

Peace & Living Public Company Limited
Review report and interim financial information
For the three-month period ended 31 March 2022

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Peace & Living Public Company Limited

I have reviewed the accompanying statement of financial position of Peace & Living Public Company Limited as at 31 March 2022, and the related statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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



Wilai Sunthornwanee
Certified Public Accountant (Thailand) No. 7356

EY Office Limited
Bangkok: 12 May 2022

Peace & Living Public Company Limited

Statement of financial position

As at 31 March 2022

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)
Assets			
Current assets			
Cash and cash equivalents		201,456	106,377
Restricted bank deposit	3	2,372	2,372
Other receivables		178	307
Property development costs for sales	4	1,921,443	1,542,729
Deposits for construction materials		3,069	4,013
Deposits for land purchase		31,215	67,893
Other current assets		<u>5,387</u>	<u>3,611</u>
Total current assets		<u>2,165,120</u>	<u>1,727,302</u>
Non-current assets			
Restricted bank deposit	3	1,149	1,149
Building and equipment		9,114	10,047
Intangible assets		2,319	2,426
Deferred tax assets		15,481	16,354
Other non-current assets		<u>307</u>	<u>188</u>
Total non-current assets		<u>28,370</u>	<u>30,164</u>
Total assets		<u><u>2,193,490</u></u>	<u><u>1,757,466</u></u>

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

Peace & Living Public Company Limited
Statement of financial position (continued)
As at 31 March 2022

(Unit: Thousand Baht)

	<u>31 March 2022</u>	<u>31 December 2021</u>
	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity		
Current liabilities		
Trade and other payables	96,653	95,044
Current portion of lease liabilities	2,274	2,250
Retention guarantees	14,904	14,834
Deposits and advances received from customers	20,991	22,807
Income tax payable	<u>47,822</u>	<u>32,109</u>
Total current liabilities	<u>182,644</u>	<u>167,044</u>
Non-current liabilities		
Lease liabilities - net of current portion	2,227	2,804
Provision for long-term employee benefits	<u>19,006</u>	<u>18,336</u>
Total non-current liabilities	<u>21,233</u>	<u>21,140</u>
Total liabilities	<u>203,877</u>	<u>188,184</u>

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

Peace & Living Public Company Limited
Statement of financial position (continued)
As at 31 March 2022

(Unit: Thousand Baht)

	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)
Shareholders' equity			
Share capital	5		
Registered			
420,000,000 ordinary shares of Baht 1 each		<u>420,000</u>	<u>420,000</u>
Issued and fully paid up			
420,000,000 ordinary shares of Baht 1 each		420,000	336,000
(2021: 336,000,000 ordinary shares of Baht 1 each)			
Share premium	5	244,394	-
Capital reserve for share-based payments		12,910	12,910
Retained earnings			
Appropriated - statutory reserve		33,805	33,805
Unappropriated		<u>1,278,504</u>	<u>1,186,567</u>
Total shareholders' equity		<u>1,989,613</u>	<u>1,569,282</u>
Total liabilities and shareholders' equity		<u>2,193,490</u>	<u>1,757,466</u>

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

Directors

(Unaudited but reviewed)

Peace & Living Public Company Limited

Statement of comprehensive income

For the three-month period ended 31 March 2022

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Note</u>	<u>2022</u>	<u>2021</u>
Profit or loss:			
Revenues			
Revenue from sales of real estate		447,487	215,598
Other income		489	700
Total revenues		<u>447,976</u>	<u>216,298</u>
Expenses			
Cost of real estate sold		270,668	130,879
Selling expenses		31,699	12,826
Administrative expenses		30,644	22,591
Total expenses		<u>333,011</u>	<u>166,296</u>
Operating profit		114,965	50,002
Finance cost		(52)	(1,928)
Profit before income tax expenses		114,913	48,074
Income tax expenses		(22,976)	(9,615)
Profit for the period		<u>91,937</u>	<u>38,459</u>
Other comprehensive income for the period		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>91,937</u></u>	<u><u>38,459</u></u>
Earnings per share	6		
Basic earnings per share			
Profit for the period		<u><u>0.24</u></u>	<u><u>0.11</u></u>

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

(Unaudited but reviewed)

