

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AND  
SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

## INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of  
N.C. Housing Public Company Limited

### **Opinion**

I have audited the consolidated financial statements of N.C. Housing Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of N.C. Housing Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2020, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of N.C. Housing Public Company Limited and its subsidiaries as at December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of N.C. Housing Public Company Limited as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of matter**

I draw attention to Note 3.2 to the financial statements. Due to the impact of COVID-19 pandemic, in preparing the interim financial information for the year ended December 31, 2020, the Group have adopted the Accounting Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation" announced by the Federation of Accounting Professions. My opinion is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in my audit of the consolidated financial statements and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

#### **Project cost estimate**

- Risk

The Company is engaged in real estate business with projects in Bangkok and other provinces. It sells detached house, twin house, townhouse and condominium. The Company has to prepare the project cost estimate which consists of land cost, cost of construction, cost of borrowing, and cost of public utility to prepare individual land plot cost estimate, calculate inventory and recognize cost of sale for the transferred plot. Such estimate is complicated and requires significant judgment in estimating the cost of borrowing and cost of public utility. These require the assumptions is estimating the cash flow receipt and payment throughout the project as well as experience in building the public utility in the past. I paid special attention in the preparation and review of the project cost estimate in accordance with the requirements of the financial reporting standards because it is significant to the financial statements as at December 31, 2020. According to the consolidated financial statements, the Company's inventory amounted to Baht 124.53 million (see Note 9) and cost of land development Baht 1,642.01 million (see Note 10) totaling Baht 1,766.54 million 45.58 percent of total assets. For the year ended December 31, 2020, the Company recognises cost of sale in the amount of Baht 1,204.00 million or 74.20 percent of total expense.

- Risk response

Regarding my audit approach on such matter, I have considered the reasonableness of the assumption and the method used by the management in calculating the project cost estimate and reviewing the estimate regularly by auditing the supporting evidence which represents the best estimates of the management, especially the forecast of cash flow receipt and payment estimates throughout the project period in order to prepare the borrowing cost estimate and utilities construction information to prepare the central utilities cost estimate. In addition, I have compared the actual cost with such estimates. I have given importance to the adequacy of the information disclosure of the accounting policy regarding the use of judgment and significant accounting estimates in Note 4.19 in the notes to the financial statements. I have found that the real estate project values under development are state in accordance with accounting policy and financial reporting standards and disclosed information completely. I have found that the project cost estimate is reasonable and in accordance with financial reporting standards.

### **Revenue from sale of real estate**

- Risk

The Group has revenue from the sale of real estate, prefabricated houses, condominium, land held for development for the year 2020, totaling Baht 1,769.08 million, or 98.65 percent of total revenue. The Company has a large number of real estate development projects for sale and real estate sales agreements, including providing discounts, a variety of sales promotions. Therefore, I pay attention to the actual existence of the revenue, revenue recognition from the sale of real estate and the expenses related to the sales promotion whether they are comply with the financial reporting standards. Therefore, I determine to audit the revenue from the sale of real estate as the significant in auditing. The Group has disclosed the accounting policy for revenue recognition from the sale of real estate in the note to financial statements No. 4.1.

- Risk response

My audit approach on such matter by inquiring the responsible staff and obtaining the understanding in the income and sales promotion systems of various projects of the Group and testing the internal control system by selecting random sampling items to test whether the controls are comply with the specified controls, selecting to check sales agreement, approving of relevant discount or sales promotion, ownership transfer document and receiving payment to verify the actual existence, the accuracy of the revenue recognition in accordance with the terms of the agreement entering with the customers are consistent with accounting policies and checking the sales revenue during the year and near the end of the year, including the comparative analysis of each project to check for the irregularities that occur. It has included the record of income in the journal and other relevant adjustments in order to assess whether the unrealized revenue has been recorded. I have found that the revenue recognition from the sale of real estate complied with the accounting policy and the financial reporting standards.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements and separate financial statements in accordance with Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Chotima Kitsirakorn.

(Miss Chotima Kitsirakorn)  
Certified Public Accountant  
Registration No. 7318

Dharmniti Auditing Company Limited  
Bangkok, Thailand  
February 24, 2021

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**THE STATEMENTS OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2020**

		<u>ASSETS</u>			
		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2020	2019	2020	2019
<b>CURRENT ASSETS</b>					
	Cash and cash equivalents	64,807,687.65	27,209,956.29	57,071,701.00	19,194,626.54
	Short-term investments	-	954,238.51	-	712,417.43
	Trade and other current receivables	8,881,813.07	8,071,012.27	7,335,956.16	7,195,957.37
	Short-term to related parties	-	-	10,000,000.00	-
	Inventories	124,530,392.81	172,056,399.74	123,560,953.95	171,982,705.82
	Property development costs	1,642,013,822.84	1,890,016,484.33	1,642,013,822.84	1,890,016,484.33
	Land held for development	451,635,863.33	488,208,880.15	451,279,252.33	487,852,269.15
	Other current financial assets	963,838.91	-	720,343.96	-
	Other current assets	11,190,422.51	2,347,471.35	11,276,674.29	2,349,682.55
	Total current assets	2,304,023,841.12	2,588,864,442.64	2,303,258,704.53	2,579,304,143.19
<b>NON-CURRENT ASSETS</b>					
	Other non current financial assets	11,019,233.26	13,820,850.90	11,019,233.26	13,820,850.90
	Investment in subsidiaries	-	-	86,864,497.95	79,364,497.95
	Investment property	221,229,351.66	192,201,288.11	221,229,351.66	192,201,288.11
	Property, plant and equipment	100,179,658.33	94,147,347.22	77,276,198.23	85,649,682.49
	Right-of-use assets	21,722,678.73	-	10,816,588.79	-
	Intangible assets	4,170,328.59	4,652,905.29	3,989,385.31	4,527,579.53
	Land held for development	1,184,981,885.80	1,184,981,885.80	1,111,930,937.80	1,111,930,937.80
	Deferred tax assets	18,930,662.10	14,645,096.53	17,140,248.54	12,923,523.97
	Other non-current assets	9,297,664.72	9,386,493.82	9,185,491.93	9,266,765.43
	Total non-current assets	1,571,531,463.19	1,513,835,867.67	1,549,451,933.47	1,509,685,126.18
	<b>TOTAL ASSETS</b>	3,875,555,304.31	4,102,700,310.31	3,852,710,638.00	4,088,989,269.37

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**THE STATEMENTS OF FINANCIAL POSITION (CONT.)**

**AS AT DECEMBER 31, 2020**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

		In Baht				
		Consolidated Financial Statements		Separate Financial Statements		
Note		2020	2019	2020	2019	
<b>CURRENT LIABILITIES</b>						
	Bank overdrafts and short-term loans					
	from the financial institutions	22	3,020,169.34	306,870,308.27	3,020,169.34	306,870,308.27
	Trade and other current payables	23	416,812,791.74	252,112,292.76	410,696,966.48	248,152,736.55
	Accrued income tax		8,560,032.86	-	8,560,032.86	-
	Current portion of long-term loan from the financial institutions	24	259,925,926.39	273,073,114.78	259,925,926.39	273,073,114.78
	Current portion of lease liabilities	25	6,515,216.77	-	3,511,551.38	-
	Short-term loan from related parties	6	184,000,000.00	219,000,000.00	179,000,000.00	219,000,000.00
	Short-term loan from the director	6	2,500,000.00	2,500,000.00	-	-
	Total current liabilities		881,334,137.10	1,053,555,715.81	864,714,646.45	1,047,096,159.60
<b>NON-CURRENT LIABILITIES</b>						
	Long-term loans from the financial institutions	24	163,386,538.92	349,044,055.40	163,386,538.92	349,044,055.40
	Lease liabilities	25	17,559,121.35	-	9,524,867.10	-
	Provision for employee benefit obligations	26	60,001,513.03	64,929,973.73	57,894,317.71	63,221,676.64
	Provision for compensation for housing estate juristic persons	27	20,294,313.97	16,525,633.51	20,294,313.97	16,525,633.51
	Provision from purchasing the real estate project	28	36,806,740.00	42,740,740.00	33,498,150.00	39,198,150.00
	Other non-current liabilities		9,220,253.22	3,950,237.21	9,220,253.22	3,950,237.21
	Total non-current liabilities		307,268,480.49	477,190,639.85	293,818,440.92	471,939,752.76
	<b>TOTAL LIABILITIES</b>		1,188,602,617.59	1,530,746,355.66	1,158,533,087.37	1,519,035,912.36

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**THE STATEMENTS OF FINANCIAL POSITION (CONT.)**  
**AS AT DECEMBER 31, 2020**

**LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)**

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2020	2019	2020	2019
<b>SHAREHOLDER'S EQUITY</b>					
Share capital					
Authorized share capital					
	1,245,284,305 ordinary shares				
	of Baht 1.00 each	1,245,284,305.00	1,245,284,305.00	1,245,284,305.00	1,245,284,305.00
Issued and paid-up share capital					
	1,245,283,691 ordinary shares				
	of Baht 1.00 each	1,245,283,691.00	1,245,283,691.00	1,245,283,691.00	1,245,283,691.00
	Premium on share capital	577,530,000.00	577,530,000.00	577,530,000.00	577,530,000.00
Retained earnings					
	Appropriated - legal reserve	81,560,000.00	75,360,000.00	81,560,000.00	75,360,000.00
	Unappropriated	780,306,836.20	669,306,064.01	789,803,859.63	671,779,666.01
	Other components of equity	-	-	-	-
	Total equity attributable to company's shareholders	2,684,680,527.20	2,567,479,755.01	2,694,177,550.63	2,569,953,357.01
	Non-controlling interests	2,272,159.52	4,474,199.64	-	-
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>2,686,952,686.72</b>	<b>2,571,953,954.65</b>	<b>2,694,177,550.63</b>	<b>2,569,953,357.01</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<b>3,875,555,304.31</b>	<b>4,102,700,310.31</b>	<b>3,852,710,638.00</b>	<b>4,088,989,269.37</b>

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Note	2020	2019	2020	2019
<b>REVENUES</b>					
	6				
Sales		1,769,077,898.00	1,211,569,864.00	1,769,077,898.00	1,211,569,864.00
Rental income and service		14,023,009.99	20,022,256.42	8,446,895.06	15,129,440.04
Other income		10,098,871.20	21,242,588.33	9,979,206.56	21,233,792.94
Total Revenues		<u>1,793,199,779.19</u>	<u>1,252,834,708.75</u>	<u>1,787,503,999.62</u>	<u>1,247,933,096.98</u>
<b>EXPENSES</b>					
	6				
Cost of sales		1,203,998,224.89	819,503,574.96	1,203,998,224.89	819,503,574.96
Cost for rent and service		26,817,600.92	20,954,263.92	15,831,793.77	17,076,141.39
Distribution costs		169,617,084.83	141,518,305.45	169,617,084.83	141,518,305.45
Administrative expenses		222,148,224.45	200,516,992.66	216,337,214.47	199,272,177.82
Total Expenses		<u>1,622,581,135.09</u>	<u>1,182,493,136.99</u>	<u>1,605,784,317.96</u>	<u>1,177,370,199.62</u>
Income (loss) before finance cost and tax expenses		170,618,644.10	70,341,571.76	181,719,681.66	70,562,897.36
Finance costs	36	29,268,153.62	42,316,554.76	28,788,496.93	42,104,192.59
Income (loss) before tax expenses		141,350,490.48	28,025,017.00	152,931,184.73	28,458,704.77
Tax expenses (income)	30	30,774,205.40	6,779,096.80	30,843,046.39	6,670,688.03
Profit (loss) for the year		<u>110,576,285.08</u>	<u>21,245,920.20</u>	<u>122,088,138.34</u>	<u>21,788,016.74</u>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Actuarial gains (loss) from post-employee benefit, net of income tax		1,922,371.99	(2,572,261.80)	2,136,055.28	(2,798,327.71)
<b>Items that may be reclassified subsequently to profit or loss</b>					
		-	-	-	-
Other comprehensive income for the year		<u>1,922,371.99</u>	<u>(2,572,261.80)</u>	<u>2,136,055.28</u>	<u>(2,798,327.71)</u>
Total comprehensive income for the year		<u><u>112,498,657.07</u></u>	<u><u>18,673,658.40</u></u>	<u><u>124,224,193.62</u></u>	<u><u>18,989,689.03</u></u>

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2020	2019	2020	2019
Profit (loss) attributable to					
	Shareholders' equity of the parent company	115,278,400.21	21,771,870.56	122,088,138.34	21,788,016.74
	Non-controlling interests	(4,702,115.12)	(525,950.36)	-	-
		<u>110,576,285.09</u>	<u>21,245,920.20</u>	<u>122,088,138.34</u>	<u>21,788,016.74</u>
Total comprehensive income attributable to					
	Shareholders' equity of the parent company	117,200,772.19	18,673,658.40	124,224,193.62	18,989,689.03
	Non-controlling interests	(4,702,115.12)	-	-	-
		<u>112,498,657.07</u>	<u>18,673,658.40</u>	<u>124,224,193.62</u>	<u>18,989,689.03</u>
BASIC EARNINGS PER SHARE OF		37			
THE PARENT COMPANY					
	Profit (loss) for the period (Baht per share)	0.093	0.017	0.098	0.017

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

		In Baht							
		Consolidated Financial Statements							
		Shareholders' equity of the parent company					Non-controlling	Total	
		Share capital	Premium on	Retained earnings		Other	Total	interests	
		issued and	share capital	Appropriated	Unappropriated	components			
Note		paid-up		legal reserve		of equity			
	Beginning balance as at January 1, 2019	1,245,283,691.00	577,530,000.00	74,150,000.00	688,674,665.98	-	2,585,638,356.98	-	2,585,638,356.98
	Non-controlling interests increased due to investment in a subsidiary	-	-	-	-	-	-	5,000,150.00	5,000,150.00
	Appropriated - legal reserve	-	-	1,210,000.00	(1,210,000.00)	-	-	-	-
	Dividend paid	-	-	-	(37,358,210.73)	-	(37,358,210.73)	-	(37,358,210.73)
	Comprehensive income								
	Profit for the year	-	-	-	21,771,870.56	-	21,771,870.56	(525,950.36)	21,245,920.20
	Other comprehensive income for the year	-	-	-	(2,572,261.80)	-	(2,572,261.80)	-	(2,572,261.80)
	Total comprehensive income for the year	-	-	-	19,199,608.76	-	19,199,608.76	(525,950.36)	18,673,658.40
	Ending balance As at December 31, 2019	1,245,283,691.00	577,530,000.00	75,360,000.00	669,306,064.01	-	2,567,479,755.01	4,474,199.64	2,571,953,954.65
	Shares fee payment in subsidiary	-	-	-	-	-	-	2,500,075.00	2,500,075.00
	Appropriated - legal reserve	-	-	6,200,000.00	(6,200,000.00)	-	-	-	-
	Comprehensive income								
	Profit for the period	-	-	-	115,278,400.20	-	115,278,400.20	(4,702,115.12)	110,576,285.08
	Other comprehensive income for the year	-	-	-	1,922,371.99	-	1,922,371.99	-	1,922,371.99
	Total comprehensive income for the year	-	-	-	117,200,772.19	-	117,200,772.19	(4,702,115.12)	112,498,657.07
	Ending balance as at December 31, 2020	1,245,283,691.00	577,530,000.00	81,560,000.00	780,306,836.20	-	2,684,680,527.20	2,272,159.52	2,686,952,686.72

