

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

--

**REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the accompanying consolidated statement of financial position of N.C. Housing Public Company Limited and its subsidiaries as at September 30, 2020, and the related consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2020, changes in shareholders’ equity and cash flows for the nine-month period then ended and selected explanatory notes, and I have also reviewed the statement of financial position of N.C. Housing Public Company Limited as at September 30, 2020, and the related statement of comprehensive income for the three-month and nine-month periods ended September 30, 2020, changes in shareholders’ equity and cash flows for the nine-month period then ended and the condensed notes to financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

SCOPE OF REVIEW

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

CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”.

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

Dharmniti Auditing Company Limited
Bangkok, Thailand
November 13, 2020

“UNAUDITED”

“REVIEWED”

- 2 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2020

		<u>ASSETS</u>			
		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at September	As at December	As at September	As at December
Note		30, 2020	31, 2019	30, 2020	31, 2019
CURRENT ASSETS					
	Cash and cash equivalents	38,785	27,210	32,391	19,195
	Trade and other current receivables	6,7	7,125	5,761	6,216
	Inventories	8	146,676	146,622	171,983
	Property development costs	9	1,730,134	1,730,134	1,890,016
	Land held for development	10	1,594,281	1,520,873	1,599,783
	Other current financial assets		957	715	712
	Other current assets		14,843	14,935	3,330
	Total current assets		3,532,801	3,451,431	3,691,235
NON-CURRENT ASSETS					
	Restricted deposits with financial institutions	11	17,450	17,450	13,821
	Investment in subsidiaries	12	-	86,864	79,364
	Investment property	13	215,736	215,736	192,201
	Property, plant and equipment	14	84,856	70,063	85,650
	Right-of-use assets	15	11,592	11,592	-
	Intangible assets	16	4,221	4,117	4,528
	Deferred tax assets	17	16,900	15,178	12,923
	Other non-current assets		11,082	10,742	9,267
	Total non-current assets		361,837	431,742	397,754
	TOTAL ASSETS		3,894,638	3,883,173	4,088,989

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

“UNAUDITED”

“REVIEWED”

- 3 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT SEPTEMBER 30, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Thousand Baht				
		Consolidated Financial Statements		Separate Financial Statements		
		As at September	As at December	As at September	As at December	
Note		30, 2020	31, 2019	30, 2020	31, 2019	
CURRENT LIABILITIES						
	Bank overdrafts and short-term loans					
	from the financial institutions	18	91,500	306,870	91,500	306,870
	Trade and other current payables	6,19	352,149	252,111	350,869	248,152
	Current portion of long-term loan from					
	the financial institutions	20	297,301	273,073	297,301	273,073
	Current portion of lease liabilities	21	4,670	-	4,670	-
	Accrued income tax		26	-	-	-
	Short-term loan from related parties	6	184,000	219,000	179,000	219,000
	Short-term loan from the director	6	2,500	2,500	-	-
	Total current liabilities		<u>932,146</u>	<u>1,053,554</u>	<u>923,340</u>	<u>1,047,095</u>
NON-CURRENT LIABILITIES						
	Long-term loans from the financial					
	institutions	20	182,787	349,044	182,787	349,044
	Lease liabilities	21	9,194	-	9,194	-
	Provision for employee benefit obligations	22	60,044	64,930	57,983	63,222
	Provision for compensation for housing					
	estate juristic persons	23	19,079	16,526	19,079	16,526
	Provision from purchasing the real estate project	24	42,507	42,741	39,198	39,198
	Other non-current liabilities		7,570	3,950	7,569	3,950
	Total non-current liabilities		<u>321,181</u>	<u>477,191</u>	<u>315,810</u>	<u>471,940</u>
	TOTAL LIABILITIES		<u>1,253,327</u>	<u>1,530,745</u>	<u>1,239,150</u>	<u>1,519,035</u>

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

“UNAUDITED”

“REVIEWED”

- 4 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT SEPTEMBER 30, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at September	As at December	As at September	As at December
Note		30, 2020	31, 2019	30, 2020	31, 2019
SHAREHOLDER'S EQUITY					
Share capital					
Authorized share capital					
	1,245,284,305 ordinary shares				
	of Baht 1.00 each	1,245,284	1,245,284	1,245,284	1,245,284
Issued and paid-up share capital					
	1,245,283,691 ordinary shares				
	of Baht 1.00 each	1,245,284	1,245,284	1,245,284	1,245,284
	Premium on share capital	577,530	577,530	577,530	577,530
Retained earnings					
	Appropriated - legal reserve	75,360	75,360	75,360	75,360
	Unappropriated	739,151	669,306	745,849	671,780
	Other components of equity	-	-	-	-
	Total equity attributable to company's shareholders	2,637,325	2,567,480	2,644,023	2,569,954
	Non-controlling interests	3,986	4,474	-	-
TOTAL SHAREHOLDER'S EQUITY		2,641,311	2,571,954	2,644,023	2,569,954
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		3,894,638	4,102,699	3,883,173	4,088,989

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

“UNAUDITED”

“REVIEWED”

- 5 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2020	2019	2020	2019
REVENUES					
	Sales	330,762	351,596	330,762	351,596
	Rental income and service	3,656	4,532	2,139	3,354
	Other income	2,962	14,014	2,810	13,822
	Total Revenues	337,380	370,142	335,711	368,772
EXPENSES					
	Cost of sales	221,489	231,403	221,489	231,403
	Cost for rent and service	6,565	4,988	3,634	4,160
	Distribution costs	41,153	39,524	41,154	39,524
	Administrative expenses	62,102	62,698	60,648	62,380
	Total Expenses	331,309	338,613	326,925	337,467
	Income (loss) from operating activities	6,071	31,529	8,786	31,305
	Finance costs	6,245	11,720	6,175	11,666
	Income (loss) before tax expenses	(174)	19,809	2,611	19,639
	Tax expenses (income)	1,557	5,151	1,540	5,112
	Profit (loss) for the period	(1,731)	14,658	1,071	14,527
	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	Actuarial gains (loss) from post-employee benefit, net of income tax	1,922	(135)	2,136	(428)
	Items that may be reclassified subsequently to profit or loss	-	-	-	-
	Other comprehensive income for the period	1,922	(135)	2,136	(428)
	Total comprehensive income for the period	191	14,523	3,207	14,099
	Profit (loss) attributable to				
	Shareholders' equity of the parent company	(536)	14,658	1,071	14,527
	Non-controlling interests	(1,195)	-	-	-
		(1,731)	14,658	1,071	14,527

