

Peace & Living Public Company Limited
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 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 30 September 2022, the related statements of comprehensive income for the three-month and nine-month periods then ended, and the related statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim 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: 10 November 2022

Peace & Living Public Company Limited

Statement of financial position

As at 30 September 2022

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)
Assets			
Current assets			
Cash and cash equivalents		254,188	106,377
Restricted bank deposit	3	3,521	2,372
Other receivables		189	307
Property development costs for sales	4	1,719,224	1,542,729
Deposits for construction materials		1,331	4,013
Deposits for land purchase		161,651	67,893
Other current financial assets	5	150,085	-
Other current assets		<u>3,968</u>	<u>3,611</u>
Total current assets		<u>2,294,157</u>	<u>1,727,302</u>
Non-current assets			
Restricted bank deposit	3	-	1,149
Building and equipment		7,543	10,047
Intangible assets		2,208	2,426
Deferred tax assets		18,802	16,354
Other non-current assets		<u>2,211</u>	<u>188</u>
Total non-current assets		<u>30,764</u>	<u>30,164</u>
Total assets		<u><u>2,324,921</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 30 September 2022

(Unit: Thousand Baht)

	<u>30 September 2022</u>	<u>31 December 2021</u>
	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity		
Current liabilities		
Trade and other payables	107,171	95,044
Current portion of lease liabilities	2,184	2,250
Retention guarantees	14,258	14,834
Deposits and advances received from customers	23,590	22,807
Income tax payable	<u>25,349</u>	<u>32,109</u>
Total current liabilities	<u>172,552</u>	<u>167,044</u>
Non-current liabilities		
Lease liabilities - net of current portion	1,191	2,804
Provision for long-term employee benefits	<u>20,346</u>	<u>18,336</u>
Total non-current liabilities	<u>21,537</u>	<u>21,140</u>
Total liabilities	<u>194,089</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 30 September 2022

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 September 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)
Shareholders' equity			
Share capital	6		
Registered			
504,000,000 ordinary shares of Baht 1 each			
(31 December 2021: 420,000,000 ordinary shares			
of Baht 1 each)		<u>504,000</u>	<u>420,000</u>
Issued and fully paid-up			
503,997,673 ordinary shares of Baht 1 each			
(31 December 2021: 336,000,000 ordinary shares			
of Baht 1 each)		503,998	336,000
Share premium	6	244,394	-
Capital reserve for share-based payments		12,910	12,910
Retained earnings			
Appropriated - statutory reserve		33,805	33,805
Unappropriated		<u>1,335,725</u>	<u>1,186,567</u>
Total shareholders' equity		<u>2,130,832</u>	<u>1,569,282</u>
Total liabilities and shareholders' equity		<u>2,324,921</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 30 September 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		475,165	264,133
Other income		<u>382</u>	<u>335</u>
Total revenues		<u>475,547</u>	<u>264,468</u>
Expenses			
Cost of real estate sold		276,095	168,906
Selling expenses		33,839	19,253
Administrative expenses		<u>29,481</u>	<u>17,337</u>
Total expenses		<u>339,415</u>	<u>205,496</u>
Operating profit		136,132	58,972
Finance cost		<u>(40)</u>	<u>2,481</u>
Profit before income tax expenses		136,092	61,453
Income tax expenses		<u>(27,218)</u>	<u>(12,291)</u>
Profit for the period		<u>108,874</u>	<u>49,162</u>
Other comprehensive income for the period		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>108,874</u></u>	<u><u>49,162</u></u>
Earnings per share	7		
Basic earnings per share			
Profit for the period		<u>0.22</u>	<u>0.12</u>

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

(Unaudited but reviewed)

Peace & Living Public Company Limited

Statement of comprehensive income

For the nine-month period ended 30 September 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		1,422,921	808,165
Other income		<u>1,781</u>	<u>1,410</u>
Total revenues		<u>1,424,702</u>	<u>809,575</u>
Expenses			
Cost of real estate sold		843,254	494,284
Selling expenses		96,797	58,671
Administrative expenses		<u>88,081</u>	<u>65,957</u>
Total expenses		<u>1,028,132</u>	<u>618,912</u>
Operating profit		396,570	190,663
Finance cost		<u>(138)</u>	<u>(2,228)</u>
Profit before income tax expenses		396,432	188,435
Income tax expenses		<u>(79,278)</u>	<u>(37,687)</u>
Profit for the period		<u>317,154</u>	<u>150,748</u>
Other comprehensive income for the period		<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>317,154</u></u>	<u><u>150,748</u></u>
Earnings per share	7		
Basic earnings per share			
Profit for the period		<u><u>0.65</u></u>	<u><u>0.37</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 nine-month period ended 30 September 2022