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

		In Baht					
		Separate Financial Statements					
		Share capital	Premium on	Retained earnings		Other	
		issued and	share capital	Appropriated	Unappropriated	components	
Note		paid-up		legal reserve		of equity	
						Total	
	Beginning balance as at January 1, 2019	1,245,283,691.00	577,530,000.00	74,150,000.00	691,358,187.71	-	2,588,321,878.71
31	Appropriated - legal reserve	-	-	1,210,000.00	(1,210,000.00)	-	-
32	Dividend paid	-	-	-	(37,358,210.73)	-	(37,358,210.73)
	Comprehensive income						
	Profit for the year	-	-	-	21,788,016.74	-	21,788,016.74
	Other comprehensive income for the year	-	-	-	(2,798,327.71)	-	(2,798,327.71)
	Total comprehensive income for the year	-	-	-	18,989,689.03	-	18,989,689.03
	Ending balance As at December 31, 2019	1,245,283,691.00	577,530,000.00	75,360,000.00	671,779,666.01	-	2,569,953,357.01
31	Appropriated - legal reserve	-	-	6,200,000.00	(6,200,000.00)	-	-
	Comprehensive income						
	Profit for the period	-	-	-	122,088,138.34	-	122,088,138.34
	Other comprehensive income for the year	-	-	-	2,136,055.28	-	2,136,055.28
	Total comprehensive income for the year	-	-	-	124,224,193.62	-	124,224,193.62
	Ending balance As at December 31, 2020	1,245,283,691.00	577,530,000.00	81,560,000.00	789,803,859.63	-	2,694,177,550.63

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**THE STATEMENTS OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit (loss) for the period	110,576,285.09	21,245,920.20	122,088,138.35	21,788,016.74
Adjust items that profit (loss) is cash received (paid)				
Adjustment on income tax expenses	30,774,205.40	6,779,096.80	30,843,046.38	6,670,688.03
Adjustment on financial cost	29,268,153.62	42,338,767.09	28,788,496.93	42,104,192.59
Adjustment on trade and other current receivables (increase) decrease	(1,773,757.00)	4,033,472.08	(139,998.79)	(2,087,883.20)
Adjustment on inventory (increase) decrease	47,526,006.93	135,730,559.59	48,421,751.87	135,804,253.51
Adjustment on real estate project development costs (increase) decrease	338,349,952.24	11,712,909.21	338,349,952.24	11,712,909.21
Adjustment on land held for development development (increase) decrease	(40,481,250.00)	8,804,817.06	(40,481,250.00)	8,804,817.06
Adjustment on other assets (increase) decrease	(8,547,455.20)	(2,151,308.65)	(9,610,768.24)	4,903,663.26
Adjustment on trade and other current payables (increase) decrease	165,876,648.68	16,620,997.52	164,138,684.14	12,091,268.56
Adjustment on other liabilities (increase) decrease	6,170,185.44	1,964,645.21	5,270,016.00	1,964,645.21
Depreciation depletion and amortization charge	24,768,346.05	21,046,855.44	21,786,485.44	20,937,920.50
Adjustment on expected credit loss (reverse)	-	2,518,096.45	-	2,518,096.45
Adjustment on provisions for employee benefit (reverse)	3,394,151.79	4,583,040.00	3,241,838.61	4,367,528.00
Adjustment on bad debts and allowance for doubtful accounts (reverse)	-	980,000.00	-	980,000.00
Adjustment on provisions for compensation for housing estate juristic persons	3,768,680.46	1,702,616.41	3,768,680.46	1,702,616.41
Adjustment on Loss (gain) on fair value	(1,644.19)	(4,997.34)	(1,644.19)	(4,997.34)
Adjustment on Loss (gain) Sale and disposal of Property, plant and equipment	13,249,258.24	5,549,165.05	13,249,260.24	5,780,600.55
Adjustment on loss (gain) disposal trade and other current payables	-	(200,712.10)	-	-
Net cash provided by (used in) operating activities	722,917,767.55	283,253,940.02	729,712,689.44	280,038,335.54

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**THE STATEMENTS OF CASH FLOWS (CONT.)**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Income from operating activities before changes in				
Income tax expense refund (paid)	(27,042,510.66)	(11,303,729.92)	(27,033,751.91)	(11,282,443.02)
Cash received (paid) from other activities				
Trade and other current payables	(32,623.23)	-	-	-
Provision for employee benefits	(6,705,163.70)	-	(6,705,163.70)	-
Provision for compensation for housing estate juristic persons	-	(4,704,334.80)	-	(4,704,334.80)
Provision from purchasing the real estate project	(5,934,000.00)	-	(5,700,000.00)	-
Net cash provided by (used in) operating activities	<u>683,203,469.96</u>	<u>267,245,875.30</u>	<u>690,273,773.83</u>	<u>264,051,557.72</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Other current financial assets	(7,956.21)	(3,418.27)	(6,282.34)	(1,266.31)
Increase in bank deposits and other investment at financial institutions	2,801,617.64	(4,578,947.38)	2,801,617.64	(4,578,947.38)
Cash received from short-term loan to related parties	-	-	-	6,000,000.00
Cash paid from short-term loan to related parties	-	-	(10,000,000.00)	(6,000,000.00)
Cash paid for increase of capital in subsidiary	-	(14,999,850.00)	(7,500,000.00)	(7,500,000.00)
Cash paid for purchase of property, plant and equipment	(19,507,495.15)	(11,692,394.64)	(3,466,259.97)	(3,096,687.36)
Cash paid for purchase of investment property	(36,733,912.57)	(10,847,701.83)	(36,733,912.57)	(10,847,701.83)
Cash received from sale of equipment	70,000.00	12,600,000.00	70,000.00	12,368,564.50
Cash paid for purchase of intangible assets	(370,874.80)	(653,430.85)	(284,424.80)	(523,930.85)
Net cash provided by (used in) investing activities	<u>(53,748,621.09)</u>	<u>(30,175,742.97)</u>	<u>(55,119,262.04)</u>	<u>(14,179,969.23)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (decrease) in bank overdrafts and short-term loans from the financial institutions	(303,850,138.93)	(149,554,482.58)	(303,850,138.93)	(149,554,482.58)
Cash paid for liabilities under lease liabilities	(5,659,845.92)	-	(3,774,105.92)	-
Cash received from the shares fee payment of non-controlling interests	2,500,075.00	20,000,000.00	-	-
Cash received from short-term loan from other company	5,000,000.00	-	-	-
Cash paid for short-term loan a related party	(40,000,000.00)	(11,000,000.00)	(40,000,000.00)	(10,000,000.00)
Cash paid for loan from director	-	(500,000.00)	-	-
Cash paid for short-term loan from other company	-	(48,161,777.52)	-	(48,161,777.52)
Cash received from long-term loans	440,679,925.58	332,575,346.26	440,679,925.58	332,575,346.26
Cash paid for long-term loans	(639,484,626.45)	(268,175,145.01)	(639,484,630.44)	(268,175,145.01)

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**THE STATEMENTS OF CASH FLOWS (CONT.)**

**FOR THE YEAR ENDED DECEMBER 31, 2020**

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Cash paid interest	(51,042,506.79)	(76,904,608.08)	(50,848,487.62)	(76,625,772.49)
Cash paid dividend	-	(37,358,210.73)	-	(37,358,210.73)
Net cash provided by (used in) financing activities	(591,857,117.51)	(239,078,877.66)	(597,277,437.33)	(257,300,042.07)
Net increase (decrease) in cash and cash equivalents	37,597,731.36	(2,008,745.33)	37,877,074.46	(7,428,453.58)
Cash and cash equivalents, beginning of year	27,209,956.29	29,218,701.62	19,194,626.54	26,623,080.12
Cash and cash equivalents, end of year	<u>64,807,687.65</u>	<u>27,209,956.29</u>	<u>57,071,701.00</u>	<u>19,194,626.54</u>
Supplemental disclosures of cash flows information				
1) Cash and cash equivalents consisted of :				
Cash on hand	724,000.00	702,000.00	609,000.00	662,000.00
Cash at bank	64,083,687.65	26,507,956.29	56,462,701.00	18,532,626.54
Total	<u>64,807,687.65</u>	<u>27,209,956.29</u>	<u>57,071,701.00</u>	<u>19,194,626.54</u>

2) In year 2020 and 2019, the Company has transferred the land development cost of Baht 27.91 million and Baht 65.63 million into part of land pending development.

3) In year of 2020, the Company has transferred deposit into part of investment property in the amount Baht 1.36 million.

4) In year of 2020, the Company purchased office equipment under hire-purchase agreement in the amount of Baht 2.18 million.

5) In year of 2020, the Company had transferred the sales office from land held for development to property, plant and equipment Baht 8.75 million.

Notes to financial statements form an integral part of these statements.

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**1. GENERAL INFORMATION**

(a) Legal status and address of the Company

The Company was registered to be a limited company on February 2, 1994 and converted to be a public company limited under the Limited Public Company Act with the Ministry of Commerce on November 27, 2003, and the Company name was changed to N.C. Housing Public Company Limited.

The address of its registered office is as follows:

1/765 Moo 17, Soi Amporn Paholyotin Rd. K.M. 26, Tambol Kukod, Aumpur Lumlookka, Patumtanee, 12130, Thailand.

(b) Nature of the Company's business

The Company and subsidiaries operate its principal business as a real estate developer for trade in various areas such as house for sale including land development, providing construction services, condominium for sale, providing rental space in club house and health rehabilitation and senior care center, etc.

(c) Parent company

The major shareholder company is NCH 2555 Holding Company Limited which has 51% shareholding.

**2. BASIS OF CONSOLIDATED FINANCIAL STATEMENT AND OPERATIONS**

2.1 The accompanying consolidated financial statements include the accounts of N.C. Housing Public Company Limited and the following subsidiaries which are owned directly and indirectly by the Company :-

	Percentage of		Nature of Business
	direct and indirect holding		
	2020	2019	
<u>Subsidiaries</u>			
N.C. Property Management Co., Ltd.	100.00	100.00	Contractor and project management
Quality Living Management Co., Ltd.	100.00	100.00	Property management service
<u>Indirect subsidiary companies - held by</u>			
<u>N.C. Property Management Co., Ltd.</u>			
Siri Arun Wellness Co., Ltd.	60.00	60.00	Intermediate care and wellness

- 2.2 The percentage of total assets and total revenues of the subsidiaries included in the consolidated financial statements are as follows:

	Percentage of total assets included in consolidated statements of financial position		Percentage of total revenues included in consolidated statements of comprehensive income for the year	
	2020	2019	2020	2019
	<u>Subsidiaries</u>			
N.C. Property Management Co., Ltd.	2.37	2.04	0.17	2.35
Quality Living Management Co., Ltd.	0.05	0.04	4.28	39.70
<u>Indirect subsidiary companies - held by</u>				
<u>N.C. Property Management Co., Ltd.</u>				
Siri Arun Wellness Co., Ltd.	1.30	0.37	4.44	0.30

- 2.3 The acquisition of subsidiaries are recorded by Purchase Method.
- 2.4 Significant inter company transactions between the Company and subsidiaries have been eliminated.
- 2.5 The consolidated financial statements are prepared by using uniform accounting policies for transaction alike and other events in similar circumstances.
- 2.6 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- 2.7 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

### 3. PRINCIPLES OF PREPARATION AND PRESENTATIONS OF FINANCIAL STATEMENTS

- 3.1 Principles of preparation and presentations of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

The financial statements have been prepared on a historical cost basis except where

otherwise disclosed in the accounting policies.

### 3.2 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. 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. Except, the new standard involves changes to key principles, as summarized below.

#### **Financial reporting standards related to financial instruments:**

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

#### **TFRS 16 Leases**

TFRS 16 Leases supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

January 1, 2020, the Company and its subsidiaries have adopted TFRSs related to financial instruments and TFRS 16 in its financial statements by applying modified retrospective approach. The impact from the first-time adoption has been disclosed in Note 5 to the financial statements.

**Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”**

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

The Group have elected to apply the following temporary relief measures on accounting alternatives:

- Not to include information relating to the COVID-19 situation that may affect financial forecasts. In the future, used in conjunction with relevant fair value measurement techniques TFRS 13, Fair Value.
- Not to account for any reduction in lease payments by lessors (if any) as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognized in each period reversed in proportion to the reduction, with any differences then recognized in profit or loss.
- Not to include information relating to the uncertain COVID-19 situation, which may affect the estimation of future taxable profits. Into data to estimate the adequacy of future taxable profits in order to take advantage of deferred tax assets.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

**3.3 Financial reporting standards that become effective in the future**

During the year, the Federation of Accounting Professions issued a notification of the Federation of Accounting Professions and published in the Government Gazette for the conceptual framework of financial reporting (new) and several revised financial reporting standards from the year 2019 by becomes effective for the accounting period beginning on or after January 1, 2021 onwards. Which such adjustments are improve/ revise principles the financial reporting is as follows:

### **Adjustment is reference to the conceptual framework in the financial reporting standards**

Several financial reporting standards are reference to “ IASC’ s Framework for the Preparation and Presentation of Financial Statements.” The adjustment of reference project on the conceptual framework in the financial reporting standards has updated reference or partial reference adjustment and other to describe clearly whether each document is reference to “ the conceptual framework” of which year.

### **Conceptual Framework for Financial Reporting**

The conceptual framework for financial reporting consisted of revised definitions of assets and liabilities. Criteria for recognition assets and liabilities in the financial statements. It also includes the following new principles and guidance:

1. Measurement, including factors that must be considered in selecting the valuation criteria
2. Presentation and disclosure which includes when the income and expenses are classified into other comprehensive income.
3. Reporting entities
4. When the assets and liabilities derecognition from the financial statements

In addition, this Conceptual Framework for Financial Reporting clearly clarifies management’s stewardship of the entity’s economic resources, prudence, and measurement uncertainty of financial information.

### **Definition of Business**

Business definition revised in the financial reporting standard No. 3 “ Business Combination” describes more clearly on definition of business. The objective is for the business to establish that such transaction has to be recorded as “ business combination” or “ purchase of assets” or not. Adjustments are as follows:

1. Describe clearly on the consideration of “business”, activity group and acquired assets must include input data factor, key process that at least combined will significantly generate outputs.
2. Eliminate the assessment that the market partner can substitute input factor or missing process and generate further outputs from the standards.
3. Add practice guide and example to support understanding and help the company assess whether the key process is acquired.

4. Narrow down the definition of business and definition of outputs by placing interest in the product and service provided to the customer and eliminate the reference on ability to reduce cost from the standards.
5. Add the intention test as an alternative which allows to make assessment easily whether the activity group and acquired assets are business or not.

