

AP (Thailand) Public Company Limited and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of AP (Thailand) Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of AP (Thailand) Public Company Limited and its subsidiaries as at 30 June 2021, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended and the related consolidated statements of changes in shareholders' equity and cash flows for the six-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 AP (Thailand) Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 10 August 2021

AP (Thailand) Public Company Limited and its subsidiaries

Statements of financial position

As at 30 June 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	2,947,851	2,739,736	682,462	725,116
Trade and other receivables	3	92,111	79,530	20,104	26,828
Inventories	4	45,124,261	46,139,580	1,914,957	3,327,561
Interest receivable - related parties	5	-	-	1,368,947	1,201,049
Short-term loans to related parties	5	-	-	30,753,700	30,919,900
Deposits for construction materials		35,236	125,598	1,522	3,377
Deposits for land		780,997	656,365	-	-
Assets recognised from the costs to obtain contracts with customers		7,580	15,151	-	-
Other current assets		117,053	141,052	21,104	30,001
Total current assets		49,105,089	49,897,012	34,762,796	36,233,832
Non-current assets					
Restricted bank deposits	2	549	549	549	549
Investments in subsidiaries	6	-	-	6,283,077	4,941,187
Investment in joint venture	7	6,142,122	6,462,183	6,233,785	6,233,785
Land and cost of project held for development		1,108,011	597,576	253,256	65,258
Investment properties	8	79,588	74,596	39,895	41,542
Property, plant and equipment	9	375,863	409,308	199,483	233,009
Right-of-use assets	10	506,051	554,731	221,572	282,860
Goodwill		100,063	100,063	-	-
Intangible assets	11	132,500	132,178	35,695	44,718
Deferred tax assets		468,404	423,130	58,370	70,640
Other non-current assets		81,068	72,533	32,041	31,854
Total non-current assets		8,994,219	8,826,847	13,357,723	11,945,402
Total assets		58,099,308	58,723,859	48,120,519	48,179,234

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

AP (Thailand) Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 June 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans	12	499,704	3,112,802	499,704	2,394,752
Trade and other payables	5	2,311,724	1,824,443	479,287	633,517
Accrued interest expenses - related parties	5	-	-	36,765	12,007
Accrued interest expenses		176,650	152,501	176,498	152,146
Short-term loans from related parties	5	-	-	2,747,000	1,422,000
Current portion of lease liabilities	13	125,470	119,139	57,929	64,637
Current portion of debentures	15	4,600,000	4,600,000	4,600,000	4,600,000
Unearned revenue		320,831	607,490	10,931	246,516
Accrued expenses related to the projects		865,008	687,401	113,936	117,745
Accrued expenses		1,516,933	1,939,950	328,752	431,109
Income tax payable		333,825	212,417	95,400	2,396
Total current liabilities		10,750,145	13,256,143	9,146,202	10,076,825
Non-current liabilities					
Lease liabilities - net of current portion	13	392,795	444,870	169,125	223,025
Long-term loans	14	1,766,700	1,971,200	-	-
Debentures - net of current portion	15	14,250,000	13,250,000	14,250,000	13,250,000
Retention payable	5	286,914	269,017	38,300	42,923
Provision for long-term employee benefits		254,360	269,330	91,150	143,380
Total non-current liabilities		16,950,769	16,204,417	14,548,575	13,659,328
Total liabilities		27,700,914	29,460,560	23,694,777	23,736,153

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

AP (Thailand) Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 June 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity(continued)				
Shareholders' equity				
Share capital				
Registered				
3,145,912,151 ordinary shares of Baht 1 each	3,145,912	3,145,912	3,145,912	3,145,912
Issued and fully paid up				
3,145,899,495 ordinary shares of Baht 1 each	3,145,899	3,145,899	3,145,899	3,145,899
Share premium	89,416	89,416	89,416	89,416
Retained earnings				
Appropriated - statutory reserve	314,591	314,591	314,591	314,591
Unappropriated	26,866,470	25,731,439	20,875,836	20,893,175
Equity attributable to owners of the Company	30,416,376	29,281,345	24,425,742	24,443,081
Non-controlling interests of the subsidiaries	(17,982)	(18,046)	-	-
Total shareholders' equity	30,398,394	29,263,299	24,425,742	24,443,081
Total liabilities and shareholders' equity	58,099,308	58,723,859	48,120,519	48,179,234

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

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Directors

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(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 30 June 2021

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
Profit or loss:					
Revenues					
Revenues from sales of real estate	7,835,623	7,582,902	782,499	1,531,244	
Service income	135,741	121,748	-	-	
Management income	5	63,935	87,137	63,935	87,137
Interest income	5	3,986	3,746	284,228	247,576
Dividend income	5, 7	-	-	221,051	129,974
Other income	24,129	13,053	19,943	23,947	
Total revenues	8,063,414	7,808,586	1,371,656	2,019,878	
Expenses					
Cost of sales	5,450,501	5,435,833	552,612	1,114,413	
Cost of services	43,209	50,727	-	-	
Selling expenses	589,630	586,917	57,022	147,633	
Administrative expenses	802,792	929,056	153,957	335,369	
Other expenses	961	4,729	-	-	
Total expenses	6,887,093	7,007,262	763,591	1,597,415	
Operating profit	1,176,321	801,324	608,065	422,463	
Share of profit from investment in joint venture	7	181,293	664,391	-	-
Profit before finance cost and income tax expenses	1,357,614	1,465,715	608,065	422,463	
Finance cost	(79,249)	(100,846)	(155,158)	(169,988)	
Profit before income tax expenses	1,278,365	1,364,869	452,907	252,475	
Income tax expenses	16	(163,466)	(150,250)	(46,710)	(26,395)
Profit for the period	1,114,899	1,214,619	406,197	226,080	

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

(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the three-month period ended 30 June 2021