Peace & Living Public Company Limited

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Issued and fully paid-up share capital	Retained earnings				Total
		Share premium	Capital reserve for share-based payments	Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2021	336,000	-	12,910	16,210	1,028,807	1,393,927
Total comprehensive income for the period	-	-	-	-	38,459	38,459
Balance as at 31 March 2021	<u>336,000</u>	<u>-</u>	<u>12,910</u>	<u>16,210</u>	<u>1,067,266</u>	<u>1,432,386</u>
Balance as at 1 January 2022	336,000	-	12,910	33,805	1,186,567	1,569,282
Total comprehensive income for the period	-	-	-	-	91,937	91,937
Increase share capital (Note 5)	84,000	250,320	-	-	-	334,320
Transaction costs - net of income tax (Note 5)	-	(5,926)	-	-	-	(5,926)
Balance as at 31 March 2022	<u>420,000</u>	<u>244,394</u>	<u>12,910</u>	<u>33,805</u>	<u>1,278,504</u>	<u>1,989,613</u>

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

(Unaudited but reviewed)

Peace & Living Public Company Limited

Cash flow statement

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Profit before tax	114,913	48,074
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Decrease in property development costs for sales transferring to cost of real estate sold	270,668	130,879
Depreciation and amortisation	1,216	1,185
Gain on sales of equipment	-	(320)
Provision for long-term employee benefits	670	644
Finance cost	52	1,928
Profit from operating activities before changes in operating assets and liabilities	387,519	182,390
Operating assets (increase) decrease		
Other receivables	129	22
Property development costs for sales	(649,237)	(97,181)
Deposits for construction materials	944	(326)
Deposits for land purchase	36,677	(7,550)
Other current assets	(1,823)	(685)
Other non-current assets	(120)	17
Operating liabilities increase (decrease)		
Trade and other payables	1,589	(4,055)
Retention guarantees	70	377
Deposits and advances received from customers	(1,816)	1,111
Cash flows from (used in) operating activities	(226,068)	74,120
Corporate income tax paid	(4,908)	(2,372)
Net cash flows from (used in) operating activities	<u>(230,976)</u>	<u>71,748</u>

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

(Unaudited but reviewed)

Peace & Living Public Company Limited

Cash flow statement (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from investing activities		
Increase in restricted bank deposits	-	(265)
Acquisition of equipment	(252)	(233)
Proceeds from sales of equipment	-	320
Net cash flows used in investing activities	<u>(252)</u>	<u>(178)</u>
Cash flows from financing activities		
Cash receipt from long-term loans from financial institutions	-	69,000
Repayment of long-term loans from financial institutions	-	(104,911)
Proceeds from increase in share capital	334,320	-
Transaction costs on issuance of shares	(7,407)	-
Payment of principal portion of lease liabilities	(554)	(517)
Interest paid and front-end fee paid	(52)	(3,514)
Net cash flows from (used in) financing activities	<u>326,307</u>	<u>(39,942)</u>
Net increase in cash and cash equivalents	95,079	31,628
Cash and cash equivalents at beginning of period	<u>106,377</u>	<u>6,892</u>
Cash and cash equivalents at end of period	<u><u>201,456</u></u>	<u><u>38,520</u></u>

Supplemental cash flow information:

Non-cash items consist of:

Additions to right-of-use assets and lease liabilities	-	5,053
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The accompanying notes are an integral part of the interim financial statements.

Peace & Living Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2022

1. General information

1.1 Basis of the preparation of interim financial statements

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

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

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

1.2 Significant accounting policies

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

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

2. Related party transactions

During the period, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

(Unaudited but reviewed)

Summaries significant business transactions with related parties as follows.

(Unit: Thousand Baht)

For the three-month periods ended 31 March

	<u>2022</u>	<u>2021</u>
<u>Transaction with related company</u>		
Purchases of materials used for property	1,192	467
<u>Transaction with related persons</u>		
Revenue from sales of real estate	24,323	-
Rental expense	450	400

The balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	<u>31 March 2022</u>	<u>31 December 2021</u>
		(Audited)
Trade payables - related company	660	447
Lease liabilities - related person	3,304	3,715
Deposits and advances received from customers - related person	-	10,000

Directors and management's benefits

(Unit: Thousand Baht)

For the three-month periods ended 31 March

	<u>2022</u>	<u>2021</u>
Short-term employee benefits	6,325	6,506
Post-employment benefits	251	315
Total	<u>6,576</u>	<u>6,821</u>

3. Restricted bank deposit

Restricted bank deposit is fixed deposit which the Company has pledged to secure a letter of guarantee for utility maintenance of property development issued by a bank on behalf of the Company. The Company intends to redeem within 1 year amounting to Baht 2.4 million.