#### **Definition of significance**

The definition of significance resulted in revising the accounting standard No. 1 “ Presentation of Financial Statements, Presentation of Financial Statements and Accounting Standards No.8 - Accounting Policy, Change of Accounting Estimates and Error and the revision that resulted in other financial reporting standards. The adjustment creates better understanding of the definition of significance by

1. For the definition to follow the same direction of the financial reporting standards and conceptual framework to avoid the confusion that may arise from the definition difference.
2. Include the requirements together of the accounting standard No.1 “Presentation of financial statements” in the definition for it to become clearer and describe how the materiality can be clearly applied.
3. Applying existing practice guidance of the definition of the materiality in the same place as the definition.

#### **Reform of swap interest rate**

The reform of swap interest rate resulted in the adjustment of the financial reporting standards No. 9 financial instruments and financial reporting standards No.7 financial instrument disclosure. Such adjustment has changed the hedge accounting requirements, especially to reduce the impact arising from the uncertainty as a result of the swap interest rate reform such as interbank offer rates-IBORs. In addition, the adjustment requires the business to provide additional information to investors regarding the relation of hedging directly impacted from any uncertainties.

The management of the Company and its subsidiaries are in the process to assess the impact of these TFRSs to the financial statements in the year when they are adopted.

### 3.4 Thai Financial Reporting Standard No.16 “Leases”

The Federation of Accounting Professions has revised TFRS 16 lease agreements and published in the Government Gazette on January 27, 2021 with the following revisions.

1. The Rent Concessions related to COVID-19, which is effective from June 1, 2020 with earlier application permitted. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.

2. Added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Company and its subsidiaries are in the process to assess the impact of these TFRSs to the financial statements in the year when they are adopted.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Recognition of revenues and expenses

Revenue from sale of real estate

Revenue from sale of real estate is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of land and houses or residential condominium units. Revenue is measured at the amount of the consideration received or receivable of goods supplied after deducting discounts to customers.

Consideration paid to customers

The Company and its subsidiaries paid registration fee or paid common area fee on behalf of customers when the customers register the transfer of houses or condominium units. The management of the Company and its subsidiaries have considered that these transactions are consideration paid to customers. Therefore, they are recorded as net offsetting with revenue from property sales, not distribution costs as previously recorded.

The installment payment collected before transferring the significant risks and rewards of ownership to the buyer is recorded as unrealized income.

Cost of sales are based on the estimated cost of real estate project. However, cost of sales will be adjusted to be close to the actual cost in the event that the factors of the actual cost are significantly changed.

In determining the cost of land, land and houses and cost of condominiums, the total development costs are attributed to units sold on the basis of the salable area.

A subsidiary recognizes the revenue from construction on the percentage of completion method. Payment received more than the percentage of work completion is recorded as advance received and the part of undue is recorded as accrued income.

A subsidiary recognizes property manager services income when service are completed according to the duration of the contract.

A subsidiary recognizes property service and rental income when service are completed according to the duration of the contract.

The Company and subsidiaries are recognized other revenues and expenses on the accrual basis.

#### 4.2 Financial assets and financial liabilities

##### **Classification and measurement of financial assets**

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company and its subsidiaries classify its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company and its subsidiaries reclassify debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Company and its subsidiaries measure a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Company and its subsidiaries's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company and its subsidiaries classify its debt instruments:

- Amortized cost: A financial assets will be measured at amortized cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/ ( losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognized on other gains/ ( losses) . Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognized in profit or loss when the Company and its subsidiaries's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **Classification and measurement of financial liabilities and equity**

Financial instruments issued by the Company and its subsidiaries must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Company and its subsidiaries have an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company and its subsidiaries's own equity instruments.
- Where the Company and its subsidiaries have no contractual obligation or have an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Company and its subsidiaries measure financial liabilities at fair value. The Company and its subsidiaries reclassify all financial liabilities as subsequently measured at amortised cost, except for derivatives.

### **Recognition and derecognition**

The Company and its subsidiaries shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the Company and its subsidiaries become party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company and its subsidiaries commit to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company and its subsidiaries have transferred substantially all the risks and rewards of ownership of the financial assets.

### **Impairment**

The Company and its subsidiaries assess on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company and its subsidiaries apply general approach for credit-impaired consideration.

## **4.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks and deposits at financial institutions which are promissory notes with original maturity of 3 months or less and excluded deposits which are pledged as collateral.

#### 4.4 Account receivables

Applicable from January 1, 2020

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade receivables are stated at the amount expected to be collectible, the Company and its subsidiaries apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company and its subsidiaries have identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognized in profit or loss within administrative expenses.

Applicable prior to January 1, 2020

The Company and subsidiaries provide allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on the historical collection experience coupled with a review of the current status of existing receivables.

#### 4.5 Inventories

Inventories are real estate for sale which are stated at the lower of cost or net realizable value. Cost is included land, land developing, construction, borrowing costs and direct expense.

Inventories for service are valued at cost (first-in, first-out method) or net realizable value, whichever is lower.

Construction materials are valued at cost (first-in, first-out method) or net realizable value, whichever is lower.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete the sale.

#### 4.6 Property development and land held for development

Property development is stated at cost. Cost is included land, land developing, construction, borrowing costs and direct expense.

Land held for development, the Company intends to hold for future benefit. Cost consists of land cost and related expenses for land acquisition including borrowing costs which incurred during the development of projects period.

Property development and land held for development are stated at the lower of cost or net realizable value.

The Company and its subsidiaries records the loss on decline in value (if any) of property development in the statement of comprehensive income.

#### 4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the costs of the respective assets. Capitalization ceases when the projects are ready for their intended use or sale, when the physical construction of the projects is complete, or when construction is suspended and until active development resumes. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

To the extent that funds are borrowed specifically for the development of projects, interest costs include the actual borrowing costs less any investment income from the temporary investment of those borrowings. To the extent that funds are borrowed and used for the general purposes, interest costs are calculated by multiplying the capitalization rate to the expenditures on that project. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the entity during the year other than borrowings made for specific purposes.

#### 4.8 Investments in subsidiaries

Subsidiaries are entities over which the Company has the power to control their financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The financial statements of the subsidiaries are consolidated from the date the Company exercises control over the subsidiaries until the date that control power ceases.

Investments in subsidiaries are stated at cost net from allowance on impairment (if any) in the separate financial statements.

#### 4.9 Investment property

Investment property, cost is included land, land developing, construction, borrowing costs and direct expense.

Investment property is stated at cost less accumulated depreciation and allowance on impairment (if any).

Land is not depreciated.

Depreciation of investment property under residential building for lease category is calculated by the straight-line method over the estimated useful life :

Residential building for lease	30 years
Utility	10 years
Furniture and fixtures	5 years
Building improvement	5 years

Depreciation of investment property is included in determining income.

#### 4.10 Property, plant and equipment

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance on impairment (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the Company (if any).

Depreciation of plant and equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Buildings	20 years
Building improvement	20 years
Machineries and equipment	5 years
Sample house and sale office buildings	5 years
Office equipment	5 years
Furniture and fixtures	5 years
Vehicles	5 years

The Company and its subsidiaries have reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

#### 4.11 Intangible assets

Intangible assets that are acquired by the Company with finite useful lives are stated at cost less accumulated amortization and allowance on impairment (if any). Intangible assets are amortized in the statement of comprehensive income on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are as follows:

Software licenses	3 - 10 years
-------------------	--------------

#### 4.12 Impairment of non-financial assets

At each the statements of financial position date, the Company and its subsidiaries will assess the impairment of property, plant, and equipment and other assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an assets is less than the carrying amount. The recoverable amount of an assets is the higher of the fair value less costs to sell and its value in use.

In determining value in use, the Company and its subsidiaries estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs to sell, a conservative valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

#### 4.13 Leases

Applicable from January 1, 2020

At inception of a contract, the Company and its subsidiaries assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company and its subsidiaries assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

### **Right-of-use assets-as a lessee**

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

### **Lease liabilities**

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiaries and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising the option to terminate.

In calculating the present value of lease payments, the Company and its subsidiaries use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### **Short-term leases and leases of low-value assets**

The Company and its subsidiaries apply the short-term lease recognition exemption to its short-term leases ( those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

Applicable prior to January 1, 2020

#### Operating leases

Leases where most of substantial risks and rewards of ownership of assets still remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to expenses in the statements of comprehensive income over the leases term.

#### Financial leases

Leases which transfer to the Company most of substantial risks and rewards of ownership other than legal title are accounted for as financial leases. At the inception of the lease, the fair value of the leased assets is recorded together with the obligation, excluding interest element, to pay future rentals. Interest or financial charges are recognized in the statements of comprehensive income in proportion to the principal balance.

#### 4.14 Trade payables and other payables

Trade and other payables (including balances with related parties) are stated at cost.

#### 4.15 Employee benefits

##### Short-term employment benefits

The Company and its subsidiaries recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

##### Post-employment benefits (Defined contribution plans)

The Company and its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

##### Post-employment benefits (Defined benefit plans)

The Company and its subsidiaries has obligations in respect of the severance payments it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized in other comprehensive income.

4.16 Earnings per share

Earnings per share of the Company and its subsidiaries are basis earnings per share which is calculated by dividing the net earnings for the period by the weighted average number of ordinary shares held by outside parties in issue and paid-up during the year.

4.17 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company and two subsidiaries record income tax expense (if any) based on the amount currently payable under the Revenue Code at the income tax rates 20% of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

In addition to the Company and its subsidiaries computed corporate income tax based on the revenue and expense recognition principle in accordance with the Revenue Code and Instruction of the Revenue Department regarding the calculation of net profit and net income for real estate business, which differs from the accounting principles selected to apply in certain cases, such as recognition of revenue and cost of sales, capturing of interest expense and depreciation of assets under utilities system development for common facilities.

The one subsidiary records income tax expense (if any) based on the amount currently payable under the Revenue Code. Income tax is calculated at the tax rates from net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. Income tax is calculated at the rates as follows.

	<u>Tax rate</u>
Net profit before income tax (Baht)	
1 - 300,000	Exempt
300,001 - 3,000,000	15%
More than 3,000,000	20%

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

#### 4.18 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

#### 4.19 Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates would affect to the amount relating to incomes, expenses, assets, liabilities and disclosures of data relating to contingent assets and liabilities. The actual results may differ from amounts already estimated. Significant judgments and estimates are as follows:

#### 4.19.1 Estimated cost for house construction project

The Company and its subsidiaries estimate costs of house construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to complete the construction service, overhead expense, borrowing costs and center public utilities taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

#### 4.19.2 House building contracts

The subsidiary hiring of building house within housing project as an income by reference to the stage of completion of the construction contract activity, base on determining of the project's engineer, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to surveys of works and estimates performed by the project's engineer. The management is required to make judgment and estimates based on past experience and information obtained from the project's engineer.

#### 4.19.3 Estimated losses for house construction projects

In determining estimated expenses for house construction projects, the management is required to use judgment and relevant information to estimate losses that may be incurred from warranties and claims on the construction contract works. The estimates are made through a combination of specific reviews of construction projects, analysis of actual claims incurred and historical statistic information, among others. However, the use of different estimates and assumptions could affect the amounts of estimated expenses for construction projects.

#### 4.19.4 Allowance for declining-in value of inventories, property development and land held for development

##### Allowance for declining in value of inventory

The determination of allowance for declining in the value of inventory, requires management to make judgements and estimates of the loss expected to occur. The allowance for decline in net realizable value is estimated based on the selling price expected in the ordinary course of business less selling expense. The provision for obsolete slow-moving and deteriorated inventory, is estimated based on the approximate useful life of each type of inventory. The allowance for diminution in value of inventory as determined is compared with the original balance in the books of account and the increase or decrease in the allowance for diminution in value of inventory will be recognized as cost of sales and service in profit or loss.

Allowance for declining-in value of property development and land held for development

The Company and its subsidiaries treat property development and land held for development as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost. The management determines the devaluation of such property development and land held for development based on net realizable value.

#### 4.19.5 Contribution to the housing estate juristic person

The Company has estimated the contribution to the housing estate juristic persons by using the rate specified by the regulator and the budgeted public utilities costs as a basis for the calculation. It has already recognized the liabilities by the ownership transfer area proportion.

#### 4.19.6 Allowance for impairment of investments

The Company will set the allowance for impairment of investments when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment

#### 4.19.7 Investment property / Depreciation

In determining depreciation of investment property, the management is required to make estimates of the useful lives and residual values of the investment property and to review the useful lives and residual values when there are any changes.

In addition, the management is required to review investment property for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

#### 4.19.8 Property plant and equipment / Right of Use and Intangible assets / Depreciation

In determining depreciation of land building and equipment, right of use and amortized of intangible assets, the management is required to make estimates of the useful life and residual value and to review estimate useful life and residual value when there are any changes incurred to it.

In addition, the management is required to review land, building and equipment right of use and intangible assets for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

#### 4.19.9 Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

#### 4.19.10 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

#### 4.19.11 Liabilities from purchasing the real estate project

The Company and its subsidiaries have estimated the value of land purchase in real estate project. The management has estimated from the value of land purchase from the existing customers of project in the past.

#### 4.19.12 Determining the lease term of contracts with renewal and termination options

The Company and its subsidiaries determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company and its subsidiaries reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

## 5. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

As described in Note 3.2 to the financial statements, during the current year, the Company and its subsidiaries have adopted TFRS 9 and TFRS 16 using the modified retrospective method of adoption. The cumulative effect of the changes in accounting policies such financial reporting standards is recognized. Therefore, the comparative information was not restated.

The changes in accounting policies due to the adoption of above financial reporting standards, are summarized below.

	In Thousand Baht			
	Consolidated Financial Statements/ Separate Financial Statements			
	As at December 31, 2019	The impacts of TFRS 9	The impacts of TFRS 16	As at January 1, 2020
<b>Statement of financial position</b>				
<u>Non-current assets</u>				
Right-of-use assets	-	-	13,424	13,424
<u>Current liabilities</u>				
Current portion of lease liabilities	-	-	2,666	2,666
<u>Non-current liabilities</u>				
Lease liabilities	-	-	10,758	10,758

### 5.1 Financial instruments

#### Classification and measurement

On January 1, 2020 (the date of initial application), the Company and its subsidiaries's management has assessed which business models applied to the financial assets and liabilities held by the Company and its subsidiaries and has classified the financial assets and liabilities as below.

	In Thousand Baht				
	Consolidated Financial Statements				
	FVPL	Fair value - Derivatives	FVOCI	Amortized cost	Total
Financial assets as at January 1, 2020					
Cash and cash equivalents	-	-	-	27,210	27,210
Trade and other current receivables	-	-	-	7,108	7,108
Other current financial assets	583	-	-	371	954
Other current financial assets	-	-	-	13,821	13,821
	<u>583</u>	<u>-</u>	<u>-</u>	<u>48,510</u>	<u>49,093</u>

The Company and its subsidiaries classified debt investments that do not qualify for measurement at either amortized cost or FVOCI at fair value through profit or loss (FVPL).