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

“UNAUDITED”

“REVIEWED”

- 6 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2020	2019	2020	2019
	Total comprehensive income attributable to				
	Shareholders' equity of the parent company	1,386	14,523	3,207	14,099
	Non-controlling interests	(1,195)	-	-	-
		<u>191</u>	<u>14,523</u>	<u>3,207</u>	<u>14,099</u>
	BASIC EARNINGS PER SHARE OF				
	THE PARENT COMPANY				
26	Profit (loss) for the period (Baht per share)	(0.0004)	0.012	0.0009	0.012

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

“UNAUDITED”

“REVIEWED”

- 7 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2020	2019	2020	2019
REVENUES					
	Sales	1,179,878	966,296	1,179,878	966,296
	Rental income and service	8,951	15,287	5,823	11,622
	Other income	7,164	16,961	6,743	16,799
	Total Revenues	1,195,993	998,544	1,192,444	994,717
EXPENSES					
	Cost of sales	775,514	641,620	775,514	641,620
	Cost for rent and service	18,927	15,209	11,793	12,556
	Distribution costs	134,026	109,682	134,027	109,682
	Administrative expenses	162,728	152,683	159,535	152,493
	Total Expenses	1,091,195	919,194	1,080,869	916,351
	Income (loss) before finance cost and tax expenses	104,798	79,350	111,575	78,366
	Finance costs	23,816	32,780	23,658	32,614
	Income (loss) before tax expenses	80,982	46,570	87,917	45,752
	Tax expenses (income)	16,047	8,672	15,984	8,557
	Profit (loss) for the period	64,935	37,898	71,933	37,195
	Other comprehensive income				
	Items that will not be reclassified to profit or loss				
	Actuarial gains (loss) from post-employee benefit, net of income tax	1,922	(135)	2,136	(428)
	Items that may be reclassified subsequently to profit or loss	-	-	-	-
	Other comprehensive income for the period	1,922	(135)	2,136	(428)
	Total comprehensive income for the period	66,857	37,763	74,069	36,767
	Profit (loss) attributable to				
	Shareholders' equity of the parent company	67,923	37,898	71,933	37,195
	Non-controlling interests	(2,988)	-	-	-
		64,935	37,898	71,933	37,195

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

“UNAUDITED”

“REVIEWED”

- 8 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2020	2019	2020	2019
	Total comprehensive income attributable to				
	Shareholders' equity of the parent company	69,845	37,763	74,069	36,767
	Non-controlling interests	(2,988)	-	-	-
		<u>66,857</u>	<u>37,763</u>	<u>74,069</u>	<u>36,767</u>
	BASIC EARNINGS PER SHARE OF				
	THE PARENT COMPANY				
	26				
	Profit (loss) for the period (Baht per share)	0.055	0.030	0.058	0.030

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

“UNAUDITED”

“REVIEWED”

- 9 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		In Thousand Baht							
		Consolidated Financial Statements							
		Shareholders' equity of the parent company				Total	Non-controlling interests	Total	
		Share capital issued and paid-up	Premium on share capital	Retained earnings Appropriated legal reserve	Retained earnings Unappropriated	Other components of equity			
Note									
	Beginning balance as at January 1, 2020	1,245,284	577,530	75,360	669,306	-	2,567,480	4,474	2,571,954
	Shares fee payment in subsidiary	-	-	-	-	-	-	2,500	2,500
	Comprehensive income								
	Profit for the period	-	-	-	67,923	-	67,923	(2,988)	64,935
	Other comprehensive income for the period	-	-	-	1,922	-	1,922	-	1,922
	Total comprehensive income for the period	-	-	-	69,845	-	69,845	(2,988)	66,857
	Ending balance As at September 30, 2020	1,245,284	577,530	75,360	739,151	-	2,637,325	3,986	2,641,311
	Beginning balance as at January 1, 2019	1,245,284	577,530	74,150	688,675	-	2,585,639	-	2,585,639
	Non-controlling interests increased due to investment in a subsidiary	-	-	-	-	-	-	2,500	2,500
19	Dividend paid	-	-	-	(37,358)	-	(37,358)	-	(37,358)
	Comprehensive income								
	Profit for the period	-	-	-	37,898	-	37,898	-	37,898
	Other comprehensive income for the period	-	-	-	(135)	-	(135)	-	(135)
	Total comprehensive income for the period	-	-	-	37,763	-	37,763	-	37,763
	Ending balance as at September 30, 2019	1,245,284	577,530	74,150	689,080	-	2,586,044	2,500	2,588,544

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

“UNAUDITED”

“REVIEWED”

- 10 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		In ThousandBaht					
		Separate Financial Statements					
	Note	Share capital issued and paid-up	Premium on share capital	Retained earnings Appropriated legal reserve	Unappropriated	Other components of equity	Total
Beginning balance as at January 1, 2020		1,245,284	577,530	75,360	671,780	-	2,569,954
Comprehensive income							
Profit for the period		-	-	-	71,933	-	71,933
Other comprehensive income for the period		-	-	-	2,136	-	2,136
Total comprehensive income for the period		-	-	-	74,069	-	74,069
Ending balance As at September 30, 2020		<u>1,245,284</u>	<u>577,530</u>	<u>75,360</u>	<u>745,849</u>	<u>-</u>	<u>2,644,023</u>
Beginning balance as at January 1, 2019		1,245,284	577,530	74,150	691,358	-	2,588,322
Dividend paid	19	-	-	-	(37,358)	-	(37,358)
Comprehensive income							
Profit for the period		-	-	-	37,195	-	37,195
Other comprehensive income for the period		-	-	-	(428)	-	(428)
Total comprehensive income for the period		-	-	-	36,767	-	36,767
Ending balance As at September 30, 2019		<u>1,245,284</u>	<u>577,530</u>	<u>74,150</u>	<u>690,767</u>	<u>-</u>	<u>2,587,731</u>

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

“UNAUDITED”

“REVIEWED”

