

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors and the Shareholders of BuilderSmart Public Company Limited:

I have reviewed the accompanying consolidated and separate statements of financial position of BuilderSmart Public Company Limited and its subsidiaries, and of BuilderSmart Public Company Limited, respectively as at June 30, 2023, the related consolidated and separate statements of comprehensive income, for the three-month and six-month periods ended June 30, 2023, and the related consolidated and separate statements of changes in shareholders' equity and statement of cash flows for the six-month period ended June 30, 2023, and the condensed notes to interim financial statements ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 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 No. 34, "Interim Financial Reporting".

Wanpen Sakpibunrat

Certified Public Accountant

Registration Number 11015

ANS Audit Co., Ltd.

Bangkok, August 11, 2023

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

| Unit: Thousand Baht | | | | | |
|--|--------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Notes | Consolidated financial statements | | Separate financial statements | |
| | | June 30, 2023 | December 31, 2022 | June 30, 2023 | December 31, 2022 |
| | | "Unaudited" | "Audited" | "Unaudited" | "Audited" |
| | | "Reviewed" | "Reviewed" | "Reviewed" | "Reviewed" |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 32,131 | 35,852 | 16,056 | 18,942 |
| Trade and other current receivables - net | 4, 5 | 64,500 | 61,728 | 52,999 | 39,328 |
| Current portion of trade current receivables | | 1,902 | 14,287 | 1,414 | 13,198 |
| Short-term loans to related party - net | 4 | - | - | 9,000 | 8,800 |
| Current portion of long-term loans to and interest receivables | | | | | |
| from related party | 4 | - | - | 62,820 | 17,000 |
| Inventories - net | 6 | 83,704 | 93,396 | 14,284 | 12,562 |
| Cost of real estate development project | 7 | 490,039 | 476,944 | 166,772 | 129,325 |
| Current tax assets | | 670 | 3,489 | 290 | 956 |
| Other current assets | 4 | 3,642 | 45,529 | 1,284 | 43,507 |
| Total current assets | | 676,588 | 731,225 | 324,919 | 283,618 |
| Non-current assets | | | | | |
| Deposits at bank pledged as collateral | 14, 19 | 50,320 | 50,320 | 47,320 | 47,320 |
| Long-term loans to and interest receivables from related party - net | 4 | - | - | 61,100 | 104,948 |
| Investment in debt securities held to maturity - net | | 10,393 | 10,471 | 10,393 | 10,471 |
| Investment in subsidiaries company - net | 8 | - | - | 273,692 | 268,692 |
| Investment in joint venture | | 8,236 | 8,337 | - | - |
| Non current trade receivables - net | | 8,932 | - | 8,932 | - |
| Investment properties - net | 14 | 206,400 | 206,400 | 206,400 | 206,400 |
| Property, plant and equipment - net | 9 | 135,105 | 139,472 | 119,012 | 128,137 |
| Right-of-use assets - net | 10 | 64,644 | 76,118 | 33,100 | 39,119 |
| Intangible assets - net | 11 | 109,997 | 111,872 | 106,388 | 108,016 |
| Deferred tax assets - net | | 1,635 | 1,821 | 13,749 | 14,764 |
| Other non-current assets | | 2,009 | 2,009 | 560 | 560 |
| Total non-current assets | | 597,671 | 606,820 | 880,646 | 928,427 |
| Total assets | | 1,274,259 | 1,338,045 | 1,205,565 | 1,212,045 |

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

| Unit: Thousand Baht | | | | | | |
|---|--|-----------------------------------|-------------------|-------------------------------|-------------------|------------------|
| | | Consolidated financial statements | | Separate financial statements | | |
| | | June 30, 2023 | December 31, 2022 | June 30, 2023 | December 31, 2022 | |
| | | "Unaudited" | "Audited" | "Unaudited" | "Audited" | |
| Notes | | "Reviewed" | | "Reviewed" | | |
| Liabilities and shareholders' equity | | | | | | |
| Current liabilities | | | | | | |
| | Bank overdrafts and short-term loans from financial institutions | 12 | 189,590 | 214,681 | 146,243 | 157,048 |
| | Trade and other current payables | 4, 13 | 85,551 | 109,600 | 100,041 | 114,541 |
| | Current portion of land payable | | 5,216 | 6,616 | - | - |
| | Current contract liabilities | | 20,536 | 24,457 | 2,643 | 3,489 |
| | Deposit and advance received under lease agreements | | 23,627 | 39,520 | 23,627 | 39,520 |
| | Current deferred rental revenue | | 4,690 | 5,009 | 4,690 | 5,009 |
| | Current portion of long-term loans from financial institutions | 14 | 136,320 | 140,619 | 33,922 | 25,425 |
| | Current portion of lease liabilities | | 23,606 | 26,460 | 13,774 | 14,428 |
| | Current portion of other financial liabilities | | 2,683 | 3,119 | - | - |
| | Short-term loans from related parties - net | 4 | 20,573 | 17,749 | 68,048 | 47,224 |
| | Income tax payable | | 2,036 | 285 | - | - |
| | Retentions | 4 | 7,844 | 8,145 | 5,198 | 5,472 |
| | Other current liabilities | | 4,201 | 2,788 | 1,978 | 1,823 |
| | Total current liabilities | | 526,473 | 599,048 | 400,164 | 413,979 |
| Non-current liabilities | | | | | | |
| | Long-term loans from financial institutions - net | 14 | 22,740 | 29,125 | 20,080 | 24,808 |
| | Long-term loans from other and related person | 4 | 33,000 | 33,000 | 15,000 | 15,000 |
| | Lease liabilities - net | | 50,753 | 59,897 | 25,409 | 31,196 |
| | Other financial liabilities - net | | - | 1,094 | - | - |
| | Non-current deferred rental revenue | | 92,529 | 82,529 | 92,529 | 82,529 |
| | Non-current liability for guarantee refund to lessee - net | 4 | 70,990 | 66,526 | 70,990 | 66,526 |
| | Non-current provisions for employee benefit | | 7,051 | 6,607 | 4,818 | 4,486 |
| | Deferred tax liabilities - net | | 6,196 | 5,348 | - | - |
| | Other non-current liabilities | | 7,415 | 6,059 | 6,598 | 5,950 |
| | Total non-current liabilities | | 290,674 | 290,185 | 235,424 | 230,495 |
| | Total liabilities | | 817,147 | 889,233 | 635,588 | 644,474 |
| Shareholders' equity | | | | | | |
| Share capital | | | | | | |
| Authorised share capital | | | | | | |
| | 213,050,620 ordinary shares, Baht 1 par value | 15 | 213,051 | 218,514 | 213,051 | 218,514 |
| | (2022: 2,185,143,140 ordinary shares, Baht 0.10 par value) | | | | | |
| Issued and paid-up share capital | | | | | | |
| | 213,050,620 ordinary shares, Baht 1 par value | | 213,051 | 213,051 | 213,051 | 213,051 |
| | (2022: 2,130,506,193 ordinary shares, Baht 0.10 par value) | | | | | |
| | Premium on share capital | | 343,504 | 343,504 | 343,504 | 343,504 |
| | Change in parent's ownership interest in subsidiary | 8 | 20,335 | - | - | - |
| Retained earnings | | | | | | |
| | Appropriated to legal reserve | | 12,635 | 12,635 | 12,635 | 12,635 |
| | Unappropriated | | (145,203) | (122,583) | 787 | (1,619) |
| | Other component of shareholders' equity | | 2,204 | 2,204 | - | - |
| | Total shareholders' equity of the Company | | 446,526 | 448,811 | 569,977 | 567,571 |
| | Non-controlling interests | | 10,586 | 1 | - | - |
| | Total shareholders' equity | | 457,112 | 448,812 | 569,977 | 567,571 |
| | Total liabilities and shareholders' equity | | 1,274,259 | 1,338,045 | 1,205,565 | 1,212,045 |

