

Major Development Public Company Limited  
and its subsidiaries  
Review report and interim financial information  
For the three-month periods ended 31 March 2022

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Major Development Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Major Development Public Company Limited and its subsidiaries as at 31 March 2022, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Major Development Public Company Limited for the same periods (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*.

### **Emphasis of Matter**

I draw attention to Note 1.1 to the interim consolidated financial statements. The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation significantly affects the Group's business activities, and this is significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. The Group's management has continuously monitored the ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so. My conclusion is not modified in respect of this matter.

Manee Rattanabunnakit

Certified Public Accountant (Thailand) No. 5313

EY Office Limited

Bangkok: 12 May 2022

**Major Development Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 March 2022**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		444,269	539,048	29,124	51,864
Trade and other receivables	2, 5	168,583	178,296	1,166,733	1,177,006
Short-term loans to related parties	5	-	-	2,402,900	2,435,285
Current portion of long-term loans to related parties	5	-	-	300,000	300,000
Real estate development cost	3	6,754,965	7,030,174	120,787	138,070
Advances for construction		170,191	95,621	44,643	44,643
Deposits for purchase of land		96,106	96,106	-	-
Cost to obtain contracts with customers		60,649	67,171	-	-
Other current assets		157,859	153,171	6,974	6,397
<b>Total current assets</b>		<b>7,852,622</b>	<b>8,159,587</b>	<b>4,071,161</b>	<b>4,153,265</b>
<b>Non-current assets</b>					
Restricted bank deposits	11.2	41,037	41,026	761	761
Prepayment for purchase of shares		630,635	546,236	-	-
Investments in subsidiaries		-	-	4,931,324	4,931,324
Investments in joint ventures		162,886	103,930	68,091	68,091
Long-term loans to related parties	5	824,625	790,891	829,700	829,700
Investment properties		3,785,474	3,785,440	819,314	819,314
Property, plant and equipment		2,205,789	2,222,931	48,523	49,803
Intangible assets		15,457	16,495	1,339	1,664
Deposits for purchase of land		87,500	87,500	-	-
Deferred tax assets		134,789	120,264	2,287	2,287
Other non-current assets		79,357	79,688	22,940	22,983
<b>Total non-current assets</b>		<b>7,967,549</b>	<b>7,794,401</b>	<b>6,724,279</b>	<b>6,725,927</b>
<b>Total assets</b>		<b>15,820,171</b>	<b>15,953,988</b>	<b>10,795,440</b>	<b>10,879,192</b>

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

**Major Development Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 March 2022**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans	6	248,185	178,306	98,185	178,306
Trade and other payables		369,951	324,129	443,504	394,783
Retention payables		177,703	178,010	17,962	17,990
Deposits and advances from customers		323,731	341,559	21,576	21,600
Short-term loans from related parties	5	-	-	146,850	143,000
Current portion of long-term loans from financial institutions	7	610,603	732,025	-	-
Current portion of lease liabilities		10,003	11,311	713	703
Current portion of debentures	8	2,780,307	2,777,054	2,183,732	2,182,154
Income tax payable		5,830	263	-	-
Other current liabilities		233,329	243,955	197,234	210,430
<b>Total current liabilities</b>		<b>4,759,642</b>	<b>4,786,612</b>	<b>3,109,756</b>	<b>3,148,966</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions	7	2,131,501	2,195,765	-	-
Debentures	8	3,315,703	3,310,102	3,167,317	3,162,103
Lease liabilities		18,867	19,241	309	490
Provision for long-term employee benefits		53,946	52,143	-	-
Deferred tax liabilities		249,035	250,339	141,613	141,613
Other non-current liabilities		31,364	29,899	-	-
<b>Total non-current liabilities</b>		<b>5,800,416</b>	<b>5,857,489</b>	<b>3,309,239</b>	<b>3,304,206</b>
<b>Total liabilities</b>		<b>10,560,058</b>	<b>10,644,101</b>	<b>6,418,995</b>	<b>6,453,172</b>