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange difference on translation of financial statements in foreign currency	-	(16)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	-	(16)	-	-
Other comprehensive income for the period	-	(16)	-	-
Total comprehensive income for the period	1,114,899	1,214,603	406,197	226,080
Profit attributable to:				
Equity holders of the Company	1,115,001	1,215,449	<u>406,197</u>	<u>226,080</u>
Non-controlling interests of the subsidiaries	(102)	(830)		
Total	<u>1,114,899</u>	<u>1,214,619</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	1,115,001	1,215,433	<u>406,197</u>	<u>226,080</u>
Non-controlling interests of the subsidiaries	(102)	(830)		
Total	<u>1,114,899</u>	<u>1,214,603</u>		
Earnings per share				
	17			
Basic earnings per share				
Profit attributable to equity holders of the Company (Baht)	<u>0.354</u>	<u>0.386</u>	<u>0.129</u>	<u>0.072</u>
Weighted average number of ordinary shares (Thousand shares)	<u>3,145,899</u>	<u>3,145,899</u>	<u>3,145,899</u>	<u>3,145,899</u>

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

(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries

Statements of comprehensive income

For the six-month period ended 30 June 2021

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

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit or loss:					
Revenues					
Revenues from sales of real estate		16,714,526	12,744,935	2,214,466	2,831,689
Service income		267,398	255,407	-	-
Management income	5	159,179	190,424	159,179	190,424
Interest income	5	3,986	3,746	566,343	508,213
Dividend income	5, 6, 7	-	-	879,930	323,680
Other income		144,199	26,217	39,114	41,192
Total revenues		17,289,288	13,220,729	3,859,032	3,895,198
Expenses					
Cost of sales		11,536,475	8,915,700	1,534,048	1,983,319
Cost of services		96,007	108,025	-	-
Selling expenses		1,214,679	1,063,561	138,531	311,389
Administrative expenses		1,602,450	1,599,321	346,029	588,940
Other expenses		3,090	5,638	-	855
Total expenses		14,452,701	11,692,245	2,018,608	2,884,503
Operating profit		2,836,587	1,528,484	1,840,424	1,010,695
Share of profit from investment in joint venture	7	355,868	773,465	-	-
Profit before finance cost and income tax expenses		3,192,455	2,301,949	1,840,424	1,010,695
Finance cost		(181,695)	(176,043)	(317,455)	(352,098)
Profit before income tax expenses		3,010,760	2,125,906	1,522,969	658,597
Income tax expenses	16	(492,941)	(293,688)	(138,870)	(69,359)
Profit for the period		2,517,819	1,832,218	1,384,099	589,238

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

(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries**Statements of comprehensive income (continued)****For the six-month period ended 30 June 2021**

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

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange difference on translation of financial statements in foreign currency					
		-	(3)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax					
		-	(3)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain from post-employment benefits					
		39,010	-	17,512	-
Less: Income tax effect					
	16	(6,286)	-	(3,502)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax					
		32,724	-	14,010	-
Other comprehensive income for the period					
		<u>32,724</u>	<u>(3)</u>	<u>14,010</u>	<u>-</u>
Total comprehensive income for the period					
		<u>2,550,543</u>	<u>1,832,215</u>	<u>1,398,109</u>	<u>589,238</u>
Profit attributable to:					
Equity holders of the Company					
		2,517,755	1,833,907	<u>1,384,099</u>	<u>589,238</u>
Non-controlling interests of the subsidiaries					
		64	(1,689)		
Total					
		<u>2,517,819</u>	<u>1,832,218</u>		
Total comprehensive income attributable to:					
Equity holders of the Company					
		2,550,479	1,833,904	<u>1,398,109</u>	<u>589,238</u>
Non-controlling interests of the subsidiaries					
		64	(1,689)		
Total					
		<u>2,550,543</u>	<u>1,832,215</u>		
Earnings per share					
	17				
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)					
		<u>0.800</u>	<u>0.583</u>	<u>0.440</u>	<u>0.187</u>
Weighted average number of ordinary shares					
		<u>3,145,899</u>	<u>3,145,899</u>	<u>3,145,899</u>	<u>3,145,899</u>
		(Thousand shares)			

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

(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries**Cash flow statements****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from operating activities				
Profit before tax	3,010,760	2,125,906	1,522,969	658,597
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	113,892	114,062	54,016	59,467
Amortisation	23,517	18,180	10,425	8,977
Allowance for expected credit losses	694	2,560	-	-
Reversal of allowance for diminution in inventory value	-	(7,000)	-	-
Reversal of allowance for diminution in value of land and cost of project held for development	(1,660)	-	-	-
Loss from disposals/write-off of assets	321	5,069	160	828
Share of profit from investment in joint venture	(355,868)	(773,465)	-	-
Gain from the return on investment	-	-	(2,445)	-
Gain from purchase of investments in subsidiaries	(9,100)	-	-	-
Dividend income	-	-	(879,930)	(323,680)
Provision for long-term employee benefits	25,112	23,790	5,789	11,079
Write-off of income tax	-	2,668	-	-
Interest income	(3,986)	(3,746)	(566,343)	(508,213)
Interest expenses	156,895	154,244	308,737	343,687
Profit from operating activities before changes in operating assets and liabilities	2,960,577	1,662,268	453,378	250,742
Operating assets (increase) decrease				
Trade and other receivables	592	91,286	6,724	45,316
Inventories	669,722	1,333,696	1,224,606	1,636,087
Other current assets	(1,330)	(179,036)	10,752	382
Other non-current assets	(7,196)	(2,439)	(187)	2,826
Operating liabilities increase (decrease)				
Trade and other payables and accrued expenses	115,593	(486,814)	(260,396)	(265,744)
Unearned revenue	(286,759)	22,448	(235,585)	(8,157)
Retention payable	13,419	37,855	(4,623)	(6,680)
Cash from operating activities	3,464,618	2,479,264	1,194,669	1,654,772
Cash paid for long-term employee benefits	(1,072)	-	(40,507)	-
Cash paid for interest expenses	(290,971)	(391,144)	(254,675)	(327,566)
Cash paid for income tax	(430,175)	(230,503)	(37,098)	(131,192)
Net cash from operating activities	2,742,400	1,857,617	862,389	1,196,014

