Khan, Ayutthaya, and Phuket.
9	Origin Property Public Company Limited	ORI	Property development business including condominium along sky train stations in Bangkok Metropolitan Region and related services which are rental & re-sale and condominium project management services only for the projects of the Company.
10	Pruksa Holding Public Company Limited	PSH	Holding Company and Real Estate Development
11	Quality House Public Company Limited	QH	The Company engages in the residential and commercial property development businesses. Its businesses include land and house projects, residential projects, service apartment for rent, hotel, office building for rent, residential and commercial

No.	Listed company	Code	Nature of business
			buildings management services, investment business and others.
12	SC Assets Corporation Public Company Limited	SC	The Company operates fully integrated property development activities which are 1. for sales: single detached houses, townhouses and condominiums, 2. for rental purposes, 3. consultancy and management services: services include consultancy management and administration, engineering techniques and support systems.
13	Supali Public Company Limited	SPALI	The Company engages in the operation of real estate development projects include 1) detached houses, duplex houses, townhouses, and condominiums projects in a variety of areas throughout Bangkok and provincial 2) office buildings for rent in the commercial districts and 3) hotel business in the provincial

Source: SETSMART

The Independent Financial Advisor has utilized the average values derived from the companies being compared, following the market value ratio comparison approach, to assess fair value. This encompasses the price to earnings ratio approach (P/E Ratio), price to book value ratio approach (P/BV Ratio), and enterprise value to earnings before interest, taxes, depreciation, and amortization (EV/EBITDA Ratio). To mitigate the influence of outlier data points, the Independent Financial Advisor will exclude companies with abnormally high (low) market capitalization ratios from the calculation of the average.

3.1.4.1 Price to Earnings Ratio Approach: P/E Ratio

The fair value assessment using this approach incorporates a valuation based on SIRI's profitability by comparing the market price with the net profit of companies in similar industries, offering insights into SIRI 's potential market value. This calculation involves taking SIRI 's parent company's net profit for the 12-month period ending 30 June 2023 (as per the audited financial statement) and multiplying it by the average price to earnings ratio (P/E Ratio) of the 11 companies chosen for comparison. These 11 companies are assessed using historical averages over varying business days, ranging from 7, 15, 30, 60, 90, 120, 180, to 360. These calculations are based on data from 5 April 2022, to 29 September 2023, which were the days before the Board of Directors' resolution to approve the transaction. The price-to-earnings ratio (P/E Ratio) details of the compared companies are as follows:

Code	Historical PE Ratio (Times)							
	7 Business days	15 Business days	30 Business days	60 Business days	90 Business days	120 Business days	180 Business days	360 Business days
AP	6.77	6.85	6.90	6.77	6.66	6.65	6.61	6.30
AWC	24.54	25.02	25.59	26.37	28.45	30.34	35.20	45.41

Code	Historical PE Ratio (Times)							
	7 Business days	15 Business days	30 Business days	60 Business days	90 Business days	120 Business days	180 Business days	360 Business days
BLAND	20.26	20.44	20.51	20.84	21.27	21.96	20.09	20.96
CPN	23.02	23.27	23.76	23.63	24.12	24.72	26.03	31.97
FPT	19.85	19.95	20.00	19.89	19.09	18.64	18.17	18.05
GLAND	22.67	22.67	22.78	23.02	22.07	21.49	20.88	23.01
LH	13.47	13.72	13.96	14.15	13.88	14.01	14.07	13.95
ORI	6.90	7.02	7.15	7.14	7.08	7.12	7.31	7.38
PSH	8.08	8.17	8.28	8.25	8.59	8.82	9.28	10.31
QH	9.33	9.41	9.48	9.44	9.52	9.69	10.02	11.07
SC	6.26	6.50	6.70	6.80	6.81	6.77	6.93	7.04
SIRI	4.47	4.63	4.82	4.84	4.94	5.00	5.46	6.91
SPALI	5.17	5.26	5.33	5.31	5.22	5.20	5.30	5.14
Median	9.33	9.41	9.48	9.44	9.52	9.69	10.02	11.07

Source: Bloomberg

Based on the aforementioned data, the price-to-earnings ratio (P/E Ratio) within the group of companies has ranged between 9.33 and 11.07 times over the past 7 to 360 business days. This is an average calculated from 5 April 2022, to 29 September 2023, with any outliers excluded from the calculation.

SIRI has reported net profits attributable to SIRI shareholders for the past 12 months, totaling 6,262.64 million baht, derived from SIRI's financial statements for both 30 June 2023, and 31 December 2022, which have undergone either an audit or review process by a certified public accountant accredited by the SEC. This translates to earnings per share of 3.55 to 4.21 baht per share.

Valuation by this approach is an approach considers SIRI's profitability by comparing with the average of such ratios of the comparable companies. However, this is only a valuation based on past profits, not reflecting the Company's profitability and operating performance in the future. As a result, the Independent Financial Advisor deems this valuation approach unsuitable for appraising this item.

3.1.4.2 Price to Book Value Ratio Approach: P/BV Ratio

The fair value assessment through this approach entails considering SIRI's book value by comparing its market price with the book value of companies in similar industries, providing a basis for estimating SIRI's likely market price. The calculation involves taking the adjusted shareholders' equity of SIRI's parent company and multiplying it by the average price to book value ratio (P/BV Ratio) of the companies used in the comparison. IFA have been assessed to compare utilizing historical averages over various business days (7, 15, 30, 60, 90, 120, 180, and 360 days) spanning from 5 April 2022, to 29 September 2023. The Price to Book Value Ratio (P/BV Ratio) of these comparable companies are as details follows.

Code	Historical P/BV Ratio (Times)							
	7 Business days	15 Business days	30 Business days	60 Business days	90 Business days	120 Business days	180 Business days	360 Business days
AP	1.00	1.02	1.02	1.00	0.99	0.98	1.00	0.96
AWC	1.48	1.51	1.54	1.59	1.68	1.77	1.92	2.06
BLAND	0.30	0.30	0.30	0.31	0.31	0.32	0.35	0.37
CPN	3.49	3.52	3.60	3.58	3.56	3.58	3.65	3.74
FPT	0.97	0.98	0.98	0.97	0.97	0.98	0.98	0.98
GLAND	0.84	0.84	0.84	0.85	0.86	0.88	0.90	0.92
LH	1.91	1.94	1.98	2.00	1.98	2.01	2.09	2.11
ORI	1.33	1.35	1.38	1.38	1.38	1.40	1.47	1.52
PSH	0.63	0.64	0.65	0.65	0.64	0.63	0.64	0.64
QH	0.87	0.87	0.88	0.88	0.87	0.88	0.89	0.88
SC	0.77	0.80	0.82	0.84	0.83	0.83	0.84	0.80
SIRI	0.62	0.64	0.66	0.67	0.66	0.66	0.65	0.56
SPALI	0.83	0.84	0.85	0.85	0.85	0.85	0.89	0.92
Median	0.87	0.87	0.88	0.88	0.87	0.88	0.90	0.92

Source: Bloomberg

Based on the information provided above, the price to book value ratio (P/BV Ratio) for the group of companies under comparison ranges from 0.87 to 0.92 times over the past 7 to 360 business days, averaging between 5 April 2022, to 29 September 2023. The adjusted shareholders' equity of SIRI's parent company stands at 43,847.61 million baht or 2.66 baht per share, based on SIRI's financial statements as of 30 June 2023.

Thus, evaluating the shares using the price to book value ratio approach (P/BV Ratio) yields a value for SIRI ranging from 2.30 to 2.44 baht per share.

This approach assesses the current financial position by comparing it to the average ratio of a reference group of companies, allowing for a comparison of market prices. However, it only evaluates based on the book value of the business, neglecting considerations of future business operations. Consequently, the value obtained may not truly reflect the actual value of the business. Therefore, share valuation using this approach may not accurately reflect the fair value of the business.

3.1.4.3 Enterprise Value to EBITDA Ratio Approach: EV/EBITDA Ratio

The fair value assessment using this approach entails considering SIRI's cash flow generation from operations while accounting for SIRI's distinct capital structures. This approach involves comparing the business value with the profit before financial costs, taxes, depreciation, and amortization (EBITDA) of companies in similar industries to estimate SIRI's likely market price. The calculation involves two steps:

(1) Evaluate the enterprise value (EV) by taking the profit before deducting financial costs, taxes, depreciation, and amortization (EBITDA) over the past 12 months and multiplying it by the average enterprise value to profit ratio (EV/EBITDA Ratio) of the companies used for comparison. This utilizes historical averages for varying business days, ranging from 7, 15, 30, 60, 90, 120, 180, to 360, covering the period between 5 April 2022, to 29 September 2023.

(2) Subtract interest-bearing debt, lease liabilities (since the compared EVs include lease liabilities), non-controlling interests, and add cash and cash equivalents from the estimated business value (EV) to determine the enterprise value (EV) of SIRI.

The enterprise value to earnings before interest, taxes, depreciation, and amortization (EV/EBITDA) ratio of comparable companies, excluding outliers with higher than normal market value ratios, is outlined as follows:

Code	Historical EV/EBITDA Ratio (Times)							
	7 Business days	15 Business days	30 Business days	60 Business days	90 Business days	120 Business days	180 Business days	360 Business days
AP	11.01	11.09	11.13	11.01	10.80	10.71	10.38	9.62
AWC	20.72	20.98	21.29	21.72	22.62	23.48	25.82	29.39
BLAND	9.63	9.68	9.70	9.78	9.91	10.11	9.84	10.22
CPN	18.59	18.72	18.99	18.90	19.03	19.26	19.78	21.86
FPT	20.59	20.63	20.65	20.60	20.37	20.26	20.00	20.12
GLAND	23.11	23.11	23.18	23.34	22.60	22.15	23.27	24.63
LH	20.27	20.50	20.71	20.89	20.30	20.19	19.73	19.02
ORI	9.60	9.68	9.76	9.76	9.61	9.56	9.54	9.09
PSH	7.92	7.98	8.05	8.03	8.22	8.34	8.55	9.67
QH	20.02	20.15	20.25	20.18	20.44	20.80	20.97	22.14
SC	13.74	13.74	13.74	13.74	13.74	13.74	13.74	13.34
SIRI	12.52	12.65	12.80	12.81	13.07	13.24	14.11	16.67
SPALI	6.90	6.97	7.02	7.01	6.88	6.83	6.86	6.64
Median	13.74	13.74	13.74	13.74	13.74	13.74	14.11	16.67

Source: Bloomberg

Considering the information provided above, the enterprise value to earnings before interest, taxes, depreciation, and amortization (EV/EBITDA) ratio for the group of compared companies ranges between 13.74 - 16.67 times over the past 7 to 360 business days, with an average for the period spanning from 5 April 2022, to 29 September 2023.

The Independent Financial Advisor has derived the enterprise value (EV) by taking EBITDA for the last 12 months, as per SIRI's audited or reviewed financial statements up to 30 June 2023 and 31 December 2022. This

amounts to 8,099.10 million baht. Multiplying this by the EV/EBITDA ratio, which ranges from 13.74 - 16.67 times, results in a business value (EV) ranging between 111,292.92 - 135,031.68 million baht. Subtracting the interest-bearing debt, including lease debt for the period of 6 months ended of 30 June 2023 in amount of 74,792.13 million baht, and adding cash or cash equivalents for the period of 6 months ended of 30 June 2023 in amount of 4,222.65 million baht, yields the value of SIRI according to the EV/EBITDA ratio approach. This results in a valuation ranging from 2.47 - 3.91 baht per share.

Thus, evaluating the shares using the Enterprise Value to EBITDA ratio approach (P/BV Ratio) yields a value for SIRI ranging from 2.47 - 3.91 baht per share.

This evaluation approach reflects the ability to generate operational cash flow while accounting for differences in businesses' capital structures. Nevertheless, it relies on historical cash flows alone and does not account for future business profitability and performance. As such, share valuation using this approach may not represent the true value of the business appropriately.

3.1.5 Discounted Cash Flow Approach

Fair value assessment based on the discounted cash flow approach is a method of calculating the value taking into account SIRI's future performance. This is based on the projection of future performance received from management. After enter to investment in SIRI, MK will have a shareholding in SIRI representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants (in case of only the Company exercises the rights), In addition, other warrant holders may exercise their rights to convert SIRI warrants in the future, which may result in MK's decreased stake in SIRI. In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent of the total number of shares issued after the increase of SIRI's paid-up capital.

Although MK is the first 10 major shareholders, MK does not have a significant shareholding, and MK has not represented directors to SIRI. At present MK is not a shareholder of SIRI, so the Independent Financial Advisor is limited in obtaining sufficient information from SIRI. The Independent Financial Advisor will only receive information related to SIRI through interviews and publicly available information. However, it does not receive detailed numerical information and related supporting documents, such as cash flow data, costs and gross profit of each project that is being developed or developed, etc. The data used to estimate the future cash flow of businesses with the main proportion of cash flow comes from real estate development. It is necessary to know the cash flow received and disbursed for each project under development and the cash flow details of plans to develop new projects in the future, which is not publicly available. Therefore, independent financial advisors do not have sufficient information to estimate cash flows and estimate them by means of the present value of cash flows to obtain fair value that is reliable enough to be used for proper reference.

However, as this information is provided for the preliminary consideration of the Company's shareholders, the Independent Financial Advisor has compiled insights gained from interviews with executives of SIRI and analyses of SIRI's preliminary operating results are as follows.

(1) Revenue

Based on publicly available information and discussions with SIRI's executives, it is projected that the total revenue generated from the real estate development for sale business and other businesses in 2023 will amount to approximately 40,000 million baht. This projection can be further delineated as follows: around 37,000 million baht from the real estate development for sale business and an additional 3,000 million baht from other businesses. Furthermore, in the course of discussions with SIRI's executives, it was revealed that SIRI anticipates an additional profit in 2023, which is expected to be recorded under other income estimating to fall within the range of approximately 1,200 to 1,500 million baht. The breakdown is as follows:

Revenue (Unit: THB million)	2020	2021	2022	2023F
Revenues from sales of real estate	30,559.00	26,170.00	30,716.00	37,000.00
<i>% total revenue (including other income)</i>	<i>88.05%</i>	<i>88.54%</i>	<i>87.80%</i>	<i>89.81</i>
Revenues from other business	3,274.29	2,471.68	2,995.90	3,000.00
<i>% total revenue (including other income)</i>	<i>9.43%</i>	<i>8.36%</i>	<i>8.56%</i>	<i>7.28%</i>
Other income	874.12	915.84	1,271.38	1,200.00 ^{1/}
<i>% total revenue (including other income)</i>	<i>2.52%</i>	<i>3.10%</i>	<i>3.63%</i>	<i>2.91%</i>
Total Revenue	34,707.42	29,557.52	34,983.28	41,200.00

Source: Information from SIRI and calculated by IFA

Remark: ^{1/} Other revenue based on SIRI minimum forecast volume

Based on the information above, SIRI's revenue from real estate sales, as estimated by SIRI's management, compares from 2020 to 2022 and 2023, showing a range of approximately 88.05 - 89.81 percent. This indicates that there has not been a significant shift in the proportion of revenue.

(2) Cost

Historical SIRI's costs for the past 3 years from 2020 to 2022 for each type of business are divided as follows:

Type of business (Unit: THB Million)	2020	2021	2022
Cost of real estate sales	22,909.90	17,319.27	19,834.32
<i>% Revenues from sales of real estate</i>	<i>74.97%</i>	<i>66.18%</i>	<i>64.57%</i>
Projects for rent	93.29	96.78	93.63
<i>% Revenues from projects for rent</i>	<i>78.34%</i>	<i>62.20%</i>	<i>44.65%</i>
Cost of business management services	1,974.96	1,121.68	1,071.02

Type of business (Unit: THB Million)	2020	2021	2022
% Revenues from business management services	71.78%	66.49%	63.80%
Hotel Management business	472.90	728.19	1,022.55
% Revenues from hotel management business	339.38%	231.32%	186.56%
Sales of construction materials	47.20	49.77	39.53
% Revenues from sales of construction materials	89.06%	95.07%	87.00%
Hotel business	67.01	124.63	342.73
% Revenues from hotel business	172.04%	149.01%	114.69%
School Business	202.98	166.32	186.81
% Revenue School business	117.59%	93.31%	86.77%
Total	25,768.25	19,606.64	22,590.58
% Total revenue	76.16%	68.45%	67.01%

Source: Information from SIRI and calculated by IFA

Furthermore, based on the information presented in the table above, an analysis of costs categorized by SIRI's business types over the past three years, from 2020 to 2022, reveals that they range from approximately 67.01 to 76.16 percent of total revenue (excluding other income). This indicates a relatively consistent cost structure.

(3) Gross Profit Margin

Historical SIRI's gross profit margin for the past 3 years from 2020 to 2022 for each type of business are divided as follows:

Type of business (Unit: THB Million)	2020	2021	2022
Revenues from sales of real estate	25.03%	33.82%	35.43%
Business management services	21.66%	37.80%	55.35%
Service business	28.22%	33.51%	36.20%
Hotel management services	-239.38%	-131.32%	-86.56%
Sales of construction materials	10.94%	4.93%	13.00%
Hotel business	-72.04%	-49.01%	-14.69%
School Business	-17.59%	6.69%	13.23%

Source: Information from SIRI and calculated by IFA

Based on the above data, SIRI's Gross Profit Margin of each business type is likely to increase. Even during the COVID-19 pandemic, for example, from 2020 to 2022, the Gross Profit Margin of the property development business for sale, which consists of the development of single-detached houses. The number of businesses, townhomes, and condominium projects, etc., ranges between 25.03% – 35.43% and includes other SIRI businesses

such as rental project services, business services, business management, hotel management business, sales of construction materials business, hotel and school businesses with higher gross profit margin trend.

As per SIRI's management estimates, the average Gross Profit Margin for the real estate development for sale business is approximately 31-33 percent for each project. This breaks down to roughly 35-36 percent for detached house projects, 31-33 percent for townhome projects, and 32-34 percent for condominium projects.

SIRI has set a target for the total average of its gross profit margin across all businesses at approximately 33-34 percent.

(4) Selling and Administrative expenses

SIRI's selling expenses from 2020 to 2022 were approximately 2,022.47 million baht to 2,238.44 million baht. Administrative expenses are approximately 4,227.23 million baht to 4,926.24 million baht details are as follows:

Type of Expense (Unit: THB Million)	2020	2021	2022
Selling expense	2,232.72	2,022.47	2,238.44
<i>% Total revenue</i>	<i>6.60%</i>	<i>7.06%</i>	<i>6.64%</i>
Administrative expenses	4,227.23	4,352.63	4,926.24
<i>% Total revenue</i>	<i>12.49%</i>	<i>15.20%</i>	<i>14.61%</i>
Total	6,459.95	6,375.10	7,164.67
<i>% Total revenue</i>	<i>19.09%</i>	<i>22.26%</i>	<i>21.25%</i>

Source: Information from SIRI and calculated by IFA

According to the data in the table above, from 2020 to 2022, SIRI's selling and administrative expenses have not changed significantly.

(5) New Project Information

Based on publicly disclosed information, SIRI has outlined plans to introduce a total of 52 projects in 2023. This includes 27 projects comprising detached house and mixed products, 3 townhome projects, and 22 condominium projects.

Product Type	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Total Value Project (Unit: THB Million)
detached house and Mix Products	-	6	9	12	47,870
townhome	-	1	2	-	1,900
condominium	2	4	9	7	25,230
Total	2	11	20	19	
Total Value Project (Unit: THB Million)	2,440	16,060	31,000	25,500	

Source: Information from SIRI

Summary of Analysis Results

A comprehensive analysis takes into account various factors. On one hand, the real estate industry is contending with higher inflation and interest rates. Additionally, it faces the impact of various government policies, leading to a decrease in purchasing power among consumers in the real estate sector. Conversely, positive factors emerge from the post-COVID-19 economic recovery trend. This has spurred foreign investors to show interest in real estate investment and acquisition in Thailand. Furthermore, the recent announcement of a reduction in government real estate transfer fees is expected to stimulate the growth of the Thai real estate sector.

SIRI's operational performance demonstrates a sustainable growth trend. The company boasts a healthy financial standing and has maintained profitability even amid the challenges posed by the COVID-19 outbreak. It is anticipated that SIRI's net profit will exhibit growth from 2020 onwards.

Financial Information (Unit: THB Million)	2018	2019	2020	2021	2022	6 months of 2023
Assets	95,356.74	108,336.02	112,632.10	116,631.98	127,451.47	139,816.50
Liabilities	64,504.34	76,461.18	73,434.86	75,665.32	83,410.96	92,863.28
Total revenue	27,146.49	26,290.91	34,707.26	29,557.75	34,983.48	18,492.65
Net Profit	2,042.48	2,275.43	1,457.83	1,938.55	4,106.59	3,110.84
Net Profit of parent company	2,045.98	2,392.44	1,673.09	2,017.28	4,279.88	3,202.93

Source: audited and reviewed by a certified public accountant approved by the SEC Office.

However, MK's stake in SIRI does not confer significant control or managerial authority over SIRI. Additionally, owing to the limitations in the information provided by SIRI and what is publicly disclosed, the independent financial advisor may encounter constraints in utilizing the net present value of cash flow approach for the valuation of SIRI's ordinary shares. Furthermore, due to the restricted access to information, the independent financial advisor is unable to generate financial projections or assess the value of SIRI's shares through the discounted cash flow approach.

3.1.6 Research Analysis Consensus

The Independent Financial Advisor has compiled an estimate of the target value of SIRI's common shares from an analyst report published between July 2023 and September 2023, the period prior to the Board of Directors' consideration of the transaction. The median value of analysts' target shares was 2.24 baht per share.

Date	Research analysts	Target price (THB per share)
10 July 2023	No.1	2.30
15 August 2023	No.2	2.32
15 August 2023	No.3	2.00
16 August 2023	No.4	2.24
21 August 2023	No.5	2.25
21 August 2023	No.6	2.20

Date	Research analysts	Target price (THB per share)
21 August 2023	No.7	2.30
21 August 2023	No.8	2.20
21 August 2023	No.9	2.31
28 August 2023	No.10	2.20
1 September 2023	No.11	2.20
Avg		2.23
Median		2.24

Source: IAA Consensus

Remark: Research Analysis Consensus as above mention is for educational dissemination purposes only. It is not intended to provide advice or solicitation to buy or sell or invest in any securities, thus, the users should seek advice from relevant professionals before deciding to use the information.

The valuation by comparing the target price assessed by analysts (Research Analysis Consensus) the fair price of SIRI equal to 2.00 - 2.32 baht per share.

Therefore, the valuation by comparing the target price assessed by analysts (Research Analysis Consensus). Independent Financial Advisor has considered compiling estimates from securities analysts at various securities companies to serve as a guideline for evaluating the value of the Company's shares. It uses price information available from public sources with reports published around the same time as the publication of the Board of Directors' decision. However, analysts may have different approaches to valuing shares. Additionally, the share values assessed by analysts may not fully reflect the Company's future business plans. Therefore, comparing the target share values assessed by securities analysts may not be an appropriate method.

3.2 Summary of the valuation results of SIRI's fair value range

The Summary of the valuation results of SIRI's fair value for each approach as the following:

Valuation Approaches	Fair Value (THB / Share)	Valuation results
1) Book Value Approach	2.86	Inappropriate
2) Adjusted Book Value Approach	2.66	Inappropriate
3) Volume Weighted Average Price Approach or VWAP	1.72 - 1.93	Appropriate
4) Market Comparable Approach		
4.1) P/E Ratio	3.55 - 4.21	Inappropriate
4.2) P/BV Ratio	2.30 - 2.44	Inappropriate
4.3) EV/EBITDA Ratio	2.47 - 3.91	Inappropriate
5) Discounted Cash Flow Approach	-	Inappropriate
6) Research Analysis Consensus	2.00 - 2.32	Inappropriate

Source: Valuated by IFA

The summary table provides SIRI's share valuation using various approaches. Each approach to share valuation comes with its own set of advantages and disadvantages, highlighting the importance of considering multiple approaches to determine a fair stock price as follows:

1) Book Value Approach

This approach primarily considers the current financial position and the recorded asset values, without factoring in future profitability, competitive strength, economic trends, or industry overviews. Consequently, the shareholder's advisor believes this approach is not appropriate for determining the fair price of ordinary shares of SIRI or accurately reflecting the true value of SIRI.

2) Adjusted Book Value Approach

This approach provides a better reflection of the net asset value compared to the standard book value approach because it adjusts key items in the assessment mentioned in 1) and then divides it by the number of shares. Nevertheless, it still does not account for future business profitability and performance. Therefore, the shareholder's advisor is of the opinion that this valuation approach may not reflect the true price of the business's shareholders' equity of SIRI.

3) Volume Weighted Average Price Approach or VWAP

The weighted average market price comparison approach is a valuation approach grounded in the assumption that market price accurately mirrors the dynamics of supply and demand among investors, considering returns and profitability expectations from investments in SIRI. This approach also encapsulates intrinsic factors and the broader sentiments of investors regarding SIRI's future potential and growth prospects. It provides the most authentic representation of the share value that investors can presently transact for SIRI shares. Given SIRI's high liquidity, it effectively captures investor demand and supply dynamics. Notably, the average turnover rate for SIRI shares, spanning a period of 7 to 360 business days between 5 April 2022 and 29 September 2023, hovers between 1.19% to 2.28% of the total SIRI shares. In contrast, businesses of similar nature experienced an average trading turnover rate of 0.24% to 0.32% during that period. Therefore, the Independent Financial Advisor (IFA) deems this valuation approach to be both appropriate and rational.

However, as the Company has the flexibility to exercise the right to convert SIRI warrants into ordinary shares either in a single instance or through multiple exercises, the permissible exercise window spans from the final business day of the 4th quarter in 2023 to no later than 2 November 2025. This timeframe aligns with the stipulated exercise period detailed in the rights terms of the SIRI warrants, which have been issued to a select group of individuals. Consequently, it is imperative for the company to carefully deliberate the appropriateness and viability of executing the conversion of the SIRI warrants at that juncture.

4) Market Comparable Approach

4.1) Price to Earnings Ratio Approach

This valuation approach depends on the profitability of SIRI by comparing the average ratio of comparable firms. However, it is the past profitability that does not reflect the future profitability and performance of SIRI. The past profitability may not reflect the future profitability. Therefore, this valuation approach does not reflect the true value of SIRI.

4.2) Price to Book Value Ratio Approach

This approach assesses the current financial position by comparing it to the average ratio of a reference group of companies, allowing for a comparison of market prices. However, it only evaluates based on the book value of SIRI, neglecting considerations of future business operations. Consequently, the value obtained may not truly reflect the actual value of the business. Therefore, share valuation using this approach may not accurately reflect the fair value of SIRI.