Financial assets mandatorily measured at FVPL include the following:

	<u>In Thousand Baht</u> <u>Consolidated</u> <u>Financial Statements</u>
Other current financial assets as at January 1, 2020	
- Mutual funds	<u>583</u>

	<u>In Thousand Baht</u> <u>Consolidated Financial Statements</u>		
	<u>Fair value -</u> <u>Derivatives</u>	<u>Amortized cost</u>	<u>Total</u>
Financial liabilities as at January 1, 2020			
Bank overdrafts and short-term loans from financial institutions	-	306,870	306,870
Trade and other current payables	-	252,111	252,111
Long-term loans from financial institutions	-	622,117	622,117
Short-term loan from related parties	-	219,000	219,000
Short-term loan from director	-	2,500	2,500
	<u>-</u>	<u>1,402,598</u>	<u>1,402,598</u>

	<u>In Thousand Baht</u> <u>Separate Financial Statements</u>				
	<u>FVPL</u>	<u>Fair value -</u> <u>Derivatives</u>	<u>FVOCI</u>	<u>Amortized cost</u>	<u>Total</u>
Financial assets as at January 1, 2020					
Cash and cash equivalents	-	-	-	19,195	19,195
Trade and other current receivables	-	-	-	6,216	6,216
Other current financial assets	583	-	-	129	712
Restricted deposits with financial institutions	-	-	-	13,821	13,821
	<u>583</u>	<u>-</u>	<u>-</u>	<u>39,361</u>	<u>39,944</u>

Financial assets mandatorily measured at FVPL include the following:

	<u>In Thousand Baht</u> <u>Separate</u> <u>Financial Statements</u>
Other current financial assets as at January 1, 2020	
- Mutual funds	<u>583</u>

	In Thousand Baht		
	Separate Financial Statements		
	Fair value - Derivatives	Amortized cost	Total
Financial liabilities as at January 1, 2020			
Bank overdrafts and short-term loans from financial institutions	-	306,870	306,870
Trade and other current payables	-	248,152	248,152
Long-term loans from financial institutions	-	622,117	622,117
Short-term loan from related parties	-	219,000	219,000
	-	1,396,139	1,396,139

## 5.2 Leases

These liabilities were measured at the present value of the remaining lease payments, discounted using the Company and its subsidiaries's incremental borrowing rates. The Company and its subsidiaries incremental borrowing rates applied to the lease liabilities as at January 1, 2020 was ranged between 4.500% to 5.725%.

For leases previously classified as finance leases applying TAS 17, the Company and its subsidiaries reclassified the carrying amount of the lease assets and lease liabilities immediately before adoption of TFRS 16 as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

	In Thousand Baht
	Consolidated/Separate Financial Statements
Operating lease commitments disclosed as at December 31, 2019	4,004
<u>Add:</u> Purchase or extension options reasonably certain to be exercised	11,290
	15,294
<u>Less:</u> Deferred interest expenses	(1,870)
Additional lease liabilities from TFRS 16 adoption	13,424
Lease liabilities as at December 31, 2019	-
Lease liabilities recognized as at January 1, 2020	13,424
Of which are:	
Current lease liabilities	2,666
Non-current lease liabilities	10,758
	13,424

The recognized right-of-use assets relate to the following types of assets:

	<u>In Thousand Baht</u>
	<u>Consolidated/Separate</u>
	<u>Financial Statements</u>
As at January 1, 2020	
Land	4,782
Building	8,642
Total right-of-use assets	<u>13,424</u>

## 6. TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

The Company has certain transactions with its related parties and companies. A portion of the Company's assets, liabilities, revenues, cost and expenses arose from the transactions with the related parties and companies which are related through common shareholdings and/or directors. The effects of these transactions, which are in the normal course of business, were reflected in the accompanying interim financial statements on the basis determined by the related parties and companies.

Detail of relation between the Company and its related parties and companies are summarized as follows :

<u>Company's name</u>	<u>Country of incorporation</u>	<u>Type of relation</u>
NCH 2555 Holding Co., Ltd.	Thailand	Parent company
N.C. Property Management Co., Ltd.	Thailand	Subsidiary
Quality Living Management Co., Ltd.	Thailand	Subsidiary
Siri Arun Wellness Co.,Ltd.	Thailand	Subsidiary
S.C. Construction And Decoration Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Wattana Trading Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Homemart (1999) Co., Ltd.	Thailand	Co-shareholder and director
Sap Namchai Pattana Co., Ltd.	Thailand	Co-shareholder and director
Namchai Golf Management Co., Ltd.	Thailand	Co-shareholder and director
Namchai Property Development Co., Ltd.	Thailand	Co-shareholder and director
Tanyacart Management Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Wattana Transport Partnership	Thailand	Co-shareholder and director
Precast station Co., Ltd.	Thailand	Director's relative
Mr. Somchao Tanthathoedthan	Thailand	Director
Mr. Somnuek Tanthathoedtham	Thailand	Director

The significant transactions between the Company and its related parties and companies for the year ended December 31, 2020 and 2019, are summarized as follows.

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
	Pricing basis	2020	2019	2020	2019
<u>Transaction during the period</u>					
<u>Subsidiaries</u>					
Other income - office rental					
Quality Living Management Co., Ltd.	Baht 5,000 per month	-	-	60	60
Siri Arun Wellness Co., Ltd.	Baht 297,160 per month	-	-	3,120	297
Other income - utility charges					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	17	17
Siri Arun Wellness Co., Ltd.	Electricity : Bath 5 per unit	-	-	757	-
	Water : Bath 17 per unit				
Other income-interest income					
N.C. Property Management Co., Ltd.	At the rate of 5.75 % p.a.	-	-	-	22
Siri Arun Wellness Co., Ltd.	At the rate of				
	MLR less 0.50% - 0.75 % p.a.	-	-	39	-
Furniture rental income					
Siri Arun Wellness Co., Ltd.	Baht 24,149.53 per month	-	-	290	51
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 45,000 per project	-	-	2,641	2,560
<u>Related parties</u>					
Sale income					
Mr. Somchao Tanthathoedtham	Market price	-	1,348	-	1,348
Other income - office rental					
Precast station Co., Ltd.	Baht 20,000 per month and	750	720	750	720
	Baht 40,000 per month				
Construction cost					
Precast station Co., Ltd.	At per agreement	130,783	67,121	130,783	67,121
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	46,915	27,000	46,085	26,705
S.C. Construction And Decoration Co., Ltd.	Market price	326	259	326	259
Land rental expense					
Sap Namchai Pattana Co., Ltd	Baht 55,000 per month	660	660	660	660
Golf club membership					
Namchai Golf Management Co., Ltd.	Market price	200	180	200	180
Interest expenses					
Mr. Somchao Tanthathoedtham	At the rate of 5.75% p.a.	72	164	-	-
N.C.H 2555 Holding Co., Ltd.	At the rate of MLR less	10,026	13,173	10,026	13,166
	0.50% - 0.75% p.a.				
	(2019 : at the rate of 5.75% p.a.)				

The significant outstanding balance as at December 31, 2020 and 2019, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Short-term loan to related parties				
- N.C. Property Management Co., Ltd.				
Balance, at the beginning of the period	-	-	-	-
Addition during the period	-	-	-	6,000
Deduction during the period	-	-	-	(6,000)
Balance, at the end of the period	-	-	-	-
Short-term loan to related parties				
- Siri Arun Wellness Co., Ltd.				
Balance, at the beginning of the period	-	-	-	-
Addition during the period	-	-	10,000	-
Deduction during the period	-	-	-	-
Balance, at the end of the period	-	-	10,000	-
Accrued electricity, water and services income				
- Siri Arun Wellness Co., Ltd.	-	-	78	19
Accrued interest				
- Siri Arun Wellness Co., Ltd.	-	-	39	-
Account payable to related parties				
- Quality living Management Co., Ltd.	-	-	306	69
- Siri Arun Wellness Co., Ltd.	-	-	323	323
- S.C. Construction And Decoration Co., Ltd.	35	52	35	52
- Sathaporn Wattana Trading Co., Ltd.	12,174	7,381	11,286	7,381
- Precast station Co., Ltd.	29,527	29,972	29,527	29,972
- Namchai Golf management Co., Ltd.	75	-	75	-
- Sap Namchai Pattana Co., Ltd.	660	-	660	-
- Mr. Somchao Tanthathoedtham	82	-	82	-
- Mr. Somnuek Tanthathoedtham	39	-	39	-
	42,592	37,405	42,333	37,797
Short-term loan from related parties				
- N.C.H. 2555 Holding Co., Ltd.				
Balance, at the beginning of the year	219,000	230,000	219,000	229,000
Addition during the year	5,000	-	-	-
Deduction during the year	(40,000)	(11,000)	(40,000)	(10,000)
Balance, at the end of the year	184,000	219,000	179,000	219,000
Short-term loan from director				
- Mr. Somchao Tanthathoedtham				
Balance, at the beginning of the year	2,500	3,000	-	-
Addition during the year	-	-	-	-
Deduction during the year	-	(500)	-	-
Balance, at the end of the year	2,500	2,500	-	-
Accrued interest				
- N.C.H. 2555 Holding Co., Ltd.	2,024	3,317	2,024	3,317

Loan from the directors and short-term loan from related parties incurred mainly intended to utilize for the Company's working capital and loan repaid.

Loan from the directors and short-term loan from related parties are promissory notes, which will be paid at call.

#### COLLATERAL WITH RELATED COMPANIES

As at December 31, 2020 and 2019, the Company had contingent liability from letters of guarantee issued by a bank on behalf of the subsidiary for electricity usage amounting to Baht 0.40 million.

#### MANAGEMENT BENEFIT EXPENSES

Management benefit expense represent the benefits paid to the Company's management, such as salaries and related benefit including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act. The management is comprised of the managing director, deputy managing directors and senior managers.

Management benefit expenses for the year ended December 31, 2020 and 2019, are as follows:

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	2020	2019
<u>Management</u>		
Management benefit expenses		
Short-term employee benefits	51,853	33,609
Post-employment benefits	937	1,330
Total	<u>52,790</u>	<u>34,939</u>

#### 7. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Cash in hand	724	702	609	662
Cash at bank – current accounts	11,497	5,550	3,895	5,286
Cash at bank – saving accounts	52,587	20,958	52,568	13,247
Total	<u>64,808</u>	<u>27,210</u>	<u>57,072</u>	<u>19,195</u>

## 8. TRADE AND OTHER CURRENT RECEIVABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Trade receivables	-	72	-	-
<u>Other current receivables</u>				
Account receivables to relate parties	288	-	-	-
Accrued income	362	1,051	355	1,050
The Revenue Department receivable	1,142	741	197	200
Prepaid expenses	5,192	4,461	5,185	4,449
Advance payment	951	661	661	456
Other receivables	2,537	2,676	2,529	2,632
Total other current receivables	10,472	9,590	8,927	8,787
<u>Less</u> Expected credit loss	(1,591)	(1,591)	(1,591)	(1,591)
Other current receivables, net	8,881	7,999	7,336	7,196
Total trade and other current receivables	8,881	8,071	7,336	7,196

Changes in the expected credit loss in during the years are as follow :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	2020	2019
Beginning balance	1,591	611
Increase	-	980
Decrease	-	-
Ending balance	1,591	1,591

## 9. INVENTORIES

Inventories consist of

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Cost of houses and condominiums				
for sales	131,920	180,342	131,920	180,342
Goods for service	139	73	-	-
Construction Materials and				
Equipment	830	-	-	-
Total	132,889	180,415	131,920	180,342
<u>Less</u> decrease allowance for declining				
value of inventories	(8,359)	(8,359)	(8,359)	(8,359)
Inventories, net	124,530	172,056	123,561	171,983

Changes in the allowance for declining value of inventories during the years are as follows :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	2020	2019
Beginning balance	8,359	4,392
Increase	-	3,967
Decrease	-	-
Ending balance	8,359	8,359

The Company has commitment under the signed purchase and sale contract as follows:-

	Consolidated/Separate Financial Statements			
	2020		2019	
	Unit	In Million Baht	Unit	In Million Baht
House and condominiums for sales	39	131.92	73	180.34
House and condominiums for sales - under signed purchase and sale contract	(2)	(7.28)	(2)	(2.88)
House and condominium for sales - balance carry forward not under signed purchase and sale contract	37	124.64	71	177.46

As at December 31, 2020 and 2019, some inventories of the Company in the amount of Baht 67.29 million and Baht 61.67 million, respectively, are mortgaged as a part of collateral for long-term loans with local commercial bank, as discussed in Note 24.

## 10. PROPERTY DEVELOPMENT COSTS

10.1 Actual property development costs, consist of :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	2020	2019
Land and land development costs	2,456,010	2,873,114
Utilities development costs	801,809	1,046,323
Construction in progress	4,086,309	4,970,630
Interest capitalization	438,071	517,658
Total	7,782,199	9,407,725
Less Transfer to inventory	(131,920)	(180,342)
Transfer to accumulated cost of sale	(6,008,265)	(7,337,367)
Property development costs, net	1,642,014	1,890,016

As at December 31, 2020 and 2019, most of Company's land and construction in the projects are mortgaged as collateral against credit facilities for loans with local commercial bank, as discussed in Note 24.

For the years ended December 31, 2020 and 2019, the Company recorded the related interest expense amounting approximately to Baht 22.04 million and Baht 31.91 million, respectively, as part of property development costs. The capitalization rate for calculation of interest is 5.32% and 5.69%, respectively.

#### 10.2 Obligation and commitment under real estate projects

	<u>Consolidated/Separate Financial Statements</u>	
	<u>2020</u>	<u>2019</u>
Number of operating projects, at the beginning of the year	19	21
Number of newly open projects	1	2
Number of closing projects	-	(4)
Number of project, transfer to land held for development	-	-
Number of operating projects, at the end of the year	<u>20</u>	<u>19</u>
Total current projects value (In million Baht)	12,413.56	15,434.82
Contracted sales value (In million Baht)	9,725.39	12,042.20
As percentage of total current projects value	78.34	78.02

As at December 31, 2020 and 2019, the Company has the obligation to complete the public utility development project for operating projects in the amount of Baht 89.22 million and Baht 83.98 million, respectively.

## 11. LAND HELD FOR DEVELOPMENT

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Beginning balance	1,673,191	1,954,096	1,599,783	1,880,688
<u>Add</u> - Increase during the year	52,456	64,846	52,456	64,846
- Transfer from property development costs	27,906	65,445	27,906	65,445
Total	1,753,553	2,084,387	1,680,145	2,010,979
<u>Less</u> - decrease during the year	-	(337,545)	-	(337,545)
- Transfer to property development costs	(116,935)	(73,651)	(116,935)	(73,651)
Ending balance	1,636,618	1,673,191	1,563,210	1,599,783
Land held for development				
Current	451,636	488,209	451,279	487,852
Non-current	1,184,982	1,184,982	1,111,931	1,111,931
	1,636,618	1,673,191	1,563,210	1,599,783

In year 2020, The Company has transferred the land pending development to the land development cost of Baht 108.19 million and to property, plant and equipment Baht 8.75 million.

As at December 31, 2020 and 2019, most of the Company's land held for development are mortgaged as collateral against the credit facilities for long-term loans with local commercial banks, as discussed in Note 24.

