

BUILDERSMART PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

1. GENERAL INFORMATION

BuilderSmart Public Company Limited (“the Company”) has its registered address at 905/7, Rama III Soi 51, Rama III Rd., Bang Pong Pang, Yan Nawa, Bangkok.

The Company principally engages in the retail sale of construction materials, tools and equipment for construction and interior design. The Company was listed on the Stock Exchange of Thailand on February 14, 2008. The Company’s shares are traded on the mai (Market for Alternative Investment).

2. BASIS FOR PRESENTATION OF FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and applicable rules and regulations of the Thai Securities and Exchange Commission.

Presentation of the financial statements complies with the Notification of the Department of Business Development, dated December 26, 2019, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided, translated based on the Thai version.

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

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

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

Coronavirus Pandemic 2019 (COVID-19)

The COVID-19 pandemic has caused an economic slowdown adversely affecting most businesses and industries. This situation may bring uncertainties and affect the environment in which the Group operates. These uncertainties may have a financial impact on the valuation of assets, provisions and contingent liabilities.

Basis for preparation of the consolidated financial statements

a) The consolidated financial statements, related to the Company and subsidiaries (together referred to as “the Group”).

The Company holds shares at the following percentages as at December 31, 2020 and 2019.

Name of subsidiaries	Country of incorporation	Nature of business	Percentage of shareholding	
			2020	2019
1. Install Direct Company Limited.	Thailand	Sales of construction materials, tools and equipment for construction and interior design.	100.00	100.00
2. D&W (Asia) Limited	Thailand	Sales of doors, windows, architectural systems and services under the brand “Fletcher”	100.00	100.00
3. BuilderSmart Construction Systems Private Limited.	India	Sales of construction materials and after-sale services (Stop operations in the second quarter of year 2015)	99.70	99.70
4. Building Bling Company Limited	Thailand	Sales and installing of aluminium louvre windows (In the process of being liquidated)	50.99	50.99
5. Sansara Development Company Limited*	Thailand	Property development and leasing of the Senior Living Project (In the process of being liquidated)	100.00	100.00
6. Sansara Lifestyle Service Company Limited	Thailand	Accommodation services for the Senior Living Project	100.00	100.00
7. Teak Development Limited	Thailand	Real estate business	100.00	100.00

*As at November 30, 2020, the Group restructured by way of an entire business transfer of the subsidiary, Sansara Development Company Limited to the Company. Such the subsidiary registered the business dissolution with the Ministry of Commerce on November 30, 2020 and is currently in liquidation, as described in Note to Financial Statements No. 4.

- b) The Company is deemed to have control over an investee or subsidiary if it has rights to, or is exposed to, variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) 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.

The impact of first-time adoption of new accounting standards on the consolidated and separate statement of financial position as at January 1, 2020 is as follows:

	Unit: Million Baht							
	Consolidated financial statements				Separate financial statements			
	Financial reporting				Financial reporting			
	As at December 31, 2019	standards related to financial instruments	TFRS 16	As at January 1, 2020	As at December 31, 2019	standards related to financial instruments	TFRS 16	As at January 1, 2020
Statement of financial position								
Current assets								
Short-term loans to and interest receivables								
from related parties - net	-	-	-	-	502.48	(502.48)	-	-
Current portion of long-term loans to and interest receivables from related parties	-	-	-	-	-	44.50	-	44.50
Non-current assets								
Long-term loans to and interest receivables								
from related parties - net	-	-	-	-	-	429.47	-	429.47
Investment in subsidiaries company - net	-	-	-	-	367.77	28.51	-	396.28
Property, plant and equipment - net	49.55	-	(9.44)	40.11	18.91	-	(6.88)	12.03
Right-of-use assets - net	-	-	61.52	61.52	-	-	46.02	46.02
Current liabilities								
Current deferred rental revenue	-	-	(3.48)	(3.48)	-	-	-	-
Current liability for guarantee								
refund to lessee	(43.37)	1.96	-	(41.41)	-	-	-	-
Current portion of lease liabilities	(2.03)	-	(5.00)	(7.03)	(1.48)	-	(3.27)	(4.75)
Non-current liabilities								
Lease liabilities - net	(4.11)	-	(47.08)	(51.19)	(2.77)	-	(35.87)	(38.64)
Non-current liability for guarantee								
refund to lessee	(22.02)	1.52	-	(20.50)	-	-	-	-

Financial instruments

Classification and measurement

On January 1, 2020 (the date of initial application), Group management assessed the business models applied to financial assets and liabilities. Group management classified and measured all financial assets and liabilities at amortised cost.

Impairment of financial assets

The Group has trade receivables that are subject to the expected credit loss model. The Company only has trade receivables and long-term loans to related parties that are subject to the expected credit loss model. The Company and its subsidiaries adjusted the effect in the financial statements at the date of adoption of such standard.

Lease agreement

Where the Group is the lessee

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17 Leases. Right-of-use assets were measured at amounts equal to the lease liability, and recognised in the statement of financial position immediately before the date of initial application. These liabilities were measured at the present value by discounting remaining lease payments using the Group's implicit interest rate. The Group and the Company's implicit interest rate applied to the lease liabilities as at January 1, 2020 was between 4.85% to 7.49% and was 4.79%, respectively.

For leases previously classified as finance leases applying TAS 17, the Group recognised 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.

As at January 1, 2020, the Group has the following right-of-use assets and lease liabilities:

Right-of-use assets of the Group as at January 1, 2020, are presented as Note No.17.

	Unit: Baht	
	Consolidated	Separate
	financial statements	financial statements
<u>Lease liabilities</u>		
Present value of the remaining lease payments	64,714,424.59	49,136,400.00
<u>Less: Deferred interest expenses</u>	<u>(12,630,807.10)</u>	<u>(9,998,059.32)</u>
Additional lease liabilities from TFRS 16 adoption	52,083,617.49	39,138,340.68
Finance lease liabilities as at December 31, 2019	6,148,318.24	4,257,474.85
Lease liabilities recognised as at January 1, 2020	<u>58,231,935.73</u>	<u>43,395,815.53</u>
Of which are:		
Current lease liabilities	7,036,756.40	4,752,976.19
Non-current lease liabilities	<u>51,195,179.33</u>	<u>38,642,839.34</u>
	<u>58,231,935.73</u>	<u>43,395,815.53</u>

Where the Group is the lessor

The first adoption of Thai Financial Reporting Standard No. 16 has not changed significantly for the accounting records of the lessor under the Thai Financial Reporting Standard No. 16, the lessor still classifies the lease contracts as a financial lease or operating lease and records the lease for both types separately.

However, according to the previous accounting policy for operating leases arising from long-term lease agreements of Senior Living Project for the guaranteed refund, the lease fee has received which is equal to the refund amount to a lessee are recognised in "Liability for guarantee refund to lessee". The effect of adopting financial reporting standards related to financial instruments is required to measure such liability for guarantee refund to lessee at the present value of the refund amount to a lessee. The difference between the lease fee received and the present value of the refund amount to a lessee will be recorded as "Deferred rental revenue" and will be recognised as "Rental revenue" on a straight-line method over the lease period.

b) Revised financial reporting standards

In January 2021, the Federation of Accounting Professions announced the new TFRS 16 Lease (revised 2020), which was amended to provide the following two practical forms of relief:

1) Rent concessions to lessees as a result of the COVID-19 pandemic:

A lessee may elect not to assess whether a COVID-19 related rent concession is a lease modification and shall account for those rent concessions as if they were not lease modifications. This amendment is effective for fiscal periods beginning on or after June 1, 2020.

2) Lease modifications as a result of interest rate benchmark reform:

This will be effective for fiscal periods beginning on or after January 1, 2022.

The management of the Group believes that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

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

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of COVID-19.”

The Accounting Treatment Guidance was published in the Royal Government Gazette on April 22, 2020, and is effective for financial statements prepared for reporting periods between January 1, 2020 and December 31, 2020.

Among the temporary relief measures on accounting alternatives, the Group has elected:

- Not to consider forward-looking information to measure the expected credit losses of trade receivable when using simplified approach.

4. BUSINESS RESTRUCTURING

Extraordinary General Shareholders’ Meeting No. 1/2020, held on October 27, 2020, approved the business restructuring by way of an entire business transfer of the subsidiary, Sansara Development Company Limited to the Company. The transfer is intended to reduce related party transactions, and unnecessary costs and expenses.

The Company (“transferee”) and such subsidiary (“transferor”) entered into an Entire Business Transfer Agreement, dated November 11, 2020, to completely transfer all assets and liabilities of the transferor to the transferee on November 30, 2020. The transferee will make a payment for the business transfer in the amount of Baht 43.58 million, which is equal to the carrying amount of net assets of such subsidiary at the date of the business transfer.

The business transfer occurring on November 30, 2020 qualifies as a group restructuring under common control with no impact on the consolidated financial statements.

The summary of the consideration transferred and the carrying amounts of assets and liabilities of such subsidiary transferred to the separate financial statements of the Company at the date of business transfer, previously presented in the consolidated financial statements, are as follows:

	Unit: Baht
Consideration transferred	43,578,849.92
Assets acquired and liabilities assumed	
Cash and cash equivalents	5,986,486.96
Trade and other current receivables - net	16,123,126.51
Financial lease receivable	2,808,646.34
Short-term loans to related party	800,000.00
Other current assets	32,484,334.84
Senior living project under development	189,053,442.99
Investment properties - net	205,100,000.00
Property, plant and equipment - net	249,263,436.37
Right-of-use assets - net	2,970,528.78
Intangible assets - net	3,978,912.66
Trade and other current payables	(113,620,634.80)
Deposit and advance received under lease agreements	(40,327,555.51)
Short-term loans from related parties - net	(331,000,000.00)
Short-term loans from other parties - net	(2,000,000.00)
Retentions	(15,139,389.62)
Long-term loans from financial institutions - net	(52,003,395.11)
Lease liabilities - net	(3,167,255.41)
Deferred rental revenue	(46,732,888.76)
Liability for guarantee refund to lessee	(48,267,232.88)
Deferred tax liabilities - net	(8,576,828.65)
Non-current provisions for employee benefit	(1,435,074.50)
Other non-current liabilities	(2,719,810.29)
Net assets	43,578,849.92
Difference from business combination under common control	-

5. SIGNIFICANT ACCOUNTING POLICIES

Revenue and expenses recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax of goods supplied after deducting discounts, allowances and price promotions to customers.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Revenue from service apartment operations

Revenue from service apartment operations comprises amounts earned in respect of rental of rooms, food and beverage sales, and other ancillary services. Revenue is recognised over the period when rooms are occupied or services are performed. Revenue from the sale of food and beverages and goods is recognised at the point of sale when the food and beverages and goods are delivered to customers. The revenue is recognised at the value stated in invoice (excluding value added tax) after deducting discounts and service charges.

Revenue from real estate development

The subsidiary, as the lessor, recognised revenue from real estate development leased under a long-term financial lease agreements at the commencement of the lease term.

Sales of the residential condominium are recognised as revenue when control of residential condominium has been transferred to the buyer, whereby the ownership has been transferred to the buyer after all payments received from the buyer.

Cost from real estate development

In calculating cost of sales for residential condominium units, the subsidiary appropriates all estimate development costs (based on actual costs) according to salable areas.

Selling expenses directly related to sales, such as specific business tax, transfer fee are recognised when sale incurred.

Interest income and other income

Interest income and other income are recognised on an accrual basis.

Expenses

Expense is recognised in profit or loss on accrual basis.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

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

The Group applies TFRS 9's simplified approach to measure expected credit losses. The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial assets and financial liabilities

Classification and measurement of financial assets and financial liabilities

Classification

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 Group classifies 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 Group reclassifies 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.

Measurement

At initial recognition, where a financial asset is not at FVPL, the Group measures the financial asset at its fair value plus or minus 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.

There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost*: A financial asset will be measured at amortised 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 asset 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 recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised 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*: A asset that does not meet the criteria for amortised cost or FVOCI is measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments shall be subsequently measured at fair value and the fair value change is to be recognised through profit or loss or other comprehensive income depending on the classification of such equity instrument.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Impairment

Expected credit losses associated with financial assets carried at amortized cost and FVOCI, and assets from loan commitments and financial guarantees, are assessed without the increases in credit risk. The Company applies the general approach to the measurement of expected credit losses. In the case of trade receivables, however, the Company applies the simplified approach to measure expected credit losses.