	Note	Issued and fully paid-up share capital	Share premium	Capital reserve for share-based payments	Retained earnings		Total
					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		-	-	-	-	150,748	150,748
Dividend paid	8	-	-	-	-	(40,320)	(40,320)
Transfer retained earning to statutory reserve		-	-	-	6,840	(6,840)	-
Balance as at 30 September 2021		<u>336,000</u>	<u>-</u>	<u>12,910</u>	<u>23,050</u>	<u>1,132,395</u>	<u>1,504,355</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		-	-	-	-	317,154	317,154
Increase share capital	6	84,000	250,320	-	-	-	334,320
Transaction costs - net of income tax	6	-	(5,926)	-	-	-	(5,926)
Stock dividend payment	6, 8	83,998	-	-	-	(83,998)	-
Dividend paid	8	-	-	-	-	(83,998)	(83,998)
Balance as at 30 September 2022		<u>503,998</u>	<u>244,394</u>	<u>12,910</u>	<u>33,805</u>	<u>1,335,725</u>	<u>2,130,832</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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Profit before tax	396,432	188,435
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	843,254	494,284
Depreciation and amortisation	3,658	3,699
Gain on sales of equipment	(1)	(313)
Unrealised gain on changes in fair value of unit trust in fixed income open-ended fund	(85)	-
Provision for long-term employee benefits	2,010	1,932
Interest income	(428)	(7)
Finance cost	138	2,228
Profit from operating activities before changes in operating assets and liabilities	1,244,978	690,258
Operating assets (increase) decrease		
Other receivables	118	23
Property development costs for sales	(1,019,342)	(304,029)
Deposits for construction materials	2,682	(8,382)
Deposits for land purchase	(93,758)	(42,886)
Other current assets	(659)	(388)
Other non-current assets	(120)	96
Operating liabilities increase (decrease)		
Trade and other payables	12,090	7,110
Retention guarantees	(576)	2,142
Deposits and advances received from customers	783	9,642
Cash flows from operating activities	146,196	353,586
Interest received	428	7
Corporate income tax paid	(87,004)	(42,460)
Net cash flows from operating activities	<u>59,620</u>	<u>311,133</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 nine-month period ended 30 September 2022

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
Cash flows from investing activities		
Acquisition of unit trust in fixed income open-ended fund	(150,000)	-
Acquisition of equipment	(895)	(1,014)
Acquisition of intangible assets	(110)	(171)
Proceeds from sales of equipment	<u>1</u>	<u>320</u>
Net cash flows used in investing activities	<u>(151,004)</u>	<u>(865)</u>
Cash flows from financing activities		
Cash receipt from long-term loans from financial institutions	-	328,000
Repayment of long-term loans from financial institutions	-	(519,974)
Payment of principal portion of lease liabilities	(1,678)	(1,596)
Interest paid and front-end fee paid	(2,042)	(8,319)
Proceeds from increase in share capital	334,320	-
Transaction costs on issuance of shares	(7,407)	-
Dividend payment	<u>(83,998)</u>	<u>(40,320)</u>
Net cash flows from (used in) financing activities	<u>239,195</u>	<u>(242,209)</u>
Net increase in cash and cash equivalents	147,811	68,059
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>254,188</u></u>	<u><u>74,951</u></u>

Supplemental cash flow information:

Non-cash transaction:

Addition 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 and nine-month periods ended 30 September 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, with the exception of the accounting policy for financial instruments that added other current financial assets as presented in Note 5 to the financial statements as follows:

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

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.

Summaries significant business transactions with related parties as follows.