## 12. OTHER CURRENT FINANCIAL ASSETS

	In Thousand Baht			
	Consolidated Financial Statements			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Fixed deposit for 6 months	244	-	-	-
Fixed deposit for 12 months	135	-	135	-
Investments in securities				
- SCB savings fixed income fund	585	-	585	-

Total

964	-	720	-
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### 13. CURRENT ASSETS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Deposits	10,982	1,985	10,982	1,985
Accrued income	-	-	117	19
Others	208	363	177	346
<b>Total</b>	<b>11,190</b>	<b>2,348</b>	<b>11,276</b>	<b>2,350</b>

### 14. OTHER NON CURRENT FINANCIAL ASSETS

Other non-current financial assets is deposit pledged as collateral.

As at December 31, 2020 and 2019, the Company had fixed deposit amounting to Baht 11.02 million and Baht 13.82 million, respectively, which are pledged as collateral for maintenance of public utilities, customer's loan and gasoline, as discussed in Note 41.2.

### 15. INVESTMENTS IN SUBSIDIARIES

	Paid up shares		Ownership		Amount		Dividend	
	(In Thousand Baht)		(%)		(In Thousand Baht)		(In Thousand Baht)	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>AT COST</b>								
<b>SUBSIDIARIES</b>								
N.C. Property								
Management Co., Ltd.	85,000	77,500	100	100	86,864	79,364	-	-
Quality Living								
Management Co., Ltd.	1,000	1,000	100	100	-	-	-	-
					<u>86,864</u>	<u>79,364</u>	<u>-</u>	<u>-</u>

On February 24, 2020, the Board of Director's Meeting had a resolution to pay for the capital increase registered shares of N.C. Property Management Co., Ltd. in the amount of Baht 3.75 million. The Company paid for such capital increase shares in the full amount.

On May 12, 2020, the Board of Directors' Meeting of the Company had a resolution to approve paying for the capital increase registered shares of N.C. Property Management Co., Ltd. for Baht 3.75 million. The Company paid for such capital increase shares in the full amount.

On August 12, 2019 the board of directors had approved the registered capital increase of N.C. Property Management Co., Ltd. for Baht 15 million from the former registered capital of Baht 70 million to Baht 85 million so that N.C. Property Management Co., Ltd. to have certain funds for the business operation. On August 13, 2019, the Company paid such capital increase amount of Baht 7.50 million and registered the capital increase with the Department of Business Development, Ministry of Commerce on August 13, 2019.

## 16. INVESTMENT PROPERTY

Property investment consist of the following :

Consolidate/Separate Financial Statements (In Thousand Baht)					
	Balance as at December 31, 2019	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2020
<u>At cost</u>					
Land	45,360	-	-	-	45,360
Residential building for lease	157,582	33,621	-	-	191,203
Building improvement	604	-	-	-	604
Utility	26,022	2,525	-	-	28,547
Furniture and fixtures	10,807	588	-	-	11,395
Total	240,375	36,734	-	-	277,109
<u>Less Accumulated depreciation</u>					
Residential building for lease	(24,582)	(4,924)	-	-	(29,506)
Building improvement	(15)	(61)	-	-	(76)
Utility	(13,022)	(2,609)	-	-	(15,631)
Furniture and fixtures	(10,555)	(112)	-	-	(10,667)
Total	(48,174)	(7,706)	-	-	(55,880)
Property investment-net	192,201				221,229

Consolidate/Separate Financial Statements (In Thousand Baht)					
	Balance as at December 31, 2018	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2019
<u>At cost</u>					
Land	45,360	-	-	-	45,360
Residential building for lease	152,630	4,952	-	-	157,582
Building improvement	-	604	-	-	604
Utility	26,081	5,094	(5,153)	-	26,022
Furniture and fixtures	10,610	197	-	-	10,807
Total	234,681	10,847	(5,153)	-	240,375
<u>Less Accumulated depreciation</u>					
Residential building for lease	(19,671)	(4,911)	-	-	(24,582)
Building improvement	-	(15)	-	-	(15)
Utility	(12,483)	(2,729)	2,190	-	(13,022)
Furniture and fixtures	(8,441)	(2,114)	-	-	(10,555)
Total	(40,595)	(9,769)	2,190	-	(48,174)
Property investment-net	194,086				192,201

	In Thousand Baht	
	2020	2019
Depreciation for the year	7,706	9,769

Investment property is the residential building for lease and is presented at cost. The fair value of land and building structures (exclude furniture and fixtures) as at December 31, 2020 and 2019 amounting to Baht 240.88 million and Baht 201.60 million respectively, which have been determined based on valuations is performed by an accredited independent valuer. The fair value has been determined based on cost approach using level 3 input (see note 40.6)

For the year ended December 31, 2020 and 2019, the Company has the rental revenue from properties amounting to Baht 8.45 million and Baht 15.13 million, respectively, and has the operating expenses and the financial cost amounting for Baht 19.76 million and Baht 25.72 million, respectively which are recognized in the statements of comprehensive income.

As at December 31, 2020 and 2019, total amount of Company's investment property is mortgaged as collateral against facilities for long-term loans with local commercial bank, as discussed in note 24.

## 17. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following :

	Consolidated Financial Statements (In Thousand Baht)				
	Balance as at December 31, 2019	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2020
<u>At cost</u>					
Land - office	660	-	-	-	660
- clubhouse	45,812	-	(13,319)	-	32,493
Building - office	10,203	-	-	-	10,203
- clubhouse	98,272	-	(7,087)	-	91,185
Sample house and sale office building	43,924	-	-	-	43,924
Building improvement	16,958	10,649	-	-	27,607
Medical equipment	1,125	2,708	-	-	3,833
Exercise equipment - physical therapy	14	415	-	-	429
Furniture and decorative	1,459	6,874	-	-	8,333
Machinery and equipment	9,521	23	-	-	9,544
Office equipment	21,092	2,423	-	-	23,515
Office equipment - under finance lease agreement	2,504	-	-	-	2,504
Furniture and fixtures	16,735	3,954	-	-	20,689
Kitchen durable goods	77	293	-	-	370
Other medical durable goods	19	196	-	-	215
Electrical appliance	151	1,838	-	-	1,989
Bedding set and service receiver tools and equipment	235	173	-	-	408
Vehicles	26,163	-	(1,346)	-	24,817
Right-of-use assets	-	1,658	-	-	1,658

Total	294,924	31,204	(21,752)	-	304,376
Consolidated Financial Statements (In Thousand Baht)					
	Balance as at December 31, 2019	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2020
<u>Less Accumulated depreciation</u>					
Building - office	(10,203)	-	-	-	(10,203)
- clubhouse	(77,927)	(4,034)	7,087	-	(74,874)
Sample house and sale office building	(43,924)	-	-	-	(43,924)
Building improvement	(7,525)	(1,519)	-	-	(9,044)
Medical equipment	(29)	(270)	-	-	(299)
Exercise equipment - physical therapy	(1)	(8)	-	-	(9)
Furniture and decorative	(40)	(390)	-	-	(430)
Machinery and equipment	(8,694)	(175)	-	-	(8,869)
Office equipment	(16,714)	(1,964)	-	-	(18,678)
Office equipment - under finance lease					
agreement	(962)	(540)	-	-	(1,502)
Furniture and fixtures	(13,963)	(1,258)	-	-	(15,221)
Kitchen durable goods	(1)	(49)	-	-	(50)
Other medical durable goods	(1)	(6)	-	-	(7)
Electrical appliance	(3)	(117)	-	-	(120)
Bedding set and service receiver tools					
and equipment	(2)	(50)	-	-	(52)
Vehicles	(18,752)	(1,337)	1,346	-	(18,743)
Right-of-use assets	-	(135)	-	-	(135)
Total	(198,741)	(11,852)	8,433	-	(202,160)
Net	96,183				102,216
<u>Less Allowance for declining value</u>					
-building clubhouse	(1,755)	-	-	-	(1,755)
- machinery and equipment	(281)	-	-	-	(281)
Total	(2,036)	-	-	-	(2,036)
Property, plant and equipment - net	94,147				100,180

Consolidated Financial Statements (In Thousand Baht)

	Balance as at December 31, 2018	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2019
<u>At cost</u>					
Land - office	660	-	-	-	660
- clubhouse	60,651	-	(14,839)	-	45,812
Building - office	10,203	-	-	-	10,203
- clubhouse	109,578	-	(11,306)	-	98,272
Sample house and sale office building	43,924	-	-	-	43,924
Building improvement	12,018	5,024	(84)	-	16,958
Medical equipment	-	1,125	-	-	1,125
Exercise equipment - physical therapy	-	14	-	-	14
Furniture and decorative	-	1,459	-	-	1,459
Machinery and equipment	9,234	287	-	-	9,521
Office equipment	18,447	2,645	-	-	21,092
Office equipment - under finance lease agreement	2,504	-	-	-	2,504
Furniture and fixtures	16,078	657	-	-	16,735
Kitchen durable goods	-	77	-	-	77
Other medical durable goods	-	19	-	-	19
Electrical appliance	-	151	-	-	151
Bedding set and service receiver tools and equipment	-	235	-	-	235
Vehicles	26,163	-	-	-	26,163
Total	309,460	11,693	(26,229)	-	294,924

Consolidated Financial Statements (In Thousand Baht)

	Balance as at December 31, 2018	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2019
<u>Less Accumulated depreciation</u>					
Building - office	(10,203)	-	-	-	(10,203)
- clubhouse	(84,846)	(4,045)	10,963	-	(77,927)
Sample house and sale office building	(43,924)	-	-	-	(43,924)
Building improvement	(6,728)	(877)	81	-	(7,525)
Medical equipment	-	(29)	-	-	(29)
Exercise equipment - physical therapy	-	(1)	-	-	(1)
Furniture and decorative	-	(40)	-	-	(40)
Machinery and equipment	(8,546)	(148)	-	-	(8,694)
Office equipment	(14,022)	(2,692)	-	-	(16,714)
Office equipment - under finance lease agreement	(962)	-	-	-	(962)
Furniture and fixtures	(12,736)	(1,227)	-	-	(13,963)
Kitchen durable goods	-	(1)	-	-	(1)
Other medical durable goods	-	(1)	-	-	(1)
Electrical appliance	-	(3)	-	-	(3)
Bedding set and service receiver tools and equipment	-	(2)	-	-	(2)
Vehicles	(17,305)	(1,447)	-	-	(18,752)
Total	(199,272)	(10,513)	11,044	-	(198,741)
Net	110,188				96,183
<u>Less Allowance for declining value</u>					
-building clubhouse	(3,204)	-	1,449	-	(1,755)
- machinery and equipment	(281)	-	-	-	(281)
Total	(3,485)	-	1,449	-	(2,036)
Property, plant and equipment - net	<u>106,703</u>				<u>94,147</u>

Separate Financial Statements (In Thousand Baht)

	Balance as at December 31, 2019	Additions	Deduction	Transfer in (out)	Balance as at December 31, 2020
<u>At cost</u>					
Land - office	660	-	-	-	660
- clubhouse	45,812	-	(13,319)	-	32,493
Building - office	10,203	-	-	-	10,203
- clubhouse	98,272	-	(7,087)	-	91,185
Sample house and sale office building	43,924	-	-	-	43,924
Building improvement	11,935	9,418	-	-	21,353
Machinery and equipment	3,150	23	-	-	3,173
Office equipment	19,989	2,086	-	-	22,075
Office equipment - under finance lease agreement	2,504	-	-	-	2,504
Furniture and fixtures	16,385	1,976	-	-	18,362
Vehicles	25,857	-	(1,346)	-	24,511
Right-of-use assets	-	1,658	-	-	1,658
Total	278,691	15,162	(21,752)	-	272,100
<u>Less Accumulated depreciation</u>					
Building - office	(10,203)	-	-	-	(10,203)
- clubhouse	(77,928)	(4,034)	7,087	-	(74,875)
Sample house and sale office building	(43,924)	-	-	-	(43,924)
Building improvement	(7,515)	(926)	-	-	(8,441)
Machinery and equipment	(2,604)	(175)	-	-	(2,779)
Office equipment	(15,906)	(1,894)	-	-	(17,800)
Office equipment - under finance lease agreement	(962)	(540)	-	-	(1,502)
Furniture and fixtures	(13,798)	(1,176)	-	-	(14,974)
Vehicles	(18,446)	(1,337)	1,346	-	(18,437)
Right-of-use assets	-	(134)	-	-	(134)
Total	(191,287)	(10,216)	8,433	-	(193,069)
Net	87,405				79,031
<u>Less Allowance for declining value</u>					
- building clubhouse	(1,755)	-	-	-	(1,755)
Total	(1,755)	-	-	-	(1,755)
Property, plant and equipment - net	85,650				77,276

Separate Financial Statements (In Thousand Baht)					
	Balance as at	Additions	Deduction	Transfer in	Balance as at
	December 31, 2018			(out)	December 31, 2019
<u>At cost</u>					
Land - office	660	-	-	-	660
- clubhouse	60,651	-	(14,839)	-	45,812
Building - office	10,203	-	-	-	10,203
- clubhouse	109,578	-	(11,306)	-	98,272
Sample house and sale office building	43,924	-	-	-	43,924
Building improvement	12,018	-	(83)	-	11,935
Machinery and equipment	2,863	287	-	-	3,150
Office equipment	17,651	2,338	-	-	19,989
Office equipment - under					
finance lease agreement	2,504	-	-	-	2,504
Furniture and fixtures	15,914	471	-	-	16,385
Vehicles	25,857	-	-	-	25,857
Total	301,823	3,096	(26,228)	-	278,691
<u>Less Accumulated depreciation</u>					
Building - office	(10,203)	-	-	-	(10,203)
- clubhouse	(84,846)	(4,045)	10,963	-	(77,928)
Sample house and sale office building	(43,924)	-	-	-	(43,924)
Building improvement	(6,728)	(867)	80	-	(7,515)
Machinery and equipment	(2,456)	(148)	-	-	(2,604)
Office equipment	(13,232)	(2,674)	-	-	(15,906)
Office equipment - under finance lease					
agreement	(962)	-	-	-	(962)
Furniture and fixtures	(12,571)	(1,227)	-	-	(13,798)
Vehicles	(16,999)	(1,447)	-	-	(18,446)
Total	(191,921)	(10,408)	11,043	-	(191,286)
Net	109,902				87,405
<u>Less Allowance for declining value</u>					
- building clubhouse	(3,204)	-	1,449	-	(1,755)
Total	(3,204)	-	1,449	-	(1,755)
Property, plant and equipment - net	106,698				85,650

	In Thousand Baht			
	Consolidated Financial		Separate Financial Statements	
	Statements			
	2563	2562	2563	2562
Depreciation for the year	11,852	10,513	10,216	10,408

As at December 31, 2020 and 2019, some part of land and the clubhouse building in the total amount of Baht 100.52 million (net book value amount of Baht 33.53 million and Baht 37.53 million, respectively) are mortgaged as collateral against the overdrafts from a commercial bank in the credit limit amount of Baht 25 million, as discussed in Note 22.

In year 2020, the Company had transferred the land and clubhouse building to the housing estate juristic person at cost Baht 20.41 million (Book value of Baht 13.32 million).

In year 2019, the Company had transferred the land and clubhouse building to the housing estate juristic person at cost Baht 25.18 million (Book value of Baht 14.77 million).