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. Work-in progress included material and labour.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Cost of real estate development project

Cost of real estate development project are those properties which are held with the intention of development and sale in the ordinary course of business. They are shown at the lower of cost or net realisable value. Cost consists of land cost, expenses directly related to the project (design expense, public utilities expense, construction cost) and borrowing cost on loans funding a development property capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development. Net realisable value being the estimated sale value in the course of normal business less by necessary expenses for such sale.

Impairment of assets

The Group will, at each reporting date, assess whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the statements of profit or loss. (An asset's recoverable amount is the higher of fair value less costs to sell or value in use).

Investments

Investments in subsidiaries

The investments in subsidiaries presented in the separate financial statements are carried at cost, net of allowance for impairment (if any.)

The weighted average method is used for computation of the cost of investments.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Senior Living Project under development

The Senior Living Project under development is stated at cost, consisting of land costs, design and consultant fees, utilities costs, construction costs, and directly related interest and expenses.

The Group develops the senior living residence as follows:

- 1) Villas type which will be leased under a lease agreement - guaranteed refund (operating lease).
- 2) Apartment units type which will be leased under lease agreement - guaranteed refund (operating lease) or under a lease agreement - shared capital gain/loss on the price difference between the original agreement and the new agreement (finance lease).

Costs of Villas which have been completely developed for the purpose of lease under the operating lease agreement will be transferred as Investment Properties.

The cost of Apartment units which have been completely developed and entered into a long-term lease agreement under an operating lease agreement will be transferred as an Investment property.

Cost of Apartment units which have been completely developed and entered into long-term lease agreement under a financial lease agreement, when the majority of the risks and rewards of ownership have been transferred to the tenant will be transferred as Cost of sales.

Costs of the land and club house and common assets upon which service fees are charged separate from the lease agreement will be transferred as property, plant and equipment when completed.

The Group attributed the anticipated total development costs (taking into account actual costs incurred to date) to Villas, Apartment units, club house and common assets, on the basis of area.

Investment properties

Retirement sector investment properties include land and buildings, equipment and furnishings relating to projects development for the active lifestyle and retirement sector, including units and facilities held under development. These units are intended to be held for the long term for capital appreciation. Investment properties are initially measured according to cost transferred from the Senior Living Project under development. Subsequent to initial recognition investment properties are revalued on a regular basis and restated to fair value as determined by an independent registered appraiser. Any change in fair value is taken to profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. 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.

The interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the year.

Property, plant and equipment

Property, plant and equipment is shown at historical cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation is calculated on the straight line method to write off the cost or the revalued amount of each asset as follows:

	<u>Useful life (years)</u>
Land improvements	10, 20, 30
Sales gallery building	5
Building and building improvements	5, 50
Utilities	10, 20, 30
Machinery and factory equipment	3, 5
Warehouse equipment	5
Furniture and office equipment	3, 5, 10
Furniture and office equipment for show-unit and sales gallery	5
Operating equipment	5
Motor vehicles	5

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Intangible assets

Intangible assets consist of:

Computer software

The specific computer software licenses is capitalised on the basis of the costs incurred to acquire and bring the software for its intended use. These costs are amortised over their estimated useful lives not over 10 years.

Other intangible assets consist of expenditures for acquiring the following:

	<u>Useful life (years)</u>
Patent and trademark for the sale of aluminum product under the name "ALLOY"	10
Manufacturer certification of Australian standard	3

Other intangible assets are amortised using the straight line method.

Intangible assets - golf membership fee with indefinite useful life, are not amortised and reviewed the useful life of the assets at the end of the reporting period.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Expenditure on development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, borrowing cost and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and allowance for loss on impairment of assets (if any).

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

	<u>Useful life (years)</u>
Development expenditure for design of new product	10

Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

Leases

Leases - where the Group is the lessee

At inception of a contract, the Group assesses 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 Group recognises right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value by discounting lease payments that are not paid at the commencement date using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Group is reasonably certain to exercise, whereby the exercise price is considered as lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

To apply a cost model, the Group measures the right-of-use asset at cost, less accumulated depreciation and accumulated impairment loss and then makes adjustments for any remeasurement of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the right-of-use asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following:

- a change in an index or a rate used to determine those payments
- a change in the Group's estimate of the amount expected to be payable under a residual value guarantee
- the Group changes its assessment of whether it will exercise a purchase, extension or termination option

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

On recognising revenue from sales of real estate leased under a long-term financial lease agreement and subsequently leased it back, such revenue will be recognised at the different amount of fair value of the real estate and the present value of the operating lease payment. Cost of the real estate will be allocated at the proportion of the present value of the operating lease payment and fair value of the real estate to be presented as "Right-of use assets" and the remaining amount will be recognized as "Cost of sales of real estate".

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease substantially transfers all of the risks and rewards incidental to

ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

Properties leased out under finance leases

A lease agreement - shared capital gain/loss on the price difference between the original agreement and the new agreement that transfers substantially all the risks and rewards incidental to ownership of an asset, is defined as a finance lease.

When assets are leased out under an installment finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as deferred interest income.

The Group, as the lessor, is recognised the present value of a lump sum lease fee received as revenue on a revenue from real estate development leased at the commencement of the lease term.

Properties leased out under operating leases

A lease agreement - guaranteed refund that does not transfer substantially all the risks and rewards incidental to ownership of an asset, is defined as an operation lease.

The lease fee has received which is equal to the refund amount to lessee are recognised in liability for guarantee refund to lessee, presented in statement of financial position.

The Group measures the liability for guarantee refund to lessee at the present value of the refund amount to a lessee. The difference between the lease fee received and the present value of the refund amount to a lessee will be recorded as "Deferred rental revenue" and will be recognized as "Rental revenue" on a straight-line method over the lease period.

Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred taxes are recognised in profit or loss except to the extent that they relate to items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on taxable income or loss for the period, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they

intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the net profit (loss) for the year attributable to common shareholders by the weighted average number of ordinary shares during the year.

Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Group and the Company, whether directly or indirectly, or which are under common control with the Group and the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Group and the Company that gives them significant influence over the Group and the Company, key management personnel, 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.

Foreign currencies

Functional and presentation currency

The financial statements of each entity within the Group are presented in the functional currency which is the currency of the primary economic environment in which the entity operates. The financial statements of the Group are presented in the presentation currency as Thai Baht in accordance with the regulatory requirements in Thailand. The functional currencies of the Company and subsidiaries, is Thai Baht except for BuilderSmart Construction Systems Private Limited., is Indian Rupee.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies using the exchange rate at the date of transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of reporting period date are translated into the functional currency using the exchange rate at the end of reporting period date. Gain or loss on translating is recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies at the end of reporting period date are translating into the functional currency using the exchange rate at the date of transaction.

Translation of the Group's financial statements

The financial statements of the Group are translated into the presentation currency using the following exchange rate:

- The Group's assets and liabilities are translated at the closing rate as at the end of reporting period date.

- The Group's revenues and expenses are translated at the average exchange rates during the periods which are approximate the exchange rates at the dates of transactions.
- Share capital is translated at historical rates.

Exchange differences on translating financial information are recognised in the other comprehensive income (loss) and presented in the exchange differences as a separate component of shareholders' equity until the disposal of the foreign operation.

Employee benefits

Short-term benefits

The Group recognises salaries, wages, bonuses and social security contribution as expenses on an accrual basis.

Post-employment benefits

Defined contribution plans

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

Defined benefit plan

The employee benefit obligations in relation to severance payment pursuant to the labor law and other defined benefits are recognised as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Group through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Group recognises actuarial gains or losses in other comprehensive income in the period in which they arise.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

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

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

Significant accounting judgments and estimates

Significant judgements and estimates are as follows:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair valuation of financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Allowance for diminution in value of inventory

Allowances for diminution in the value of inventory accounts are intended to adjust the value of inventory for probable credit losses. The management uses judgment to estimate losses, based on an analysis of inventory aging, taking into account the current situation with respect to sales of inventory items, on a specific basis. However, the use of different estimates and assumptions could affect the amounts of allowance for diminution in value of inventory in the future.

Allowances for impairment of assets

The Group considers an asset as impaired when there is an indication that the asset may be impaired. If any such indication exists when there has been a significant decline in the fair value, the Group makes an estimate of the asset recoverable amount. The determination of the recoverable amount is requires judgement. An impairment loss is recognised as an expense in the statement of profit or loss.

Estimation of real estate development costs and senior living project under development

In calculating cost of sales for residential condominium units as real estate development costs and costs of villas include cost of apartment units which have been completely developed for investment properties, the subsidiaries have to estimate all project development costs, comprising land cost, project design cost, construction cost, utility cost, capitalization of interest and other related costs. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Fair value measurement of investment property

The Group present investment properties at the fair value estimated by an independent appraiser, and recognises changes in the fair value in profit or loss. The independent appraiser valued the investment property using the market comparison approach by referring to the observable information and adjust market prices to the fair value of the investment properties of the subsidiary, taking into account differences in characteristics, size and environment, to comparative properties.

Property, plant and equipment and intangible assets

In determining depreciation of property, plant and equipment and intangible assets, the management is required to make estimates of the useful lives and residual values of the equipment and intangible asset and to review estimated useful lives and residual values when there are any changes.

Leases

Where the Group is the lessee, in determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

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 rates, future salary increase rates, mortality rates and staff turnover rates.

6. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices or at a price that is based on commercial terms and at contractually agreed prices.

Relationships with related parties that control the Company or are being controlled by the Company or have transactions with the Group were as follows:

6.1 Related parties consist of:

Name	Relationship	Country
<u>Subsidiaries</u>		
Install Direct Company Limited	100% shareholding by the Company	Thailand
BuilderSmart Construction Systems Private Limited	99.70% shareholding by the Company	India
D&W (Asia) Limited	100% shareholding by the Company	Thailand
Building Bling Company Limited (In the process of being liquidated)	50.99% shareholding by the Company	Thailand
Sansara Development Company Limited (In the process of being liquidated)	100% shareholding by the Company	Thailand
Sansara Lifestyle Service Company Limited	100% shareholding by the Company	Thailand
Teak Development Limited	100% shareholding by the Company	Thailand
<u>Related parties</u>		
Ruamchokchai Engineering Company Limited	Co-directors	Thailand
LKH Development Company Limited	Co-directors	Thailand
LKH Trading Company Limited	Co-directors	Thailand
Sobreuk (Group of persons)	Owned by close relative of director	Thailand
Directors/Key management personnel	The persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity (whether executive or otherwise).	

6.2 Significant transactions with related parties for the years ended December 31, 2020 and 2019 are as follows:

	Unit: Baht				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2020	2019	2020	2019	
Subsidiaries					
Revenues from sales and services	-	-	1,788,487.98	1,909,475.19	Cost plus margin
Cost of sales and services	-	-	996,327.02	93,762.00	Cost plus margin / carrying amount
Interest income	-	-	27,066,651.09	21,806,719.78	Interest rate of 4.25% - 7.7% per annum according to the loan agreement
Rental income	-	-	304,800.00	381,300.00	Carried out on commercial terms and conditions
Other Income	-	-	908,486.08	15,421,464.89	Cost
Other administrative expenses	-	-	364,590.91	-	Cost plus margin/ Contract price
Finance costs	-	-	56,013.00	55,860.01	Interest rate of 2.8% per annum according to the loan agreement
Related parties					
Revenues from sales and services					
Ruamchokchai Engineering Company Limited	2,059,665.45	25,038,706.97	2,059,665.45	24,249,665.97	Cost plus margin
Related person - Director	10,327,386.00	-	-	-	Contract price
Cost of real estate development project					
Ruamchokchai Engineering Company Limited	85,067,505.90	126,404,166.40	-	-	Contract price
Cost of a Senior Living Project					
Ruamchokchai Engineering Company Limited	30,723,755.80	133,790,538.00	-	-	Contract price
Interest income					
LKH Development Company Limited	-	440,730.06	-	-	Interest rate of 6.0% per annum according to the loan agreement
Rental expenses					
LKH Trading Company Limited	192,600.00	192,600.00	-	-	Contract price
Sobreuk (Group of persons)	3,469,980.00	3,723,072.78	3,469,980.00	3,723,072.78	Contract price
Related person - Director	2,375,050.70	2,894,437.84	-	-	Contract price
Finance costs					
Related person - Director	1,571,339.75	-	1,571,339.75	-	Interest rate of 6.4% per annum

