

Peace & Living Public Company Limited  
Review report and interim financial information  
For the three-month and six-month periods ended 30 June 2023

## **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 June 2023, the related statements of comprehensive income for the three-month and six-month periods then ended, the related statements of changes in shareholders' equity and cash flows for the six-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*.

*Chatchai Kasemsrih*

Chatchai Kasemsrihathawat

Certified Public Accountant (Thailand) No. 5813

EY Office Limited

Bangkok: 10 August 2023

Peace & Living Public Company Limited

Statement of financial position

As at 30 June 2023

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 June 2023</u> (Unaudited but reviewed)	<u>31 December 2022</u> (Audited)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		56,280	284,843
Restricted bank deposit	3	3,521	2,372
Property development costs for sales	4	1,923,335	1,792,753
Deposits for construction materials		1,239	864
Deposits for land purchase		378,885	145,237
Other current financial assets	5	-	150,554
Other current assets		5,797	5,715
<b>Total current assets</b>		<u>2,369,057</u>	<u>2,382,338</u>
<b>Non-current assets</b>			
Restricted bank deposit	3	-	1,149
Building and equipment		9,794	8,233
Intangible assets		2,360	2,608
Deferred tax assets		7,846	12,862
Other non-current assets		366	366
<b>Total non-current assets</b>		<u>20,366</u>	<u>25,218</u>
<b>Total assets</b>		<u><u>2,389,423</u></u>	<u><u>2,407,556</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 June 2023

(Unit: Thousand Baht)

	<u>30 June 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Trade and other payables	128,604	128,517
Current portion of lease liabilities	1,512	2,139
Retention guarantees	16,769	14,708
Deposits and advances received from customers	3,532	13,902
Income tax payable	20,040	32,711
<b>Total current liabilities</b>	<u>170,457</u>	<u>191,977</u>
<b>Non-current liabilities</b>		
Lease liabilities - net of current portion	200	665
Provision for long-term employee benefits	16,473	15,250
<b>Total non-current liabilities</b>	<u>16,673</u>	<u>15,915</u>
<b>Total liabilities</b>	<u>187,130</u>	<u>207,892</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 June 2023**

(Unit: Thousand Baht)

	<u>30 June 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>		
Share capital		
Registered		
504,000,000 ordinary shares of Baht 1 each	<u>504,000</u>	<u>504,000</u>
Issued and fully paid up		
503,997,673 ordinary shares of Baht 1 each	503,998	503,998
Share premium	244,394	244,394
Capital reserve for share-based payments	12,910	12,910
Retained earnings		
Appropriated - statutory reserve	50,400	50,400
Unappropriated	<u>1,390,591</u>	<u>1,387,962</u>
<b>Total shareholders' equity</b>	<u>2,202,293</u>	<u>2,199,664</u>
<b>Total liabilities and shareholders' equity</b>	<u>2,389,423</u>	<u>2,407,556</u>

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

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Directors

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(Unaudited but reviewed)

**Peace & Living Public Company Limited**

**Statement of comprehensive income**

**For the three-month period ended 30 June 2023**

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

	<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Profit or loss:</b>			
<b>Revenues</b>			
Revenue from sales of real estate		300,336	500,269
Other income		1,245	910
<b>Total revenues</b>		<u>301,581</u>	<u>501,179</u>
<b>Expenses</b>			
Cost of real estate sold		171,411	296,491
Selling expenses		25,093	31,259
Administrative expenses		33,597	27,956
<b>Total expenses</b>		<u>230,101</u>	<u>355,706</u>
<b>Operating profit</b>		71,480	145,473
Finance cost		(25)	(46)
<b>Profit before income tax expenses</b>		71,455	145,427
Income tax expenses		(14,263)	(29,084)
<b>Profit for the period</b>		<u>57,192</u>	<u>116,343</u>
<b>Other comprehensive income for the period</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u><u>57,192</u></u>	<u><u>116,343</u></u>
<b>Earnings per share</b>	6		
Basic earnings per share			
Profit for the period		<u><u>0.11</u></u>	<u><u>0.24</u></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 six-month period ended 30 June 2023**