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

**Major Development Public Company Limited and its subsidiaries****Statement of financial position (continued)**

As at 31 March 2022

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>31 March 2022</b>	<b>31 December 2021</b>	<b>31 March 2022</b>	<b>31 December 2021</b>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
1,050,000,000 ordinary shares of Baht 1 each	1,050,000	1,050,000	1,050,000	1,050,000
Issued and paid-up				
860,411,939 ordinary shares of Baht 1 each	860,412	860,412	860,412	860,412
Premium on ordinary shares	875,267	875,267	875,267	875,267
Retained earnings				
Appropriated - statutory reserve	105,000	105,000	105,000	105,000
Unappropriated	3,151,591	3,201,250	2,535,766	2,585,341
Other components of shareholders' equity	267,549	267,549	-	-
Equity attributable to owners of the Company	5,259,819	5,309,478	4,376,445	4,426,020
Non-controlling interests of the subsidiaries	294	409	-	-
<b>Total shareholders' equity</b>	<b>5,260,113</b>	<b>5,309,887</b>	<b>4,376,445</b>	<b>4,426,020</b>
<b>Total liabilities and shareholders' equity</b>	<b>15,820,171</b>	<b>15,953,988</b>	<b>10,795,440</b>	<b>10,879,192</b>
	-	-	-	-

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

Directors

(Unaudited but reviewed)

**Major Development Public Company Limited and its subsidiaries**

**Income statement**

**For the three-month period ended 31 March 2022**

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

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2022	2021	2022	2021
<b>Revenues</b>					
Sales		481,444	1,159,372	18,810	153,137
Revenues from hotel operations		27,743	16,145	-	-
Management fee income		19,855	25,587	-	-
Rental income		29,009	22,218	1,218	1,218
Other income		27,058	30,764	243	2,377
<b>Total revenues</b>		<b>585,109</b>	<b>1,254,086</b>	<b>20,271</b>	<b>156,732</b>
<b>Expenses</b>					
Cost of sales		355,495	711,970	17,283	112,489
Cost from hotel operations		29,066	29,121	-	-
Cost of management services		16,851	21,080	-	-
Cost of rental		9,849	7,539	-	-
Selling expenses		76,396	182,993	1,702	15,366
Administrative expenses		136,571	131,740	7,725	13,169
<b>Total expenses</b>		<b>624,228</b>	<b>1,084,443</b>	<b>26,710</b>	<b>141,024</b>
<b>Operating profit (loss)</b>		<b>(39,119)</b>	<b>169,643</b>	<b>(6,439)</b>	<b>15,708</b>
Share of profit (loss) from investments in joint ventures	4.1	92,690	(10,235)	-	-
Finance income		10,338	6,870	59,535	67,530
Finance cost		(121,937)	(171,665)	(102,671)	(143,242)
<b>Loss before income tax expenses</b>		<b>(58,028)</b>	<b>(5,387)</b>	<b>(49,575)</b>	<b>(60,004)</b>
Income tax income (expenses)	9	8,254	(22,497)	-	(1,713)
<b>Loss for the period</b>		<b>(49,774)</b>	<b>(27,884)</b>	<b>(49,575)</b>	<b>(61,717)</b>
<b>Loss attributable to:</b>					
Equity holders of the Company		(49,659)	(27,884)	(49,575)	(61,717)
Non-controlling interests of the subsidiaries		(115)	-	-	-
		<b>(49,774)</b>	<b>(27,884)</b>		
<b>Loss per share</b>					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.06)	(0.03)	(0.06)	(0.07)

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

(Unaudited but reviewed)

**Major Development Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Loss for the period</b>	<u>(49,774)</u>	<u>(27,884)</u>	<u>(49,575)</u>	<u>(61,717)</u>
<b>Other comprehensive income for the period</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>(49,774)</u></u>	<u><u>(27,884)</u></u>	<u><u>(49,575)</u></u>	<u><u>(61,717)</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(49,659)	(27,884)	<u>(49,575)</u>	<u>(61,717)</u>
Non-controlling interests of the subsidiaries	<u>(115)</u>	<u>-</u>		
	<u><u>(49,774)</u></u>	<u><u>(27,884)</u></u>		

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



(Unaudited but reviewed)