- 11 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the period	64,935	37,898	71,933	37,195
Adjust items that profit (loss) is cash received (paid)				
Adjustment on income tax expenses	16,047	8,672	15,984	8,557
Adjustment on financial cost	23,816	32,802	23,658	32,614
Adjustment on trade and other current receivables				
(increase) decrease	(17)	3,169	455	(3,657)
Adjustment on inventory (increase) decrease	25,380	116,020	25,361	116,020
Adjustment on real estate project development costs				
(increase) decrease	256,911	69,017	256,911	69,017
Adjustment on land held for development development				
(increase) decrease	-	38,267	-	38,267
Adjustment on other assets (increase) decrease	(14,723)	(1,217)	(14,444)	5,887
Adjustment on trade and other current payables				
(increase) decrease	101,321	(5,487)	103,967	(6,039)
Adjustment on other liabilities (increase) decrease	3,620	1,365	3,620	1,364
Depreciation depletion and amortization charge	17,309	15,804	16,216	15,797
Adjustment on bad debts and allowance for doubtful				
accounts (reverse)	-	(1,453)	-	(1,449)
Adjustment on provisions for employee benefit (reverse)	2,553	3,437	2,438	3,276
Adjustment on bad debts and allowance for doubtful				
accounts (reverse)	-	980	-	980
Adjustment on provisions for compensation for				
housing estate juristic persons	2,553	1,297	2,553	1,297
Adjustment on Loss (gain) on fair value	(1)	(4)	(3)	(4)
Adjustment on Loss (gain) Sale and disposal of				
Property, plant and equipment	13,249	7,100	13,249	7,326
Net cash provided by (used in) operating activities	512,953	327,667	521,898	326,448

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

“UNAUDITED”

“REVIEWED”

- 12 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS (CONT.)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES				
Income from operating activities before changes in				
Income tax expense refund (paid)	(18,677)	(8,469)	(18,772)	(8,486)
Cash received (paid) from other activities				
Provision for employee benefits	(5,613)	-	(5,613)	-
Provision from purchasing the real estate project	(234)	-	-	-
Net cash provided by (used in) operating activities	488,429	319,198	497,513	317,962
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in temporary investment	(2)	(2)	-	-
Increase in bank deposits and other investmnt at financial institutions				
	(3,629)	(4,167)	(3,629)	(4,167)
Cash paid for increase of capital in subsidiary	-	(11,250)	(7,500)	(7,500)
Cash paid for purchase of property, plant and equipment	(10,488)	(1,976)	(3,121)	(1,947)
Cash paid for purchase of investment property	(27,937)	(6,838)	(27,937)	(6,838)
Cash received from sale of equipment	70	11,000	70	10,769
Cash paid for purchase of intangible assets	(202)	(298)	(202)	(298)
Net cash provided by (used in) investing activities	(42,188)	(13,531)	(42,319)	(9,981)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term loans from the financial institutions				
	(215,370)	(129,445)	(215,370)	(129,445)
Cash paid for liabilities under lease liabilities	(2,749)	(1)	(2,749)	(1)
Cash received from the shares fee payment of non-controlling interest	2,500	13,750	-	-
Cash received from short-term loan from other company	5,000	6,000	-	-
Cash paid for short-term loan a related party	(40,000)	(7,000)	(40,000)	-
Cash paid for loan from director	-	(500)	-	-
Cash paid for short-term loan from other company	-	(48,162)	-	(48,162)
Cash received from long-term loans	324,445	337,786	324,445	337,786
Cash paid for long-term loans	(466,474)	(338,801)	(466,474)	(338,801)

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

“UNAUDITED”

“REVIEWED”

- 13 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS (CONT.)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Cash paid interest	(42,018)	(59,405)	(41,850)	(59,162)
Cash paid dividend	-	(37,358)	-	(37,358)
Net cash provided by (used in) financing activities	(434,666)	(263,136)	(441,998)	(275,143)
Net increase (decrease) in cash and cash equivalents	11,575	42,531	13,196	32,838
Cash and cash equivalents, beginning of period	27,210	29,219	19,195	26,623
Cash and cash equivalents, end of period	38,785	71,750	32,391	59,461
Supplemental disclosures of cash flows information				
1) Cash and cash equivalents consisted of :				
Cash on hand	704	607	639	637
Cash at bank	38,081	71,143	31,752	58,824
Total	38,785	71,750	32,391	59,461

2) In quarter 2 of 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 quarter 2 of 2020, the Company has transferred deposit into part of investment property in the amount Baht 1.36 million.

4) In quarter 3 of 2020, the Company purchased office equipment under hire-purchase agreement in the amount of Baht 2.18 million.

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

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 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, service apartment, providing rental space in club house, etc.

(c) Parent company

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

2. BASIS OF INTERIM CONSOLIDATED FINANCIAL STATEMENT AND OPERATIONS

2.1 The accompanying interim 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		
	As at September 30, 2020	As at December 31, 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 These consolidated interim financial statements included the financial statements of N.C. Housing Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended December 31, 2019. There has been no change in the composition of its subsidiaries during the period.
- 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 INTERIM FINANCIAL STATEMENT

3.1 Basis for The Preparation of Interim Financial Statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2019.

The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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

3.2 Financial reporting standards that became effective in the current period

During the period, 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 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.

The Company and its subsidiaries have adopted TFRSs related to financial instruments and TFRS 16 the first-time in its financial statements by applying modified retrospective approach of adoption of which the cumulative effect as an adjustment to the retained earnings as at January 1, 2020 and the comparative information was not restated. The cumulative effect of the change is described in Note 5 to the interim financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2019, except the changes in accounting policies as follows.

4.1 Financial assets and liabilities

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

(1) Classification and measurement of financial assets

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortized cost. Classification is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss or through other comprehensive income.

Financial liabilities are classified and measured at amortized cost.

Derivatives are classified and measured at fair value through profit or loss.

(2) Impairment of financial assets

The Company and its subsidiaries recognized an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Company and its subsidiaries accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Company and its subsidiaries applies a simplified approach to determine the lifetime expected credit losses.

4.2 Leases

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.

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 measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and leases of low-value assets

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.

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 interim financial statements, during the current period, the Company and its subsidiaries have impacts from adoption of TFRSs related to financial instruments and TFRS 16. The cumulative effect of the changes in accounting policies are recognized as an adjustment to retained earnings as at January 1, 2020, and 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
Statement of financial position				
<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
Restricted deposits with financial institutions	-	-	-	13,821	13,821
	583	-	-	48,510	49,093

“UNAUDITED”

“REVIEWED”

- 20 -

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>

“UNAUDITED”

“REVIEWED”

- 21 -

	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

Upon initial application of TFRS 16 the Company and its subsidiaries recognized lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using incremental borrowing rate at January 1, 2020. For leases previously classified as finance leases, the Company and its subsidiaries recognized the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	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

“UNAUDITED”

“REVIEWED”

- 22 -

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 Tanthathoedtham	Thailand	Director

The significant transactions between the Company and its related parties and companies for the three-month and nine-month periods ended September 30, 2020 and 2019, are summarized as follows.