4.3) Enterprise Value to EBITDA Ratio Approach

This evaluation approach reflects the ability to generate operational cash flow while accounting for differences in SIRI' capital structures. Nevertheless, it relies on historical cash flows alone and does not account for future business profitability and performance. As such, share valuation using this approach may not represent the true value of SIRI appropriately.

5) Discounted Cash Flow Approach

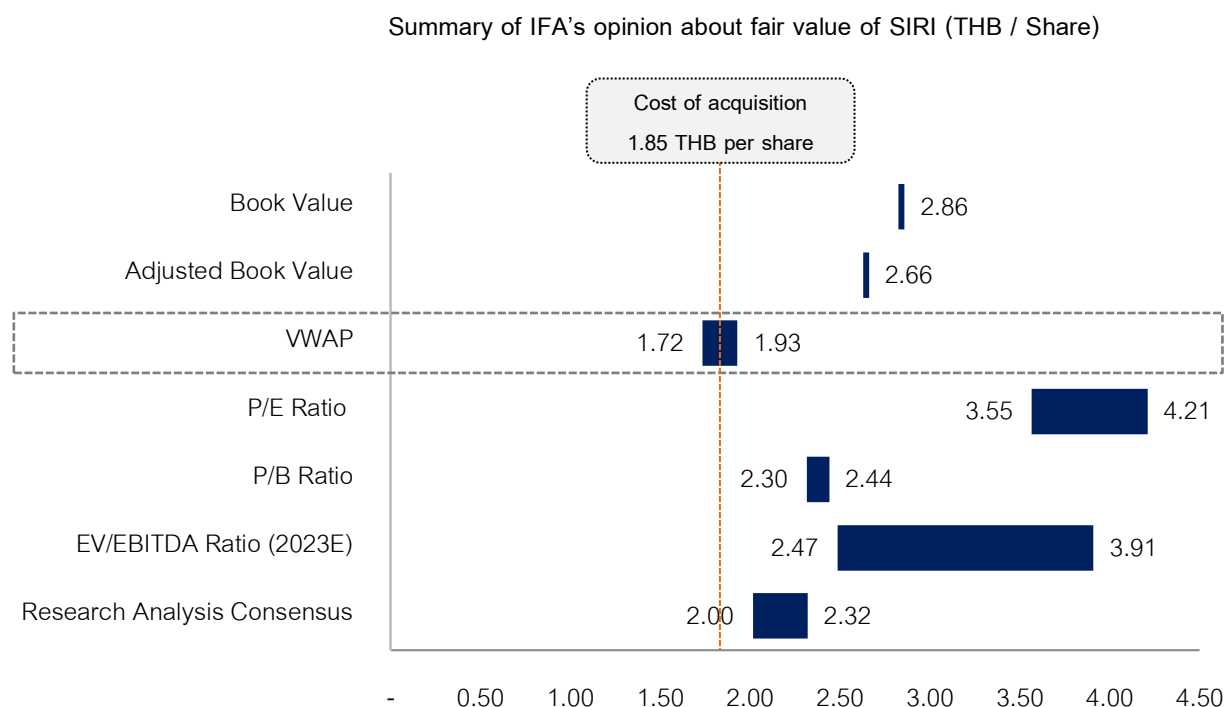
The discounted cash flow approach is an evaluative approach that utilizes past performance data to project the future capabilities and performance of the Company. This is accomplished by formulating financial projections based on assumptions and information obtained from the business, taking into account current economic conditions. It is important to note that any future changes that significantly impact these assumptions may lead to deviations from anticipated business performance. Such alterations could also affect the various variables employed in the valuation process. Furthermore, due to the restricted access to information, the independent financial advisor is unable to generate financial projections or assess the value of SIRI's shares through the discounted cash flow approach.

6) Research Analysis Consensus

The Independent Financial Advisor has considered compiling estimates from securities analysts at various securities companies to serve as a guideline for evaluating the value of the Company's shares. It uses price information available from public sources with reports published around the same time as the publication of the Board of Directors' decision. However, analysts may have different approaches to valuing shares. Additionally, the share values assessed by analysts may not fully reflect the Company's future

business plans. Therefore, comparing the target share values assessed by securities analysts may not be an appropriate method.

The summary of the value of SIRI's ordinary shares according to various methods is summarized in the following diagram:



Upon examining the aforementioned analysis for determining SIRI's fair value range, each valuation approach exhibits its respective strengths and weaknesses, as delineated earlier. In light of this, the shareholder's advisor holds the view that the most suitable approaches for valuing SIRI's shares are Volume Weighted Average Price Approach or VWAP, IFA uses the Volume Weighted Average Price from SIRI's securities trading through the SET on different period in the past. The IFA has considered the volume weighted average price of SIRI (Market capitalization / trading volume) based on the retroactive 7 business days, 15 business days, 30 business days, 60 business days, 90 business days, 120 business days, 180 business days, and 360 business days. The valuation of the Volume Weighted Average Price Approach is calculated to be 1.72 - 1.93 baht per share.

Furthermore, the average turnover rate for trading SIRI's ordinary shares (Average Turnover Ratio) during the period spanning 7 to 360 business days, from 5 April 2022 to 29 September 2023, has ranged from 1.19 to 2.28 percent. This figure surpasses the average trading turnover ratio (Turnover Ratio) observed in companies with analogous business operations, which stands at approximately 0.24 to 0.32 percent.

The cost of acquiring SIRI ordinary shares encompasses the purchase price of SIRI warrants at 0.75 baht per unit and the exercise price for the warrants to purchase SIRI ordinary shares at 1.10 baht per share, totaling 1.85 baht per unit. This share price remains within the fair valuation range of SIRI, assessed using the volume

weighted average price approach (VWAP) at 1.72 to 1.93 baht per share. Consequently, the Independent Financial Advisor is of the opinion that the purchase price of the warrants and the exercise price of SIRI's warrants are appropriate.

Taking into account the most recent market price of SIRI as of 20 October 2023, which stands at 1.57 baht per share, and assuming that the Company is able to promptly exercise its right to convert SIRI Warrants, the Independent Financial Advisor can conclude further that the Company will have various transactional options available, contingent on different scenarios as follows:

- Scenario 1) Exercising the right to convert the aforementioned warrant: By considering the market price of SIRI at 1.57 baht per share and the total cost of acquiring SIRI's ordinary shares through conversion at 1.85 baht per share, using an exercise ratio of 1 warrant per 1 ordinary share, the Company would incur a net loss of 0.28 baht per share (1.85 baht per share - 1.57 baht per share), equivalent to an approximate loss of 196 million baht.
- Scenario 2) Investing in SIRI ordinary shares by acquiring SIRI shares via the Stock Exchange: The Company will incur total costs equivalent to the ordinary share price of 1.57 baht per share plus the cost of the warrants at 0.75 baht per share. Considering an exercise ratio of 1 warrant per 1 ordinary share, the total cost amounts to 2.32 baht per share. This would result in a calculated loss of 0.75 baht per share (2.32 baht per share - 1.57 baht per share), or a loss of 525 million baht. However, the Company will still retain warrants which can be sold. The value obtained from the sale of these warrants will offset the aforementioned loss. Consequently, the Company will incur a net loss not exceeding 525 million baht.
- Scenario 3) Selling SIRI warrants to a third party: If the selling price exceeds 0.75 baht per warrant, the Company will generate a profit from the warrant sale. Conversely, if the selling price falls below 0.75 baht per warrant unit, the Company will incur a loss. The maximum loss incurred from the sale of warrants will not exceed 0.75 baht per warrant, equivalent to a calculated loss not exceeding 525 million baht. However, under this scenario, the Company will not retain any shares in SIRI.
- Scenario 4) Opting not to engage in the warrant conversion transaction until the warrants expire: In this case, the Company will incur a loss equivalent to 0.75 baht per share, totaling 525 million baht. The SIRI Warrants still have approximately two years of remaining maturity.

In summary, under the assumption that the Company can promptly exercise the right to convert the SIRI Warrants, a loss would be incurred from this transaction. However, the outcome of entering this transaction depends on the future market price of SIRI, leading to potential gains or losses across various scenarios. It is worth noting that the aforementioned warrants have an approximate remaining term of two years.

Additionally, when assessing the cost of acquiring warrants, according to the resolution of the Company's Board of Directors Meeting No. 4/2023 on 19 June 2023, the purchase of SIRI warrants, not exceeding 700 million units, at a rate of 0.75 baht per unit, was approved. In light of the weighted market price, calculated as the average over the past 7 to 360 business days leading up to 19 June 2023, SIRI's shares ranged from 1.55 to 1.89 baht per share. Comparatively, the warrant's exercise price is 0.75 baht per unit, translating to 1.10 baht per share when exercised, totaling 1.85 baht per share. The Independent Financial Advisor is of the opinion that this price falls within the range of the weighted average market price of SIRI, based on historical averages spanning the 7 to 360 business days leading up to 19 June 2023, which stood between 1.55 and 1.89 baht per share. Given this context, the current warrant acquisition presents an opportunity for the Company to contemplate future conversion within the remaining two-year exercise period, aligning with a principle of prudence in investing in SIRI. Hence, the Independent Financial Advisor opines that the purchase price of 700 million warrants at 0.75 baht per unit is appropriate.

Furthermore, assuming the Company promptly exercises the right to convert SIRI Warrants on 19 June 2023, with the market price of SIRI at 1.87 baht per share, the calculated profit would be 0.02 baht per share (1.87 baht per share - 1.85 baht per share), equivalent to a profit of 14 million baht. Consequently, the decision to proceed with the warrant purchase in line with the resolution of the Board of Directors' meeting on 19 June 2023 is deemed appropriate. In addition, the difference between purchasing warrants and purchasing ordinary shares directly is the maximum amount of loss. In this scenario, the Company's maximum loss from investing in SIRI warrants will not exceed 0.75 baht per share, even if the market price of SIRI drops significantly, falling below 1.10 baht per share. The warrant would be considered Out-of-the-Money (OTM) until it reaches a value of zero. Conversely, directly investing in SIRI's ordinary shares at 1.87 baht per share (as of 19 June 2023) would incur a greater loss if the market price of SIRI falls below 1.10 baht per share. Therefore, the approval of the transaction to purchase SIRI warrants on 19 June 2023 is deemed appropriate at that juncture.

3.3 Appropriateness of Transaction Conditions

The investment in ordinary shares of Sansiri Public Company Limited by exercising the right to convert stock warrants of SIRI in the amount of 700 million units, which equates to 700 million ordinary shares. These shares have a par value of 1.07 baht per share and are priced at 1.10 baht per share, amounting to approximately 4.08 percent of the total number of ordinary shares available post an increase in the paid-up capital of SIRI (assuming the Company only exercises the right to convert). The transaction size of the Investment in SIRI Transaction is equal to, or more than 50 percent based on the consolidated financial statements of the Company for the period ended June 30, 2023, and there is the entering into transaction between a listed company and another listed company, which is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposition of Assets. The Company is required to disclose the information Memorandum in respect of the Transaction to the Stock Exchange of Thailand, as well as seek prior approval from the shareholders meeting with affirmative votes of not less than three-fourths of

the total number of votes of the shareholders who attend the meeting and are entitled to vote, excluding the shareholders with vested interests and appoint Independent Financial Advisor to express the opinion related to the Investment in SIRI Transaction to the SEC, SET and the Company's shareholders at least 14 days in advance of the shareholders meeting.

In light of these conditions, the initiation of this transaction is subject to certain prerequisites and significant conditions precedent as detailed below:

Conditions for Transaction Entry and Conditions Precedent	Opinion of the Independent Financial Advisor
<p>1. Encompass obtaining approval from the FNS Holding Public Company Limited's shareholder meeting. This approval requires a majority vote, with at least three out of four attending shareholders entitled to vote, and shareholders with conflicts of interest are exempt from this voting</p>	<p>This is due to the transaction on 9 August 2023, in which FNS engaged in a purchase of MK's shares from a group of shareholders, amounting to 196,311,160 shares. Consequently, post this share transaction, FNS will hold a 49.50 percent stake in the Company, while the remainder is held by various minority shareholders. This establishes FNS as the controlling entity within the Company. Since the Company is a subsidiary of FNS, any consideration of important or large transactions must be approved by FNS's shareholder meeting before entering into the transaction with common condition.</p>
<p>2. Obtaining approval from the Company's shareholder meeting. This approval requires a majority vote, with at least three out of four attending shareholders entitled to vote, and shareholders with conflicts of interest are exempt from this voting</p>	<p>This is in accordance with the notification of the Capital Market Supervisory Board No. TorJor. 20/2008, RE: Rules for Significant Transactions Qualified as Acquisition or Disposition of Assets, dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand, RE: Disclosure of Information and Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 (2004), dated 29 October 2004. The maximum transaction size is equal to 127.12 percent based on the net operating profit criteria.</p>
<p>3. The Board of Directors would be empowered by the shareholder meeting to consider revising the Investment in SIRI Transaction to partially or not to exercise SIRI warrants for the ordinary shares of SIRI and partially or wholly sell SIRI warrants during exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company.</p> <p>If the Company considers the sale of SIRI Warrants, it will adhere to the stipulations outlined in the notification pertaining to the acquisition or disposal of assets, in addition to complying with various pertinent regulations governing such transactions.</p>	<p>As per the conditions outlined for exercising the rights of the SIRI Warrants, if the Company chooses not to exercise the said SIRI Warrants, it retains the right to sell the SIRI Warrants to other parties. This offers an opportunity for the Company to consider entering into the transaction appropriately and to maximize benefits for the Company and its shareholders.</p> <p>The Independent Financial Advisor also offers the following opinion that when considering whether to exercise the right to convert the SIRI Warrants into SIRI ordinary shares or to sell some or all of the SIRI Warrants within the period for</p>

Conditions for Transaction Entry and Conditions Precedent	Opinion of the Independent Financial Advisor
	<p>exercising the conversion rights, The Company shall adhere to the guidelines outlined in the notification pertaining to the acquisition or disposal of assets, ensuring compliance with all related regulations and to thoroughly evaluate the merits of investing in SIRI. Including with assessing the investment's value and potential risks, considering the Company's reasons and needs at that time. It is crucial to take into account the benefits of the Company and of its shareholders.</p>

Having considered the conditions for entering into the transaction and the conditions precedent of the Company mentioned above, the Independent Financial Advisor is of the opinion that the conditions for entering into the transaction and the conditions precedent of the Company are appropriate as it comply with the criteria of the notification regarding the transactions on assets acquisition and disposition, and there are no conditions that would cause the Company and its shareholders to lose benefits.

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Part 4: Conclusion of Opinion of Independent Financial Advisor

According to the Company's Board of Directors Meeting of M.K. Real Estate Development Public Company Limited (the "Company" or "MK") no. 4/2023 on June 19, 2023 has resolved to approve the investment in ordinary shares of Sansiri Public Company Limited ("SIRI") which has been issued in private placement, The holder warrants to purchase ordinary shares of SIRI ("SIRI warrants") has the rights to purchase ordinary shares in the ratio of warrant 1 unit to 1 ordinary share (1 : 1) with the exercise price of THB 1.10 per share and it is valid for approximately 2 years (The valid term of SIRI warrants is 5 years from the issue date on November 3, 2020) from Rumbia Street (Thailand) Co., Ltd. who is not considered as a connected person of the Company in the number of 700 million units with the warrant price of THB 0.75 per unit, in total amount of THB 525.00 million.

The SIRI warrants purchased by the Company were issued to be allocated to Theater Lane Limited under the resolution of the Annual General Meeting of Shareholders No. 25/2020 of the Company, held on 24 July 2020, SIRI has offered (A) perpetual bonds for sale in private placement to the specific investors of 2.05 million units, with the total offering value of 2,050 million baht ("perpetual bonds"); and (B) warrants of 2,050 million units, representing the rights to purchase ordinary shares, in private placement, which allotted to the investors who wish to subscribe and have been allotted perpetual bonds at the combined offering, without an offering value ("SIRI warrants"), to Theatre Lane Limited with the exercise ratio of one unit of warrant per one ordinary share at the exercising price of Baht 1.10 per share, and with maturity of five years beginning from the date of their issuance. Warrant Holders can exercise their Warrants once a quarter on the last business day of each quarter, beginning from the first quarter they received the confirmation of the allotment from SIRI, and they can exercise their right under the Warrants for the last time on the five-year warrants' maturity date. The Company holds SIRI warrants of 700,000,000 units by accepting the transfer of Warrants from a transferee of Theatre Lane Limited within the criteria under the Notification of the Capital Market Supervisory Board No. TorChor. 34/2551, clause 21.

As per the interview with the registrar responsible for the SIRI Warrants, issued on a private placement basis, the Company's acquisition of 700 million units of SIRI Warrants is in full compliance with the guidelines outlined in the notification of the Capital Market Supervisory Board No. TorChor. 34/2551, Section 21. There is no discernible reason why the SIRI Warrants should lose their status of a private placement. The registrar of SIRI has duly recorded this transfer in the warrant holder registry and issued new warrants to the Company on 29 June 2023. Given these circumstances, the Independent Financial Advisor is of the opinion that the Company will have the capacity to exercise its right to convert the SIRI Warrants into ordinary shares, be it all at once or in several occasions, in accordance with the provisions stipulated in the SIRI Warrants or wholly sell SIRI warrants during exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company. In addition, the Company can sell warrants without requesting permission from SIRI. And the company must comply with terms and conditions of SIRI warrants and relevant regulators.

Therefore, The Board of Directors' meeting No. 7/2023 on October 2, 2023 has resolved to propose to the Shareholders' Meeting to consider the investment in the ordinary shares of Sansiri Public Company Limited ("Sansiri" or "SIRI") by exercising the rights of warrants to purchase ordinary shares of SIRI ("SIRI warrants") which has been issued in private placement, of 700 million units to purchase ordinary shares of 700 million shares with a par value of THB 1.07 per share and at the exercise price of THB 1.10 per share, representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants (in case of only the Company exercises the rights), In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023) and the Company shall purchase such ordinary shares in the amount of THB 770.00 million by cash (the "Investment in SIRI Transaction").

The Investment in SIRI Transaction is deemed as the acquisition of assets transaction of the Company under the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated October 29, 2004 (as amended) (collectively, the "Notifications on Acquisition or Disposition of Assets"). The Investment in SIRI Transaction has a maximum acquisition of assets transaction value of equivalent to 127.12 percent according to the net operating profit basis based on the consolidated financial statements of the Company for the period ended June 30, 2023, which reviewed by the Company's auditors. The Company has not entered into any acquisition of assets transactions according to the net operating profit basis in the previous 6-month period before the date of the Board of Directors Meeting. The transaction size of the Investment in SIRI Transaction is equal to, or more than 50 percent based on the consolidated financial statements of the Company for the period ended June 30, 2023, and there is the entering into transaction between a listed company and another listed company, which is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposition of Assets.

Therefore, The Company is required to disclose the information Memorandum in respect of the Transaction to the Stock Exchange of Thailand, as well as seek prior approval from the shareholders meeting with affirmative votes of not less than three-fourths of the total number of votes of the shareholders who attend the meeting and are entitled to vote, excluding the shareholders with vested interests and appoint Independent Financial Advisor to express the opinion related to the Investment in SIRI Transaction to the SEC, SET and the Company's shareholders.

IFA's opinion on the Transaction can be summarized as follows:

Reasonableness of the transaction

Objectives and necessity of transaction

On June 28, 2023, the Company purchased SIRI warrants from Rumbia Street (Thailand) Co., Ltd. who is not considered as a connected person of the Company in the number of 700 million units with the warrant price of THB 0.75 per unit, in total amount of THB 525.00 million. The details of SIRI warrants are as follows:

Warrant Description	Warrant representing the rights to purchase ordinary shares of Sansiri Public Company Limited in private placement.
Warrant Type	Specified names of the holders and are limitedly transferable ^{1/}
Period of Exercise	5 years from warrant issuance dated on November 3, 2020
Exercise Ratio	1 unit of warrant is entitled to purchase 1 ordinary share (however based on warrants right adjustment as prescribed in the terms and conditions)
Exercise Period	Warrant holders can exercise their warrants once a quarter on the last business day of each quarter, beginning from the first quarter they received the confirmation of the allotment from Sansiri Public Company Limited and throughout the term of the warrants (the "exercise date"). Warrant holders can exercise their rights under the warrants for the last time on the five-year warrants' maturity date (the "last exercise date"). If the maturity date falls on a non-business day of Sansiri Public Company Limited, warrant holders can exercise their rights under the warrants for the last time on the last business day before that off day.
Exercise Price	THB 1.10 per unit (one Baht and ten Satang) (however based on warrants right adjustment as prescribed in the terms and conditions)
Warrant Issuance Date	October 21, 2020
Warrant Expiration Date	October 20, 2025
Secondary Market of Warrant	Warrants will <u>not</u> be listed on the Stock Exchange of Thailand.
Secondary Market of Ordinary Share from Warrant Exercised	Stock Exchange of Thailand
Silent Period	According to Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015)
Registrar	Sansiri Public Company Limited

Remark: 1/ To comply with the Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558 re: Approval for the Listed Companies to issue the Newly-Issued Shares to the Specific Investors dated on 28 October 2015 (as amended) ("Tor Chor. 72/2558"). Sansiri Public Company Limited will not accept any transfer registration of the Warrants if it would result in the non-compliance with the criteria of an offer sale of the Warrants in the manner of private placement, except for the case of transfer by succession, as specified in Tor Chor. 72/2558.

In this regard, according to the terms and conditions of SIRI warrants, the Company has intention to invest in ordinary shares of Sansiri Public Company Limited by exercising the rights of SIRI warrants of 700 million units to purchase ordinary shares of 700 million shares with a par value of THB 1.07 per share and at the exercise price of THB 1.10 per share, in the amount of THB 770.00 million, representing 4.08 percent of the total paid-up

shares after the capital increase of SIRI (in case of only the Company exercises the rights). In the event that SIRI warrant holders exercise their conversion rights (Fully Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023). In this regard, it is expected that by entering into this transaction, the Company would gain benefits as follows:

- (1) The investment in ordinary shares of SIRI, the Company considers SIRI's business trend in real estate development, as well as office building and commercial building for rental. After the end of epidemic situation of COVID-19 and the return to economic recovery. The Company views that the residential real estate and commercial buildings will have a positive impact that will make SIRI's business tend to flow continuously in the future, which will create profits and returns for the Company and shareholders.
- (2) It is an investment in a company with sustainable growth. According to the disclosure of SIRI's business plan that continues to focus on real estate development business. There will be 52 new projects to be developed in 2023, both in the form of single-detached houses, townhomes, and condominiums. The total project value is about THB 75,000 million. And if considering the operating results for the past 3 years, SIRI has been able to achieve continuous growth which is SIRI's net profit during 2020 - 2022 the second quarter of 2022 and the second quarter of 2023 amounted to THB 1,673 million, THB 2,017 million, THB 4,280 million, THB 1,220 million and THB 3,203 million, respectively, which from the aforementioned performance shows the potential for development of products that can continuously meet the needs of customers.
- (3) Investment in ordinary shares of SIRI is an investment in liquid assets. Because it is listed securities on the Stock Exchange of Thailand, and the Company has an opportunity to gain profit from the capital gain if SIRI's ordinary shares increase in the future. In addition, investing in SIRI stocks is still more liquid than owning land, and real estate projects under development of the Company.
- (4) From investing in ordinary shares of SIRI, the Company has the right to receive returns from dividends from SIRI, in the past, SIRI has continuously paid dividends to shareholders.
- (5) The Company will become a shareholder in SIRI which is a business with strong financial status and consistently profitable even during the COVID-19 pandemic. SIRI's net profit tends to grow from 2020 onwards.
- (6) SIRI's share price tends to increase continually due to operating results and a better financial position in 2021 and 2022 and according to the forecasts of the analyst group have the same view that SIRI's share price has a good trend in the future.
- (7) Investing in ordinary shares of SIRI by exercising the right to convert SIRI warrants, there is certainty in the number of shares and investment amount. Therefore, it is a better choice than buying shares in the stock market which may be volatile.

However, the Independent Financial Advisor had the opinion that the transaction will affect the Company and its shareholders as follows:

Advantages and Disadvantages of entry into the transaction

Advantages of entry into the transaction

- The Company will hold a stake in SIRI, a robust and financially sound enterprise. This is poised to enhance the overall value of the Company's group.
- The Company shall be entitled to dividends as a shareholder in SIRI
- This initiative enhances the structure and composition of the group's holdings and business operations. By investing in real estate development ventures with high growth potential, alongside the Company's independent projects, it serves as a strategic measure to diversify risk within the group's operational framework.
- Investing in SIRI's ordinary shares is considered an investment in liquid assets, given that they are securities listed on the Stock Exchange of Thailand.
- SIRI exhibits substantial potential for future growth, as it operates within the real estate sector, providing a diverse range of products and services, coupled with a robust customer base and a sound financial standing.
- Expanding potential business partnerships may lead to a surge in new business opportunities for the Company in the future.
- The acquisition of ordinary shares in SIRI presents the cost of acquisition as lower than SIRI's book value
- Acquiring ordinary shares of SIRI at a cost well within the range of SIRI's market price.
- The conversion of warrants to acquire SIRI ordinary shares offers an exercise price for conversion that is lower than the market price of SIRI ordinary shares as of 29 September 2023, thereby indicating that the warrants possess In-the-Money characteristics (ITM).

Disadvantages of entry into the transaction

- This investment cannot be earmarked for additional ventures within the core operations of the Company.
- It represents an investment in ordinary shares, albeit without the significant authority to partake in decision-making processes concerning policies or operations. This encompasses the authority to deliberate on SIRI's dividend payments.
- There are obligations to disclose information and adhere to specified criteria.

Benefits and Drawbacks of Opting Out of the Transaction

Benefits of Opting Out of the Transaction

- The Company will retain additional cash flow by abstaining from converting the warrants into ordinary shares of SIRI.
- This may lead to a reduced debt burden and financial costs for the Company.
- The Company has the option to acquire SIRI's ordinary shares directly through the Stock Exchange apart from the acquisition through the conversion of SIRI warrants, which will also allow the Company secure a stake in SIRI.

Drawbacks of Opting Out of the Transaction

- Opting not to convert SIRI Warrants will result in the complete loss of the invested amount in these warrants.
- The Company will lose the opportunity to receive dividends from SIRI.
- Holding warrants for an extended period without conversion will limit the Company's ability to trade them in the future, as they are not listed on the stock exchange.
- If the Company opts not to proceed with the transaction at this juncture but maintains the intention to invest in SIRI's ordinary shares, there is the alternative of directly purchasing these shares. However, this approach may lead to the Company falling short of acquiring the initially planned quantity of ordinary shares or incurring potentially higher investment costs.

