

Major Development Public Company Limited  
and its subsidiaries  
Review report and interim financial information  
For the three-month period ended 31 March 2023

## **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 2023, 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 period (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*.

Manee Rattanabunnakit  
Certified Public Accountant (Thailand) No. 5313

EY Office Limited  
Bangkok: 12 May 2023

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

**Statement of financial position**

**As at 31 March 2023**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2023 (Unaudited but reviewed)	31 December 2022 (Audited)	31 March 2023 (Unaudited but reviewed)	31 December 2022 (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,785,431	1,007,513	1,292,537	316,543
Trade and other receivables	2, 5	148,044	145,124	704,792	638,488
Short-term loans to related parties	5	-	-	3,707,800	3,439,200
Current portion of long-term loans					
to related parties	5	251,165	268,634	251,165	268,634
Real estate development cost	3	6,600,392	6,677,039	28,422	36,475
Advances for construction		222,539	213,316	14,302	14,187
Deposits for purchase of land		66,488	66,488	-	-
Cost to obtain contracts with customers		30,592	35,977	-	-
Other current assets		45,473	45,311	2,949	1,393
<b>Total current assets</b>		<b>9,150,124</b>	<b>8,459,402</b>	<b>6,001,967</b>	<b>4,714,920</b>
<b>Non-current assets</b>					
Restricted bank deposits	6, 10.2	15,121	19,945	764	758
Prepayment for purchase of shares		862,961	796,419	-	-
Investments in subsidiaries		-	-	5,081,324	5,081,324
Investments in joint ventures		244,065	225,521	68,091	68,091
Long-term loans to related parties	5	404,654	398,625	719,150	711,500
Investment properties		4,137,309	4,126,744	832,501	832,501
Property, plant and equipment		2,041,029	2,063,237	43,839	44,925
Intangible assets		21,145	19,303	755	781
Deposits for purchase of land		87,500	87,500	-	-
Deferred tax assets		189,300	181,171	565	747
Other non-current assets		93,101	88,751	21,789	21,789
<b>Total non-current assets</b>		<b>8,096,185</b>	<b>8,007,216</b>	<b>6,768,778</b>	<b>6,762,416</b>
<b>Total assets</b>		<b>17,246,309</b>	<b>16,466,618</b>	<b>12,770,745</b>	<b>11,477,336</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 2023**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from third parties		150,000	150,000	-	-
Trade and other payables		361,172	406,571	447,664	424,955
Retention payables		138,213	155,577	13,194	13,194
Deposits and advances from customers		273,607	282,622	19,784	21,431
Short-term loans from related parties	5	-	-	1,059,500	870,500
Current portion of long-term loans from financial institutions	6	585,552	619,019	-	-
Current portion of lease liabilities		7,032	8,933	309	490
Current portion of debentures	7	2,727,217	2,813,156	2,727,217	2,663,600
Income tax payable		24,862	19,155	-	-
Other current liabilities		128,652	125,439	84,224	88,625
<b>Total current liabilities</b>		<b>4,396,307</b>	<b>4,580,472</b>	<b>4,351,892</b>	<b>4,082,795</b>
<b>Non-current liabilities</b>					
Long-term bill of exchange		41,112	40,486	41,112	40,486
Long-term loans from financial institutions	6	3,479,941	3,511,483	-	-
Debentures	7	4,030,804	2,962,133	4,030,804	2,962,134
Lease liabilities		21,052	23,229	-	-
Provision for long-term employee benefits		53,347	51,087	-	-
Deferred tax liabilities		301,852	299,385	144,250	144,250
Other non-current liabilities		39,538	38,420	-	-
<b>Total non-current liabilities</b>		<b>7,967,646</b>	<b>6,926,223</b>	<b>4,216,166</b>	<b>3,146,870</b>
<b>Total liabilities</b>		<b>12,363,953</b>	<b>11,506,695</b>	<b>8,568,058</b>	<b>7,229,665</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 2023**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>31 March 2023</b>	<b>31 December 2022</b>	<b>31 March 2023</b>	<b>31 December 2022</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	2,762,142	2,839,624	2,362,008	2,406,992
Other component of shareholders' equity	279,699	279,699	-	-
Equity attributable to owners of the Company	4,882,520	4,960,002	4,202,687	4,247,671
Non-controlling interests of the subsidiaries	(164)	(79)	-	-
<b>Total shareholders' equity</b>	<b>4,882,356</b>	<b>4,959,923</b>	<b>4,202,687</b>	<b>4,247,671</b>
<b>Total liabilities and shareholders' equity</b>	<b>17,246,309</b>	<b>16,466,618</b>	<b>12,770,745</b>	<b>11,477,336</b>
	-	-	-	-