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the three-month periods ended September 30,		For the three-month periods ended September 30,	
	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	-	-	15	15
Siri Arun Wellness Co.,Ltd.	Baht 297,160 per month	-	-	891	-
Other income - utility charges					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	4	4
Siri Arun Wellness Co.,Ltd.	Electricity : Bath 5 per unit Water : Bath 17 per unit	-	-	223	-
Other income-interest income					
N.C. Property Management Co., Ltd.	At the rate of 5.75 % p.a.	-	-	-	22
Furniture rental income					
Siri Arun Wellness Co.,Ltd.	Baht 24,149.53 per month	-	-	72	-
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 45,000 per project	-	-	645	645
<u>Related parties</u>					
Other income - office rental					
Precast station Co., Ltd.	Baht 20,000 per month and Baht 40,000 per month	180	180	180	180
Construction cost					
Precast station Co., Ltd.	At per agreement	36,162	17,932	36,162	17,932
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	11,658	10,289	11,658	10,289
S.C. Construction And Decoration Co., Ltd.	Market price	33	156	33	156
Land rental expense					
Sap Namchai Pattana Co., Ltd	Baht 55,000 per month	165	165	165	165
Golf club membership					
Namchai Golf Management Co., Ltd.	Market price	40	-	40	-
Interest expenses					
Mr. Somchao Tanthathodtham	At the rate of 5.75% p.a.	-	43	-	-
N.C.H. 2555 Holding Co., Ltd	At the rate of MLR less 0.50% - 0.75% p.a. (2019 : at the rate of 5.75% p.a.)	2,346	3,319	2,346	3,319
Other expenses					
Mr. Somchao Tanthathodtham	Cost price	30	-	30	-

“UNAUDITED”

“REVIEWED”

- 24 -

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the nine-month periods ended September 30,		For the nine-month periods ended September 30,	
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	-	-	45	45
Siri Arun Wellness Co.,Ltd.	Baht 297,160 per month	-	-	2,229	-
Other income - utility charges					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	13	13
Siri Arun Wellness Co.,Ltd.	Electricity : Bath 5 per unit	-	-	528	-
	Water : Bath 17 per unit				
Other income-interest income					
N.C. Property Management Co., Ltd.	At the rate of 5.75 % p.a.	-	-	-	22
Furniture rental income					
Siri Arun Wellness Co.,Ltd.	Baht 24,149.53 per month	-	-	217	-
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 45,000 per project	-	-	1,935	1,915
<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 Baht 40,000 per month	540	540	540	540
Construction cost					
Precast station Co., Ltd.	At per agreement	91,945	44,732	91,945	44,732
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	28,463	18,005	28,463	18,005
S.C. Construction And Decoration Co., Ltd.	Market price	121	208	121	208
Land rental expense					
Sap Namchai Pattana Co., Ltd	Baht 55,000 per month	495	495	495	495
Golf club membership					
Namchai Golf Management Co., Ltd.	Market price	130	180	130	180
Interest expenses					
Mr. Somchao Tanthathoedtham	At the rate of 5.75% p.a.	72	128	-	-
N.C.H 2555 Holding Co., Ltd.	At the rate of MLR less 0.50% - 0.75% p.a. (2019 : at the rate of 5.75% p.a.)	8,002	9,855	8,002	9,849
Other expenses					
Mr. Somchao Tanthathoedtham	Cost price	30	-	30	-

“UNAUDITED”

“REVIEWED”

- 25 -

The significant outstanding balance as at September 30, 2020 and December 31, 2019, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 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	-	-	-	-
Accrued electricity, water and services income				
- Siri Arun Wellness Co., Ltd.	-	-	91	19
Account payable to related parties				
- Quality living Management Co., Ltd.	-	-	183	70
- Siri Arun Wellness Co., Ltd.	-	-	323	323
- S.C. Construction And Decoration Co., Ltd.	34	52	34	52
- Sathaporn Wattana Trading Co., Ltd.	6,612	7,675	6,612	7,381
- Precast station Co., Ltd.	36,281	29,971	36,281	29,971
- Namchai Golf management Co., Ltd.	21	-	21	-
- Sap Namchai Pattana Co., Ltd.	495	-	495	-
- Mr. Somchao Tanthathoedtham	30	-	30	-
	43,473	37,698	43,979	37,797
Short-term loan from related parties				
- N.C.H. 2555 Holding Co., Ltd.				
Balance, at the beginning of the period	219,000	230,000	219,000	229,000
Addition during the period	5,000	-	-	-
Deduction during the period	(40,000)	(11,000)	(40,000)	(10,000)
Balance, at the end of the period	184,000	219,000	179,000	219,000
Short-term loan from director				
- Mr. Somchao Tanthathoedtham				
Balance, at the beginning of the period	2,500	3,000	-	-
Addition during the period	-	-	-	-
Deduction during the period	-	(500)	-	-
Balance, at the end of the period	2,500	2,500	-	-
Accrued interest				
- N.C.H. 2555 Holding Co., Ltd.	2,346	3,317	2,346	3,317

COLLATERAL WITH RELATED COMPANIES

As at September 30, 2020 and December 31, 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 three-month and nine-month periods ended September 30, 2020 and 2019, are as follows:

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	For the three-month periods ended September 30,	
	2020	2019
<u>Management</u>		
Management benefit expenses		
Short-term employee benefits	11,656	8,419
Post-employment benefits	234	332
Total	<u>11,890</u>	<u>8,751</u>

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	For the nine-month periods ended September 30,	
	2020	2019
<u>Management</u>		
Management benefit expenses		
Short-term employee benefits	38,459	25,168
Post-employment benefits	703	998
Total	<u>39,162</u>	<u>26,166</u>

“UNAUDITED”

“REVIEWED”

“UNAUDITED”

“REVIEWED”