Risks of entering into the transaction

- Fluctuations or volatility in the price of SIRI's ordinary shares, impacting the gains or losses from warrant conversion as well as post-conversion share price differentials.
- Potential price shifts in SIRI's ordinary shares during the exercise of conversion rights, potentially rendering the exercise unprofitable.
- Exposure to the risk of adjusting the value of investments in the financial statements, particularly for investments not associated with the Company's affiliated companies or subsidiaries.
- Potential receipt of dividends from SIRI that deviate from initial expectations.
- Risk of achieving a return on investment lower than the capital cost of engaging in the Transaction.
- Exposure to changes in pertinent rules and conditions governing warrants.
- Risk of non-approval by the shareholder meeting of both the Company and/or the parent company.

The Reasonableness of the SIRI warrants

The Company has intention to invest in ordinary shares of Sansiri Public Company Limited by exercising the rights of SIRI warrants of 700 million units to purchase ordinary shares of 700 million shares with a par value of THB 1.07 per share and at the exercise price of THB 1.10 per share, in the amount of THB 770.00 million, representing 4.08 percent of the total paid-up shares after the capital increase of SIRI (in case of only the Company exercises the rights). In the event that SIRI warrant holders exercise their conversion rights (Fully

Diluted), the Company will have a shareholding in SIRI of approximately 3.98 percent (calculated as of 29 September 2023). In this regard, it is expected that by entering into this transaction. The Company considers that the investment in SIRI will bring benefits to the Company both in terms of investing in businesses with strong financial position and good performance, as well as increasing opportunities for business alliances, which may increase new business opportunities for the Company in the future.

The IFA holds the view that the most suitable approaches for valuing SIRI's shares are Volume Weighted Average Price Approach or VWAP, IFA uses the Volume Weighted Average Price from SIRI's securities trading through the SET on different period in the past. The IFA has considered the volume weighted average price of SIRI based on the retroactive 7 business days, 15 business days, 30 business days, 60 business days, 90 business days, 120 business days, 180 business days, and 360 business days. The valuation of the Volume Weighted Average Price Approach is calculated to be 1.72 - 1.93 baht per share.

Furthermore, the average turnover rate for trading SIRI's ordinary shares (Average Turnover Ratio) during the period spanning 7 to 360 business days, from 5 April 2022 to 29 September 2023, has ranged from 1.19 to 2.28 percent. This figure surpasses the average trading turnover ratio (Turnover Ratio) observed in companies with analogous business operations, which stands at approximately 0.24 to 0.32 percent.

The cost of acquiring SIRI ordinary shares encompasses the purchase price of SIRI warrants at 0.75 baht per unit and the exercise price for the warrants to purchase SIRI ordinary shares at 1.10 baht per share, totaling 1.85 baht per unit. This share price remains within the fair valuation range of SIRI, assessed using the volume weighted average price approach (VWAP) at 1.72 to 1.93 baht per share. Consequently, the Independent Financial Advisor is of the opinion that the purchase price of the warrants and the exercise price of SIRI's warrants are appropriate.

Additionally, when assessing the cost of acquiring warrants, according to the resolution of the Company's Board of Directors Meeting No. 4/2023 on 19 June 2023, the purchase of SIRI warrants, not exceeding 700 million units, at a rate of 0.75 baht per unit, was approved. In light of the weighted market price, calculated as the average over the past 7 to 360 business days leading up to 19 June 2023, SIRI's shares ranged from 1.55 to 1.89 baht per share. Comparatively, the warrant's exercise price is 0.75 baht per unit, translating to 1.10 baht per share when exercised, totaling 1.85 baht per share. The Independent Financial Advisor is of the opinion that this price falls within the range of the weighted average market price of SIRI, based on historical averages spanning the 7 to 360 business days leading up to 19 June 2023, which stood between 1.55 and 1.89 baht per share. Given this context, the current warrant acquisition presents an opportunity for the Company to contemplate future conversion within the remaining two-year exercise period, aligning with a principle of prudence in investing in SIRI. Hence, the Independent Financial Advisor opines that the purchase price of 700 million warrants at 0.75 baht per unit is appropriate.

Appropriateness of Transaction Conditions

The transaction size of the Investment in SIRI Transaction is equal to, or more than 50 percent based on the consolidated financial statements of the Company for the period ended June 30, 2023, and there is the entering into transaction between a listed company and another listed company, which is classified as a Class 1 Transaction under the Notifications on Acquisition or Disposition of Assets. The Company is required to disclose the information Memorandum in respect of the Transaction to the Stock Exchange of Thailand, as well as seek prior approval from the shareholders meeting with affirmative votes of not less than three-fourths of the total number of votes of the shareholders who attend the meeting and are entitled to vote, excluding the shareholders with vested interests and appoint Independent Financial Advisor to express the opinion related to the Investment in SIRI Transaction to the SEC, SET and the Company's shareholders at least 14 days in advance of the shareholders meeting.

In light of these conditions, the initiation of this transaction is subject to certain prerequisites and significant conditions precedent as detailed below:

Conditions for Transaction Entry and Conditions Precedent	Opinion of the Independent Financial Advisor
<p>1. Encompass obtaining approval from the FNS Holding Public Company Limited's shareholder meeting. This approval requires a majority vote, with at least three out of four attending shareholders entitled to vote, and shareholders with conflicts of interest are exempt from this voting</p>	<p>This is due to the transaction on 9 August 2023, in which FNS engaged in a purchase of MK's shares from a group of shareholders, amounting to 196,311,160 shares. Consequently, post this share transaction, FNS will hold a 49.50 percent stake in the Company, while the remainder is held by various minority shareholders. This establishes FNS as the controlling entity within the Company.</p> <p>Since the Company is a subsidiary of FNS, any consideration of important or large transactions must be approved by FNS's shareholder meeting before entering into the transaction with common condition.</p>
<p>2. Obtaining approval from the Company's shareholder meeting. This approval requires a majority vote, with at least three out of four attending shareholders entitled to vote, and shareholders with conflicts of interest are exempt from this voting</p>	<p>This is in accordance with the notification of the Capital Market Supervisory Board No. Tor.Jor. 20/2008, RE: Rules for Significant Transactions Qualified as Acquisition or Disposition of Assets, dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand, RE: Disclosure of Information and Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 (2004), dated 29 October 2004. The maximum transaction size is equal to 127.12 percent based on the net operating profit criteria.</p>
<p>3. The Board of Directors would be empowered by the shareholder meeting to consider revising the Investment in</p>	<p>As per the conditions outlined for exercising the rights of the SIRI Warrants, if the Company chooses not to exercise</p>

Conditions for Transaction Entry and Conditions Precedent	Opinion of the Independent Financial Advisor
<p>SIRI Transaction to partially or not to exercise SIRI warrants for the ordinary shares of SIRI and partially or wholly sell SIRI warrants during exercise period according to the terms and conditions of SIRI warrants as appropriate based on the situation for the most benefit to the Company.</p> <p>If the Company considers the sale of SIRI Warrants, it will adhere to the stipulations outlined in the notification pertaining to the acquisition or disposal of assets, in addition to complying with various pertinent regulations governing such transactions.</p>	<p>the said SIRI Warrants, it retains the right to sell the SIRI Warrants to other parties. This offers an opportunity for the Company to consider entering into the transaction appropriately and to maximize benefits for the Company and its shareholders.</p> <p>The Independent Financial Advisor also offers the following opinion that when considering whether to exercise the right to convert the SIRI Warrants into SIRI ordinary shares or to sell some or all of the SIRI Warrants within the period for exercising the conversion rights, The Company shall adhere to the guidelines outlined in the notification pertaining to the acquisition or disposal of assets, ensuring compliance with all related regulations and to thoroughly evaluate the merits of investing in SIRI. Including with assessing the investment's value and potential risks, considering the Company's reasons and needs at that time. It is crucial to take into account the benefits of the Company and of its shareholders. the benefits of the Company and of its shareholders.</p>

Regarding precedent conditions and conditions of entering into the transaction, IFA has opined that the conditions of entering into the transaction are appropriate and relay to Notifications on Acquisition or Disposition of Assets and all terms and conditions are common for business perspective and don't damage Company's interest and shareholders' interest.

After considering information and rationale of this report, IFA has opined that the shareholders should approve the acquisition transaction.

For more information, please refer to IFA opinion summary in "**Executive Summary**" page 3 of this IFA report.

Nonetheless, in deciding whether to approve or disapprove the said Transaction, the shareholders can make consideration thereon based on the above reasons and opinion rendered by the Independent Financial Advisor. The final decision depends on the shareholders' individual judgment.

I V Global Securities Public Company Limited as the Independent Financial Advisor hereby certifies that we have provided the opinion fairly using independent professional judgments, by placing the interest of the shareholders at the utmost importance.

The Independent Financial Advisor's opinion is based on the assumptions that all information in consideration was complete and accurate, and reflects the operating environment and most up-to-date information at the time of issuance of this report. Any changes in the information used to formulate an opinion could have a significant impact on the valuation, the Independent Financial Advisor's opinion and the decision of the shareholders. The purpose of this report is to provide a recommendation to shareholders of the Company and the opinion of the IFA should not be misconstrued as an endorsement to enter into the Transaction, or a guarantee of the outcome of the Transaction.

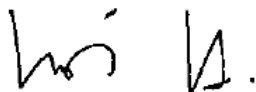
I V Global Securities Public Company Limited as the Independent Financial Advisor of the Company hereby certifies that we have study and analyze the data that provided by the professional standard and on the opinion fairly using independent professional judgments, by placing the interest of the shareholders at the utmost importance.

I V Global Securities Public Company Limited, as the Independent Financial Advisor, hereby certifies that we have provided the above opinion diligently in accordance with professional standards for the benefits of the shareholders.

Yours Faithfully,

Independent Financial Advisor

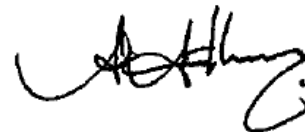
I V Global Securities Public Company Limited



(Miss Krisaporn Kunchan)

Vice President

Supervisor Financial Advisory



(Mrs. Sriporn Sudthipongse)

President and CEO

Attachment 1

Company Information and Operating Results
of
M.K. Real Estate Development Public Company Limited

1. General Information

Company name	:	M.K. Real Estate Development Public Company Limited (the “Company”)
Type of business	:	Property development for sale and Property development for and related services.
Registration Number	:	0107536001567
Website	:	www.mk.co.th
Head Office Address	:	345 Surawong Road 6th Fl., 345 Surawong Building Suriyawong, Bangrak Bangkok 10500
Telephone number	:	0-2234-8888
Fax	:	0-2234-8880
Register Capital	:	THB 1,117,211,195
(As of 30 June 2023)		Divided into 1,117,211,195 common shares with a par value of THB 1.00
Paid-up Capital	:	THB 1,091,205,066
(As of 30 June 2023)		Divided into 1,091,205,066 common shares with a par value of THB 1.00

2. Business Overview

2.1 Primary Business History and Development

M.K. Real Estate Development Public Company Limited (“the Company”) is engaged in the development of residential property for sale and for rent. It has been in business for over 60 consecutive years.

The Company was established in 1956 with registered capital of 8 million baht, under the name “Munkongsathapat General Partnership” Initially, the Company’s business objective was to obtain construction contracts to build various types of buildings. Five years later, its business expanded to buildings and land, in addition to construction. In 1968, ChorMunkong Trading Limited Partnership was separately established, to engage in the retail and wholesale of construction materials. Then, in 1977, the Company developed its first housing estate under the name “ChuanChuen Community” on PrachaChuen Road. This business grew gradually as its products were warmly welcomed by the public, and consequently the Company became fully engaged in real estate development in 1981. Subsequently, the Company became the first real estate developer to be listed in the Thailand Stock Exchange in 1990. It registered a change of company type to public limited company in 1993, and in 1994 the Company began to operate property for rent and related services, by developing ChuanChuen Golf Club. In 2005, it launched new single-detached houses under the ChuanChuen and Serene House brands. Up until now, it has developed more than 70 housing estates for sale throughout the Bangkok Metropolitan Region.

Principal changes and developments in the previous 3 years

Year	Event
2021	<ol style="list-style-type: none">On 1 February 2021, the Board of Directors’ meeting of Health and Wellness Village Co., Ltd., (a subsidiary) approved for additional call-up for 33.50% of its par value of the ordinary share capital. The Company has paid for the share amounting to Baht 50.25 million.On 1 April 2021, Prospect Development Co., Ltd., a subsidiary, established an entity named “BFTZ Bangpakong Co., Ltd.” whose business types are developing warehouse and factory for rent including infrastructure, facilities, and other related business, with registered capital amount at Baht 500,000,000, divided into 5,000,000 ordinary shares with a par value of 100 Baht each. The subsidiary has fully paid the share capital for a consideration of Baht 250 million. The subsidiary has ownership interest in the entity at 50% of issued and paid-up share capital.On 5 April 2021, BFTZ Bangpakong Co., Ltd. (a joint venture) established an entity named “Bangpakong Industrial Land Co., Ltd.” whose business type is developing land for sale and “Banpakong Terminal and Service Co., Ltd.” whose business type is developing infrastructure and facilities (subsidiaries of a joint venture). Each entity has registered capital amount at Baht 5,000,000, divided into 50,000 ordinary shares with a par value of 100 Baht each.

Year	Event
	<p>BFTZ Bangpakong Co., Ltd. has fully paid the share capital of both entities for a consideration totaling Baht 10 million. BFTZ Bangpakong Co., Ltd. has ownership interest in both entities at 100% of issued and paid-up share capital.</p> <p>4. In April 2021, Frasers Property BFTZ Co., Ltd., a joint venture of Prospect Development Co., Ltd.,</p> <p>5. a subsidiary, called for additional paid-up of shares according to the shareholding interest amounting to Baht 8.40 million.</p> <p>6. On 7 May 2021, Prospect Development Co., Ltd., a subsidiary, established an entity named “BFTZ Wang Noi Co., Ltd.” (a joint venture) whose business types are developing warehouse and factory for lease, with registered capital amount at Baht 5,000,000, divided into 50,000 ordinary shares with a par value of 100 Baht each. The subsidiary has fully paid the share capital for a consideration of Baht 2.5 million. The subsidiary has ownership interest in the entity at 50% of issued and paid-up share capital.</p> <p>7. On 10 June 2021 and 9 September 2021, the Company received return of capital from Prospect Logistics and Industrial Leasehold Real Estate Investment Trust of Baht 0.2808 per unit and Baht 0.0520 per unit, respectively, amounting to Baht 6.13 million and 1.14 million, respectively.</p> <p>8. On 15 August 2021, MKH assets Co., Ltd., a subsidiary entered into a land and construction lease agreement with a non-related party (“a lessor”) to operate hotel and health center, Subsequently, on 28 October 2021, the subsidiary entered into an amendment of land and construction lease agreement with the lessor. The lease agreement has the period of 21 years from 1 November 2021 to 31 October 2042, and the subsidiary agreed to pay compensation as specified in the agreement. The Company made a guarantee deposit of Bath 30 million at the registered date of land and construction lease.</p> <p>9. At the maturity date of lease agreement, the lessor promises to give an option to the lessee to extend the lease for period of 21 years from 1 November 2042 to 31 October 2063.</p> <p>10. On 15 October 2021, the Board of Directors' meeting of the Company approved Prospect Development Co., Ltd., a subsidiary, to purchase share capital of Free Zone Asset Company Limited amounting to 1,825,000 ordinary shares with a par value of Baht 100 per share, totaling Baht 182.50 million at a price of Baht 100 million from AQ Estate Public Company Limited of 1,824,998 ordinary shares and from other shareholders of 2 ordinary shares. The sellers are non-related parties.</p> <p>11. In additional, Free Zone Asset Company Limited operates real estate for rent and services, and has authorized share capital amounting to Baht 182.50 million of 1,825,000 ordinary shares with a par value of Baht 100 per share. The subsidiary entered into share purchase agreement and obtained the shares on 29 October 2021.</p>

Year	Event
	<p>12. On 16 November 2021, the Company purchased 100% of its issued and paid-up capital in Munkong Living Co., Ltd. from Prospect Development Co., Ltd., a subsidiary of the Company in the amount of Baht 1,060 million. As a result, Munkong Living Co., Ltd. become the Company's a direct subsidiary. However, the consolidated financial statements had not been affected.</p> <p>13. On 14 December 2021, the Company established an entity named "S71 Property Co., Ltd." whose business types a real estate for sale developer, with registered capital amount at Baht 650,000,000, divided into 6,500,000 ordinary shares with a par value of 100 Baht each. The Company paid 100% of share capital.</p> <p>14. On 23 December 2021, the Company sold all shares in Munkong Living Co., Ltd. a subsidiary, of 10,020,048 shares which comprised 10,019,998 ordinary shares and 50 preferred shares with a par value of Baht 100 per share to non-related party in totaling of Baht 1,112 million.</p>
2022	<p>1. On 14 March 2022, the Board of Directors' meeting of the Company approved the Company and/or subsidiary to receive financial assistance not exceeding Baht 500 million from FNS Holdings Public Company Limited (Formerly Finansa Public Company Limited), which is a major shareholder of the Company, for working capital, repayment of the loan and expanding the Company operation.</p> <p>2. On 16 March 2022, the Board of Directors' meeting of the Company approved Rx Wellness Co., Ltd., a subsidiary, to establish an entity named "Rx Wellness Blocker US, Inc." whose business types were investment in wellness business and / or operation in wellness business and had invested in 100% ownership interest in total share capital.</p> <p>3. On 18 March 2022, Rx Wellness Blocker US, Inc., (Indirect subsidiary of the Company in USA), which is a subsidiary of Rx Wellness Co., Ltd., (a 100 percent direct subsidiary of the Company) holding 100 percent, has invested in 80 percent of total shares of RAKxa Wellness US, LLC and ER Wellness, LLC, which has no relationship as connected person with the Company, has invested in 20 percent of total shares of RAKxa Wellness US, LLC. RAKxa Wellness US, LLC holds 100 percent of total shares of RC Ownership, LLC.</p> <p>4. RC Ownership, LLC has already acquired and received the transfer of a property in Colorado, USA for operating resort and wellness business.</p> <p>5. On 25 March 2022, the Annual General Meeting of the shareholders of Prospect REIT Management Co., Ltd., an indirect subsidiary (Prospect REIT) approved to increase the registered capital from the existing registered capital Baht 10 million to be the registered capital of Baht 16 million, by issuing the ordinary shares of 60,000 shares, par value at Baht 100 per share. Prospect REIT has registered the capital increase at the Department of Business</p>

Year	Event
	<p>Development, Ministry of Commerce on 25 April 2022. Prospect REIT has fully received the share capital for a consideration of Baht 6 million.</p> <p>6. On 4 April 2022, Rx Wellness Co., Ltd., (the “subsidiary”) established a new joint venture company in an entity named “Rakxa Venture Co., Ltd.” (Formerly Health and Wellness Ventures Co., Ltd.) whose business types were health care and wellness clinic and rehabilitation center. The registered Capital was Baht 1,000,000, divided into 100,000 ordinary shares at a par value of Baht 100. The subsidiary has fully paid the share capital for a consideration of Baht 500,000 and had ownership interest in the entity 50% of issued and paid-up share capital.</p> <p>7. On 26 April 2022, the 2022 Annual General Meeting of the shareholders of the Company approved to increase total amount and an outstanding value for issuance and offering of debenture at a particular time from not exceeding Baht 6,000 million to be not exceeding Baht 8,000 million. Preliminary details of debentures that the Company wished to issue and offer were as the board of directors propose.</p> <p>8. On 15 August 2022, the Board of Directors’ meeting of Prospect Development Co., Ltd., (the “subsidiary”) approved to issuance and offering of debenture at a particular time for total amount and an outstanding value from not exceeding Baht 2,000 million. Preliminary details of debentures that the Company wished to issue and offer were as the board of directors propose.</p> <p>9. On 15 August 2022, the Extraordinary General Meeting of Shareholders of Munkong Life Co., Ltd., (the “subsidiary”) approved to increase the registered capital from the existing registered capital Baht 2,600 million to be the registered capital of Baht 2,970 million, by issuing the ordinary shares of 3,700,000 shares, par value at Baht 100 per share. The subsidiary has already registered the capital increase at the Department of Business Development, Ministry of Commerce. The Company already paid the share capital totaling Baht 370 million or 100% of the increased share capital.</p> <p>10. On 26 July 2022, the Board of Directors' meeting of MKH Assets Co., Ltd., (the “subsidiary”) approved to call-up 65% of its par value of the share capital. The Company paid the share subscription amount to Baht 65 million.</p> <p>11. The Extraordinary General Meeting of Shareholders of the subsidiary held on 15 August 2022, approved to increase the registered capital from the existing registered capital Baht 100 million to be the registered capital of Baht 150 million, by issuing the ordinary shares of 500,000 shares, par value at Baht 100 per share. The subsidiary has already registered the capital increase at the Department of Business Development, Ministry of Commerce. The Company already paid the share capital totaling Baht 50 million or 100% of the increased share capital.</p>

Year	Event
	<p>12. On 26 July 2022, the Board of Directors' meeting of Health and Wellness Village Co., Ltd., (the "subsidiary") approved to call-up 41.5% of its par value of the share capital. The Company paid the share subscription amount to Baht 62.25 million.</p> <p>13. The Extraordinary General Meeting of Shareholders of the subsidiary held on 15 August 2022, approved to increase the registered capital from the existing registered capital Baht 200 million to be the registered capital of Baht 330 million, by issuing the ordinary shares of 1,300,000 shares, par value at Baht 100 per share. The subsidiary has registered the capital increase at the Department of Business Development, Ministry of Commerce on 23 August 2022. The Company already paid the share capital totaling Baht 130 million or 100% of the increased share capital.</p> <p>14. On 17 November 2022, the Extraordinary General Meeting of Shareholders of MKH Assets Co., Ltd. (the "subsidiary") approved to decrease the registered capital from the registered capital of Baht 150 million to 138.5 million by reducing the ordinary share of 115,000 shares with par value of Baht 100. The subsidiary has registered the capital decrease at the Department of Business Development, Ministry of Commerce on 20 December 2022.</p> <p>15. On 17 November 2022, the Extraordinary General Meeting of Shareholders of Health and Wellness Village Co., Ltd. (the "subsidiary") approved to decrease the registered capital from the registered capital of Baht 330 million to 283 million by reducing the ordinary share of 468,000 shares with par value of Baht 100. The subsidiary has registered the capital decrease at the Department of Business Development, Ministry of Commerce on 20 December 2022.</p> <p>16. On 1 December 2022, the Extraordinary General Meeting of Shareholders of Yours Property Management Co., Ltd. (the "subsidiary") approved to decrease the registered capital from the registered capital of Baht 5 million to 3 million by reducing the ordinary share of 20,000 shares with par value of Baht 100. The subsidiary has registered the capital decrease at the Department of Business Development, Ministry of Commerce on 6 January 2023.</p> <p>17. On 15 December 2022, the Company sold Flora Ville Golf and Country Club to non-related party in totaling of Baht 1,400 million.</p> <p>18. On 22 December 2022, the Extraordinary General Meeting of Shareholders of RX Wellness Co., Ltd., (the "subsidiary") approved to increase the registered capital from the existing registered capital Baht 100 million to be the registered capital of Baht 4,600 million, by issuing the ordinary shares which must be fully paid in money of 11,083,006 shares and the ordinary shares of the ordinary shares as fully paid up of 33,916,994 shares , totaling 45,000,000 shares, par value at Baht 100 per share. The subsidiary has registered the capital increase at the Department of Business Development, Ministry of Commerce on 23 December 2022.</p>

Year	Event
	<p>19. However, the subsidiary has received fully paid up in money of 11,083,006 shares amounting to Baht 1,108.30 million and received fully paid up of 33,916,994 shares by transferred shares of 3 subsidiaries of the Company which are (1) MKH Assets Co., Ltd., amounting to 1,384,998 ordinary shares at a par value of 100 Baht (2) Health and Wellness Village Co.,Ltd. Amounting to 2,831,998 ordinary shares at a par value of 100 Baht and (3) Munkong Life Co., Ltd., amounting to 29,699,998 ordinary shares at a par value of 100 Baht. As a result, the 3 subsidiaries have become indirect subsidiaries of the Company.</p> <p>20. On 23 December 2022, the Extraordinary General Meeting of Shareholders of Munkong Life Co., Ltd., (Indirect subsidiary company, a subsidiary company of RX Wellness Co., Ltd.) approved to increase the registered capital from the existing registered capital Baht 2,970 million to be the registered capital of Baht 4,020 million, by issuing the ordinary shares of 10,500,000 shares, par value at Baht 100 per share. Munkong Life Co.,Ltd. has registered the capital increase at the Department of Business Development, Ministry of Commerce on 26 December 2022 and has fully received the share capital for a totaling of Baht 1,050 million.</p> <p>21. As of 31 December 2022, the Company has registered capital 1,117,211,195 baht which divided into ordinary shares of 1,117,211,195 shares at par value of 1.00 baht per share, Paid-up capital of 1,091,205,066.00 baht. The Company operate property development business which consist of:</p> <p>(1) Property development for sale business, which is the main business of the Company with focus on development projects for residential real estate for sale, and</p> <p>(2) Property development for rent and service business</p>
2566	<p>1. On 27 January 2023, the Company issued short-term unsecured bond, No. 1/2023, in the amount of 226.70 million baht, and on 11 May 2023, the Company issued long-term unsecured bond, No. 1/2023, in the amount of 543.60 million baht.</p> <p>2. On 23 February 2023, Prospect Development Company Limited (Subsidiary) issued long term unsecured bond No. 1/2023, in the amount of 222.90 million baht and on 26 June 2023, the subsidiary issued long-term unsecured bond No. 2/2023, in the amount of 502.80 million baht.</p> <p>3. On 11 April 2023, RX Wellness Company Limited, a subsidiary, increased its investment in Rx Wellness Blocker US, Inc. by 0.6 million U.S. dollar or 20.69 million baht, equivalent to 80% of the total shares issued by Rx Wellness Blocker US, Inc. during that period. This increment in investment did not alter the proportion of shares held by the subsidiary. Subsequently, during the board of directors' meeting of the Company on 15 May 2023, the board of directors resolved to approve an additional investment by RX Wellness Company Limited in Rx Wellness Blocker</p>