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

	<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Profit or loss:</b>			
<b>Revenues</b>			
Revenue from sales of real estate		640,029	947,756
Other income		<u>2,643</u>	<u>1,399</u>
<b>Total revenues</b>		<u>642,672</u>	<u>949,155</u>
<b>Expenses</b>			
Cost of real estate sold		366,009	567,159
Selling expenses		50,058	62,958
Administrative expenses		<u>65,823</u>	<u>58,600</u>
<b>Total expenses</b>		<u>481,890</u>	<u>688,717</u>
<b>Operating profit</b>		160,782	260,438
Finance cost		<u>(53)</u>	<u>(98)</u>
<b>Profit before income tax expenses</b>		160,729	260,340
Income tax expenses		<u>(32,101)</u>	<u>(52,060)</u>
<b>Profit for the period</b>		<u>128,628</u>	<u>208,280</u>
<b>Other comprehensive income for the period</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u><u>128,628</u></u>	<u><u>208,280</u></u>
<b>Earnings per share</b>	6		
Basic earnings per share			
Profit for the period		<u><u>0.26</u></u>	<u><u>0.43</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 six-month period ended 30 June 2023**

	Issued and fully paid-up share capital	Share premium	Capital reserve for share-based payments	Retained earnings		Total
				Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2022</b>	336,000	-	12,910	33,805	1,186,567	1,569,282
Total comprehensive income for the period	-	-	-	-	208,280	208,280
Increase share capital	84,000	250,320	-	-	-	334,320
Transaction costs - net of income tax	-	(5,926)	-	-	-	(5,926)
Stock dividend payment (Note 7)	83,998	-	-	-	(83,998)	-
Dividend paid (Note 7)	-	-	-	-	(83,998)	-
<b>Balance as at 30 June 2022</b>	<b>503,998</b>	<b>244,394</b>	<b>12,910</b>	<b>33,805</b>	<b>1,226,851</b>	<b>2,021,958</b>
<b>Balance as at 1 January 2023</b>	503,998	244,394	12,910	50,400	1,387,962	2,199,664
Total comprehensive income for the period	-	-	-	-	128,628	128,628
Dividend paid (Note 7)	-	-	-	-	(125,999)	(125,999)
<b>Balance as at 30 June 2023</b>	<b>503,998</b>	<b>244,394</b>	<b>12,910</b>	<b>50,400</b>	<b>1,390,591</b>	<b>2,202,293</b>

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 six-month period ended 30 June 2023**

(Unit: Thousand Baht)

	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>		
Profit before tax	160,729	260,340
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	366,009	567,159
Depreciation and amortisation	2,482	2,433
Loss on write-off of equipments	2	-
Gain on sales of unit trust in fixed income open-ended fund	(836)	-
Provision for long-term employee benefits	1,223	1,340
Interest income	(549)	(426)
Finance cost	53	98
Profit from operating activities before changes in operating assets and liabilities	529,113	830,944
Operating assets (increase) decrease		
Property development costs for sales	(490,412)	(762,980)
Deposits for construction materials	(375)	1,959
Deposits for land purchase	(239,384)	22,177
Other current assets	(247)	(1,070)
Other non-current assets	-	(120)
Operating liabilities increase (decrease)		
Trade and other payables	674	4,592
Retention guarantees	2,062	(385)
Deposits and advances received from customers	(10,369)	4,640
Cash flows from (used in) operating activities	(208,938)	99,757
Interest received	549	426
Corporate income tax paid	(39,756)	(42,440)
<b>Net cash flows from (used in) operating activities</b>	<u>(248,145)</u>	<u>57,743</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 six-month period ended 30 June 2023**

(Unit: Thousand Baht)

	<u>2023</u>	<u>2022</u>
<b>Cash flows from investing activities</b>		
Acquisition of equipment	(4,542)	(425)
Cash receipt from sales of unit trust in fixed income open-ended fund	151,390	-
<b>Net cash flows from (used in) investing activities</b>	<u>146,848</u>	<u>(425)</u>
<b>Cash flows from financing activities</b>		
Cash receipt from long-term loans from financial institutions	40,500	-
Repayment of long-term loans from financial institutions	(40,500)	-
Proceeds from increase in share capital	-	334,320
Transaction costs on issuance of shares	-	(7,407)
Payment of principal portion of lease liabilities	(1,092)	(1,113)
Interest paid and front-end fee paid	(175)	(1,494)
Dividend payment	(125,999)	(83,998)
<b>Net cash flows from (used in) financing activities</b>	<u>(127,266)</u>	<u>240,308</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(228,563)	297,626
Cash and cash equivalents at beginning of period	284,843	106,377
<b>Cash and cash equivalents at end of period</b>	<u><u>56,280</u></u>	<u><u>404,003</u></u>

**Supplemental cash flow information:**

Non-cash items consist of:

