SANSIRI

(English Translation)

Ref SS. 0222 / 2024

28 February 2025

Subject : Clarification of the Year 2024 results

To : President
The Stock Exchange of Thailand

Sansiri Public Company Limited (SIRI) would like to clarify the operating result for the year ended 31 December 2024 of the Company and its subsidiaries as follows.

In 2024, the Company reported total revenue of 39,205 million Baht, reflecting a YoY increase of 2.0%. Total revenue increased primarily due to a 5.9% YoY increase in revenue from project sales, reaching 34,758 million Baht. The Company recorded a gain of 466 million Baht from land sales in 2024. In 2024, net profit attributable to equity holders of the Company was 5,253 million Baht, indicating a 13.3% decrease YoY. The decline was chiefly attributed to weakened gross profit from operations following intensified competition in the real estate market, higher selling and administrative expenses, and a reduced recognition of gain from assets and land sales compared to the previous year. This was partially offset by an increased share of profit from joint ventures, higher other revenues and lower income tax expenses.

Details of the management discussion and analysis are set forth as follows:

Revenue from Property Development

The breakdown of revenue from project sales during 2022-2024 is as follows.

Product Type	2022		2023		2024	
	million Baht	%	million Baht	%	million Baht	%
Single-detached Houses	13,545	44.1	15,096	46.0	18,212	52.4
Townhomes / Home Offices	3,784	12.3	3,764	11.5	3,197	9.2
Mixed Products	3,278	10.7	3,262	9.9	3,781	10.9
Condominiums	10,109	32.9	10,707	32.6	9,568	27.5
Total	**30,716**	**100.0**	**32,829**	**100.0**	**34,758**	**100.0**

In 2024, Sansiri reported revenue from project sales amounted to 34,758 million Baht, which represents an increase of 5.9% YoY or 1,929 million Baht from 32,829 million Baht in 2023. The revenue growth was from higher revenue from sales of single-detached houses and mixed products.

Revenue from housing projects, which comprised single-detached houses, townhomes, and mixed products, was 25,190 million Baht, which represented 73% of total revenue from project sales. The revenue from single-detached house projects increased by 20.6% or 3,116 million Baht YoY, reaching 18,212 million Baht. The primary sources of revenue were from 6 projects including Narasiri Krungthep Kreetha, Setthasiri Don Mueang, Setthasiri Ratchapruek-Sai 1, Setthasiri Wongwaen-Chatuchot, Setthasiri Bangna–Suvarnabhumi and BuGaan Krungthep Kreetha.

The revenue from townhome projects decreased by 15.1% or 567 million Baht YoY to 3,197 million Baht. DEMI Sathu 49 contributed the lion's share of the revenue.

The revenue from mixed product projects increased by 15.9% or 519 million Baht YoY to 3,781 million Baht. Most of the revenue came from Anasiri Payap, Anasiri Songprapha, Anasiri Pinklao-Kanchana and Anasiri Paklok.

The revenue from condominium projects declined by 10.2% or 1,090 million Baht to 9,568 million Baht. XT Phayathai, THE BASE Height Chiang Mai, dcondo Reef Phuket, NIA by Sansiri, EDGE Central Pattaya and THE BASE Downtown Khon Kaen were the primary revenue generators. The 6 aforesaid projects accounted for 20% of the total revenue from project sales.

Further, the Company recorded revenue from projects for rent in 2024 of 142 million Baht, decreased by 16.1% or 27 million Baht YoY.

Revenue from Property Services

Revenue from business management services in 2024 stood at 2,285 million Baht, a 5.3% decrease or 128 million Baht YoY. Revenue from hotel business owned by the Company stood at 530 million Baht, declining by 39.0% or 339 million Baht YoY. This was primarily due to the renovation of the hotel in the United States from January to September 2024 which will be newly launched under the name The Manner, The Peri Khao Yai from February to May 2024 and The Peri Hotel Hua Hin from April to August 2024. Revenue from sales of construction materials in 2024 was 70 million Baht, increasing 44.7% or 22 million Baht YoY.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

The cost of project sales in 2024 amounted to 23,751 million Baht, a 10.1% increase YoY. Consequently, gross profit margin of project sales in 2024 reduced from 34.3% in 2023 to 31.7%, due to price promotions, particularly for products in medium to affordable segment, in response to the increasingly competitive market conditions. Additionally, a high-margin low-rise project has progressively transferred ownership until the project is completed within the year. This year, the cost of construction material sales grew by 41.9% YoY to 68 million Baht.

Nonetheless, the costs of other businesses this year, including cost of business management services, cost of hotel business, and cost of projects for rent decreased from the previous year by 4.4% to 1,335 million Baht, 1.2% to 832 million Baht, and 26.2% to 58 million Baht, respectively.