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

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Directors  
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(Unaudited but reviewed)

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

**Income statement**

**For the three-month period ended 31 March 2023**

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

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Revenues</b>					
Sales		494,183	481,444	13,124	18,810
Revenues from hotel operations		79,294	27,743	-	-
Management fee income		17,600	19,855	-	-
Rental income		38,440	29,009	1,368	1,218
Other income		15,331	27,058	1,714	243
<b>Total revenues</b>		<b>644,848</b>	<b>585,109</b>	<b>16,206</b>	<b>20,271</b>
<b>Expenses</b>					
Cost of sales		328,914	355,495	8,053	17,283
Cost from hotel operations		46,127	29,066	-	-
Cost of management services		15,182	16,851	-	-
Cost of rental		11,433	9,849	-	-
Selling expenses		82,843	76,396	923	1,702
Administrative expenses		152,521	136,571	7,199	7,725
<b>Total expenses</b>		<b>637,020</b>	<b>624,228</b>	<b>16,175</b>	<b>26,710</b>
<b>Operating profit (loss)</b>		<b>7,828</b>	<b>(39,119)</b>	<b>31</b>	<b>(6,439)</b>
Share of profit from investments in joint ventures	4.1	16,923	92,690	-	-
Finance income		9,279	10,338	78,118	59,535
Finance cost		(108,795)	(121,937)	(122,951)	(102,671)
<b>Loss before income tax income (expenses)</b>		<b>(74,765)</b>	<b>(58,028)</b>	<b>(44,802)</b>	<b>(49,575)</b>
Income tax income (expenses)	8	(2,802)	8,254	(182)	-
<b>Loss for the period</b>		<b>(77,567)</b>	<b>(49,774)</b>	<b>(44,984)</b>	<b>(49,575)</b>
<b>Loss attributable to:</b>					
Equity holders of the Company		(77,482)	(49,659)	(44,984)	(49,575)
Non-controlling interests of the subsidiaries		(85)	(115)		
		<b>(77,567)</b>	<b>(49,774)</b>		
<b>Loss per share</b>					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.09)	(0.06)	(0.05)	(0.06)

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 2023**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Loss for the period</b>	<u>(77,567)</u>	<u>(49,774)</u>	<u>(44,984)</u>	<u>(49,575)</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>(77,567)</u></u>	<u><u>(49,774)</u></u>	<u><u>(44,984)</u></u>	<u><u>(49,575)</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(77,482)	(49,659)	<u>(44,984)</u>	<u>(49,575)</u>
Non-controlling interests of the subsidiaries	<u>(85)</u>	<u>(115)</u>		
	<u><u>(77,567)</u></u>	<u><u>(49,774)</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 2023

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to owners of the Company							
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other component of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	Surplus on revaluation of assets			
<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
<b>Balance as at 1 January 2023</b>	860,412	875,267	105,000	2,839,624	279,699	4,960,002	(79)	4,959,923
Total comprehensive income for the period	-	-	-	(77,482)	-	(77,482)	(85)	(77,567)
<b>Balance as at 31 March 2023</b>	860,412	875,267	105,000	2,762,142	279,699	4,882,520	(164)	4,882,356
				-	-			-
	-	-	-	-	-			-

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 2023**

(Unit: Thousand Baht)

	<b>Separate financial statements</b>				<b>Total shareholders' equity</b>
	<b>Issued and paid-up share capital</b>	<b>Premium on ordinary shares</b>	<b>Retained earnings</b> <b>Appropriated - statutory reserve</b>	<b>Unappropriated</b>	
<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>	<u>860,412</u>	<u>875,267</u>	<u>105,000</u>	<u>2,535,766</u>	<u>4,376,445</u>
<b>Balance as at 1 January 2023</b>	860,412	875,267	105,000	2,406,992	4,247,671
Total comprehensive income for the period	-	-	-	(44,984)	(44,984)
<b>Balance as at 31 March 2023</b>	<u>860,412</u>	<u>875,267</u>	<u>105,000</u>	<u>2,362,008</u>	<u>4,202,687</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 cash flows**