6.3 Significant balances between the Company and those related companies as at December 31, 2020 and 2019 are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade and other current receivables				
Trade receivables				
Subsidiaries	-	-	2,942.50	6,026,031.36
Related company				
Ruamchokchai Engineering Company Limited	11,792,651.36	20,181,726.71	11,792,651.28	20,181,726.71
Total trade receivables	11,792,651.36	20,181,726.71	11,795,593.78	26,207,758.07
Other current receivables				
Other receivable				
Subsidiaries	-	-	54,356.00	15,464,129.07
Related company				
Ruamchokchai Engineering Company Limited	11,733,883.81	58,177.05	11,694,431.76	-
LKH Development Company Limited	1,414,415.60	1,489,790.60	-	-
Total	13,148,299.41	1,547,967.65	11,748,787.76	15,464,129.07
Advances to related parties - net				
Subsidiaries	-	-	7,701,708.43	4,127,444.92
<u>Less</u> Allowance for doubtful accounts	-	-	(3,442,258.93)	(3,442,258.93)
Total	-	-	4,259,449.50	685,185.99
Interest receivable				
Related company				
LKH Development Company Limited	-	92,061.27	-	-
Total	-	92,061.27	-	-
Total other current receivables	13,148,299.41	1,640,028.92	16,008,237.26	16,149,315.06
Total trade and other current receivables	24,940,950.77	21,821,755.63	27,803,831.04	42,357,073.13
Short-term loans to and interest receivables - net				
Subsidiaries	-	-	30,774,657.53	502,541,444.43
<u>Less</u> Allowance for doubtful accounts	-	-	-	(60,740.59)
Net	-	-	30,774,657.53	502,480,703.84
Other current assets				
Related company				
Retentions receivable				
Ruamchokchai Engineering Company Limited	272,820.63	220,123.82	272,820.63	220,123.82

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deposit for construction cost				
Ruamchokchai Engineering Company Limited	12,678,887.18	23,181,817.85	7,041,894.27	-
Total other current assets	12,951,707.81	23,401,941.67	7,314,714.90	220,123.82
Long-term loans to and interest receivables - net				
Subsidiaries	-	-	132,049,098.84	-
<u>Less</u> Current portion of long-term loans to and interest receivables	-	-	(70,000,000.00)	-
Net	-	-	62,049,098.84	-
Trade and other current payables				
Trade payables				
Subsidiary	-	-	697,844.60	-
Related company				
Ruamchokchai Engineering Company Limited	853,568.62	8,332,175.77	-	-
Total trade payables	853,568.62	8,332,175.77	697,844.60	-
Other current payables				
Advances from related parties				
Related persons - Directors	118,387.71	213,354.39	19,937.42	15,000.00
Total	118,387.71	213,354.39	19,937.42	15,000.00
Other payable				
Subsidiary	-	-	43,578,849.92	-
Related company				
LKH Development Company Limited	-	56,670.00	-	-
Total	-	56,670.00	43,578,849.92	-
Accrued interest expenses				
Subsidiary	-	-	4,744.27	4,744.27
Related persons - Directors	-	305,095.89	-	305,095.89
Total	-	305,095.89	4,744.27	309,840.16
Total other current payables	-	575,120.28	43,603,531.61	324,840.16
Total trade and other current payables	971,956.33	8,907,296.05	44,301,376.21	324,840.16
Short-term loans from related parties - net				
Subsidiary	-	-	1,995,000.00	1,995,000.00
Related person - Director	35,000,000.00	10,000,000.00	35,000,000.00	10,000,000.00
Total	35,000,000.00	10,000,000.00	36,995,000.00	11,995,000.00
<u>Less</u> Deferred interest expenses	(1,074,617.02)	-	(1,074,617.02)	-
Net	33,925,382.98	10,000,000.00	35,920,382.98	11,995,000.00

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Retention payable				
Related company				
Ruamchokchai Engineering Company Limited	16,084,570.43	16,271,813.64	8,856,283.76	-
Total retention payable	16,084,570.43	16,271,813.64	8,856,283.76	-
Current liability for guarantee refund to lessee				
Related persons - Directors	22,024,000.00	32,240,000.00	22,024,000.00	-
Total current liability for guarantee refund to lessee	22,024,000.00	32,240,000.00	22,024,000.00	-

During the year 2019, the related party, who is a close relative of the director, entered into two lease agreements - guaranteed refund for two residential villas (one of which was jointly made with a third party), in the amount of Baht 32.24 million. Subsequently, during the third quarter of 2020, the close relative of the director requested to vacate the property and to cancel such lease agreement jointly made with a third party. Therefore, the leasehold right was returned to the subsidiary and the subsidiary returned the long-term lease payment of Baht 10.22 million to the lessor. The returned long-term lease payment is stated under “Current liability for guarantee refund to lessee” in the statement of financial position. The remaining long-term lease payment balance is Baht 20.02 million.

6.4 During the year ended December 31, 2020, movements of short-term loans to and interest receivables from related parties - net to were as follows:

	Unit: Baht							
	Separate financial statements							
	Financial reporting			Movements during the year				
	As at December 31, 2019	standards related to financial instruments	As at January, 1 2020	Increase	Decrease	Reclassify	Decrease from entire business transfer	As at December 31, 2020
Short-term loans to and interest receivables from related parties - net								
Short-term loans								
Sansara Development Company Limited	337.50	(337.50)	-	20.00	(10.00)	-	(10.00)	-
Building Bling Company Limited	0.06	(0.06)	-	-	-	-	-	-
Teak Development Limited	141.00	(141.00)	-	-	-	24.50	-	24.50
Sansara Lifestyle Service Company Limited	-	-	-	0.25	-	-	0.80	1.05
D&W (Asia) Limited	-	-	-	5.00	-	-	-	5.00
Interest receivables	23.98	(23.98)	-	0.45	-	-	-	0.45
Total	502.54	(502.54)	-	25.70	(10.00)	24.50	(9.20)	31.00
Less Allowance for doubtful account	(0.06)	0.06	-					-
Net	502.48	(502.48)	-					31.00

6.4.1 As at December 31, 2019, loans to its subsidiary company, Sansara Development Company Limited, in term of the loan agreement for the purpose to support operations of Sansara Development Company Limited, bear interest at the rate of 4.75% per annum, except a loan agreement in the amount of Baht 5.00 million do not bear interest. During the year 2020, the Company has received partial repayment before the entire business transfer.

6.4.2 As at December 31, 2020, loans to its subsidiary company, Sansara Lifestyle Service Company Limited, in term of the loan agreement for the purpose to support operations of Sansara Lifestyle Service Company Limited, do not bear interest. The loans are due at call

6.4.3 As at December 31, 2020, loan to its subsidiary company, D&W (Asia) Limited, in term of loan agreement for the purpose to support operations of D&W (Asia) Limited, bears interest at the rate of 5% per annum and is due at call.

6.4.4 As at December 31, 2020, loans to its subsidiary company, Teak Development Limited, in term of loan agreement for the purpose to support operations of Teak Development Limited, which has been classified from current portion of long-term loans due to the Company's management considering an extended repayment plan of the subsidiary by the way of a new loan agreement, bears interest at the rate of 5.00% per annum and is due within June 2021.

The Company considered that the above loans according to No. 6.4.1 - 6.4.3 are repayable on demand within one year, subject to the liquidity of the subsidiaries, therefore expected credit losses are considered to be immaterial.

6.5 During the year ended December 31, 2020, movements of long-term loans to and interest receivables from related parties - net were as follows:

Unit: Baht								
Separate financial statements								
Financial reporting			Movements during the year					As at
As at	standards related to	As at				Decrease from	As at	
December 31,	financial	January, 1	Increase	Decrease	Reclassify	entire business	December 31,	
2019	instruments	2020				transfer	2020	
Long-term loans to and interest receivables from related parties - net								
Long-term loans								
Sansara Development Company Limited	-	337.50	337.50	-	(16.50)	-	(321.00)	-
Building Bling Company Limited	-	0.06	0.06	-	-	-	-	0.06
Teak Development Limited	-	141.00	141.00	-	(0.50)	(24.50)	-	116.00
Interest receivables	-	23.98	23.98	26.84	-	-	(33.31)	17.51
<u>Less</u> Deferred interest income	-	(28.51)	(28.51)	-	0.88	26.17	-	(1.46)
<u>Less</u> Allowance for doubtful account	-	(0.06)	(0.06)	-	-	-	-	(0.06)
Total	-	473.97	473.97	26.84	(16.12)	1.67	(354.31)	132.05
<u>Less</u> Current portion	-	-	(44.50)					(70.00)
Net	-	473.97	429.47					62.05

As at December 31, 2020, loans to its subsidiary company, Sansara Development Company Limited, in term of loan agreement for the purpose of development and construction of a Senior Living Project, bear interest at the rate of 4.25% - 7.7% per annum and is due at call. During the year 2020, the Company has received partial repayment before the entire business transfer.

As at December 31, 2020, a loan to its subsidiary company, Building Bling Company Limited, in term of loan agreement for the purpose for development of louvre system with Louvre Systems Ltd, bears interest at the rate of 6.25% per annum and is due at call.

As at December 31, 2020, a loan to its subsidiary company, Teak Development Limited, in term of loan agreement for the purpose for support operations of Teak Development Limited, bears interest at the rate of 4.5% - 7.7% per annum and is due at call.

The Company adopted new financial reporting standards related to financial instruments as at January 1, 2020. To classify and measure the above long-term loans, and principal and interest receivable, totaling Baht 502.54 million, the Management of the Company considered repayment plans provided by the subsidiaries with terms of more than one year. Therefore, the fair value of such loans and interest receivables of Baht 473.97 million was reclassified as long-term loans to and interest receivables from related parties - net by considering the present value of cash flows, according to the repayment plans of the subsidiary (Note 13). The portion of the values that are lower than the fair value of Baht 28.51 million, was classified as investment in subsidiaries. Subsequently, Extraordinary General Shareholders' Meeting No. 1/2020, held on October 27, 2020, approved the business restructuring plan by way of an entire business transfer of the subsidiary, Sansara Development Company Limited, to the Company. The subsidiary registered its liquidation with the Department of Business Development, Ministry of Commerce on November 30, 2020, and is currently under liquidation (Note 4). The Company, therefore, reclassified the portion, previously classified as investment in subsidiary, to loans regarding the change in the business model of the Group. During the year 2020, the Company has received partial repayment before the entire business transfer.

6.6 During the year ended December 31, 2020, movements of short-term loan from related parties - net were as follows:

	Unit: Million Baht							
	Consolidated financial statements			Separate financial statements				
	As at	Movements during		As at	As at	Movements during		As at
	January 1,	the year		December 31,	January 1,	the year		December 31,
2020	Increase	Decrease	2020	2020	Increase	Decrease	2020	
Short-term loans from related parties - net								
Install Direct Company Limited	-	-	-	-	2.00	-	-	2.00
Related person - Director	10.00	40.00	(15.00)	35.00	10.00	40.00	(15.00)	35.00
Total	10.00			35.00	12.00			37.00
Less Deferred interest expenses	-			(1.07)	-			(1.07)
Net	10.00			33.93	12.00			35.93

As at December 31, 2020, a short-term loan from Install Direct Company Limited, in term of loan agreement for the purpose for its working capital bears interest at the rate of 2.8% per annum and is due at call.

As at December 31, 2020, a short-term loan from directors, in the Bills of Exchange in the amount of Baht 35.00 million with a maturity period of 268 days for the purpose for its working capital of the Company bears interest at the rate of 6.4% per annum and is due on June 30, 2021.

As at December 31, 2019, a short-term loan from director, in term of short-term debentures with debenture holders' representatives in the amount of Baht 10.00 million that are name-registered certificates, unsubordinated, unsecured and due on a bullet payment. The entire maturity date of such debentures is March 31, 2020.

6.7 Key management personnel compensation

Key management personnel compensation for the years ended December 31, 2020 and 2019 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term benefits	31,182,764.98	41,201,417.26	20,551,876.98	30,319,968.26
Post-employment benefits	1,560,355.06	2,077,119.14	1,210,385.16	1,554,120.15
Total key management personnel compensation	32,743,120.04	43,278,536.40	21,762,262.14	31,874,088.41

Compensation paid to the Management of a subsidiary, Sansara Development Company Limited by the Company for the period from January 1, 2020 to November 30, 2020 (date of business transfer) and for the year ended December 31, 2019 are Baht 4.68 million and Baht 8.31 million, respectively. The Company agreed not to charge them back to such subsidiary.