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

(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries**Cash flow statements (continued)****For the six-month period ended 30 June 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Cash received from short-term loans to related parties	-	-	4,562,100	8,002,700
Cash paid for short-term loans to related parties	-	-	(4,395,900)	(6,544,000)
Cash received from the return on investments in the dissolved subsidiary	-	-	2,445	-
Cash paid for investments in subsidiaries	(1,338,202)	-	(1,341,890)	-
Cash paid for investment in joint venture	-	(412,080)	-	(412,080)
Dividend received	675,930	198,030	879,930	323,680
Cash received from disposals of assets	1,460	8,801	14,241	623
Cash paid for purchases of equipment	(15,039)	(30,868)	(317)	(21,557)
Cash paid for purchases of intangible assets	(23,990)	(34,922)	(1,402)	(8,271)
Cash received from interest	3,986	3,746	398,445	332,301
Net cash from (used in) investing activities	(695,855)	(267,293)	117,652	1,673,396
Cash flows from financing activities				
Cash received from short-term loans	6,699,950	16,116,580	5,000,000	8,783,750
Cash paid for repayment of short-term loans	(9,318,000)	(15,725,130)	(6,900,000)	(9,348,750)
Cash received from short-term loans from related parties	1,461,000	-	1,549,000	30,000
Cash paid for short-term loans from related parties	-	-	(224,000)	(143,000)
Cash received from long-term loans	40,000	2,362,700	-	-
Cash paid for repayment of long-term loans	(244,500)	(390,000)	-	(210,000)
Cash received from issuance of debentures	3,000,000	2,500,000	3,000,000	2,500,000
Cash paid for repayment of debentures	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Cash paid for lease liabilities	(61,432)	(58,160)	(32,247)	(30,132)
Dividend payment	(1,415,448)	(1,258,356)	(1,415,448)	(1,258,356)
Net cash from (used in) financing activities	(1,838,430)	1,547,634	(1,022,695)	(1,676,488)
Decrease in translation adjustments	-	(3)	-	-
Net increase(decrease) in cash and cash equivalents	208,115	3,137,955	(42,654)	1,192,922
Cash and cash equivalents at beginning of period	2,739,736	570,227	725,116	136,742
Cash and cash equivalents at end of period (Note 2)	2,947,851	3,708,182	682,462	1,329,664

Supplemental cash flow information

Non-cash transactions from investing activities

Transfer inventories to land and cost of project held for development	508,775	-	187,998	-
Transfer property, plant and equipment to intangible assets	-	2,547	-	2,547
Transfer property, plant and equipment to right-of-use assets	-	760	-	-
Increase in right-of-use assets from lease agreements	44,438	12,450	-	12,450
Decrease in right-of-use assets from termination of lease agreements	(28,750)	-	(28,361)	-

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

(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

Consolidated financial statements								
Equity attributable to owners of the Company								
Other components of equity								
Other comprehensive income								
Exchange difference on translation of financial statements on foreign currency								
Total equity attributable to owners of the Company								
Equity attributable to non-controlling interests of the subsidiaries								
Total shareholders' equity								
Note	Issued and paid-up share capital	Share premium	Retained earnings Appropriated - statutory reserve	Retained earnings Unappropriated	Exchange difference on translation of financial statements on foreign currency	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	3,145,899	89,416	314,591	22,763,260	(50)	26,313,116	(16,990)	26,296,126
	-	-	-	1,833,907	-	1,833,907	(1,689)	1,832,218
	-	-	-	-	(3)	(3)	-	(3)
	-	-	-	1,833,907	(3)	1,833,904	(1,689)	1,832,215
18	-	-	-	(1,258,356)	-	(1,258,356)	-	(1,258,356)
	<u>3,145,899</u>	<u>89,416</u>	<u>314,591</u>	<u>23,338,811</u>	<u>(53)</u>	<u>26,888,664</u>	<u>(18,679)</u>	<u>26,869,985</u>
	3,145,899	89,416	314,591	25,731,439	-	29,281,345	(18,046)	29,263,299
	-	-	-	2,517,755	-	2,517,755	64	2,517,819
	-	-	-	32,724	-	32,724	-	32,724
	-	-	-	2,550,479	-	2,550,479	64	2,550,543
18	-	-	-	(1,415,448)	-	(1,415,448)	-	(1,415,448)
	<u>3,145,899</u>	<u>89,416</u>	<u>314,591</u>	<u>26,866,470</u>	<u>-</u>	<u>30,416,376</u>	<u>(17,982)</u>	<u>30,398,394</u>

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

(Unaudited but reviewed)

AP (Thailand) Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2021

(Unit: Thousand Baht)

		Separate financial statements				
		Issued and paid up share capital	Share premium	Retained earnings		Total shareholders' equity
Note				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2020		3,145,899	89,416	314,591	20,334,870	23,884,776
Profit for the period		-	-	-	589,238	589,238
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	589,238	589,238
Dividend paid	18	-	-	-	(1,258,356)	(1,258,356)
Balance as at 30 June 2020		<u>3,145,899</u>	<u>89,416</u>	<u>314,591</u>	<u>19,665,752</u>	<u>23,215,658</u>
Balance as at 1 January 2021		3,145,899	89,416	314,591	20,893,175	24,443,081
Profit for the period		-	-	-	1,384,099	1,384,099
Other comprehensive income for the period		-	-	-	14,010	14,010
Total comprehensive income for the period		-	-	-	1,398,109	1,398,109
Dividend paid	18	-	-	-	(1,415,448)	(1,415,448)
Balance as at 30 June 2021		<u>3,145,899</u>	<u>89,416</u>	<u>314,591</u>	<u>20,875,836</u>	<u>24,425,742</u>

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

AP (Thailand) Public Company Limited and its subsidiaries
Notes to interim financial statements
For the three-month and six-month periods ended 30 June 2021

1. General information

1.1 Corporate information

AP (Thailand) Public Company Limited (“the Company”) is a public company, incorporated and domiciled in Thailand. The Company is principally engaged in real estate development. The registered office of the Company is at 170/57 18th floor, Ocean Tower I Building, Rajadapisek Road, KlongToey, Bangkok.

1.2 The COVID-19 Pandemic

A new wave of the COVID-19 Pandemic has slowed down the economic and is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis of 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, 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.

1.4 Basis of consolidation

These consolidated financial statements include the financial statements of AP (Thailand) Public Company Limited (hereinafter called as “the Company”) and its subsidiaries (“the subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020, with the change in the group structure resulting from the additional investments in subsidiaries during the period as described in Note 6.