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023

"Unaudited"

"Reviewed"

| | | Unit: Thousand Baht | | | |
|-------|--|-----------------------------------|-----------------|-------------------------------|-----------------|
| | | Consolidated financial statements | | Separate financial statements | |
| Notes | | 2023 | 2022 | 2023 | 2022 |
| | 4, 17 | | | | |
| | Revenue from sales and services | 143,670 | 141,408 | 64,759 | 44,651 |
| | Cost of sales and services | (102,534) | (107,633) | (53,392) | (39,719) |
| | Gross profit | 41,136 | 33,775 | 11,367 | 4,932 |
| | Interest income | 261 | 185 | 1,392 | 1,869 |
| | Management fee income | - | - | 4,904 | 8,493 |
| | Other income | 1,772 | 557 | 3,575 | 107 |
| | Gain (loss) on foreign exchange - net | 627 | 1,226 | (63) | (112) |
| | Distribution costs | (17,989) | (17,027) | (6,338) | (4,765) |
| | Administrative expenses | (21,108) | (25,995) | (12,723) | (22,201) |
| | Profit (loss) from operating activities | 4,699 | (7,279) | 2,114 | (11,677) |
| | Finance costs | (7,482) | (5,467) | (4,383) | (4,315) |
| | Share of loss of joint venture | (45) | (23) | - | - |
| | Loss before income tax expenses | (2,828) | (12,769) | (2,269) | (15,992) |
| | Income tax expenses | (1,111) | (2,369) | (441) | (453) |
| | Loss for the period | (3,939) | (15,138) | (2,710) | (16,445) |
| | Other comprehensive income for the year | - | - | - | - |
| | Total comprehensive income (loss) for the year | (3,939) | (15,138) | (2,710) | (16,445) |
| | Profit (loss) attributable to: | | | | |
| | Equity holders of the Company | (4,734) | (15,138) | (2,710) | (16,445) |
| | Non-controlling interests | 795 | - | - | - |
| | | (3,939) | (15,138) | (2,710) | (16,445) |
| | Total comprehensive income (loss) attributable to: | | | | |
| | Equity holders of the Company | (4,734) | (15,138) | (2,710) | (16,445) |
| | Non-controlling interests | 795 | - | - | - |
| | | (3,939) | (15,138) | (2,710) | (16,445) |
| | Loss per share | | | | |
| | Basic loss per share (Baht/share) | (0.022) | (0.071) | (0.013) | (0.077) |
| | Weighted average number of ordinary shares (basic) (Thousand shares) | 213,051 | 213,051 | 213,051 | 213,051 |

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"Unaudited"

"Reviewed"

| | | Unit: Thousand Baht | | | |
|--|-------|-----------------------------------|-----------------|-------------------------------|-----------------|
| | | Consolidated financial statements | | Separate financial statements | |
| Notes | | 2023 | 2022 | 2023 | 2022 |
| | 4, 17 | | | | |
| Revenue from sales and services | | 256,583 | 425,963 | 94,278 | 111,809 |
| Cost of sales and services | | (187,371) | (344,772) | (81,609) | (93,306) |
| Gross profit | | 69,212 | 81,191 | 12,669 | 18,503 |
| Interest income | | 541 | 377 | 2,985 | 3,874 |
| Management fee income | | - | - | 9,740 | 16,729 |
| Gain on sale of investment in subsidiary | 8 | - | - | 20,000 | - |
| Other income | | 2,621 | 4,739 | 5,568 | 1,087 |
| Gain (loss) on foreign exchange - net | | 379 | 1,317 | (8) | (120) |
| Distribution costs | | (33,442) | (42,435) | (11,241) | (10,577) |
| Administrative expenses | | (43,481) | (39,566) | (27,646) | (33,787) |
| Profit (loss) from operating activities | | (4,170) | 5,623 | 12,067 | (4,291) |
| Finance costs | | (14,769) | (11,916) | (8,646) | (8,826) |
| Share of loss of joint venture | | (101) | (168) | - | - |
| Profit (loss) before income tax expenses | | (19,040) | (6,461) | 3,421 | (13,117) |
| Income tax expenses | | (2,660) | (3,763) | (1,015) | (1,108) |
| Profit (loss) for the period | | (21,700) | (10,224) | 2,406 | (14,225) |
| Other comprehensive income for the year | | - | - | - | - |
| Total comprehensive income (loss) for the year | | (21,700) | (10,224) | 2,406 | (14,225) |
| Profit (loss) attributable to: | | | | | |
| Equity holders of the Company | | (22,620) | (10,224) | 2,406 | (14,225) |
| Non-controlling interests | | 920 | - | - | - |
| | | (21,700) | (10,224) | 2,406 | (14,225) |
| Total comprehensive income (loss) attributable to: | | | | | |
| Equity holders of the Company | | (22,620) | (10,224) | 2,406 | (14,225) |
| Non-controlling interests | | 920 | - | - | - |
| | | (21,700) | (10,224) | 2,406 | (14,225) |
| Earnings (loss) per share | | | | | |
| Basic gain (loss) per share (Baht/share) | | (0.106) | (0.048) | 0.011 | (0.067) |
| Weighted average number of ordinary shares (basic) (Thousand shares) | 16 | 213,051 | 213,051 | 213,051 | 213,051 |

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"Unaudited"

"Reviewed"

Unit: Thousand Baht

Consolidated financial statements

Equity attributable to shareholders' equity of the Company

| Notes | Issued and paid-up share capital | | Premium on share capital | | | Retained earnings | | Other component of shareholders' equity | | Non-controlling interests | Total shareholders' equity | | |
|---|-------------------------------------|---------|-----------------------------|--------|-----------|-------------------|-------|---|----------------------------------|------------------------------|----------------------------------|--|-------|
| | | | | | | | | Other comprehensive | | | | Total other components of shareholder's equity | Total |
| | | | | | | | | income | | | | | |
| | | | | | | | | Change in parent's ownership interest in subsidiary | Appropriated to legal reserve | | | | |
| | 213,051 | 343,504 | - | 12,635 | (122,583) | 2,204 | 2,204 | 448,811 | 1 | 448,812 | | | |
| Opening balance as at January 1, 2023 | | | | | | | | | | | | | |
| Changes in shareholders' equity for the period: | | | | | | | | | | | | | |
| Changes in ownership interest in | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| 8 | - | - | 20,335 | - | - | - | - | 20,335 | 9,665 | 30,000 | | | |
| | | | | | | | | | | | | | |
| | - | - | - | - | (22,620) | - | - | (22,620) | 920 | (21,700) | | | |
| | 213,051 | 343,504 | 20,335 | 12,635 | (145,203) | 2,204 | 2,204 | 446,526 | 10,586 | 457,112 | | | |
| | 213,051 | 343,504 | - | 12,635 | (91,411) | 2,204 | 2,204 | 479,983 | 1 | 479,984 | | | |
| | | | | | | | | | | | | | |
| | - | - | - | - | (10,224) | - | - | (10,224) | - | (10,224) | | | |
| | 213,051 | 343,504 | - | 12,635 | (101,635) | 2,204 | 2,204 | 469,759 | 1 | 469,760 | | | |

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"Unaudited"

"Reviewed"

Unit: Thousand Baht

Separate financial statements

| | Issued and paid-up share capital | Premium on share capital | Retained earnings | | Total shareholders' equity |
|---|-------------------------------------|-----------------------------|----------------------------------|----------------|-------------------------------|
| | | | Appropriated to legal reserve | Unappropriated | |
| Opening balance as at January 1, 2023 | 213,051 | 343,504 | 12,635 | (1,619) | 567,571 |
| Changes in shareholders' equity for the period: | | | | | |
| Total comprehensive income for the period | - | - | - | 2,406 | 2,406 |
| Balance as at June 30, 2023 | 213,051 | 343,504 | 12,635 | 787 | 569,977 |
| Balance as at January 1, 2022 | 213,051 | 343,504 | 12,635 | 28,166 | 597,356 |
| Changes in shareholders' equity for the period: | | | | | |
| Total comprehensive loss for the period | - | - | - | (14,225) | (14,225) |
| Balance as at June 30, 2022 | 213,051 | 343,504 | 12,635 | 13,941 | 583,131 |