**For the three-month period ended 31 March 2023**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>				
Loss before tax	(74,765)	(58,028)	(44,802)	(49,575)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	24,971	25,233	1,141	1,605
Allowance for expected credit losses	61	16	-	-
Loss (gain) on sale and write-off of assets	1,125	351	(12)	-
Provision for long-term employee benefits	2,260	1,803	-	-
Share of profit from investments in joint ventures	(16,923)	(92,690)	-	-
Finance income	(9,279)	(10,338)	(78,118)	(59,535)
Finance cost	93,046	114,689	116,779	97,123
Profit (loss) from operating activities before changes in operating assets and liabilities	20,496	(18,964)	(5,012)	(10,382)
Operating assets (increase) decrease				
Trade and other receivables	5,531	20,019	11,425	2,880
Real estate development cost	132,051	311,720	8,053	17,283
Advances for construction	(9,223)	(74,570)	(115)	-
Cost to obtain contracts with customers	5,385	6,522	-	-
Other current assets	87	(443)	(1,307)	395
Other non-current assets	222	331	-	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 2023**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Operating liabilities increase (decrease)				
Trade and other payables	(44,643)	32,803	7,030	42,310
Retention payables	(17,364)	(307)	-	(28)
Deposits and advances from customers	(9,015)	(17,828)	(1,647)	(24)
Other current liabilities	3,213	(10,626)	(4,401)	(13,196)
Other non-current liabilities	1,118	1,465	-	-
<b>Cash flows from operating activities</b>	<b>87,858</b>	<b>250,122</b>	<b>14,026</b>	<b>39,281</b>
Interest paid	(165,792)	(127,440)	(106,887)	(82,041)
Income tax paid	(7,578)	(6,876)	(249)	(972)
<b>Net cash from (used in) operating activities</b>	<b>(85,512)</b>	<b>115,806</b>	<b>(93,110)</b>	<b>(43,732)</b>
<b>Cash flows from investing activities</b>				
Decrease (increase) in restricted bank deposits	4,824	(11)	(6)	-
Acquisition of investment properties	(1,834)	(34)	-	-
Acquisition of equipment	(2,373)	(7,404)	(29)	-
Cash received from sales of equipment	30	-	12	-
Acquisition of intangible assets	(2,542)	-	-	-
Prepayment for purchase of shares	(66,542)	(84,399)	-	-
Cash received from short-term loans to related parties	-	-	-	70,000
Cash payment for short-term loans to related parties	-	-	(268,600)	(37,615)
Cash received from long-term loans to related parties	17,469	-	17,469	-
Cash payment for long-term loans to related parties	(7,650)	-	(7,650)	-
Interest received	767	16	389	20,328
<b>Net cash from (used in) investing activities</b>	<b>(57,851)</b>	<b>(91,832)</b>	<b>(258,415)</b>	<b>52,713</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 2023**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans	-	68,000	-	(82,000)
Cash received from short-term loans from related parties	-	-	204,000	70,450
Repayment of short-term loans from related parties	-	-	(15,000)	(20,000)
Repayment of lease liabilities	(4,078)	(1,059)	(181)	(171)
Cash received from debentures	1,600,000	-	1,600,000	-
Repayment of debentures	(611,300)	-	(461,300)	-
Cash received from long-term loans from financial institutions	13,411	127,500	-	-
Repayment of long-term loans from financial institutions	(76,752)	(313,194)	-	-
<b>Net cash from (used in) financing activities</b>	<b>921,281</b>	<b>(118,753)</b>	<b>1,327,519</b>	<b>(31,721)</b>
Net increase (decrease) in cash and cash equivalents	777,918	(94,779)	975,994	(22,740)
Cash and cash equivalents at beginning of period	1,007,513	1,548,127	316,543	676,542
<b>Cash and cash equivalents at end of period</b>	<b>1,785,431</b>	<b>1,453,348</b>	<b>1,292,537</b>	<b>653,802</b>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash items				
Interest expenses capitalised as investment properties	9,576	-	-	-
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 2023**

**1. General information**

**1.1 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.

**1.2 Basis of consolidation**

These interim consolidated financial statements include the financial statements of Major Development Public Company Limited and its subsidiaries (collectively as "the Group"), and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022, with no change in shareholding structure of subsidiaries during the current period.