Year	Event
	<p>US, Inc. amounting to 1.04 million U.S. dollar. However, as of the end of the period, this additional amount has not been invested.</p> <p>4. At the Annual General Meeting of Shareholders of the Company held on 26 April 2023, shareholders resolved to approve a dividend payment for the year 2022 at the rate of 0.11 baht per share, totaling 120.03 million baht. This dividend was disbursed to Company shareholders on 24 May 2023.</p> <p>5. On 31 May 2023, Health and Wellness Village Company Limited, an indirect subsidiary of the Company, made an investment in the medical center, rehabilitation center, and anti-aging medicine project under the 'VitalLife Wellness Center' brand. This project was previously part of a business unit of a non-connected company. The contract is irrevocable and there is a compensation obligation of 91.51 million baht. This compensation obligation is divided into 30.42 million baht in trade and other current payables and 61.08 million baht in other noncurrent payables. Additionally, there is an interest charge of 6 percent per annum on this obligation.</p> <p>6. On 31 May 2023, Munkong Life Company Limited and Health and Wellness Village Company Limited, indirect subsidiaries of the Company, entered into the lease and service contract related to medical center and rehabilitation center with the lease term of 3 years, from 1 June 2023, to 31 May 2026, and can be renewed for a period of 3 years with the rental fee and service fee as specified in the contract.</p> <p>7. On 1 June 2023, Health and Wellness Village Company Limited, an indirect subsidiary of the Company, entered into a 3-year management contract with a non-connected company for the provision of management services for the wellness and anti-aging center. The contract is renewable for an additional 3-year period, with the monthly service fee specified in the contract.</p> <p>8. At the Extraordinary General Meeting of Shareholders of Rukxa Venture Company Limited ("Joint Venture") held on 1 June 2023, the shareholders resolved to approve an increase in the registered capital of the Joint Venture by 1 million baht, bringing the total registered capital to 4 million baht. This increase was achieved through the issuance of 30,000 newly issued ordinary shares with a par value of 100 baht per share. The Joint Venture completed the registration of this capital increment with the Department of Business Development, Ministry of Commerce on 1 June 2023. In this regard, RX Wellness Company Limited, a subsidiary of the Company, has made a payment of 1.5 million baht, covering 50 percent of the total amount for the newly issued ordinary shares.</p> <p>9. At the Board of Directors' meeting of the Company held on 19 June 2023, the Board of Directors resolved to approve the group companies (the Seller) to enter into a Memorandum of Understanding for the sale and purchase of land (MOU) with a business unrelated to the Company (the Purchaser). This includes land owned by the parent company valued at 303.59</p>

Year	Event
	<p>million baht and land owned by a subsidiary valued at 831.42 million baht. For the land owned by the subsidiary, the Purchaser has the option to either buy the land or enter into a share purchase agreement to acquire all shares held by the Company in the subsidiary. The Company received a deposit security of 400 million baht on the MOU execution date.</p> <p>Subsequently, the Purchaser chose to enter into a share purchase agreement for acquiring all shares held by the Company in the subsidiary with the Company, valued at 831.42 million baht. On the execution date of the agreement, the Company received an additional payment of 400 million baht, with the remaining amount to be received on the transfer date.</p> <p>10. At the Board of Directors' Meeting of the Company held on 19 June 2023, the Board of Directors resolved to approve the a financial guarantee of the loan in the amount of 1,042 million baht for a subsidiary from a financial institute in Thailand. Subsequently, on 6 July 2023, the subsidiary withdrew 300 million baht of the approved loan, with an interest rate ranging from MLR-1 percent to MLR 1.25 percent per annum.</p> <p>11. On 27 June 2023, the Company sold land to an unrelated business for 465.65 million baht. The Company received payment in the form of a promissory note, which was endorsed by a financial institution in Thailand. The promissory note is due on 26 June 2026. Subsequently, the Company entered into a sale agreement to sell the discounted promissory note to another financial institution in Thailand at a discount rate of 3.8 percent per annum, receiving a cash payment of 412.57 million baht</p> <p>12. On 28 June 2023, the Company entered into a sale agreement to purchase warrants for purchasing the ordinary shares in an unrelated business. The total number of warrants acquired was 700,000,000 units, with a total value of 525 million baht. These warrants have a term of 5 years from the issuance date, with a maturity date of 20 October 2025. Each warrant allows the purchase of one ordinary share at a 1:1 ratio, priced at 1.10 baht per share. The Company recorded an interest amount of 17.01 million baht resulting from the fair value adjustment of the warrants.</p> <p>13. During the 6-month period ending on 30 June 2023, the Company invested in Prospect Logistics and Industrial Freehold and Leasehold REIT ("Trust") by acquiring 10,431,990 units, with a total value of 93.89 million baht which is equivalent to 8.02 percent of the total units issued and offered by the Trust during the period.</p> <p>14. As of 30 June 2023, the Company utilized 21,847,100 units of Trust in Prospect Logistics and Industrial Freehold and Leasehold REIT as collateral for a loan from a financial institution. The value of these units, as indicated in the separate financial statement, is 206.53 million baht.</p> <p>15. As of 30 June 2023, the Company entered into loan agreements with multiple financial institutions in Thailand, obtaining a total credit of 2,355.90 million baht with an annual interest rate ranging</p>

Year	Event
	<p>from MLR -1.50 percent to MLR-2.50 percent. The Company utilized funds from its investment in an associated company and a portion of land with property as collateral for the loan.</p> <p>16. As of 30 June 2023, a subsidiary entered into loan agreements with multiple financial institutions in Thailand, obtaining a total credit of 3,253 million baht at an annual interest rate ranging from MLR-1.00 percent to MLR-1.50 percent and MLR+0.20 percent. The subsidiary utilized a combination of collateral, including land with property, a portion of its leasehold rights to land, and the property under a sublease agreement, to secure the loan.</p> <p>17. As of 30 June 2023, an indirect subsidiary in the United States entered into a loan agreement with a foreign financial institution for 7.7 million U.S. dollar at an annual interest rate of 4.75 percent. The subsidiary utilized land, property, and savings held in a bank as collateral for the loan. The loan payment is due on 22 March 2025.</p> <p>18. As of 30 June 2023, the Company entered into loan agreements with multiple unrelated individuals, obtaining a total credit of 80 million baht at an annual interest rate of 5.60 percent. The loan payment is due on 23 February 2024.</p> <p>19. During the 6-month period ending on 30 June 2023, the Company entered into a loan agreement with another company for 750 million baht at an annual interest rate of 12.5 percent. The loan payment was due on 31 July 2023. In this regard, Rx Wellness Company Limited, a subsidiary of the Company, used share certificates representing shares in an indirect subsidiary of the company as collateral for the loan payment and any liabilities the Company may have under the loan agreement. During the same period, the Company made a partial loan payment of 100 million baht.</p> <p>20. During the 6-month period ending on 30 June 2023, the group company invested in the building and property for rent in the amount of 1,367.91 million baht, the material details as follows:</p> <ul style="list-style-type: none"> - On 22 November 2021, and 7 December 2021, a subsidiary entered into multiple lease agreements with individuals for a lease term of 30 years, commencing on 1 January 2023, and expiring on 31 December 2052. The subsidiary leased the land with no existing properties for the purpose of constructing warehouses, factory, and office buildings for rent. In the year 2023, the subsidiary paid lease compensation totaling 114.23 million baht. Additionally, the subsidiary committed to paying the yearly rental fee as specified in the agreement, amounting to 224.14 million baht. During this period, the group company recorded right-of-use assets totaling 214.88 million baht. - At a board of directors' meeting of a subsidiary held on 9 March 2023, the board of directors resolved to approve the subsidiary to enter into a land lease agreement with an individual for a lease term of 30 years, commencing on 28 April 2023, and expiring on 27 April 2053. The subsidiary agreed to lease the land, which has no existing properties, for the purpose

Year	Event
	<p>of constructing warehouses, factory, and office buildings for rent, or to potentially transfer its leasehold right to a trust fund. The subsidiary also committed to paying the monthly rental fees as specified in the lease agreement throughout the lease term, totaling 667.30 million baht. During this period, the group company recorded right-of-use assets totaling 302.68 million baht.</p> <p>- In addition, the subsidiary entered into a purchase agreement for a building with another company for the operation of warehouse, factory, and office building for rent. The Company made a payment of 65 million baht for the asset in April 2023.</p>

2.2 Type of business

2.2.1 Revenue Structure

Revenue structures classified by business group during 3 years and for 6 months period ended of 30 June 2023 are details as follow:

(Unit: THB Million)

Revenue Structure	Operate by	Shareholding proportion (Percent)	2020		2021		2011		Q2-2023	
			Amount	%	Amount	%	Amount	%	Amount	%
Revenue from sale of real estate	MK, MC, MKL	100	2,530.40	73.42	2,481.14	74.70	1,790.54	69.88	935.08	57.77
Revenue from rental and rendering of services	MKL, PD	100	374.27	10.86	341.33	10.28	340.10	13.27	203.57	12.58
Revenue from management of real estate	PD, Yours	100	48.37	1.40	91.04	2.74	118.26	4.62	82.71	5.11
Revenue from golf services	MK	100	100.84	2.93	-	-	-	-	-	-
Revenue from health and beauty	MKF, H&W, Rx	100	3.04	0.09	25.82	0.78	57.32	2.24	49.10	3.03
Other revenues			389.55	11.30	382.00	11.50	256.18	10.00	348.18	21.51
Total revenue			3,446.47	100.00	3,321.33	100.00	2,562.40	100.00	1,618.64	100.00

Source : Annual report of 2022 and The Company's financial Statement

2.2.2 Nature of business and operations

The Company is engaged in property development, which consists as follow.

1. Property development for sale, which is the Company's main business, the principal source of income from this business is sale of residential property.
2. Property development for rent and related services.


(1) **Property Development for Sale**








1.1 Product or service characteristics and business innovation development

The company's main product form is pre-built houses for sale in response of clients' needs of ready-to-move in. In 2016, the Company continued to improve its products in terms of functions and design, complemented by the concept of comprehensive well-being. For example, in terms of construction methods the traditional house construction for flexibility in modifying the design of the new generation of houses in each phase of sale to respond to the functional needs that consistent with behavior of consumers in the new normal era, connecting perfectly between living and working in work from home style for people groups of all ages, Ozone garden increases plants to reduce dust and purify the air, and pet zone, relaxation area with favourite pets, playgrounds that promote learning, known as education playgrounds. Wellbeing is taken into account. In addition, the Company uses eco-friendly and energy-efficient materials, green glass for light refraction, LED bulbs, and air flow innovation for keeping house temperatures down, and provides residents with peace of mind with its security system. It also takes into account the needs of surrounding communities. All in all, the Company strives to create good quality of life and a sense of relaxation, making the property suitable for long-term living and enhancing the brand's competitiveness as it remains committed to maintaining "value for money".

Current project for sale

"In June 2023, 8 residential property projects were launched. These consisted of single-detached house, duplex houses and townhouse projects under the "ChuanChuen"

Project name	Project location	Project area	Number of units/Utility space per unit	Project value (million baht)	Sale progress (as of Jun 30, 2023)
Detached house					
ChuanChuen Prime Village Bangna (Phase 1) 	Bangbo Subdistrict, Bangbo District, Samutprakarn	63-0-16.5 rai (Sale started in 2019)	293 units Usable space: 115 - 179 sq.m./unit	1,428.29	60.07%
Duplex houses					

Project name	Project location	Project area	Number of units/Utility space per unit	Project value (million baht)	Sale progress (as of Jun 30, 2023)
ChuanChuen Park Pinklao-Kanchana 	Sala Klang Subdistrict, Bang Kruai District, Nonthaburi	37-3-17.94 rai (Sale started in 2020)	201 units Usable space: 143-150 sq.m./unit	950.22	54.73%
Townhomes					
ChuanChuen Town Ratchapruerk-345 	Lum Pho Subdistrict, Bang Bua Thong District, Nonthaburi	27-1-95.6 rai (Sale started 2018)	289 units Usable space: 113-140 sq.m./unit	794.88	62.98%
ChuanChuen Town Rangsit-Khlong 1 	Rangsit-Nakhon Nayok Canal Road, Prachathipat Subdistrict, Thanyaburi District, Pathumthani	40-2-50 rai (Sale started 2018)	324 units Usable space: 140 sq.m./unit	1,053.13	100%
ChuanChuen Town Chaiyapruerk-Chaengwattana 	Phimon Rat Subdistrict, Bang Bua Thong District, Nonthaburi	41-3-17.8 rai (Sale started 2019)	397 units Usable space: 113, 140 sq.m./unit	1,342.70	42.32%
ChuanChuen Town Bang Yai 	SoiPhra Non, Bang Mae Nang Subdistrict, Bang Yai District, Nonthaburi	37-2-46.9 rai (Sale started 2019)	335 units Usable space 140 sq.m./unit	949.57	62.09%
ChuanCheun Town Villegge Bangna 	Bang Bo Subdistrict, Bang Bo Distrit, SamutPrakan	41-3-47.2 rai (Sale started 2019)	278 units Usable space:140 sq.m./unit	942.95	45.82%
ChuanChuen Town Rangsit - Khlong 3 	Khlong sam Subdistrict, Khlong Luang	28-2-75.8 rai (Sale started 2020)	321 units Usable 92-120 sq.m./unit	764.47	30.22%

Project name	Project location	Project area	Number of units/Utility space per unit	Project value (million baht)	Sale progress (as of Jun 30, 2023)
	District, Pathum Thani				

Due to impact of epidemic of COVID-19, resulting in unfavorable economic condition and intense competition in the low-rise housing segment, so the Company delayed the launch of new projects in this year but will focus on selling products in existing projects as much as possible.

In the pass, the Company and its subsidiaries do not have a clear policy of research and development on innovation in process, product, and service. However, to be enhance the competitiveness, the Company's team has been keeping an eye on the trend changing in consumer behavior in houses buying selection. The Company and it subdiaries continuously modify the design and layout of the projects to meet customers' needs, such as, inserting the nature into every dimension through the botanical style design, the design that allows natural wind, emphasize common area with shady trees, New house design, "Modern Minimal", targeting young first-time home buyers. The Company and its subdiaries still have a policy to seek new innovations to apply with business operation in long-term.

(2) Property development for rent and services

The Company is engaged in property development for rent and related services, in order to generate rent and service fees as long-term, recurring income. At present, this income comes from a number of sources, such as warehouses and manufacturing factories for rent and office space for rent. Details are as follows:

2.1 Warehouses and factory buildings for rent

Product or service characteristics and business innovation development

Warehouses and factory buildings for rent business is operated by Prospect Development Co.,Ltd., under the project known as "Bangkok Free Trade Zone", located on Mueang Mai Bang Phli Road, Bang Sao Thong District, SamutPrakan Province. The project is 224.15 rais in size, which is divided into (1) public utility area within the project, which is approximately 59.91 rais in size, and (2) area for the development of property for commercial purposes, i.e. factory buildings and warehouses for rent, which is aproximately 164.24 rais in size. The latter area is also divided in two following categories:

- General Zone, approximately 49.65 rais
- Free Zone, 174.50 rais

Details of the warehouses and factory buildings for rent business is as follows:

Area of operations

It is located in Bangkok Free Trade Zone, Mueng Mai Bang Phli Road, Bang Sao Thong District, SamutPrakan Province. Prospect obtained the right to sublease this area for rent from Chainan-Bang Phli Parkland Company Limited in land sublease agreements and sublease agreements for land and buildings thereon (warehouses). The term of these agreements is matured in 2040 and in 2041 respectively.

Please note that Prospect obtained the sublease rights on this area for rent from Chainan- Bang Phli Parkland Company Limited. The ownership right in this land lies with Priest Hospital Foundation, Pak Nam Temple, and MongkolNimit Temple.

Details of areas for rent

1. Prefabricated factories and warehouses for rent in the Free zone
2. Prefabricated factories and warehouses for rent in the General zone
3. Built to suit warehouses and factory buildings

Project size

The project consists of warehouses together with office space and factory buildings equipped with public utilities. The area for rent where construction has completed is 163,306 square meters in size, with details are follows:

1. Free Trade Zone
 - Warehouse buildings 59,415 square meters
 - Factory building 60,196 square meters
 2. General Zone
 - Warehouse buildings 19,068 square meters
 - Factory buildings 24,627 square meters
- Total 163,306 square meters

Moreover, Prospect Development Company Limited has planned to develop these following projects:

1. Bangkok Free Trade Zone 1.1 Project, under development of Freezone Asset Company Limited, subsidiary of Prospect Development Company Limited, located within Bangkok Free Trade Zone 1 Project which is located on Muang Mai road, Bang Phli, Bang Sao Thong subdistrict, Bang Sao Thong district, Samut Prakan province on land area of approximately 13 rai, building area of construction has completed is 21,726 square meters
2. Bangkok Free Trade Zone 2 Project, under development of Prospect Development Company Limited, located on Theparak road, Bang Sao Thong subdistrict, Bang Sao Thong district, Samut Prakan province, on land area of approximately 42 rai, building area of construction has completed is 20,996 square meters and has an area under construction of approximately 12,500 square meters.
3. Bangkok Free Trade Zone 3 Project, developed by Prospect Development Company Limited, located on Liap Khlong Suan Suvarnbumi road, Bang Pla subdistrict, Bang Phli district, Samut Prakan

province, on land area of approximately 130 rai, building area of construction has completed is 49,133 square meters and has an area under construction of approximately 63,000 square meters.

4. Bangkok Free Trade Zone 4 Project, under development of BFTZ Bangpakong Company Limited, joint venture company between Prospect Development Company Limited and Sansiri Public Company Limited, located on Sukhumvit Sai Kao road, Tha Kham subdistrict, Bang Pakong district, Chachoengsao province, on land area of about 350 rai, building area of about 200,000 square, which is under project developing process
5. Bangkok Free Trade Zone 5 Project, under development of BFTZ Wangnoi Company Limited, joint venture company between Prospect Development Company Limited and FNS Holdings Public Company Limited, located on Phaholyothin road, Lam Sai subdistrict, Wang Noi district, Phra Nakhon Si Ayutthaya province, on land area of approximately 145 rai, building area of construction has completed is 21,010 square meters and has an area under construction of approximately 88,401 square meters.

2.2 Wellness business

Product or service characteristics and business innovation development

The health and beauty business is a another business of the Company's group as the Company sees an opportunity for the expansion of medical and wellness tourism in Thailand, according to the Medical Wellness Institute's study, it ranks Thailand as 13th in the world in health tourism, together with the government's policy to develop Thailand as an international medical hub. The Company collaborated with Bumrungrad Hospital to develop the first integrated health and holistic medicine center in Asia under "RAKxa" project.

The main target customers of the project are expatriates and Thais who wish to have superior experience designed specifically for health and beauty care. Holistic health care package selling are available in variety of different health goals. There is period of service from 1 days to 14 days, covering various services as follows:

- Analyze health with modern medicine technology to match the genetics, hormones, and lifestyle of particular person.
- Provide a merge service in many fields, such as traditional Chinese medicine, Thai traditional medicine, water bath, steam bath, etc.
- Provide a medical fitness center with physical therapists and sport scientists providing advice on solving individual problems.
- Provide health food services by chefs and nutritionists to prepare food for the patient, including providing customers with food that is known to the source as Farm-to-Table, non-toxic, and good for health.
- Provide accommodation while receiving health care services which is designed to make users feel relaxed and have privacy in the midst of atmosphere surrounded by nature. The position and

distance of various furniture placement is designed by team of doctors and physical therapists, not to hinder the elderly and those who need a wheelchair.

2.3 Office building for rent

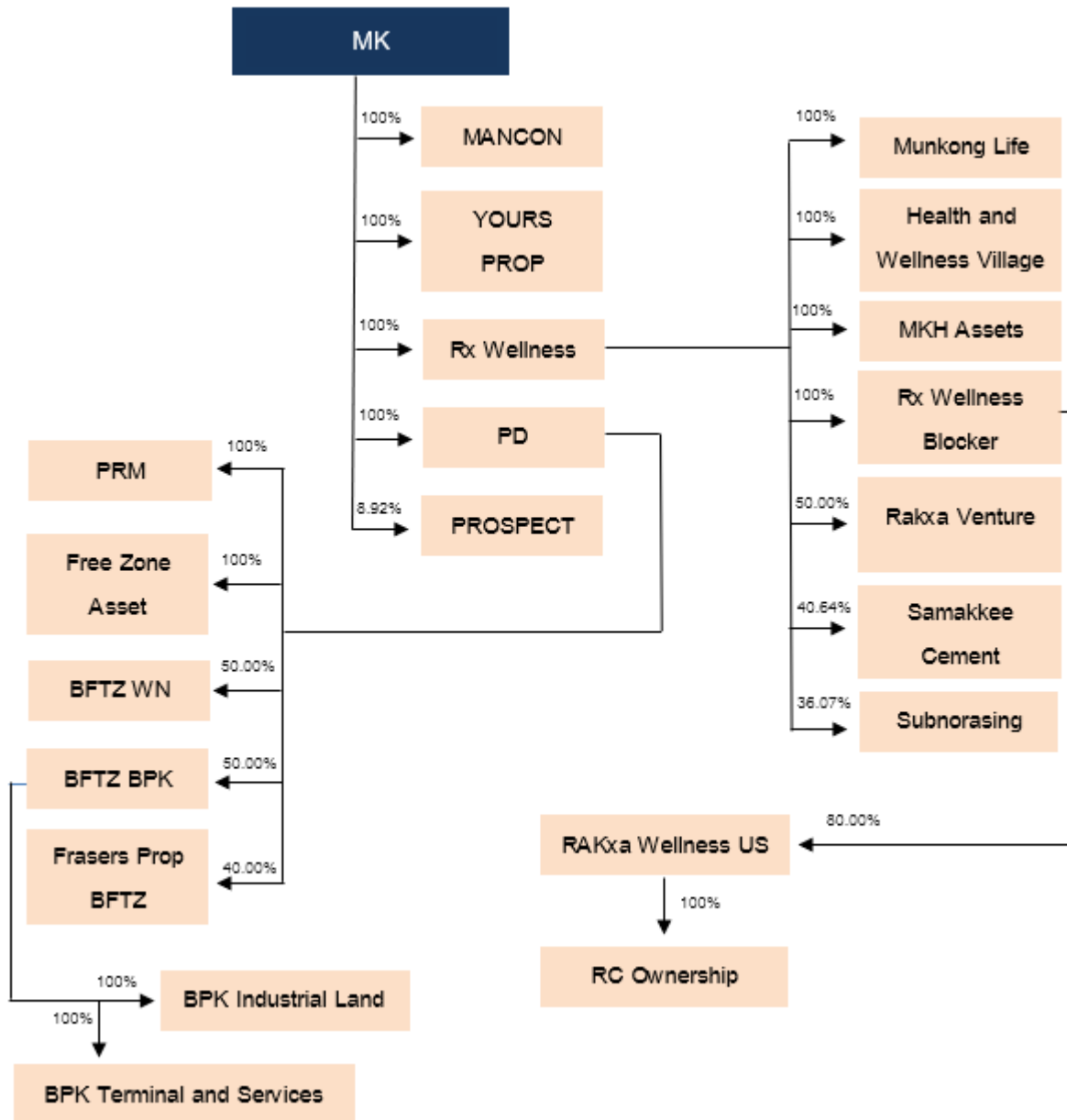
The Company provides space rental services at 345 Surawong building, a 7-storey office building on Surawong Road and Charoenkrung Road for non-used area for the Company, including parking service since moving into this building on 20 September 2019.

2.4 Property management business

The Company earns income from real estate management from Prospect Development Company Limited and Yours Property Management Company Limited to provide building management service.

3. Shareholder Structure

The Company operates business in real estate development, housing type, which focusing on horizontal residential projects, real estate developments for rent, and related services. As of 27 September 2023, the Company has a shareholding structure in various companies as follows:



Source: Annual report and the Company information

Subsidiary companies consist of the following:

1. Mancon Co.,Ltd., engaged in construction contracts and property development for small projects.
2. Yours Property Management Co., Ltd., engaged in providing building and property management services.
3. Rx Wellness Co., Ltd. (formerly S7 1 Holding Co.,Ltd.) engaged in property development, health and wellness.
4. Prospect Development Co.,Ltd., engaged in development of factory buildings and warehouses and storage for rent.

Indirect subsidiary companies consist of the following:

1. Prospect Reit Management Co.,Ltd., engaged in reit manager for property investment (a subsidiary company of Prospect Development Co.,Ltd.)
2. Free Zone Asset Co.,Ltd., engaged in real estate for rent and services(a subsidiary company of Prospect Development Co.,Ltd.)
3. Munkong Life Co.,Ltd., engaged in property development and rehabilitation for rent. (a subsidiary company of Rx Wellness Co., Ltd.)
4. MKH Assets Co.,Ltd., engaged in property development , health and wellness and hotel. (a subsidiary company of Rx Wellness Co., Ltd.)
5. Health and Wellness Village Co., Ltd.,engaged in medical,health and wellness. (a subsidiary company of Rx Wellness Co., Ltd.)

Indirect subsidiary companies in USA consist of the following:

1. Rx Wellness Blocker US, Inc.,engaged in investment in wellness business and / or operation in wellness business. (a subsidiary company of Rx Wellness Co., Ltd.)
2. RAKxa Wellness US, LLC , engaged in investment in operating resort and wellness business (a subsidiary company of Rx Wellness Blocker US, Inc.,share holding by Rx Wellness Blocker US, Inc. for 80% and ER Wellness, LLC for 20%)
3. RC Ownership, LLC, engaged in operating resort and wellness business (a subsidiary company of RAKxa Wellness US, LLC)

Associated company consist of the following:

1. Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust (Trust), the Trust is classified as associated company of the Company as Prospect Reit Management Company Limited (indirect subsidiary) has been appointed as REIT manager. (share holding by FNS Holdings Public Company Limited (formerly Finansa Public Company Limited) for 22.99% , M.K. Real Estate Public Company Limited for 8.92%, and other shareholders for 68.09%)

Indirect Associated companies consist of the following:

1. Samukkee Cement Co.,Ltd., engaged in the manufacture of cement and ready-mixed concrete (an associated company of Rx Wellness Co., Ltd.) (shares holding by Rx Wellness Company Limited for 40.64% , Tangmatitham family for 20.96%, and other shareholders for 38.40%)
2. Subnorasing Co.,Ltd., engaged in the production of manufactured sand (an associated company of Rx Wellness Co., Ltd.) (shares holding by Rx Wellness Company Limited for 36.07% , Mr.Chuan Tangmatitham for 13.90% , Mr.Chimchai Setapram for 13.90%, and Mr.Vicharn Wattanacheeranon for 13.90%)

The Company's joint ventures consist of the following:

1. Frasers Property BFTZ Co.,Ltd., engaged in provision of warehouses for rent with the investment from Prospect Development Co.,Ltd. (shares holding by Prospect Development Company Limited for 40.00% and Fraser Property Industrial (Thailand) Company Limited for 60.00%)
2. BFTZ Wangnoi Co.,Ltd., engaged in developing factory building and warehouse for rent with the investment from Prospect Development Co.,Ltd. (shares holding by Prospect Development Company Limited for 50.00% and FNS Holdings Public Company Limited (formerly Finansia Public Company Limited) for 50.00%)
3. BFTZ Bangpakong Co.,Ltd., engaged in developing warehouse and factory for rent including infrastructure, facilities and other related business with the investment from Prospect Development Co.,Ltd. (shares holding by Prospect Development Company Limited for 50.00% and Sansiri Public Company Limited for 50.00%)
4. Rakxa Venture Co.,Ltd., (formerly Health and Wellness Ventures Co.,Ltd.) engaged in health care and wellness center clinic and rehabilitation center with the investment from Rx Wellness Co., Ltd. (shares holding by Rx Wellness Co., Ltd. for 50.00% and Vitallife Allianz Co.,Ltd. (Subsidiary of Bumrungrad Hospital Public Company Limited) for 50.00%)

Subsidiary of Joint Venture Company consist of the following:

1. Bangpakong Industrial Land Co.,Ltd., engaged in developing Land for sale (a subsidiary company of BFTZ Bangpakong Co.,Ltd.)
2. Bangpakong Terminal and Services Co.,Ltd., engaged in developing facilities and utilities system (a subsidiary company of BFTZ Bangpakong Co.,Ltd.)