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"Unaudited"

"Reviewed"

| | Unit: Thousand Baht | | | |
|---|-----------------------------------|----------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Cash flows from operating activities: | | | | |
| Profit (loss) the period | (21,700) | (10,224) | 2,406 | (14,225) |
| Adjustment to reconcile profit to net cash by (used in) operating activities | | | | |
| Income tax expenses | 2,660 | 3,763 | 1,015 | 1,108 |
| Realisation of deferred rental revenue of Senior Living Project | (2,690) | (2,373) | (2,690) | (2,373) |
| Allowance for obsolete inventory | 179 | - | - | - |
| Reversal of allowance for loss on diminution of cost of real estate development project | - | (3,675) | - | - |
| Reversal of gain from sale and leaseback of cost real estate development project | 226 | 1,689 | 226 | - |
| Gain (loss) on disposal of assets | 1,450 | (557) | (3,323) | (449) |
| Gain on sold investment in subsidiary | - | - | (20,000) | - |
| Written-off withholding tax | - | 200 | - | 140 |
| Depreciation and amortization | 20,813 | 17,441 | 12,756 | 10,400 |
| Unrealized gain on exchange rate - net | (690) | (1,538) | (152) | (953) |
| Employee benefit expenses | 444 | 531 | 332 | 423 |
| Share of loss of joint venture | 101 | 168 | - | - |
| Interest income | (541) | (377) | (2,985) | (3,874) |
| Finance costs | 14,769 | 11,916 | 8,646 | 8,826 |
| Profit (loss) from operations before changes in operating assets and liabilities | 15,021 | 16,964 | (3,769) | (977) |
| Operating assets (increase) decrease | | | | |
| Trade and other current receivables | 1,471 | (8,689) | (2,995) | 1,664 |
| Non-current trade receivables | 3,752 | (4,955) | 3,152 | (3,267) |
| Inventories | 9,513 | (18,072) | (1,722) | (5,269) |
| Cost of real estate development project | 39,223 | 181,613 | 14,871 | 31,831 |
| Other current assets | (113) | (10,838) | 222 | (11,789) |
| Other non-current assets | - | (18) | - | - |
| Operating liabilities increase (decrease) | | | | |
| Trade and other current payables | (19,264) | 21,649 | (10,659) | 8,336 |
| Land payable | (1,400) | (5,108) | - | - |
| Contract liabilities | (3,920) | (9,331) | (846) | 820 |
| Deposit and advance received under lease agreements | (792) | (1,102) | (792) | (1,102) |
| Retentions | (301) | (924) | (274) | (609) |
| Other current liabilities | 1,413 | 84 | 155 | 143 |
| Other non-current liabilities | 1,356 | 1,429 | 648 | 1,094 |
| Cash receipt from operating activities | 45,959 | 162,702 | (2,009) | 20,875 |
| Cash payment for employee benefits | (4,935) | (1,025) | (4,000) | (1,025) |
| Cash payment for corporate income tax expenses | (989) | (2,170) | (290) | (236) |
| Net cash flows provided (used in) by operating activities | 40,035 | 159,507 | (6,299) | 19,614 |

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"Unaudited"

"Reviewed"

Unit: Thousand Baht

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------------------|-------------------------------|-----------------|
| | 2023 | 2022 | 2023 | 2022 |
| Cash flows from investing activities | | | | |
| Cash payment for short-term loan to related parties | - | - | (1,200) | (2,900) |
| Cash receipt from short-term loan to related parties | - | - | 1,000 | 32,000 |
| Cash payment for purchase of fixed assets and intangible assets | (18,694) | (2,081) | (11,629) | (1,871) |
| Cash receipt from sales of fixed assets and intangible assets | 4,825 | 557 | - | 449 |
| Cash payment for investment in subsidiary | - | - | (15,000) | - |
| Cash received from sale of investment in subsidiary | - | - | 30,000 | - |
| Cash receipt from interest income | 319 | 453 | 790 | 449 |
| Net cash flows provided by (used in) investing activities | (13,550) | (1,071) | 3,961 | 28,127 |
| Cash flows from financing activities | | | | |
| Cash receipt from changes in ownership interests in a subsidiary that do not result in a loss of control | 30,000 | - | - | - |
| Increase (decrease) in bank overdrafts and short-term loans from financial institutions | (25,091) | (23,279) | (10,805) | (33,257) |
| Cash receipt from short-term loans from related parties | 3,000 | 390 | 22,000 | 4,370 |
| Cash payment for short-term loans from related parties | - | (20,000) | (1,000) | (24,000) |
| Cash receipt from long-term loans from related person | - | - | - | 10,000 |
| Cash receipt from long-term loans from financial institutions | 16,867 | 10,833 | 14,966 | - |
| Repayment of long-term loans from financial institutions | (27,551) | (125,218) | (11,197) | (9,855) |
| Repayment of lease liabilities and other financial liabilities | (16,232) | (11,156) | (8,106) | (3,628) |
| Cash payment for finance costs | (11,199) | (11,306) | (6,410) | (6,024) |
| Net cash flows used in financing activities | (30,206) | (179,736) | (552) | (62,394) |
| Net decrease in cash and cash equivalent | (3,721) | (21,300) | (2,890) | (14,653) |
| Cash and cash equivalents at beginning of period | 35,852 | 41,293 | 18,942 | 26,442 |
| Cash and cash equivalents at ending of period | 32,131 | 19,993 | 16,052 | 11,789 |
| Supplemental cash flows information | | | | |
| Non-cash transactions | | | | |
| Increase (decrease) in payables for purchase of fixed assets and intangible assets | 529 | (882) | 363 | (1,399) |
| Increase in receivable for sales of fixed assets | - | - | 9,480 | - |
| Increase in right of use asset/ lease liabilities | 467 | 22,803 | 467 | 16,578 |
| Fixed assets transfer from inventory/right of use asset/intangible assets | - | 2,385 | - | 2,385 |
| Capitalised borrowing costs relating to the acquisition of real estate development costs | - | 3,503 | - | - |
| Reclassify cost of real estate development project to property, plant and equipment | - | 18,425 | - | 18,425 |
| Reclassify senior living project under development to cost of real estate development project | - | 160,845 | - | 153,866 |
| Reclassify property, plant and equipment to cost of real estate development project | 10,318 | 55,575 | 10,318 | 55,575 |
| Transfer cash deposit for land under other current assets to cost of real estate development project2 | 42,000 | - | 42,000 | - |
| Decrease in other payables - accrued employee benefit | 4,935 | - | 4,000 | - |

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

BUILDERSMART PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023 (UNAUDITED) (REVIEWED)

1. GENERAL INFORMATION

BuilderSmart Public Company Limited (“the Company”) has its registered address at 1055, Rama III Rd., Chong Nonsi, Yan Nawa, Bangkok. The Company has a branch located at 647 Moo 7, Hin Lek Fai, Hua Hin, Prachuap Khiri Khan.

The Company principally engages in the retail sale of construction materials, tools, equipment for construction and interior design, and property development and lease of the Senior Living Project.

The Company was listed on the Stock Exchange of Thailand on February 14, 2008. The Company’s shares are traded on the mai (Market for Alternative Investment).

2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34, Interim Financial Reporting.

The interim financial statements consist of primary financial information (i.e. statement of financial position, statement of comprehensive income, statement of changes in shareholders’ equity, and statement of cash flows). The Company has chosen to present the interim financial statements in a format consistent with the annual financial statements, in compliance with Thai Accounting Standard No. 1, Presentation of Financial Statements. The notes to the interim financial statements are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial statements have been prepared in Thai language and expressed in Thai Baht and are rounded to the nearest thousand Baht unless otherwise stated. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided, translated based on Thai version.

