

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
BUILDERSMART PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Independent Auditor's Report

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

Opinion

I have audited the consolidated and separate financial statements of BuilderSmart Public Company Limited and its subsidiaries, and of BuilderSmart Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2022, the consolidated and separate statement of comprehensive income, statements of changes in shareholders' equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of the BuilderSmart Public Company Limited and its subsidiaries, and of BuilderSmart Public Company Limited, respectively, as at December 31, 2022, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

Fair value of investment properties - Senior Living Project

Risk

As discussed in Note to Financial Statements No. 16, the Group measures investment properties - Senior Living Project according to the fair value approach. I focused on this area because of the valuation model is a market comparison approach that was evaluated by an independent appraiser engaged by the Group. In determining the fair value of investment properties, Management had to exercise judgment to determine the appropriate market prices of comparative properties and key assumptions for adjusting market prices comparable to the subject properties.

Auditor's response

I have verified the fair value of the investment property appraised by the Group's independent appraiser by reviewing the independent appraiser's competency, capabilities, independency and objectivity and considering the appropriateness of the key assumptions of the valuation by:

- Determining the similarity of the comparative properties based on their characteristics, environment and utilization with the investment properties of the Group;
- Assessing the appropriateness of market prices based on observable information; and
- Determining the appropriateness of methodologies used to adjust market prices to the fair value of the investment properties of the Group, i.e. differences in characteristics, size and environment, to comparative properties, including the impact from Coronavirus Disease 2019 ("COVID-19").

In addition, I reviewed the appropriateness of related transactions recorded in the financial statements and information disclosed for their compliance with relevant accounting standards.

Other Information

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

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

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

When I read the Annual Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

Panita Chotesaengmaneekul
Certified Public Accountant
Registration Number 9575

ANS Audit Co., Ltd.
Bangkok, February 23, 2023

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

		Unit: Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2022	2021	2022	2021	
Assets						
Current assets						
	Cash and cash equivalents	7	35,851,891	41,292,634	18,941,823	26,441,754
	Trade and other current receivables - net	6, 8	61,728,149	85,142,226	39,327,759	69,313,712
	Current portion of trade current receivables		14,286,165	6,094,910	13,197,865	6,094,910
	Short-term loans to and interest receivables from related parties - net	6	-	-	8,800,000	92,700,000
	Current portion of long-term loans to and interest receivables from related parties	6	-	-	17,000,000	68,085,431
	Inventories - net	9	93,395,613	74,812,652	12,562,278	6,735,034
	Cost of real estate development project - net	10	476,944,410	536,305,656	129,325,388	-
	Current tax assets		3,489,127	1,733,918	956,401	135,220
	Other current assets	6	45,529,338	35,461,495	43,507,308	32,661,715
	Total current assets		731,224,693	780,843,491	283,618,822	302,167,776
Non-current assets						
	Deposits at bank pledged as collateral	11	50,319,577	50,319,577	47,319,577	47,319,577
	Long-term loans to and interest receivables from related parties - net	6	-	-	104,947,633	-
	Investment in debt securities held to maturity - net	12, 34	10,470,599	10,620,827	10,470,599	10,620,827
	Investment in subsidiaries company - net	13	-	-	268,692,068	263,692,068
	Investment in joint venture	14	8,337,172	8,648,933	-	-
	Non current trade receivables - net		-	16,453,952	-	16,453,952
	Senior living project under development	15	-	160,845,022	-	153,866,599
	Investment properties - net	16	206,400,000	205,100,000	206,400,000	205,100,000
	Property, plant and equipment - net	17	139,472,130	254,464,496	128,137,005	238,928,691
	Right-of-use assets - net	18	76,117,620	63,266,949	39,119,139	33,317,103
	Intangible assets - net	19	111,871,505	19,180,220	108,016,242	14,885,833
	Deferred tax assets - net		1,822,868	4,990,324	14,764,099	16,013,852
	Other non-current assets		2,008,954	1,690,953	560,000	260,000
	Total non-current assets		606,820,425	795,581,253	928,426,362	1,000,458,502
	Total assets		1,338,045,118	1,576,424,744	1,212,045,184	1,302,626,278