4. Property development costs for sales

Movements of property development costs for sales account during the three-month period ended 31 March 2022 were summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2022	1,542,729
Increase in land costs and development costs	564,653
Increase in construction costs	84,729
Cost of real estate sold for the period	(270,668)
Balance as at 31 March 2022	<u>1,921,443</u>

The Company has mortgaged its project land and construction thereon with banks as collateral for bank overdrafts, loans from financial institutions, and issuance of bank guarantees.

5. Share capital

5.1 On 20 January 2022, a meeting of the Company's Board of Directors passed a resolution to approve the allocation of the 84,000,000 new ordinary shares of the Company with a par value of Baht 1 each prescribed in the prospectus as follows:

- a) Not more than 7,790,000 ordinary shares are to be offered to the Company's patronages at the offer price of persons at the underwriter's discretion mentioned in c).
- b) Not more than 13,208,500 ordinary shares are to be offered to the Company's employees and/or related persons who are the Company's directors or executives at the offer price of persons at the underwriter's discretion mentioned in c). However, the ordinary shares offered to the Company's employees, and/or the Company's directors or management, and the Company's patronages as mentioned in a), are to total not more than 25 percent of all offered ordinary shares.
- c) Not less than 63,001,500 ordinary shares are to be offered to persons at the underwriter's discretion.

5.2 Period during 2 to 4 and 7 February 2022, the Company made an Initial Public Offering of 84,000,000 newly issued ordinary shares with a par value of Baht 1 each, at an offering price of Baht 3.98 per share, amounting to Baht 334.32 million which have the share premium of Baht 250.32 million. Subsequently, on 7 February 2022, the Company received full payment of the additional capital and registered the increase in its issued and paid-up share capital from Baht 336 million (336,000,000 ordinary shares with a par value of Baht 1 each) to Baht 420 million (420,000,000 ordinary shares with a par value of Baht 1 each) with the Ministry of Commerce on the same date. The Stock Exchange of Thailand approved the 420,000,000 ordinary shares with a par value of Baht 1 each as listed securities, with trading permitted from 10 February 2022.

The Company incurred expenses relating to the share offering amounting to approximately Baht 7.41 million (net of income tax of Baht 5.93 million), and these expenses are recorded as transaction costs as a deduction against the share premium.

6. Earnings per share

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, after adjusting the number of ordinary shares to reflect the impact of the change in the par value of the ordinary shares from 33,600,000 ordinary shares with a par value of Baht 10 each to 336,000,000 ordinary shares with a par value of Baht 1 each on 2 June 2021, as if the change in number and the par value of the ordinary shares had been distributed at the beginning of the earliest period reported in 2021.

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

	For the three-month periods ended 31 March	
	<u>2022</u>	<u>2021*</u>
Profit for the period (Thousand Baht)	91,937	38,459
Weighted average number of ordinary shares (Thousand shares)	385,467	336,000
Earnings per share (Baht per share)	0.24	0.11

* Recalculation after the change in the par value of the ordinary shares.

7. Commitments and contingent liabilities**7.1 Capital commitments**

As at 31 March 2022, the Company had capital commitments of approximately Baht 284 million, relating to land purchase contracts and construction of property development.

7.2 Service commitments

As at 31 March 2022, the Company had service commitments of approximately Baht 14 million, relating to a financial advisor contract, advertising expenses, and others.

7.3 Guarantees

As at 31 March 2022, there were outstanding bank guarantees issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business as follows.

	(Unit: Thousand Baht)
	31 March 2022
Bank guarantee for utilities	137,447
Bank guarantee for trade payables	16,000
Total	<u>153,447</u>

The Company pledged bank deposit and some project land and construction thereon with a bank to secure the issuance of bank guarantees.

8. Fair values of financial instruments

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

9. Events after the reporting period

On 28 April 2022, the Annual General Meeting of the Company's shareholders passed resolutions to approve the significant transactions detailed below:

- a) A dividend payment to the shareholders from the Company's operating results for the year 2021 of Baht 0.40 per share, or a total of Baht 168 million. This is to be paid as a stock dividend payment at a rate of 1 dividend share for every 5 existing shares, or Baht 0.20 per share, totaling Baht 84 million, and a cash dividend payment at a rate of Baht 0.20 per share, totaling Baht 84 million.
- b) An increase in the Company's registered share capital from Baht 420 million (420,000,000 ordinary shares with a par value of Baht 1 each) to Baht 504 million (504,000,000 ordinary shares with a par value of Baht 1 each) through the issuance of 84,000,000 new ordinary shares with a par value of Baht 1 each to support the stock dividend payment.

10. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2022.