- 28 -

7. TRADE AND OTHER CURRENT RECEIVABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
<u>Trade receivables</u>	-	72	-	-
<u>Other current receivables</u>				
Accrued income	220	1,051	220	1,050
The Revenue Department receivable	1,051	741	202	200
Prepaid expenses	5,242	4,461	4,893	4,449
Advance payment	435	661	435	456
Other receivables	1,588	1,533	1,422	1,472
Total other current receivables	8,536	8,447	7,172	7,627
<u>Less Allowance for doubtful accounts</u>	<u>(1,411)</u>	<u>(1,411)</u>	<u>(1,411)</u>	<u>(1,411)</u>
Other current receivables, net	7,125	7,036	5,761	6,216
Total trade and other current receivables	<u>7,125</u>	<u>7,108</u>	<u>5,761</u>	<u>6,216</u>

8. INVENTORIES

Inventories consist of

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Cost of houses and condominiums for sales	154,981	180,342	154,981	180,342
Goods for service	54	73	-	-
<u>Less decrease allowance for declining value of inventories</u>	<u>(8,359)</u>	<u>(8,359)</u>	<u>(8,359)</u>	<u>(8,359)</u>
Inventories, net	<u>146,676</u>	<u>172,056</u>	<u>146,622</u>	<u>171,983</u>

“UNAUDITED”

“REVIEWED”

- 29 -

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

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	As at September	As at December
	30, 2020	31, 2019
	(For the nine-month)	(For the year)
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			
	As at September 30, 2020		As at December 31, 2019	
	Unit	In Million Baht	Unit	In Million Baht
House and condominiums for sales	49	154.98	73	180.34
House and condominiums for sales - under signed purchase and sale contract	(1)	(6.47)	(2)	(2.88)
House and condominium for sales - balance carry forward not under signed purchase and sale contract	48	148.51	71	177.46

As at September 30, 2020 and December 31, 2019, some inventories of the Company in the amount of Baht 73.61 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 20.

9. PROPERTY DEVELOPMENT COSTS

9.1 Actual property development costs, consist of :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019
Land and land development costs	2,688,496	2,873,114
Utilities development costs	895,515	1,046,323
Construction in progress	4,357,900	4,970,630
Interest capitalization	465,192	517,658
Total	8,407,103	9,407,725
<u>Less</u> Transfer to inventory	(154,981)	(180,342)
Transfer to accumulated cost of sale	(6,521,988)	(7,337,367)
Property development costs, net	<u>1,730,134</u>	<u>1,890,016</u>

As at September 30, 2020 and December 31, 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 18 and Note 20.

For the three-month periods ended September 30, 2020 and 2019, the Company recorded the related interest expense amounting approximately to Baht 4.18 million and Baht 6.13 million, respectively, as part of property development costs. The capitalization rate for calculation of interest is 4.25% and 4.89%, respectively.

For the nine-month periods ended September 30, 2020 and 2019, the Company recorded the related interest expense amounting approximately to Baht 18.12 million and Baht 23.49 million, respectively, as part of property development costs. The capitalization rate for calculation of interest is 5.02% and 5.96%, respectively.

“UNAUDITED”

“REVIEWED”

- 31 -

9.2 Obligation and commitment under real estate projects

	Consolidated/Separate Financial Statements	
	As at September 30, 2020 (For the nine-month)	As at December 31, 2019 (For the year)
Number of operating projects, at the beginning of the period	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 period	20	19
Total current projects value (In million Baht)	12,354.63	15,434.82
Contracted sales value (In million Baht)	9,303.09	12,042.20
As percentage of total current projects value	75.30	78.02

As at September 30, 2020 and December 31, 2019, the Company has the obligation to complete the public utility development project for operating projects in the amount of Baht 123.83 million and Baht 83.98 million, respectively.

10. LAND HELD FOR DEVELOPMENT

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Beginning balance	1,673,191	1,954,096	1,599,783	1,880,688
<u>Add</u> - Increase during the period	-	64,846	-	64,846
- Transfer from property development costs	27,906	65,445	27,906	65,445
Total	1,701,097	2,084,387	1,627,689	2,010,979
<u>Less</u> - decrease during the period	-	(337,545)	-	(337,545)
- Transfer to property development costs	(106,816)	(73,651)	(106,816)	(73,651)
Ending balance	1,594,281	1,673,191	1,520,873	1,599,783

As at September 30, 2020 and December 31, 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 20.

11. RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTIONS

As at September 30, 2020 and December 31, 2019, the Company had fixed deposit amounting to Baht 17.45 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 29.2.

Bank deposits carried interest at the floating rate specified by the bank.

12. INVESTMENTS IN SUBSIDIARIES

	Paid up shares		Ownership		Amount		Dividend	
	(In Thousand Baht)		(%)		(In Thousand Baht)		(In Thousand Baht)	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019	For the nine-month period ended September 30,	
							2020	2019
<u>AT COST</u>								
<u>SUBSIDIARIES</u>								
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.

“UNAUDITED”

“REVIEWED”

- 33 -

13. INVESTMENT PROPERTY

Movements of the investment property in residential building for lease account for the nine-month period ended September 30, 2020, are summarized as follows:

	<u>In Thousand Baht</u> <u>Consolidated/Separate</u> <u>Financial Statements</u>
At cost	
Balance as at December 31, 2019	240,375
Acquisitions during the period	27,937
Transfer during the period	1,361
Disposals and write-off during the period	-
Balance as at September 30, 2020	<u>269,673</u>
Accumulated depreciation	
Balance as at December 31, 2019	(48,174)
Depreciation for the period	(5,763)
Accumulated depreciation on disposals and write-off	-
Balance as at September 30, 2020	<u>(53,937)</u>
Net book value	
Balance as at December 31, 2019	<u>192,201</u>
Balance as at September 30, 2020	<u>215,736</u>

As at September 30, 2020, total amount of the Company's investment property is mortgaged as collateral against facilities for long-term loans with a local commercial bank, as discussed in Note 20.

14. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account for the nine-month period ended September 30, 2020, are summarized as follows:

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
At cost		
Balance as at December 31, 2019	294,924	278,691
<u>Add</u> Acquisitions during the period	12,674	5,306
<u>Add</u> Transfer assets in, during the period	-	-
<u>Less</u> Disposals and write-off during the period	(21,752)	(21,752)
<u>Less</u> Transfer assets out, during the period	-	-
Balance as at September 30, 2020	<u>285,846</u>	<u>262,245</u>
Accumulated depreciation		
Balance as at December 31, 2019	(198,741)	(191,286)
<u>Add</u> Depreciation for the period	(8,646)	(7,574)
<u>Less</u> Accumulated depreciation on disposals and write-off	8,433	8,433
<u>Less</u> Accumulated depreciation, transfer - out	-	-
Balance as at September 30, 2020	<u>(198,954)</u>	<u>(190,427)</u>
Allowance for impairment		
Balance as at December 31, 2019	(2,036)	(1,755)
<u>Add</u> Allowance for impairment for the period	-	-
Balance as at September 30, 2020	<u>(2,036)</u>	<u>(1,755)</u>
Net book value		
Balance as at December 31, 2019	<u>94,147</u>	<u>85,650</u>
Balance as at September 30, 2020	<u>84,856</u>	<u>70,063</u>

As at September 30, 2020 and December 31, 2019, some part of land and the clubhouse building in the total amount of Baht 100.52 million (net book value amount of Baht 34.53 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 18.

“UNAUDITED”

“REVIEWED”

- 35 -

15. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets account during the nine-month period ended September 30, 2020, are summarized below.

	<u>In Thousand Baht</u>
	Consolidated/ Separate Financial Statements
Net book value as at January 1, 2020	-
Adjustments of right-of-use assets due to TFRS16 adoption	13,424
Increase during period	434
Depreciation for the period	(2,266)
Net book value as at September 30, 2020	<u>11,592</u>

16. INTANGIBLE ASSETS

Movements of the intangible assets account for the nine-month period ended September 30, 2020, are summarized as follows:

	<u>In Thousand Baht</u>	
	<u>Consolidated Financial Statements</u>	<u>Separate Financial Statements</u>
At cost		
Balance as at December 31, 2019	12,685	12,556
<u>Add</u> Acquisitions during the period	202	202
<u>Less</u> Disposals and write-off during the period	-	-
Balance as at September 30, 2020	<u>12,887</u>	<u>12,758</u>
<u>Less Accumulated amortization</u>		
Balance as at December 31, 2019	(8,032)	(8,028)
<u>Add</u> Amortization for the period	(634)	(613)
<u>Less</u> Disposals and write-off during the period	-	-
Balance as at September 30, 2020	<u>(8,666)</u>	<u>(8,641)</u>
Net book value		
Balance as at December 31, 2019	<u>4,653</u>	<u>4,528</u>
Balance as at September 30, 2020	<u>4,221</u>	<u>4,117</u>

“UNAUDITED”

“REVIEWED”

- 36 -

17. DEFERRED TAX ASSETS AND LIABILITIES

17.1 Deferred tax assets and liabilities, consisted of

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Deferred tax assets	18,378	16,496	18,378	16,496
Deferred tax liabilities	(1,478)	(1,851)	(3,200)	(3,573)
	<u>16,900</u>	<u>14,645</u>	<u>15,178</u>	<u>12,923</u>

17.2 Changes in deferred tax assets and liabilities for the nine-month period ended September 30, 2020, are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements			Balance as at September 30, 2020
	Balance as at December 31, 2019	Revenue (expenses) during the period		
	In profit or loss	In other comprehensive income		
Deferred tax assets:				
Allowance for doubtful account receivables	196	-	-	196
Allowance for impairment - clubhouse	351	-	-	351
Lease liabilities	-	2,419	-	2,419
Provisions for employee benefits obligations	12,644	(514)	(534)	11,596
Provisions for compensation for housing estate juristic persons	3,305	511	-	3,816
Total	<u>16,496</u>	<u>2,416</u>	<u>(534)</u>	<u>18,378</u>
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(17)	-	-	(17)
Property development costs and inventories	(1,834)	2,691	-	857
Right-of-use assets	-	(2,318)	-	(2,318)
Total	<u>(1,851)</u>	<u>373</u>	<u>-</u>	<u>(1,478)</u>
Net	<u>14,645</u>	<u>2,789</u>	<u>(534)</u>	<u>16,900</u>

“UNAUDITED”

“REVIEWED”

- 37 -

	In Thousand Baht			
	Separate Financial Statements			
	Balance as at	Revenue (expenses) during the period		Balance as at
	December 31, 2019	In profit or loss	In other comprehensive income	September 30, 2020
Deferred tax assets:				
Allowance for doubtful account receivables	196	-	-	196
Allowance for impairment - clubhouse	351	-	-	351
Leases liabilities	-	2,419	-	2,419
Provisions for employee benefits obligations	12,644	(514)	(534)	11,596
Provisions for compensation for housing estate juristic persons	3,305	511	-	3,816
Total	16,496	2,416	(534)	18,378
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(17)	-	-	(17)
Property development costs and inventories	(3,556)	2,691	-	(865)
Right-of-use assets	-	(2,318)	-	(2,318)
Total	(3,573)	373	-	(3,200)
Net	12,923	2,789	(534)	15,178

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

This account consists of :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019
Bank overdrafts from the financial institutions	70	43,599
Short-term loans from the financial institutions	91,430	263,271
Total	91,500	306,870

“UNAUDITED”

“REVIEWED”

- 38 -

As at September 30, 2020, the Company had credit line for bank overdrafts amounting to Baht 65 million, charged the interest rate at MOR and MOR less fixed rate. It had also the short-term loan amounting to Baht 91.43 million, 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.

19. TRADE AND OTHER CURRENT PAYABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	September	December	September	December
	30, 2020	31, 2019	30, 2020	31, 2019
<u>Trade payables</u>				
Trade payables - related parties	43,473	37,698	43,979	37,797
Trade payables - others	8,459	8,729	8,459	7,530
Subcontractor payables	80,204	65,316	80,204	65,316
Total trade payables	132,136	111,743	132,642	110,643
<u>Other current payables</u>				
Trade note payables	30,103	31,103	30,103	31,103
Accrued expenses	15,489	18,915	14,637	16,485
Advance received	95,261	11,869	95,132	11,850
Retention from contractors	73,518	71,228	73,055	70,969
Others payables	5,642	7,253	5,300	7,102
Total other current payables	220,013	140,368	218,227	137,509
Total trade and other current payables	352,149	252,111	350,869	248,152

“UNAUDITED”

“REVIEWED”

“UNAUDITED”

“REVIEWED”

- 40 -

20. LONG-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consists of :

	In Thousand Baht	
	Consolidated/Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019
Long-term loans from local banks		
Total	480,088	622,117
<u>Less</u> Current portion due within one year	<u>(297,301)</u>	<u>(273,073)</u>
Long-term loans from the financial institutions, net	<u>182,787</u>	<u>349,044</u>

Movements in the long-term loans account during the nine-month period ended September 30, 2020, are summarized below.

