SANSIRI

(English Translation)

Ref SS. / 0750 / 2025

14 August 2025

Subject : Clarification of the second quarter of 2025 and the first half of 2025 results

To : President
The Stock Exchange of Thailand

Sansiri Public Company Limited (SIRI) would like to clarify the operating result for the quarter ended 30 June 2025 of the Company and its subsidiaries as follows.

In 2Q2025, Sansiri reported total revenue of 8,786 million Baht, down 7.1% or 671 million Baht YoY, primarily due to a 10.5% decline in revenue from project sales to 7,592 million Baht. The decrease was mainly attributable to lower transfers from single-detached house and mixed-product projects, partially offset by stronger sales from townhome and condominium projects. Net profit attributable to equity holders of the Company was 1,214 million Baht, a 12.5% or 173 million Baht decrease YoY, driven by a contraction in gross profit and higher finance costs.

For the first half of 2025, total revenue stood at 15,678 million Baht, representing a 19.4% or 3,784 million Baht decrease from the first half of 2024. This was chiefly due to a 24.1% decline in revenue from project sales to 13,191 million Baht. Net profit was 2,028 million Baht, down 24.9 % or 674 million Baht YoY, mainly resulted from lower gross profit and higher finance costs, partly offset by a decrease in selling and administrative expenses and lower income tax expense.

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

Revenue from Property Development

Product Type	2Q2025		2Q2024		6M2025		6M2024	
	million Baht	%	million Baht	%	million Baht	%	million Baht	%
Single-detached Houses	3,146	41.4	4,545	53.6	5,896	44.7	9,658	55.5
Townhomes / Home Offices	1,116	14.7	842	9.9	1,548	11.7	1,635	9.4
Mixed Products	823	10.8	1,037	12.2	1,644	12.5	1,979	11.4
Condominiums	2,506	33.0	2,062	24.3	4,101	31.1	4,115	23.7
Total	**7,592**	**100.0**	**8,486**	**100.0**	**13,191**	**100.0**	**17,387**	**100.0**

In 2Q2025, Sansiri reported revenue from project sales amounted to 7,592 million Baht, a decrease of 10.5% or 894 million Baht YoY, primarily due to lower revenue from single-detached house and mixed-product projects. However, revenue from townhome and condominium projects recorded growth compared to the same period last year. For the six-month period of 2025, revenue from project sales totaled 13,191 million Baht, down 24.1% or 4,197 million Baht from the same period last year.

In this quarter, the Company recorded revenue from low-rise projects, comprising single-detached houses, townhomes, and mixed products, totaling 5,086 million Baht, representing 67% of total revenue from project sales. Of this amount, revenue from single-detached house projects was 3,146 million Baht, a decrease of 30.8% or 1,399 million Baht YoY. The revenue from single-detached houses was mainly driven by Setthasiri Don Mueang, Setthasiri Wongwaen-Chatuchot, Narasiri Phahol-Watcharapol, Setthasiri Ratchapruek-Phran Nok, Setthasiri Watcharapol-Theprak, Setthasiri Ngamwongwan, and Setthasiri Bangna-Suvarnabhumi. Altogether, these projects contributed 19% of total revenue from project sales.

Revenue from townhome projects grew by 32.6% or 274 million Baht YoY to 1,116 million Baht, mainly from Demi Rama 9-Meng Jai, which completed ownership transfers for the entire project during the quarter.

Revenue from mixed-product projects declined by 20.6% or 214 million Baht YoY to 823 million Baht, with the majority coming from Anasiri Paklok and Anasiri Srinakarin-Phraeksa.

Revenue from condominium projects rose by 21.5% or 444 million Baht to 2,506 million Baht, largely from the commencement of ownership transfers in THE BASE Bukit and THE BASE Rise Phuket during the quarter, as well as continued transfers from Cabanas Hua Hin and THE MUVE Pradipat. Altogether, these 4 projects accounted for 22% of total revenue from project sales.

Further, the Company recorded revenue from projects for rent of 32 million Baht in 2Q2025, dropping by 21.8% or 9 million Baht YoY, bringing total revenue from projects for rent for the first half of 2025 to 65 million Baht, down 17.0% or 13 million Baht to 79 million Baht compared to the same period last year.

Revenue from Property Services

Revenue from business management services in 2Q2025 stood at 640 million Baht, an increase of 19.5% or 104 million Baht YoY. As a result, revenue from business management services for the first half of 2025 rose by 20.5% or 215 million Baht YoY to 1,263 million Baht, driven by higher management fees recognised from an increase in joint venture project developments.

Revenue from hotel business for the quarter grew significantly by 200.0% or 160 million Baht YoY to 240 million Baht, as several hotels – including The Manner in the United States, The Peri Hua Hin, and The Peri Khao Yai – were temporarily closed for renovation during 2Q2024. Consequently, hotel revenue for the first half of 2025 also increased, rising by 116.0% or 222 million Baht YoY to 414 million Baht.

Revenue from construction material sales in 2Q2025 declined by 94.6% or 16 million Baht YoY to 1 million Baht in 2Q2025. Similarly, for the first half of 2025, revenue dropped by 79.0% or 34 million Baht YoY to 9 million Baht.

Cost of Goods Sold and Operating Expenses

Cost of Project Sales and Other Costs

The cost of project sales in 2Q2025 amounted to 5,376 million Baht, a 5.2% decrease YoY, in accordance with a decrease in revenue from project sales. As a result, the cost of project sales in 6M2025 decreased 19.1% or 2,191 million Baht to 9,287 million Baht. Consequently, the gross profit margin of project sales in this quarter declined from 33.2% in 2Q2024 to 29.2%. Altogether, the 6M2025 gross profit margin of project sales decreased from 34.0% in 6M2024 to 29.6%.