The interim financial statements have been prepared to provide information in addition to that included in the financial statements for the year ended December 31, 2022. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2022.

The preparation of the interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

Basis for preparation of the consolidated interim financial statements

The consolidated interim financial statements include the interim financial statements of the Company and its subsidiaries (together referred to as the “the Group”) are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2022.

There is no change in the structure of the Group during the current period.

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 December 31, 2022.

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

4. RELATED PARTY TRANSACTIONS

During the period, the Group has significant business transactions with related parties. There are no significant changes in the transfer pricing policy, except for the revenue from sale of fixed assets with the transfer pricing policy based on cost plus margin.

4.1 Significant transactions with related parties for the three-month periods ended June 30, 2023 and 2022 are as follows:

| | Unit: Thousand Baht | | | |
|---|-----------------------------|-------------|-----------------------------|-------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| <u>Subsidiaries</u> | | | | |
| Revenues from sales and services | - | - | 274 | 525 |
| Purchase of goods and services | - | - | 2,051 | 1,084 |
| Revenues from sale of fixed assets | - | - | 4,942 | - |
| Interest income | - | - | 1,162 | 1,322 |
| Rental income | - | - | 51 | 76 |
| Management fee income | - | - | 4,904 | 8,493 |
| Other expenses | - | - | 56 | - |
| Finance costs | - | - | 101 | 125 |
| <u>Related parties</u> | | | | |
| Cost of real estate development project | - | 1,780 | - | - |
| Rental expenses | 1,412 | 1,430 | 622 | 1,167 |
| Finance costs | 662 | 341 | 662 | 341 |

Significant transactions with related parties for the six-month periods ended June 30, 2023 and 2022 are as follows:

| | Unit: Thousand Baht | | | |
|---|-----------------------------|-------------|-----------------------------|-------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Subsidiaries | | | | |
| Revenues from sales and services | - | - | 278 | 1,050 |
| Purchase of goods and services | - | - | 3,790 | 2,021 |
| Revenues from sale of fixed assets | - | - | 9,682 | - |
| Interest income | - | - | 2,475 | 2,783 |
| Rental income | - | - | 127 | 152 |
| Management fee income | - | - | 9,740 | 16,729 |
| Other expenses | - | - | 577 | - |
| Finance costs | - | - | 214 | 274 |
| Related parties | | | | |
| Revenues from sales and services | - | 13,990 | - | - |
| Cost of real estate development project | - | 6,963 | - | - |
| Rental expenses | 2,840 | 2,788 | 1,245 | 2,335 |
| Finance costs | 1,181 | 770 | 1,181 | 708 |

4.2 Significant balances between the Company and those related companies as at June 30, 2023 and December 31, 2022 are as follows:

| | Unit: Thousand Baht | | | |
|--|-----------------------------|-------------|-----------------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Trade and other current receivables | | | | |
| Subsidiaries | - | - | 40,586 | 23,947 |
| Related persons - Directors | 17 | 57 | - | - |
| <u>Less</u> Allowance for expected credit losses | - | - | (3,421) | (3,421) |
| Net | 17 | 57 | 37,165 | 20,526 |
| Short-term loans | | | | |
| Subsidiary | - | - | 9,000 | 8,800 |
| Total | - | - | 9,000 | 8,800 |
| Other current assets | | | | |
| Related company | | | | |
| Retentions receivable | 273 | 273 | 273 | 273 |
| Deposit for construction cost | 656 | 654 | - | - |
| Total | 929 | 927 | 273 | 273 |

| | Unit: Thousand Baht | | | |
|--|----------------------|---------------|----------------------|----------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Long-term loans to and interest receivables - net | | | | |
| Subsidiaries | - | - | 123,920 | 121,948 |
| <u>Less</u> Current portion of long-term loans to and interest receivables | - | - | (62,820) | (17,000) |
| Net | - | - | 61,100 | 104,948 |
| Trade and other current payables | | | | |
| Subsidiary | - | - | 62,644 | 60,708 |
| Related company | 2,358 | 2,358 | - | - |
| Related persons - Directors | 78 | 24 | 44 | 8 |
| Total | 2,436 | 2,382 | 62,688 | 60,716 |
| Short-term loans from related parties - net | | | | |
| Subsidiary | - | - | 47,475 | 29,475 |
| Related person | 21,000 | 18,000 | 21,000 | 18,000 |
| Total | 21,000 | 18,000 | 68,475 | 47,475 |
| <u>Less</u> Deferred interest expenses | (427) | (251) | (427) | (251) |
| Net | 20,573 | 17,749 | 68,048 | 47,224 |
| Retention payable | | | | |
| Related company | 2,646 | 2,673 | - | - |
| Total | 2,646 | 2,673 | - | - |
| Long-term loans from related parties | | | | |
| Related persons | 5,000 | 5,000 | 5,000 | 5,000 |
| Total | 5,000 | 5,000 | 5,000 | 5,000 |
| Non-current liability for guarantee refund to lessee - net | | | | |
| Related persons (Note 4.2.1) | 15,000 | 15,000 | 15,000 | 15,000 |
| <u>Less</u> Deferred interest expenses | (310) | (614) | (310) | (614) |
| Net | 14,690 | 14,386 | 14,690 | 14,386 |

4.2.1 As at June 30, 2023 and December 31, 2022, the Company had a lease agreement - guaranteed refund with a director's close relative presented as "Non-current liability for guarantee refund to lessee - net" amounting to Baht 15 million in the statement of financial position.

4.3 During the six-month period ended June 30, 2023, movements of short-term loans to related party were as follows:

| | Unit: Thousand Baht | | | As at June 30, 2023 |
|--|--------------------------------------|------------------------------------|-----------------|--------------------------------|
| | Separate financial statements | | | |
| | As at | Movements during the period | | |
| | January 1, 2023 | Increase | Decrease | |
| Short-term loans to related party | | | | |
| Subsidiary | 8,800 | 1,200 | (1,000) | 9,000 |
| Total | 8,800 | 1,200 | (1,000) | 9,000 |

As at June 30, 2023, the Company has loans to Sansara Lifestyle Services Co., Ltd., in terms of loan agreement for the purpose of supporting its operations. The loans do not bear interest and are payable on demand.

4.4 During the six-month period ended June 30, 2023, movements of long-term loans to and interest receivables from related party - net were as follows:

| | Unit: Thousand Baht | | | As at June 30, 2023 |
|---|--------------------------------------|------------------------------------|-----------------|--------------------------------|
| | Separate financial statements | | | |
| | As at | Movements during the period | | |
| | January 1, 2023 | Increase | Decrease | |
| Long-term loans to and interest receivables from related party - net | | | | |
| Subsidiary | 93,100 | - | - | 93,100 |
| Interest receivables | 28,848 | 2,472 | (500) | 30,820 |
| Total | 121,948 | 2,472 | (500) | 123,920 |
| <u>Less</u> Current portion | (17,000) | | | (62,820) |
| Total | 104,948 | | | 61,100 |

As at June 30, 2023, the Company's management considered revising the repayment plan of loans to Teak Development Company Limited by entering into a new loan agreement, with an interest bearing at 5.36% per annum by suspending interest for one year. According to the repayment plan, loan principal and accrued interest will be completely paid within two years (previously due within December 2022). The effective interest rate is 4.52% per annum, close to the current market interest rate.