4.	Board of Director
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As of 12 September 2023, the board of directors of the Company consists of 7 persons, including:

No.	Name	Position
1	Mr. Suthep Wongvorazathe	Chairman and Chairman of the Executive Committee
2	Mr. Vorasit Pokachaiyapat	Chief Executive Officer
3	Miss Rachanee Mahatdetkul	Director and Executive Director acting Corporate Finance and Industrial Property Division
4	Mrs.Siripan Leewanun	Director and Executive Director, Senior Executive Vice President of Operations Management Accounting & Finance Division
5	Mr. Att Tongyai Asavanund	Independent Director and Chairman of Audit Committee
6	Mr. Chaiyapont Timsootheepant	Independent Director and Audit Committee
7	Mr.Theraphan Jittalarn	Independent Director and Audit Committee

Source: SET and Company affidavit

The directors who could sign to bind the Company to be as Company affidavit date on 6 June 2023 is “ Mr. Suthep Wongvorazathe, Mr. Vorasit Pokachaiyapat , Miss Rachanee Mahatdetkul and Mrs.Siripan Leewanun any two of these four directors can sign jointly and affixing the Company seal, except for in cases of the applications for installation of meters of pipe water, electricity and telephone, the applications for assignment and accepting assignment of rights to use electricity, pipe water and telephone, the applications for assignment, accepting assignment and refund of deposit guarantee for using of electricity, pipe water and telephone, or the application for construction permit, or the application for house registration number and the applications for licenses of road and drain connection, Mr. Suthep Wongvorazathe or Mr. Vorasit Pokachaiyapat or Miss Rachanee Mahatdetkul or or Mrs.Siripan Leewanun can sign singly and affixing the Company seal

5. Shareholder

List of shareholders of M.K. Real Estate Development Public Company Limited as of 17 October 2023 are as follows:

Shareholder name	No. of Shares (Shares)	Portion (%)
1. FNS Holding Public Company Limited	540,145,362	49.50%
2. CPD Holding Company Limited	60,492,171	5.54%
3. WISDOM LEADER VENTURES LIMITED	52,171,368	4.78%
4. Miss Ravipan Jaruthavee	44,950,960	4.12%
5. Dr. AURCHAT KANJANAPITAK	29,664,140	2.72%
6. BCH Holding Company Limited	26,829,270	2.46%
7. MISS PIYASRI TANTIWATNA	24,381,820	2.23%
8. MISS CHUTIMA TANGMATITHAM	17,331,015	1.59%
9. Mrs. UNCHAN TANGMATITHAM	15,960,446	1.46
10. MR. YUE KWOK-LEUNG	14,249,510	1.31
Sum Top 10 Shareholders	826,176,062	75.71%
10. Other shareholders	265,029,004	24.29%
Total	1,091,205,066	100.00%

Source: SET

6. Dividend Payment Policy

Per its policy, the Company pays dividend to shareholders at the rate of at least 30 percent. The Company's subsidiaries will pay dividend based on the resolution of their respective Board of Directors.

7. Summary of Financial Positions and Operating Performance

For the year ended 31 December 2020, 2021,2022 and as of 30 June 2023, the consolidated financial results of the Company and its subsidiaries as follows.

(unit: THB million)

Statement of Financial Position	2020		2021		2022		30 June 2023	
	amount	%	amount	%	amount	%	amount	%
Assets								
Current assets								
Cash and cash equivalents	164.02	0.91	172.19	0.90	415.67	2.09	554.26	2.74
Other current financial assets	191.06	1.06	318.01	1.67	-	-	542.01	2.68
Trade and other current receivables	78.39	0.44	88.88	0.47	1,018.56	5.13	671.34	3.32
Current portion of lease receivables	-	-	-	-	-	-	0.24	0.00
Short-term loans to related parties	-	-	570.00	2.99	808.50	4.07	889.50	4.39
Short-term loans to other parties	105.00	0.58	110.00	0.58	81.20	0.41	60.00	0.30
Real estate development for sale	5,665.62	31.50	4,132.80	21.71	3,224.11	16.23	3,105.83	15.34
Inventories	3.50	0.02	4.69	0.02	5.88	0.03	13.12	0.06
Other current assets	113.57	0.63	148.86	0.78	250.03	1.26	270.21	1.33
Total current assets	6,321.17	35.15	5,545.43	29.12	5,803.95	29.22	6,106.87	30.17
Non-current assets								
Deposits pledged as collateral	4.65	0.03	21.50	0.11	63.81	0.32	80.68	0.40
Lease receivables	-	-	-	-	-	-	52.58	0.26
Investments in associates	218.46	1.21	204.15	1.07	193.10	0.97	256.06	1.26
Investments in subsidiaries	-	-	-	-	-	-	-	-
Investments in joint ventures	326.48	1.82	605.54	3.18	590.91	2.97	581.52	2.87
Other non-current financial assets	10.13	0.06	10.13	0.05	8.49	0.04	8.49	0.04
Land held for development	477.05	2.65	467.84	2.46	467.84	2.36	467.84	2.31
Investment properties	5,403.93	30.05	5,193.96	27.28	6,441.47	32.43	6,101.14	30.14
Property, plant and equipment	4,994.17	27.77	5,785.38	30.38	5,746.69	28.93	6,120.02	30.23
Intangible assets	18.12	0.10	21.07	0.11	33.29	0.17	40.66	0.20
Deferred tax assets	75.63	0.42	160.97	0.85	189.76	0.96	199.64	0.99
Deposits	-	-	120.00	0.63	30.00	0.15	30.00	0.15
Other non-current receivables	-	-	781.50	4.10	30.00	0.15	10.00	0.05
Goodwill	-	-	-	-	-	-	59.92	0.30
Other non-current assets	135.45	0.75	123.05	0.65	265.29	1.34	128.24	0.63
Total non-current assets	11,664.08	64.85	13,495.10	70.88	14,060.66	70.78	14,136.79	69.83
Total assets	17,985.25	100.00	19,040.52	100.00	19,864.60	100.00	20,243.66	100.00
Liabilities and equity								
Current liabilities								
Short-term borrowings from financial institutions	873.20	4.86	1,142.14	6.00	694.69	3.50	101.50	0.50
Trade and other current payables	427.06	2.37	449.73	2.36	296.28	1.49	789.06	3.90
Current portion of long-term borrowings from financial institutions	290.34	1.61	284.36	1.49	396.21	1.99	366.84	1.81
Current portion of long-term borrowings from other parties	-	-	-	-	-	-	80.00	0.40
Current portion of payables for purchase of land	-	-	647.00	3.40	-	-	-	-
Short-term debentures	647.63	3.60	1,701.99	8.94	1,206.00	6.07	425.83	2.10
Current portion of long-term debentures	1,720.31	9.57	1,435.82	7.54	2,812.12	14.16	2,198.90	10.86
Short-term loans from related parties	-	-	-	-	116.99	0.59	499.60	2.47
Short-term loans from other parties	667.78	3.71	227.47	1.19	-	-	650.00	3.21

Statement of Financial Position	2020		2021		2022		30 June 2023	
	amount	%	amount	%	amount	%	amount	%
Current portion of lease liabilities	3.00	0.02	23.02	0.12	17.13	0.09	14.71	0.07
Current income tax payable	18.65	0.10	-	-	0.72	0.00	38.31	0.19
Customers' deposits	19.24	0.11	29.11	0.15	42.23	0.21	73.08	0.36
Deposit	-	-	-	-	-	-	400.00	1.98
Current portion of provisions for guarantee of lease agreement	-	-	-	-	-	-	14.92	0.07
Other current liabilities	363.05	2.02	351.85	1.85	376.88	1.90	455.26	2.25
Total current liabilities	5,030.25	27.97	6,292.48	33.05	5,959.25	30.00	6,108.01	30.17
Non-current liabilities								
Payables for purchase of land	647.00	3.60	-	-	-	-	-	-
Non-current payables	-	-	-	-	-	-	61.08	0.30
Long-term borrowings from financial institutions	1,680.98	9.35	1,916.69	10.07	2,725.19	13.72	2,054.44	10.15
Long-term borrowings from other parties	-	-	-	-	80.00	0.40	-	-
Long-term debentures	3,435.23	19.10	3,437.42	18.05	3,593.50	18.09	4,216.26	20.83
Lease liabilities	301.53	1.68	677.33	3.56	686.61	3.46	1,082.39	5.35
Deferred tax liabilities	-	-	-	-	5.38	0.03	-	-
Non-current provisions for employee benefits	92.50	0.51	67.49	0.35	62.31	0.31	66.15	0.33
Provisions for guarantee of lease agreement	-	-	-	-	-	-	6.43	0.03
Other non-current liabilities	156.78	0.87	180.67	0.95	289.53	1.46	276.82	1.37
Total non-current liabilities	6,314.02	35.11	6,279.60	32.98	7,442.53	37.47	7,763.57	38.35
Total liabilities	11,344.27	63.08	12,572.09	66.03	13,401.78	67.47	13,871.57	68.52
Equity								
Share capital:								
Authorised share capital	1,117.21	6.21	1,117.21	5.87	1,117.21	5.62	1,117.21	5.52
Issued and paid-up share capital	1,091.21	6.07	1,091.21	5.73	1,091.21	5.49	1,091.21	5.39
Share premium on ordinary shares	1,484.16	8.25	1,484.16	7.79	1,484.16	7.47	1,484.16	7.33
Warrants	3.28	0.02	4.29	0.02	4.79	0.02	4.94	0.02
Retained earnings								
Legal reserve	111.72	0.62	111.72	0.59	111.72	0.56	111.72	0.55
Unappropriated	3,976.22	22.11	3,802.67	19.97	3,736.78	18.81	3,639.36	17.98
Other components of equity	(25.61)	-0.14	(25.61)	-0.13	2.71	0.01	6.55	0.03
Equity attributable to owners of the parent	6,640.98	36.92	6,468.44	33.97	6,431.37	32.38	6,337.93	31.31
Non-controlling interests	-	-	-	-	31.45	0.16	34.15	0.17
Total equity	6,640.98	36.92	6,468.44	33.97	6,462.82	32.53	6,372.08	31.48
Total liabilities and equity	17,985.25	100.00	19,040.52	100.00	19,864.60	100.00	20,243.66	100.00

Source: Audited or reviewed consolidated financial statements by Certified Public Accountant

For the year ended 31 December 2020, 2021, 2022 and as of 30 June 2023, the consolidated Statement of comprehensive income of the Company and its subsidiaries as follows.

(Unit: THB million)

Statement of comprehensive income	2020		2021		2022		30 June 2023		2020	
	amount	%	amount	%	amount	%	amount	%	amount	%
Revenues										
Revenue from sale of real estate	2,530.40	73.42	2,481.14	74.70	1,790.54	69.88	654.74	64.64	935.08	57.77
Revenue from rental and rendering of services	374.27	10.86	341.33	10.28	340.11	13.27	162.93	16.08	203.57	12.58
Revenue from golf services and sport club	100.84	2.93	-	-	-	-	-	-	-	-
Revenue from management of real estate	48.37	1.40	91.04	2.74	118.26	4.62	48.23	4.76	82.71	5.11
Revenue from health and wellness	3.04	0.09	25.82	0.78	57.32	2.24	25.58	2.53	49.10	3.03
Gain on disposal of investment and investment income	10.73	0.31	297.33	8.95	70.84	2.76	33.72	3.33	44.00	2.72
Gain on sale of investment property	263.29	7.64	-	-	-	-	-	-	252.64	15.61
Other income	115.52	3.35	84.68	2.55	185.34	7.23	87.77	8.66	51.55	3.18
Total revenues	3,446.47	100.00	3,321.34	100.00	2,562.41	100.00	1,012.96	100.00	1,618.64	100.00
Expenses										
Cost of sale of real estate	1,904.88	55.27	2,035.49	61.29	1,122.28	43.80	470.91	46.49	451.30	27.88
Cost of rental and rendering of services	181.49	5.27	167.57	5.05	145.73	5.69	70.63	6.97	95.43	5.90
Cost of golf services and sport club	63.54	1.84	-	-	-	-	-	-	-	-
Cost of management of real estate	21.81	0.63	35.03	1.05	26.95	1.05	13.62	1.34	16.07	0.99
Cost of health and wellness	8.96	0.26	132.99	4.00	152.47	5.95	72.55	7.16	125.11	7.73
Distribution costs	242.39	7.03	232.52	7.00	163.41	6.38	61.30	6.05	84.24	5.20
Total Cost of sale and service	2,423.08	70.31	2,603.60	78.39	1,610.84	62.86	689.01	68.02	772.15	47.70
Gross Profit	1,023.40	29.69	717.74	21.61	951.57	37.14	323.96	31.98	846.49	52.30
Administrative expenses	660.99	19.18	577.08	17.37	849.34	33.15	344.18	33.98	399.44	24.68
Total expenses	660.99	19.18	577.08	17.37	849.34	33.15	356.14	33.98	399.44	24.68
Finance costs	378.56	10.98	477.46	14.38	598.85	23.37	268.76	26.53	361.31	22.32
Share of profit of joint ventures and associates accounted for using equity method	6.31	0.18	61.00	1.84	4.80	0.19	3.70	0.36	1.23	0.08
Profit (loss) before income tax expense	(9.84)	-0.29	(275.80)	-8.30	(491.82)	-19.19	(285.30)	-28.16	86.96	5.37
Tax income (expense)	6.42	0.19	87.79	2.64	(20.72)	-0.81	55.40	5.47	(67.79)	-4.19
Profit (loss) for the period from continuing operations	(3.42)	-0.10	(188.01)	-5.66	(512.54)	-20.00	(229.90)	-22.70	19.17	1.18
Discontinued operation										

Statement of comprehensive income	2020		2021		2022		30 June 2023		2020	
	amount	%	amount	%	amount	%	amount	%	amount	%
Profit for the period from discontinued operation, net of tax	-	-	2.70	0.08	469.91	18.34	-	-	-	-
Profit (loss) for the period	(3.42)	-0.10	(185.31)	-5.58	(42.63)	-1.66	(229.90)	-22.70	19.17	1.18

Source: Audited or reviewed consolidated financial statements by Certified Public Accountant

For the year 2020, 2021, 2022 and as of 30 June 2023, the Statement of cashflow of the Company and its subsidiaries as follows.

(Unit: THB million)

Items	2020	2021	2022	30 June 2023
Net cash from (used in) operating activities	491.70	1,419.11	572.14	1,632.09
Net cash from (used in) investing activities	(195.80)	(2,118.30)	(1,215.84)	93.11
Net cash from (used in) financing activities	(239.30)	707.35	878.56	(1,585.95)
Net increase in cash and cash equivalents, before effect of exchange rate changes	56.60	8.17	234.86	139.25
Effect of exchange rate changes on cash and cash equivalents	-	-	8.62	(0.30)
Net increase in cash and cash equivalents	56.60	8.17	243.49	138.95
Cash and cash equivalents at beginning of period	107.42	164.02	172.19	415.67
Cash and cash equivalents at ending of period	164.02	172.19	415.67	554.62

Source: Audited or reviewed consolidated financial statements by Certified Public Accountant

Operating Performance and Financial Position Analysis for the year ended of 31 December 2022

The results of operations are summarized as follows:

For the Company's operating results for the year ended 31 December 2022, the Company and its subsidiaries reported a net operating loss of 35.83 million baht in details as follows:

Residential real estate development

For the year ended 31 December 2022, sales and service income amounted to 2,306.23 million baht, decreased by 633.11 million baht or a 21.54 percent decline. This income was derived from the primary business operations of the company and its subsidiaries, as detailed below:

1. Residential real estate development

In 2022, the company generated revenue of 1,790.54 million baht from real estate sales, which represents a decrease of 690.60 million baht or a 27.83 percent decline compared to the previous year. This decline occurred as the country began to control the Covid-19 virus outbreak, transitioning it into a localized disease. The economic situation gradually started recovering from the previous year. However, most of the company's products fall into the townhouse category with prices ranging from 2 to 3 million baht. This market segment is considered fragile and faces high levels of household debt. Consequently, it may take some time for potential buyers to reduce their

existing debt before committing to long-term residential real estate purchases. As a result, the company decided to postpone investments in new projects. Additionally, the company continues to prioritize careful inventory management to ensure maximum efficiency in liquidity management. Although there will be no new projects opening this year, the company continues to develop house styles in existing projects to modernize them, meet the needs of customers, and compete effectively in terms of value for money. However, in 2023, the government is still implementing measures to support the real estate sector, including reducing the ownership transfer fee from 2 percent to 1 percent and the mortgage fee from 1 percent to 0.01 percent for the purchase of housing priced at not more than 3 million baht. In addition, there is a forecast that income from the service sector related to foreign tourists will significantly increase in 2023, which will help stimulate the economy continuously. Furthermore, it is expected that the policy of the interest rate will not increase significantly, which will help financially vulnerable customers recover their income and increase their confidence in making housing purchases.

Operating Performance and Financial Position Analysis for the year ended of 30 June 2023

The results of operations are summarized as follows:

Regarding the operating results for the 6-month period ended on 30 June 2023, a net profit of 22.61 million baht. The breakdown is as follows:

Sales and service income

Sales and service income for the second quarter and the 6-month period in 2023 totaled 848.84 million baht, increased by 401.03 million baht, or 89.55 percent, and 1,270.46 million baht, increased by 378.98 million baht, or 42.51 percent, compared to the same period in the previous year, respectively. This income primarily stemmed from the core businesses operated by the Company and its subsidiaries and can be further detailed as follows:

1. Residential real estate business

During the second quarter of this year, the Company generated income from the sale of residential real estate, amounting to 211.10 million baht, as well as income from the sale of land without short-term development plans, totaling 473.65 million baht. This brought the total income from real estate sales to 684.75 million baht, marking an increase of 361.78 million baht, or 112.01 percent, compared to the same period last year when it was 322.97 million baht. The gross profit reached 403.71 million baht (a gross profit margin of 58.96 percent), showing an increase of 311.95 million baht compared to the previous year when the gross profit was 91.76 million baht, (a gross profit margin of 28.41 percent). The higher gross profit margin is attributed to the sale of low-cost land.

Most of the residential real estate sold by the Company consists of townhouses in the price range of 2 million baht to 3.5 million baht. The target customers in this range often carry relatively high household debt, compounded by rising interest rates on loans. This has resulted in reduced borrowing capacity for customers, requiring them to reduce various debts before obtaining a loan. In response to this situation, the Company has implemented strategies to stimulate sales, catering to customers prepared for home loan applications, focusing on offering value for money. Furthermore, the Company remains committed to meticulous inventory management, particularly in challenging economic and market conditions, and places significant emphasis on maintaining business liquidity.

For the first 6 months of this year, the Company achieved income from real estate sales totaling 935.08 million baht (this income is comprised of 397.51 million baht from residential real estate sales and 537.57 million baht from land sales), with a gross profit of 483.78 million baht (a gross profit margin of 51.74 percent). This represents an increase of 299.95 million baht compared to the gross profit of 183.83 million baht (a gross profit margin of 28.08 percent) generated in the first 6 months of 2022.

2. Industrial real estate development business

The group company's revenue from industrial real estate development business this year amounted to 458.37 million baht, reflecting an increase of 25.99 million baht or a 6.01 percent increase. This revenue is divided into revenue from rental and service businesses, which amounted to 340.11 million baht, showing a slight decrease compared to the previous year's 341.33 million baht. This decline was due to tenants postponing their leases at the beginning of the year due to the impact of Covid-19. However, towards the end of the year, tenants gradually started reserving and entering into rental contracts. By the end of 2022, the Company had a total rental area of 253,855 square meters. Additionally, the group earned revenue from real estate management, reaching 118.26 million baht for the year, marking a 30 percent increase from the previous year's revenue of 91.04 million baht. Overall, the industrial real estate development business achieved a gross profit of 285.69 million baht (a gross profit margin of 62.33 percent). This reflects an increase of 55.92 million baht from the previous year's gross profit of 229.77 million baht (gross profit margin of 53.14 percent).

3. Holistic Health and Wellness

The group company's comprehensive health business generated revenue of 57.32 million baht this year, marking an increase of 31.50 million baht or a growth of 121.98 percent compared to the previous year. This indicates a progressive trend in service utilization within the Company's comprehensive health business, which can significantly offset fixed costs. However, despite the economic conditions beginning to recover, there are still risks from various negative factors, both domestically and internationally, affecting the cost of living and resulting in

reduced spending. Consequently, sales are still below the target. Meanwhile, the Company has to recognize costs and fixed expenses, including depreciation of premises and equipment, as well as personnel costs required to provide services. Consequently, there is still a gross loss of 95.15 million baht (166 percent). Nevertheless, this loss has decreased by 12.02 million baht compared to the previous year. Additionally, the Company is in the process of preparing to launch its comprehensive health business services in Sam Phran District, Nakhon Pathom Province. It is expected to commence services in the first quarter of 2023.

In addition, the group company also earned a profit from the sale of investments and income from investments amounting to 70.84 million baht, which decreased compared to the previous year by 226.49 million baht, marking a decrease of 76.17 percent. This decrease was primarily due to the previous year when the Company realized a profit from the sale of shares of Munkong Living Company Limited in the amount of 272.1 million baht and sold land that did not have a short-term development plan, along with some assets. As for other income, it amounted to 185.34 million baht, representing an increase of 100.66 million baht from the previous year, or a growth of 118.88 percent, mainly due to income generated from construction and repair building contracts from tenants.

Costs and expenses and gross profit

For the year ended 31 December 2022, the Company incurred sales and service costs of 1,610.84 million baht, decreased by 992.76 million baht or 38.13 percent compared to the same period in the previous year. Meanwhile, the gross profit margin increased to 37.14 percent, up from the same period in the previous year of 21.61 percent due to the following reason:

- 1) The cost of sales and services decreased by 992.76 million baht or 38.13 percent compared to the same period in the previous year as a result of:
 - The cost of real estate sales decreased by 913.20 million baht or 44.86 percent compared to the same period in the previous year.
 - The cost of rental and services decreased by 21.85 million baht or 13.04 percent compared to the same period in the previous year.
 - The cost of golf course and sports club operations was not incurred during the year-end period of 2022 because the Company sold this part of its business to an unrelated entity in December 2022.
 - The real estate management costs decreased by 8.08 million baht or 23.06 percent compared to the same period in the previous year.
 - The cost of health services increased by 19.48 million baht or 14.65 percent compared to the same period in the previous year.
 - The distribution costs decreased by 69.11 million baht or 29.72 percent compared to the same period in the previous year.

- 2) Gross profit increased by 233.83 million baht, equivalent to a 32.58 percent rise, resulting in a gross profit margin of 37.14 percent.

The Company effectively managed costs and increased gross profit, resulting in an improved operating performance in 2022 where the group company's loss reduced compared to the previous year. Although the economic situation has not yet fully recovered, and the group company's revenue from certain businesses remains below its target, it's evident that the implementation of an income restructuring plan by the group company, which has been in place for some time, has helped mitigate the significant impact of various negative factors that occurred throughout the year.

Other income

For the year ended 31 December 2022, the Company generated other income related to its main business operations in the amount of 256.18 million baht decreased by 125.82 million baht or 32.94 percent compared to the same period in the previous year. This decrease was primarily due to:

- A decrease in profit from investment sales and investment income by 226.49 million baht.
- An increase in other income by 100.66 million baht.

Administrative expenses

For the year ended 31 December 2022, the Company incurred administrative expenses amounting to 849.34 million baht, increased by 272.26 million baht or 47.18 percent compared to the same period in the previous year. This increase is attributed to the Company utilizing investment funds to establish new businesses as part of its previous revenue restructuring plan.

Financial costs

For the year ended 31 December 2022, the Company reported financial costs of 598.85 million baht, increased by 121.38 million baht or 25.42 percent compared to the same period in the previous year. This increase is also a result of the Company using investment funds to establish new businesses as part of its previous revenue restructuring plan.

Financial Status

As of 31 December 2022, the Company's financial statement displays total assets of 19,864.60 million baht, total liabilities of 13,401.78 million baht, and shareholders' equity of parent company 6,431.37 million baht, which equates to a book value of shares at 5.89 baht per share. In comparison, at the end of 2021, the Company had total assets amounting to 19,040.52 million baht, total liabilities of 12,572.09 million baht, and shareholders' equity of 6,468.44 million baht, with a book value of shares at 5.93 baht per share. These changes in the Company's financial position reveal the following significant details:

- 1) As of 31 December 2022, the Company's total assets amounted to 19,864.60 million baht, increased by 824.08 million baht or 4.33 percent compared to the end of 2021. This increase was primarily attributed to the following factors:
- Trade receivables and other current receivables totaled 1,018.56 million baht, increased by 929.68 million baht or 1,045.99 percent compared to the end of 2021. Due to reclassify transactions of non-current trade receivables to current portion of other current receivables.
 - Short-term loans to related businesses amounted to 808.50 million baht, increased by 238.50 million baht or 41.84 percent compared to the end of 2021. Due to loan to associate companies.
 - Real estate developed for sale had a total value of 3,224.11 million baht, decreased by 908.68 million baht or 21.99 percent compared to the end of 2021. From the sale of residential houses in various projects And there is also a delay in opening new projects.
 - Inventories, valued at 5.88 million baht, increased by 1.19 million baht or 25.32 percent compared to the end of 2021.
 - Other current assets amounted to 250.03 million baht, increasing by 101.16 million baht or 67.96 percent compared to the end of 2021.
 - Deposits at financial institutions with usage restrictions in the amount of 63.81 million baht, increased by 42.31 million baht or 196.75 percent compared to the end of 2021.
 - Investment properties totaled 6,441.47 million baht, increased by 1,247.51 million baht or 24.02 percent compared to the end of 2021. As a result of the subsidiary construction of additional warehouse/factory buildings for rent.
- 2) As of 31 December 2022, the Company's total liabilities amounted to 13,401.78 million baht, increased by 829.69 million baht or 6.60 percent compared to 31 December 2021. This increase was primarily attributed to the following factors:
- Payable for land purchases due within one year in the amount of 647.00 million baht at the end of 2021 decreased the entire amount from repayments term.
 - Loans from financial institutions, which amounted to 3,121.40 million baht, decreased by 920.35 million baht or 41.81 percent compared to the previous year. Increased in line with the disbursement of loans for construction development in both residential houses and warehouse/factory buildings.
 - Short-term bonds amounted to 1,206.00 million baht, decreased by 495.98 million baht or 29.14 percent compared to the previous year. Due to repayment matured bonds.
 - Long-term bonds 6,405.62 million baht, increased by 1,532.39 million baht or 31.45 percent compared to 31 December 2021. Due to the new issuance of bonds during the year for the Company and its subsidiaries investment.