Major Development Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to owners of the Company							Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other component of equity Surplus on revaluation of assets	Total equity attributable to owners of the Company			
			Appropriated - statutory reserve	Unappropriated					
<b>Balance as at 1 January 2021</b>	860,412	875,267	105,000	3,565,368	247,456	5,653,503	-	5,653,503	
Total comprehensive income for the period	-	-	-	(27,884)	-	(27,884)	-	(27,884)	
<b>Balance as at 31 March 2021</b>	860,412	875,267	105,000	3,537,484	247,456	5,625,619	-	5,625,619	
<b>Balance as at 1 January 2022</b>	860,412	875,267	105,000	3,201,250	267,549	5,309,478	409	5,309,887	
Total comprehensive income for the period	-	-	-	(49,659)	-	(49,659)	(115)	(49,774)	
<b>Balance as at 31 March 2022</b>	860,412	875,267	105,000	3,151,591	267,549	5,259,819	294	5,260,113	
				-	-			-	
				-	-			-	

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

(Unaudited but reviewed)

**Major Development Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Separate financial statements</b>				<b>Total</b>
	<b>Issued and</b>	<b>Premium on</b>	<b>Retained earnings</b>		
<b>paid-up</b>	<b>ordinary shares</b>		<b>Appropriated -</b>	<b>Unappropriated</b>	<b>equity</b>
	<b>share capital</b>		<b>statutory reserve</b>		
<b>Balance as at 1 January 2021</b>	860,412	875,267	105,000	2,871,597	4,712,276
Total comprehensive income for the period	-	-	-	(61,717)	(61,717)
<b>Balance as at 31 March 2021</b>	860,412	875,267	105,000	2,809,880	4,650,559
<b>Balance as at 1 January 2022</b>	860,412	875,267	105,000	2,585,341	4,426,020
Total comprehensive income for the period	-	-	-	(49,575)	(49,575)
<b>Balance as at 31 March 2022</b>	860,412	875,267	105,000	2,535,766	4,376,445
	-	-	-	-	-
	-	-	-	-	-

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

(Unaudited but reviewed)

**Major Development Public Company Limited and its subsidiaries**

**Statement of cash flows**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>				
Loss before tax	(58,028)	(5,387)	(49,575)	(60,004)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	25,233	33,561	1,605	1,718
Allowance for expected credit losses	16	327	-	-
Loss (gain) on sale and write-off of assets	351	(1,336)	-	(1,520)
Write-off of withholding tax deducted at source	-	3,024	-	3,024
Provision for long-term employee benefits (reversal)	1,803	(22,848)	-	-
Share of loss (profit) from investments in joint ventures	(92,690)	10,235	-	-
Finance income	(10,338)	(6,870)	(59,535)	(67,530)
Finance cost	114,689	162,697	97,123	134,287
Profit (loss) from operating activities before changes in operating assets and liabilities	(18,964)	173,403	(10,382)	9,975
Operating assets (increase) decrease				
Trade and other receivables	20,019	(4,992)	2,880	3,605
Real estate development cost	311,720	496,068	17,283	112,489
Advances for construction	(74,570)	24,150	-	40
Deposits for purchase of land	-	171,421	-	37,077
Cost to obtain contracts with customers	6,522	61,166	-	-
Other current assets	(443)	(9,395)	395	1,005
Other non-current assets	331	(32)	43	-

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

(Unaudited but reviewed)

**Major Development Public Company Limited and its subsidiaries****Statement of cash flows (continued)****For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Operating liabilities increase (decrease)				
Trade and other payables	32,803	(175,818)	42,310	(181,804)
Retention payables	(307)	(94,716)	(28)	(1,540)
Deposits and advances from customers	(17,828)	(194,426)	(24)	(7,033)
Other current liabilities	(10,626)	1,014	(13,196)	(5,725)
Other non-current liabilities	1,465	1,989	-	-
<b>Cash flows from operating activities</b>	<b>250,122</b>	<b>449,832</b>	<b>39,281</b>	<b>(31,911)</b>
Interest paid	(127,440)	(168,864)	(82,041)	(122,963)
Cash received from withholding tax deducted at source	-	3,830	-	-
Corporate income tax paid	(6,876)	(13,566)	(972)	(1,971)
<b>Net cash from (used in) operating activities</b>	<b>115,806</b>	<b>271,232</b>	<b>(43,732)</b>	<b>(156,845)</b>
<b>Cash flows from investing activities</b>				
Decrease (increase) in restricted bank deposits	(11)	1,084	-	1,107
Acquisition of investment properties	(34)	(4,498)	-	-
Acquisition of building and equipment	(7,404)	(7,341)	-	(6)
Cash received from sales of equipment	-	6,034	-	1,520
Acquisition of intangible assets	-	(2,325)	-	-
Cash received from sales of intangible assets	-	1,171	-	-
Prepayment for purchase of shares	(84,399)	(16,244)	-	-
Cash received from short-term loans to related parties	-	-	70,000	40,000
Cash payment for short-term loans to related parties	-	-	(37,615)	(462,000)
Cash payment for long-term loans to related parties	-	(170,000)	-	(170,000)
Interest received	16	452	20,328	215
<b>Net cash from (used in) investing activities</b>	<b>(91,832)</b>	<b>(191,667)</b>	<b>52,713</b>	<b>(589,164)</b>