6.8 Commitments and contingent liabilities

The Group entered into rental agreements for buildings and vehicles with related parties under leases for which the lease term ends within one year from the date of adoption of TFRS 16.

As at December 31, 2020, the Group has above outstanding commitments to repay within a year totaling amount of Baht 0.06 million.

7. CASH AND CASH EQUIVALENTS

The cash and cash equivalents as at December 31, 2020 and 2019 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	626,678.79	297,000.00	69,024.54	77,000.00
Cash at banks - saving accounts	45,203,295.06	26,789,184.24	41,484,326.55	16,746,541.34
Cash at banks - current accounts	13,482,032.40	10,551,641.43	10,388,222.00	5,487,181.50
High liquidity short-term investments	5,000,000.00	1,500,000.00	3,500,000.00	-
Total	64,312,006.25	39,137,825.67	55,441,573.09	22,310,722.84

8. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables - net as at December 31, 2020 and 2019 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables				
Trade receivables - other parties	74,760,626.57	93,494,312.85	65,937,216.80	66,727,336.28
Trade receivables - related parties	11,792,651.36	20,181,726.71	11,795,593.78	26,207,758.07
<u>Less</u> Allowance for doubtful accounts	<u>(14,676,583.74)</u>	<u>(14,489,479.42)</u>	<u>(10,044,968.14)</u>	<u>(10,044,968.14)</u>
Total trade receivables - net	<u>71,876,694.19</u>	<u>99,186,560.14</u>	<u>67,687,842.44</u>	<u>82,890,126.21</u>
Other receivables				
Other receivables - related parties	13,148,299.41	1,547,967.65	11,748,787.76	15,464,129.07
Advances to related parties	-	-	7,701,708.43	4,127,444.92
Interest receivables - related parties	-	92,061.27	-	-
Contract assets	355,549.16	123,121.50	-	-
Prepaid commission expenses	7,690,271.20	11,801,894.16	467,520.00	-
Prepaid expenses	1,467,458.93	3,544,015.67	1,089,895.44	926,953.79
Revenue Department receivable	4,897,881.36	7,106,570.88	63,914.47	356,697.40
Others	228,454.45	1,009,007.63	204,079.64	282,083.34
<u>Less</u> Allowance for doubtful accounts - advances to related parties	<u>-</u>	<u>-</u>	<u>(3,442,258.93)</u>	<u>(3,442,258.93)</u>
Total other receivables - net	<u>27,787,914.51</u>	<u>25,224,638.76</u>	<u>17,833,646.81</u>	<u>17,715,049.59</u>
Total trade and other receivables - net	<u>99,664,608.70</u>	<u>124,411,198.90</u>	<u>85,521,489.25</u>	<u>100,605,175.80</u>

As at December 31, 2020 and 2019, the Group has aging of trade receivables were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - other parties				
Within credit term	43,934,236.96	48,069,721.58	43,517,691.93	43,011,735.56
Over credit term				
Up to 3 months	12,593,967.14	17,474,243.56	11,882,775.44	12,795,298.75
3 - 6 months	868,242.78	6,952,225.46	850,346.12	337,130.69
6 - 12 months	2,527,730.70	128,975.63	158,521.59	-
Over 12 months	14,836,448.99	20,869,146.62	9,527,881.72	10,583,171.28
Total trade receivables - other parties	<u>74,760,626.57</u>	<u>93,494,312.85</u>	<u>65,937,216.80</u>	<u>66,727,336.28</u>
<u>Less</u> Allowance for doubtful accounts	<u>(14,676,583.74)</u>	<u>(14,489,479.42)</u>	<u>(10,044,968.14)</u>	<u>(10,044,968.14)</u>
Total trade receivables - other parties - net	<u>60,084,042.83</u>	<u>79,004,833.43</u>	<u>55,892,248.66</u>	<u>56,682,368.14</u>

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - related parties				
Within credit term	-	10,483,144.50	2,942.50	14,285,088.01
Over credit term				
Up to 3 months	-	9,698,582.21	11,534.13	9,931,983.74
3 - 6 months	-	-	61,064.79	986,336.42
6 - 12 months	10,919,581.94	-	2,707,537.09	994,195.59
Over 12 months	873,069.42	-	9,012,515.27	10,154.31
Total trade receivables - related parties	11,792,651.36	20,181,726.71	11,795,593.78	26,207,758.07
Total trade receivables - net	71,876,694.19	99,186,560.14	67,687,842.44	82,890,126.21

9. INVENTORIES - NET

Inventories - net as at December 31, 2020 and 2019 are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	46,390,537.72	63,992,015.78	46,390,537.72	63,992,015.78
Raw materials	24,547,319.78	28,440,045.99	-	-
Supplies	456,460.39	-	-	-
Work-in-progress	10,957,601.86	7,347,968.27	480,923.98	1,195,498.45
Goods in transit	-	3,579,276.93	-	3,579,276.93
<u>Less</u> Allowance for obsolete inventory	<u>(5,517,137.69)</u>	<u>(5,517,137.69)</u>	<u>(3,393,676.37)</u>	<u>(3,393,676.37)</u>
Net	76,834,782.06	97,842,169.28	43,477,785.33	65,373,114.79

10. REAL ESTATE DEVELOPMENT COSTS

Real estate development costs as at December 31, 2020 and 2019 are as follows:

	Unit: Baht	
	Consolidated financial statements	
	2020	2019
Land	418,003,934.83	416,621,058.19
Project consultant fee	12,240,800.00	8,479,215.00
Construction cost	84,551,913.23	31,954,787.18
Capitalization of interest	31,719,849.03	14,357,072.06
Condominium held for sales	175,960,616.25	286,673,970.58
Total	722,477,113.34	758,086,103.01

As at December 31, 2020, 4 projects, "The Teak Sathorn - Lumpini" project, "The Teak Ratchada" project, "The Teak Ari" project and "Grandis Kingkeaw" project, are in the process of construction.

For the year ended December 31, 2020, interest expenses of loans for the construction of the Projects, in the amount of Baht 21.04 million, have been capitalised as part of the cost of real estate development project.

As at December 31, 2020, the subsidiary mortgaged the land and any structures thereon of the 5 projects at their book value of Baht 703.74 million with two bank as collateral for financial support credit facilities, for the operation of the projects (Note 19 and 23).

11. DEPOSITS AT BANK PLEDGED AS COLLATERAL

As at December 31, 2020, the Group held time deposits and saving with two commercial banks in the total amount of Baht 50.75 million (December 31, 2019: Baht 51.43 million). The deposits were pledged as collateral short-term trade financing facilities (Note 35.2).

12. INVESTMENT IN DEBT SECURITIES HELD TO MATURITY - NET

Movements of the investment in debt securities held to maturity - net account during the year ended December 31, 2020 are summarized below:

	Unit: Baht
	Consolidated and separate financial statement
Net book value as at January 1, 2020	10,910,787.28
Amortization of deferred interest income	(143,033.93)
Net book value as at December 31, 2020	10,767,753.35

Such investment is investment in government bond with par value of Baht 10.00 million. The maturity date is on December 12, 2025 and interest will be received by twice per year at an interest rate of 3.85%.

As at December 31, 2020, the government bond were pledged as collateral short-term trade financing facilities (Note 35.2).

13. INVESTMENTS IN SUBSIDIARIES COMPANY - NET

The details of investments in subsidiaries company - net presented in the separate financial statements as at December 31, 2020 and 2019 consisted of:

Company	Issued and paid-up capital		Shareholding proportion (%)		Unit: Thousand Baht	
	Unit:	Unit:	2020	2019	At cost	
	Thousands Baht	Thousands Rupee			2020	2019
Install Direct Company Limited	10,000.00	-	100.00	100.00	9,999.70	9,999.70
BuilderSmart Construction Systems Private Limited	-	1,000.00	99.70	99.70	683.80	683.80
D&W (Asia) Limited	60,000.00	-	100.00	100.00	59,999.70	59,999.70
Building Bling Company Limited	500.00	-	50.99	50.99	254.95	254.95
Sansara Development Company Limited	150,000.00	-	100.00	100.00	149,999.98*	149,999.98
Sansara Lifestyle Service Company Limited	500.00	-	100.00	100.00	499.98	499.98
Teak Development Limited	150,000.00	-	100.00	100.00	150,843.40*	149,999.50
Total					372,281.51	371,437.61
Less Allowance for impairment loss of investments					(110,089.45)	(3,668.31)
Net					262,192.07	367,769.30

*As at January 1, 2020, investments in two subsidiaries, Sansara Development Company Limited and Teak Development Limited, have increased by Baht 28.51 million as a result of adopting new financial reporting standards related to financial instruments. However, during the year 2020, the Company reclassified loans, previously classified as investment in Sansara Development Company Limited, to long-term loans and interest receivables in the amount of Baht 26.17 million regarding the change in its business model. (Note 3 and 6.4).

As at November 30, 2020, the Group performed a business restructure by way of an entire business transfer of the subsidiary, Sansara Development Company Limited to the Company, which qualifies as a business combination under common control as discussed in Note 4. The subsidiary registered its liquidation with the Department of Business Development, Ministry of Commerce on November 30, 2020, and is currently under liquidation.

As at December 31, 2020, the Company determined the recoverable amount of its investment in Sansara Development Company Limited by considering its proportionate ownership interest in shareholders' equity as at December 31, 2020, which is equivalent to Baht 43.58 million. This amount is lower than the cost of investment in such subsidiary, which is presented in the amount of Baht 150 million. The Company, therefore, deducted the value of such investment to be equal to its recoverable amount by recognising an allowance for impairment loss of investment in the amount of Baht 106.42 million. This amount is presented as "Loss on impairment of investment in subsidiary" in profit or loss of separate financial statements.

14. SENIOR LIVING PROJECT UNDER DEVELOPMENT

Movements of the senior living project under development account during the year ended December 31, 2020, are summarized below:

	Unit: Baht	
	Consolidated financial statement	Separate financial statements
Project cost as at January 1, 2020	446,421,883.35	-
Entire business transfer (Note 4)	-	189,053,442.99
Increase during the year	72,576,999.27	-
Total	518,998,882.62	189,053,442.99
Transfer to investment properties	(2,648,075.98)	-
Transfer to property, plant and equipment	(238,430,695.34)	-
Transfer to right-of-use assets	(15,570,556.35)	-
Transfer to cost of real estate	(79,835,334.10)	(6,539,222.14)
Project cost as at December 31, 2020	182,514,220.85	182,514,220.85

15. INVESTMENT PROPERTIES - NET

Movements of the investment properties - net account during the year ended December 31, 2020 are summarized below:

	Unit: Baht	
	Senior Living Project - Villas	
	Consolidated financial statement	Separate financial statements
As at January 1, 2020	233,244,200.00	-
Entire business transfer (Note 4)	-	205,100,000.00
Transfer from Senior Living Project under development	2,648,075.98	-
Loss on fair value adjustment (Level 2)	(30,792,275.98)	-
As at December 31, 2020	205,100,000.00	205,100,000.00
Cost	148,692,993.07	148,692,993.07
Accumulated gain on fair value adjustment	56,407,006.93	56,407,006.93
Fair value - net	205,100,000.00	205,100,000.00

The fair values of investment properties - net of the subsidiary, were assessed by the independent appraiser, Ktac Appraisal And Service Co., Ltd., according to the appraisal report dated as at September 11, 2020. The appraisal values, determined according to the Market Comparison Approach, are categorized as Fair Value - Level 2 based on the inputs to the valuation technique used.

As at December 31, 2020, the subsidiary entered into another a lease agreement with a related party, who is a close relative of the director for residential villas (Note.6.8). However, the subsidiary has entered into lease agreements to lease back those villas from the lessees for a 3-year period for use as project model showroom-units. The quarterly lease back fee is Baht 385,420.00.

As at December 31, 2020, the subsidiary mortgaged land upon which six villas and all their associated structures are situated, within the Senior Living Project, with a bank as collateral for credit facilities in the amount of Baht 122.66 million used for project operations (Note 23).