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

		Unit: Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2022	2021	2022	2021	
Liabilities and shareholders' equity						
Current liabilities						
	Bank overdrafts and short-term loans from financial institutions	20	214,681,133	214,882,166	157,047,740	194,684,218
	Trade and other current payables	6, 21	109,599,973	128,910,676	114,541,130	128,552,049
	Current portion of land payable	37	6,616,102	16,949,975	-	-
	Current contract liabilities	22	24,456,679	34,155,109	3,489,333	2,460,423
	Deposit and advance received under lease agreements		39,520,336	25,903,152	39,520,336	25,903,152
	Current deferred rental revenue		5,008,878	4,087,304	5,008,878	4,087,304
	Current portion of long-term loans from financial institutions	23, 37	140,619,457	277,011,560	25,425,111	37,384,868
	Current portion of lease liabilities	24	26,459,558	16,595,663	14,428,428	5,677,115
	Current portion of other financial liabilities	25	3,118,524	2,887,774	-	-
	Short-term loans from related parties - net	6	17,749,144	39,323,367	47,224,144	49,818,367
	Income tax payable		285,432	-	-	-
	Retentions	6	8,145,023	20,354,948	5,471,723	15,406,857
	Other current liabilities		2,787,818	3,052,415	1,822,677	1,903,273
	Total current liabilities		599,048,057	784,114,109	413,979,500	465,877,626
Non-current liabilities						
	Long-term loans from financial institutions - net	23, 37	29,125,145	70,743,966	24,807,568	60,743,966
	Long-term loans from other and related person	6	33,000,000	23,000,000	15,000,000	5,000,000
	Lease liabilities - net	24	59,896,747	51,851,759	31,196,186	27,893,862
	Other financial liabilities - net	25	1,093,932	4,212,456	-	-
	Non-current deferred rental revenue		82,529,373	73,329,385	82,529,373	73,329,385
	Non-current liability for guarantee refund to lessee - net	6, 26	66,526,389	71,351,610	66,526,389	61,351,610
	Non-current provisions for employee benefit	27	6,607,221	8,561,644	4,485,535	7,268,551
	Deferred tax liabilities - net	28	5,348,330	5,270,375	-	-
	Other non-current liabilities		6,058,157	4,005,136	5,950,493	3,805,696
	Total non-current liabilities		290,185,294	312,326,331	230,495,544	239,393,070
	Total liabilities		889,233,351	1,096,440,440	644,475,044	705,270,696
Shareholders' equity						
Share capital						
	Authorised share capital					
	2,185,143,140 ordinary shares, Baht 0.10 par value		218,514,314	218,514,314	218,514,314	218,514,314
	Issued and paid-up share capital					
	2,130,506,193 ordinary shares, Baht 0.10 par value		213,050,619	213,050,619	213,050,619	213,050,619
	Premium on share capital		343,503,712	343,503,712	343,503,712	343,503,712
	Retained earnings					
	Appropriated to legal reserve	30	12,635,053	12,635,053	12,635,053	12,635,053
	Unappropriated		(122,583,148)	(91,410,611)	(1,619,244)	28,166,198
	Other component of shareholders' equity		2,204,391	2,204,391	-	-
	Total shareholders' equity of the Company		448,810,627	479,983,164	567,570,140	597,355,582
	Non-controlling interests		1,140	1,140	-	-
	Total shareholders' equity		448,811,767	479,984,304	567,570,140	597,355,582
	Total liabilities and shareholders' equity		1,338,045,118	1,576,424,744	1,212,045,184	1,302,626,278

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2022	2021	2022	2021
6					
	Revenue from sales and services	724,728,842	605,069,610	223,495,403	310,266,521
	Cost of sales and services	(575,315,798)	(513,533,902)	(192,916,827)	(255,245,974)
	Gross profit	149,413,044	91,535,708	30,578,576	55,020,547
	Interest income	800,661	953,657	7,544,687	8,463,967
	Management fee income	-	-	33,867,608	-
	Other income	15,152,875	5,968,689	2,919,139	2,897,591
	Gain (loss) on foreign exchange - net	951,358	1,792,473	(42,608)	1,880,685
	Gain on fair value adjustment of investment properties	1,300,000	-	1,300,000	-
	Distribution costs	(72,108,333)	(66,202,205)	(23,333,743)	(27,509,968)
	Administrative expenses	(94,630,690)	(84,472,734)	(63,292,443)	(57,786,750)
	Profit (loss) from operating activities	878,915	(50,424,412)	(10,458,784)	(17,033,928)
	Finance costs	(26,774,402)	(35,481,780)	(18,076,904)	(20,828,601)
	Share of loss of joint ventures	(311,761)	(68,650)	-	-
	Loss before income tax expenses	(26,207,248)	(85,974,842)	(28,535,688)	(37,862,529)
	Tax income (expenses)	(4,965,289)	2,253,246	(1,249,754)	(496,655)
	Loss for the period	(31,172,537)	(83,721,597)	(29,785,442)	(38,359,184)
	Other comprehensive income				
	<i>Other comprehensive income not to be reclassified to profit or loss in subsequent year</i>				
	Loss on re-measurements of defined employee benefit plans - net from income tax	-	(672,822)	-	(194,210)
	Other comprehensive income for the year	-	(672,822)	-	(194,210)
	Total comprehensive income for the year	(31,172,537)	(84,394,419)	(29,785,442)	(38,553,394)
	Loss attributable to:				
	Equity holders of the Company	(31,172,537)	(83,748,618)	(29,785,442)	(38,359,184)
	Non-controlling interests	-	27,021	-	-
		(31,172,537)	(83,721,597)	(29,785,442)	(38,359,184)
	Total comprehensive loss attributable to:				
	Equity holders of the Company	(31,172,537)	(84,421,440)	(29,785,442)	(38,553,394)
	Non-controlling interests	-	27,021	-	-
		(31,172,537)	(84,394,419)	(29,785,442)	(38,553,394)
	Loss per share				
	Basic per share (Baht/share)	(0.015)	(0.039)	(0.014)	(0.018)
	Weighted average number of ordinary shares (basic) (Thousand shares)	2,130,506	2,130,506	2,130,506	2,130,506

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht											
Consolidated financial statements											
Equity attributable to shareholders' equity of the Company											
Other component of shareholders' equity											
Retained earnings											
Loss on re-measurements of											
Other comprehensive income											
Translating financial statements											
Issued and paid-up share capital	Premium on share capital	Appropriated to legal reserve	Unappropriated	defined employee benefit plans - net from income tax	Translating financial statements	Total other components of shareholder's equity	Total	Non-controlling interests	Total shareholders' equity		
Opening balance as at January 1, 2022	213,050,619	343,503,712	12,635,053	(91,410,611)	-	2,204,391	479,983,164	1,140	479,984,304		
Changes in shareholders' equity for the year:											
Total comprehensive income for the year	-	-	-	(31,172,537)	-	-	(31,172,537)	-	(31,172,537)		
Balance as at December 31, 2022	213,050,619	343,503,712	12,635,053	(122,583,148)	-	2,204,391	448,810,627	1,140	448,811,767		
Balance as at January 1, 2021	213,050,619	343,503,712	12,635,053	(6,989,171)	-	2,204,391	564,404,604	(25,881)	564,378,723		
Changes in shareholders' equity for the year:											
Total comprehensive income for the year	-	-	-	(83,748,618)	(672,822)	-	(672,822)	(84,421,440)	27,021	(84,394,419)	
Transferred to retained earnings	-	-	-	(672,822)	672,822	-	672,822	-	-	-	
Balance as at December 31, 2021	213,050,619	343,503,712	12,635,053	(91,410,611)	-	2,204,391	479,983,164	1,140	479,984,304		