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

(Unaudited but reviewed)

**Major Development Public Company Limited and its subsidiaries**

**Statement of cash flows (continued)**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans	68,000	(60,000)	(82,000)	(60,000)
Cash received from short-term loans from related parties	-	-	70,450	-
Repayment of short-term loans from related parties	-	-	(20,000)	-
Repayment of lease liabilities	(1,059)	(3,023)	(171)	(164)
Cash received from debentures	-	1,323,700	-	1,323,700
Cash received from long-term loans from financial institutions	127,500	117,411	-	-
Repayment of long-term loans from financial institutions	(313,194)	(790,493)	-	-
<b>Net cash from (used in) financing activities</b>	<b>(118,753)</b>	<b>587,595</b>	<b>(31,721)</b>	<b>1,263,536</b>
Net increase (decrease) in cash and cash equivalents	(94,779)	667,160	(22,740)	517,527
Cash and cash equivalents at beginning of period	539,048	1,548,127	51,864	676,542
<b>Cash and cash equivalents at end of period</b>	<b>444,269</b>	<b>2,215,287</b>	<b>29,124</b>	<b>1,194,069</b>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash items				
Decrease in interest receivable from related parties by offset with short-term loans from related parties	-	-	46,600	-

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

**Major Development Public Company Limited and its subsidiaries**  
**Notes to interim consolidated financial statements**  
**For the three-month period ended 31 March 2022**

**1. General information**

**1.1 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation significantly affects the Group's business activities, and this is significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

**1.2 Basis for 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, statements of income, 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 financial statements.

**1.3 Basis of consolidation**

These interim consolidated financial statements include the financial statements of Major Development Public Company Limited and its subsidiaries (hereinafter collectively called "the Group"), and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021, with no change in shareholding structure of subsidiaries during the current period.

## 1.4 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 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

## 2. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Past due				
Up to 3 months	14,921	17,883	-	-
3 - 6 months	3,295	121	-	-
6 - 12 months	-	827	-	-
Over 12 months	495	1,118	-	-
Total	18,711	19,949	-	-
Less: Allowance for expected credit losses	(810)	(794)	-	-
Total trade receivables - unrelated parties, net	17,901	19,155	-	-
<u>Other receivables</u>				
Other receivables and advances -				
related parties	19,969	37,606	672,827	675,629
Other receivables and advances -				
unrelated parties	18,632	19,776	5,861	5,939
Interest receivables - related parties	112,081	101,759	488,045	495,438
Total other receivables	150,682	159,141	1,166,733	1,177,006
Total trade and other receivables - net	168,583	178,296	1,166,733	1,177,006

(Unaudited but reviewed)

### 3. Real estate development cost

- 3.1 During the three-month period ended 31 March 2022, subsidiaries capitalised interest amounting to Baht 37 million (2021: Baht 18 million) to the land and construction under development. The capitalisation rates of interest are based on the borrowing costs of the specific loans, as described in Note 7 to the financial statements.
- 3.2 As at 31 March 2022 and 31 December 2021, the Group has mortgaged some project land and construction thereon as collateral against credit facilities received from banks and short-term loans from unrelated parties, and guaranteed as collateral against the issuance of the debentures and at the Court. Their net book values are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Net book values of land and construction thereon that have been mortgaged as collateral	5,713	5,508	-	-
Net book values of land and construction thereon that have been guaranteed as collateral at the Court	52	52	52	52