16. PROPERTY, PLANT AND EQUIPMENT - NET

Movements of the property, plant and equipment - net account during the year ended December 31, 2020, are summarized below:

	Unit: Baht							
	Consolidated financial statements							
	As at		As at		Movements during the year		As at	
	December 31,	TFRS 16	January 1,	Increase	Decrease	Transfer from senior living project under development	Transfer in (transfer out)	December 31, 2020
Cost:								
Land	-	-	-	-	-	39,271,633.15	-	39,271,633.15
Land improvements	-	-	-	-	-	66,375,554.85	-	66,375,554.85
Sales gallery building	8,843,806.91	-	8,843,806.91	-	-	-	-	8,843,806.91
Building and building improvements	27,789,968.96	-	27,789,968.96	437,050.00	(4,145,457.36)	43,125,062.75	1,828,731.85	69,035,356.20
Utilities	-	-	-	-	-	88,332,120.64	-	88,332,120.64
Machinery and factory equipment	18,103,571.78	-	18,103,571.78	377,049.35	(2,896,683.52)	-	12,750,000.00	28,333,937.61
Warehouse equipment	5,593,176.80	-	5,593,176.80	39,568.22	(76,900.00)	-	-	5,555,845.02
Furniture and office equipment	23,561,927.03	-	23,561,927.03	11,751,200.71	(991,998.03)	-	-	34,321,129.71
Furniture and office equipment for show-unit and sales gallery	3,864,543.30	-	3,864,543.30	-	-	1,326,323.95	-	5,190,867.25
Operating equipment	-	-	-	2,129,081.94	(47,734.84)	-	-	2,081,347.10
Motor vehicles	29,076,942.82	(13,730,947.66)	15,345,995.16	75,720.00	(433,644.86)	-	4,271,028.04	19,259,098.34
Construction in progress	12,893,330.76	-	12,893,330.76	4,204,314.29	-	-	(14,578,731.85)	2,518,913.20
Total cost	129,727,268.36	(13,730,947.66)	115,996,320.70	19,013,984.51	(8,592,418.61)	238,430,695.34	4,271,028.04	369,119,609.98
Accumulated depreciation:								
Land improvements	-	-	-	2,129,769.56	-	-	-	2,129,769.56
Sales gallery building	4,458,247.87	-	4,458,247.87	-	-	-	-	4,458,247.87
Building and building improvements	22,214,160.49	-	22,214,160.49	3,106,381.11	(3,741,347.83)	-	-	21,579,193.77
Utilities	-	-	-	2,676,150.79	-	-	-	2,676,150.79
Machinery and factory equipment	15,111,342.35	-	15,111,342.35	3,079,430.05	(2,660,385.39)	-	-	15,530,387.01
Warehouse equipment	4,801,303.82	-	4,801,303.82	248,754.96	(76,899.00)	-	-	4,973,159.78

Unit: Baht

Consolidated financial statements								
	As at		As at		Movements during the year		As at	
	December 31, 2019	TFRS 16	January 1, 2020	Increase	Decrease	Transfer from senior living project under development	Transfer in (transfer out)	December 31, 2020
Furniture and office equipment	12,599,288.96	-	12,599,288.96	4,950,351.09	(704,850.99)	-	-	16,844,789.06
Furniture and office equipment for show-unit and sales gallery	1,934,373.97	-	1,934,373.97	3,410,281.66	-	-	-	5,344,655.63
Operating equipment	-	-	-	255,911.14	(3,643.01)	-	-	252,268.13
Motor vehicles	18,656,464.25	(4,293,716.24)	14,362,748.01	947,946.03	(433,643.86)	-	3,423,761.68	18,300,811.86
Total accumulated depreciation	79,775,181.71	(4,293,716.24)	75,481,465.47	20,804,976.39	(7,620,770.08)	-	3,423,761.68	92,089,433.46
Less Allowance for impairment	(401,384.00)		(401,384.00)					(401,384.00)
Net	49,550,702.65		40,113,471.23					276,628,792.52

Unit: Baht

Separate financial statements								
	As at		As at		Movements during the year		As at	
	December 31, 2019	TFRS 16	January 1, 2020	Increase	Decrease	Transfer in (transfer out)	Entire business transfer	December 31, 2020
Cost:								
Land	-	-	-	-	-	-	39,271,633.15	39,271,633.15
Land improvements	-	-	-	-	-	-	66,375,554.85	66,375,554.85
Sales gallery building	-	-	-	-	-	-	8,843,806.91	8,843,806.91
Building and building improvements	23,837,541.60	-	23,837,541.60	-	(193,030.00)	1,828,731.85	43,125,062.75	68,598,306.20
Utilities	-	-	-	-	-	-	88,332,120.64	88,332,120.64
Machinery and factory equipment	5,354,500.00	-	5,354,500.00	-	-	-	-	5,354,500.00
Warehouse equipment	5,395,905.57	-	5,395,905.57	39,568.22	(76,900.00)	-	-	5,358,573.79
Furniture and office equipment	13,558,232.16	-	13,558,232.16	485,650.03	(421,948.05)	-	15,087,166.98	28,709,101.12

Unit: Baht

	Separate financial statements							As at December 31, 2020
	As at December 31, 2019	TFRS 16	As at January 1, 2020	Movements during the year			As at December 31, 2020	
				Increase	Decrease	Transfer in (transfer out)	Entire business transfer	
Furniture and office equipment for show-unit and sales gallery	-	-	-	-	-	-	5,190,867.25	5,190,867.25
Motor vehicles	23,066,190.48	(10,654,737.38)	12,411,453.10	-	(433,644.86)	4,271,028.04	1,750,000.00	17,998,836.28
Construction in progress	1,995,788.95	-	1,995,788.95	234,326.90	-	(1,828,731.85)	-	401,384.00
Total cost	73,208,158.76	(10,654,737.38)	62,553,421.38	759,545.15	(1,125,522.91)	4,271,028.04	267,976,212.53	334,434,684.19
Accumulated depreciation:								
Land improvements	-	-	-	358,819.87	-	-	1,770,949.69	2,129,769.56
Sales gallery building	-	-	-	-	-	-	4,458,247.87	4,458,247.87
Building and building improvements	18,792,993.60	-	18,792,993.60	2,020,524.68	(193,029.00)	-	909,440.37	21,529,929.65
Utilities	-	-	-	450,873.24	-	-	2,225,277.55	2,676,150.79
Machinery and factory equipment	5,354,253.00	-	5,354,253.00	-	-	-	-	5,354,253.00
Warehouse equipment	4,622,318.52	-	4,622,318.52	248,754.96	(76,899.00)	-	-	4,794,174.48
Furniture and office equipment	9,221,532.35	-	9,221,532.35	1,821,192.67	(327,831.40)	-	2,813,578.27	13,528,471.89
Furniture and office equipment for show-unit and sales gallery	-	-	-	242,934.97	-	-	5,101,720.66	5,344,655.63
Motor vehicles	15,907,091.52	(3,771,196.46)	12,135,895.06	551,338.00	(433,643.86)	3,423,761.68	1,433,561.75	17,110,912.63
Total accumulated depreciation	53,898,188.99	(3,771,196.46)	50,126,992.53	5,694,438.39	(1,031,403.26)	3,423,761.68	18,712,776.16	76,926,565.50
Less Allowance for impairment	(401,384.00)		(401,384.00)					(401,384.00)
Net	18,908,585.77		12,025,044.85					257,106,734.69

Depreciations for the years ended December 31, 2020 and 2019, have been charged to profit or loss of consolidated financial statements amounting to Baht 20.80 million and Baht 11.96 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 5.69 million and Baht 5.53 million, respectively.

The gross carrying amount of fully depreciated assets of the Group that were still in use as at December 31, 2020 amounted to Baht 54.51 million (December 31, 2019: Baht 51.33 million).

The subsidiary, D&W (Asia) Limited, use its machinery with book value as at December 31, 2020 of Baht 122.66 million as collateral for lease for purchasing machinery with a bank (Note 23).

17. RIGHT-OF-USE ASSETS - NET

Movements of the right-of-use assets - net account during the year ended December 31, 2020, are summarized below:

Unit: Baht								
Consolidated financial statements								
As at December 31, 2019	TFRS 16	As at January 1, 2020	Movements during the year				As at December 31, 2020	
			Increase	Decrease	Transfer from senior living project under development	Transfer in (transfer out)		
Cost:								
Building	-	52,083,617.49	52,083,617.49	6,219,445.99	-	15,570,556.35	-	73,873,619.83
Motor vehicles	-	13,730,947.66	13,730,947.66	-	(1,185,046.73)	-	(4,271,028.04)	8,274,872.89
Total cost	-	65,814,565.15	65,814,565.15	6,219,445.99	(1,185,046.73)	15,570,556.35	(4,271,028.04)	82,148,492.72
Accumulated depreciation:								
Building	-	-	-	8,914,890.91	-	-	-	8,914,890.91
Motor vehicles	-	4,293,716.24	4,293,716.24	2,236,173.95	(338,306.48)	-	(3,423,761.68)	2,767,822.03
Total accumulated depreciation	-	4,293,716.24	4,293,716.24	11,151,064.86	(338,306.48)	-	(3,423,761.68)	11,682,712.94
Net	-	61,520,848.91	61,520,848.91					70,465,779.78

Unit: Baht								
Separate financial statements								
As at December 31, 2019	TFRS 16	As at January 1, 2020	Movements during the year				As at December 31, 2020	
			Increase	Decrease	Transfer in (transfer out)	Entire business transfer		
Cost:								
Building	-	39,138,340.68	39,138,340.68	2,942,225.73	-	-	3,145,265.77	45,225,832.18
Motor vehicles	-	10,654,737.38	10,654,737.38	-	(1,185,046.73)	(4,271,028.04)	-	5,198,662.61
Total cost	-	49,793,078.06	49,793,078.06	2,942,225.73	(1,185,046.73)	(4,271,028.04)	3,145,265.77	50,424,494.79
Accumulated depreciation:								
Building	-	-	-	4,001,202.57	-	-	174,736.99	4,175,939.56
Motor vehicles	-	3,771,196.46	3,771,196.46	1,619,246.38	(338,306.48)	(3,423,761.68)	-	1,628,374.68
Total accumulated depreciation	-	3,771,196.46	3,771,196.46	5,620,448.95	(338,306.48)	(3,423,761.68)	174,736.99	5,804,314.24
Net	-	46,021,881.60	46,021,881.60					44,620,180.55

Depreciations for the year ended December 31, 2020, has been charged to profit or loss of consolidated financial statements amounting to Baht 11.15 million, respectively, and has been charged to profit or loss of separate financial statements amounting to Baht 5.62 million.

18. INTANGIBLE ASSETS - NET

Movements of the intangible assets - net account during the year ended December 31, 2020 are summarized below:

	Unit: Baht					
	Consolidated financial statements					
	As at	Movements during the year				As at
	December 31, 2019	Increase	Decrease	Transfer in (transfer out)		December 31, 2020
Cost:						
Computer software	18,173,279.54	2,036,153.62	-	1,301,443.68	21,510,876.84	
Patent and trademark	1,500,000.00	-	-	-	1,500,000.00	
Development expenditure for design of new products	2,705,784.89	417,000.00	-	-	3,122,784.89	
Work-in-progress computer software	3,572,698.94	-	-	(1,301,443.68)	2,271,255.26	
Golf membership fee	-	2,750,000.00	-	-	2,750,000.00	
Total cost	25,951,763.37	5,203,153.62	-	-	31,154,916.99	
Accumulated amortization:						
Computer software	5,142,635.50	2,209,139.65	-	-	7,351,775.15	
Patent and trademark	1,499,995.00	-	-	-	1,499,995.00	
Development expenditure for design of new products	629,266.04	291,570.79	-	-	920,836.83	
Total accumulated amortization	7,271,896.54	2,500,710.44	-	-	9,772,606.98	
Net	18,679,866.83				21,382,310.01	

	Unit: Baht					
	Separate financial statements					
	As at	Movements during the year				As at
	December 31, 2019	Increase	Decrease	Entire business transfer		December 31, 2020
Cost:						
Computer software	16,530,675.54	289,999.40	-	1,351,675.68	18,172,350.62	
Patent and trademark	1,500,000.00	-	-	-	1,500,000.00	
Development expenditure for design of new products	1,215,000.00	417,000.00	-	-	1,632,000.00	
Work-in-progress computer software	300,000.00	-	-	-	300,000.00	
Golf membership fee	-	-	-	2,750,000.00	2,750,000.00	
Total cost	19,545,675.54	706,999.40	-	4,101,675.68	24,354,350.62	
Accumulated amortization:						
Computer software	4,180,683.85	1,764,025.24	-	122,763.02	6,067,472.11	
Patent and trademark	1,499,995.00	-	-	-	1,499,995.00	
Development expenditure for design of new products	196,502.40	142,083.73	-	-	338,586.13	
Total accumulated amortization	5,877,181.25	1,906,108.97	-	122,763.02	7,906,053.24	
Net	13,668,494.29				16,448,297.38	

Amortization for the years ended December 31, 2020 and 2019, have been charged to profit or loss of consolidated financial statements amounting to Baht 2.50 million and Baht 1.45 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 1.91 million and Baht 0.88 million, respectively.