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

Unit: Baht

	Separate financial statements						
	Retained earnings			Other comprehensive income			
	Issued and paid-up share capital	Premium on share capital	Appropriated to legal reserve	Unappropriated	Loss on re-measurements of defined employee benefit plans - net from income tax	Total other components of shareholder's equity	Total shareholders' equity
Opening balance as at January 1, 2022	213,050,619	343,503,712	12,635,053	28,166,198	-	-	597,355,582
Changes in shareholders' equity for the year:							
Total comprehensive income for the year	-	-	-	(29,785,442)	-	-	(29,785,442)
Balance as at December 31, 2022	213,050,619	343,503,712	12,635,053	(1,619,244)	-	-	567,570,140
Balance as at January 1, 2021	213,050,619	343,503,712	12,635,053	66,719,592	-	-	635,908,976
Changes in shareholders' equity for the year:							
Total comprehensive income for the year	-	-	-	(38,359,184)	(194,210)	(194,210)	(38,553,394)
Transferred to retained earnings	-	-	-	(194,210)	194,210	194,210	-
Balance as at December 31, 2021	213,050,619	343,503,712	12,635,053	28,166,198	-	-	597,355,582

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities:				
Loss for the year	(31,172,537)	(83,721,597)	(29,785,442)	(38,359,184)
Adjustment to reconcile profit to net cash by (used in) operating activities				
Tax income (expenses)	4,965,289	(2,253,246)	1,249,754	496,655
Realisation of deferred rental revenue of Senior Living Project	(4,856,579)	(4,087,304)	(4,856,579)	(4,087,304)
Cost of sales of Senior Living Project	-	21,016,524	-	33,047,622
Allowance for expected credit losses	17,245	-	-	-
Loss arising from bad debt of trade and other receivables	-	2,851,177	-	-
Reversal allowance of impairment loss on trade and other receivables	-	(2,851,177)	-	(21,584)
(Reversal) allowance for obsolete inventory	254,958	666,391	-	(529,427)
(Reversal) allowance for loss on diminution cost of real estate development project	(3,675,246)	3,675,246	-	-
Reversal of gain from sale and leaseback of cost real estate development project	5,404,804	1,045,850	4,632,454	-
Gain on disposal of assets and termination lease contract	(1,503,509)	(62,305)	(1,338,740)	(561,760)
Deferred gain of transactions between the subsidiary and joint venture	-	1,282,417	-	-
Written-off withholding tax	200,487	232,266	140,401	-
Depreciation and amortization	36,018,045	42,986,268	22,329,494	30,376,639
Gain on fair value adjustment of investment properties	(1,300,000)	-	(1,300,000)	-
Unrealized loss on exchange rate - net	1,245,185	308,083	419,691	297,630
Employee benefit expenses	4,818,311	1,827,020	2,241,984	1,630,037
Share of loss of joint venture	311,761	68,650	-	-
Interest income	(800,661)	(953,657)	(7,544,687)	(8,463,967)
Finance costs	26,774,402	35,481,780	18,076,904	20,828,601
Gain from operations before changes in operating assets and liabilities	36,701,955	17,512,386	4,265,234	34,653,958
Operating assets (increase) decrease				
Trade and other current receivables	(149,849)	16,039,006	6,016,948	16,365,711
Non-current trade receivables	8,689,223	6,015,709	9,777,523	6,015,709
Inventories	(20,887,303)	1,355,740	(7,876,626)	37,272,178
Cost of real estate development project	254,093,141	189,068,238	51,249,738	-
Right-of-use assets arising from sale and lease back of Senior Living Project	-	5,052,674	-	-
Other current assets	(17,109,737)	6,361,274	(17,887,489)	879,939
Other non-current assets	(318,000)	2,287,137	(300,000)	19,091
Operating liabilities increase (decrease)				
Trade and other current payables	4,235,128	(12,674,423)	2,252,423	(36,182,624)
Land payable	(10,333,873)	(4,095,000)	-	-
Contract liabilities	(9,698,430)	(14,181,938)	1,028,909	(2,526,530)
Deposit and advance received under lease agreements	30,617,184	30,717,773	30,617,184	30,717,773
Liability for guarantee refund to lessee	-	(22,024,000)	-	(22,024,000)
Retentions	(11,747,252)	(2,041,829)	(9,472,461)	238,366
Other current liabilities	(264,599)	114,623	(80,595)	(384,143)
Other non-current liabilities	2,053,024	1,223,948	2,144,800	1,085,885
Cash receipt from operating activities	265,880,612	220,731,318	71,735,588	66,131,313
Cash payment for employee benefits	(1,152,000)	(1,506,310)	(1,025,000)	(1,506,310)
Cash receipt from income tax return	-	864,147	-	-
Cash payment for corporate income tax	(4,716,629)	(5,456,313)	(956,401)	(3,857,615)
Net cash flows provided by operating activities	260,011,983	214,632,842	69,754,187	60,767,388