4.5 During the six-month period ended June 30, 2023, movements of short-term loans from related parties were as follows:

| | Unit: Thousand Baht | | | | | | | |
|--|-----------------------------------|------------------|----------|-------------------------------|---------------|------------------|----------------|---------------|
| | Consolidated financial statements | | | Separate financial statements | | | | |
| | As at | Movements during | | As at | As at | Movements during | | As at |
| | January 1, | the period | | June 30, | January 1, | the period | | June 30, |
| 2023 | Increase | Decrease | 2023 | 2023 | Increase | Decrease | 2023 | |
| Short-term loans from related parties - net | | | | | | | | |
| Subsidiaries | - | - | - | - | 29,475 | 19,000 | (1,000) | 47,475 |
| Related person - Director | 18,000 | 3,000 | - | 21,000 | 18,000 | 3,000 | - | 21,000 |
| Total | 18,000 | 3,000 | - | 21,000 | 47,475 | 22,000 | (1,000) | 68,475 |
| Less Deferred interest expenses | (251) | | | (427) | (251) | | | (427) |
| Net | 17,749 | | | 20,573 | 47,224 | | | 68,048 |

4.5.1 As at June 30, 2023, the Company has short-term loans from subsidiary companies in term of loan agreement. The loans of Baht 12.98 million bear an interest rate of 2.8% and 5.36% per annum, and loan of Baht 34.50 million is no interest bearing. The purpose of the loans are for its working capital. The loans are payable on demand.

4.5.2 As at June 30, 2023, the Company has a short-term loan from directors for the purpose of its working capital, in term of Bills of Exchange in the amount of Baht 21 million with a maturity period of not over 270 days, bears interest at the rate of 6.4% per annum and is due on October 20, 2023.

4.6 During the six-month period ended June 30, 2023, movements of long-term loan from related party were as follows:

| | Unit: Thousand Baht | | | |
|--|--|-----------------------------|----------|---------------|
| | Consolidated and separate financial statements | | | |
| | As at | Movements during the period | | As at |
| | January 1, 2023 | Increase | Decrease | June 30, 2023 |
| Long-term loan from related party | | | | |
| Related person | 5,000 | - | - | 5,000 |
| Total | 5,000 | - | - | 5,000 |

As at June 30, 2023, the Company has a long-term lease agreement for an apartment unit with a director's relative together with a third party ("Leasehold Purchaser") with a lease term of 1 year and 10 months at the lease payment of Baht 10 million. The Company agree to lease such apartment back as an operating lease from the Leasehold Purchaser to use as a serviced apartment for the same period of the lease term with a return rate of 5% per annum on the lease payment. In event the Leasehold Purchaser would like to terminate the lease agreement or where the lease expires, the Company would receive such lease rights transferred back and then refund the lease payment of Baht 10 million to the Leasehold purchaser. The Company, therefore, recognised the lease payment of Baht 5 million as "Long-term loan from related party" and the lease payment of another Baht 5 million as "Long-term loan from other person" in the consolidated and separate statements of financial position.

4.7 Key management personnel compensation

Key management personnel compensation for the three-month periods ended June 30, 2023 and 2022 consisted of:

| | Unit: Thousand Baht | | | |
|--|-----------------------------------|--------------|-------------------------------|--------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Short-term benefits | 6,597 | 6,360 | 2,716 | 3,724 |
| Post-employment benefits | 242 | 322 | 101 | 244 |
| Total key management personnel compensation | 6,839 | 6,682 | 2,817 | 3,968 |

Key management personnel compensation for the six-month periods ended June 30, 2023 and 2022 consisted of:

| | Unit: Thousand Baht | | | |
|--|-----------------------------------|---------------|-------------------------------|--------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Short-term benefits | 12,432 | 13,350 | 5,229 | 8,001 |
| Post-employment benefits | 476 | 656 | 199 | 498 |
| Total key management personnel compensation | 12,908 | 14,006 | 5,428 | 8,499 |

5. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables - net as at June 30, 2023 and December 31, 2022 consisted of:

| | Unit: Thousand Baht | | | |
|--|-----------------------------------|---------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Trade receivables | | | | |
| Trade receivables - other parties | 61,672 | 61,491 | 23,262 | 27,328 |
| Trade receivables - related parties | 17 | 18 | 5,425 | 5,425 |
| <u>Less</u> Allowance for expected credit losses | (11,843) | (11,843) | (10,045) | (10,045) |
| Total trade receivables - net | 49,846 | 49,666 | 18,642 | 22,708 |
| Other current receivables | | | | |
| Other receivables - related parties | - | 39 | 22,687 | 9,025 |
| Advances to related parties | - | - | 12,474 | 9,497 |
| Prepaid commission expenses | 1,740 | 1,999 | - | - |
| Prepaid expenses | 2,786 | 1,897 | 1,311 | 424 |
| Revenue Department receivable | 9,294 | 6,635 | 1,049 | 232 |
| Others | 834 | 1,492 | 257 | 863 |
| <u>Less</u> Allowance for expected credit losses | - | - | (3,421) | (3,421) |
| Total other current receivables - net | 14,654 | 12,062 | 34,357 | 16,620 |
| Total trade and other current receivables - net | 64,500 | 61,728 | 52,999 | 39,328 |

As at June 30, 2023 and December 31, 2022, the Group has aging of trade receivables were as follows:

| | Unit: Thousand Baht | | | |
|--|-----------------------------------|-----------------|-------------------------------|-----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Trade receivables - other parties | | | | |
| Within credit term | 37,897 | 27,378 | 7,902 | 11,568 |
| Over credit term | | | | |
| Up to 3 months | 8,629 | 18,272 | 4,056 | 4,275 |
| 3 - 6 months | 160 | 1,289 | 1 | 1,216 |
| 6 - 12 months | 1,464 | 369 | 1,246 | - |
| Over 12 months | 13,522 | 14,183 | 10,057 | 10,269 |
| Total trade receivables - other parties | 61,672 | 61,491 | 23,262 | 27,328 |
| <u>Less Allowance for expected credit losses</u> | <u>(11,843)</u> | <u>(11,843)</u> | <u>(10,045)</u> | <u>(10,045)</u> |
| Total trade receivables - other parties - net | 49,829 | 49,648 | 13,217 | 17,283 |
| Trade receivables - related parties | | | | |
| Within credit term | - | - | - | 175 |
| Over credit term | | | | |
| Up to 3 months | 17 | 18 | - | 350 |
| 3 - 6 months | - | - | 175 | 525 |
| 6 - 12 months | - | - | 1,050 | 1,225 |
| Over 12 months | - | - | 4,200 | 3,150 |
| Total trade receivables - related parties | 17 | 18 | 5,425 | 5,425 |
| Total trade receivables - net | 49,846 | 49,666 | 18,642 | 22,708 |

6. INVENTORIES - NET

Inventories - net as at June 30, 2023 and December 31, 2022 are as follows:

| | Unit: Thousand Baht | | | |
|--|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Finished goods | 56,961 | 65,116 | 11,657 | 11,332 |
| Raw materials | 24,257 | 25,656 | - | - |
| Supplies | 728 | 631 | - | - |
| Work-in-progress | 8,375 | 8,431 | 5,491 | 4,094 |
| <u>Less Allowance for obsolete inventory</u> | <u>(6,617)</u> | <u>(6,438)</u> | <u>(2,864)</u> | <u>(2,864)</u> |
| Net | 83,704 | 93,396 | 14,284 | 12,562 |

7. COST OF REAL ESTATE DEVELOPMENT PROJECT

Cost of real estate development project as at June 30, 2023 and December 31, 2022 are as follows:

| | Unit: Thousand Baht | | | |
|----------------------------|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Land | 88,234 | 40,234 | 88,234 | 40,234 |
| Construction cost | 2,514 | 2,514 | 2,514 | 2,514 |
| Furniture cost | 609 | - | - | - |
| Condominium held for sales | 398,682 | 434,196 | 76,024 | 86,577 |
| Total | 490,039 | 476,944 | 166,772 | 129,325 |

As at June 30, 2023, the Group has 4 real estate development projects, 1 project of “Senior Living Project”, 3 projects of “The Teak”. The real estate development project cost of Baht 48 million has yet to start to develop.