1.5 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

1.6 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

2. Cash and cash equivalents

Cash and cash equivalents as at 30 June 2021 and 31 December 2020 presented in the statements of financial position consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Cash	3,527	3,584	510	2,225
Bank deposits	2,944,873	2,736,701	682,501	723,440
Total	2,948,400	2,740,285	683,011	725,665
Less: Restricted bank deposits	(549)	(549)	(549)	(549)
Cash and cash equivalents	<u>2,947,851</u>	<u>2,739,736</u>	<u>682,462</u>	<u>725,116</u>

(Unaudited but reviewed)

The above restricted bank deposits are bank deposits that the Company has placed with banks to secure letters of guarantees issued by the banks on behalf of the Company.

3. Trade and other receivables

As at 30 June 2021 and 31 December 2020, the outstanding balances of trade and other receivables are detailed below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
Trade receivables:				
<u>Aged on the basis of due dates</u>				
Not yet due	46,427	32,889	11,139	5,519
Past due				
Up to 3 months	12,727	14,085	-	-
3 - 6 months	2,890	371	-	-
6 - 12 months	586	1,225	-	-
Over 12 months	5,501	4,807	-	-
Total trade receivables	68,131	53,377	11,139	5,519
Less: Allowance for expected credit losses	(5,501)	(4,807)	-	-
Trade receivables - net	62,630	48,570	11,139	5,519
Other receivables:				
Other receivable - the Revenue Department	18,457	20,996	-	-
Others	14,270	13,210	8,965	21,309
Total other receivables	32,727	34,206	8,965	21,309
Less: Allowance for expected credit losses	(3,246)	(3,246)	-	-
Other receivables - net	29,481	30,960	8,965	21,309
Trade and other receivables - net	92,111	79,530	20,104	26,828

4. Inventories

Details of the Group's projects on hand are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Number of projects on hand at beginning of period	104	95	12	29
Completed projects	(9)	(32)	(2)	(18)
New projects	6	40	-	1
Increase in number of projects from changing the status of joint ventures to subsidiaries	2	1	-	-
Projects on hand at end of period	<u>103</u>	<u>104</u>	<u>10</u>	<u>12</u>

The Group has mortgaged its land with total net book value as at 30 June 2021 and 31 December 2020 of Baht 27,353 million and Baht 31,223 million, respectively (the Company only: Baht 753 million and Baht 1,878 million, respectively), with banks as collateral for overdrafts and loans from those banks, as described in Note 12 and 14.

During the three-month and six-month periods ended 30 June 2021 and 2020, the Group included borrowing costs in cost of inventories. These were determined by applying a capitalisation rate which is the weighted average of the financial charges on total borrowings during the period as follows:

	For the three-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Borrowing costs included in cost of inventories (Thousand Baht)	88,105	113,107	-	-
Capitalisation rate (Percent per annum)	3.10 - 4.05	2.79 - 3.88	-	-

	For the six-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Borrowing costs included in cost of inventories (Thousand Baht)	163,178	237,870	-	-
Capitalisation rate (Percent per annum)	2.96 - 4.05	2.79 - 3.88	-	-

5. Related party transactions

During the period, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month period ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with subsidiaries</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Interest income	-	-	281,782	245,275	Interest at rate of 3.55% per annum (2020: 3.04% per annum)
Guarantee income	-	-	13,412	22,433	At the rate of 1.00% of the average of outstanding guarantee balance
Rental income	-	-	1,052	684	At the contractual price
Cost of sales	-	-	7,816	4,536	At the contractual price
Selling and administrative expenses	-	-	11,767	13,021	Comparable price with third parties
Interest expenses	-	-	11,555	7,334	Interest at rate of 3.55% per annum (2020: 3.04% per annum)
<u>Transactions with joint venture</u>					
Management income	63,935	87,137	63,935	87,137	At the contractual price
Service income	2,002	3,025	-	-	Comparable price with third parties
Dividend income	-	-	221,051	129,974	At the declared rate
<u>Transactions with related companies</u>					
Selling and administrative expenses	4,718	3,734	4,282	3,734	Comparable price with third parties

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month period ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with subsidiaries</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Interest income	-	-	563,897	505,912	Interest at rate of 3.55% per annum (2020: 3.04% per annum)
Guarantee income	-	-	28,681	37,313	At the rate of 1.00% of the average of outstanding guarantee balance
Rental income	-	-	2,104	1,693	At the contractual price
Dividend income	-	-	204,000	125,650	At the declared rate
Cost of sales	-	-	11,358	9,129	At the contractual price
Selling and administrative expenses	-	-	26,301	43,155	Comparable price with third parties
Interest expenses	-	-	23,479	15,242	Interest at rate of 3.55% per annum (2020: 3.04% per annum)
<u>Transactions with joint venture</u>					
Management income	159,179	190,424	159,179	190,424	At the contractual price
Service income	2,389	4,654	-	-	Comparable price with third parties
Dividend income	-	-	675,930	198,030	At the declared rate
<u>Transactions with related companies</u>					
Selling and administrative expenses	9,000	7,469	8,564	7,469	Comparable price with third parties

(Unaudited but reviewed)

As at 30 June 2021 and 31 December 2020, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Interest receivable - related parties				
<u>Subsidiaries</u>				
Asian Property (Krungthep) Co., Ltd.	-	-	273,264	189,901
Asian Property Co., Ltd.	-	-	215,591	257,335
The Value Property Development Co., Ltd.	-	-	697,495	603,469
Thonglor Residence Co., Ltd.	-	-	7,076	5,953
Asian Property (2018) Co., Ltd.	-	-	148,803	125,160
AP ME 11 Co., Ltd.	-	-	26,695	19,231
AP ME 18 Co., Ltd.	-	-	23	-
Total interest receivable - related parties	-	-	1,368,947	1,201,049
Trade accounts payable - related party				
<u>Subsidiary</u>				
SQE Construction Co., Ltd.	-	-	374	1,048
Total trade accounts payable - related party	-	-	374	1,048
Other payables - related parties				
<u>Subsidiaries</u>				
Asian Property (Krungthep) Co., Ltd.	-	-	-	1,278
Asian Property Co., Ltd.	-	-	1	1
The Value Property Development Co., Ltd.	-	-	20	163,228
Smart Service & Management Co., Ltd.	-	-	811	1,102
Bangkok CitiSmart Co., Ltd.	-	-	4,940	4,372
SEASIA Leadavation Center Co., Ltd.	-	-	65	4,754
Total other payables - related parties	-	-	5,837	174,735