The gross carrying amount of fully amortization intangible assets of the Group that were still in use as at December 31, 2020 amounted to Baht 4.91 million (December 31, 2019: Baht 4.56 million).

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

Bank overdrafts and short-term loans from financial institutions as at December 31, 2020 and 2019 comprised:

	Consolidated financial statements			
	Interest rate (%)		Unit: Baht	
	2020	2019	2020	2019
Bank overdrafts	MOR, MOR-3.18, MMR-1.25, MRR-1.50, F/D Rate+2	MMR-1.25, F/D Rate+2	26,110,754.91	7,968,990.09
Trust receipt	-	2	-	4,693,969.21
Domestic trust receipt	3.48 - 4.25	4.25, 5	66,773,052.96	72,166,126.34
Promissory notes	MLR, MLR-2, 3.47 - 4.35	MLR-(1.25, 2), 4 - 4.75	174,433,844.66	137,148,729.79
Short-term loans*				
- Credit limit of Baht 61.00 million - The Teak Sathorn - Nanglinchee	-	MLR-1.40	-	60,804,117.55
- Credit limit of Baht 63.00 million - Grandis Kingkeaw	-	MLR-1.40	-	63,000,000.00
Total			267,317,652.53	345,781,932.98

	Separate financial statements			
	Interest rate (%)		Unit: Baht	
	2020	2019	2020	2019
Bank overdrafts	MOR-3.18, MMR-1.25	MMR-1.25	14,994,635.25	3,379,815.23
Trust receipt	-	2	-	4,693,969.21
Domestic trust receipt	3.48 - 4.25	4.25, 5	66,773,052.96	72,166,126.34
Promissory notes	MLR, MLR-2, 3.47-4.35	MLR-2, 4 - 4.75	174,433,844.66	129,116,229.79
Total			256,201,532.87	209,356,140.57

*During the year 2020, a subsidiary has reclassified the above short-term loans to long-term loans from financial institutions, due to the extension of the repayment period from within 12 months from the agreement date to within 24 months from the agreement date (Note 23).

20. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2020 and 2019 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables				
Trade payables - other parties	69,560,896.63	74,260,756.38	63,793,243.45	48,324,113.48
Trade payables - related parties	853,568.62	8,332,175.77	697,844.68	-
Total trade payables	70,414,465.25	82,592,932.15	64,491,088.13	48,324,113.48
Other payables				
Advances from related parties	118,387.71	213,354.39	19,937.42	15,000.00
Other payables	12,050,405.69	16,086,410.74	4,052,672.00	11,055,191.81
Other payables - related party	-	56,670.00	-	-
Payables for business transfer - subsidiary	-	-	43,578,849.92	-
Commission payables	5,598,301.06	10,105,839.85	4,876,946.21	8,840,388.51
Accrued expenses	16,003,638.30	12,513,432.41	9,949,980.72	6,724,778.95
Accrued senior living project under development cost	42,339,213.45	33,049,460.78	42,339,213.45	-
Accrued bonus expenses	6,268,499.99	6,268,499.99	6,268,499.99	6,268,499.99
Interest payables	3,215,234.02	3,878,229.72	3,215,234.02	3,553,366.70
Interest payables - related parties	-	305,095.89	4,744.27	309,840.16
Revenue Department payable	310,907.13	168,220.65	19,285.85	-
Withholding tax	904,606.57	2,209,758.94	634,430.13	694,195.39
Other	310,053.38	145,489.13	-	-
Total other payables	87,119,247.30	85,000,462.49	114,959,793.98	37,461,261.51
Total trade and other current payables	157,533,712.55	167,593,394.64	179,450,882.11	85,785,374.99

21. CURRENT CONTRACT LIABILITIES

Current contract liabilities as at December 31, 2020 and 2019 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Contract liabilities				
Reservation fee and deposits for purchase of condominium	30,799,342.27	45,229,295.11	-	-
Customer deposit for purchases of inventory	17,246,676.20	14,595,487.85	4,986,952.99	3,393,193.08
Guest deposits	291,028.04	-	-	-
Total	48,337,046.51	59,824,782.96	4,986,952.99	3,393,193.08

22. LIABILITY FOR GUARANTEE REFUND TO LESSEE

Liability for guarantee refund to lessee as at December 31, 2020 and 2019 consisted of:

	Unit: Baht			
	Consolidated financial statements			
	Current		Non-current	
	2020	2019	2020	2019
Liability for guarantee refund to lessee	22,024,000.00	43,368,000.00	73,776,625.00	22,024,000.00
<u>Less</u> Deferred interest expenses	-	-	(47,267,690.31)	-
Net	22,024,000.00	43,368,000.00	26,508,934.69	22,024,000.00
	Unit: Baht			
	Separate financial statements			
	Current		Non-current	
	2020	2019	2020	2019
Liability for guarantee refund to lessee	22,024,000.00	-	73,776,625.00	-
<u>Less</u> Deferred interest expenses	-	-	(47,267,690.31)	-
Net	22,024,000.00	-	26,508,934.69	-

23. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Movements of long-term loans from financial institutions during the year ended December 31, 2020 are summarized below:

	Unit: Baht			
	Consolidated financial statements			
	As at January 1, 2020	Movements during the year		As at December 31, 2020
		Increase	Decrease	Transfer from Short-term loans
Long-term loans from financial institutions				
Credit limit of Baht 599.72 million -				
Real estate development project	272,762,101.67	74,679,633.00	(103,794,736.93)	123,804,117.55
Credit limit of Baht 60 million -				
Senior living project under development	60,000,000.00	-	(15,763,604.89)	-
Credit limit of Baht 8.93 million -				
Purchasing machinery	-	8,925,000.00	(1,347,872.44)	-
Credit limit of Baht 46.63 million -				
Alleviation of the impact of COVID-19	-	42,398,619.56	-	-
Total	332,762,101.67	126,003,252.56	(120,906,214.26)	123,804,117.55
<u>Less</u> Current portion of long-term loans				
from financial institutions	(60,000,000.00)			(217,176,356.91)
Net	272,762,101.67			237,386,670.61

	Unit: Baht			
	Separate financial statements			
	As at	Movements during the year		As at
	January 1, 2020	Increase	Decrease	December 31, 2020
Long-term loans from financial institutions				
Credit limit of Baht 60 million -				
Senior living project under development	-	-	-	44,236,395.11
Credit limit of Baht 36.63 million -				
Alleviation of the impact of COVID -19	-	24,631,619.56	-	7,767,000.00
Total	-	24,631,619.56	-	52,003,395.11
<u>Less</u> Current portion of long-term loans from financial institutions	-			(44,236,395.11)
Net	-			32,398,619.56

As at December 31, 2020, the Group entered into the financial support credit facility agreements with four local financial institutions to receive financial support. The significant conditions under such agreements are as follows:

No.	Credit limit	Repayment periods	Interest rate (%)
	Unit: Million Baht		
<i>Credit limit - Real estate development project</i>			
1	154.47	48 months as from May 16, 2018	MLR-1.65 per annum
2	161.25	48 months as from October 29, 2018	MLR-1.65 per annum
3	160.00*	36 months as from October 5, 2018	MLR-0.75 per annum
4	61.00*	24 months as from May 14, 2019	MLR-1.40 per annum
5	63.00*	24 months as from October 7, 2019	MLR-1.40 per annum
Total	599.72		
<i>Credit limit - Senior living project under development</i>			
6	60.00**	36 months as from November 19, 2019	MLR per annum
Total	60.00		
<i>Credit limit - Purchasing machinery</i>			
7	8.93	48 months as from May 16, 2020	7.71 per annum
Total	8.93		
<i>Credit limit - Alleviation of the impact of COVID -19</i>			
8	10.00	60 months as from May 5, 2020	Each month 1-24 at MLR-1.6 per annum Each month 25-60 at MLR per annum
9	24.63	60 months as from October 10, 2020	MLR-2.65 per annum
10	12.00**	24 months as from November 18, 2020	2 per annum
Total	46.63		
Total	715.28		

Fixed deposits of the Company and land and buildings of the projects and machinery of the subsidiary and BuilderSmart Public Company Limited., were pledged as collateral for above long-term loans credit facilities.

* The borrower must comply with the following significant financial conditions for Loan No. 3, 4 and 5 (total credit limit of Baht 284.00 million):

1. The subsidiary must not reduce the registered capital or merge with other juristic person.
2. The subsidiary must not change the form of legal entity, subsidiary's Board of Directors or modify/change Memorandum of Association, regulations and/or objectives.
3. The subsidiary must not change the shareholders' holding percentage from the date of the agreement.

**The borrower must comply with the following significant financial conditions for Loan No. 6 and 10 (total credit limit of Baht 72.00 million):

1. The subsidiary must maintain the status of the Company based on the financial statements submitted to the Revenue Department, must not have a capital deficit, and/or procure other funding sources to maintain positive financial standing.
2. The subsidiary must not grant loans to directors/shareholders/related parties, except where having obtaining written consent from the lender.

24. LEASE LIABILITIES

Lease liabilities as at December 31, 2020 and 2019 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Lease liabilities				
- Within 1 year	17,880,490.10	2,325,427.68	7,917,110.44	1,682,967.96
- Over 1 year but not over 5 years	68,881,997.07	4,464,581.08	45,076,009.03	3,036,966.34
<u>Less</u> Deferred interest expenses	(12,726,040.26)	(641,690.52)	(8,989,302.84)	(462,459.45)
Present value of leases liabilities	74,036,446.91	6,148,318.24	44,003,816.63	4,257,474.85
<u>Less</u> Current portion of leases liabilities	(14,352,798.38)	(2,034,062.12)	(5,934,022.57)	(1,482,989.02)
Net	59,683,648.53	4,114,256.12	38,069,794.06	2,774,485.83

25. SHORT-TERM LOANS FROM OTHER PARTIES - NET

Short-term loans from other parties - net as at December 31, 2020 and 2019 comprised:

	Interest rate (%)		Unit: Baht	
	Consolidated and separate financial statements		Consolidated and separate financial statements	
	2020	2019	2020	2019
Bills of Exchange	6.2 - 7	6.2	30,000,000.00	50,000,000.00
Short-term debentures	-	6.4	-	90,000,000.00
Total			30,000,000.00	140,000,000.00
<u>Less</u> Deferred interest expenses - Bills of exchange			(885,263.98)	(243,700.43)
Net			29,114,736.02	139,756,299.57

As at December 31, 2020, the Company issue the Bills of Exchange in the amount of not exceeding Baht 214.52 million with a maturity period of 270 days and due within June 30, 2021, to the investors for support the operation of a subsidiary and/or for the Company's working capital.

As at December 31, 2019, the Company has short-term debentures with debenture holders' representatives in the amount of Baht 90.00 million that are name-registered certificates, unsubordinated, unsecured and due on a bullet payment. Such debentures are matured and redeemed on March 31, 2020.

26. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movements of the present value of non-current provisions for employee benefit for the years ended December 31, 2020 and 2019 were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Non-current provisions for employee benefit				
as at January 1,	8,108,004.98	8,504,311.00	6,373,655.00	6,465,027.00
Increase from entire business transfer	-	-	1,435,074.50	-
Included in profit or loss:				
Current service cost	1,047,009.96	1,142,748.50	891,728.21	891,162.00
Interest cost	245,090.96	251,030.98	201,803.25	196,524.00
Past service cost	-	605,686.50	-	360,588.00
Included in other comprehensive income:				
Actuarial gains arising from				
Financial assumptions changes	-	(2,344,562.00)	-	(1,856,740.00)
Experience adjustments	-	(51,210.00)	-	317,094.00
Benefit paid during the year	(2,000,200.00)	-	(2,000,200.00)	-
Non-current provisions for employee benefit				
as at December 31,	7,399,905.90	8,108,004.98	6,902,060.96	6,373,655.00

Non-current provisions for employee benefit for the years ended December 31, 2020 and 2019, have been charged to profit or loss of consolidated financial statements amounting to Baht 1.29 million and Baht 2.00 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 1.09 million and Baht 1.45 million, respectively.