As at June 30, 2023, the subsidiary mortgaged its land and any structures thereon of the 1 project at their book value of Baht 235.08 million with one bank as collateral for financial support credit facilities, for the operation of the projects (Note 14 and 19.2) and mortgaged a condominium unit held for sales at their book value of Baht 12.51 million as collateral for long-term loans from other party in the amount of Bath 18 million.

8. INVESTMENTS IN SUBSIDIARIES COMPANY - NET

The details of investments in subsidiaries company - net presented in the separate financial statements as at June 30, 2023 and December 31, 2022 consisted of:

| Company | Issued and paid-up capital | | | | Shareholding | | Unit: Million Baht | |
|--|----------------------------|------|-----------------------|------|----------------|------|--------------------|------------|
| | Unit: Million Baht | | Unit: Thousands Rupee | | proportion (%) | | At cost | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Install Direct Company Limited | 10 | 10 | - | - | 100 | 100 | 10 | 10 |
| BuilderSmart Construction Systems Private Limited | - | - | 1 | 1 | 99.7 | 99.7 | 1 | 1 |
| Alloy Solutions Asia Limited | 80 | 80 | - | - | 87.5 | 100 | 70 | 65 |
| Sansara Development Company Limited | 150 | 150 | - | - | 100 | 100 | 150 | 150 |
| Sansara Lifestyle Service Company Limited | 2 | 2 | - | - | 100 | 100 | 2 | 2 |
| Teak Development Limited | 150 | 150 | - | - | 100 | 100 | 151 | 151 |
| Total | | | | | | | 384 | 379 |
| <u>Less</u> Allowance for impairment loss of investments | | | | | | | (110) | (110) |
| Net | | | | | | | 274 | 269 |

Changes of investments in subsidiary

Alloy Solution Asia Limited

On February 24, 2023, the meeting of the Board of Directors of Alloy Solution Asia Limited (a subsidiary) passed a resolution to additionally call up the remaining amount of its registered share capital of Baht 15 million. The Company has already paid for the share subscription.

In March, 2023, the Company entered into Ordinary Share Purchase Agreements with five third-party people to sell 2 million ordinary shares in Alloy Solution Asia Limited, a price value of Baht 15 per share, totaling Baht 30 million. Certain terms of the agreement after share purchase are stipulated in the agreement.

The disposal of investment in such a subsidiary reduced the Company's ownership interest in the subsidiary from 100% to 87.5% without loss of control of the subsidiary. The Company recognized the difference between cash received from the sale of investment in the subsidiary and non-controlling interests in the amount of Baht 20.34 million in "Change in parent's ownership interest in subsidiary" under shareholders' equity in the consolidated financial statements and recognized the difference between cash received from the sale of investment in subsidiary and cost of such investment in the amount of Baht 20 million in "Gain on sale of investment in subsidiary" in profit or loss of the separate financial statements.

9. PROPERTY, PLANT AND EQUIPMENT - NET

Movements of the property, plant and equipment - net account during the six-month period ended June 30, 2023, are summarised below:

| | Unit: Thousand Baht | |
|---|---------------------|---------------------|
| | Consolidated | Separate |
| | financial statement | financial statement |
| Net book value as at January 1, 2023 | 139,472 | 128,137 |
| Acquisitions during the period - at cost | 17,800 | 10,650 |
| Transfer from right-of-use assets - net | 600 | - |
| Transfer to cost of real estate development project | (10,318) | (10,318) |
| Written-off during the period - net book value at the date of written-off | (5,055) | (4,937) |
| Depreciation for the period | (7,394) | (4,520) |
| Net book value as at June 30, 2023 | 135,105 | 119,012 |

The subsidiary, Alloy Solution Asia Limited, use its machinery with a book value of Baht 4.14 million as at June 30, 2023, as collateral for leasing machinery from a bank (Note 14).

10. RIGHT-OF-USE ASSETS - NET

Movements of the right of use assets - net account during the six-month period ended June 30, 2023, are summarised below:

| | Unit: Thousand Baht | |
|---|-------------------------------------|---------------------------------|
| | Consolidated financial statement | Separate financial statement |
| Net book value as at January 1, 2023 | 76,118 | 39,119 |
| Addition during the period - at cost | 467 | 467 |
| Transfer to property, plant and equipment - net | (600) | - |
| Depreciation for the period | (11,341) | (6,486) |
| Net book value as at June 30, 2023 | 64,644 | 33,100 |

11. INTANGIBLE ASSETS - NET

Movements of the intangible assets - net account during the six-month period ended June 30, 2023 are summarised below:

| | Unit: Baht | |
|---|-------------------------------------|---------------------------------|
| | Consolidated financial statement | Separate financial statement |
| Net book value as at January 1, 2023 | 111,872 | 108,016 |
| Acquisitions during the period - at cost | 1,423 | 1,342 |
| Written-off during the period - net book value at the date of written-off | (1,220) | (1,220) |
| Amortisation for the period | (2,078) | (1,750) |
| Net book value as at June 30, 2023 | 109,997 | 106,388 |

12. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at June 30, 2023 and December 31, 2022 comprised:

| | Unit: Thousand Baht | | | |
|------------------|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Bank overdrafts | 21,503 | 20,395 | 9,701 | 9,690 |
| Trust receipt | 37,983 | 58,165 | 6,438 | 11,236 |
| Promissory notes | 130,104 | 136,121 | 130,104 | 136,122 |
| Total | 189,590 | 214,681 | 146,243 | 157,048 |

13. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at June 30, 2023 and December 31, 2022 consisted of:

| | Unit: Thousand Baht | | | |
|---|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Trade payables | | | | |
| Trade payables - other parties | 46,592 | 60,098 | 17,422 | 26,436 |
| Trade payables - related parties | 22 | - | 18,332 | 16,559 |
| Total trade payables | 46,614 | 60,098 | 35,754 | 42,995 |
| Other current payables | | | | |
| Advances from related parties | 56 | 24 | 22 | 8 |
| Other payables | 9,875 | 10,341 | 3,601 | 3,500 |
| Payables for business transfer - subsidiary | - | - | 43,579 | 43,579 |
| Commission payables | 4,324 | 6,167 | 2,697 | 4,784 |
| Accrued expenses | 7,707 | 14,238 | 5,839 | 9,988 |
| Accrued senior living project under development | 3,353 | 4,799 | 3,353 | 4,799 |
| Accrued cost of real estate development project | 2,392 | 3,708 | - | - |
| Accrued cost of real estate development project - related parties | 2,358 | 2,358 | - | - |
| Accrued bonus expenses | 3,915 | 2,985 | 1,571 | 1,171 |
| Interest payables | 2,749 | 2,923 | 2,142 | 2,620 |
| Interest payables - person and related parties | - | - | 755 | 570 |
| Other | 2,208 | 1,959 | 728 | 527 |
| Total other current payables | 38,937 | 49,502 | 64,287 | 71,546 |
| Total trade and other current payables | 85,551 | 109,600 | 100,041 | 114,541 |

14. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Movements of long-term loans from financial institutions as at June 30, 2023 and December 31, 2022 are summarised below:

| | Unit: Thousand Baht | | | |
|---|-----------------------------------|----------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2023 | 2022 | 2023 | 2022 |
| Long-term loan from financial institution of the period | 169,744 | 347,756 | 50,233 | 98,129 |
| Addition during the period | 16,867 | 18,348 | 14,966 | - |
| Repayment | (27,551) | (196,360) | (11,197) | (47,896) |
| Long-term loan from financial institution at end of period | 159,060 | 169,744 | 54,002 | 50,233 |
| <u>Less</u> Current portion of long-term loans | (136,320) | (140,619) | (33,922) | (25,425) |
| Net | 22,740 | 29,125 | 20,080 | 24,808 |

As at June 30, 2023, such long-term loan has significant conditions as disclosed in Note 23 of the financial statements for the year ended December 31, 2022, except for additional loan transferring from a letter of credit and trust receipts credit facilities obtained during the period as follow:

| <u>Credit limit</u> | <u>Repayment period</u> | <u>Interest rate</u> |
|--------------------------|-----------------------------|----------------------------------|
| Unit: Million Baht 15 | 13 months from May 25, 2023 | Specified in the promissory note |

The repayment schedule is as follows:

- 1st to 4th installment (June 2023 - September 2023) repayment of Baht 500,000 per installment.
- 5th to 12th installment (October 2023 - May 2024) repayment of Baht 1,000,000 per installment.
- 13th installment (June 2024) which is the last installment, repayment of all outstanding amount.