Costs in other businesses also declined, including the cost of construction material sales and cost of projects for rent, which decreased by 86.3% and 7.5%, respectively in 2Q2025. For the first half of 2025, these costs decreased by 74.9% and 2.6% respectively. However, hotel business costs increased significantly by 169.9% in 2Q2025, due to the temporary closure of hotels for renovation in 2Q2024 as mentioned earlier. As a result, hotel business costs for the first half of 2025 rose by 112.8%. in addition, cost of business management services also increased, rising by 63.3% in 2Q2025 and by 26.7% for the first six months of 2025.

Selling and Administrative Expenses

Selling and administrative expenses in 2Q2025 were 1,310 million Baht, accounted for 14.9% of total revenue, compared to 18.9% in 2Q2024. Of this amount, selling expenses were 571 million Baht, representing 6.5% of total revenue, slightly down from 6.6% last year in line with lower ownership transfers. The administrative expenses (including management benefit expenses) were 739 million Baht, representing 8.4% of total revenue, down from 12.3% in 2Q2024, mainly due to the Company's review and implementation of expense management measures across all business units.

For 6M2025, selling and administrative expenses were 2,890 million Baht, equivalent to 18.4% of total revenue, dropping from 20.1% of total revenue in 6M2024. The selling expenses were 1,098 million Baht or 7.0% of total revenue, remaining stable from the previous year. The administrative expenses were 1,792 million Baht or 11.4% of total revenue, down from 13.0% in 6M2024.

Finance Cost

In 2Q2025, finance cost was 135 million Baht, an increase of 332.5% or 103 million Baht in 2Q2024. While 6M2025 finance cost inclined by 254.0% or 202 million Baht YoY to 281 million Baht. The increase was due to the temporary closure of The Manner hotel in the United States for renovations during the first six months of 2024. Consequently, the related interest expenses incurred during the renovation period were capitalised as project costs rather than being recorded as finance costs. However, the hotel resumed its operations in 4Q2024, and therefore, related interest expenses are now recorded as finance costs as usual.

Net Profit (equity holders of the Company)

For 2Q2025, Sansiri and its subsidiaries reported net profit (equity holders of the Company) of 1,214 million Baht, a decrease of 12.5% or 173 million Baht YoY, resulting in a net profit margin of 13.8%, compared to 14.7% in the previous year. The corporate income tax rate for 2Q2025 was 18.8% of profit before corporate income tax.

For 6M2025, net profit (equity holders of the Company) was 2,028 million Baht, down 24.9% or Baht 674 million Baht YoY, with a net profit margin of 12.9% versus 13.9% in 6M2024.

The decline of net profit in 2Q2025 and 6M2025 was mainly attributable to lower gross profit and higher finance costs, partially offset by lower selling and administrative expenses as well as lower income tax expenses.

Financial Position as of 30 June 2025

Total Assets

Total assets of Sansiri and its subsidiaries as of 30 June 2025 amounted to 150,063 million Baht, an increase of 664 million Baht from 31 December 2024. Current assets as of 30 June 2025 were 110,393 million Baht, decreasing by 362 million Baht from 31 December 2024, chiefly due to a decrease in real estate development for sales, and deposits for purchase of land and asset, partly offset by an increase in other current assets.

Total non-current assets were 39,670 million Baht, an increase of 1,026 million Baht from 31 December 2024, primarily from an increase in loans to other parties, investments in joint ventures, and other non-current assets, partly offset by a decrease in other non-current financial assets, land held for development, and investment properties.

Total Liabilities

Total liabilities of Sansiri Group amounted to 99,069 million Baht as of 30 June 2025, a decrease of 1,339 million Baht from 31 December 2024. Total current liabilities stood at 52,910 million Baht, increasing by 2,000 million Baht. Total non-current liabilities decreased by 3,339 million Baht to 46,160 million Baht. In this regard, the interest-bearing debt increased slightly from 75,985 million Baht as of 31 December 2024 to 74,103 million Baht as of 30 June 2025. The debt-to-equity ratio was 1.94 times with the interest-bearing debt-to-equity ratio (Gearing ratio) was 1.45 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 30 June 2025 amounted to 50,993 million Baht, an increase of 2,003 million Baht from as of 31 December 2024. The increase was from total comprehensive income of 1,601 million Baht, together with the issuance of perpetual bonds, net of redemptions amounting to 1,593 million Baht, partly offset by dividend payment of 1,391 million Baht in May 2025.

Cashflow

Sansiri and its subsidiaries had a beginning cash balance of 4,913 million Baht, with net cash from operating activities of 4,530 million Baht, net cash used in investing activities of 1,848 million Baht, and net cash used in financing activities of 2,209 million Baht, resulting in the ending cash balance of 5,301 million Baht as of 30 June 2025.

For operating activities, Sansiri had profit from operating activities before changes in operating assets and liabilities of 11,713 million Baht. In this regard, cash used as development costs for property development for sale amounted to 5,615 million Baht.

For investing activities, Sansiri used cash of 1,105 million Baht for loans to other parties and 782 million Baht for net loans to related parties.

For financing activities, Sansiri used cash of 4,222 million Baht for the repayment of short-term loans from banks, 1,472 million Baht for interest payments, and 1,391 million Baht for dividend payments. These outflows were partially offset by net cash received from the issuance of perpetual bonds amounting to 1,738 million Baht, an increase in bills of exchange of 1,700 million Baht, net proceeds from debenture issuance of 855 million Baht, and net proceeds from long-term loans of 687 million Baht.

Please be informed accordingly.

Yours Sincerely,

(Mr. Wanchak Buranasiri)
Authorised Director