	In Thousand Baht
	Consolidated/ Separate Financial Statements
Balance as at December 31, 2019	622,117
<u>Add</u> Additional borrowings during the period	324,445
<u>Less</u> Repayment during the period	<u>(466,474)</u>
Balance as at September 30, 2020	<u>480,088</u>

As at September 30, 2020, the Company had the long-term loan amounting of Baht 2,132 million, 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 September 30, 2020 and December 31, 2019, the Company has the credit limits that have not been withdrawn amounting of Baht 1,226.88 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

“UNAUDITED”

“REVIEWED”

- 41 -

(6) to grant beneficiary of the asset protection of the insurance policy to the lender, etc.

21. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the nine-month period ended September 30, 2020, are presented below.

	<u>In Thousand Baht</u>
	<u>Consolidated/ Separate Financial Statements</u>
As at December 31, 2019	-
Effects of the adoption of TFRS16	13,424
As at January 1, 2020	13,424
<u>Add</u> Addition	2,620
<u>Add</u> Accretion of interest	569
<u>Less</u> Payments	(2,749)
<u>Less</u> Decrease from contract cancellation	-
As at September 30, 2020	13,864
<u>Less</u> current portion	(4,670)
Lease liabilities net of current portion	<u>9,194</u>

“UNAUDITED”

“REVIEWED”

- 42 -

The following are the amounts recognized in profit or loss:

	In Thousand Baht	
	Consolidated/ Separate Financial Statements	
	For the three-month period ended	For the nine-month period ended
	September 30, 2020	September 30, 2020
Depreciation of right-of-use assets	775	2,266
Interest expense on lease liabilities	184	555
Expense relating to short-term lease	2,192	5,561
Leases of low-value assets	387	560
Total	3,538	8,942

22. PROVISION FOR EMPLOYEE BENEFIT OBLIGATIONS

Movement of employee benefit obligations for the nine-month period ended September 30, 2020, is shown as follows :

The statements of financial position

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Employee benefit obligations, at the beginning of the period	64,930	63,222
<u>Plus</u> Current service costs and interest cost	3,184	3,044
<u>Less</u> Actual paid of employee benefit obligations	(5,613)	(5,613)
<u>Less</u> (Gains) loss from post-employee benefit	(2,457)	(2,670)
Employee benefit obligations, at the end of the period	60,044	57,983

“UNAUDITED”

“REVIEWED”

- 43 -

The statements of comprehensive income

	In Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2020	2019	2020	2019
Recognized in profit or loss				
Cost of service	15	25	38	75
Selling expenses	266	387	799	1,161
Administrative expenses	573	734	1,716	2,202
Finance costs	212	321	631	964
Total	1,066	1,467	3,184	4,402
<u>Recognized in other comprehensive income</u>				
Actuarial (gain) loss from post-employee benefit	(2,457)	242	(2,457)	242
Total	(2,457)	242	(2,457)	242
Total	(1,391)	1,709	727	4,644

	In Thousand Baht			
	Separate Financial Statements			
	For the three-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2020	2019	2020	2019
Recognized in profit or loss				
Cost of service	-	-	-	-
Selling expenses	267	387	799	1,161
Administrative expenses	551	705	1,639	2,115
Finance costs	203	311	606	933
Total	1,021	1,403	3,044	4,209
<u>Recognized in other comprehensive income</u>				
Actuarial (gain) loss from post-employee benefit	(2,670)	535	(2,670)	535
Total	(2,670)	535	(2,670)	535
Total	(1,649)	1,938	374	4,744

“UNAUDITED”

“REVIEWED”

- 44 -

Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the nine-month periods ended September 30, 2020, arise from :-

	In Thousand Baht	
	For the nine-month periods ended	
	September 30, 2020	
	Consolidated	Separate
	Financial	Financial
	Statements	Statements
Recognize in other comprehensive income		
Improvement from experience	2,617	2,535
Population assumption	(4,310)	(4,579)
Financial assumption	(764)	(626)
Total	<u>(2,457)</u>	<u>(2,670)</u>

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

For the nine-month periods ended September 30, 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

“UNAUDITED”

“REVIEWED”

- 45 -

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at September 30, 2020 and December 31, 2019 are summarized below:

	Million Baht			
	As at September, 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

	Million Baht			
	As at December, 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 September 30, 2020 and December 31, 2019, the Company did not have any amount to be paid to the employees retiring in one year's time.

23. PROVISION FOR COMPENSATION FOR HOUSING ESTATE JUSTISTIC PERSONS

	In Thousand Baht
	Consolidated/ Separate Financial Statements
	(For the nine-month)
Balance as at December 31, 2019	16,526
<u>Add</u> increase during the period	2,553
<u>Less</u> decrease during the period	-
Balance as at September 30, 2020	19,079

24. 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 nine-month periods ended September 30, 2020, and for the year ended December 31, 2019, are summarized below.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at September	As at December	As at September	As at December
	30, 2020	31, 2019	30, 2020	31, 2019
	(For the nine-month)	(For the year)	(For the nine-month)	(For the year)
Ending balance as at December 31, 2019	42,741	42,741	39,198	39,198
<u>Add</u> increase during the period	-	-	-	-
<u>Less</u> decrease during the period	(234)	-	-	-
Ending balance as at September 30, 2020	<u>42,507</u>	<u>42,741</u>	<u>39,198</u>	<u>39,198</u>

25. TAX EXPENSE (INCOME)

Major components of tax expense (income) for the nine-month periods ended September 30, 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	18,836	8,804	18,773	8,689
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(2,789)	(132)	(2,789)	(132)
Total	<u>16,047</u>	<u>8,672</u>	<u>15,984</u>	<u>8,557</u>
Recognized in other comprehensive income				

“UNAUDITED”

“REVIEWED”

- 47 -

Actuarial gain (loss) from post-employee benefit	<u>534</u>	<u>(107)</u>	<u>534</u>	<u>(107)</u>
--	------------	--------------	------------	--------------

26. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit (loss) attributable to equity holders of the parent company for the period by weighted average number of ordinary shares that are issued and paid during the period.