Fixed deposits, land and buildings of the senior living project for three villas with a carrying amount as at June 30, 2023 of Baht 56.00 million in the investment properties account and the subsidiary's land along with any structures thereon and its machinery, were pledged as collateral for credit facilities (Note 7 and 9).

15. SHARE CAPITAL

As of April 27, 2023, the Annual General Shareholders' Meeting for the year 2023 passed the resolutions to approve:

Decrease of authorised share capital

- To decrease its authorised share capital by Baht 5,463,694.70 from the original share capital amount of Baht 218,514,314.00 to a new share capital of Baht 213,050,619.30 by reducing the ordinary shares of 54,636,947 shares at a par value of Baht 0.10 per share remaining from the expired BSM-W2 warrants.

Increase of authorised share capital and allocation of increasing shares

- To increase the authorised share capital by Baht 0.70 from the original share capital amount of Baht 213,050,619.30 to a new share capital of Baht 213,050,620.00 at a par value of Baht 0.10 per share to support the change in par value from Baht 0.10 to Baht 1.00 per share through a reserve stock split by consolidating shares to avoid fractional shares and allot newly issued ordinary shares of the Company amounting to Baht 0.70 per share for a private placement of 7 shares at a par value of Baht 0.10 per share (before changing in the shares' par value), the offer price being determined according to the market price without discount during the offer period.

Changes in the par value of ordinary shares of the company

- To change the par value of ordinary shares from Baht 0.10 per share to Baht 1.00 per share by reserve stock split, resulting in a reduction in the number of issued and paid-up share capital from 2,130,506,200 shares at a par value of Baht 0.10 per share to 213,050,620 shares at a par value of Baht 1.00 per share.

The Company registered such changes with the Ministry of Commerce on May 3, 2023.

16. BASIC LOSS PER SHARE

As described in Note 15, the Company increased the par value of share capital from Baht 0.10 per share to Baht 1.00 per share. The weighted average numbers of ordinary shares for calculating the basic loss per share for the three-month and six-month periods ended June 30, 2022, were retrospectively restated as if the event had always been occurred.

17. FINANCIAL INFORMATION BY SEGMENT

Segment information is presented with respect to the Group's business segment which based on the Group's Management and internal reporting structure.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate assets, other income, selling expenses, administrative expenses and finance costs.

The Group's business segment information and reconciliation of reportable segment profit or loss for the three-month periods ended June 30, 2023 and 2022 were as follows:

| | Unit: Thousand Baht | | | | | | | | | | | | | |
|---|------------------------|---------------|------------------------|--------------|-----------------------|-----------------|---------------------|----------------|-----------------|-----------------|-----------------------|----------------|----------------------|-----------------|
| | Sales of | | Real estate | | | | Elimination of | | Consolidated | | | | | |
| | construction materials | | Selling and installing | | Senior Living Project | | development project | | Central | | inter-segment revenue | | financial statements | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Revenue from sales and services | 76,647 | 82,312 | 11,459 | 12,420 | 42,536 | 11,140 | 13,028 | 35,536 | - | - | - | - | 143,670 | 141,408 |
| Inter-segment revenue | 127 | - | 749 | - | 24 | - | - | - | - | - | (900) | - | - | - |
| Cost of sales and services | (49,445) | (54,261) | (13,593) | (12,720) | (30,439) | (10,921) | (10,017) | (29,807) | - | - | 960 | 76 | (102,534) | (107,633) |
| Segment gross profit (loss) | 27,329 | 28,051 | (1,385) | (300) | 12,121 | 219 | 3,011 | 5,729 | - | - | 60 | 76 | 41,136 | 33,775 |
| Interest income | | | | | 96 | 84 | 89 | 112 | 1,325 | 1,787 | (1,249) | (1,798) | 261 | 185 |
| Other income | | | | | 524 | 7 | 68 | 7 | 1,118 | 1,293 | 62 | (750) | 1,772 | 557 |
| Gain on foreign exchange - net | | | | | - | - | - | - | 627 | 1,226 | - | - | 627 | 1,226 |
| Distribution costs | | | | | (3,938) | (2,658) | (1,719) | (3,067) | (12,356) | (11,302) | 24 | - | (17,989) | (17,027) |
| Administrative expenses | | | | | (3,698) | (8,590) | (2,733) | (3,231) | (14,891) | (14,924) | 214 | 750 | (21,108) | (25,995) |
| Profit (loss) from operating activities | | | | | 5,105 | (10,938) | (1,284) | (450) | (24,177) | (21,920) | (889) | (1,722) | 4,699 | (7,279) |
| Finance costs | | | | | (1,543) | (1,669) | (3,103) | (1,374) | (4,085) | (3,670) | 1,249 | 1,246 | (7,482) | (5,467) |
| Share of loss of joint ventures | | | | | - | - | (45) | (23) | - | - | - | - | (45) | (23) |
| Profit (loss) before income tax expenses | | | | | 3,562 | (12,607) | (4,432) | (1,847) | (28,262) | (25,590) | 360 | (476) | (2,828) | (12,769) |
| Income tax expenses | | | | | (444) | (332) | (90) | - | (577) | (2,037) | - | - | (1,111) | (2,369) |
| Profit (loss) for the period | | | | | 3,118 | (12,939) | (4,522) | (1,847) | (28,839) | (27,627) | 360 | (476) | (3,939) | (15,138) |

The Group's business segment information and reconciliation of reportable segment profit or loss for the six-month periods ended June 30, 2023 and 2022 were as follows:

| | Unit: Thousand Baht | | | | | | | | | | | | | |
|---|------------------------|---------------|------------------------|--------------|-----------------------|----------------|---------------------|----------------|-----------------|-----------------|-----------------------|----------------|----------------------|-----------------|
| | Sales of | | | | Real estate | | | | Elimination of | | | | Consolidated | |
| | construction materials | | Selling and installing | | Senior Living Project | | development project | | Central | | inter-segment revenue | | financial statements | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Revenue from sales and services | 155,345 | 155,449 | 19,959 | 23,570 | 49,635 | 59,609 | 31,644 | 187,335 | - | - | - | - | 256,583 | 425,963 |
| Inter-segment revenue | 127 | - | 2,393 | 65 | 24 | - | - | - | - | - | (2,544) | (65) | - | - |
| Cost of sales and services | (103,334) | (105,603) | (25,537) | (24,370) | (35,693) | (44,876) | (25,356) | (170,141) | - | - | 2,549 | 218 | (187,371) | (344,772) |
| Segment gross profit (loss) | 52,138 | 49,846 | (3,185) | (735) | 13,966 | 14,733 | 6,288 | 17,194 | - | - | 5 | 153 | 69,212 | 81,191 |
| Interest income | | | | | 299 | 194 | 188 | 247 | 2,715 | 3,683 | (2,661) | (3,747) | 541 | 377 |
| Other income | | | | | 1,003 | 428 | 215 | 3,026 | 1,432 | 2,785 | (29) | (1,500) | 2,621 | 4,739 |
| Gain on foreign exchange - net | | | | | - | - | - | - | 379 | 1,317 | - | - | 379 | 1,317 |
| Distribution costs | | | | | (6,386) | (6,435) | (3,720) | (12,616) | (23,360) | (23,384) | 24 | - | (33,442) | (42,435) |
| Administrative expenses | | | | | (9,674) | (12,461) | (4,964) | (6,432) | (29,563) | (22,173) | 720 | 1,500 | (43,481) | (39,566) |
| Profit (loss) from operating activities | | | | | (792) | (3,541) | (1,993) | 1,419 | (48,397) | (37,772) | (1,941) | (3,594) | (4,170) | 5,623 |
| Finance costs | | | | | (3,064) | (3,291) | (6,313) | (3,825) | (8,053) | (7,457) | 2,661 | 2,657 | (14,769) | (11,916) |
| Share of loss of joint ventures | | | | | - | - | (101) | (168) | - | - | - | - | (101) | (168) |
| Profit (loss) before income tax expenses | | | | | (3,856) | (6,832) | (8,407) | (2,574) | (56,450) | (45,229) | 720 | (937) | (19,040) | (6,461) |
| Income tax expenses | | | | | (399) | (987) | (172) | - | (2,089) | (2,776) | - | - | (2,660) | (3,763) |
| Profit (loss) for the period | | | | | (4,255) | (7,819) | (8,579) | (2,574) | (58,539) | (48,005) | 720 | (937) | (21,700) | (10,224) |