- 3) As of 31 December 2022, the Company's shareholders' equity of parent company amounted to 6,431.37 million baht, reflecting a decrease of 37.07 million baht or 0.57 percent compared to the end of 2021. This decline was attributed to the Company's net operating loss of 31.17 million baht. Simultaneously, the other components of shareholders' equity increased by 28.32 million baht. Additionally, non-controlling interests generated profits of 31.45 million baht, equivalent to 0.16 percent. The Company's current paid-up capital stands at 1,091.21 million baht, divided into 1,091.21 million baht ordinary shares with a par value of 1.00 baht per share.

Cashflow Statement

For the year ended 31 December 2022, the Company experienced a net increase in cash flow of 243.49 million baht. Cash and cash equivalents of 172.19 million baht at the beginning of the period, resulting in cash and cash equivalents at the end of the period amounting to 415.67 million baht. This financial change was primarily driven by the following factors:

- Net cash flow derived from operating activities decreased by 846.97 million baht, while net cash flow used in investing activities increased by 902.46 million baht. However, net cash flow derived from financing activities increased by 171.20 million baht.

Operating Performance and Financial Position Analysis for the year ended of 30 June 2023

The results of operations are summarized as follows:

Regarding the operating results for the 6-month period ended on 30 June 2023, a net profit of 22.61 million baht. The breakdown is as follows:

Sales and service income

Sales and service income for the second quarter and the 6-month period in 2023 totaled 848.84 million baht, increased by 401.03 million baht, or 89.55 percent, and 1,270.46 million baht, increased by 378.98 million baht, or 42.51 percent, compared to the same period in the previous year, respectively. This income primarily stemmed from the core businesses operated by the Company and its subsidiaries and can be further detailed as follows

1. Residential real estate business

During the second quarter of this year, the Company generated income from the sale of residential real estate, amounting to 211.10 million baht, as well as income from the sale of land without short-term development plans, totaling 473.65 million baht. This brought the total income from real estate sales to 684.75 million baht, marking an increase of 361.78 million baht, or 112.01 percent, compared to the same period last year when it was 322.97 million baht. The gross profit reached 403.71 million baht (a gross profit margin of 58.96 percent), showing

an increase of 311.95 million baht compared to the previous year when the gross profit was 91.76 million baht, (a gross profit margin of 28.41 percent). The higher gross profit margin is attributed to the sale of low-cost land.

Most of the residential real estate sold by the Company consists of townhouses in the price range of 2 million baht to 3.5 million baht. The target customers in this range often carry relatively high household debt, compounded by rising interest rates on loans. This has resulted in reduced borrowing capacity for customers, requiring them to reduce various debts before obtaining a loan. In response to this situation, the Company has implemented strategies to stimulate sales, catering to customers prepared for home loan applications, focusing on offering value for money. Furthermore, the Company remains committed to meticulous inventory management, particularly in challenging economic and market conditions, and places significant emphasis on maintaining business liquidity.

For the first 6 months of this year, the Company achieved income from real estate sales totaling 935.08 million baht (this income is comprised of 397.51 million baht from residential real estate sales and 537.57 million baht from land sales), with a gross profit of 483.78 million baht (a gross profit margin of 51.74 percent). This represents an increase of 299.95 million baht compared to the gross profit of 183.83 million baht (a gross profit margin of 28.08 percent) generated in the first 6 months of 2022.

2. Industrial real estate development business

The group company generated revenue from the industrial real estate development business in the second quarter of this year, totaling 137.94 million baht. This marked a significant increase of 29.33 million baht, representing a growth of 27 percent. The revenue primarily came from rental and service businesses, amounting to 96.75 million baht, which was an increase from the 83.23 million baht reported in the same period the previous year. Despite a reduction in rental space due to the sale of a portion of the area to the Prospect Logistics and Industrial Freehold and Leasehold REIT, as well as tenants postponing their leases at the beginning of 2022 due to the impact of Covid-19, tenants gradually began reserving and entering into rental agreements by the end of 2022. As of June 2023, the Company had a total of 189,351 square meters of rental space, reflecting a decrease from the end of 2022 due to the sale of assets to the Trust. Furthermore, the group company also generated income from property management amounting to 41.19 million baht, increased by 62.25 percent from the income of 25.38 million baht reported in the same quarter of the previous year. Overall, the industrial real estate development business achieved a gross profit of 81.09 million baht (a gross profit margin of 58.79 percent), which was an increase of 15.32 million baht from the gross profit of 65.77 million baht (a gross profit margin of 60.55 percent) in the same quarter of the previous year. Additionally, the Group realized an additional profit from the sale of assets to the Trust in this period, totaling 61.08 million baht.

During the first 6 months of this year, there was income generated from the industrial real estate development business, totaling 286.27 million baht, increased by 75.11 million baht or 35.57 percent (the income was divided into rental and service businesses, amounting to 203.57 million baht, and income from real estate

management, totaling 82.71 million baht) with a gross profit of 174.78 million baht (a gross profit margin of 61.05 percent), reflecting an increase of 47.87 million baht from the gross profit of 126.91 million baht (a gross profit margin of 60.10 percent) recognized in the first 6 months of 2022. Additionally, there were gains from the sale of assets to the trust in this 6-month period, amounting to 252.64 million baht.

3. Holistic Health and Wellness Business

The Company's Holistic Health and Wellness Business generated an income of 26.16 million baht, marking a 9.93 million baht increase or a growth of 61.16 percent compared to the same period last year. While there is a noticeable trend of increased interest in the company's comprehensive health services, the ongoing economic recovery still faces potential risks from various negative factors, both domestically and internationally. These factors impact the cost of living and have led to a slowdown in consumer spending, causing sales to fall short of their targets. Furthermore, in the first quarter of 2023, the Company expanded its comprehensive health business services at Sam Phran District in Nakhon Pathom Province, resulting in additional costs related to equipment depreciation, premises, and staffing required to provide services. Consequently, the Company experienced a gross loss of 52.11 million baht (199.21 percent) which increased in loss in the amount of 31.80 million baht compared to the same period in the previous year.

In the first 6 months of this year, income from the comprehensive health business amounted to 49.10 million baht, reflecting a 23.52 million baht increase or a growth of 91.95 percent compared to the same period in the previous year. However, there was a gross loss of 76.01 million baht (154.81 percent) compared to the gross loss of 46.97 million baht (183.62 percent) reported in the first 6 months of 2022.

Cost of sales and services and Gross profit

For the 6-month period ending on 30 June 2023, the Company incurred 772.15 million baht in sales and service costs, marking an increase of 50.18 million baht or 6.95 percent compared to the same period last year. Meanwhile the increase in the gross profit margin improved significantly, reaching 140.64 percent compared to the same period in the previous year when it accounted for 52.30 percent due to:

- 1) Cost of sales and services increased by 50.18 million baht or 6.95 percent compared to the same period in the previous year. This increase can be attributed to the following factors:
 - Cost of real estate sales decreased by 19.61 million baht or 4.16 percent compared to the same period in the previous year.
 - Cost of rental and service increased by 24.79 million baht or 35.10 percent compared to the same period in the previous year.
 - Cost of golf course and sports club operations was not incurred during this 6-month period of 2023 because the Company sold this part of its business to an unrelated entity in December 2022.
 - Cost of real estate management increased by 2.45 million baht or 17.98 percent compared to the same period in the previous year.

- Cost of health services increased by 52.56 million baht or 72.45 percent compared to the same period in the previous year.
 - Cost of distribution increased by 22.86 million baht or 37.23 percent compared to the same period in the previous year.
- 2) a gross profit increase of 494.72 million baht, marking a significant growth of 140.64 percent. This resulted in an enhanced gross profit margin of 52.30 percent.

Through effective cost management and increased gross profit, the Company achieved profitable operating results, contrasting the losses of the previous year.

Other income

In the 6-month period ending 30 June 2023, the Company generated other income related to its core business operations in the amount of 348.18 million baht. This reflects a substantial increase of 228.37 million baht or 190.60 percent compared to the same period in the previous year. This increase was attributed to the following factors:

- Profit from investment sales and investment income increased by 10.28 million baht.
- Profit from selling investment real estate increased by 252.64 million baht.
- Other income decreased by 34.55 million baht.

Administrative expenses

In the 6-month period ending 30 June 2023, the Company incurred administrative expenses of 399.44 million baht, which represents an increase of 43.30 million baht, or 12.16 percent compared to the same period in the previous year. This increase is attributed to the Company's utilization of investment funds to establish new business according to the revenue restructuring plan.

Financial costs

For the 6-month period ending 30 June 2023, the Company recorded financial costs amounting to 361.31 million baht which increased by 92.55 million baht, or 34.43 percent compared to the same period of the previous year. This increase is attributed to the Company's utilization of investment funds to establish new business according to the revenue restructuring plan.

Financial Status

The financial statement of the Company as of 30 June 2023, indicates that the Company has total assets of 20,243.66 million baht, total liabilities of 13,871.57 million baht, and shareholders' equity of parent company of 6,337.93 million baht, or a book value of shares of 5.81 baht per share. This is in comparison to the end of 2022 when the Company had total assets of 19,864.60 million baht, total liabilities of 13,401.78 million baht, and shareholders' equity of parent company of 6,431.37 million baht, with a book value of shares of 5.89 baht per share. The change in the Company's financial position is marked by several significant as follows:

- 1) As of 30 June 2023, the Company's total assets amounted to 20,243.66 million baht, reflecting an increase of 379.05 million baht or 1.91 percent compared to the end of 2022, primarily attributed to:
- Other current financial assets of 542.01 million baht, an increase of 542.01 or 100.00 percent compared to the end of 2022. From entering into a sales contract to purchase warrants to purchase common shares in this year's period. The company does not have this item at the end of 2022.
 - Trade receivables and other current receivables of 671.34 million baht, a decrease of 347.22 million baht or 34.09 percent compared to the end of 2022. From trade receivables payment.
 - Real estate developed for sale of 3,105.83 million baht, a decrease of 118.28 million baht or 3.67 percent compared to the end of 2022. From the sale of residential houses in various projects And there is also a delay in opening new projects.
 - Investment properties were valued at 6,101.14 million baht, marking a decrease of 340.33 million baht or 5.28 percent compared to the end of 2022. As a result of the subsidiary selling assets to the Real Estate Investment Trust and Real Estate Leasehold Real Estate prospect logistics and industrial.
- 2) As of 30 June 2023, the Company's total liabilities amounted to 13,871.57 million baht, reflecting an increase of 469.79 million baht or 3.51 percent compared to the end of 2022. This increase can be attributed to:
- A decrease in short-term loans from financial institutions to 101.50 million baht, marking a reduction of 593.19 million baht or 85.39 percent compared to the end of 2022. As a result of repaying loan.
 - An increase in trade payables and other current payables to 789.06 million baht, showing a rise of 492.78 million baht or 166.32 percent compared to the end of 2022.
 - A decrease in long-term loans from financial institutions of 2,421.28 million baht, resulting in a decrease of 22.43 million compared to the end of 2022. As a result of repaying loan.
 - A decrease in short-term bonds to 425.83 million baht, marking a reduction of 780.17 million baht or 64.69 percent compared to the end of 2022. As a result of repaying loan.
 - A decrease in long-term bonds of 6,415.16 million baht, showing a decrease of 9.53 million baht or 0.15 percent compared to the end of 2022. The amount of decrease bonds that are due is similar to the amount of bonds that were issued during the period.
 - Short-term loans from related company and Short-term loans from other person and other company amounted to 1,149.60 million baht, indicating an increase of 1,032.61 million baht or 882.68 percent compared to the end of 2022. Increased from being used to repay maturing loan debts and investment by the company and its subsidiaries.

- Deposits received were 400.00 million baht, showing an increase of 400.00 million baht or 100.00 percent compared to the end of 2022, as the Company did not have these deposits at the end of 2022. As a result of the company entering into a memorandum of understanding to buy and sell land of the company and its subsidiaries.
 - Liabilities under lease agreements amounted to 1,082.39 million baht, indicating an increase of 395.78 million baht or 57.64 percent compared to the end of 2022. This increased from a subsidiary company that operate warehouse/factory building rental business.
- 3) As of 30 June 2023, the Company's shareholders' equity of parent company at 6,337.93 million baht, representing a decrease of 93.44 million baht, equivalent to 1.45 percent, compared to the end of 2022. This change was primarily driven by the Company's net profit of 22.61 million baht. Other components of shareholders' equity increased by 3.84 million baht, and dividend for the year of 2022 in 0.11 baht per share in amount to 120.03 million baht. Currently, the Company maintains a paid-up capital of 1,091.21 million baht, divided into 1,091.21 million baht ordinary shares with a par value of 1.00 baht per share.

Cashflow Statement

For the period ending 30 June 2023, the Company experienced a net increase in cash flow of 138.95 million baht with cash and cash equivalents totaling 415.67 million baht in the beginning of the period, resulting in cash and cash equivalents of 554.62 million baht at the end of the period. This change was influenced by

- an increase in net cash flow from operating activities amounting to 1,369.48 million baht, while net cash flow used in investing activities rose by 994.25 million baht. However, net cash flow from financing activities decreased by 2,654.07 million baht.

Attachment 2

Company Information and Operating Results
of
Sansiri Public Company Limited

1. General Information

Company name	:	Sansiri Public Company Limited (“SIRI” or “Sansiri”)
Type of business	:	Property development business consists of: <ol style="list-style-type: none">1. For sale business includes landed property and high-rise property2. For rent business includes office buildings and leasehold commercial building and property services business providing property and asset management, property brokerage services, property development consultancy and property management.
Registration Number	:	0107538000665
Website	:	www.sansiri.com
Head Office Address	:	Siri Campus Building 59 Soi Rim Khlong Phra Khanong, Phra Khanong Nuea, Vadhana Bangkok 10110
Telephone number	:	0-2027-7888
Fax	:	0-2027-7888
Register Capital	:	THB 20,343,625,722.40
(As of 3 October 2023)	:	Divided into 19,012,734,320 common shares with a par value of THB 1.07
Paid-up Capital	:	THB 17,631,632,581.37
(As of 3 October 2023)	:	Divided into 16,478,161,291 common shares with a par value of THB 1.07

2. Nature of business

Sansiri aims to be Thailand's leading property developer through its complete range of product and service offerings covering all demand segments with its good quality and remarkable product designs. In addition, the Company also adopts a policy to invest in related businesses that would further promote and increase the value of its core business in the future including investments in property-related technology and innovations, hotel management, community mall, industrial property development, financial and securities services for both traditional and digital assets, and other businesses with high potential. This will enhance its property development business with revenue growth opportunities from other ventures; strengthen its financial position and business operation while promoting social and environmental sustainability.

2.1 Milestone During the Year

- January 2020 : - Disposal of all ordinary shares in BTS Sansiri Holding Eighteen Limited or 'BS18' (registered for the change of company name to 'Ratchada Alliance Co., Ltd.', effective from 16 January 2020 onwards), which is a 50 percent joint venture of the Company that engaging in property development business, in the number of 250,000 shares with the par value of 100 Baht each or representing 50 percent of BS18's total shares, to Noble Development Public Company Limited ('Noble') who is not a related party to the Company with the total purchase price of 41,032,826.42 Baht. The purchase price was mutually agreed between the Company and Noble.
- March 2020 : - Disposal of ordinary shares in BTS Sansiri Holding Fifteen Limited ('BS15') in the proportion of 50 percent of registered capital to U City Public Company Limited. BS15 shall cease from being a joint venture company of the Company.
- Acquisition of the ordinary shares in 3 joint venture companies in proportion of 50 percent of registered capital from U City Public Company Limited ('U City'), namely BTS Sansiri Holding Twenty Limited ('BS20'), BTS Sansiri Holding Twenty Four Limited ('BS24'), BTS Sansiri Holding Twenty Five Limited ('BS25'). After the transaction is completed, BS20, BS24, and BS25 shall change their status to be subsidiaries of the Company.
- April 2020 : Registration of the relocation of the Company's head office to 59 (Siri Campus Building), Soi Rim Khlong Phra Khanong, Phra Khanong Nuea Sub-district, Vadhana District, Bangkok 10110.
- August 2020 : Acquisition of ordinary shares in PKL Development Co., Ltd. ('PKL'), from the existing shareholders of PKL amounted to 3,512,694 shares at the par value of 100 Baht per share, which is equivalent to 100 percent of the total shares in PKL. The compensation of the share

trading transaction was 351,269,400 Baht, equivalent to the current registered capital of PKL. PKL owned the plot of land in Patong Sub-district, Kathu District, Phuket Province.

September 2020 : Sansiri China Co., Ltd. (a subsidiary in which the Company holds 100 percent of its total registered capital) has invested in a newly established associated company, namely Hugs Insurance Broker Co., Ltd. ('Hugs') (type of business: insurance brokerage business), for 25 percent of its total issued shares with an investment value of 25 Million Baht.

November 2020 : - Entering into an acquisition and disposal of the ordinary shares in 11 joint venture companies between the Company and U City Public Company Limited ('U City') with details as follows;

(1) The disposal of ordinary shares in 2 joint venture companies, namely BTS Sansiri Holding Thirteen Limited and BTS Sansiri Holding Twenty One Limited in proportion of 50 percent of registered capital to U City. After the ordinary shares disposal transaction is completed, the disposed joint venture companies shall cease from being the joint venture companies of the Company.

(2) The acquisition of the ordinary shares in 9 joint venture companies, namely (1) BTS Sansiri Holding Two Limited (2) BTS Sansiri Holding Three Limited (3) BTS Sansiri Holding Five Limited (4) BTS Sansiri Holding Six Limited (5) BTS Sansiri Holding Eleven Limited (6) BTS Sansiri Holding Twelve Limited (7) BTS Sansiri Holding Fourteen Limited (8) BTS Sansiri Holding Seventeen Limited and (9) BTS Sansiri Holding Twenty Three Limited ('acquired joint ventures') in proportion of 50 percent of registered capital from U City. After the ordinary shares acquisition transaction is completed, the acquired joint venture companies shall change their status to be the subsidiaries of the Company.

- Siri Ventures Co., Ltd. (the Company's subsidiary) has invested in a newly established company, namely Juzmatch Co., Ltd. ('Juzmatch'), for 15 percent of its total issued shares with an investment value of 150,000 Baht. Juzmatch is a platform developer for real estate business in form of matching platform between buyer and seller of real estate property including development of software and technology for analytics and advanced computation and analysis (Data Analytics and Artificial Intelligence).

December 2020 : Siri Ventures Co., Ltd. (the Company's subsidiary), has invested in Propfit Co., Ltd. ('Propfit'), by purchasing 4,286 issued ordinary shares of Propfit, equivalent to 30 percent of its paid-up capital, with the investment value of 18,001,200 Baht. Propfit is a platform developer for real estate business which comprises of development of network system for real estate agent (Digital real estate agent network platform) and tools for supporting sales of real estate property by acting as a central database of real estate property information that connects real estate agents through platform.

- March 2021 : Appointing Mr. Srettha Thavisin (presently, the President of the Company), to be Chief Executive Officer, succeeding Mr. Apichart Chutrakul who completed his term of office on 28 February 2021. The appointment of Mr. Srettha Thavisin as the Chief Executive Officer and President will be effective from 1 March 2021 onwards.
- April 2021 : - Setting up of a 50:50 joint venture company, BFTZ Bangpakong Co., Ltd. ('JV') between Sansiri Public Company Limited ('the Company') and Prospect Development Company Limited, a subsidiary of M.K. Real Estate Development Public Company Limited. The JV has engaged in developing warehouse and factory for rent including infrastructure, facilities and other related business.
- BFTZ Bangpakong Co., Ltd., which is a 50:50 joint venture company between Sansiri Public Company Limited and Prospect Development Company Limited (a subsidiary of M.K. Real Estate Development Public Company Limited) establishes new subsidiary companies (in which BFTZ Bangpakong Co., Ltd. hold 100 percent of its total registered capital). The details of the 2 new subsidiary companies are as follows;
- (1) Bangpakong Industrial Land Co., Ltd. with the registered capital of 5 Million Baht. The new company has engaged in development of land for sale.
- (2) Bangpakong Terminal and Services Co., Ltd. with the registered capital of 5 Million Baht. The new company has engaged in the development of infrastructure and facilities.
- May - Sep 2021 : Expanding the Company's investment business by investing in the finance and securities business operated by XSpring Capital Public Company Limited ('XPG'), by purchasing 403.37 Million newly issued ordinary shares which are offered for sale and allocated to the Private Placement investors of XPG, at the price of 4.10 Baht per share, representing 14.08 percent. Subsequently, the Company purchased the newly issued ordinary shares of XPG which were offered to existing shareholders in proportion to the shareholding, as well as exercise its right to subscribe for newly issued ordinary shares in excess of its shareholding (Oversubscription). As a result, the Company's shareholding in XPG increased to 14.21 percent of the total paid-up capital. However, during the fourth quarter of the year 2021, certain warrant holders exercised their rights to convert warrants (XPG-W4), consequently, as of 31 December 2021, the Company's shareholding in XPG decreased to 13.72 percent of the paid-up capital.
- January 2022 : Sansiri Global Investment Pte. Ltd., a subsidiary in which the Company holds 100 percent shares, has disposed all of its investment in Sansiri International Pte. Ltd., a subsidiary in which Sansiri Global Investment Pte. Ltd. held 100 percent shares to Sharon Chong Hui Lin (the 'purchaser') who is not a related party to the Company. Consequently, Sansiri International Pte. Ltd. ceased to be an indirect subsidiary of the Company.

- March 2022 : Restructuring of Sub-Committees with the same mission, namely the Corporate Governance Committee and the CSR Committee by merging the two Committees together and changed the name to the 'Corporate Governance and Sustainability Committee
- October 2022 : - Setting up of a new joint venture named Siri TK Five Co., Ltd., with the registered capital of 50 Million Baht. The new company is a joint venture between the Company and Tokyu Corporation, which incorporated in Japan (including Saha Pathana Real Estate Co., Ltd., a partner of Tokyu Corporation), holds 70 percent and 30 percent of issued and paid-up share capital, respectively. The new company has engaged in property development.
- Acquisition of ordinary shares in Siri TK Four Co., Ltd., which is a joint venture company (70:30) between the Company and 'Tokyu Corporation Group' (comprised of Tokyu Corporation and Saha Tokyu Corporation Co., Ltd.), in the number of 150,000 shares with the par value of 100 Baht each or representing 30 percent of its paid-up capital, Siri TK Four Co., Ltd. shall transform into a subsidiary of the Company.
- December 2022 : Setting up of three new subsidiaries named Big Touch 1 Co., Ltd., Big Touch 2 Co., Ltd., and Big Touch 3 Co., Ltd., each with a registered capital of 50,000,000 Baht. The Company holds 100 percent of issued and paid-up share capital. The three new company has engaged in property development.
- March 2023 : - Setting up of two new subsidiaries named Tharudee Co., Ltd. and Pridit Co., Ltd each with a registered capital of 50,000,000 Baht. The Company holds 100 percent of issued and paid-up share capital. The two new company has engaged in property development.
- Appoint Mr. Apichart Chutrakul, Chairman of the Board, as Acting Chief Executive Officer and President replacing Mr. Srettha Thavisin
- Disposal of 30% shareholding in Big Touch 2 Co., Ltd.
- Disposition of assets and the rights relating to the business of Satit Pattana School to The Best Education Co., Ltd.
- April 2023 : - Mr. Srettha Thavisin has resigned from his positions as the Chief Executive Officer and the President, including all positions as a director and a member of Sub-Committees of the Company, namely the Chairman of the Executive Committee, Vice Chairman of the Investment Committee and Member of the Corporate Governance and Sustainability Committee which are effective from 3 April 2023 onwards.
- Disposal of 30% shareholding in Tharudee Co., Ltd.
- Setting up of two new subsidiaries named Jongjes Co., Ltd. and Ektanin Co., Ltd. each with a registered capital of 50,000,000 Baht. The Company holds 100 percent of issued and paid-up share capital. The two new company has engaged in property development.

- June 2023 : - Setting up of two new subsidiaries named Puwara Co., Ltd. and Puwara Co., Ltd. each with a registered capital of 50,000,000 Baht. The Company holds 100 percent of issued and paid-up share capital. The two new company has engaged in property development.
- Incorporation of a new joint venture company Siri TK Six Company Limited
 - Disposal of 37.50% shareholding in Jongjes Co., Ltd.
- July 2023 : - Acquisition of ordinary shares of Good Asset Co., Ltd. in the proportion of 70% to become a new joint venture company
- August 2023 : - Setting up of two new subsidiaries named y Ponlini Co., Ltd. and Nontiwat Co., Ltd. each with a registered capital of 50,000,000 Baht. The Company holds 100 percent of issued and paid-up share capital. The two new company has engaged in property development.
- Acquisition of ordinary shares in the proportion of 100% in S 71 Property Co., Ltd.
- September 2023 : - Approving the appointment of Mr. Apichart Chutrakul (presently Chairman of the Board, Acting Chief Executive Officer, and Acting President) by changing his position to the Chairman of the Board and the Chief Executive Officer, as well as serving on the sub-committee that is Chairman of the Executive Committee and a Member of the Corporate Governance and Sustainability Committee
- Mr. Supanit Chaiyawat from the position of a Director (Independent Director), a Member of the Audit Committee and a Member of the Risk Management Committee
 - acquisition of the ordinary shares in the proportion of 30 percent of paid-up capital of Big Touch 2 Co., Ltd.
 - Disposal of 40.50% shareholding in Big Touch 1 Co., Ltd.