### 4. Investments in joint ventures

#### 4.1 Share of profit (loss)

During the three-month periods ended 31 March 2022 and 2021, the Company recognised its share of profit (loss) from investments in joint ventures in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated	
	financial statements	
	Share of profit (loss) from investments in joint ventures	
	2022	2021
Major Residences Company Limited	(17,931)	(5,578)
TMDC Construction Company Limited	(66)	(527)
MJD-JV1 Co., Ltd.	112,909	(3,146)
MJV3 Co., Ltd.	(2,142)	(984)
Techscape Co., Ltd.	(80)	-
Total	92,690	(10,235)



(Unaudited but reviewed)

## 5. Related party transactions

During the periods, the Group had significant business transactions with related persons and 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 transaction with related parties as follows.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Transactions with subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Interest income	-	-	49,212	60,897
Rental income	-	-	1,218	1,218
Other expenses	-	-	1,434	2,871
<u>Transactions with related parties</u>				
Interest income	10,323	6,418	10,323	6,418
Management income	-	5,700	-	-

As at 31 March 2022 and 31 December 2021, the balances of the accounts between the Group and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<b><u>Other receivables - related parties (Note 2)</u></b>				
Subsidiaries	-	-	1,028,882	1,046,600
Joint ventures	132,050	139,365	131,990	124,467
Total other receivables - related parties	<u>132,050</u>	<u>139,365</u>	<u>1,160,872</u>	<u>1,171,067</u>
<b><u>Deposit for purchase of condominium unit (presented in other current assets)</u></b>				
Joint venture	86,829	86,829	-	-
Total deposit for purchase of condominium unit	<u>86,829</u>	<u>86,829</u>	<u>-</u>	<u>-</u>
<b><u>Other payables - related parties</u></b>				
Subsidiaries	-	-	369,962	319,443
Joint ventures	1,022	1,394	1,022	1,392
Total other payables - related parties	<u>1,022</u>	<u>1,394</u>	<u>370,984</u>	<u>320,835</u>

(Unaudited but reviewed)

Loans to related parties and loans from related parties

As at 31 March 2022 and 31 December 2021, the balances of loans between the Group and those related parties and the movements are as follows:

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 31 March 2022
	Balance as at 31 December 2021	Increase	Decrease	
Short-term loans to				
Major Development Estate Company Limited	1,480,000	-	(63,000)	1,417,000
Major Development Commercial Company Limited	679,000	13,000	-	692,000
Major Development Hotels and Resorts Company Limited	135,000	-	(7,000)	128,000
MJV2 Co., Ltd.	130,200	9,800	-	140,000
MJR Development Company Limited	5,400	7,300	-	12,700
MJP Property Company Limited	5,685	4,515	-	10,200
MJV4 Co., Ltd.	-	2,000	-	2,000
MJ One Company Limited	-	1,000	-	1,000
Total	<u>2,435,285</u>	<u>37,615</u>	<u>(70,000)</u>	<u>2,402,900</u>

Short-term loans to related parties carry interests between 6.9 and 7.5 percent per annum and are due at call.

(Unit: Thousand Baht)

	Consolidated financial statements			Balance as at 31 March 2022
	Balance as at 31 December 2021	Increase	Decrease	
Long-term loans to				
Major Residences Company Limited	270,300	-	-	270,300
MJD-JV1 Co., Ltd.	316,200	-	-	316,200
MJV3 Co., Ltd.	243,200	-	-	243,200
Total	<u>829,700</u>	<u>-</u>	<u>-</u>	<u>829,700</u>
Less: Allowance for impairment loss from investments in joint venture	<u>(38,809)</u>			<u>(5,075)</u>
Total	<u>790,891</u>			<u>824,625</u>

Long-term loans to related parties carry interests at the rate based on MLR per annum and are due for payment within December 2023 and November 2025.

(Unaudited but reviewed)

(Unit: Thousand Baht)

Long-term loans to	Separate financial statements			
	Balance as at 31 December			Balance as at 31 March
	2021	Increase	Decrease	2022
Major Residences Company Limited	270,300	-	-	270,300
MJD-JV1 Co., Ltd.	316,200	-	-	316,200
MJV3 Co., Ltd.	243,200	-	-	243,200
MJR Development Company Limited	300,000	-	-	300,000
Total	1,129,700	-	-	1,129,700
Less: Current portion	(300,000)			(300,000)
Long-term portion	829,700			829,700

Long-term loans to related parties carry interests at the rate based on MLR per annum and are due for payment within September 2022 and November 2025.