The fixed assets had been fully depreciated but still in use, as follows:

Transaction assets	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Building - office	10,203	10,203	10,203	10,203
Building - clubhouse	2,878	9,624	2,878	9,624
Sample house and sale office building	20,763	20,763	20,763	20,763
Machinery and equipment	3,387	3,297	2,335	2,245
Office equipment	15,876	12,133	14,918	11,175
Furniture and fixtures	11,650	10,871	11,650	10,871
Vehicles	19,109	16,551	18,803	16,254
Total	<u>83,866</u>	<u>83,442</u>	<u>81,550</u>	<u>81,135</u>

## 18. RIGHT-OF-USE ASSETS

The net book value of right-of-use assets related to lease contracts and the movement for the year ended December 31, 2020 are presented below.

	In Thousand Baht	
	Consolidated financial statements	Separate Financial statements
<b>Cost</b>		
As at December 31, 2019	-	-
Effects of the adoption of TFRS16 as at January 1, 2020	13,424	13,424
As at January 1, 2020	13,424	13,424
Addition	13,063	434
Written-off	-	-
As at December 31, 2020	26,487	13,858
<b>Less Accumulated depreciation</b>		
As at December 31, 2019	-	-
Effects of the adoption of TFRS16 as at January 1, 2020	-	-
As at January 1, 2020	-	-
Depreciation for the year	(4,764)	(3,041)
Depreciation - written-off	-	-
As at December 31, 2020	(4,764)	(3,041)
<b>Net book value</b>		
As at December 31, 2019	-	-
As at January 1, 2020	13,424	13,424
As at December 31, 2020	21,723	10,817

## 16. INTANGIBLE ASSETS

Movements of the intangible assets account for the year ended December 31, 2020 and 2019, are summarized as follows:

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
<b>At cost</b>		
Balance as at December 31, 2018	12,032	12,032
<u>Add</u> Acquisitions during the year	653	524
<u>Less</u> Disposals and write-off during the year	-	-
Balance as at December 31, 2019	12,685	12,556
<u>Add</u> Acquisitions during the year	371	284
<u>Less</u> Disposals and write-off during the year	-	-
Balance as at December 31, 2020	13,056	12,840
<b>Less Accumulated amortization</b>		
Balance as at December 31, 2018	(7,268)	(7,268)
<u>Add</u> Amortization for the year	(764)	(760)
<u>Less</u> Disposals and write-off during the year	-	-
Balance as at December 31, 2019	(8,032)	(8,028)
<u>Add</u> Amortization for the year	(854)	(823)
<u>Less</u> Disposals and write-off during the year	-	-
Balance as at December 31, 2020	(8,886)	(8,851)
<b>Net book value</b>		
Balance as at December 31, 2019	4,653	4,528
Balance as at December 31, 2020	4,170	3,989

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements	Statements	Statements	Statements
	2020	2019	2020	2019
Amortization for the year	853	765	823	760

## 20. DEFERRED TAX ASSETS AND LIABILITIES

20.1 Deferred tax assets and liabilities, consisted of

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Deferred tax assets	22,865	16,496	18,475	16,496
Deferred tax liabilities	(3,934)	(1,851)	(1,335)	(3,573)
	<u>18,931</u>	<u>14,645</u>	<u>17,140</u>	<u>12,923</u>

20.2 Changes in deferred tax assets and liabilities for the year ended December 31, 2020 and 2019, are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements			Balance as at December 31, 2020
	Balance as at December 31, 2019	Revenue (expenses) during the year		
In profit or loss		In other comprehensive income		
Deferred tax assets:				
Expected credit loss (2019 : allowance for doubtful account receivables)	196	-	-	196
Allowance for impairment - clubhouse	351	-	-	351
Lease liabilities	-	6,660	-	6,660
Provisions for employee benefits obligations	12,644	(511)	(534)	11,599
Provisions for compensation for housing estate juristic persons	3,305	754	-	4,059
Total	<u>16,496</u>	<u>6,903</u>	<u>(534)</u>	<u>22,865</u>
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(17)	-	-	(17)
Property development costs and inventories	(1,834)	4,402	-	2,568
Right-of-use assets	-	(6,485)	-	(6,485)
Total	<u>(1,851)</u>	<u>(2,083)</u>	<u>-</u>	<u>(3,934)</u>
Net	<u>14,645</u>	<u>4,820</u>	<u>(534)</u>	<u>18,931</u>

In Thousand Baht

Consolidated Financial Statements				
	Balance as at December 31, 2018	Revenue (expenses) during the year		Balance as at December 31, 2019
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Expected credit loss (2019 : allowance for doubtful account receivables)	-	196	-	196
Allowance for impairment - clubhouse	641	(290)	-	351
Lease liabilities	-	-	-	-
Provisions for employee benefits obligations	10,822	1,122	700	12,644
Provisions for compensation for housing estate juristic persons	3,905	(600)	-	3,305
Total	<u>15,368</u>	<u>428</u>	<u>700</u>	<u>16,496</u>
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(16)	(1)	-	(17)
Property development costs and inventories	(1,257)	(577)	-	(1,834)
Right-of-use assets	-	-	-	-
Total	<u>(1,273)</u>	<u>(578)</u>	<u>-</u>	<u>(1,851)</u>
Net	<u>14,095</u>	<u>(150)</u>	<u>700</u>	<u>14,645</u>

In Thousand Baht				
Separate Financial Statements				
	Balance as at December 31, 2019	Revenue (expenses) during the year		Balance as at December 31, 2020
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Expected credit loss (2019 : allowance for doubtful account receivables)	196	-	-	196
Allowance for impairment - clubhouse	351	-	-	351
Leases liabilities	-	2,273	-	2,273
Provisions for employee benefits obligations	12,644	(514)	(534)	11,596
Provisions for compensation for housing estate juristic persons	3,305	754	-	4,059
Total	<u>16,496</u>	<u>2,513</u>	<u>(534)</u>	<u>18,475</u>
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(17)	-	-	(17)
Property development costs and inventories	(3,556)	4,401	-	845
Right-of-use assets	-	(2,163)	-	(2,163)
Total	<u>(3,573)</u>	<u>2,238</u>	<u>-</u>	<u>(1,335)</u>
Net	<u>12,923</u>	<u>4,751</u>	<u>(534)</u>	<u>17,140</u>
In Thousand Baht				

	Separate Financial Statements			Balance as at December 31, 2019
	Balance as at December 31, 2018	Revenue (expenses) during the period		
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Expected credit loss (2019 : allowance for doubtful account receivables)	-	196	-	196
Allowance for impairments - clubhouse	641	(290)	-	351
Leases liabilities	-	-	-	-
Provisions for employee benefits obligations	10,822	1,122	700	12,644
Provisions for compensation for housing estate juristic persons	3,905	(600)	-	3,305
Total	15,368	428	700	16,496
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(16)	(1)	-	(17)
Property development costs and inventories	(2,979)	(577)	-	(3,556)
Right-of-use assets	-	-	-	-
Total	(2,995)	(578)	-	(3,573)
Net	12,373	(150)	700	12,923

## 21. NON CURRENT ASSETS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Deposits and guarantee	2,453	2,548	2,449	2,530
Withholding tax	6,845	6,838	6,736	6,737
Total	9,298	9,386	9,185	9,267

## 22. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consists of :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	2020	2019
Bank overdrafts from the financial institutions	2,020	43,599
Short-term loans from the financial institutions	1,000	263,271

Total	3,020	306,870
-------	-------	---------

As at December 31, 2020 and 2019, the Company had credit line for bank overdrafts amounting to Baht 80 million and Baht 65 million, respectively, charged the interest rate at MOR and MOR less fixed rate. It had also the short-term loan amounting to Baht 120.43 million and Baht 263.27 million, respectively, charged the interest rate at MLR and MLR less fixed rate. They were guaranteed by land and some part of the Company's club house buildings including the land with buildings in both existing and will be held in the future on the land of the Company's project and that of the directors' relatives.

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as (1) not to sell, dispose, transfer, give rent, pledge, or mortgage the Company's loan collaterals, (2) not to commit any obligation that would result in letting other persons have control or rights in the Company's assets, (3) to maintain debt-to-equity ratio is not over than 1.5:1, (4) not to pay dividend except the lender assess the payment not affect to ability of repayment loan, (5) not to decrease registered capital and (6) to grant beneficiary of the asset protection insurance to the lender, etc.

### 23. TRADE AND OTHER CURRENT PAYABLES

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2020	2019	2020	2019
<u>Trade payables</u>				
Trade payables - related parties	42,592	37,698	42,333	37,797
Trade payables - others	14,394	8,729	11,920	7,530
Subcontractor payables	87,127	65,316	86,833	65,316
Total trade payables	144,113	111,743	141,086	110,643
<u>Other current payables</u>				
Trade note payables	63,455	31,103	63,455	31,103
Accrued expenses	35,168	18,915	33,447	16,485
Advance received	86,056	11,869	85,614	11,850
Retention from contractors	80,287	71,228	79,683	70,969
Others payables	7,734	7,254	7,412	7,103
Total other current payables	272,700	140,369	269,611	137,510
Total trade and other current payables	416,813	252,112	410,697	248,153

## 24. LONG-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consists of :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	2020	2019
Long-term loans from local banks		
Total	423,313	622,117
<u>Less</u> Current portion due within one year	(259,926)	(273,073)
Long-term loans from the financial institutions, net	<u>163,387</u>	<u>349,044</u>

Movements in the long-term loans account during the years ended December 31, 2020 and 2019, are summarized below.

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	2020	2019
Balance as at December 31, 2019	622,117	557,717
<u>Add</u> Additional borrowings during the year	440,680	332,575
<u>Less</u> Repayment during the period	(639,484)	(268,175)
Balance as at December 31, 2020	<u>423,313</u>	<u>622,117</u>

As at December 31, 2020 and 2019, the Company had the long-term loan amounting of Baht 1,748.20 million and Baht 1,736.90 million, respectively, carried the interest rate MLR less fixed rate.

Guaranteed by some part of land and buildings in both existing and to be held in the future on the land of the project and by the relative of the director and by investment property.

As at December 31, 2020 and 2019, the Company has the credit limits that have not been withdrawn amounting of Baht 1,473.80 million and Baht 994.31 million, respectively.

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as (1) not to sell, dispose, transfer, give rent, pledge, or mortgage the Company's loan collaterals, (2) not to commit any obligation that would result in letting other persons have control or rights in the Company's assets, (3) to maintain debt-to-equity ratio, (4) not to pay dividend except the lender has assessed that payment does not affect loan repayment ability, (5) not to decrease registered capital and (6) to grant beneficiary of the asset protection of the insurance policy to the lender, etc.

## 25. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the year, December 31, 2020, are presented below.

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
As at December 31, 2019		
Effects of the adoption of TFRS16	13,424	13,424
As at January 1, 2020	13,424	13,424
<u>Add</u> Addition	15,249	2,620
<u>Add</u> Accretion of interest	1,061	767
<u>Less</u> Payments	(5,660)	(3,774)
<u>Less</u> Decrease from contract cancellation	-	-
As at December 31, 2020	24,074	13,037
<u>Less</u> current portion	(6,515)	(3,512)
Lease liabilities net of current portion	17,559	9,525

The following are the amounts recognized in profit or loss:

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Depreciation of right-of-use assets	4,765	3,041
Interest expense on lease liabilities	1,061	767
Expense relating to short-term lease	2,664	2,354
Leases of low-value assets	51	26
Total	8,541	6,188

The Company and its subsidiaries had total cash outflows for leases of Baht 5.66 million (the separate: Baht 3.77 million) and also had non-cash additions to right-of-use assets and lease liabilities of Baht 15.25 million (the separate: Baht 2.62 million).

## 26. PROVISION FOR EMPLOYEE BENEFIT OBLIGATIONS

Movement of employee benefit obligations for the years ended December 31, 2020 and 2019, is shown as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<b>The statements of financial position</b>				
Defined benefit obligations, beginning of the years	64,930	55,789	63,222	54,112
<u>Plus</u> Current service costs and interest	4,233	5,869	4,048	5,612
<u>Less</u> Employee benefit obligations paid during the year	(6,705)	-	(6,706)	-
<u>Less</u> Actuarial loss from post-employee benefit	(2,456)	3,272	(2,670)	3,498
Defined benefit obligations, ending of the years	<u>60,002</u>	<u>64,930</u>	<u>57,894</u>	<u>63,222</u>
<u>Recognized in profit (loss)</u>				
Cost of service	49	100	-	-
Selling expenses	1,066	1,548	1,066	1,548
Administrative expenses	2,279	2,935	2,176	2,820
Finance costs	839	1,286	806	1,244
Total	<u>4,233</u>	<u>5,869</u>	<u>4,048</u>	<u>5,612</u>
<u>Recognized in other comprehensive income</u>				
Actuarial loss from post-employee benefit	(2,456)	3,272	(2,670)	3,498
Total	<u>(2,456)</u>	<u>3,272</u>	<u>(2,670)</u>	<u>3,498</u>
Total	<u>1,777</u>	<u>9,141</u>	<u>1,378</u>	<u>9,110</u>

Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the years ended December 31, 2020 and 2019, arise from :-

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
<u>Recognize in other comprehensive income</u>				
Improvement from experience	2,617	(4,047)	2,535	(3,500)
Population assumption	(4,309)	(760)	(4,579)	(854)
Financial assumption	(764)	8,079	(626)	7,852
Total	<u>(2,456)</u>	<u>3,272</u>	<u>(2,670)</u>	<u>3,498</u>

The main assumptions in the estimates the financial assumptions for the Group of Company based on actuarial principles.

For the years ended December 31, 2020 and 2019 ;

	Percentage			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Discount rate	1.50 - 2.10	2.06 - 2.30	1.50	2.06
Salary increase rate	4.00 - 5.00	5.00	5.00	5.00
Employee turnover rate	1.91 - 22.92	0 - 34	1.91 - 22.92	0 - 25
Mortality rate	100.00 based on the table of death B.E. 2560			
Disability rate	5.00 of the mortality rate	5.00 of the mortality rate	5.00 of the mortality rate	5.00 of the mortality rate

### Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 and 2019 are summarized below:

	Percentage			
	2020			
	Consolidate Financial Statements		Separate Financial Statements	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(4.05)	4.64	(3.83)	4.37
Salary increase rate	4.43	(3.96)	4.18	(3.74)
Employee turnover rate	(2.20)	2.41	(2.06)	2.26

  

	Percentage			
	2019			
	Consolidate Financial Statements		Separate Financial Statements	
	1% increase	1% decrease	1% increase	1% decrease
Discount rate	(4.18)	4.76	(3.98)	4.53
Salary increase rate	4.59	(4.12)	4.35	(3.91)
Employee turnover rate	(4.39)	1.11	(4.16)	1.04

As at December 31, 2020 and 2019, the Company did not have any amount to be paid to the employees retiring in one year's time.

**27. PROVISION FOR COMPENSATION FOR HOUSING ESTATE JUSTIC PERSONS**

	In Thousand Baht	
	Consolidated / Separate	
	Financial Statements	
	2020	2019
Beginning balance	16,526	19,527
<u>Add</u> increase during the year	3,768	1,703
<u>Less</u> decrease during the year	-	(4,704)
Ending balance	<u>20,294</u>	<u>16,526</u>

**28. PROVISION FROM PURCHASING THE REAL ESTATE PROJECT**

The Company had an obligation under the contract to buy and sell land of a real estate project with a company under the buy and sale agreement dated December 16, 2004, and its subsidiary had an obligation under the contract to buy and sell land of a real estate project with a company under the buy and sale agreement dated March 3, 2014. The contract to buy and to sell land requires the Company and its subsidiary to pay for the land, including the debt burden owing to the existing customers of the project.