2.2 Type of business

2.2.1 Revenue structures

Revenue structures classified by business group during 3 years and for 6 months period ended of 30 June 2023 are details as follow:

Revenue structures	2020		2021		2022		Q1-Q2 2022		Q1-Q2 2023	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Revenue from sale of real estate	30,559.00	90.32	26,170.00	91.37	30,716.00	91.11	10,883.17	89.15	14,761.23	87.70
Revenue from Business Management Services	2,751.29	8.13	1,687.06	5.89	1,678.58	4.98	745.40	6.11	1,229.12	7.30
Revenue from Hotel Management	139.34	0.41	314.80	1.10	548.09	1.63	234.52	1.92	283.23	1.68
Revenue from Sales of Construction Materials	53.00	0.16	52.35	0.18	45.43	0.13	13.46	0.11	23.15	0.14
Revenue from rental business	119.09	0.35	155.59	0.54	209.69	0.62	98.10	0.80	90.93	0.54
Rebvenue from Hotel business	38.95	0.12	83.64	0.29	298.82	0.89	139.60	1.14	383.24	2.28
Other Revenues	172.62	0.51	178.24	0.62	215.29	0.64	93.76	0.77	61.33	0.36
Total Revenue	33,833.29	100.00	28,641.68	100.00	33,711.90	100.00	12,208.01	100.00	16,832.22	100.00

Source: SIRI's Financial Statement

2.2.2 Type of Products and Services

The core operation of Sansiri Group is divided into three businesses: (1) Property Development (2) Property Services and (3) Investment. The detailed descriptions of each product and service category are as follows:

(1) Property Development

1.1 Property Development for Sale

The Company offers multiple types of property development products including single-detached house, semi-detached house, townhome, shop house, home office, and condominium under different brands and price range to serve the demand of each customer segment. Products under different price ranges are of Sansiri's quality standard. In 2022, the Company launched a total of 39 new projects, valued 43,000 Million Baht. In 2022, the Company focused on the development of single-detached house projects in the middle-upper level, where there is actual demand and purchasing power is not impacted by the economic circumstances. The Company developed 4 high-end single-detached house projects under the 'Sansiri Luxury Collection', namely Narasiri Krungthep Kreetha, BuGaan Krungthep Kreetha, BuGaan Pattanakarn and Burasiri Krungthep Kreetha, all of which have received good responses from customers who believe and trust in Sansiri brand, particularly, the Narasiri Krungthep

Kreetha project which was very successful and able to close the sale within a month. For condominium projects, the Company focused on developing the 'Condo Me' brand, which was first launched in 2021, targeting customers with below 1.2 Million Baht budget or those switching from lease to own property near work locations. During the year, the Condo Me was launched in 4 locations, including Bang Na-Bang Bo, On Nut-Rama 9, Navanakorn and Sinsakhon, which received overwhelming feedback. Moreover, the Company unveiled 2 new projects namely 'HAY Hua Hin' which marks the return of condominiums in Hua Hin for the first time in 10 years and 'FLO by Sansiri', which is a condominium with a view of the Chao Phraya River.

The Company incorporates innovations and technology into its residential property projects to deliver complete living experience to the customers. Cooliving Design technology reduces indoor temperature while saving energy. EV charger is also installed to support electrical vehicles in a bid to reduce environmental pollution. Sandee robots are also available to deliver parcels within condominium projects.

1.2 Property Development for Rent

The Company has recurring income from properties for rent including a leasehold commercial building in the Silom area named 'Sun Square Silom' and a leasehold residential building named 'Baan Sansiri'. Moreover, Sansiri owns 'Habito Mall', the community retail located on T77 area on Sukhumvit 77 Road. Habito Mall gathers a variety of retail shops and restaurants for an expansive network of trendy lifestyle residential which complements Sansiri's core business - property development for sale. Furthermore, Sansiri collaborated with Prospect Development Company Limited, by establishing a joint venture named 'BFTZ Bangpakong Company Limited' to develop land and operate business in warehouse and factory for rent to generate recurring income for the Company.

(2) Property Services

2.1 Property Services

The Property Services business provided by Plus Property Company Limited ('Plus') suitably complements Sansiri's core business - property development for sale - by not only creating customer satisfaction with fully-integrated services but also expanding its sources of recurring incomes and allowing it to capitalise upon its database to further improve its property development projects and more effectively satisfy the needs of market demand. The Property Services business consists of three core services (1) Brokerage Service and Sales Management (2) Property Management: both Property Management for residential projects and Facility Management for commercial buildings. As of 31 December 2022, Plus manages over 351 residential and commercial projects covering an area of 17.5 million square metres and (3) Consultancy services for real estate which include the consulting services of project feasibility studies, market surveys and analysis, and financial feasibility analysis, as well as the building inspection service provided by Touch Property Company Limited.

Moreover, to raise the quality of services, the Company incorporates property management innovations by adopting LIV-24, a security and infrastructure management technology for elevator and electrical systems to increase convenience, speed, accuracy, and 24-hour troubleshooting for residents. Currently there are 107 projects

with this innovation comprising of 97 residential and 10 commercial projects (as of 31 December 2022) with a plan to expand to other projects in the future.

2.2 Educational Business

Sansiri has operated a school under the name 'Satit Pattana School' to generate recurring income, create opportunity to expand business and synergy to several of Sansiri's property projects for sale located nearby.

2.3 Hotel Business

The Company operates hotel business under the brand 'The Peri Hotel' and 'The Standard Hotel'. Currently, there are 3 hotels in operation namely a 46-key The Peri Hotel Hua Hin located in Hua Hin, Prachaupkhirikhan: a 56-key The Peri Hotel Khao Yai located in Pakchong, Nakornrachasima: and a 199-key The Standard Hua Hin located in Hua Hin, Prachaupkhirikhan, a five-star hotel with fresh lifestyle differentiating from 'The Peri Hotel' brand.

2.4 Other Businesses

Currently, Sansiri's other businesses include lifestyle concierge service for both individual and corporate as well as event management and full wedding planning services in Thailand and worldwide, which operated by QT Lifestyle Limited.

(3) Investment

The Company sets a strategy to invest in businesses that will enhance its existing businesses and/or potentially be adjacent businesses of the Company. Currently, Sansiri has 2 anchor investments which are XSpring Capital (Financial Services Company) and JustCo (Co-working Space) which are the potential adjacent businesses in generating new revenue streams for Sansiri in the future. Apart from the mentioned investment, the Company also made investments in living and lifestyle related businesses which are Aspen Digital Inc. (Assets-backed Securities Token of Hotel Resort in the USA), Monocle (Global Affairs and Lifestyle Magazine), and Artsy (World's Largest Online Art Marketplace).

Sansiri is considered to be one of the first property developers in Thailand that has the initiative to make the investment in property related technology; therefore, the Company set up a corporate venture arm named 'Siri Ventures' with a key objective to invest in high potential startups that can synergise with Sansiri's businesses. Moreover, the Company has also invested in 3 Ventures Capital Funds in United State of America, China, and France

3. Shareholder Structure

Sansiri Group is made up of Sansiri Public Company Limited as a parent company with a broad range of subsidiaries and joint venture companies as described in a chart of Investment Structure of Sansiri Group. Sansiri Group operates under Consolidated Supervision concept. The investment policy was classified as follows:

(1) **Property Development**

- **Property Development for Sale:** Sansiri and its subsidiaries develop single-detached houses, semi-detached houses, townhome, home offices, and condominium projects for all customer groups, both in Bangkok and vicinities and upcountry areas, with precast production factories to support construction of the Company's projects.
- **Property Development for Rent:** Sansiri and its subsidiaries have invested in leasehold commercial building, and expanded to the community retail named 'Habito Mall', with various retails shops and restaurants to complement its core business of property development for sale.
- **Warehouse and Factory for Rent:** Sansiri, in collaboration with Prospect Development Company Limited, has established a joint venture named 'BFTZ Bangpakong Company Limited' to develop area and infrastructure for warehouse and factory for rent business in both normal area and free trade zone.

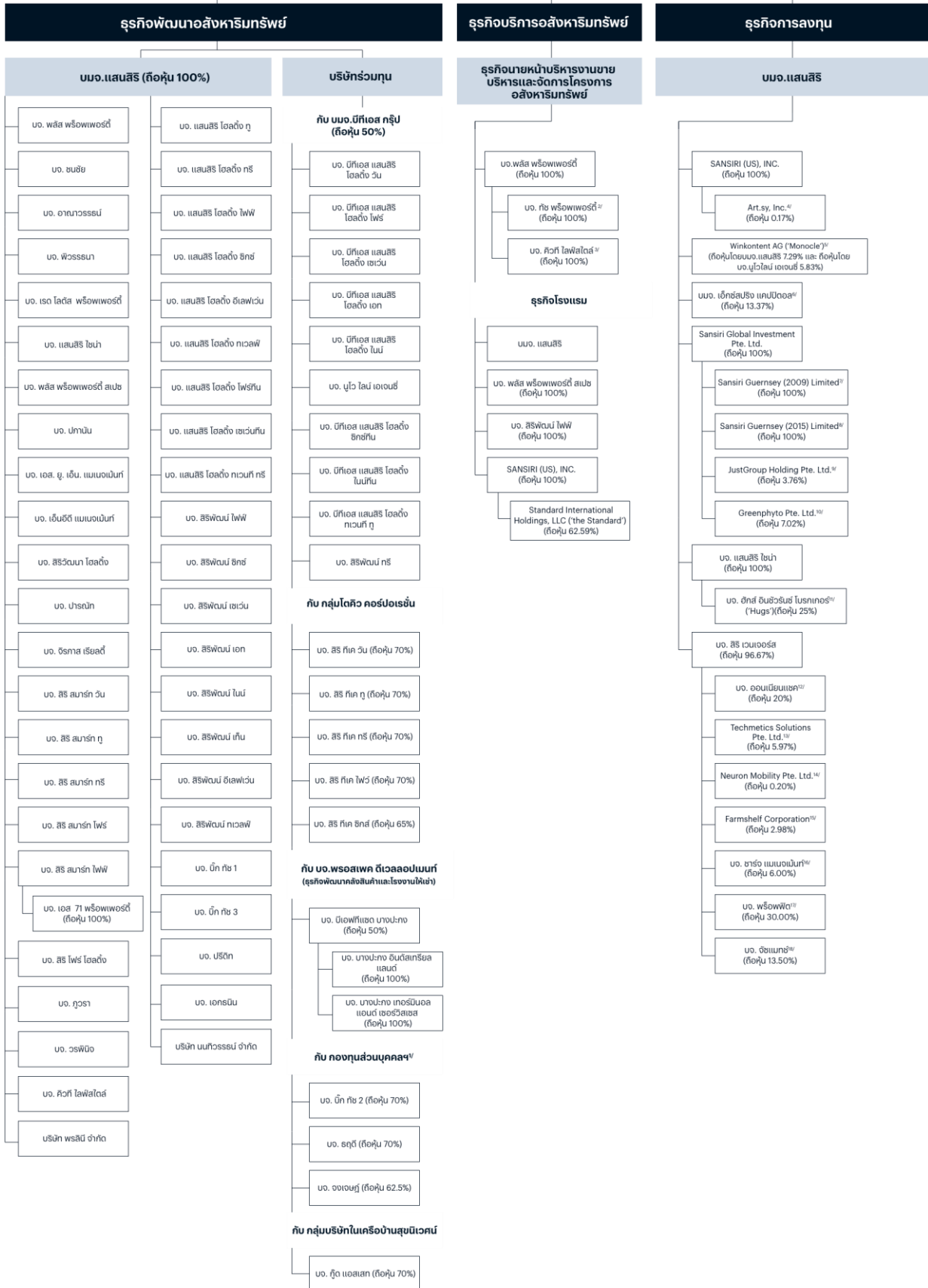
(2) **Property Services**

Operate with fully-integrated services as follows:

- Property and asset management, including property brokerage services, property sales management, property development consultancy, and property management
- Building inspection service
- Hospitality business which generates recurring income to the total revenues
- Educational business under the name 'Satit Pattana School'
- Lifestyle concierge service for both individual and corporate, event management and full wedding planning services in Thailand and worldwide

(3) **Investment Business**

Sansiri invests in related businesses both locally and globally by investing in business in alignment with Sansiri's vision. These investment businesses will focus on the ways people live in the future including way of life, work, recreation, and learning through new technologies and media.



หมายเหตุ :

¹⁾กองทุนส่วนบุคคลซึ่งบริหารโดยบริษัทหลักทรัพย์จัดการกองทุนเอ็กซ์ปรีส จำกัด
²⁾บจ. ทร พร็อพเพอร์ตี้: ธุรกิจอสังหาริมทรัพย์
³⁾บจ. ศิวท โลฟไลต์: ธุรกิจบริการที่ปรึกษาด้านโลฟไลต์สำหรับบุคคลและลูกค้าองค์กร
⁴⁾Art.sy, Inc.: ธุรกิจซื้อขายและจัดแสดงงานศิลปะ ผ่านสื่อออนไลน์และช่องทางอื่น ๆ
⁵⁾Winkontent AG : Media Business
⁶⁾บจ. เอ็กซ์ปรีส แคปปิตอล: ธุรกิจการลงทุนในธุรกิจที่ข้ามทั้งในและต่างประเทศ
⁷⁾Sansiri Guernsey (2009) Limited: ธุรกิจพัฒนาโครงการอสังหาริมทรัพย์เพื่อขายและ/หรือเพื่อเช่าในประเทศอังกฤษ
⁸⁾Sansiri Guernsey (2015) Limited: ธุรกิจพัฒนาโครงการอสังหาริมทรัพย์เพื่อขายและ/หรือเพื่อเช่าในประเทศอังกฤษ
⁹⁾JustGroup Holding Pte. Ltd.: ให้บริการ Co-working Space

¹⁰⁾Greenphyto Pte. Ltd.: ฟาร์มเกษตรแบบ Automated
¹¹⁾บจ. ฮักส์ อินเวสต์เม้นท์ โบทเทอริส: ประกอบธุรกิจขายหน้าปัด: กั้นกัน
¹²⁾บจ. ออนเนียบเอด: ผู้พัฒนา Platform AI Thai Voice command
¹³⁾Techmetics Solutions Pte. Ltd.: ผู้ผลิตและจัดจำหน่ายหุ่นยนต์บริการในธุรกิจ
¹⁴⁾Neuron Mobility Pte. Ltd.: บริการสตูดิโอไฟฟ้าที่ไร้ส่วนกัน
¹⁵⁾Farmshel Corporation: ฟาร์มอัจฉริยะเพื่อการปลูกผักสดสะอาดในที่พักอาศัย
¹⁶⁾บจ. ชาร์จ แมเนจเม้นท์: ธุรกิจเกี่ยวกับระบบชาร์จไฟฟ้าสำหรับรถยนต์
¹⁷⁾บจ. พร็อพเพอร์ตี้: ผู้พัฒนา Platform สำหรับผู้เป็นตัวแทนขายอสังหาริมทรัพย์
¹⁸⁾บจ. จีแมทช์: ผู้พัฒนา Matching Platform ระหว่างผู้ซื้อและผู้ขายอสังหาริมทรัพย์

4. Board of Director

The board of directors of the Company consists of 11 persons, including:

No.	Director Name	Position
1	Mr. APICHART CHUTRAKUL	CHAIRMAN OF THE BOARD, CHAIRMAN OF THE EXECUTIVE COMMITTEE, CHIEF EXECUTIVE OFFICER
2	Mr. JESADAVAT PRIEBJRIVAT	VICE CHAIRMAN, INDEPENDENT DIRECTOR, CHAIRMAN OF THE AUDIT COMMITTEE
3	Mr. WANCHAK BURANASIRI	DIRECTOR
4	Mr. THONGCHAI JIRA-ALONGKORN	DIRECTOR
5	Mr. VICHAYA CHATIKAVANIJ	DIRECTOR
6	Mr. UTHAI UTHAISANGSUK	DIRECTOR
7	Mr. SUPAKORN VEJAJIVA	DIRECTOR
8	Mr. PORNTAT AMATAVIVADHANA	INDEPENDENT DIRECTOR
9	Mr. KITTICHAJ RAKTAKANIT	INDEPENDENT DIRECTOR, AUDIT COMMITTEE
10	Mr. WEERANANT CHUENSUWAN	INDEPENDENT DIRECTOR, AUDIT COMMITTEE

Source: Information from the SET

5. Shareholder

SIRI's latest shareholder list, as of 29 August 2023 (Record Date), is summarized below:

No.	Shareholder list	As of 29 August 2023	
		No. of shares	Porportion
		Shares	%
1	Thai NVDR Company Limited	1,716,981,883	10.43
2	UBS AG SINGAPORE BRANCH	1,498,394,480	9.10
3	The Viriyah Insurance Public Company limited	1,193,267,873	7.25
4	MISS. CHANANDA THAVISIN	793,002,734	4.82
5	Mr. WANCHAK BURANASIRI	615,469,201	3.74
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	543,427,672	3.30
7	STATE STREET EUROPE LIMITED	386,466,212	2.35
8	MR. PIPAT TIATAWAT	350,000,000	2.13
9	Mr. APICHART CHUTRAKUL	321,900,000	1.96
10	RAFFLES NOMINEES (PTE) LIMITED	250,000,000	1.52
	Total of top 10 shareholders	7,668,910,055	46.58
	Other shareholders	8,794,801,236	53.42
	Total	16,463,711,291^{1/2/}	100.00

Source: Information from the SET as of August 3, 2023

Remark: 1/ On September 4, 2023, SIRI has already registered the change in its paid-up capital at the Department of Business Development, Ministry of Commerce, from THB 17,616,171,081.37 to THB 17,626,871,081.37 or

divided into the number of shares from 16,463,711,291 shares to 16,473,711,291 shares at a par value of THB 1.07 each. That change results from the exercise of the warrants to purchase SIRI's ordinary shares issued to the Directors and Management/Employees of SIRI and/or its subsidiaries under ESOP # 8 schemes for the period of August 2023.

2/ The Company will hold SIRI's shares representing 4.08 percent of the total paid-up shares after the capital increase of SIRI from the exercise of SIRI warrants (in case of only the Company exercises the rights).

6. Dividend Payment Policy

The Company has a policy of paying dividends to shareholders twice a year. The first dividend payment is paid as an interim dividend and the second dividend payment as an annual dividend. The total dividend paid each year will be approximately 50 percent of net profit (based on consolidated financial statement) after deduction of all reserves as required by laws and the Company's policies. However, such dividend payment may be subject to change as the Board of Directors deems it appropriate by taken into consideration of the Company and its affiliates' cash flow and investment plans, including other necessity and appropriateness. As for the dividend policy of the Company's subsidiaries, the Company does not set any particular rate of dividend payment. The dividend policy is dependent on the operational results of each individual subsidiary, and the Board of Directors of that subsidiary will make decisions concerning dividends on a case-by-case basis.

7. Summary of Financial Positions and Operating Performance

7.1 Financial Positions

The statements of financial position for the years ended December 31, 2020 to 2022 and for the six-month period ended June 30, 2023 are summarized as follows:

Financial Position Statement	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
Unit	THB million	%	THB million	%	THB million	%	THB million	%
Cash and cash equivalents	3,006.63	2.67	2,181.01	1.87	2,659.68	2.09	4,222.65	3.02
Trade accounts receivable and unbilled receivable	1,667.01	1.48	1,385.33	1.19	982.56	0.77	1,019.79	0.73
Current portion of loans to related parties	2,562.84	2.28	2,845.67	2.44	1,187.94	0.93	463.25	0.33
Current portion of long-term loan receivable	0.60	0.00	-	0.00	-	0.00	-	0.00
Real estate development for sales	56,080.73	49.79	55,142.51	47.28	85,859.15	67.37	92,498.80	66.16
Advance payment to contractors	685.05	0.61	548.13	0.47	621.29	0.49	674.14	0.48
Deposits for purchase of land and asset	3,373.56	3.00	3,331.76	2.86	5,238.27	4.11	4,377.16	3.13
Cost to obtain contracts	611.20	0.54	340.63	0.29	164.35	0.13	149.69	0.11

Financial Position Statement	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	THB million	%	THB million	%	THB million	%	THB million	%
Unit								
Prepaid expenses	50.00	0.04	84.03	0.07	97.87	0.08	195.93	0.14
Other current financial assets	692.82	0.62	0.05	0.00	160.68	0.13	89.34	0.06
Other current assets	178.58	0.16	179.94	0.15	282.63	0.22	222.00	0.16
Total current assets	68,909.01	61.18	66,039.05	56.62	97,254.41	76.31	103,912.75	74.32
Restricted bank deposits	-	0.00	71.95	0.06	70.00	0.05	272.39	0.19
Loans to related parties	123.90	0.11	277.20	0.24	1,703.52	1.34	3,161.67	2.26
Note receivable	143.67	0.13	93.54	0.08	93.75	0.07	98.49	0.07
Other non-current financial assets	1,099.37	0.98	1,586.24	1.36	2,035.73	1.60	1,934.63	1.38
Investments in subsidiaries	-	0.00	-	0.00	-	0.00	-	0.00
Investments in joint ventures	171.53	0.15	443.54	0.38	581.41	0.46	977.96	0.70
Investments in associates	199.46	0.18	2,031.14	1.74	1,954.23	1.53	1,964.07	1.40
Investment properties	2,711.63	2.41	3,930.83	3.37	4,818.50	3.78	4,619.55	3.30
Land held for development	27,610.49	24.51	30,465.56	26.12	7,351.69	5.77	7,316.57	5.23
Land, building and equipment	3,545.56	3.15	3,469.98	2.98	3,360.14	2.64	7,074.05	5.06
Right-of-use assets	1,835.79	1.63	1,695.60	1.45	1,546.19	1.21	1,458.39	1.04
Other intangible assets	3,884.12	3.45	3,994.01	3.42	4,009.48	3.15	4,004.76	2.86
Goodwill	697.10	0.62	784.77	0.67	814.38	0.64	841.00	0.60
Deferred tax assets	1,342.76	1.19	1,388.77	1.19	1,489.54	1.17	1,600.47	1.14
Other non-current assets	357.72	0.32	359.77	0.31	368.49	0.29	579.76	0.41
Total non-current assets	43,723.09	38.82	50,592.92	43.38	30,197.05	23.69	35,903.74	25.68
Total assets	112,632.10	100.00	116,631.98	100.00	127,451.47	100.00	139,816.50	100.00
Short-term loans from banks	2,919.00	2.59	5,880.00	5.04	3,476.79	2.73	1,623.67	1.16
Bills of exchange	1,123.20	1.00	3,993.90	3.42	6,417.52	5.04	6,085.77	4.35
Trade accounts payable	2,214.30	1.97	1,084.11	0.93	1,235.42	0.97	1,745.29	1.25
Current portion of long-term loans	5,359.91	4.76	8,559.48	7.34	10,211.31	8.01	9,156.34	6.55
Current portion of liabilities from agreements to sell and purchase assets with right to buy back and sell back	-	0.00	-	0.00	33.83	0.03	-	0.00
Short-term payable from purchase of land	-	0.00	-	0.00	160.12	0.13	-	0.00
Current portion of long-term payable from purchase of land	2,372.35	2.11	1,011.13	0.87	-	0.00	-	0.00
Unsecured debentures - due within one year	8,196.65	7.28	10,728.35	9.20	12,036.41	9.44	6,170.38	4.41
Current portion of long-term lease liabilities	175.73	0.16	179.26	0.15	170.55	0.13	181.75	0.13
Corporate income tax payable	124.26	0.11	159.70	0.14	404.96	0.32	629.80	0.45

Financial Position Statement	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
Unit	THB million	%	THB million	%	THB million	%	THB million	%
Short-term provisions	147.00	0.13	115.65	0.10	363.10	0.28	315.14	0.23
Unearned income	3,670.31	3.26	2,290.51	1.96	3,260.66	2.56	3,326.45	2.38
Other current liabilities:								
Advance received from customers	709.85	0.63	497.28	0.43	574.32	0.45	488.41	0.35
Construction retention	836.86	0.74	567.68	0.49	741.24	0.58	846.62	0.61
Accrued expenses	876.03	0.78	1,173.75	1.01	1,768.99	1.39	1,264.72	0.90
Accrued construction costs	1,227.16	1.09	974.94	0.84	959.10	0.75	971.77	0.70
Others	760.69	0.68	429.50	0.37	501.94	0.39	464.50	0.33
Total current liabilities	30,713.28	27.27	37,645.24	32.28	42,316.26	33.20	33,270.61	23.80
Deferred leasehold revenue	221.05	0.20	179.17	0.15	137.75	0.11	120.30	0.09
Long-term loans	14,455.78	12.83	9,596.62	8.23	8,290.28	6.50	9,019.98	6.45
Liabilities from agreements to sell and purchase assets with right to buy back and sell back	637.78	0.57	635.69	0.55	-	0.00	-	0.00
Long-term payable from purchase of land	-	0.00	-	0.00	-	0.00	5,962.10	4.26
Long-term promissory note - purchase of land	990.59	0.88	-	0.00	-	0.00	-	0.00
Unsecured debentures	23,464.99	20.83	24,935.73	21.38	30,222.21	23.71	41,225.86	29.49
Provision for transaction under equity method of investments in joint ventures	501.81	0.45	244.45	0.21	110.85	0.09	1,039.26	0.74
Long-term lease liabilities	1,588.26	1.41	1,530.59	1.31	1,409.64	1.11	1,328.39	0.95
Provision for long-term employee benefits	329.39	0.29	350.51	0.30	319.37	0.25	318.74	0.23
Long-term provisions	289.64	0.26	313.18	0.27	366.41	0.29	401.04	0.29
Deferred tax liabilities	24.10	0.02	1.47	0.00	-	0.00	-	0.00
Other non-current liabilities	218.18	0.19	232.67	0.20	238.19	0.19	177.01	0.13
Total non-current liabilities	42,721.57	37.93	38,020.08	32.60	41,094.70	32.24	59,592.67	42.62
Total liabilities	73,434.86	65.20	75,665.32	64.88	83,410.96	65.45	92,863.28	66.42
Registered share capital ^{1/}	21,146.13	18.77	20,343.63	17.44	20,343.63	15.96	20,343.63	14.55
Issued and paid-up share capital ^{2/}	15,903.13	14.12	15,924.87	13.65	15,967.75	12.53	16,981.50	12.15
Share premium	2,354.71	2.09	2,359.19	2.02	2,368.02	1.86	2,447.77	1.75
Subscription received in advance from exercise of warrants	-	0.00	-	0.00	522.09	0.41	605.55	0.43
Subordinated perpetual debentures	4,973.74	4.42	4,973.74	4.26	4,973.74	3.90	4,973.74	3.56
Warrants	47.15	0.04	47.15	0.04	47.15	0.04	29.42	0.02

Financial Position Statement	As of 31 December						As of 30 June	
	2020		2021		2022		2023	
	THB million	%	THB million	%	THB million	%	THB million	%
Unit								
Capital reserve for share-based payment	-	0.00	57.48	0.05	88.72	0.07	67.90	0.05
Appropriated-statutory reserve	1,706.07	1.51	1,806.93	1.55	2,020.84	1.59	2,020.84	1.45
Retained earnings - unappropriated	12,784.65	11.35	13,790.01	11.82	16,088.26	12.62	17,425.73	12.46
Other components of shareholders' equity	(393.89)	(0.35)	266.03	0.23	356.41	0.28	819.41	0.59
Equity attributable to owners of the parent	37,375.55	33.18	39,225.41	33.63	42,432.98	33.29	45,371.85	32.45
Non-controlling interests of subsidiaries	1,821.69	1.62	1,741.24	1.49	1,607.53	1.26	1,581.36	1.13
Total shareholders' equity	39,197.24	34.80	40,966.66	35.12	44,040.51	34.55	46,953.21	33.58
Total liabilities and shareholders' equity	112,632.10	100.00	116,631.98	100.00	127,451.47	100.00	139,816.50	100.00

Source: Audited or Reviewed Financial Statements.