		<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
		For the three-month periods		For the three-month periods	
		ended September 30,		ended September 30,	
		2020	2019	2020	2019
Profit (loss) for the period	(Thousand Baht)	(536)	14,658	1,071	14,527
Weighted average number of ordinary shares	(Thousand Shares)	1,245,284	1,245,284	1,245,284	1,245,284
Basic earnings (loss) per share	(Baht per share)	(0.0004)	0.012	0.0009	0.012

		<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
		For the nine-month periods		For the nine-month periods	
		ended September 30,		ended September 30,	
		2020	2019	2020	2019
Profit (loss) for the period	(Thousand Baht)	67,923	37,898	71,933	37,195
Weighted average number of ordinary shares	(Thousand Shares)	1,245,284	1,245,284	1,245,284	1,245,284
Basic earnings (loss) per share	(Baht per share)	0.055	0.030	0.058	0.030

27. 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.

“UNAUDITED”

“REVIEWED”

- 48 -

As at September 30, 2020, the Company and its subsidiaries had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-

	In Thousand Baht				Total
	Consolidated financial statements				
	Net book value	Level 1	Level 2	Level 3	
Assets measured at fair value					
Other current financial assets					
- Unit trust	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 1

The fair value of investments in unit trusts 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.

28. 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 three-month and nine-month periods ended September 30, 2020 and 2019 by segments are as follows:

“UNAUDITED”

“REVIEWED”

- 51 -

	For the nine-month period ended September, 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.	
Revenues										
Sales	1,124,120	55,758	-	-	-	-	1,179,878	-	-	1,179,878
Service income for rent	-	-	5,823	-	5,522	2,515	13,860	(4,909)	-	8,951
Other income	6,639	77	27	269	15	274	7,301	(137)	-	7,164
Total revenues	1,130,759	55,835	5,850	269	5,537	2,789	1,201,039			1,195,993
Expenses										
Cost of sales	738,670	36,844	-	-	-	-	775,514	-	-	775,514
Cost of service	-	-	11,793	-	3,110	4,024	18,927	-	-	18,927
Selling expenses	125,893	8,133	-	-	-	-	134,026	-	-	134,026
Administrative expenses	141,222	17,050	1,263	123	1,914	6,122	167,694	-	(4,966)	162,728
Finance cost	21,315	-	2,343	-	125	113	23,896	-	(80)	23,816
Total expenses	1,027,100	62,027	15,399	123	5,149	10,259	1,120,057			1,115,011
Income (loss) by segments	103,659	(6,192)	(9,549)	146	388	(7,470)	80,982			80,982
Tax expenses (income)										16,047
Profit (loss) for the period										64,935
As at September 30, 2020										
Investment property	-	-	215,736	-	-	-	215,736			215,736
Property, plant and equipment	69,585	166	312	1	21	14,771	84,856			84,856

“UNAUDITED”

“REVIEWED”

- 52 -

For the nine-month period ended September, 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	858,257	108,039	-	-	-	-	966,296	-	-	966,296
Service income for rent	-	-	11,622	-	5,580	-	17,202	(1,915)	-	15,287
Other income	16,560	222	17	233	9	-	17,041	(80)	-	16,961
Total revenues	874,817	108,261	11,639	233	5,589	-	1,000,539			998,544
Expenses										
Cost of sales	572,778	68,842	-	-	-	-	641,620	-	-	641,620
Cost of service	-	-	12,556	-	2,653	-	15,209	-	-	15,209
Selling expenses	98,866	10,816	-	-	-	-	109,682	-	-	109,682
Administrative expenses	118,515	29,621	4,357	260	1,903	-	154,656	-	(1,973)	152,683
Finance cost	29,361	28	3,225	29	159	-	32,802	-	(22)	32,780
Total expenses	819,520	109,307	20,138	289	4,715	-	953,969			951,974
Income (loss) by segments	55,297	(1,046)	(8,499)	(56)	874	-	46,570			46,570
Tax expenses (income)										8,672
Profit (loss) for the period										37,898
As at September 30, 2019										
Investment property	-	-	190,627	-	-	-	190,627			190,627
Property, plant and equipment	86,306	391	360	-	28	-	87,085			87,085

29. COMMITMENT AND CONTINGENT LIABILITIES

29.1 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 September 30, 2020 future minimum lease payments under these operating leases contracts were as follows.

<u>Payable within:</u>	<u>Million Baht</u>
1 year	3.33

As at September 30, 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 to the interim financial statements.

29.2 As at September 30, 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 :

	<u>In Million Baht</u>	
	<u>Consolidated</u>	<u>Separate</u>
	<u>Financial Statements</u>	<u>Financial Statements</u>
- Guarantee for electricity, water and others	26.36	25.96
- Guarantee fund for maintenance of public utilities	264.73	264.73

29.3 As at September 30, 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 11).

29.4 As at September 30, 2020, the Company had the obligations to pay from entering into 3 land purchase and sale agreements amounting to Baht 48.97 million.

29.5 As at September 30, 2020, the Company has lawsuit as follows:

29.5.1 As at September 30, 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,

Presently, the case is under the process of considering from the Supreme Court whether allowing the plaintiff to submit a petition or not.

29.5.2 As at September 30, 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.

30. RECLASSIFICATION

The reclassification in the statements of financial position as at December 31, 2019 and the statements of comprehensive income for the three-month and nine-month periods ended September 30, 2019, have been classified differently to conform to the financial statement for the three-month and nine-month periods ended September 30, 2020, presentation and classification, with no effect on previously reported net income (loss) and earnings per share or shareholder’ equity.

“UNAUDITED”

“REVIEWED”

- 56 -

	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	7,108	72	6,216	-
Other current assets	3,310	10,317	3,330	9,516
Withholding tax	-	6,839	-	6,736
Other non-current assets	9,387	2,578	9,267	2,561
Trade notes payable	-	31,103	-	31,103
Trade and other current payables	252,111	80,749	248,152	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	-	3,975
<u>The statement of comprehensive income for the</u>				
<u>three-month period ended September 30, 2019</u>				
Cost of sales	231,403	221,281	231,403	221,281
Distribution expenses	39,524	49,646	39,524	49,646
Administrative expenses	62,698	53,947	62,380	53,629
Management benefit expenses	-	8,751	-	8,751
<u>The statement of comprehensive income for the</u>				
<u>nine-month period ended September 30, 2019</u>				
Cost of sales	641,620	617,142	641,620	617,142
Distribution expenses	109,682	134,160	109,682	134,160
Administrative expenses	152,683	126,517	152,493	126,327
Management benefit expenses	-	26,166	-	26,166

31. AUTHORIZATION FOR ISSUE OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company’s directors on November 13, 2020.