**1.3 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 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group's financial statements.

(Unaudited but reviewed)

## 2. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	8,559	8,069	-	-
Past due				
Up to 3 months	10,283	8,049	-	-
3 - 6 months	685	544	-	-
6 - 12 months	240	-	-	-
Over 12 months	1,355	2,658	-	-
Total	21,122	19,320	-	-
Less: Allowance for expected credit losses	(971)	(910)	-	-
Total trade receivables - unrelated parties, net	20,151	18,410	-	-
<u>Other receivables</u>				
Other receivables and advances -				
related parties	18,955	20,332	20,460	31,789
Other receivables and advances -				
unrelated parties	10,799	16,755	1,036	1,132
Interest receivables - related parties	98,139	89,627	683,296	605,567
Total other receivables	127,893	126,714	704,792	638,488
Total trade and other receivables - net	148,044	145,124	704,792	638,488

## 3. Real estate development cost

- 3.1 During the three-month period ended 31 March 2023, subsidiaries capitalised interest amounting to Baht 55 million (2022: Baht 37 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 6 to the financial statements.

(Unaudited but reviewed)

- 3.2 As at 31 March 2023 and 31 December 2022, the subsidiaries have mortgaged some project land and construction thereon as collateral against credit facilities received from banks and short-term loans from third parties, and guaranteed at the Court. Their net book values are as follows:

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	31 March	31 December
	2023	2022
Net book values of real estate development cost that have been pledged as collateral	6,062	6,199
Net book values of real estate development cost that have been guaranteed at the Court	3	-

#### 4. Investments in joint ventures

##### 4.1 Share of profit (loss)

During the three-month periods ended 31 March 2023 and 2022, the Company recognised its share of profit (loss) from investments in joint ventures in the consolidated financial statements as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	Share of profit (loss) from	
	investments in joint ventures	
Company's name	2023	2022
Major Residences Company Limited	7,342	(17,931)
TMDC Construction Company Limited	(8)	(66)
MJD-JV1 Co., Ltd.	11,198	112,909
MJV3 Co., Ltd.	(1,621)	(2,142)
Techscape Co., Ltd.	12	(80)
Total	16,923	92,690

(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	
	2023	2022	2023	2022
<u>Transactions with subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Interest income	-	-	69,216	49,212
Rental income	-	-	1,368	1,218
Interest expense	-	-	15,202	1,305
<u>Transactions with related parties</u>				
Interest income	8,893	10,323	8,893	10,323
Purchase of intangible assets	2,482	-	-	-

As at 31 March 2023 and 31 December 2022, 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	31 December	31 March	31 December
	2023	2022	2023	2022
<b><u>Other receivables - related parties (Note 2)</u></b>				
Subsidiaries	-	-	586,662	528,441
Joint ventures	117,094	109,959	117,094	108,915
Total other receivables - related parties	<u>117,094</u>	<u>109,959</u>	<u>703,756</u>	<u>637,356</u>
<b><u>Other payables - related parties</u></b>				
Subsidiaries	-	-	349,110	334,361
Joint ventures	1,392	1,392	1,392	1,392
Director	18	32	-	-
Total other payables - related parties	<u>1,410</u>	<u>1,424</u>	<u>350,502</u>	<u>335,753</u>



(Unaudited but reviewed)

Loans to related parties and loans from related parties

As at 31 March 2023 and 31 December 2022, the balances of loans between the Group and those related parties and the movements are as follows:

(Unit: Thousand Baht)