Selling and Administrative Expenses

Selling and administrative expenses in 2024 were 7,813 million Baht, accounted for 19.9% of total revenue, increasing when compared to 2023 of 17.4%. The selling expenses were 2,952 million Baht or 7.5% of total revenue, increased from 6.9% in 2023. The administrative expenses amounted to 4,861 million Baht or 12.4% of total revenue, up from 10.5% in 2023.

Finance Cost

In 2024, finance cost was 416 million Baht, a decrease of 15.8% or 78 million Baht from 2023. This decline was attributed primarily to the refurbishment of the hotel in the United States, which commenced since January 2024. As a result, the interest charges incurred by the renovation can be capitalised as cost of the projects rather than financial expenses.

Net Profit (Equity holders of the Company)

In 2024, Sansiri and its subsidiaries reported a net profit attributable to equity holders of the Company amounting to 5,253 million Baht, representing a decrease of 13.3% or 807 million Baht YoY. The net profit margin was 13.4%, a decrease from 15.8% in 2023. The decline was mainly due to weakened gross profit from operations, increased selling and administrative expenses, and a reduced recognition of gain from sales of assets and land when compared to last year. The reduction in net profit was partly offset by a substantial rise in share of profit from joint ventures, which surged by 187.8% or 732 million Baht YoY to 1,122 million Baht, higher other revenues and lower income tax expenses.

In 2024, the Company recorded a loss for the period from discontinued operations of 111 million Baht, following the disposal of all equity interests held in Standard International Management, LLC. as approved by the Board of Directors on 20 August 2024. Consequently, as of 31 December 2024, the Company fully reclassified

the related transactions, specifically the hotel management business arising from the operations of the Company, as discontinued operations. In addition, an effective corporate income tax in 2024 was at 18.4% of earnings before corporate income tax.

Financial Position as of 31 December 2024

Total Assets

Total assets of Sansiri and its subsidiaries as of 31 December 2024 amounted to 149,399 million Baht, an increase of 2,096 million Baht from 31 December 2023. Current assets as of 31 December 2024 were 110,755 million Baht, increasing by 346 million Baht from 31 December 2023, chiefly due to an increase in cash and cash equivalents as well as real estate development for sales, being partly offset with deposits for purchase of land and assets.

Total non-current assets were 38,644 million Baht, an increase of 1,750 million Baht from 31 December 2023, primarily from an increase in land held for development, land, building and equipment, loans to related parties – net of current portion, and investments in joint ventures, being partly offset with a decrease in intangible assets and investment properties.

Total Liabilities

Total liabilities of Sansiri Group amounted to 100,409 million Baht as of 31 December 2024, an increase of 514 million Baht from 31 December 2023. Total current liabilities stood at 50,910 million Baht, increasing by 5,506 million Baht. Total non-current liabilities reduced by 4,992 million Baht to 49,499 million Baht. In this regard, the interest-bearing debt decreased from 79,584 million Baht as of 31 December 2023 to 75,985 million Baht as of 31 December 2024. The debt-to-equity ratio was 2.05 times with the interest-bearing debt-to-equity ratio (Gearing ratio) was 1.55 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 2024 amounted to 48,990 million Baht, an increase of 1,582 million Baht from as of 31 December 2023. The increase was from total comprehensive income of 5,050 million Baht and increased issued and paid-up of 754 million Baht from the exercise of warrants issued for Private Placement and ESOP 8, partly offset with dividend payment of 2,879 million Baht in May and September 2024.

Cashflow

Sansiri and its subsidiaries had a beginning cash balance of 2,810 million Baht, with net cash from operating activities of 12,343 million Baht, net cash from investing activities of 683 million Baht, and net cash used in financing activities of 10,983 million Baht, resulting in the ending cash balance of 4,913 million Baht as of 31 December 2024.

In this regard, profit from operating activities before changes in operating assets and liabilities was 29,942 million Baht. In this regard, cash used as development costs for property development for sale amounted to 23,119 million Baht.

For investing activities, the key components were net cash paid for loans to related parties of 1,371 million Baht and payment on purchase of land, building and equipment of 1,927 million Baht. Besides, Sansiri had net cash received from sale of investment in indirect subsidiaries amounted to 4,570 million Baht.

For financing activities, Sansiri and subsidiaries received a total of 15,834 million Baht from debenture issuance and long-term loans and utilised cashflow for repayment of long-term loans and matured debentures as well as interest payments amounting to 23,851 million Baht. Furthermore, dividend payments amounted to 2,879 million baht.

Please be informed accordingly.

Yours Sincerely,

(Mr. Wanchak Buranasiri)
Authorised Director