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Decrease restricted deposits with financial institutions	-	429,500	-	429,500
Cash payment for short-term loan to related parties	-	-	(12,550,000)	(14,150,000)
Cash receipt from short-term loan to related parties	-	-	49,350,000	22,000,000
Cash payment for senior living project under development	-	(19,629,177)	-	(19,947,284)
Cash payment for purchase of fixed assets and intangible assets	(18,716,397)	(5,497,724)	(8,737,006)	(3,633,670)
Cash receipt from sales of fixed assets and intangible assets	573,982	557,039	550,000	448,598
Cash payment for investment in subsidiary	-	-	(5,000,000)	(1,500,000)
Cash payment for investments in joint ventures	-	(10,000,000)	-	-
Cash receipt from interest income	524,362	1,100,583	506,187	2,801,700
Net cash flows provided by (used in) investing activities	(17,618,053)	(33,039,779)	24,119,181	(13,551,156)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from financial institutions	(201,033)	(10,449,538)	(37,636,479)	(19,531,367)
Cash receipt from short-term loans from related parties	-	8,163,382	-	16,663,382
Cash payment for short-term loans from related parties	(21,500,000)	(5,000,000)	(2,520,000)	(5,000,000)
Decrease in short-term loans from other parties - net	-	(30,167,238)	-	(30,167,238)
Cash receipt from sale and leaseback transaction	-	10,000,000	-	-
Repayment of lease liabilities and other financial liabilities	(24,542,000)	(17,984,235)	(10,128,981)	(7,408,970)
Cash receipt from long-term loans from financial institutions	18,348,400	27,593,000	-	4,233,000
Cash receipt from long-term loans from related person	-	-	10,000,000	-
Repayment of long-term loans from financial institutions	(196,359,325)	(175,909,551)	(47,896,156)	(24,725,129)
Cash receipt from long-term loans from other parties	-	23,000,000	-	5,000,000
Repayment of long-term loans from other parties	-	(2,000,000)	-	(2,000,000)
Cash payment for finance costs	(23,580,715)	(31,858,255)	(13,191,683)	(13,279,729)
Net cash flows used in financing activities	(247,834,673)	(204,612,435)	(101,373,299)	(76,216,051)
Net decrease in cash and cash equivalent	(5,440,743)	(23,019,372)	(7,499,931)	(28,999,819)
Cash and cash equivalents at ending of year	41,292,634	64,312,006	26,441,754	55,441,573
Cash and cash equivalents at ending of year	35,851,891	41,292,634	18,941,823	26,441,754
Supplemental cash flows information				
Non-cash transactions				
Offset trade receivables and other current assets with trade payables and retentions	31,197,252	-	31,197,252	-
Increase (decrease) in payables for purchase of fixed assets and intangible assets	(1,015,625)	(166,028)	(10,138,674)	424,771
Fixed assets transfer from inventory	2,049,383	-	2,049,383	-
Right-of-use assets/lease liabilities	31,797,393	12,468,487	28,523,701	-
Sale and leaseback senior living project as right-of-use assets	5,404,804	5,052,674	4,632,454	-
Decrease in payables for purchases of senior living project under development	-	(15,229,177)	-	(15,547,284)
Capitalised borrowing costs relating to the acquisition of real estate development costs	3,503,099	6,572,027	-	-
Reclassify cost of real estate development project to property, plant and equipment	26,708,527	-	26,708,527	-
Reclassify senior living project under development to cost of real estate development project	160,845,022	-	153,866,599	-
Reclassify property, plant and equipment to cost of real estate development project	55,575,000	-	55,575,000	-
Reclassify non-current provisions for employee benefit to other current payables	5,620,734	-	4,000,000	5,620,734
Reclassify property, plant and equipment to intangible assets	94,991,473	-	94,991,473	-

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

BUILDERSMART PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

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 has a branch located at 647 Moo 7, Hin Lek Fai, Hua Hin, Prachuap Khiri Khan.

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

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

2. BASIS FOR PRESENTATION OF 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 and are rounded in the notes to financial statements to the nearest thousand Baht unless otherwise stated. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided, translated based on 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 recognised in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

Basis for preparation of the consolidated 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, 2022 and 2021.

Name of subsidiaries	Country of incorporation	Nature of business	Percentage of shareholding	
			2022	2021
1. Install Direct Company Limited.	Thailand	Stop operations in the year 2020	100.00	100.00
2. Alloy Solutions Asia Limited*	Thailand	Sales of construction materials for interior decoration and sales and installation service of doors, windows, architectural systems	100.00	100.00
3. BuilderSmart Construction Systems Private Limited.	India	Stop operations in the year 2015	99.70	99.70
4. Sansara Development Company Limited	Thailand	In the process of being liquidated	100.00	100.00
5. Sansara Lifestyle Service Company Limited	Thailand	Accommodation services for the Senior Living Project	100.00	100.00
6. Teak Development Limited	Thailand	Real estate business	100.00	100.00

*During the year 2021, the Company has changed its core business structure by transferring its operation of the distribution of interior design in the type of aluminum to a subsidiary, Alloy Solutions Asia Company Limited.

- 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.

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standard that will become effective for fiscal years beginning on or after January 1, 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

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

4. BUSINESS MODEL CONVERSION

The Company, in the first quarter of 2022, according Board of Directors' Meeting No. 1/2565, held February 24, 2022, resolved to convert the business model of the Senior Living Project from previously developed for a long-term lease under a lease agreement - guaranteed refund (operating lease) or from lease agreement - shared capital gain/loss on the price difference between the original agreement and the new agreement (finance lease), by adding freehold sales. As such changes took effect as from January 1, 2022, the Company has since changed its accounting policy as follows:

- 1) The senior living project under development or having been completely developed, but not under a long-term lease agreement, and related costs of the land and common assets presented as property, plant and equipment in the statement of financial position as at January 1, 2022, will be reclassified to cost of real estate development project.
- 2) Cost of completely developed villa or apartment units under a 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) will continue according to the same accounting policy that was previously applied.

Where the costs of land and common assets are transferred to the condominium juristic person to be established in a subsequent period, the related costs of land and common assets will be reclassified from property, plant and equipment to the right of use of common assets in the intangible asset account.

Effects of above accounting policy changes, as at January 1, 2022 were as follows:

	Unit: Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
Statement of financial position		
Increase in cost of real estate development project	216,420	209,442
Decrease in senior living project under development	(160,845)	(153,867)
Decrease in property, plant and equipment - net	(55,575)	(55,575)

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.

