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28 February 2024

Subject : Clarification of Year 2023 Operating Result

To : President
The Stock Exchange of Thailand

Sansiri Public Company Limited (SIRI) would like to clarify the operating result for the quarter ended 31 December 2023 of the Company and its subsidiaries as follows.

In 2023, the Company reported total revenue of 39,082 Million Baht, a 11.7 percent increase from 34,983 Million Baht in 2022. The growth was primarily driven by almost all business units, except for rental business and other services revenue. Moreover, Sansiri recorded gain on sale of assets from the disposal of Satit Pattana School and gain from land sales, a total of 1,190 Million Baht. Net profit (equity holders of the Company) in 2023 was 6,060 Million Baht, increased by 41.6 percent from 4,280 Million Baht in 2022. Therefore, 2023 net profit margin surged from 12.2 percent in the previous year to 15.5 percent.

Revenue from Property Development

The breakdown of revenue from project sales during 2021-2023 is as follows.

Product Type	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Single-detached Houses	12,753	48.7	13,545	44.1	15,096	46.0
Townhome / Home Offices	2,277	8.7	3,784	12.3	3,764	11.5
Mix Product	2,633	10.1	3,278	10.7	3,262	9.9
Condominiums	8,508	32.5	10,109	32.9	10,707	32.6
Total	26,170	100.0	30,716	100.0	32,829	100.0

In 2023, Sansiri reported the revenue from project sales amounted to 32,829 Million Baht, reflecting a growth of 6.9 percent compared to the previous year of 30,716 Million Baht. The revenue growth was from higher revenue from sales of single-detached house and condominium projects.

Revenue from housing projects, which comprised single-detached houses, townhomes, and mixed products, was 22,122 Million Baht, which represented 67 percent of total revenue from project sales. The single-

detached house projects generated the highest revenue growth of any product categories, totaling 15,096 Million Baht, up 11.5 percent from 13,545 Million Baht in the same period last year. The revenue from single-detached houses was mainly from Narasiri Krungthepkreetha, Setthasiri Don Mueang, Narasiri Phahol-Watcharapol, BuGaan Krungthepkreetha, and Burasiri Watcharapol. Revenue from the aforesaid 5 projects was 20 percent of total revenue from project sales.

Revenue from townhome projects stood at 3,764 Million Baht, remained relatively stable compared to last year. The primary sources of revenue were DEMI Sathu 49, Siri Place Charan-Pinklao, Siri Place Ladprao 101 and Siri Place Phaholyothin 52.

Revenue from mixed product projects was 3,262 Million Baht, remained steady over the last year. Anasiri Srinakarin-Praeksa, Anasiri Rangsit, Anasiri Bangyai and Anasiri Tiwanon-Srisaman were the main revenue contributors.

Compared 2023 to 2022, revenue from condominium projects increased by 5.9 percent, from 10,109 Million Baht to 10,707 Million baht. XT Phayathai, XT Huaikwang, dcondo Panaa, oka HAUS, Edge Central Pattaya, The Muve Bangna and The Base Phetchaburi-Thonglor were the major sources of revenue. The revenue generated from the 7 aforesaid projects accounted for 25 percent of total revenue from project sales.

Further, the Company recorded revenue from projects for rent in 2023 of 170 Million, reduced by 19.1 percent from 210 Million Baht in 2022.

Revenue from Property Services

In 2023, revenue from business management services stood at 2,413 Million Baht, growing by 43.8 percent from 1,679 Million Baht in 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.

Besides, Sansiri reported revenue from hotel business owned by the Company in 2023 of 869 Million Baht. This represents a substantial growth of 190.7 percent, compared to 299 Million Baht last year, chiefly due to an investment in SIXTY SoHo Hotel in the United States in February 2023. Revenue from hotel management services rose by 4.7 percent from 548 Million Baht in 2022 to 574 Million Baht in 2023. However, revenue from other services dropped by 71.0 percent from 215 Million Baht in 2022 to 62 Million Baht, predominantly as a result of the disposal of Satit Pattana School in March 2023.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

For 2023, cost of project sales amounted to 21,579 Million Baht, a 8.8 percent increase from 2022, in accordance with an increase in revenue from project sales. Consequently, gross profit margin of project sales in

2023 reduced from 35.4 percent in 2022 to 34.3 percent in this year, resulted from the rising cost of business operations.

The costs of other businesses also increased in this year, including the cost of hotel business, which surged by 145.7 percent owing to an investment in SIXTY SoHo Hotel in the United States in February 2023. Additionally, the cost of business management services and cost of hotel management services in 2023 also rose by 30.4 percent and 10.1 percent, respectively.