Transfer of deposits for land purchase

to the cost of property development project for sales

5,737

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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 six-month periods ended 30 June 2023**

**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 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the 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 June	
	<u>2023</u>	<u>2022</u>
<u>Transaction with related party</u>		
Purchase of materials used for projects	351	1,194
<u>Transaction with related persons</u>		
Rental expense	450	450

	(Unit: Thousand Baht)	
	For the six-month periods ended 30 June	
	<u>2023</u>	<u>2022</u>
<u>Transaction with related company</u>		
Purchase of materials used for projects	1,192	2,386
<u>Transaction with related persons</u>		
Revenue from sales of real estate	-	24,323
Rental expense	900	900

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

	(Unit: Thousand Baht)	
	<u>30 June 2023</u>	<u>31 December 2022</u>
		(Audited)
Trade payables - related party	-	621
Lease liabilities - related persons	1,181	2,044

**Directors and management's benefits**

(Unit: Thousand Baht)

For the three-month periods ended 30 June

	<u>2023</u>	<u>2022</u>
Short-term employee benefits	5,678	6,131
Post-employment benefits	209	252
<b>Total</b>	<u>5,887</u>	<u>6,383</u>

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	<u>2023</u>	<u>2022</u>
Short-term employee benefits	11,531	12,456
Post-employment benefits	418	503
<b>Total</b>	<u>11,949</u>	<u>12,959</u>

**3. Restricted bank deposit**

The balance of restricted bank deposit as at 30 June 2023 amounting to Baht 3.5 million represents a fixed deposit that the Company has pledged to secure a letter of guarantee for utility maintenance of property development, which was issued by a bank on behalf of the Company. The Company intends to redeem this fixed deposit within 1 year, therefore, the Company has presented it under current assets.

**4. Property development costs for sales**

Movements of property development costs for sales account during the six-month period ended 30 June 2023 were summarised below.

(Unit: Thousand Baht)

<b>Balance as at 1 January 2023</b>	1,792,753
Increase in land costs and development costs	305,607
Increase in construction costs	190,862
Increase in borrowing costs	122
Cost of real estate sold for the period	<u>(366,009)</u>
<b>Balance as at 30 June 2023</b>	<u>1,923,335</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**

During the current period, the Company sold unit trust in fixed income open-ended fund amounting to Baht 151 million. As a result, the Company recognised gain from selling unit trust of Baht 0.8 million in the statement of comprehensive income for the period as part of other income.

**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 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 7 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 June	
	<u>2023</u>	<u>2022</u>
Profit for the period (Thousand Baht)	57,192	116,343
Weighted average number of ordinary shares (Thousand shares)	503,998	486,826
Earnings per share (Baht per share)	0.11	0.24
	For the six-month periods ended 30 June	
	<u>2023</u>	<u>2022</u>
Profit for the period (Thousand Baht)	128,628	208,280
Weighted average number of ordinary shares (Thousand shares)	503,998	486,826
Earnings per share (Baht per share)	0.26	0.43

**7. Dividends**

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends for 2021	Annual General Meeting of the		
Cash dividend	shareholders on 28 April 2022	83,998	0.20
Stock dividend (in a ratio of 1 dividend share to 5 existing shares)		83,998	0.20
Total		<u>167,996</u>	<u>0.40</u>
Dividends for 2022	Annual General Meeting of the		
Cash dividend	shareholders on 25 April 2023	<u>125,999</u>	<u>0.25</u>

**8. Credit facilities**

In June 2023, the Company entered into long-term loan agreement with local commercial banks to use for property development costs totaling Baht 368 million. The Company has not yet drawn down the credit facility.

As at 30 June 2023, the Company has the credit facility agreements with local commercial banks totaling Baht 1,497 million (31 December 2022: Baht 1,136 million). The Company has not yet drawn down the credit facility.

The credit facilities are secured by the mortgage of project land and construction thereon and the loan agreements contain several covenants which, among other things, require the Company to maintain a debt-to-equity ratio at the rate prescribed in the agreements.

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

As at 30 June 2023, the Company had capital commitments of approximately Baht 995 million, relating to land purchase contracts and construction of property development.

**9.2 Service commitments**

As at 30 June 2023, the Company had service commitments of approximately Baht 11 million, relating to advertising expenses and others.

**9.3 Guarantees**

As at 30 June 2023, 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 June 2023
Bank guarantee for utilities	158,692
Bank guarantee for trade payables	27,000
Total	<u>185,692</u>

The Company pledged bank deposit and projects 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 August 2023.