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

Principal actuarial assumptions as at December 31, 2020 and 2019 (represented by the weighted-average) consisted of:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	2.55 - 3.29	2.55 - 3.29	2.66	2.66
Future monthly salary increase rate	6.34	6.34	6.34	6.34

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Mortality rate	100% of Thai	100% of Thai	100% of Thai	100% of Thai
	Mortality Ordinary	Mortality Ordinary	Mortality Ordinary	Mortality Ordinary
	Tables of 2017	Tables of 2017	Tables of 2017	Tables of 2017

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

	Unit: Million Baht			
	Change of the present value of the employee benefit obligations			
	Consolidated financial statement		Separate financial statement	
	Increase 0.5%	Increase 0.5%	Increase 0.5%	Increase 0.5%
Discount rate	(8.67)	9.28	(6.77)	7.22
Salary increase rate	9.34	(8.61)	7.27	(6.72)
Turnover rate	(8.53)	9.41	(6.66)	7.34

As at December 31, 2020, the maturity analysis of undiscounted cash flows of benefit payments was as follows:

	Unit: Baht	
	Consolidated financial statement	Separate financial statement
Within 1 year	-	-
Over 1 year but not over 5 years	7,711,589.86	5,042,697.60
Over 5 years	12,046,479.84	9,216,238.34

The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette on April 5, 2019, and became effective on May 5, 2019. The Act stipulates additional severance pay rates. Employees who have worked for an uninterrupted period of 20 years or more are entitled to receive no less than 400 days' compensation at the latest wage rate. This change qualifies as an amendment to the post-employment benefits plan. The Company and its subsidiaries reflected the effect of the change by recognizing past service costs as expenses in the income statement for the second quarter of 2019, the period during which the law became effective.

27. DEFERRED INCOME TAX

Deferred income tax as at December 31, 2020 and 2019 were consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets - net	-	11,315,632.83	16,461,954.90	3,962,459.92
Deferred tax liabilities - net	2,701,502.03	-	-	-

Movements in deferred tax assets during years ended December 31, 2020 and 2019 were as follows:

Unit: Baht

	Consolidated financial statements						Separate financial statements		
	As at		As at		As at		Entire		As at
	January		December		January		business		December
	1, 2020	Profit (loss)	31, 2020		1, 2020	transfer	Profit (loss)	31, 2020	
Deferred tax assets									
Allowance for doubtful accounts	2,320,060.53	45,020.87	2,365,081.40	2,008,993.64	-	-	-	2,008,993.64	
Allowance for obsolete of inventories	1,080,503.99	-	1,080,503.99	678,735.28	-	-	-	678,735.28	
Allowance for impairment of investment in subsidiary	-	-	-	-	-	21,284,227.18	-	21,284,227.18	
Non-current provisions for employee benefit	1,621,600.99	(141,619.81)	1,479,981.18	1,274,731.00	287,014.90	(181,333.72)	-	1,380,412.18	
Liability for guarantee refund to lessee	983,757.85	(487,387.47)	496,370.38	-	474,059.35	22,311.20	-	496,370.55	
Tax losses	18,174,067.43	(18,174,067.43)	-	-	-	-	-	-	
Effect from eliminate transactions	5,304,157.97	(913,042.16)	4,391,115.81	-	3,127,770.94	-	-	3,127,770.94	
Total deferred tax assets	29,484,148.76	(19,671,096.00)	9,813,052.76	3,962,459.92	3,888,845.19	21,125,204.66	-	28,976,509.77	
Deferred tax liabilities									
Tax depreciation - investment properties	(728,659.33)	(504,494.06)	(1,233,153.39)	-	(1,184,272.37)	(48,881.05)	-	(1,233,153.42)	
Gain on fair value adjustment of investment properties	(17,439,856.60)	6,158,455.20	(11,281,401.40)	-	(11,281,401.45)	-	-	(11,281,401.45)	
Total deferred tax liabilities	(18,168,515.93)	5,653,961.14	(12,514,554.79)	-	(12,465,673.82)	(48,881.05)	-	(12,514,554.87)	
Net	11,315,632.83	(14,017,134.86)	(2,701,502.03)	3,962,459.92	(8,576,828.63)	21,076,323.61	-	16,461,954.90	

As presented in the statement of financial position were as follows:

Deferred tax assets - net	11,315,632.83	-	3,962,459.92	16,461,954.90
Deferred tax liabilities - net	-	(2,701,502.03)	-	-
Net	11,315,632.83	(2,701,502.03)	3,962,459.92	16,461,954.90

Unit: Baht

	Consolidated financial statements			Separate financial statements				
	As at		As at	As at		Other		As at
	January		December	January		comprehensive		December
	1, 2019	Profit (loss)	31, 2019	1, 2019	Profit (loss)	income	31, 2019	
Deferred tax assets								
Allowance for doubtful accounts	2,131,800.81	188,259.72	-	2,320,060.53	1,860,733.92	148,259.72	-	2,008,993.64
Allowance for obsolete of inventories	1,080,503.99	-	-	1,080,503.99	678,735.28	-	-	678,735.28
Non-current provisions for employee benefit	1,700,862.20	399,893.19	(479,154.40)	1,621,600.99	1,293,005.40	289,654.80	(307,929.20)	1,274,731.00
Difference of depreciation	79,596.88	(79,596.88)	-	-	84,144.25	(84,144.25)	-	-
Liability for guarantee refund to lessee	547,811.18	435,946.67	-	983,757.85	-	-	-	-
Tax losses	15,698,239.37	2,475,828.06	-	18,174,067.43	-	-	-	-
Effect from eliminate transactions	-	5,304,157.97	-	5,304,157.97	-	-	-	-
Total deferred tax assets	21,238,814.43	8,724,488.73	(479,154.40)	29,484,148.76	3,916,618.85	353,770.27	(307,929.20)	3,962,459.92

Unit: Baht

	Consolidated financial statements						Separate financial statements		
	As at		Other comprehensive income	As at		As at		Other comprehensive income	As at
	January 1, 2019	Profit (loss)		December 31, 2019	January 1, 2019	Profit (loss)	December 31, 2019		
Deferred tax liabilities									
Tax depreciation - investment properties	(278,301.20)	(450,358.13)	-	(728,659.33)	-	-	-	-	-
Gain on fair value adjustment of investment properties	(15,333,773.81)	(2,106,082.79)	-	(17,439,856.60)	-	-	-	-	-
Total deferred tax liabilities	(15,612,075.01)	(2,556,440.92)	-	(18,168,515.93)	-	-	-	-	-
Net	5,626,739.42	6,168,047.81	(479,154.40)	11,315,632.83	3,916,618.85	353,770.27	(307,929.20)	3,962,459.92	3,962,459.92

As presented in the statement of financial position were as follows:

Deferred tax assets - net	7,018,847.42		11,315,632.83	3,916,618.85		3,962,459.92
Deferred tax liabilities - net	(1,392,108.00)		-	-		-
	<u>5,626,739.42</u>		<u>11,315,632.83</u>	<u>3,916,618.85</u>		<u>3,962,459.92</u>

All subsidiaries have unutilised tax loss carried forward as at December 31, 2020 and 2019. As such subsidiaries will not have sufficient taxable profit to utilize unused tax loss as a tax credit, Management, therefore, will not account for the deferred tax on these unutilised tax losses carried forward in the financial statements.

The deferred tax asset is not recognised in the statement of financial position consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Unused tax losses				
Expire in next 1 year	155,087.63	155,087.63	-	-
Expire in 2 - 5 years	8,380,807.89	2,210,836.75	-	-
Temporary differences	690,202.52	697,802.52	-	-
Total	9,226,098.04	3,063,726.90	-	-

28. INCOME TAX

Income tax for the years ended December 31, 2020 and 2019 were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current tax expense				
Current period	8,634,807.17	12,455,566.72	8,634,807.13	11,302,124.94
Deferred tax expense				
Relating to origination and reversal of temporary differences	14,017,134.86	(6,168,047.81)	(21,076,323.61)	(353,770.27)
Tax income (expenses)	22,651,942.03	6,287,518.91	(12,441,516.48)	10,948,354.67

Reconciliation of effective tax rate for the years ended December 31, 2020 and 2019 as follows:

	Unit: Baht			
	Consolidated financial statements			
	2020		2019	
	Tax rate		Tax rate	
(%)	Unit: Baht	(%)	Unit: Baht	
Profit (loss) before income tax expenses		(65,423,173.20)		31,204,012.65
Income tax using the corporate tax rate	20.00	(13,084,634.64)	20.00	6,240,802.53
Expenses not deductible for tax purposes	(0.62)	403,306.96	(0.50)	(156,816.10)
Current year losses for which no deferred tax assets was recognised	(28.84)	18,870,029.30	1.74	541,878.95
Write-off deferred tax assets on tax losses	(27.78)	18,174,067.43	-	-
Prior year losses which no deferred tax assets was recognised but used to reduce current tax expenses	0.02	(14,476.55)	(0.12)	(36,054.58)
Prior year temporary differences which no deferred tax assets was recognised	(0.55)	361,996.55	(2.69)	(840,026.32)
Effect from eliminate transactions	3.15	(2,058,347.02)	1.72	537,734.43
Tax expense	(34.62)	22,651,942.03	20.15	6,287,518.91

	Unit: Baht			
	Separate financial statements			
	2020		2019	
	Tax rate		Tax rate	
(%)	Unit: Baht	(%)	Unit: Baht	
Profit (loss) before income tax expenses		(64,224,404.46)		53,395,621.24
Income tax using the corporate tax rate	20.00	(12,844,880.89)	20.00	10,679,124.25
Expenses not deductible for tax purposes	(0.34)	217,981.06	0.50	269,230.42
Current year losses for which no deferred tax assets was recognised	0.12	(73,987.49)	-	-
Prior year temporary differences which no deferred tax assets was recognised	(0.40)	259,370.84	-	-
Tax expenses (income)	19.38	(12,441,516.48)	20.50	10,948,354.67

29. LEGAL RESERVE

Pursuant to the Public Limited Companies Act B.E. 2535, the Company must appropriate annual net profit as a reserve fund of not less than 5% of the annual net profit deducted by the total deficit brought forward (if any) until reserve reaches an amount no less than 10% of the registered capital. This legal reserve is not available for dividend distribution.

30. PROVIDENT FUND

The Company established a contributory registered provident fund, in accordance with the Provident Fund Act B.E. 2530. The registered provident fund was approved by the Ministry of Finance. Under the plan, employees must contribute 3 percent of their basic salary, with 3 percent to be matched by the Company. The Company appointed an authorised fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulation No. 2 (B.E. 2532) issued under the Provident Fund Act B.E. 2530.

During the year ended December 31, 2020, the Group's contributions to the provident fund are Baht 3.38 million. (2019: Baht 2.23 million)

31. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2020 and 2019 are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Changes in inventories of finished goods and work-in-process	13,991,844.47	6,350,345.96	18,316,052.53	1,824,605.46
Changes in cost of real estate development project	28,198,152.94	(181,975,698.90)	-	-
Purchases of finished goods	326,138,406.63	331,954,983.35	201,078,232.15	327,028,664.32
Land, project consultant and construction	130,964,072.14	372,108,384.18	-	-
Raw materials used	31,899,238.51	47,947,836.86	10,269,509.29	7,606,208.29
Depreciation and amortisation	34,456,751.70	13,416,525.27	13,220,900.60	6,411,945.46
Staff costs	102,237,442.09	117,202,190.06	65,105,571.95	78,896,771.60
Commission, advertising and sale promotion	25,503,548.27	40,323,554.11	11,403,465.40	17,310,415.32
Transport and distribution expenses	5,160,785.17	8,492,473.23	4,265,184.43	7,190,188.67
Operating rental expenses	7,991,875.87	16,448,457.04	1,180,896.31	6,222,474.86
Consultant and professional service fee	7,227,093.99	4,047,194.47	2,870,439.00	2,024,165.00

32. DIVIDENDS PAID

2019

The Annual General Meeting of the Company's Shareholders for the year 2019, held on April 30, 2019, approved an annual dividend payment from the operating results of the year 2018, at the rate of Baht 0.015 per share, totaling Baht 31.96 million, which will be paid on May 28, 2019.