Remarks: 1/ As of 31 December 2021 and 2022 and 30 June 2023: Registered share capital 19,012,734,320 shares and par value 1.07 baht

As of 31 December 2020: Registered share capital 19,762,734,320 shares and par value 1.07 baht

2/ As of 30 June 2023: Issued and paid-up share capital 15,870,561,291 shares and par value 1.07 baht

As of 31 December 2022: Issued and paid-up share capital 14,923,126,291 shares and par value 1.07 baht

As of 31 December 2021: Issued and paid-up share capital 14,883,054,320 shares and par value 1.07 baht

As of 31 December 2020: Issued and paid-up share capital 14,862,734,320 shares and par value 1.07 baht

7.2 Profit and Loss Statement

Profit and Loss Statement for the years ended December 31, 2020 to 2022 and for the six-month period ended June 30, 2023 are summarized as follows:

Unit	For the year ended of 31 December						For six months period ended of 30 June			
	2020		2021		2022		2022		2023	
	THB million	%	THB million	%	THB million	%	THB million	%	THB million	%
Revenues from sales of real estate	30,558.84	88.05	26,170.23	88.54	30,716.21	87.80	10,883.17	83.35	14,761.23	79.82
Revenues from business management services	2,751.29	7.93	1,687.06	5.71	1,678.58	4.80	745.40	5.71	1,229.12	6.65
Revenues from hotel management services	139.34	0.40	314.80	1.07	548.09	1.57	234.52	1.80	283.23	1.53

Unit	For the year ended of 31 December						For six months period ended of 30			
	2020		2021		2022		2022		2023	
	THB million	%	THB million	%	THB million	%	THB million	%	THB million	%
Revenues from sales of construction materials	53.00	0.15	52.35	0.18	45.43	0.13	13.46	0.10	23.15	0.13
Revenues from projects for rent	119.09	0.34	155.59	0.53	209.69	0.60	98.10	0.75	90.93	0.49
Revenues from hotel business	211.57	0.61	261.88	0.89	514.11	1.47	233.36	1.79	444.57	2.40
Revenues from other services										
Other revenues	-	0.00	107.79	0.36	514.79	1.47	429.96	3.29	258.92	1.40
Income from forfeiture of booking and down payments	10.69	0.03	-	0.00	239.53	0.68	178.88	1.37	502.73	2.72
Gain on sale of land	-	0.00	-	0.00	-	0.00	4.23	0.03	623.41	3.37
Gain on sale of assets	93.13	0.27	-	0.00	-	0.00	-	0.00		0.00
Dividend income	-	0.00	0.54	0.00	3.90	0.01	2.79	0.02	0.82	0.00
Others	770.31	2.22	807.51	2.73	513.16	1.47	233.48	1.79	274.55	1.48
Total revenues	34,707.26	100.00	29,557.75	100.00	34,983.48	100.00	13,057.34	100.00	18,492.65	100.00
Cost of real estate sales	22,909.90	66.01	17,319.27	58.59	19,834.32	56.70	7,227.16	55.35	9,781.82	52.90
Cost of business management services	1,974.96	5.69	1,121.68	3.79	1,071.02	3.06	468.91	3.59	644.80	3.49
Cost of hotel management services	472.90	1.36	728.19	2.46	1,022.55	2.92	419.25	3.21	526.16	2.85
Cost of construction materials sales	47.20	0.14	49.77	0.17	39.53	0.11	11.38	0.09	24.56	0.13
Cost of projects for rent	93.29	0.27	96.78	0.33	93.63	0.27	44.84	0.34	45.03	0.24
Cost of other services	269.99	0.78	290.95	0.98	529.54	1.51	256.81	1.97	452.56	2.45
Selling expenses	2,232.72	6.43	2,022.47	6.84	2,238.44	6.40	791.57	6.06	1,131.48	6.12
Administrative expenses	4,227.23	12.18	4,352.63	14.73	4,926.24	14.08	1,894.15	14.51	1,979.30	10.70
Total expenses	32,228.20	92.86	25,981.75	87.90	29,755.26	85.06	11,114.08	85.12	14,585.70	78.87
Profit from operating activities	2,479.05	7.14	3,576.00	12.10	5,228.23	14.94	1,943.27	14.88	3,906.94	21.13
Share of profit from investments in joint ventures	452.36	1.30	75.10	0.25	494.06	1.41	71.49	0.55	138.43	0.75
Share of profit (loss) from investments in associates	(23.13)	(0.07)	(0.10)	(0.00)	(21.25)	(0.06)	(18.34)	(0.14)	3.84	0.02

Unit	For the year ended of 31 December						For six months period ended of 30 June			
	2020		2021		2022		2022		2023	
	THB million	%	THB million	%	THB million	%	THB million	%	THB million	%
Finance income	287.59	0.83	189.77	0.64	229.63	0.66	116.59	0.89	110.57	0.60
Finance cost	(977.80)	(2.82)	(1,165.42)	(3.94)	(737.43)	(2.11)	(556.06)	(4.26)	(236.76)	(1.28)
Profit before income tax expenses	2,218.07	6.39	2,675.35	9.05	5,193.24	14.84	1,556.94	11.92	3,923.02	21.21
Income tax expenses	(760.24)	(2.19)	(736.81)	(2.49)	(1,086.66)	(3.11)	(393.06)	(3.01)	(812.18)	(4.39)
Profit for the period	1,457.83	4.20	1,938.55	6.56	4,106.59	11.74	1,163.88	8.91	3,110.84	16.82
Equity holders of the Company	1,673.09	4.82	2,017.28	6.82	4,279.88	12.23	1,220.17	9.34	3,202.93	17.32
Non-controlling interest of the subsidiaries	(215.26)	(0.62)	(78.73)	(0.27)	(173.30)	(0.50)	(56.29)	(0.43)	(92.09)	(0.50)
Profit for the period	1,457.83	4.20	1,938.55	6.56	4,106.59	11.74	1,163.88	8.91	3,110.84	16.82

Source: Audited or Reviewed Financial Statements.

7.3 Operating Performance and Financial Position Analysis

7.3.1 Analysis for the year ended of 31 December 2022

7.3.1.1 The results of operations

Total revenue in 2022 amounted to 34,983 Million Baht, increased by 18 percent from 29,558 Million Baht in 2021. Revenue increased in almost every business unit except revenue from business management service which slightly decreased when compared to last year. For the year 2022, Sansiri and its subsidiaries reported net profit (equity holders of the Company) of 4,280 Million Baht, tremendously grow up by 112 percent from net profit (equity holders of the Company) of 2,017 Million Baht in 2021. In this regard, 2022 net profit was all-time high net profit that Company has recorded.

(1) Revenue from Property Development

The breakdown of revenue from project sales during 2020 - 2022 is as follows.

Product Type	For the year ended of 31 December					
	2020		2021		2022	
Unit	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached Houses	14,392	47.10	12,753	48.73	13,545	44.10
Townhomes / Home Offices	2,838	9.29	2,277	8.70	3,784	12.32
Mix Products	1,199	3.92	2,633	10.06	3,278	10.67
Condominiums	12,130	39.69	8,508	32.51	10,109	32.91
Total	30,559	100.00	26,170	100.00	30,716	100.00

Source: SIRI's Annual Report

In 2022, Sansiri and its subsidiaries reported the revenue from project sales amounted to 30,716 Million Baht, resulting in a 17 percent increase in revenue from project sales from 26,170 Million Baht in 2021. Revenue from project sales increased in every product type.

Revenue from housing projects consist of single-detached houses, townhomes, and mix products amounted to 20,607 Million Baht, accounted for 67 percent of total revenue from project sales. For revenue from single-detached house projects in 2022 amounted to 13,545 Million Baht, a 6 percent increase from 12,753 Million Baht in 2021. The revenue from single-detached house was mainly from 5 projects, including Setthasiri Rama 5, Setthasiri Phahon-Watcharapol, Setthasiri Krungthep Kreetha 2, Setthasiri Charan-Pinklao 2, and Narasiri Krungthep Kreetha, which altogether contributed 5,553 Million Baht or 18 percent of total revenue from project sales. In term of revenue from townhome projects, it had highest growth among every product type, or grow by 66 percent from 2021. In 2022, there were 11 new townhome projects launched and they contributed revenue amounted 1,781 Million Baht. Besides, revenue from mix product projects in 2022 amounted to 3,278 Million Baht, increased by 25 percent from 2021. Anasiri Chaiyaprupek-Wongwaen, Anasiri Rangsit, and Anasiri Ratchaprupek-346 was the top 3 highest contributor in 2022 respectively, contributing revenue of 1,339 Million Baht.

Out of total revenue from project sales in 2022, revenue from condominium projects amounted to 10,109 Million Baht, accounted for 33 percent of total revenue from project sales, an increase of 19 percent from 8,508 Million Baht in 2021. In this regard, XT Huaikwang was the highest contributors in 2022. Moreover, XT Phayathai, The BASE Phetchaburi-Thonglor, The MUVE Kaset, and The MUVE Ram 22, which were the newly completed projects and started transfer in 2022 supporting revenue approximately 11 percent of the total revenue from project sales.

In 2022, revenue from projects for rent also increased by 35 percent from 156 Million Baht in 2021 to 210 Million Baht in 2022, resulted from additional areas for rent, discontinuity of rental fee discount, and a rise in occupancy rate from the economic activity returned to normalcy.

(2) Revenue from Property Services

In 2022, revenue from business management stood at 1,679 Million Baht, a slightly decreased by 1 percent from 1,687 Million Baht in the last year. Whilst revenue from hotel management amounted to 548 Million Baht, increased by 74 percent from 315 Million Baht in 2021 due to the economic recovery and 2 new hotels, named The Standard Ibiza and The Standard Mahanakorn, started operation in 2022. Besides, Sansiri has revenue from other services including revenue from hotel business and education business amounted to 514 Million Baht, which increased by 96 percent from 262 Million Baht in 2021 due to the recovery of tourism and hotel business after country reopening. As a result, revenue from hotel business considerably grew by 257 percent compared to last year.

(3) Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For the year 2022, cost of project sales amounted to 19,834 Million Baht, a 16 percent increase from that of the year 2021, in accordance with an increase in revenue from project sales. Gross profit margin of project sales significantly increased from 33.8 percent in 2021 to 35.4 percent in 2022, it increased in every product type. Cost of business management services and cost of projects for rent decreased by 5 percent and 3 percent respectively, in accordance with a decrease in its revenue. However, Sansiri recorded cost of hotel management services amounted to 1,023 Million Baht, increased from 728 Million Baht in 2021 in line with an increase in revenue from hotel management. Similarly, cost of other services including hotel business and education business meaningfully increased by 82 percent from that of last year in accordance with a 96 percent increase in revenue from other services.

Selling, General and Administrative Expenses

Sansiri and its subsidiaries recorded selling and administrative expense in 2022 at 7,165 Million Baht, accounted for 20.5 percent of the total revenue, a drop from 21.6 percent of total revenue of last year. The selling expenses in 2022 were at 2,238 Million Baht or 6.4 percent of total revenue, decreased from 6.8 percent of total revenue in 2021. The administrative expenses (including management benefit expenses) amounted to 4,926 Million Baht or 14.1 percent of total revenue, decreased from 14.7 percent of total revenue in 2021. The main factor was from the growth of revenue based which higher than the growth of selling and administrative expense.

Finance Cost

In 2022, finance cost was 737 Million Baht, down from 1,165 Million Baht in 2021, owing mostly to the development of existing land plots to support business expansion in the next 2-3 years. As a result, the interest charges incurred by the developed land plots can be capitalised as cost of the projects rather than financial expenses.

(4) Net Profit

For the year 2022, Sansiri and its subsidiaries reported net profit of 4,280 Million Baht, significantly increased by 112 percent from 2,017 Million Baht in 2021. In this regard, the net profit margin was at 12.2 percent of total revenue, increasing from 6.8 percent of total revenue in 2021. The main factors were from the significant increase in gross profit margin of core business from 33.7 percent in 2021 to 35.4 percent in 2022, as well as an increase in share of profit from investments in joint ventures and associates, and reduction of selling and administrative expense, finance expense, and tax expense. In addition, an effective corporate income tax in 2022 was at 20.9 percent of earnings before corporate income tax.

7.3.1.2 Financial Position

(1) Total Assets

Total assets of Sansiri and its subsidiaries as of 31 December 2022 amounted to 127,451 Million Baht, an increase of 10,819 Million Baht from 31 December 2021. Current assets as of 31 December 2022 were 97,254 Million Baht, increasing by 31,215 Million Baht from 31 December 2021 chiefly due to an increase in real estate development for sales. Total non-current assets as of 31 December 2022 were 30,197 Million Baht, a decrease of 20,396 Million Baht from 31 December 2021. The decrease was primarily from a decrease in land held for development, some of which had shifted to an increase in current assets, such as real estate development for sale and investment properties.

(2) Total Liabilities

Total liabilities of Sansiri Group amounted to 83,411 Million Baht as of 31 December 2022, an increase of 7,746 Million Baht from 31 December 2021. Total current liabilities amounted to 42,316 Million Baht, increasing by 4,671 Million Baht. Whilst total non-current liabilities rose by 3,075 Million Baht to 41,095 Million Baht. In this regard, the interest-bearing debt increased from 63,694 Million Baht as of 31 December 2021 to 70,655 Million Baht as of 31 December 2022, due to an increase in unsecured debenture issued during 2022. The debt-to-equity ratio was 1.89 times with the interest-bearing debt-to-equity ratio (Gearing Ratio) was 1.60 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 do not include financial obligations and provisions with account payables, advanced received from customer or any debt of bond issuer with no interest obligation, and lease payables.

(3) Total Shareholders' Equity

Shareholders' Equity as of 31 December 2022 amounted to 44,041 Million Baht, an increase of 3,074 Million Baht from as of 31 December 2021 caused by an increase in retained earnings of 2,512 Million Baht as well as the subscription received in advance from exercise of warrants of 522 Million Baht. Furthermore, dividend payment was paid at 1,489 Million Baht out of net profit in 2021, together with 327 Million Baht dividend paid for subordinated perpetual debentures – net of income tax.

7.3.1.3 Cashflow

Sansiri and its subsidiaries had beginning cash balance of 2,181 Million Baht, with net cash used in operating activities of 674 Million Baht, net cash used in investing activities of 1,110 Million Baht, and net cash from financing activities of 2,340 Million Baht, resulting in the ending cash balance of 2,660 Million Baht as of 31

December 2022. In this regard, profit from operating activities before changes in operating assets and liabilities was 26,888 Million Baht. Cash used as development costs for property development for sale amounted to 26,210 Million Baht. For investing activities, the key components were loans to related parties of 976 Million Baht and payment on purchase of other financial assets of 790 Million Baht. For financing activities, the key components were net proceeds from debenture issuance of 6,667 Million Baht, partially offset with dividend payment of 1,489 Million Baht.

7.3.1.4 Summary of Factors Affecting the Future Operations

The external factors which will affect Sansiri's performance, that may lead to the unachievable goal of operating result or some significant changes from that of last year, include the household debt, government measures in economic stimulus package, increasing in interest rate, inflation problems, as well as both domestic and international political instability. These factors have impacts on consumers' purchasing power and their decision making, as they affect the ability in habitation purchasing. Furthermore, global warming is another factor that Sansiri is always aware of. Sansiri takes into account the effect of all aforementioned external factors and attempts to adapt the business strategies to cope with the changing situation consistently.

7.3.2 Analysis for six-months ended of 30 June 2023

7.3.2.1 The results of operations

Total revenue for 2Q/2023 was 9,988 Million Baht, a 27 percent increase from 7,837 Million Baht in 2Q/2022. The total revenue increased in almost every business unit except other services and projects for rent, which decreased when compared to last year. In this quarter, the Company recorded a gain from land sales of 503 Million Baht. Net profit (equity holders of the Company) in 2Q/2023 was 1,621 Million Baht, representing a strong growth of 77 percent from 918 Million Baht in 2Q/2022.

For 6M2023, total revenue was 18,493 Million Baht, rising by 42 percent from 13,057 Million Baht in 6M2022. The Company recorded a gain from sales of assets and land, a total of 1,126 Million Baht. 6M2023 net profit reported an outstanding growth of 162 percent to 3,203 Million Baht, from 1,220 Million Baht in 6M2022.

(1) Revenue from Property Development

The breakdown of revenue from project sales during 2Q/2023 and 2Q/2022, and for the period of 6M2023 and 6M2022 is as follows.

Product Type	For three-months ended of 30 March				For six-months ended of 30 June			
	2023		2021		2023		2022	
Unit	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached Houses	3,457	43.17	3,113	47.20	5,853	39.65	5,407	49.68

Product Type	For three-months ended of 30 March				For six-months ended of 30 June			
	2023		2021		2023		2022	
Unit	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
Townhomes / Home Offices	834	10.42	917	13.90	1,788	12.11	1,385	12.73
Mix Products	842	10.52	927	14.05	1,528	10.35	1,595	14.66
Condominiums	2,874	35.89	1,639	24.85	5,591	37.88	2,496	22.93
Total	8,007	100.00	6,596	100.00	14,761	100.00	10,883	100.00

In 2Q/2023, Sansiri reported the revenue from project sales amounted to 8,007 Million Baht, resulting in a 21 percent increase from 6,596 Million Baht in the previous year. The increase was from higher revenue from sales of condominium and single-detached house projects.

Revenue from housing projects consists of single-detached house, townhome, and mix product amounted to 5,133 Million Baht, accounting for 64 percent of total revenue from project sales. Revenue from single-detached house projects amounted to 3,457 Million Baht, an 11 percent increase from 3,113 Million Baht in the same period last year. The revenue from single-detached houses was mainly from Setthasiri Don Mueang, Narasiri Krungthepkreetha, Narasiri Phahol - Watcharapol and Burasiri Watcharapol. Revenue from the aforesaid 4 projects was 21 percent of total revenue from project sales.

Revenue from townhome projects stood at 834 Million Baht, decreasing by 9 percent from 917 Million Baht in the same period last year, chiefly from DEMI Sathu 49 and Siri Place Charan - Pinklao. Revenue from mixed product projects decreased from 927 Million baht in 2Q/2022 or 9 percent to 842 Million Baht in 2Q/2023. In this regard, revenue from newly launched projects in 2Q/2023, Anasiri Srinakarin – Praeksaand Anasiri Bangkok – Pathunthani 2, accounted for 27 percent of revenue from mixed product projects.

Condominium projects contributed the highest revenue growth in this quarter, growing by 75 percent to 2,874 Million baht from 1,639 Million Baht in the same period last year. Most of the revenue was generated from XT Phayathai, XT Huaikwang, oka HAUS, The Base Phetchaburi - Thonglor and The Muve Bangna. Moreover, there were 2 new completed projects and started to transfer in this quarter, namely, The Muve Bangkok and dcondo Panaa. These 7 projects contributed 27 percent of total revenue from project sales.

Further, the Company recorded revenue from projects for rent in 2Q/2023 of 42 Million, dropped by 17 percent from 50 Million Baht in 2Q/2022. As a result, revenue from projects for rent in 6M2023 decreased 7 percent when compared to last year

(2) Revenue from Property Services

In 2Q/2023, revenue from business management services stood at 745 Million Baht, growing robustly by 96 percent from 381 Million Baht in 2Q/2022. The increase was due to a higher management fee, following an increase in the number of joint venture projects, as well as a management fee incentive from a joint venture project

with Tokyu Corporation Company Limited. Consequently, revenue from business management services in 6M2023 grew by 65 percent compared to last year. Revenue from hotel management services rose 14 percent from 129 Million Baht in 2Q/2022 to 147 Million Baht in 2Q/2023, and increased 21 percent in 6M2023 following the economic recovery.

Besides, Sansiri reported revenue from hotel business owned by the Company in 2Q/2023 of 231 Million Baht, increasing significantly by 206 percent from 75 Million Baht last year, chiefly due to an investment in SIXTY SoHo Hotel in the United States in February 2023. This resulted in a 175 percent increase in revenue from hotel business in 6M2023.

(3) Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For 2Q/2023, cost of project sales amounted to 5,445 Million Baht, a 23 percent increase from 2Q/2022, in accordance with an increase in revenue from project sales. As a result, the cost of project sales in 6M2023 increased 35 percent from last year to 9,782 Million Baht. Consequently, gross profit margin of project sales in 2Q/2023 reduced from 32.8 percent in 2Q/2022 to 32.0 percent in this quarter, resulted from the rising cost of business operations. However, gross profit margin of project sales in 6M2023 was 33.7 percent, remained stable when compared to 33.6 percent in 6M2022.

The costs of other businesses also rose in line with increased revenues. An increase in cost of hotel business was owing to an investment in SIXTY SoHo Hotel in the United States in February 2023, resulted in a 137 percent increase in cost of hotel business in 6M2023. Cost of business management services and cost of hotel management services in 2Q/2023 rose 38 percent and 26 percent, respectively. Nonetheless, cost of other services in 6M2023 declined by 38 percent from last year, following a disposal of Satit Pattana School in March 2023.

Selling, General and Administrative Expenses

Selling and administrative expenses in 2Q/2023 were 1,731 Million Baht, accounted for 17.3 percent of total revenue, decreasing when compared to 2Q/2022 of 19.1 percent of total revenue. The selling expenses in 2Q/2023 were 597 Million Baht or 6.0 percent of total revenue, decreased from 6.4 percent of total revenue in 2Q/2022. The administrative expenses (including management benefit expenses) amounted to 1,134 Million Baht or 11.4 percent of total revenue, decreased from 12.7 percent of total revenue in 2Q/2022.

For 6M2023, selling and administrative expenses were 3,111 Million Baht, equivalent to 16.8 percent of total revenue, dropping from 20.6 percent of total revenue in 6M2022. The selling expenses were 1,131 Million Baht or 6.1 percent of total revenue, remained stable compared to last year. The administrative expenses were 1,979 Million Baht or 10.7 percent of total revenue, down from 14.5 percent in 6M2022.

Finance Cost

In 2Q/2023, finance cost was 116 Million Baht, down from 231 Million Baht in 2Q/2022 while 6M2023 finance cost declined from 556 Million Baht to 237 Million Baht, owing mostly to the development of existing land plots to support business expansion in the next 2-3 years. As a result, the interest charges incurred by the developed land plots can be capitalised as cost of the projects rather than financial expenses.

(4) Net Profit (equity holders of the Company)

For 2Q/2023, Sansiri and its subsidiaries reported net profit (equity holders of the Company) of 1,621 Million Baht, rose strongly by 77 percent from 918 Million Baht in 2Q/2022. In this regard, quarterly net profit margin was at 16.2 percent of total revenue, increasing from 11.7 percent of total revenue in 2Q/2022. The primary contributors to the increase in net profit were higher revenue in all business units while maintaining a healthy gross profit margin, gain from land sales, increased share of profit from investments in joint ventures and associates, as well as effective expense management at an appropriate level. In addition, an effective corporate income tax in 2Q/2023 was at 20.3 percent of earnings before corporate income tax.

For 6M2023, net profit (equity holders of the Company) was 3,203 Million Baht, representing an outstanding growth of 163 percent from 1,220 Million Baht in 6M2022. Net profit margin was 17.3 percent, up from 9.3 percent in 6M2022.

7.3.2.2 Financial Position

(1) Total Assets

Total assets of Sansiri and its subsidiaries as of 30 June 2023 amounted to 139,816 Million Baht, an increase of 12,365 Million Baht from 31 December 2022. Current assets as of 30 June 2023 were 103,913 Million Baht, increasing by 6,658 Million Baht from 31 December 2022, chiefly due to an increase in real estate development for sales as well as cash and cash equivalents. Total non-current assets were 35,904 Million Baht, an increase of 5,707 Million Baht from 31 December 2022, primarily from an increase in land, building and equipment from the acquisition of SIXTY SoHo Hotel in the United States by our subsidiary in foreign country, together with an increase in long-term loan receivable – net of current portion.

(2) Total Liabilities

Total liabilities of Sansiri Group amounted to 92,863 Million Baht as of 30 June 2023, an increase of 9,452 Million Baht from 31 December 2022. Total current liabilities amounted to 33,271 Million Baht, decreasing by 9,046 Million Baht. Whilst total non-current liabilities rose by 18,498 Million Baht to 59,593 Million Baht. In this regard, the interest-bearing debt increased from 70,655 Million Baht as of 31 December 2022 to 73,282 Million Baht as of 30 June 2023, due to an increase in unsecured debenture issued in January and June 2023. The debt-to-equity ratio was 1.98 times with the interest-bearing debt-to-equity ratio (Gearing ratio) was 1.56 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 do not include financial obligations and provisions with account payables, advanced received from customer or any debt of bond issuer with no interest obligation, and lease payables.

(3) Total Shareholders' Equity

Shareholders' Equity as of 30 June 2023 amounted to 46,953 Million Baht, an increase of 2,913 Million Baht from as of 31 December 2022. The increase was from total comprehensive income of 3,574 Million Baht and higher issued and paid-up of 1,126 Million Baht from the exercise of warrants issued for Private Placement and ESOP 8, partly offset with dividend payment of 1,702 Million Baht in May 2023.

7.3.2.3 Cashflow

Sansiri and its subsidiaries had beginning cash balance of 2,660 Million Baht, with net cash from operating activities of 5,195 Million Baht, net cash used in investing activities of 4,026 Million Baht, and net cash from financing activities of 153 Million Baht, resulting in the ending cash balance of 4,223 Million Baht as of 30 June 2023. In this regard, profit from operating activities before changes in operating assets and liabilities was 14,689 Million Baht.

In this regard, cash used as development costs for property development for sale amounted to 15,879 Million Baht. For investing activities, the key components were payment on purchase of land, building and equipment of 4,271 Million Baht mainly from the acquisition of SIXTY SoHo Hotel in the United States, and increase in loans to related parties of 1,230 Million Baht, partly offset with net cash received from sales of assets related to school business of 1,150 Million Baht. For financing activities, the key components were net proceeds from debenture issuance a total of 5,179 Million Baht from the issuance of debentures in January and June 2023, a total of 12,500 Million Baht, extracting the repayment of debentures totaling 8,000 Million Baht in January and June 2023, as well as cash received from newly issued ordinary shares of 1,126 Million Baht, partially offset with the repayment of short-term loans and bills of exchange of 2,178 Million Baht, dividend payment in May 2023 of 1,702 Million Baht and payment of interest expenses of 1,677 Million Baht.