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

Revenue from real estate development leased under a long-term financial lease agreements is recognised 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 Group 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 on 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 recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised 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 financial assets 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 profit or loss
- *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 amortised 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 Group 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.

Investment in joint venture

Investment in joint venture is accounted for in the consolidated financial statements using the equity method.

Investment in joint venture is accounted for in the separate financial statements using the cost method, less allowance for loss on impairment of investment (if any).

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).
- 3) Apartment units type for freehold sale.

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

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.

Cost of land and related common assets of villas and apartment units which have been completely developed and entered into long-term lease agreements will be reclassified from property, plant and equipment to right of use of common assets in the intangible asset account, where the cost of land and common assets are transferred to the condominium juristic person to be established.

The senior living project under development or having been completely developed, but not under a long-term lease agreement, and related costs of the land and common assets presented as property, plant and equipment, will be reclassified to cost of real estate development project.

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 over the estimated useful lives of each asset as follows:

	<u>Useful lives (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 for show-unit and sales gallery	3, 5
Operating equipment	3, 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 lives (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 lives (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.

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 lives of the right-of-use assets are as follows:

	<u>Useful lives (years)</u>
Building	3 - 10
Motor vehicles	5

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 recognised 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 lease fee installments under operating leases is recorded as operating lease receivables with the present value of the amount required by the lease. The difference between the total amount of the receivable and the present value of the receivable is recorded as deferred interest.

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 recognised 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.

Loss per share

Basic loss per share are calculated by dividing the net 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, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors and officers of the Group 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 subsidiaries financial statements

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

- Assets and liabilities are translated at the closing rate as at the end of reporting period date.
- 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 and other long-term employee benefits

The employee benefit obligations in relation to severance payment pursuant to the labor law and other long-term employee benefit plans (long service awards) 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/eligible year service 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 actuarial gains and losses arising from defined benefit plans are recognised in other comprehensive income and the actuarial gains and losses arising from other long-term benefits are recognised in profit or loss, 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 requires judgement. An impairment loss is recognised as an expense in the statement of profit or loss.

Estimation of real estate development costs and investment properties

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, capitalisation 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, taking into account differences in characteristics, size and environment, to comparative properties.

Property, plant and equipment, right-of-use assets and intangible assets

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

In addition, the management is required to review property, plant and equipment, right-of-use assets and intangible assets for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower

than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

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 and other long-term employee benefits are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rates, future gold price, 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:

<u>Name</u>	<u>Relationship</u>	<u>Country</u>
<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
Alloy Solutions Asia Limited	100% 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>Joint ventures</u>		
Time and Space Asset Company Limited	20% 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, 2022 and 2021 are as follows:

	Unit: Thousand Baht				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2022	2021	2022	2021	
<u>Subsidiaries</u>					
Revenues from sales and services	-	-	2,100	48,923	Cost plus margin / contract price
Purchase of goods	-	-	4,083	421	Cost plus margin
Cost of services	-	-	3,000	3,933	Cost plus margin / contract price
Interest income	-	-	5,273	7,545	Loan agreement
Rental income	-	-	305	305	Carried out on commercial terms and conditions
Management fee income	-	-	33,868	-	Contract price
Other income	-	-	672	-	Mutually agreed price
Other expenses	-	-	-	300	Contract price
Finance costs	-	-	478	199	Loan agreement
Purchase of fixed assets	-	-	8,606	-	Cost
<u>Joint ventures</u>					
Revenues from sales and services	-	98,990	-	-	Contract price
Other income	-	1,100	-	-	Contract price
<u>Related parties</u>					
Revenues from sales and services (Note 6.3.1)	21,019	-	7,029	-	Contract price
Income from compensation for work delays	8,412	-	-	-	Mutually agreed price
Cost of real estate development project	6,963	37,050	-	-	Contract price
Rental expenses	5,865	5,436	4,883	4,364	Contract price
Finance costs	1,268	2,692	1,206	2,235	Loan agreement

6.3 Significant balances between the Company and those related companies as at December 31, 2022 and 2021 are as follows:

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Trade and other current receivables				
Subsidiaries	-	-	23,947	28,022
Related company	-	23,679	-	23,640
Related persons - Directors	57	10	-	-
<u>Less</u> Allowance for expected credit losses	-	-	(3,421)	(3,421)
Total	57	23,689	20,526	48,241
Short-term loans to and interest receivables				
Subsidiaries	-	-	8,800	92,700
Total	-	-	8,800	92,700
Other current assets				
Related company				
Retentions receivable	273	273	273	273
Deposit for construction cost	654	8,974	-	7,042
Total	927	9,247	273	7,315
Long-term loans to and interest receivables - net				
Subsidiaries	-	-	121,948	68,085
<u>Less</u> Current portion of long-term loans to and interest receivables	-	-	(17,000)	(68,085)
Net	-	-	104,948	-
Trade and other current payables				
Subsidiary	-	-	60,708	52,844
Related company	-	269	-	-
Related persons - Directors	24	1,060	8	100
Total	24	1,329	60,716	52,944
Short-term loans from related parties - net				
Subsidiary	-	-	29,475	12,995
Related person	18,000	39,500	18,000	37,000
Total	18,000	39,500	47,475	49,995
<u>Less</u> Deferred interest expenses	(251)	(177)	(251)	(177)
Net	17,749	39,323	47,224	49,818

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Retention payable				
Related company	2,673	13,804	-	8,856
Total	2,673	13,804	-	8,856
Long-term loans from related parties				
Related persons	10,000	-	10,000	-
Total	10,000	-	10,000	-
Non-current liability for guarantee refund to lessee - net				
Related persons (Note 6.3.1 and 6.3.2)	15,000	25,000	15,000	15,000
<u>Less</u> Deferred interest expenses	(614)	(1,203)	(614)	(1,203)
Net	14,386	23,797	14,386	13,797

6.3.1 During the first quarter of the year 2021, the Company has a long-term apartment lease with a relative of a director and a third party (“Leasehold Purchaser”). The lease term is 30 years with payment fixed at Baht 10 million. The Company determined such agreement as a financial lease in the separate financial statements. Therefore, the Company recognised the lease payment as “Revenue from sales” in the separate comprehensive income statement.

