

August 11, 2023

**Subject:** The Operating Results of All Inspire Development PCL and its Subsidiaries for the six-month period ended June 30, 2023

**Attention:** Director and Manager of the Stock Exchange of Thailand

All Inspire Development Public Company Limited and its Subsidiaries (“Group”) has operating results for the six-month period ended June 30, 2023 details of which are as follows:

	Unit : Thousand Bath			
	UNAUDITED BUT REVIEWED			
	Consolidated financial statements		Separate financial statements	
	2566	2565	2566	2565
<b>Revenues</b>				
Revenue from sales of real estate	521,317	464,454	521,317	464,454
Revenue from services	116	287	-	-
Revenue from commission	-	25,200	-	25,200
Other income	6,481	40,408	6,242	44,213
<b>Total revenues</b>	<b>527,914</b>	<b>530,349</b>	<b>527,559</b>	<b>533,867</b>
<b>Expenses</b>				
Cost of sales of real estate	645,121	422,726	645,121	422,726
Reversal of loss on diminution project value - net	(138,062)	(3,006)	(167,819)	(3,006)
Cost of services	31	95	-	-
Distribution costs	51,556	59,144	51,695	60,647
Administrative expenses	76,695	81,732	122,758	76,012
Loss on settlement of disputes arising from a breach of loan agre	294,366			
Loss on cancellation of the Land Purchase and Sale Agreement	100,000	-	100,000	-
Impairment loss from deposits for land - net	784,245	-	734,450	-
<b>Total expenses</b>	<b>1,813,952</b>	<b>560,691</b>	<b>1,486,205</b>	<b>556,379</b>
<b>Loss from operating activities</b>	<b>(1,286,038)</b>	<b>(30,342)</b>	<b>(958,646)</b>	<b>(22,512)</b>
Finance costs	(202,409)	(205,971)	(168,373)	(202,749)
Reversal of (impairment loss) from investments in joint ventures	-	-	(167,992)	7,000
Impairment loss from investments in joint ventures	-	-	(381,104)	-
Share of loss from investments in joint ventures	(164,928)	(41,062)	-	-
<b>Loss befor income tax</b>	<b>(1,653,375)</b>	<b>(277,375)</b>	<b>(1,676,115)</b>	<b>(218,261)</b>
Income tax revenues (expenses)	(123)	45,651	-	45,597
<b>Loss for the period</b>	<b>(1,653,498)</b>	<b>(231,724)</b>	<b>(1,676,115)</b>	<b>(172,664)</b>

### **Performance summary as of June 30, 2023**

During the six-month period ended June 30, 2023 and during the year 2022, the Company recognized a loss on cancellation of Land Purchase and Sale Agreement amounting to Baht 100.00 million and Baht 101.00 million, respectively. In consideration of the Company is unable to negotiate the extension of a maturity date of Land Purchase and Sale Agreement for transfer the land ownership from third parties and the Group recognized an impairment loss from deposits for land for the six-month period ended June 30, 2023, in the consolidated and separate financial statements amounting to Baht 784.25 million and Baht 734.45 million, respectively.

In addition, the Company recognized impairment loss from investments in subsidiaries and joint ventures for the six-month period ended June 30, 2023, in the separate financial statements amounting to Baht 381.10 million and Baht 167.99 million, respectively, as a result from the assessment of the net realized value is below the cost of property development for sale and other operation loss in subsidiaries and joint ventures.

Moreover, a subsidiary entered into a memorandum of agreement to settle disputes arising from a breach of loan agreements with a third party to transfer of the ownership of a Department Store and Commercial Buildings Sublease Agreement of the subsidiary (recoded as right-of-use assets (Note 11) and investment properties), which used as collateral under the agreement to repayment of the principle and accrued interest of the loan to such third party. The subsidiary recognized loss on settlement of disputes arising from a breach of loan agreement for the six-month period ended June 30, 2023, amounting to Baht 294.37 million.