Movements in the provision from purchasing the real estate project account during the year ended December 31, 2020, and 2019, are summarized below.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Ending balance as at December 31, 2019	42,741	42,741	39,198	39,198
<u>Add</u> increase during the year	-	-	-	-
<u>Less</u> decrease during the year	(5,934)	-	(5,700)	-
Ending balance as at December 31, 2020	<u>36,807</u>	<u>42,741</u>	<u>33,498</u>	<u>39,198</u>

## 29. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

On January 1, 2020 ( the date of initial application of new financial reporting standards) , the Company and its subsidiaries' s management have assessed which business models applied to the financial assets and liabilities and have classified the financial assets and liabilities balances as at January 1, 2020 has been disclosed in Note 5.1

	In Thousand Baht				
	Consolidated financial statements				
	FVPL	Fair value - Derivatives	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2020					
Cash and equivalents	-	-	-	64,808	64,808
Trade accounts payable and other payable	-	-	-	8,881	8,881
Current lease liabilities	585	-	-	379	964
Non-current lease liabilities	-	-	-	11,019	11,019
	<u>585</u>	<u>-</u>	<u>-</u>	<u>85,087</u>	<u>85,672</u>

The Company and its subsidiaries classified debt investments that do not qualify for measurement at either amortized cost or FVOCI at fair value through profit or loss (FVPL).

Financial assets mandatorily measured at FVPL as at December 31, 2020 include the following:

	Thousand Baht
	Consolidated
	financial statements
<b>Financial assets</b>	
Mutual funds	<u>585</u>

	In Thousand Baht		
	Consolidated financial statements		
	Fair value - Derivatives	Amortized cost	Total
Financial liabilities as at December 31, 2020			
Bank overdrafts and short-term loans from financial institutions	-	3,020	3,020
Trade and other current payables	-	416,813	416,813
Long-term loans from financial institutions	-	423,313	423,313
Short-term loan from related parties	-	184,000	184,000
Short-term loan from director	-	2,500	2,500
Lease liabilities	-	24,074	24,074
	<u>-</u>	<u>1,053,720</u>	<u>1,053,720</u>

	In Thousand Baht				Total
	Separate financial statements				
	FVPL	Fair value - Derivatives	FVOCI	Amortized cost	
Financial assets as at December 31, 2020					
Cash and cash equivalents	-	-	-	57,072	57,072
Trade accounts payable and other payable	-	-	-	7,336	7,336
Short-term loan from related parties	-	-	-	10,000	10,000
Current lease liabilities	585	-	-	135	720
Non-current lease liabilities	-	-	-	11,019	11,019
	<u>585</u>	<u>-</u>	<u>-</u>	<u>85,562</u>	<u>86,147</u>

The Company and its subsidiaries classified debt investments that do not qualify for measurement at either amortized cost or FVOCI at fair value through profit or loss (FVPL).

Financial assets mandatorily measured at FVPL as at December 31, 2020 include the following:

	In Thousand Baht
	Separate Financial Statements
<b><u>Current lease liabilities</u></b>	
Mutual funds	<u>585</u>

	In Thousand Baht		Total
	Separate Financial Statements		
	Fair value - Derivatives	Amortized cost	
Financial liabilities as at December 31, 2020			
Bank overdrafts and short-term loans from financial institutions	-	3,020	3,020
Trade and other current payables	-	410,697	410,697
Short-term loan from related parties	-	179,000	179,000
Long-term loans from financial institutions	-	423,313	423,313
Lease liabilities	-	13,037	13,037
	<u>-</u>	<u>1,029,067</u>	<u>1,029,067</u>

### 30. TAX EXPENSE (INCOME)

Major components of tax expense (income) for the years ended December 31, 2020 and 2019, consisted of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Income tax expense (income) shown in profit or loss				
:				
Current tax expense:				
Income tax expense for the period	35,594	6,629	35,594	6,521
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(4,820)	150	(4,751)	150
Total	<u>30,774</u>	<u>6,779</u>	<u>30,843</u>	<u>6,671</u>
Recognized in other comprehensive income				
Actuarial gain (loss) from post-employee benefit	<u>534</u>	<u>(700)</u>	<u>534</u>	<u>(700)</u>

30.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate for the years ended December 31, 2020 and 2019, which are summarized as follows:

	In Thousand Baht			
	Consolidate Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Accounting profit (loss) for the year	141,350	28,025	152,931	28,459
The applicable tax rate (%)	20%	20%	20%	20%
Tax expense (income) at the applicable tax rate	<u>28,270</u>	<u>5,605</u>	<u>30,586</u>	<u>5,692</u>
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	2,504	1,174	257	979
Tax effect of income that are not deductible in determining tax profit:	-	-	-	-
Total reconciliation items	<u>2,504</u>	<u>1,174</u>	<u>257</u>	<u>979</u>
Total tax expense (income)	<u>30,774</u>	<u>6,779</u>	<u>30,843</u>	<u>6,671</u>

30.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate  
For the years ended December 31, 2020 and 2019 are summarized as follows:

	Consolidated Financial Statements			
	2020		2019	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	141,350		28,025	
Tax expense (income) at the applicable tax rate	28,270	20	5,605	20
Reconciliation items	2,504	1.77	1,174	4.19
Tax expense (income) at the average effective tax rate	30,774	21.77	6,779	24.19

  

	Separate Financial Statements			
	2020		2019	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	152,931		28,459	
Tax expense (income) at the applicable tax rate	30,586	20	5,692	20
Reconciliation items	257	0.17	979	3.44
Tax expense (income) at the average effective tax rate	30,843	20.17	6,671	23.44

As at December 31, 2020 and 2019, a subsidiary has the accumulated tax losses less than 5 years at the amount of Baht 3.92 million and Baht 3.35 million, respectively, which the such subsidiary did not record such deferred tax assets from losses above as there is no policy to use such losses in the tax calculation for the year.

### 31. LEGAL RESERVE

Under the provision of the Public Limited Companies Act B.E.2535, the Company must appropriate the reserve at least 5% of its annual net income after deduction of the deficit brought forward (if any) until the reserve reaches 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

A subsidiary had appropriated its legal reserve as reserve fund of which the reserve reaches 10% of the authorized share capital.

According to the resolution on the Board of Directors Meeting No. 1/2021 held on February 24, 2021 the Company had appropriated its legal reserve in the amount of Baht 6.20 million of annual net income in 2020.

According to the resolution on the Board of Directors Meeting No. 1/2020 held on February 28, 2020 the Company had appropriated its legal reserve in the amount of Baht 1.21 million of annual net income in 2019.

### 32. DIVIDEND

According to the minutes of the shareholders' meeting 2019 held on April 26, 2019, the meeting had a resolution to approve paying the dividend in cash at Baht 0.030 per share in the total amount Baht 37.36 million and paid the dividend on May 15, 2019.

### 33. CAPITAL MANAGEMENT

The primary objective of the Company and its subsidiaries' capital management are to ensure that it has an appropriate financial structure and preserve the ability to continue its business as a going concern.

According to the statement of financial position as at December 31, 2020 and 2019, the Group's debt-to-equity ratio was 0.44 : 1 and 0.60 : 1, respectively and the Company's was 0.43 : 1 and 0.59 : 1, respectively.

### 34. PROVIDENT FUND

The Company and its subsidiaries established a contributory registered provident fund covering all permanent employees in accordance with the provident Fund Act B.E.2530.

Under the provident fund plan, employees' and Company's contributions are equivalent to certain percentages of employees' basic salaries. The employees are entitled to the Company's contributions in accordance with the rules and regulations of the fund and on the length of service with the Company. The Company and its subsidiaries appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Provident Fund Act B.E. 2530.

The Company and its subsidiaries's contribution for the years ended December 31, 2020 and 2019 amounted to Baht 3.48 million and Baht 3.24 million, respectively.

The Company's contributions for the years ended December 31, 2019 and 2018 amounted to Baht 3.41 and Baht 3.17, respectively.

### 35. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Changes in inventories (increase) decrease	48,356	139,698	48,422	139,771
Changes in property development costs				
(increase) decrease	248,003	(292,303)	248,003	(292,303)
Changes in land held for development				
(increase) decrease	36,573	280,905	36,573	280,905
Interest capitalization	22,038	31,915	22,038	31,915
Utilities and construction in progress	776,005	585,467	776,003	585,467
Employee benefit expenses	139,986	122,550	129,537	116,055
Depreciation and amortization expenses	24,768	21,047	21,783	20,938

### 36. FINANCE COSTS

Finance costs consists of :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Interest paid and payable to				
- Financial institutions	39,075	58,746	39,075	58,746
- Related parties	10,245	13,337	10,026	13,166
Employee benefit obligations	839	1,286	806	1,244
Fee for obtaining loans from financial institutions	152	863	152	863
Finance lease interest	995	-	767	-
Total	51,306	74,232	50,826	74,019
<u>Less</u> capitalized as part of property development costs	(22,038)	(31,915)	(22,038)	(31,915)
Net	29,268	42,317	28,788	42,104

### 37. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit (loss) for the period by weighted average number of ordinary shares that are issued and paid during the year after adjusting the number of ordinary shares to reflect the impact of the stock dividend. The prior period's basic earnings per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest year reported.

		Consolidated Financial Statements		Separate Financial Statements	
		2020	2019	2020	2019
Profit (loss) for the year	(Thousand Baht)	115,278	21,772	122,089	21,788
Weighted average number of ordinary shares	(Shares)	1,245,284	1,245,284	1,245,284	1,245,284
Basic earning per share	(Baht per share)	0.093	0.017	0.098	0.017

### 38. SEGMENT INFORMATION

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

The business operation of the Company and its subsidiaries mainly involve real estate, rental and services, contractor and property management services, which has main geographical operation in Thailand. Segment performance is considered by revenue and profit in each unit, and is also measured based on the group operating profit or loss, on a basis consistent, with that used to measure operating profit or loss in the financial statements. The Company and its subsidiaries' information for the year ended December 31, 2020 and 2019 by segments are as follows:

For the year ended December 31, 2020 (In Thousand Baht)

	Real Estate		Rental and services	Contractor	Property management services	Intermediate care and wellness	Total	Elimination		Consolidated
	Low - rise segment	High - rise segment						DR.	CR.	
<b>Revenues</b>										
Sales	1,684,363	84,715	-	-	-	-	1,769,078			1,769,078
Service income for rent	-	-	8,447	-	7,426	4,958	20,831	(6,808)		14,023
Other income	9,707	237	35	304	17	29	10,329	(230)		10,099
<b>Total revenues</b>	<b>1,694,070</b>	<b>84,952</b>	<b>8,482</b>	<b>304</b>	<b>7,443</b>	<b>4,987</b>	<b>1,800,238</b>			<b>1,793,200</b>
<b>Expenses</b>										
Cost of sales	1,155,805	48,194	-	-	-	-	1,203,999			1,203,999
Cost service	-	-	15,832	-	4,671	6,580	27,083		(265)	26,818
Selling expenses	152,644	16,973	-	-	-	-	169,617			169,617
Administrative expenses	192,009	23,142	1,186	371	2,501	9,271	228,480		(6,332)	222,148
Finance cost	25,791	-	2,997	-	161	960	29,909		(641)	29,268
<b>Total expenses</b>	<b>1,526,249</b>	<b>88,309</b>	<b>20,015</b>	<b>371</b>	<b>7,333</b>	<b>16,811</b>	<b>1,659,088</b>			<b>1,651,850</b>
Income (loss) by segments	167,821	(3,357)	(11,533)	(67)	110	(11,824)	141,150			141,350
Tax expenses (income)	30,843	-	-	-	-	(69)	30,774			30,774
<b>Profit (loss) for the period</b>	<b>136,978</b>	<b>(3,357)</b>	<b>(11,533)</b>	<b>(67)</b>	<b>110</b>	<b>(11,755)</b>	<b>110,376</b>			<b>110,576</b>

	For the year ended December 31, 2020 (In Thousand Baht)									
	Real Estate		Rental and services	Contractor	Property management services	Intermediate care and wellness	Total	Elimination		Consolidated
	Low - rise segment	High - rise segment						DR.	CR.	
Tax expenses (income)										
Profit gain (loss) for the year										
Other comprehensive income										
Item that will not be reclassified to profit or loss	2,029	107	-	-	(214)	-	1,922			1,922
Items that maybe classifieds subsequently to profit or loss	-	-	-	-	-	-	-			-
Other comprehensive income for the year	2,029	107	-	-	(214)	-	1,922			1,922
Total comprehensive income for the year	139,007	(3,250)	(11,533)	(67)	110	(11,755)	112,298			112,498
As at December 31, 2020										
Inventories	77,843	15,718	-	-	-	-	124,530			124,530
Property development costs	1,635,834	6,180	-	-	-	-	1,642,014			1,642,014
Investment property	-	-	221,229	-	-	-	221,229			221,229
Property, plant and equipment	76,836	132	306	-	27	22,877	100,180			100,180

For the year ended December 31, 2019 (In Thousand Baht)

	Real Estate		Rental and services	Contractor	Property management services	Intermediate care and wellness	Total	Elimination		Consolidated
	Low - rise segment	High - rise segment						DR.	CR.	
Revenues										
Sales	1,084,215	127,355	-	-	-	-	1,211,570	-	-	1,211,570
Service income for rent	-	-	15,129	-	7,402	51	22,582	(2,560)	-	20,022
Other income	20,923	291	19	439	12	6	21,690	(447)	-	21,243
Total revenues	1,105,138	127,646	15,148	439	7,414	57	1,255,842			1,252,835
Expenses										
Cost of sales	738,188	81,315	-	-	-	-	819,503	-	-	819,503
Cost of service	-	-	17,076	-	3,629	249	20,954	-	-	20,954
Selling expenses	127,611	13,907	-	-	-	-	141,518	-	-	141,518
Administrative expenses	157,394	37,011	4,867	293	2,815	1,122	203,502	-	(2,985)	200,517
Finance cost	37,875	28	4,201	29	206	-	42,339	-	(22)	42,317
Total expenses	1,061,068	132,261	26,144	322	6,650	1,371	1,227,816			1,224,809
Income (loss) by segments	44,070	(4,615)	(10,996)	117	764	(1,314)	28,026			28,026
Tax expenses (income)	6,671	-	-	-	108	-	6,779			6,779
Profit (loss) for the period	37,399	(4,615)	(10,996)	117	656	(1,314)	21,247			21,247

For the year ended December 31, 2019 (In Thousand Baht)