Subsequently, a subsidiary company entered into an operating lease agreement to lease such apartment back from the Leasehold Purchaser for a maximum period of 6 years, paying a return rate of 5% per annum on the lease payment, according to the long-term lease agreement. Such lease-back apartment is used as a serviced apartment. The subsidiary also entered into a transfer of leasehold right agreement with the Leasehold Purchaser to transfer lease rights in event the Leasehold Purchaser would like to terminate the lease agreement or where the lease expires. The subsidiary would then refund the lease payment of Baht 10 million to the Leasehold Purchaser. The Group determined this lease agreement as an operating lease in the consolidated financial statements and recognised such lease payments of Baht 10 million as “Non-current liability for guarantee refund to lessee - net” in the consolidated statement of financial position and recognized the return for the operating leaseback apartment as financial cost in the consolidated statement of comprehensive income. Later, during the first quarter of the year 2022, the Company received the leasehold right back from the Leasehold Purchaser due to the termination notice from Leasehold Purchaser.

6.3.2 As at December 31, 2022 and 2021, the Company had a lease agreement - guaranteed refund with a director’s close relative presented as “Non-current liability for guarantee refund to lessee - net” amounting to Baht 15 million in the statement of financial position.

6.4 During the year ended December 31, 2022, movements of short-term loans to and interest receivables from related parties to were as follows:

Unit: Thousand Baht					
Separate financial statements					
As at	Movements during the year			As at	
January 1, 2022	Increase	Decrease	Reclassified	December 31, 2022	
Short-term loans to and interest receivables from related parties					
Subsidiaries	92,700	12,550	(49,350)	(47,100)	8,800
Interest receivables	-	3,006	-	(3,006)	-
Total	92,700	15,556	(49,350)	(50,106)	8,800

As at December 31, 2022, the Company has loans to two subsidiary companies, in term of loan agreement for the purpose to support operations of such subsidiaries. The first loan agreement bear interest at the rate of 5% per annum and is due within December 2022. The other do not bear interest and is due at call.

During the year 2022, loans to and interest receivables to Teak Development Co., Ltd. have been classified as long-term loans to and interest receivables to related parties of Baht 47 million and Baht 3 million, respectively. Because the Company's management has considered revising the repayment plan for such a subsidiary (Note 6.5).

The Company considered that the above loans 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, 2022, movements of long-term loans to and interest receivables from related parties - net to were as follows:

Unit: Thousand Baht					
Separate financial statements					
As at	Movements during the year			As at	
January 1, 2022	Increase	Decrease	Reclassified	December 31, 2022	
Long-term loans to and interest receivables from related parties - net					
Subsidiary	46,000	-	-	47,100	93,100
Interest receivables	23,571	2,271	-	3,006	28,848
<u>Less</u> Deferred interest income	(1,486)	1,486	-	-	-
Total	68,085	3,757	-	50,106	121,948
<u>Less</u> Current portion	(68,085)				(17,000)
Net	-				104,948

As of December 31, 2022, the Company's management considered revising the repayment plan of loans to Teak Development Company Limited by preparing a new loan agreement. The loan is due within two years (previously due within December 2022), bearing interest at 5.36% per annum, with a one-year suspension of interest receivable. The effective interest is at the rate of 4.82% per annum, which is close to the current market interest rate. As a result, loans to Teak Development Co., Ltd. presented as short-term loans and interest receivables to related parties of Baht 47 million and Baht 3 million, respectively (Note 6.4), were reclassified to long-term loan and interest receivable to the related party.

6.6 During the year ended December 31, 2022, movements of short-term loan from related parties - net were as follows:

	Unit: Thousand Baht							
	Consolidated financial statements			Separate financial statements				
	As at	Movements during		As at	As at	Movements during		As at
	January 1, 2022	the year		December 31, 2022	January 1, 2022	the year		December 31, 2022
	Increase	Decrease			Increase	Decrease		
Short-term loans from related parties - net								
Subsidiaries	-	-	-	-	12,995	34,480	(18,000)	29,475
Related person - Director	39,500	1,000	(22,500)	18,000	37,000	1,000	(20,000)	18,000
Total	39,500	1,000	(22,500)	18,000	49,995	35,480	(38,000)	47,475
Less Deferred interest expenses	(177)			(251)	(177)			(251)
Net	39,323			17,749	49,818			47,224

6.6.1 As at December 31, 2022, the Company has short-term loans from subsidiary companies comprise loans of Baht 46.22 million in term of loan agreement with the interest rate of 2.8% and 5% per annum, and loan of Baht 16.50 million without agreement and no interest bearing for the purpose of its working capital and are due at call.

6.6.2 As at December 31, 2022, the Company has a short-term loan from directors for the purpose of its working capital, in term of Bills of Exchange in the amount of Baht 18.00 million with a maturity period of not over 270 days, bears interest at the rate of 6.4% per annum and is due on June 16, 2023, and in term of loan agreement in the amount of Baht 2.50 million, bears interest at the rate of 4% per annum from January 1, 2022. During current period, the subsidiary paid the loan of Baht 2.50 million in the entire amount.