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Interest payable - related parties				
<u>Subsidiaries</u>				
Thai Big Belly Co., Ltd.	-	-	5,594	4,533
Asian Property (2014) Co., Ltd.	-	-	14,800	5,180
AP ME 1 Co., Ltd.	-	-	15,092	2,294
AP ME (Petchaburi) Co., Ltd.	-	-	1,085	-
AP ME 5 Co., Ltd.	-	-	194	-
Total interest payable - related parties	-	-	36,765	12,007
Retention payable - related party				
<u>Subsidiary</u>				
SQE Construction Co., Ltd.	-	-	78	97
Total retention payable - related party	-	-	78	97

The balances of loans between the Company and those related parties as at 30 June 2021 and 31 December 2020, and the movements are as follows:

Short-term loans to related parties

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	Balance as at	During the period		Balance as at
	31 December 2020	Additional granting	Receiving	30 June 2021
Asian Property (Krungthep) Co., Ltd.	4,667,500	1,223,000	(966,000)	4,924,500
Asian Property Co., Ltd.	7,518,000	2,341,000	(932,000)	8,927,000
The Value Property Development Co., Ltd.	16,489,000	705,000	(2,471,000)	14,723,000
Thonglor Residence Co., Ltd.	67,900	49,900	(62,000)	55,800
Asian Property (2018) Co., Ltd.	1,753,500	-	(131,000)	1,622,500
AP ME 11 Co., Ltd.	424,000	-	(100)	423,900
AP ME 18 Co., Ltd.	-	77,000	-	77,000
Total short-term loans to related parties	30,919,900	4,395,900	(4,562,100)	30,753,700

(Unaudited but reviewed)

Short-term loans from related parties

(Unit: Thousand Baht)

Company's name	Separate financial statements			Balance as at 30 June 2021
	Balance as at 31 December 2020	During the period		
		Additional borrowing	Repayment	
Asian Property (2014) Co., Ltd.	632,000	80,000	(215,000)	497,000
AP ME 1 Co., Ltd.	727,000	-	-	727,000
Thai Big Belly Co., Ltd.	63,000	8,000	(9,000)	62,000
AP ME (Petchaburi) Co., Ltd.	-	1,240,000	-	1,240,000
AP ME 5 Co., Ltd.	-	221,000	-	221,000
Total short-term loans from related parties	<u>1,422,000</u>	<u>1,549,000</u>	<u>(224,000)</u>	<u>2,747,000</u>

The above loans to and loans from related parties are in the form of loan agreements and promissory notes, which are uncollateralised and due for repayment at call.

Directors' and management's remuneration

During the three-month and six-month periods ended 30 June 2021 and 2020, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	33,489	25,757	59,964	51,359
Post-employment benefits	2,301	1,763	4,603	3,527
Total	<u>35,790</u>	<u>27,520</u>	<u>64,567</u>	<u>54,886</u>

Guarantee obligations with related parties

The Company had outstanding guarantee obligations with its related parties, as described in Note 20.4.

(Unaudited but reviewed)

6. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Million Baht)													
Company's name	Nature of business	Paid-up share capital		Percentage of shareholding		Investment value under cost method		Allowance for impairment of investments		Investments in subsidiaries - net		Dividend received for the six-month period ended	
		30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
				Percent	Percent								
Asian Property (Krungthep) Co., Ltd.	Real estate development	300	300	100	100	294	294	-	-	294	294	-	-
Asian Property Co., Ltd.	Real estate development	2,000	2,000	100	100	1,511	1,511	-	-	1,511	1,511	-	-
The Value Property Development Co., Ltd.	Real estate development	2,000	2,000	100	100	2,000	2,000	-	-	2,000	2,000	-	-
Smart Service & Management Co., Ltd.	Service	5	5	100	100	5	5	-	-	5	5	-	-
Bangkok CitiSmart Co., Ltd.	Service	4	4	100	100	4	4	-	-	4	4	-	-
Thonglor Residence Co., Ltd.	Real estate development	50	50	100	100	50	50	(50)	(50)	-	-	-	-
Thai Big Belly Co., Ltd.	Real estate development	50	50	100	100	50	50	-	-	50	50	-	-
Asian Property (2014) Co., Ltd.	Real estate development	400	400	100	100	400	400	-	-	400	400	204	-
Asian Property (2018) Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	1	1	-	-
AP ME 11 Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	1	1	-	-
AP ME 18 Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	1	1	-	-
AP (Ekamai) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	-	126
AP ME 19 Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	1	1	-	-
AP ME 20 Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	1	1	-	-
AP ME 1 Co., Ltd.	Real estate development	654	654	100	100	672	672	-	-	672	672	-	-
AP ME (Petchaburi) Co., Ltd.	Real estate development	992	-	100	-	1,152	-	-	-	1,152	-	-	-
AP ME 5 Co., Ltd.	Real estate development	167	-	100	-	190	-	-	-	190	-	-	-
Total investments in subsidiaries						6,333	4,991	(50)	(50)	6,283	4,941	204	126

6.1 Dissolution of subsidiary

On 30 November 2020, the Extraordinary General Meeting of the shareholders of Asian Property (2012) Co., Ltd. resolved to approve the dissolution of the entity. This subsidiary registered its dissolution with the Ministry of Commerce on 30 November 2020.

On 30 November 2020, this subsidiary entered into entire business transfer agreement to transfer its business including its assets and liabilities to Asian Property Co., Ltd. at the net book value of net assets and liabilities calculated based on this subsidiary's financial statements of Baht 35.5 million.

In December 2020, the Company received the return on its investment as a result of the dissolution of Asian Property (2012) Co., Ltd. totaling Baht 308 million. The Company recognised gain on dissolution of this subsidiary totaling Baht 8.0 million in the separate financial statements.

In March 2021, the Company additionally received the return on its investment as a result of the dissolution of Asian Property (2012) Co., Ltd. totaling Baht 2.4 million, and recognised gain on dissolution of this company totaling Baht 2.4 million in the separate financial statements for the current period.

This subsidiary registered the completion of its liquidation process with the Ministry of Commerce on 24 March 2021.