Short-term loans to	Separate financial statements			Balance as at 31 March 2023
	Balance as at 31 December 2022	Increase	Decrease	
Major Development Estate Company Limited	1,717,000	-	-	1,717,000
Major Development Commercial Company Limited	659,000	14,000	-	673,000
Major Development Hotels and Resorts Company Limited	178,500	13,000	-	191,500
MJV2 Co., Ltd.	284,000	42,000	-	326,000
MJR Development Company Limited	542,000	30,600	-	572,600
MJP Property Company Limited	22,700	168,000	-	190,700
MJC Development Company Limited	31,000	1,000	-	32,000
MJV4 Co., Ltd.	5,000	-	-	5,000
Total	<u>3,439,200</u>	<u>268,600</u>	<u>-</u>	<u>3,707,800</u>

Short-term loans to related parties carry interests between 6.90 - 7.50% per annum and are due at call.

(Unit: Thousand Baht)

Long-term loans to	Consolidated financial statements			Balance as at 31 March 2023
	Balance as at 31 December 2022	Increase	Decrease	
Major Residences Company Limited	270,300	-	-	270,300
MJD-JV1 Co., Ltd.	166,634	-	(17,469)	149,165
MJV3 Co., Ltd.	243,200	7,650	-	250,850
Total	680,134	<u>7,650</u>	<u>(17,469)</u>	670,315
Less: Allowance for impairment loss from Investments in joint ventures	(12,875)			(14,496)
Total	667,259			655,819
Less: Current portion	(268,634)			(251,165)
Long-term portion	<u>398,625</u>			<u>404,654</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 to January 2027.

(Unaudited but reviewed)

(Unit: Thousand Baht)

Long-term loans to	Separate financial statements			
	Balance as at			Balance as at
	31 December			31 March
	2022	Increase	Decrease	2023
Major Residences Company Limited	270,300	-	-	270,300
MJD-JV1 Co., Ltd.	166,634	-	(17,469)	149,165
MJV3 Co., Ltd.	243,200	7,650	-	250,850
MJR Development Company Limited	300,000	-	-	300,000
Total	980,134	7,650	(17,469)	970,315
Less: Current portion	(268,634)			(251,165)
Long-term portion	711,500			719,150

Long-term loans to related parties carry interests at the rate of 6.80% per annum and at the rate based on MLR per annum and are due for payment within December 2023 to January 2027.

(Unit: Thousand Baht)

Short-term loans from	Separate financial statements			
	Balance as at			Balance as at
	31 December			31 March
	2022	Increase	Decrease	2023
Major Development Residences Company Limited	105,500	-	-	105,500
MJD Residences Company Limited	305,000	204,000	-	509,000
MJP Property Company Limited	240,000	-	-	240,000
MJR Development Company Limited	220,000	-	(15,000)	205,000
Total	870,500	204,000	(15,000)	1,059,500

Short-term loans from related parties carry interests between 2.00 - 7.00% per annum and are due at call.

(Unaudited but reviewed)

### Directors and management's remuneration

During the three-month periods ended 31 March 2023 and 2022, the Group had employee benefit expenses to its directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	30.6	28.0	0.4	1.9
Post-employment benefits	1.0	0.9	-	-
Total	31.6	28.9	0.4	1.9

### Guarantee obligations with related parties

The Company has obligations in respect of guarantees of the related parties obtained from banks as described in Note 10.2 to the financial statements, for which no guarantee fee has been charged.

## **6. Long-term loans from financial institutions**

Movements of the long-term loans account during the three-month period ended 31 March 2023 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2023	4,130,502
Add: Additional borrowings	13,411
Less: Repayment	(76,752)
Amortisation of financial fees	(1,668)
Total	4,065,493
Less: Portion due within one year	(585,552)
Balance as at 31 March 2023 - net	3,479,941

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 are to be made within 2023 - 2033.

(Unaudited but reviewed)

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 include shareholder's equity and loans from related parties.

As at 31 March 2023, subsidiaries had credit facilities which have not drawn down of Baht 3,874 million (31 December 2022: Baht 3,898 million).

## 7. Debentures

Movements of debentures account during the three-month period ended 31 March 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2023	5,775,289	5,625,734
Add: Additional borrowings	1,600,000	1,600,000
Less: Repayment	(611,300)	(461,300)
Amortisation of costs relating to the issuance of the debentures	(5,968)	(6,413)
Total	6,758,021	6,758,021
Less: Portion due within one year	(2,727,217)	(2,727,217)
Balance as at 31 March 2023 - net	<u>4,030,804</u>	<u>4,030,804</u>

Debentures carry interests between 6.25 - 7.00% per annum and are due for payment within April 2023 to October 2025.