6.7 During the year ended December 31, 2022, movements of long-term loan from related parties were as follows:

	Unit: Thousand Baht			
	Consolidated and separate financial statements			
	As at	Movements during the year		As at
	January 1, 2022	Increase	Decrease	December 31, 2022
Long-term loans from related parties				
Related person	-	10,000	-	10,000
Total	-	10,000	-	10,000

As at December 31, 2022, the Company has a long-term lease agreement for an apartment unit with a director's relative together with a third party ("Leasehold Purchaser") with a lease term of 1 year and 10 months at the lease payment of Baht 10 million. The Company agree to lease such apartment back as an operating lease from the Leasehold Purchaser to use as a serviced apartment for the same period of the lease term with a return rate of 5% per annum on the lease payment. In event the Leasehold Purchaser would like to terminate the lease agreement or where the lease expires, the Company would receive such lease rights transferred back and then refund the lease payment of Baht 10 million to the Leasehold purchaser. The Company, therefore, recognised the lease payment as long-term loan from related party in the consolidated and separate statements of financial position.

6.8 Key management personnel compensation

Key management personnel compensation for the year ended December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short-term benefits	26,520	26,870	15,040	18,233
Post-employment benefits	1,160	1,375	297	1,122
Total key management personnel compensation	27,680	28,245	15,337	19,355

7. CASH AND CASH EQUIVALENTS

The cash and cash equivalents as at December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash on hand	624	628	66	62
Cash at banks - saving accounts	23,311	26,050	8,894	13,548
Cash at banks - current accounts	7,237	9,935	6,802	9,652
High liquidity short-term investments	4,680	4,680	3,180	3,180
Total	35,852	41,293	18,942	26,442

8. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables - net as at December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivables				
Trade receivables - other parties	61,491	61,288	27,328	30,091
Trade receivables - related parties	18	11,803	5,425	32,008
<u>Less</u> Allowance for expected credit losses	(11,843)	(11,825)	(10,045)	(10,045)
Total trade receivables - net	49,666	61,266	22,708	52,054
Other current receivables				
Other receivables - related parties	39	11,734	9,025	11,942
Advances to related parties	-	152	9,497	7,712
Prepaid commission expenses	1,999	4,341	-	-
Prepaid expenses	1,897	1,068	424	826
Revenue Department receivable	6,635	6,178	232	73
Other	1,492	403	863	128
<u>Less</u> Allowance for expected credit losses	-	-	(3,421)	(3,421)
Total other current receivables - net	12,062	23,876	16,620	17,260
Total trade receivables and other current receivables - net	61,728	85,142	39,328	69,314

As at December 31, 2022 and 2021, the Group has aging of trade receivables were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivables - other parties				
Within credit term	27,378	35,226	11,568	13,998
Over credit term				
Up to 3 months	18,272	11,423	4,275	5,890
3 - 6 months	1,289	60	1,216	3
6 - 12 months	369	504	-	2
Over 12 months	14,183	14,075	10,269	10,198
Total trade receivables - other parties	61,491	61,288	27,328	30,091
<u>Less</u> Allowance for expected credit losses	(11,843)	(11,825)	(10,045)	(10,045)
Total trade receivables - other parties - net	49,648	49,463	17,283	20,046

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade receivables - related parties				
Within credit term	-	10	175	2,913
Over credit term				
Up to 3 months	18	-	350	11,654
3 - 6 months	-	-	525	3,023
6 - 12 months	-	-	1,225	1,575
Over 12 months	-	11,793	3,150	12,843
Total trade receivables - related parties	18	11,803	5,425	32,008
Total trade receivables - net	49,666	61,266	22,708	52,054

9. INVENTORIES - NET

Inventories - net as at December 31, 2022 and 2021 are as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Finished goods	65,116	51,790	11,332	9,047
Raw materials	25,656	24,313	-	-
Supplies	631	512	-	-
Work-in-progress	8,431	4,105	4,094	552
Goods in transit	-	277	-	-
<u>Less</u> Allowance for obsolete inventory	(6,438)	(6,184)	(2,864)	(2,864)
Net	93,396	74,813	12,562	6,735

10. COST OF REAL ESTATE DEVELOPMENT PROJECT - NET

Cost of real estate development project - net as at December 31, 2022 and 2021 are as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Land	40,234	231,940	40,234	-
Project consultant fee	-	7,218	-	-
Construction cost	2,514	132,182	2,514	-
Capitalization of interest	-	28,557	-	-
Condominium held for sales	434,196	140,084	86,578	-
<u>Less</u> Allowance for loss on diminution in project value	-	(3,675)	-	-
Net	476,944	536,306	129,325	-

In the first quarter of 2022, the senior living project under development and the related costs of the land and common assets as presented in property, plant and equipment in the statement of financial position as at January 1, 2022, were reclassified to cost of real estate development project according to change in the Company's business model (Note 3).

As at December 31, 2022, the Group has 4 real estate development projects, 1 project of "The Senior Living Project" and 3 projects of "The Teak".

For the year ended December 31, 2022, interest expenses of loans for the construction of the Projects, in the amount of Baht 3.50 million, have been capitalised as part of the cost of real estate development project.

As at December 31, 2022, the subsidiary mortgaged its land and any structures thereon of the 1 project at their book value of Baht 248.17 million with one bank as collateral for financial support credit facilities, for the operation of the projects (Note 23 and 35.3) and mortgaged a condominium unit held for sales at their book value of Baht 12.51 million as collateral for long-term loans from other party in the amount of Baht 18 million.

11. DEPOSITS AT BANK PLEDGED AS COLLATERAL

As at December 31, 2022, the Group held time deposits and saving with two commercial banks in the total amount of Baht 50.32 million (December 31, 2021: Baht 50.32 million). The deposits were pledged as collateral short-term trade financing facilities (Note 35.3).

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, 2022 are summarised below:

	Unit: Thousand Baht
	Consolidated and separate financial statement
Net book value as at January 1, 2022	10,621
Amortisation of premium on investment	(150)
Net book value as at December 31, 2022	10,471

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, 2022, the government bond were pledged as collateral short-term trade financing facilities (Note 35.3).