## Financial Position Statement as of June 30, 2023

Consolidated B/S (Millions)	Q4-22	Q2-23	Change	%YoY
<b>Total Assets</b>	<b>6,705</b>	<b>4,605</b>	<b>-2,100</b>	<b>-31%</b>
Cash and Cash equivalents	5	1	-4	-78%
Property developments for sale - net	3,121	2,616	-506	-16%
Other assets	3,579	1,988	-1,591	-44%
<b>Total Liabilities</b>	<b>5,833</b>	<b>5,386</b>	<b>-447</b>	<b>-8%</b>
Current portion of long-term loans from financial institutions	907	549	-358	-39%
Current portion of debentures	2,313	2,323	10	0%
Loan from third parties	1,176	1,009	-167	-14%
Other liabilities	1,437	1,505	68	5%
<b>Total shareholders' equity</b>	<b>872</b>	<b>-781</b>	<b>-1,653</b>	<b>-190%</b>
Paid-up share capital	859	859	-	-
Retained earnings (deficit)	-805	-2,459	-1,653	205%
Others	818	818	-	-

As at June 30, 2023, in the consolidated and separate financial statements, the Group has cash and cash equivalents of Baht 1.00 million and Baht 0.83 million, respectively, current liabilities in excess of current assets of Baht 1,943.07 million and Baht 1,912.83 million, respectively, and current portion of commitments to pay for land costs of Baht 1,523.22 million and Baht 1,433.65 million, respectively. The Group has experienced continuous operating losses which resulted in a capital deficiency amounting to Baht 781.27 million and Baht 617.74 million, respectively, and lack of financial liquidity that have caused them to the Group was unable to continue the current project under constructions, default on debt payments from both trade payables, loans from third parties, loans from financial institutions and debentures, including default on interest payment on debentures and default on repayment advance received from customers. The Company is in the process of finding sources of funds for repayments of current liabilities and any due commitments. Due to the current situation, the Group could not increase share capital stated in the previous business plan and the plan to sell assets for debt repayment has been delayed. As a result, there is material uncertainty that the Group could find funding to repay the 2 Group's liabilities. And on August 2, 2023, the Board of Directors' Meeting No. 10/2023 resolved to approve the preparation of a business rehabilitation plan and hiring a legal counsel to submit a petition to enter into a business rehabilitation process.

As at June 30, 2023, the Group has current liabilities of Baht 5,321.55 million, which is significantly higher than current assets and these consist mostly the current portion of debentures amounting to Baht

2,323.04 million. The 4 series of debentures consisting of ALL235A, ALL230A, ALL242A and ALL252A, are in default on interest payments due on June 30, 2023. The debentureholders' representative exercised the right to request that all debentures be due for payment immediately (The maturity date for immediate payment is July 31, 2023), which the event of default still exists as of July 31, 2023. Therefore, when taking the debt of defaulted debentures, the principal and interest payments are due immediately which amounts more than Baht 400.00 million, resulting in a default on the remaining debentures (Cross Default), which is in accordance with the terms and conditions of the rights and obligations of the debenture issuer and debenture holders. Presently, the debenture holders have assigned debentureholders' representatives to request the debenture issuer to redeem the debentures or to file a lawsuit and enforce the mortgage of the collateral assets of the debenture issuer. Short-term loans to third parties, current portion of long-term loans from financial institutions and current portion of long-term loans from third parties totaling to Baht 1,544.69 million, which the Company is unable to pay interest on such loan within the specified period, and the loan creditors filed lawsuits against the Company to the Civil Court and Criminal Court for the Company to repay the principal plus default interest. Presently, the cases are being considered by the court. Also, the Company still has other liabilities which the Company defaulted on debt payments or breached a large number of contracts.

Moreover, Short-term loans to third parties, current portion of long-term loans from financial institutions and current portion of long-term loans from third parties totaling to Baht 1,544.69 million, which the Company is unable to pay interest on such loan within the specified period, and the loan creditors filed lawsuits against the Company to the Civil Court and Criminal Court for the Company to repay the principal plus default interest. Presently, the cases are being considered by the court. Also, the Company still has other liabilities which the Company defaulted on debt payments or breached a large number of contracts.

From the situation as above affecting shareholders' equity as of June 30,2023, there was a loss amount 781.27 million baht, decrease of 1,653 million baht compared to December 31, 2022

Best Regards,

.....

(Thanakorn Thanawarith)

Chief Executive Offices