	Real Estate		Rental and services	Contractor	Property management services	Intermediate care and wellness	Total	Elimination		Consolidated
	Low - rise segment	High - rise segment						DR.	CR.	
Tax expenses (income)										
Profit gain (loss) for the year										
Other comprehensive income										
Item that will not be reclassified to profit or loss										
Actuarial loss from post-employee benefit, net of income tax	(2,518)	(280)	-	-	226	-	(2,572)			(2,572)
Items that maybe classified subsequently to profit or loss	-	-	-	-	-	-	-			-
Other comprehensive income for the year	(2,518)	(280)	-	-	226	-	(2,572)			(2,572)
Total comprehensive income for the year	34,881	(4,895)	(10,996)	117	882	(1,314)	18,675			18,675
As at December 31, 2019										
Inventories	77,514	94,469	-	-	-	74	172,057			172,057
Property development costs	1,883,726	6,290	-	-	-	-	1,890,016			1,890,016
Investment property	-	-	192,201	-	-	-	192,201			192,201
Property, plant and equipment	84,987	314	348	-	26	8,472	94,147			94,147

### 39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2020 and 2019 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	Balance	Cash flows	Non-cash	Balance
	As at January	Increase (decrease) *	transaction	As at December
1, 2020		Increase	31, 2020	
Bank overdrafts and short - term loans				
from the financial institutions	306,870	(303,850)	-	3,020
Short-term loan from other company	-	-	-	-
Short-term loan from related parties	219,000	(35,000)	-	184,000
Short-term loan from the director	2,500	-	-	2,500
Long-term loans from the financial institutions	622,117	(198,805)	-	423,312
Liabilities under the finance lease agreement	13,424	(5,660)	16,310	24,074
<b>Total</b>	<b>1,163,911</b>	<b>(543,315)</b>	<b>16,310</b>	<b>636,906</b>

	In Thousand Baht			
	Consolidated Financial Statements			
	Balance	Cash flows	Non-cash	Balance
	As at January	Increase (decrease) *	transaction	As at December
1, 2019		Increase	31, 2019	
Bank overdrafts and short - term loans				
from the financial institutions	456,425	(149,555)	-	306,870
Short-term loan from other company	48,162	(48,162)	-	-
Short-term loan from related parties	230,000	(11,000)	-	219,000
Short-term loan from the director	3,000	(500)	-	2,500
Long-term loans from the financial institutions	557,717	64,400	-	622,117
Liabilities under the finance lease agreement	1	(1)	-	-
<b>Total</b>	<b>1,295,305</b>	<b>(144,818)</b>	<b>-</b>	<b>1,150,487</b>

\* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

	In Thousand Baht			
	Separate Financial Statements			
	Balance	Cash flows	Non-cash	Balance
	As at January	Increase (decrease) *	transaction	As at December
1, 2020		Increase	31, 2020	
Bank overdrafts and short - term loans				
from the financial institutions	306,870	(303,850)	-	3,020
Short-term loan from related parties	219,000	(40,000)	-	179,000
Long-term loans from the financial institutions	622,117	(198,805)	-	423,312
Liabilities under the finance lease agreement	13,424	(3,774)	3,387	13,037
<b>Total</b>	<b>1,161,411</b>	<b>(546,429)</b>	<b>3,387</b>	<b>618,369</b>

	In Thousand Baht			
	Separate Financial Statements			
	Balance	Cash flows	Non-cash	Balance
	As at January	Increase (decrease) *	transaction	As at December
1, 2019		Increase	31, 2019	
Bank overdrafts and short - term loans				
from the financial institutions	456,425	(149,555)	-	306,870
Short-term loan from other company	48,162	(48,162)	-	-
Short-term loan from related parties	229,000	(10,000)	-	219,000
Long-term loans from the financial institutions	557,717	64,400	-	622,117
Liabilities under the finance lease agreement	1	(1)	-	-
<b>Total</b>	<b>1,291,305</b>	<b>(143,318)</b>	<b>-</b>	<b>1,147,987</b>

\* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

#### 40. FINANCIAL INSTRUMENTS

##### 40.1 Accounting policies

Details of significant accounting policies and methods adopted, including criteria for recognition of revenues and expenses relating to financial assets and financial liabilities are disclosed in note 4.2.

##### 40.2 Financial risk management for financial instruments

The Company and its subsidiaries manage their financial risk that may arise in the financial assets and financial liabilities in normal course of business by using generally internal management and control system and the Company and its subsidiaries do not hold or issue any derivative instruments. The significant financial assets and financial liabilities of the Company and its subsidiaries comprise cash and

cash equivalents, bank overdrafts and short-term loans from the financial institutions, trade account receivable and payable, include notes receivable and notes payable, loans, liabilities under the finance lease agreement.

#### 40.3 Interest Rate Risk

The Company and its subsidiaries have the significant interest rate risks in relation to deposit at the financial institutions, bank overdrafts and short-term loans from the financial institutions, long-term loans from the financial institutions, loan from the director and short-term loan from the related parties and companies. Interest rate risk arises from the interest rate changes, which cause damage to the Company and its subsidiaries in the current period and in the future.

As at December 31, 2020 and 2019, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	As at December 31, 2020			
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	52,587	-	12,221	64,808
Trade and other current receivables	-	-	8,881	8,881
Other non-current financial assets	-	11,019	-	11,019
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans from the financial institutions	2,020	1,000	-	3,020
Trade and other current receivables	-	-	416,813	416,813
Long-term loans from financial institutions	423,313	-	-	423,313
Short-term loan from related parties	184,000	-	-	184,000
Short-term loan from director	2,500	-	-	2,500

	In Thousand Baht			
	Consolidated Financial Statements			
	As at December 31, 2019			
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	20,958	-	6,252	27,210
Trade and other current receivables	-	371	583	954
Other non-current financial assets	-	-	8,071	8,071
Deposit pledged as collateral	-	13,821	-	13,821
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans from the financial institutions	43,599	263,271	-	306,870
Trade accounts payable and other payable	-	-	252,112	252,112
Long-term loans from financial institutions	622,117	-	-	622,117
Short-term loan from related parties	-	219,000	-	219,000
Short-term loan from director	-	2,500	-	2,500

	In Thousand Baht			
	Separate Financial Statements			
	As at December 31, 2020			
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	3,895	-	53,177	57,072
Other current financial assets	-	135	585	720
Other non-current financial assets	-	11,019	-	11,019
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans from the financial institutions	2,020	1,000	-	3,020
Trade accounts payable and other payable	-	-	410,697	410,697
Long-term loans from financial institutions	423,313	-	-	423,313
Short-term loan from related parties	179,000	-	-	179,000

	In Thousand Baht			
	Separate Financial Statements			
	As at December 31, 2019			
	Floating interest rate	Fixed interest rate	Interest - free	Total
<u>Financial assets</u>				
Cash and cash equivalents	13,247	-	5,948	19,195
Short-term investments	-	129	583	712
Trade and other current receivables	-	-	7,196	7,196
Other non-current financial assets	-	13,821	-	13,821
<u>Financial liabilities</u>				
Bank overdrafts and short-term loans from the financial institutions	43,599	263,271	-	306,870
Trade accounts payable and other payable	-	-	248,153	248,153
Long-term loans from financial institutions	622,117	-	-	622,117
Short-term loan from related parties	-	219,000	-	219,000

#### 40.4 Foreign currency risk

As at December 31, 2020 and 2019, the Company has no exchange rate risk since it has no trade accounts receivable and accounts payable in foreign currency outstanding on the statement of financial position. The Company did not enter into forward contracts for hedging against exchange rate risk.

#### 40.5 Liquidity risk

The Company manages its liquidity risk by maintaining adequate level of cash and cash equivalents to support the Company's operations as well as securing short-term credit facilities from financial institutions for reserve as necessary and to reduce the impact of fluctuations in cash flow.

#### 40.6 Fair value of financial instruments

The Company uses the market approach to measure and disclosure their assets and liabilities that are required to be measured or disclosure at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

##### Fair value hierarchy

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

Level 3 - Use of unobservable inputs such as estimates of future cash flows.

As at December 31, 2020 and 2019, the Company had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-

	In Thousand Baht			
	Net book value	Consolidated/Separate Financial Statements		
		Fair value		
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Current investments				
Open fund	498	-	585	585
Total	498	-	585	585

During the current period, there were no transfers within the fair value hierarchy.

##### Valuation techniques and inputs to level 2

The fair value of investments in open fund that are not listed on the Stock Exchange of Thailand has been determined by using the net assets value per unit as announced by the fund manager.

As at December 31, 2020 and 2019, the financial assets and liabilities that are not measured at fair value (fair value disclosure) represented by the fair value hierarchy are as follows :

	In Thousand Baht			
	Consolidated/Separate Financial Statements			
	Net book value	Fair value		
	Level 1	Level 2	Level 3	Total
As at December 31, 2020				
<b>Assets disclosed at fair value</b>				
Investment property	221,229	-	240,880	240,880
As at December 31, 2019				
<b>Assets disclosed at fair value</b>				
Investment property	192,201	-	201,600	201,600

#### Valuation techniques and inputs to level 3

The fair value of investment property is calculated by using the cost approach in determining the asset value. Land is used to compare with the market price and the replacement cost approach is used for building.

## 41. COMMITMENT AND CONTINGENT LIABILITIES

### 41.1 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements for office buildings, land and building for base stations. The terms of the agreements are generally 3 years.

As at December 31, 2020 future minimum lease payments under these operating leases contracts were as follows.

<u>Payable within:</u>	<u>Million Baht</u>
1 year	2.37

As at December 31, 2020, the Company and its subsidiaries had no obligations under lease agreements and related service agreements as a result of the adoption of the TFRS 16 as at January 1, 2020. The Company and its subsidiaries recognized the lease liabilities previously classified as operating lease at the present value of the remaining lease payments, discounted incremental borrowing rate, as described in Note 5.2.

41.2 As at December 31, 2020, the Company and its subsidiaries had contingent liabilities from letters of guarantee issued by three banks to government agency and third parties, are as follows :

	In Million Baht	
	Consolidated Financial Statements	Separate Financial Statements
- Guarantee for electricity, water and others	8.69	8.29
- Guarantee fund for maintenance of public utilities	327.69	327.69

41.3 As at December 31, 2020, the Company had contingent liabilities to a bank from the guarantee on the customer's loan amounting to Baht 0.65 million and gasoline amounting to Baht 0.20 million (See Note 21).

41.4 As at December 31, 2020, the Company had the obligations to pay from entering into 3 land purchase and sale agreements amounting to Baht 331.00 million.

41.5 As at December 31, 2020, the Company has lawsuit as follows:

41.5.1 As at December 31, 2020, the Company had a lawsuit on the civil case of Pattaya court black court case No.Por.564/2560 with the juristic person of Bayview Resort "plaintiff". The plaintiff sued the Company on the servitude charges related to the road passage and utilities to the land of the plaintiff.

On October 30, 2018, the court scheduled the hearing. The court ruled to dismiss the case on the plaintiff in all matters in the red case No. 1435/2561.

Later, the plaintiff filed an appeal claiming to obtain the servitude in both plots of land with the limitation period. But, the right in this land was obtained from Thai Asset Management Corporation. It requires counting a new period from the ruling to the final until the case suing date which has not reached 10 years.

On March 28, 2019, the court scheduled a hearing for temporary protection in the appeal phase. The court thinks that the plaintiff asks to force the defendant to register the disputed passage as a land servitude to the plaintiff. Later, the plaintiff closed the disputed passage not allowing the plaintiff to use the disputed passage in the public. The plaintiff still has other passage that it can access the public, thus there's not enough cause to apply such protection method. It has an instruction to dismiss the case and cost of execution. Presently, the case is under appeal correction and due for appeal correction to court on May 30, 2019. Later, on May 31, 2019 the Company had filed to correct the appeal to the court.

On November 26, 2019, the court scheduled the judgment ruling of the Appeal Court Part 2. The Appeal Court Part 2 ruled back that both land plots are on the main road with electrical pole and laundry house in accordance with the dispute map. The court ruled for the company to register its servitude to the plaintiff. If not complying, the court ruling supersedes the company's intention. The Company must not act or cause disturbance to the use of the disputed way and laundry house for the benefit of the residents in the plaintiff's condominium. Presently, the case is under the process of considering from the Supreme Court.

41.5.2 As at December 31, 2020, the Company had a lawsuit on the civil case of Pattaya court black case No. Por.411/2561 with a juristic person Bayview Resort “defendant”. The Company sued the defendant on expulsion charges claiming damages with the cost Baht 0.61 million.

On February 15, 2019, the court scheduled the witness investigation between the Company and defendant. The defendant’s lawyer announced that defendant has discussed about it and agreed that defendant will end the use and benefit in the 2 plots of the disputed land including removing assets and dependents from the 2 plots of the disputed land. From June 8, 2018, the defendant agreed to follow the judgment of the final court in the civil case red case No. 1435/2561. The defendant agreed to revoke such appeal case and asked the court to order to dismiss the case temporarily to wait for the ultimate decision of such lawsuit.

Later, as the defendant did not dismiss the appeal, the Company also did not intend to dismiss the lawsuit. The court has considered and thinks that the main excuse of the charges in extending the case of the defendant in this case is the same excuse with the one filed to sue the Company by the defendant in the red case No. 1435/2561. In considering whether the defendant in this case has breached or not, the hearing of the fact has to be finalized if the defendant has the right to legally use the plaintiff’s land. This case is related to the civil case red case No.1435/2561. In this case, the court views that the case should be dismissed temporarily to hear the ultimate outcome. When the case is final, the plaintiff will announce to reconsider the case in the next step.

41.5.3 As at December 31, 2020, the Company had 2 lawsuits for breach of agreement claiming damages with total suing capital in black case No. Por Bor 959/2020 amounted Baht 24.63 million. And black case No. Por Bor 1118/2020 amounted Baht 30.00 million, totaled Baht 54.83 million. The court had ordered to combine the two cases together to ease of witness investigation as they were the suing case regarding infrastructure, central property of the villages. The case is currently under the witness investigation of plaintiff and defendant on June 23 and 24, 2021.

#### 42. RECLASSIFICATION

The reclassification in the statements of financial position as at December 31, 2019 and the statements of comprehensive income for the year ended December 31, 2019, have been classified differently to conform to the financial statement for the year then ended presentation and classification, with no effect on previously reported net income (loss) and earnings per share or shareholder' equity.

	In Thousand Baht		In Thousand Baht	
	Consolidated Financial Statements		Separate Financial Statements	
	As reclassified	As previously reported	As reclassified	As previously reported
<u>The statements of financial position as at</u>				
<u>December 31, 2019</u>				
Trade and other current receivables	8,071	72	7,196	-
Other current assets	2,347	10,317	2,350	9,516
Withholding tax	-	6,839	-	6,736
Other non-current assets	9,387	2,577	9,267	2,561
Trade notes payable	-	31,103	-	31,103
Trade and other current payables	252,112	80,749	248,153	79,548
Payable to related parties	-	37,699	-	37,797
Accrued expenses	-	18,916	-	16,485
Retention from contractors	-	71,228	-	70,969
Advance received from customers	-	8,275	-	8,275
Other current liabilities	-	4,142	-	3,976

#### 43. EVENTS AFTER THE REPORTING PERIOD

Accord to the minutes of the shareholder's meeting No.2/2021 held on February 24, 2021 the meeting had a resolution to approve paying the dividend in cash of Baht 0.040 per share, total amount 1.25 million share in total amount Baht 49.81 million and paid the dividend on May 17, 2021.

#### 44. AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's directors on February 24, 2021.