6.2 Additional investments in subsidiaries

On 8 June 2021, the meeting of the Company's Board of Directors passed a resolution to purchase ordinary shares of AP ME 5 Co., Ltd. and AP (Petchaburi) Co., Ltd. from Premium Residence Co., Ltd., the Company's joint venture, totaling Baht 1,341.89 million as follows:

- Purchase 16.7 million ordinary shares of AP ME 5 Co., Ltd. at the price of Baht 11.41 each, or a total of Baht 190.48 million.
- Purchase 142 million ordinary shares of AP ME (Petchaburi) Co., Ltd. at the price of Baht 8.11 each, or a total of Baht 1,151.41 million.

The Company purchased and signed the share transfer documents of the aforementioned ordinary shares on 22 June 2021. As a result, the status of these 2 companies was changed to the subsidiaries of the Company and the financial statements of AP ME 5 Co., Ltd. and AP (Petchaburi) Co., Ltd. have been included in the consolidated financial statements since 22 June 2021, which is the date on which the Company assumed control.

(Unaudited but reviewed)

The management of the Company determined that the acquisition of the investments in these companies was an asset acquisition. The carrying values of the assets and liabilities of AP ME 5 Co., Ltd. and AP (Petchaburi) Co., Ltd. at the acquisition date were summarised below.

(Unit: Thousand Baht)

	AP ME 5	AP
	Co., Ltd.	(Petchaburi)
	<u>Co., Ltd.</u>	<u>Co., Ltd.</u>
Cash and cash equivalents	2,613	1,075
Short-term loans to related parties	221,000	1,240,000
Interest receivable - related parties	193	1,085
Other current assets	92	-
Equipment	24	-
Investment properties	1,100	6,538
Deferred tax assets	2,915	8,823
Other non-current assets	-	1,339
Trade and other payables	(17,532)	(49,900)
Accrued expenses related to the projects	(14,575)	(44,115)
Accrued expenses	(79)	(76)
Unearned revenue	(100)	-
Income tax payable	(127)	(4,825)
Retention payable	(3,829)	(649)
Net assets	<u>191,695</u>	<u>1,159,295</u>
Cash paid for investment in subsidiaries	190,480	1,151,410
Less: Cash and cash equivalents of the subsidiaries	<u>(2,613)</u>	<u>(1,075)</u>
Net cash paid for investment in subsidiaries	<u>187,867</u>	<u>1,150,335</u>

(Unaudited but reviewed)

7. Investment in joint venture

7.1 Details of investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by the Company and other company. Details of this investment is as follows:

Joint venture	Nature of business	(Unit: Million Baht)									
		Shareholding percentage		Consolidated financial statements		Separate financial statements		Separate financial statements		Separate financial statements	
		Carrying amounts based on equity method		Carrying amounts based on cost method		Dividend received for the three-month period ended 30 June		Dividend received for the six-month period ended 30 June			
		30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	2021	2020	2021	2020
Premium Residence Co., Ltd. and its subsidiaries	Real estate development	51	51	6,142	6,462	6,234	6,234	221	130	676	198
Total				6,142	6,462	6,234	6,234	221	130	676	198

(Unaudited but reviewed)

7.2 Share of profit from investment in joint venture

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company recognised its share of profit from investment in joint venture in the consolidated financial statements as follows:

(Unit: Million Baht)

Joint venture	Consolidated financial statements			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Premium Residence Co., Ltd. and its subsidiaries	181	664	356	773
Total	181	664	356	773

8. Investment properties

Movements in the investment properties account during the six-month period ended 30 June 2021 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2020	74,596	41,542
Increase from investments in subsidiaries (Note 6)	7,638	-
Depreciation for the period	(2,646)	(1,647)
Net book value as at 30 June 2021	79,588	39,895

9. Property, plant and equipment

Movements in the property, plant and equipment account during the six-month period ended 30 June 2021 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2020	409,308	233,009
Acquisitions during the period - at cost	15,039	317
Increase from investments in subsidiaries (Note 6)	24	-
Write-off during the period - net book value at write-off date	(1,630)	(14,401)
Depreciation for the period	(46,878)	(19,442)
Net book value as at 30 June 2021	375,863	199,483

(Unaudited but reviewed)

10. Right-of-use assets

Movements in the right-of-use assets account during the six-month period ended 30 June 2021 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2020	554,731	282,860
Increase during the period	44,438	-
Termination of lease agreements during the period	(28,750)	(28,361)
Depreciation for the period	(64,368)	(32,927)
Net book value as at 30 June 2021	<u>506,051</u>	<u>221,572</u>

11. Intangible assets

Movements in the intangible asset account during the six-month period ended 30 June 2021 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2020	132,178	44,718
Acquisitions during the period - at cost	23,990	1,402
Write-off during the period - net book value at write-off date	(151)	-
Amortisation for the period	(23,517)	(10,425)
Net book value as at 30 June 2021	<u>132,500</u>	<u>35,695</u>

(Unaudited but reviewed)

12. Short-term loans

(Unit: Thousand Baht)

	Interest rate		Consolidated financial		Separate financial	
	(Percent per annum)		statements		statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Promissory notes	-	1.40 - 1.46	-	1,118,050	-	400,000
Bills of exchange	0.60	0.80 - 1.81	500,000	2,000,000	500,000	2,000,000
Less: Deferred interest expense			(296)	(5,248)	(296)	(5,248)
Bills of exchange - net			499,704	1,994,752	499,704	1,994,752
Total			499,704	3,112,802	499,704	2,394,752

Certain bank overdraft and promissory notes facilities of the Group are secured by the mortgage of part of land and constructions of projects of the Group and are guaranteed by the Company.

13. Lease liabilities

Movements in lease liabilities for the six-month period ended 30 June 2021 were presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
As at 31 December 2020	564,009	287,662
Add: Increase during the period	44,438	-
Less: Payment during the period	(61,432)	(32,247)
Less: Termination of lease agreements during the period	(28,750)	(28,361)
As at 30 June 2021	518,265	227,054
Less: Current portion	(125,470)	(57,929)
Lease liabilities - net of current portion	392,795	169,125

14. Long-term loans

Movements in long-term loans for the six-month period ended 30 June 2021 were as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Balance as at 31 December 2020	1,971,200	-
Add: Additional borrowing during the period	40,000	-
Less: Repayment during the period	(244,500)	-
Balance as at 30 June 2021	<u>1,766,700</u>	<u> </u>

During the six-month period ended 30 June 2021, the four subsidiaries entered into the loan agreements with local commercial banks for loan facilities of approximately Baht 7,224 million, on which the interest is charged at the rate between MLR minus 2.0 percent per annum and MLR minus 3.4 percent per annum. Payments of the principal are to be made at a percentage of the value of property transferred to customers and the full payment is to be made within 2026.