The reconciliations of each segment total assets to the Group's assets and other material items as at June 30, 2023 and December 31, 2022 were as follows:

| | Unit: Thousand Baht | | | | | | | | | | | |
|--|-----------------------------|----------------|-------------------------------|---------------|------------------------------|----------------|----------------------------|---------------|-------------------------------|--------------|-------------------|----------------|
| | Sale of construction | | | | Real estate | | | | Consolidated financial | | | |
| | materials | | Selling and installing | | Senior Living Project | | development project | | Central | | statements | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Non-current assets | | | | | | | | | | | | |
| Deposits at bank pledged as collateral | 47,320 | 47,320 | - | - | - | - | - | - | 3,000 | 3,000 | 50,320 | 50,320 |
| Investments in joint venture | - | - | - | - | - | - | 8,236 | 8,337 | - | - | 8,236 | 8,337 |
| Investment properties - net | - | - | - | - | 206,400 | 206,400 | - | - | - | - | 206,400 | 206,400 |
| Property, plant and equipment - net | 30,613 | 23,689 | 10,828 | 8,800 | 93,221 | 106,318 | 443 | 665 | - | - | 135,105 | 139,472 |
| Right-of-use assets - net | 42,535 | 47,718 | 4,865 | 6,706 | 16,403 | 20,654 | 841 | 1,040 | - | - | 64,644 | 76,118 |
| Intangible assets - net | 8,716 | 9,328 | - | - | 97,858 | 98,888 | 955 | 1,026 | 2,468 | 2,630 | 109,997 | 111,872 |
| Other | 10,953 | 9,857 | - | - | 9,023 | 209 | 291 | 1,585 | 2,702 | 2,650 | 22,969 | 14,301 |
| Total non-current assets | 140,137 | 137,912 | 15,693 | 15,506 | 422,905 | 432,469 | 10,766 | 12,653 | 8,170 | 8,280 | 597,671 | 606,820 |

For the second quarter of the year 2023, the Group has not revenues from a major customer more than 10 percent of revenue in consolidated financial statements (2022: The Group has revenues from one major customers more than 10 percent of revenues from sales of land of real estate development project, in the amount of Baht 139 million).

Geographical segments information

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers. In addition, the Group has insignificant assets located in foreign countries.

The Group's geographical segments information for the three-month and six-month periods ended June 30, 2023 and 2022 was as follows:

| | Unit: Thousand Baht | | | | | |
|--|----------------------------|-------------|--------------------------|-------------|--|-------------|
| | Thailand | | Foreign countries | | Consolidated financial statements | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| For the three-month periods ended June 30 | | | | | | |
| Revenue from sales and services | 132,889 | 127,486 | 10,781 | 13,922 | 143,670 | 141,408 |
| For the six-month periods ended June 30 | | | | | | |
| Revenue from sales and services | 232,108 | 400,610 | 24,475 | 25,353 | 256,583 | 425,963 |

18. FINANCIAL INSTRUMENTS

Foreign currency risk

The Group exposed to foreign currency related primarily to its accounts payables and anticipated purchases denominated in foreign currencies. During the six-month period ended June 30, 2023, the Group has not hedged the foreign currency on accounts payable and part of its anticipated purchases.

As of June 30, 2023, the Group has unhedged balances of financial assets and liabilities denominated in foreign currencies, are as follows:

| <u>Foreign currencies</u> | <u>Unit: Thousand foreign currency</u> | | <u>Exchange rate as at</u> | |
|---------------------------|--|--------------------|---|---------------------|
| | <u>As at June 30, 2023</u> | | <u>June 30, 2023</u> | |
| | <u>Consolidated financial statements</u> | | <u>(Baht per foreign currency unit)</u> | |
| | <u>Financial</u> | <u>Financial</u> | <u>Buying rate</u> | <u>Selling rate</u> |
| | <u>assets</u> | <u>liabilities</u> | | |
| US Dollars | 609 | 88 | 35.43 | 35.75 |
| New Zealand Dollars | - | 10 | 21.34 | 21.96 |

| <u>Foreign currencies</u> | <u>Unit: Thousand foreign currency</u> | | <u>Exchange rate as at</u> | |
|---------------------------|--|--------------------|---|---------------------|
| | <u>As at June 30, 2023</u> | | <u>June 30, 2023</u> | |
| | <u>Separate financial statements</u> | | <u>(Baht per foreign currency unit)</u> | |
| | <u>Financial</u> | <u>Financial</u> | <u>Buying rate</u> | <u>Selling rate</u> |
| | <u>assets</u> | <u>liabilities</u> | | |
| US Dollars | 49 | 88 | 35.43 | 35.75 |

19. COMMITMENTS AND CONTINGENT LIABILITIES

19.1 The Group entered into rental agreements for land and building for which the lease term ends within one year, the underlying asset is low value and service agreements.

As at June 30, 2023, the Group has above outstanding commitments with third parties to repay, are as follows:

| <u>Year</u> | <u>Unit: Thousand Baht</u> |
|----------------------------------|----------------------------|
| Within 1 year | 1,478 |
| Over 1 year but not over 5 years | 1,473 |

19.2 Commitments and contingent liabilities with financial institutions

As at June 30, 2023 the Group has outstanding commitments and contingent liabilities with financial institutions as follows:

| | Consolidated financial statement | | |
|--|---|-----------------|---------------|
| | Unit: Million Baht | | |
| | Credit limit | Used | Unused |
| 1) Bank overdrafts | 22.42 | (21.50) | 0.92 |
| 2) Short-term loan - trust receipts, letters of credit and promissory notes | 224.88 | (168.09) | 56.79 |
| 3) Letter of guarantee | 86.32 | (37.89) | 48.43 |
| | 333.62 | (227.48) | 106.14 |

The Group has currency forward contracts facility in the local currency amounting to Baht 38.04 million and USD 1.80 million.

As at June 30, 2023, the Group had letters of guarantee issued by financial institutions for electricity usage and payment of goods to certain suppliers amounting to Baht 37.89 million.

Fixed deposits of the Company and subsidiary in the amount of Baht 50.32 million, and the investment in government bond of Company in the amount of 10 million and land and buildings of the projects were pledged as collateral for above trade financing facilities (Note 7).

20. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it has an appropriate financial structure and to maintain the ability of the Group to continue its business as a going concern.

According to the statement of financial position as at June 30, 2023, the Group and the Company's debt-to-equity ratio were 1.83: 1 and 1.12: 1 respectively (as at December 31, 2022: 1.98: 1 and 1.14: 1)

21. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company's Board of Directors on August 11, 2023.