The debentures contain term of issuer 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 Group 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)

## 8. 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 (income) for the three-month periods ended 31 March 2023 and 2022 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Interim corporate income tax charge	8,464	7,575	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(5,662)	(15,829)	182	-
<b>Income tax expenses (income) reported in the statements of income</b>	<b>2,802</b>	<b>(8,254)</b>	<b>182</b>	<b>-</b>

## 9. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of their reportable segments from the latest annual financial statements.

Revenue and profit (loss) information regarding the Group's operating segments for the three-month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Million Baht)

	For the three-month periods ended 31 March									
	Development of properties for sales		Hotel business		Rental business		Elimination		Consolidated financial statements	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external customers	552	539	79	28	39	31	(31)	(19)	639	579
Segment operating profit (loss)	(11)	48	8	(16)	23	17	(1)	(1)	19	48
Unallocated income and expenses:										
Other income									15	16
Finance cost									(109)	(122)
Income tax income (expenses)									(3)	8
Loss for the period									(78)	(50)

(Unaudited but reviewed)

## 10. Commitments and contingent liabilities

### 10.1 Capital commitments

The Group had capital commitments as follows.

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	31 March	31 December
	2023	2022
<u>Subsidiaries</u>		
Construction agreements related to project development	1,858	1,360
Construction agreements related to office building for rental	16	16
Sell and purchase of land agreements	378	378
Sell and purchase of share agreement	948	1,015
<u>Joint ventures</u>		
Construction agreements related to project development	15	15

### 10.2 Bank guarantees

- (1) As at 31 March 2023, the Company has guaranteed bank credit facilities of related parties amounting to Baht 11,270 million (31 December 2022: Baht 11,420 million).
- (2) As at 31 March 2023 and 31 December 2022, 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	31 December	31 March	31 December
	2023	2022	2023	2022
Bank guarantees for electricity use	3	3	1	1
Bank guarantees for public utility	64	64	-	-
Total	67	67	1	1

As at 31 March 2023 and 31 December 2022, the Group pledged deposits at banks of Baht 1.8 million (Separate financial statements: Baht 0.8 million) and mortgaged the land and some items construction of condominium projects with the banks to secure the issuance of bank guarantees.

### **10.3 Servitude**

As at 31 March 2023 and 31 December 2022, subsidiaries had servitude over land approximately 7 rai. Cost of servitude over land is included in real estate development cost, investment properties, and property, plant and equipment.

### **10.4 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.

### **10.5 Litigations**

As at 31 March 2023, the Group and joint ventures have been sued in lawsuits related to breaches of contracts, contract termination, refunds and damages with total claims of approximately Baht 235 million (31 December 2022: Baht 271 million). The cases are currently being heard by the Court of First Instance, Court of Appeal and Supreme Court and have not been finalised. The Group's management and its legal consultant have determined the possible losses from the litigations and recorded provision amounting to Baht 93 million (31 December 2022: Baht 89 million) in its accounts.

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 33.5 b), 33.5 c), 33.5 d) and 33.5 e) to the consolidated financial statements for the year 2022.

## **11. 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.

(Unaudited but reviewed)

As at 31 March 2023 and 31 December 2022, 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 2023		31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<u>Financial liability</u>				
Long-term debentures	6,758	6,793	5,775	5,821

(Unit: Million Baht)

	Separate financial statements			
	31 March 2023		31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<u>Financial liability</u>				
Long-term debentures	6,758	6,793	5,626	5,671

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

## 12. Event after the reporting period

On 12 May 2023, the Company's Board of Directors meeting passed the resolution approving the Company to invest in MJV5 Co., Ltd., a newly incorporated company by acquiring of 10,000 ordinary shares, at a par value of Baht 100. The investment represents 99.99% of the Company's shareholding in this company. This company is engaged in the development of properties for sale and has a registered share capital of Baht 1 million.

## 13. Approval of interim financial statements

The interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2023.