Long-term loans of the Company are secured by the mortgage of land of the Company's projects and construction thereon, and those of the subsidiaries are secured by the mortgage of land of the subsidiaries' projects and are guaranteed by the Company.

These loan agreements contain covenants and restrictions which, among other things, require the Group to maintain debt service coverage ratio at the rate prescribed in the agreements.

As at 30 June 2021, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 5,441 million (the Company only: Baht 323 million) (31 December 2020: Baht 6,425 million (the Company only: Baht 323 million)).

(Unaudited but reviewed)

15. Debentures

Debentures as at 30 June 2021 and 31 December 2020, which are unsubordinated, unsecured debentures with registered name, were summarised below.

Name of debenture	Fixed interest rate	Period	Maturity date	Consolidated and Separate financial statements			
				Units		Amount	
				30 June	31 December	30 June	31 December
				2021	2020	2021	2020
				(Thousand units)	(Thousand units)	(Million Baht)	(Million Baht)
AP212A	2.50% p.a.	3 years and 6 months	15 February 2021	-	1,000	-	1,000
AP214A	2.35% p.a.	3 years and 6 months	19 April 2021	-	1,000	-	1,000
AP217A	2.32% p.a.	3 years and 6 months	22 July 2021	1,500	1,500	1,500	1,500
AP221A	2.40% p.a.	4 years	22 January 2022	1,500	1,500	1,500	1,500
AP222A	2.81% p.a.	3 years and 6 months	7 February 2022	500	500	500	500
AP228A	2.94% p.a.	4 years	7 August 2022	1,500	1,500	1,500	1,500
AP228B	2.94% p.a.	4 years	24 August 2022	500	500	500	500
AP218A	2.60% p.a.	2 years, 11 months and 24 days	17 August 2021	100	100	100	100
AP21DA	3.13% p.a.	3 years	25 December 2021	1,000	1,000	1,000	1,000
AP235A	3.17% p.a.	4 years	17 May 2023	3,000	3,000	3,000	3,000
AP227A	2.63% p.a.	3 years	11 July 2022	500	500	500	500
AP238A	2.42% p.a.	4 years	19 August 2023	1,230	1,230	1,230	1,230
AP248A	2.62% p.a.	5 years	19 August 2024	770	770	770	770
AP241A	2.35% p.a.	4 years	23 January 2024	2,500	2,500	2,500	2,500
AP258A	3.50% p.a.	5 years	28 August 2025	850	850	850	850
AP238B	2.80% p.a.	3 years	28 August 2023	400	400	400	400
AP247A	2.77% p.a.	3 years and 6 months	21 July 2024	1,500	-	1,500	-
AP261A	3.51% p.a.	5 years	21 January 2026	1,500	-	1,500	-
Total						18,850	17,850
Less: Current portion						(4,600)	(4,600)
Debentures - net of current portion						14,250	13,250

Movements in the debentures for the six-month period ended 30 June 2021 were as follows:

	(Unit: Million Baht)
	Consolidated and Separate financial statements
Balance as at 31 December 2020	17,850
Add: Debentures issued during the period	3,000
Less: Debentures repaid during the period	(2,000)
Balance as at 30 June 2021	18,850

(Unaudited but reviewed)

On 21 January 2021, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 9 July 2020 as follows:

- Issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, with debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,500 million, by way of private placement to institutional investors plus high net worth investors. The debentures have 3-year, 6-month term from the date of issuance and bear the fixed interest rate of 2.77% per annum. The interest payment is made every six months and the debentures are due for redemption on 21 July 2024.
- Issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, with debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,500 million, by way of private placement to institutional investors plus high net worth investors. The debentures have 5-year term from the date of issuance and bear the fixed interest rate of 3.51% per annum. The interest payment is made every six months and the debentures are due for redemption on 21 January 2026.

These issued debentures contain certain covenants and restrictions with which the Company has to comply, such as the maintenance of net financial debt to equity ratio not exceeding 2:1.

16. Income tax

The Group calculated corporate income tax for the three-month and six-month periods ended 30 June 2021 and 2020 on profit after adding back certain expenses which are disallowed for tax computation purposes, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Interim corporate income tax charge	141,348	159,837	490,675	302,659
Adjustment in respect of income tax of previous year	42,088	24,233	42,088	24,233
Deferred tax:				
Relating to origination and reversal of temporary differences	(19,970)	(33,820)	(39,822)	(33,204)
Income tax expenses reported in profit or loss	<u>163,466</u>	<u>150,250</u>	<u>492,941</u>	<u>293,688</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Interim corporate income tax charge	45,209	23,364	130,033	61,967
Adjustment in respect of income tax of previous year	69	11,847	69	11,847
Deferred tax:				
Relating to origination and reversal of temporary differences	1,432	(8,816)	8,768	(4,455)
Income tax expenses reported in profit or loss	<u>46,710</u>	<u>26,395</u>	<u>138,870</u>	<u>69,359</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
Deferred tax relating to actuarial gain from prost-employment benefits	-	-	6,286	-
Income tax reported in other comprehensive income	<u>-</u>	<u>-</u>	<u>6,286</u>	<u>-</u>

	(Unit: Thousand Baht)			
	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
Deferred tax relating to actuarial gain from prost-employment benefits	-	-	3,502	-
Income tax reported in other comprehensive income	<u>-</u>	<u>-</u>	<u>3,502</u>	<u>-</u>

17. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

(Unaudited but reviewed)

18. Dividends

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
<u>Year 2021</u>			
Final dividends for 2020	The Annual General Meeting of the shareholders on 29 April 2021	<u>1,415</u>	<u>0.45</u>
<u>Year 2020</u>			
Interim dividends for 2019	The Board of Directors' Meeting on 28 April 2020	<u>1,258</u>	<u>0.40</u>

On 29 April 2021, the Annual General Meeting of the shareholders of the Company passed a resolution to pay the dividend for 2020 to the Company's shareholders at Baht 0.40 per share and 30th anniversary special dividend at Baht 0.05 per share.