(Unit: Thousand Baht)

Short-term loans from	Separate financial statements			
	Balance as at 31 December			Balance as at 31 March
	2021	Increase	Decrease	2022
Major Development Residences Company Limited	106,000	-	-	106,000
MJD Residences Company Limited	37,000	70,450	(66,600)	40,850
Total	143,000	70,450	(66,600)	146,850

Short-term loans from related parties carry interests between 2.0 to 6.9 percent per annum and are due at call.

#### Directors and management's remuneration

During the three-month periods ended 31 March 2022 and 2021, the Group had employee benefit expenses to its directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Short-term employee benefits	26.2	31.8	1.9
Post-employment benefits	0.9	0.6	-	-
Total	27.1	32.4	1.9	2.5

(Unaudited but reviewed)

Guarantee obligations with related parties

The Company has obligations in respect of guarantees of the affiliates obtained from banks as described in Note 11.2 to the financial statements, for which no guarantee fee has been charged.

**6. Short-term loans**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Bills of exchange	100,000	182,000	100,000	182,000
Short-term loans from unrelated parties	150,000	-	-	-
Total	250,000	182,000	100,000	182,000
Less: Prepaid interest expenses	(1,815)	(3,694)	(1,815)	(3,694)
Short-term loans - net	<u>248,185</u>	<u>178,306</u>	<u>98,185</u>	<u>178,306</u>

Short-term loans carry interests at the rate of 6.75 percent per annum and are due for payment within July and December 2022.

The subsidiary has mortgaged the real estate development cost with unrelated parties to secure the short-term loans from unrelated parties.

**7. Long-term loans from financial institutions**

Movements of the long-term loans account during the three-month period ended 31 March 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated
	financial statements
Balance as at 1 January 2022	2,927,790
Add: Additional borrowings	127,500
Amortisation of financial fees	8
Less: Repayment	(313,194)
Less: Portion due within one year	(610,603)
Balance as at 31 March 2022 - net	<u>2,131,501</u>

(Unaudited but reviewed)

Long-term loans of the Group have principal repayment conditions with the rates stipulated in the loan agreements when the collaterals mortgaged with the banks are redeemed. Interest is charged at rate based on MLR. Full settlement of these loans is to be made within 2031.

The Group has pledged bank deposits and mortgaged most of the assets, i.e., real estate development cost, investment properties and land and buildings, with banks to secure long-term loans. In addition, long-term loans of subsidiaries are guaranteed by the Company.

Certain loan agreements contain covenants that, among other things, require the Group to maintain a debt to equity ratio. Debt is defined all interest bearing debt and equity includes shareholder's equity and loans from related parties.

As at 31 March 2022, subsidiaries had credit facilities which have not drawn down of Baht 5,091 million (31 December 2021: Baht 5,529 million).

## 8. Debentures

Movements of debentures account during the three-month period ended 31 March 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2022	6,087,156	5,344,257
Add: Amortisation of costs relating to the issuance of the debentures	8,854	6,792
Less: Portion due within one year	(2,780,307)	(2,183,732)
Balance as at 31 March 2022 - net	<u>3,315,703</u>	<u>3,167,317</u>

In April 2022, the Company issued unsecured and unsubordinated bearer debentures totaling Baht 1,300 million, the interest rate of 6.25 - 6.80 percent per annum with the term of 1.5 - 2.5 years

The total debentures of Baht 1,100 million are secured by the mortgage of the subsidiaries' real estate development cost, land and building and investment properties.

The debentures contain term of issue relating to the transfer or disposal of assets, no declaration and payment of dividend if debenture issuer makes default in principal and/or interest repayment and the maintenance of a certain financial covenant that, among other things, require the Company to maintain a debt to equity ratio not exceeding 3.5:1 for the consolidated financial statements. Debt is defined as all interest bearing debt and excludes loans from related parties and equity is defined as shareholder's equity.