	(Unit: Thousand Baht)	
	For the three-month periods ended 30 September	
	<u>2022</u>	<u>2021</u>
<u>Transaction with related party</u>		
Purchases of materials used for property	597	691
<u>Transaction with related persons</u>		
Revenue from sales of real estate	-	20,271
Rental expense	450	450

	(Unit: Thousand Baht)	
	For the nine-month periods ended 30 September	
	<u>2022</u>	<u>2021</u>
<u>Transaction with related party</u>		
Purchases of materials used for property	2,983	1,449
<u>Transaction with related persons</u>		
Revenue from sales of real estate	24,323	20,271
Rental expense	1,350	1,300

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

	(Unit: Thousand Baht)	
	<u>30 September 2022</u>	<u>31 December 2021</u>
		(Audited)
Trade payables - related party	92	447
Lease liabilities - related person	2,468	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 30 September

	<u>2022</u>	<u>2021</u>
Short-term employee benefits	6,277	3,659
Post-employment benefits	251	315
Total	<u>6,528</u>	<u>3,974</u>

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	<u>2022</u>	<u>2021</u>
Short-term employee benefits	18,733	16,789
Post-employment benefits	754	946
Total	<u>19,487</u>	<u>17,735</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 3.5 million.

4. Property development costs for sales

Movements of property development costs for sales account during the nine-month period ended 30 September 2022 were summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2022	1,542,729
Increase in land costs and development costs	767,727
Increase in construction costs	252,022
Cost of real estate sold for the period	<u>(843,254)</u>
Balance as at 30 September 2022	<u>1,719,224</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. Other current financial assets

	(Unit: Thousand Baht)	
	30 September 2022	31 December 2021
		(Audited)
Financial assets which are measured at fair value through profit or loss		
Unit trust in fixed income open-ended fund	150,000	-
Add: Unrealised gain on change in fair value	85	-
Fair value	<u>150,085</u>	<u>-</u>

Unit trust in fixed income open-ended fund were measured at fair value with hierarchy level 2. Fair value of unit trust has been determined by using the net asset value as published by the Asset Management and there were no transfers within the fair value hierarchy during the current period.

6. Share capital

6.1 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.

6.2 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.

6.3 On 28 April 2022, the Annual General Meeting of the Company's shareholders passed a resolution to approve 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 described in Note 8 to the financial statements. The Company registered the increase in its registered capital with the Ministry of Commerce on 11 May 2022.

Subsequently, the Company paid a stock dividend of 83,997,673 ordinary shares and registered the increase in its issued and paid-up share capital with the Ministry of Commerce on 19 May 2022.

7. 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 in proportion to the change in the number of ordinary shares as a result of the distribution of the stock dividend of 83,997,673 ordinary shares, as discussed in Note 8 to the financial statements. The number of ordinary shares of the prior year has been adjusted as if the stock dividend had been distributed at the beginning of the earliest period reported.

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

	For three-month periods ended 30 September	
	<u>2022</u>	<u>2021*</u>
Profit for the period (Thousand Baht)	108,874	49,162
Weighted average number of ordinary shares (Thousand shares)	503,998	403,198
Earnings per share (Baht per share)	0.22	0.12

* Recalculation after the change in the number of ordinary shares as a result of the distribution of the stock dividend.

	For nine-month periods ended 30 September	
	<u>2022</u>	<u>2021*</u>
Profit for the period (Thousand Baht)	317,154	150,748
Weighted average number of ordinary shares (Thousand shares)	490,336	403,198
Earnings per share (Baht per share)	0.65	0.37

* Recalculation after the change in the number of ordinary shares as a result of the distribution of the stock dividend.

8. Dividends

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends (Thousand Baht)</u>	<u>Dividend per share (Baht)</u>
Dividends for 2020	Annual General Meeting of the shareholders on 30 April 2021	40,320	0.12*
Dividends for 2021	Annual General Meeting of the shareholders on 28 April 2022		
Cash dividend		83,998	0.20
Stock dividend (In a ration of 1 dividend share to 5 existing shares)		83,998	0.20
Total		167,996	0.40

* After the change in the par value of the ordinary shares.

9. Commitments and contingent liabilities**9.1 Capital commitments**

As at 30 September 2022, the Company had capital commitments of approximately Baht 1,165 million, relating to land purchase contracts and construction of property development.

9.2 Service commitments

As at 30 September 2022, the Company had service commitments of approximately Baht 10 million, relating to advertising expenses and others.

9.3 Guarantees

As at 30 September 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)
	30 September 2022
Bank guarantee for utilities	175,708
Bank guarantee for trade payables	25,000
Total	<u>200,708</u>

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

10. 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.

11. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 November 2022.