33. FINANCIAL INFORMATION BY SEGMENT

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

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

The Group's business segment information and reconciliation of reportable segment profit or loss for the years ended December 31, 2020 and 2019 were as follows:

	Unit: Thousand Baht													
	Sales of		Real estate				Elimination of		Consolidated					
	construction materials	Selling and installing	Senior Living Project		development project		Central		inter-segment revenue		financial statements			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from sales and services	349,972.73	483,152.21	58,875.83	87,633.73	113,180.90	35,412.63	210,169.02	243,430.03	-	-	-	-	732,198.48	849,628.60
Inter-segment revenue	2,461.70	527.32	948.28	15,047.24	-	-	-	-	-	-	(3,409.98)	(15,574.56)	-	-
Cost of sales and services	(237,269.65)	(330,192.22)	(64,244.61)	(81,443.15)	(97,101.93)	(31,181.28)	(166,573.06)	(190,132.69)	-	-	11,727.00	7,591.37	(553,462.25)	(625,357.97)
Segment gross profit (loss)	115,164.78	153,487.31	(4,420.50)	21,237.82	16,078.97	4,231.35	43,595.96	53,297.34	-	-	8,317.02	(7,983.19)	178,736.23	224,270.63
Interest revenue					136.40	15.24	7.59	457.25	27,013.00	22,962.18	(26,451.93)	(21,862.58)	705.06	1,572.09
Other income					1,417.38	32.63	1,100.07	130.78	2,394.98	6,266.84	(1,730.07)	(3,101.06)	3,182.36	3,329.19
Distribution costs					(20,205.86)	(14,786.10)	(25,209.38)	(21,342.53)	(39,748.70)	(60,175.28)	-	-	(85,163.94)	(96,303.91)
Administrative expenses					(26,955.85)	(13,658.54)	(12,098.27)	(12,377.46)	(62,891.91)	(76,865.74)	876.34	2.36	(101,069.69)	(102,899.38)
Gain (loss) on foreign exchange - net					(0.84)	-	-	-	(321.36)	201.11	-	-	(322.20)	201.11
Gain (loss) on fair value adjustment of investment properties					(30,792.27)	10,528.51	-	-	-	-	-	-	(30,792.27)	10,528.51
Profit (loss) from operating activities					(60,322.07)	(13,636.91)	7,395.97	20,165.38	(73,553.99)	(107,610.89)	(18,988.64)	(32,944.47)	(34,724.45)	40,698.24
Finance costs					(22,801.14)	(203.43)	(8,498.40)	(3,018.24)	(21,405.51)	(14,207.70)	22,006.32	7,935.13	(30,698.73)	(9,494.24)
Gain (loss) before income tax expenses					(83,123.21)	(13,840.34)	(1,102.43)	17,147.14	(94,959.50)	(121,818.59)	3,017.68	(25,009.34)	(65,423.18)	31,204.00
Tax income (expenses)					(12,983.16)	2,732.18	4.13	(3,442.29)	12,524.36	(10,881.56)	(22,197.27)	5,304.16	(22,651.94)	(6,287.51)
Profit (loss) for the year					(96,106.37)	(11,108.16)	(1,098.30)	13,704.85	(82,435.14)	(132,700.15)	(19,179.59)	(19,705.18)	(88,075.12)	24,916.49

The reconciliations of each segment total assets to the Group's assets and other material items as at December 31, 2020 and 2019 were as follows:

	Unit: Thousand Baht											
	Sale of construction materials				Real estate development project				Elimination of inter-segment revenue		Consolidated financial statements	
	Selling and installing		Senior Living Project		project		inter-segment revenue		statements			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
Non-current assets												
Deposits at bank pledged as collateral	47,749.09	48,429.00	3,000.00	3,000.00	-	-	-	-	-	-	50,749.09	51,429.00
Senior living project under development	-	-	-	-	182,514.22	467,720.06	-	-	-	(21,298.18)	182,514.22	446,421.88
Investment properties - net	-	-	-	-	205,100.00	233,244.20	-	-	-	-	205,100.00	233,244.20
Property, plant and equipment - net	9,374.19	18,908.59	16,312.04	18,508.80	249,792.31	10,444.75	1,150.28	1,688.56	-	-	276,628.82	49,550.70
Right-of-use assets - net	38,794.79	-	9,685.68	-	21,985.31	-	-	-	-	-	70,465.78	-
Intangible assets - net	12,480.86	13,668.49	3,369.14	3,709.93	4,221.88	1,301.45	1,310.42	-	-	-	21,382.30	18,679.87
Other	36,106.11	16,451.79	2,259.42	2,047.06	(7,111.15)	1,858.08	2,297.00	2,292.88	(17,319.38)	5,304.15	16,232.00	27,953.96
Total non-current assets	144,505.04	97,457.87	34,626.28	27,265.79	656,502.57	714,568.54	4,757.70	3,981.44	(17,319.38)	(15,994.03)	823,072.21	827,279.61

For the year ended December 31, 2020, the Group has a major customer accounting for sales of construction material in the amounts of Baht 41.88 million.

Geographical segments information

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

The Group's geographical segments information for the years ended December 31, 2020 and 2019 was as follows:

	Unit: Thousand Baht								
	Thailand		Foreign countries		Elimination of inter-segment revenue		Consolidated financial statements		
	Selling and installing		Senior Living Project		project		inter-segment revenue		
	2020	2019	2020	2019	2020	2019	2020	2019	
For the year ended December 31,									
Revenue from sales and services	689,107.04	771,794.80	46,501.41	93,686.32	(3,409.97)	(15,852.52)	732,198.48	849,628.60	

34. FINANCIAL INSTRUMENTS

(A) FINANCIAL RISK MANAGEMENT POLICIES

The principal financial risks faced by the Group are interest rate risk, foreign currency risks and credit risks. The Group borrows at floating rates of interest to finance its operations. Some sales and purchases of goods are entered into in foreign currencies. Credit risk arises when sales are made on deferred credit terms.

The Group uses derivative instruments, when it considers appropriate, to manage such risks.

The Group did not intend to engage in trading derivative instruments for speculative purposes.

(B) INTEREST RATE RISK

The Group was exposed to interest risks because it held deposits in financial institutions, highly liquid short-term investment, borrowings from financial institutions and debentures. However, as such financial assets and liabilities are short-term, the Group believes that future market interest rate fluctuations would not significantly affect their operation and cash flows. Therefore, no financial derivative was adopted to manage such risks.

(C) FOREIGN CURRENCY RISK

The Group exposed to foreign currency related primarily to its accounts payables and anticipated purchases denominated in foreign currencies. During the years ended December 31, 2020 and 2019, the Group unhedged the foreign currency on accounts payable and part of its anticipated purchases.

However, the unhedged balances of financial assets and liabilities denominated in foreign currencies as at December 31, 2020 and 2019, are summarised below.

Unit: Baht						
As at December 31, 2020					Exchange rate as at	
Foreign currency	Consolidated financial statements		Separate financial statements		December 31, 2020	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	(Baht per foreign currency unit) Buying rate Selling rate	
US Dollars	24,145,723.69	4,786,284.53	23,703,368.68	4,690,970.14	29.87	30.21
New Zealand Dollars	-	753,441.13	-	-	21.23	21.84
Australian Dollars	-	33,968.64	-	-	22.52	23.32

Unit: Baht						
As at December 31, 2019					Exchange rate as at	
Foreign currency	Consolidated financial statements		Separate financial statements		December 31, 2019	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	(Baht per foreign currency unit) Buying rate Selling rate	
US Dollars	21,806,193.65	10,856,729.51	21,337,150.02	10,850,985.67	29.98	30.33
New Zealand Dollars	-	9,560,169.54	-	-	19.92	20.52
Australian Dollars	-	398,009.13	-	-	20.68	21.42
Euro	-	5,911,825.60	-	5,911,825.60	33.38	34.08

(D) CREDIT RISK

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history.

(E) FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group uses the market approach to measure their assets and liabilities that are required to be measured 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.

As of December 31, 2020, and 2019, the Company has financial assets not measured at fair value. Due to the Company's intend and hold to maturity. Therefore, which has been classified as investment in debt securities held to maturity state at amortized cost deduct impairment losses (if any). The difference between the acquisition cost and the redemption value of the debt securities is amortized using the effective interest rate method over the life of the debt securities.

The fair value as follows:

	Unit: Million Baht			
	Consolidated and separate financial statements			
	As at December 31, 2020			
	Book	Fair value		
	value	Level 1	Level 2	Level 3
Financial assets not measured at fair value				
Investment in debt securities held to maturity - net	10.77	-	11.61	-

	Unit: Million Baht			
	Consolidated and separate financial statements			
	As at December 31, 2019			
	Book	Fair value		
	value	Level 1	Level 2	Level 3
Financial assets not measured at fair value				
Investment in debt securities held to maturity - net	10.91	-	11.48	-

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

35. COMMITMENTS AND CONTINGENT LIABILITIES

35.1 The Group entered into rental agreements for land, building and vehicles under leases for which the lease term ends within one year at the date of on adoption of TFRS 16, the low - value underlying asset and service agreements.

As at December 31, 2020, the Group has above outstanding commitments with third parties to repay, are as follows:

Year	Unit: Baht
Within 1 year	2,922,732.64
Over 1 year but not over 5 years	1,648,910.00

35.2 Bank guarantee issued by financial institutions

As at December 31, 2020 the Group has outstanding commitments and contingent liabilities with financial institutions as follows:

	Consolidated financial statement		
	Unit: Million Baht		
	Credit limit	Used	Unused
1) Bank overdrafts	37.42	(26.11)	11.31
2) Short-term loan - trust receipts, letters of credit and promissory notes	340.50	(266.26)	74.24
3) Forward contract	68.04	-	68.04
4) Letter of guarantee	120.50	(34.07)	86.43
5) Long-term loan	487.72	(356.98)	130.74
	1,054.18	(683.42)	370.76

As at December 31, 2020, the Group had letters of guarantee issued by financial institutions for payment of goods to certain suppliers amounting to Baht 34.07 million.

Fixed deposits of the Company and subsidiary and the investment in government bond of the Company were pledged as collateral for above trade financing facilities (Note 11 and 12).

36. CAPITAL MANAGEMENT

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

According to the statement of financial position as at December 31, 2020, the Group and the Company's debt-to-equity ratio were 2.25: 1 and 1.24: 1 respectively (as at December 31, 2019: 1.92: 1 and 0.68: 1).

37. RECLASSIFICATION

The Group has reclassified certain consolidated financial statement accounts in the statement of financial position as at December 31, 2019, and the statement of comprehensive income for year ended December 31, 2019, to conform to the current period's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:

Accounts	Unit: Baht		
	Consolidated financial statements		
	As previously reported	Reclassified amount	As reclassified
Statement of financial position			
Trade and other current receivables - net	125,887,078.55	(1,475,879.65)	124,411,198.90
Current tax assets	-	1,475,879.65	1,475,879.65
Trade and other current payables	211,971,700.56	(44,378,305.92)	167,593,394.64
Current portion of land payable	-	22,664,895.40	22,664,895.40
Land payable - net	-	19,906,300.23	19,906,300.23
Deposits and advances received for purchase of condominium units	14,595,487.85	(14,595,487.85)	-
Current contract liabilities	45,229,295.11	14,595,487.85	59,824,782.96
Deposit and advance received under lease agreements	-	40,724,430.20	40,724,430.20
Current liability for guarantee refund to lessee	-	43,368,000.00	43,368,000.00
Non-current liability for guarantee refund to lessee - net	104,309,319.91	(82,285,319.91)	22,024,000.00
Statement of comprehensive income			
<u>For the year ended December 31, 2019</u>			
Interest income	-	1,572,085.66	1,572,085.66
Other income	4,410,105.96	(1,080,892.94)	3,329,213.02
Administrative expenses	(102,207,077.32)	(692,298.62)	(102,899,375.94)
Gain on foreign exchange - net	-	201,105.90	201,105.90

Accounts	Unit: Baht		
	Separate financial statements		
	As previously reported	Reclassified amount	As reclassified
Statement of financial position			
Trade and other current receivables - net	124,585,879.64	(23,980,703.84)	100,605,175.80
Short-term loans to and interest receivables from related parties - net	478,500,000.00	23,980,703.84	502,480,703.84
Statement of comprehensive income			
<u>For the year ended December 31, 2019</u>			
Interest income	-	22,857,389.33	22,857,389.33
Other income	22,810,645.17	(21,759,433.12)	1,051,212.05
Administrative expenses	(69,984,054.15)	(692,298.62)	(70,676,352.77)
Loss on foreign exchange - net	-	(405,657.59)	(405,657.59)

38. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company's Board of Directors on February 23, 2021.