Selling, General and Administrative Expenses

Selling and administrative expenses in 2023 were 6,743 Million Baht, accounted for 17.3 percent of total revenue, decreasing when compared to 2022 of 20.5 percent of total revenue. The selling expenses in 2023 were 2,658 Million Baht or 6.8 percent of total revenue, increased from 6.4 percent of total revenue in 2022. The administrative expenses (including management benefit expenses) amounted to 4,085 Million Baht or 10.5 percent of total revenue, decreased from 14.1 percent of total revenue in 2022.

Finance Cost

In 2023, finance cost was 494 Million Baht, a decrease of 33.1 percent from 737 Million Baht in 2022, 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.

Net Profit (equity holders of the Company)

For 2023, Sansiri and its subsidiaries reported net profit (equity holders of the Company) of 6,060 Million Baht, grew by 41.6 percent from 4,280 Million Baht in 2022. In this regard, net profit margin was at 15.5 percent of total revenue, increasing from 12.2 percent of total revenue in 2022. The primary contributors to the increase in net profit were improved performance from core business, gain on sale of assets from the disposal of Satit Pattana School, gain from land sales, together with lower selling and administrative expenses, and finance cost. In addition, an effective corporate income tax in 2023 was at 20.6 percent of earnings before corporate income tax.

Financial Position as of 31 December 2023

Total Assets

Total assets of Sansiri and its subsidiaries as of 31 December 2023 amounted to 147,303 Million Baht, an increase of 19,852 Million Baht from 31 December 2022. Current assets as of 31 December 2023 were 110,409 Million Baht, increasing by 13,155 Million Baht from 31 December 2022, chiefly due to an increase in real estate development for sales. Total non-current assets were 36,894 Million Baht, an increase of 6,697 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 in February 2023, together with an increase in long-term loan receivable – net of current portion.

Total Liabilities

Total liabilities of Sansiri Group amounted to 99,895 Million Baht as of 31 December 2023, an increase of 16,484 Million Baht from 31 December 2022. Total current liabilities stood at 45,404 Million Baht, increasing by 3,088 Million Baht. Whilst total non-current liabilities rose by 13,396 Million Baht to 54,490 Million Baht. In this regard, the interest-bearing debt increased from 70,655 Million Baht as of 31 December 2022 to 79,584 Million Baht as of 31 December 2023, due to an increase in unsecured debenture issued in January, June and December 2023. The debt-to-equity ratio was 2.11 times with the interest-bearing debt-to-equity ratio (Gearing ratio) was 1.68 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.

Total Shareholders' Equity

Shareholders' Equity as of 31 December 2023 amounted to 47,408 Million Baht, an increase of 3,368 Million Baht from as of 31 December 2022. The increase was from an increase in retained earnings of 5,846 Million Baht as well as the subscription received in advance from exercise of warrants of 1,419 Million Baht, partly offset with dividend payment of 3,348 Million Baht in May and September 2023.

Cashflow

Sansiri and its subsidiaries had beginning cash balance of 2,660 Million Baht, with net cash from operating activities of 2,796 Million Baht, net cash used in investing activities of 5,707 Million Baht, and net cash from financing activities of 2,929 Million Baht, resulting in the ending cash balance of 2,810 Million Baht as of 31 December 2023.

In this regard, profit from operating activities before changes in operating assets and liabilities was 30,479 Million Baht. In this regard, cash used as development costs for property development for sale amounted to 33,024 Million Baht. For investing activities, the key components were payment on purchase of land, building and equipment of 4,431 Million Baht from the acquisition of SIXTY SoHo Hotel in the United States, net cash paid



for investments in subsidiaries of 732 Million Baht, net payment on purchase of other financial assets of 666 million Baht and an increase in restricted bank deposits of 611 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 debentures issuance a total of 3,663 Million Baht from the issuance of debentures in January, June and December 2023, a total of 15,800 Million Baht, extracting the repayment of debentures totaling 12,000 Million Baht in January, June and October 2023, as well as increased in short-term loans from banks of 5,674 Million Baht and cash received from newly issued ordinary shares of 1,419 Million Baht, partially offset by the payment of interest expenses and bills of exchange of 4,349 Million Baht, and dividend payments in May and September 2023 of 3,348 Million Baht.

Please be informed accordingly.

Yours Sincerely,

(Mr. Wanchak Buranasiri)

Authorised Director