(Unaudited but reviewed)

## 9. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Current income tax:</b>				
Interim corporate income tax charge	7,575	590	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(15,829)	21,907	-	1,713
<b>Income tax expenses (income) reported in the statements of income</b>	<u>(8,254)</u>	<u>22,497</u>	<u>-</u>	<u>1,713</u>

## 10. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

- The property development business segment, which engages in the development of land and houses and residential condominium units for sale
- The hotel business segment, which engages in the provision of services relating to rooms, food and beverages and other services related to accommodation and travel
- The rental and service business segment, which engages in the rental of spaces in office buildings

No operating segments have been aggregated to form the above reportable operating segments.

(Unaudited but reviewed)

The chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Group's financing activities (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Inter-segment revenues are eliminated on consolidation.

Revenue and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2022 and 2021 are as follows:

(Unit: Million Baht)

	For the three-month periods ended 31 March								Consolidated financial statements	
	Development of properties for sales		Hotel business		Rental business		Elimination			
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from external customers	539	1,209	28	16	31	25	(19)	(23)	579	1,227
Segment operating profit (loss)	48	145	(16)	(24)	17	12	(1)	-	48	133
Unallocated income and expenses:										
Other income									16	34
Finance cost									(122)	(172)
Income tax income (expenses)									8	(23)
Loss for the period									(50)	(28)

## 11. Commitments and contingent liabilities

### 11.1 Capital commitments

The Group had capital commitments as follows.

(Unit: Million Baht)

	Consolidated financial statements	
	31 March 2022	31 December 2021
<u>Subsidiaries</u>		
Construction agreements related to project development	493	69
Construction agreements related to office building for rental	16	16
Sell and purchase of land agreements	746	746
Sell and purchase of share agreements	1,199	1,284
<u>Joint ventures</u>		
Construction agreements related to project development	15	15

**11.2 Bank guarantees**

- (1) As at 31 March 2022, the Company has guaranteed bank credit facilities of related parties amounting to Baht 11,575 million (31 December 2021: Baht 11,622 million).
- (2) As at 31 March 2022 and 31 December 2021, there were outstanding bank guarantees issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business as follows.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Bank guarantees for electricity use	3	3	1	1
Bank guarantees for public utility	64	64	-	-
Bank guarantees for payments due to creditors	3	3	-	-

As at 31 March 2022, the Group pledged deposits at banks of Baht 5.3 million (Separate financial statements: Baht 0.8 million) (31 December 2021: Baht 5.3 million, Separate financial statements: Baht 0.8 million) and mortgaged the land and construction of condominium projects with the banks to secure the issuance of bank guarantees.

**11.3 Servitude**

As at 31 March 2022, subsidiaries had servitude over land approximately 2 rai (31 December 2021: 2 rai). Cost of servitude over land is included in real estate development cost, investment properties, and property, plant and equipment.

**11.4 Long-term service commitment**

In September 2013, a subsidiary has entered into management agreement with a local company whereby the latter will provide the hotel management services to the subsidiary. The term of the management agreement is 10 years, starting from the hotel renovation is completed. Under the terms of the above agreement, the subsidiary commits to pay a management fee and incentive fee, at the rates indicated in the agreement.

**11.5 Litigations**

As at 31 March 2022, the Group and joint ventures has been sued in lawsuits related to breaches of contracts, contract termination, refunds and damages with total claims of approximately Baht 245 million. The cases are currently being heard by the Court of First Instance, Court of Appeal and Supreme Court and have not been finalised. However, the Group's management and its legal consultant have determined the possible losses from the litigations and recorded provision amounting to Baht 137 million in its accounts.



(Unaudited but reviewed)

In addition, during the current period, there have been no significant changes with respect to the lawsuit and dispute related to the return of deposits for the purchase of land and construction service fees as disclosed in Notes 32.7 b) and 32.7 c) to the consolidated financial statements for the year 2021.

## 12. Fair value of financial instruments

Since the majority of the Group'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 statements of financial position.

As at 31 March 2022 and 31 December 2021, the Group had the financial liability for which fair value are disclosed using inputs categorised as level 2 are follows:

(Unit: Million Baht)

	Consolidated financial statements			
	31 March 2022		31 December 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<u>Financial liability</u>				
Long-term debentures	6,096	6,139	6,087	6,144

(Unit: Million Baht)

	Separate financial statements			
	31 March 2022		31 December 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<u>Financial liability</u>				
Long-term debentures	5,351	5,389	5,344	5,394

During the current period, there was no transfer within the fair value hierarchy.

## 13. Approval of interim financial statements

The interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2022.