19. 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 its reportable segments.

The following table presents revenue and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2021 and 2020.

(Unit: Million Baht)

	For the three-month periods ended 30 June											
	Low-rise segment		High-rise segment		Other segments		Total segments		Elimination of inter-segment revenues		Consolidated financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues												
Revenues from external customers												
Sales	7,515	6,732	320	851	-	-	7,835	7,583	-	-	7,835	7,583
Management income and service income	-	-	-	-	200	209	200	209	-	-	200	209
Inter-segment revenues	-	-	-	-	80	80	80	80	(80)	(80)	-	-
Total revenues	7,515	6,732	320	851	280	289	8,115	7,872	(80)	(80)	8,035	7,792
Operating results												
Segment profit	1,761	1,421	61	138	86	169	1,908	1,728	46	(10)	1,954	1,718
Other income											28	17
Share of profit from investment in joint venture											181	664
Finance cost											(80)	(101)
Other expenses											(804)	(933)
Profit before income tax expenses											1,279	1,365
Income tax expenses											(164)	(151)
Profit for the period											1,115	1,214

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June											
	Low-rise segment		High-rise segment		Other segments		Total segments		Elimination of inter-segment revenues		Consolidated financial statements	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues												
Revenues from external customers												
Sales	15,574	11,135	1,159	1,610	-	-	16,733	12,745	(19)	-	16,714	12,745
Management income and service income	-	-	-	-	427	446	427	446	-	-	427	446
Inter-segment revenues	-	-	-	-	141	158	141	158	(141)	(158)	-	-
Total revenues	<u>15,574</u>	<u>11,135</u>	<u>1,159</u>	<u>1,610</u>	<u>568</u>	<u>604</u>	<u>17,301</u>	<u>13,349</u>	<u>(160)</u>	<u>(158)</u>	<u>17,141</u>	<u>13,191</u>
Operating results												
Segment profit	3,729	2,468	284	308	197	345	4,210	3,121	84	(18)	4,294	3,103
Other income											148	30
Share of profit from investment in joint venture											356	773
Finance cost											(182)	(176)
Other expenses											(1,605)	(1,604)
Profit before income tax expenses											3,011	2,126
Income tax expenses											(493)	(294)
Profit for the period											<u>2,518</u>	<u>1,832</u>

20. Commitments and contingent liabilities

20.1 Capital commitments

As at 30 June 2021, the Group had commitments under the agreements with third parties to purchase land with the amount payable in the future of approximately Baht 3,065 million (the Company only: nil) (31 December 2020: Baht 2,966 million (the Company only: nil)).

20.2 Lease commitments

As at 30 June 2021 and 31 December 2020, the future minimum lease payments under non-cancellable lease agreements with a term of not more than 12 months and for lease of low value assets were as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
Payable:				
In up to 1 year	23	21	1	1
In over 1 year and up to 5 years	3	2	-	-

20.3 Commitments under contracts for project developments

The Group and joint venture had commitments in respect of contracts for project developments as follows:

Company's name	(Unit: Million Baht)	
	30 June 2021	31 December 2020
<u>The Company</u>		
AP (Thailand) Plc.	279	386
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	1,043	938
Asian Property Co., Ltd.	2,040	2,158
The Value Property Development Co., Ltd.	2,247	2,334
SEASIA Leadavation Center Co., Ltd.	93	10
AP ME 1 Co., Ltd.	1	1
Asian Property (2014) Co., Ltd.	7	12
Asian Property (2017) Co., Ltd.	73	54
Asian Property (2018) Co., Ltd.	32	60
Thai Big Belly Co., Ltd.	1	1
AP ME 5 Co., Ltd.	4	-
<u>Joint venture</u>		
Premium Residence Co., Ltd. and its subsidiaries	5,048	6,636
Total	10,868	12,590

20.4 Guarantees

- a) Contingent liabilities in respect of guarantees provided by the Company for loans and credit facilities granted by banks to the subsidiaries were as follows:

Guarantees	(Unit: Million Baht)	
	30 June 2021	31 December 2020
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	2,954	2,519
Asian Property Co., Ltd.	8,169	7,603
The Value Property Development Co., Ltd.	8,519	8,925
Asian Property (2014) Co., Ltd.	-	10
Asian Property (2017) Co., Ltd.	780	780
Asian Property (2018) Co., Ltd.	405	405
Thai Big Belly Co., Ltd.	25	25
SEASIA Leadavation Center Co., Ltd.	202	-
Total	<u>21,054</u>	<u>20,267</u>

- b) The Group had contingent liabilities in respect of letters of guarantee issued by banks to government agencies and individuals for maintenance of utilities, purchase of materials and electricity use, as follows:

Company's name	(Unit: Million Baht)	
	30 June 2021	31 December 2020
<u>The Company</u>		
AP (Thailand) Plc.	226	391
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	672	665
Asian Property Co., Ltd. and its subsidiary	689	1,028
The Value Property Development Co., Ltd.	1,956	2,106
Asian Property (2017) Co., Ltd.	67	67
Asian Property (2018) Co., Ltd.	5	5
Total	<u>3,615</u>	<u>4,262</u>

20.5 Litigation

As at 30 June 2021, the Group has been sued for various court cases, relating to allegations of breaches of agreements to purchase and to sell and torts, with an amount in dispute totaling Baht 186 million (31 December 2020: Baht 192 million). The management believes that the liabilities arising as a result of these legal cases will not exceed the related liabilities which have already been recorded in the financial statements.

21. Fair value of financial instruments

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amount of these financial instruments is estimated to approximate their fair value.

22. Events after the reporting period

On 13 July 2021, the meeting of the Company's Board of Directors approved the resolutions for issuing and offering debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 9 July 2020 by issuing and offering 2.0 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 2,000 million, to private placement which is institutional. The debentures have 4-year term from the date of issuance and bear the fixed interest rate of 1.94% per annum. The interest payment is made every six months and the debentures are due for redemption on 20 July 2025.

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2021.