13. INVESTMENTS IN SUBSIDIARIES COMPANY - NET

The details of investments in subsidiaries company - net presented in the separate financial statements as at December 31, 2022 and 2021 consisted of:

Company	Issued and paid-up capital				Shareholding		Unit: Million Baht	
	Unit: Million Baht		Unit: Thousands Rupee		proportion (%)		At cost	
	2022	2021	2022	2021	2022	2021	2022	2021
Install Direct Company Limited	10	10	-	-	100	100	10	10
BuilderSmart Construction Systems Private Limited	-	-	1	1	99.70	99.70	1	1
Alloy Solutions Asia Limited	80	60	-	-	100	100	65	60
Sansara Development Company Limited	150	150	-	-	100	100	150	150
Sansara Lifestyle Service Company Limited	2	2	-	-	100	100	2	2
Teak Development Limited	150	150	-	-	100	100	151	151
Total							379	374
<u>Less</u> Allowance for impairment loss of investments							(110)	(110)
Net							269	264

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.

During the third quarter of the year 2021, the Extraordinary General Shareholders' Meeting No.1/2021 of Sansara Lifestyle Service Company Limited, held on September 21, 2021, passed the resolutions to increase the share capital of 300,000 shares at a par value of Baht 5 per share totaling Baht 1.5 million. The Company invested in all increased shares. The subsidiary registered the change with the Ministry of Commerce on September 23, 2021.

During the fourth quarter of the year 2022, the Extraordinary General Shareholders' Meeting No.1/2022 of Alloy Solutions Asia Limited, held on November 10, 2022, passed the resolutions to increase the share capital of 4,000,000 shares at a par value of Baht 5 per share totaling Baht 20 million and the first call for paid-up share capital at a par value of Baht 1.25 per share totaling Baht 5 million. The Company invested in all increased shares. The subsidiary registered the change with the Ministry of Commerce on November 22, 2022.

As at December 31, 2022 and 2021, investments in subsidiary, Teak Development Limited, included the portion above fair value of Baht 0.84 million based on the present value of cash inflows under the repayment plan of loans to subsidiaries.

As at December 31, 2022 and 2021, the Company considered the realisable value of its investments in three subsidiaries, Install Direct Company Limited, BuilderSmart Construction Systems Private Limited and Sansara Development Company Limited by considering its proportionate ownership interest in shareholders' equity, which is equivalent to Baht 7.27 million, no value, and baht 43.58 million, respectively, which are lower than its carrying amount of Baht 2.73 million, Baht 0.68 million and Baht 106.42 million, respectively. Therefore, the Company recognised an allowance for impairment loss of investments totaling the amount of Baht 109.83 million, for reducing the value of such investments to the amount expected to be recovered value.

14. INVESTMENT IN JOINT VENTURE

Investment in joint venture as at December 31, 2022 and 2021 are as follows:

Company	Unit: Million Baht							
	Consolidated financial statement							
	Issued and paid-up capital		Shareholding proportion (%)		Carrying amounts based on equity method			
	2022	2021	2022	2021	on equity method		At cost	
				2022	2021	2022	2021	
Time and Space Asset Company Limited	50.00	50.00	20.00	50.00	8.34	8.65	10.00	10.00
Total					8.34	8.65	10.00	10.00

Reconciliation of the summarized financial statements presented to the carrying amount of its interest in joint venture.

	Unit: Million Baht	
	Consolidated financial statement	
	2022	2021
Net assets as at January 1	48,557	20,000
Share capital increase	-	30,000
Loss for the year	(460)	(1,443)
Net assets as at December 31	48,097	48,557
Elimination entries	-	1,100
Total	48,097	49,657
Shareholding percentage (%)	20	20
The Company's shareholding percentage in net assets	9,619	9,931
Deferred gain of transactions between the subsidiary and joint venture	(1,282)	(1,282)
Carrying amounts based on equity method in joint venture	8,337	8,649

During the third quarter of the year 2021, a subsidiary, Teak Development Company Limited, entered into a joint venture and shareholder agreement, dated July 20, 2021, with Time and Space Asset Company Limited to establish "Time and Teak Company Limited," a joint property development venture on the subsidiary's plot of land. Detail of the joint venture are:

- Initial registered share capital of Baht 20 million has been paid up by Time and Space Asset Company Limited at establishment of the joint venture, within 15 days from the signing date of the agreement.
- The first share capital increase of Baht 5 million will be paid up by the subsidiary within 1 month from the signing date of the agreement.
- The second share capital increase of Baht 25 million will be paid up by the subsidiary and Time and Space Asset Company Limited in the amount of Baht 5 million and Baht 20 million, respectively, within 3 months from the signing date of the agreement.
- The third share capital increase of Baht 25 million will be paid up by the subsidiary and Time and Space Asset Company Limited in the amount of Baht 5 million and Baht 20 million, respectively, within 6 months from the signing date of the agreement.

When the establishment and capital increase are complete, Time and Teak Company Limited will have a total registered share capital of Baht 75 million, divided into 750,000 ordinary shares with a par value of Baht 100. The subsidiary will have invested Baht 15 million in Time and Teak Company Limited, a 20% stake.

During the year 2022, Time and Teak Company Limited has not yet called for the remaining share capital.

Time and Teak Company Limited is structured as a separate tax entity and the subsidiary has a residual interest in its net assets. Accordingly, the subsidiary has classified its interest in such a company as a joint venture.

15. SENIOR LIVING PROJECT UNDER DEVELOPMENT

Movements of the senior living project under development account during the year ended December 31, 2022, are summarised below:

	Unit: Thousand Baht	
	Consolidated and separate financial statement	Separate financial statements
Costs of project as at January 1, 2022	160,845	153,866
Reclassify to cost of real estate development costs (Note 4)	(160,845)	(153,866)
Costs of project as at December 31, 2022	-	-

16. INVESTMENT PROPERTIES - NET

Movements of the Investment Properties - net account during the year ended December 31, 2022, are summarised below:

	Unit: Thousand Baht	
	Villa	
	Consolidated and separate financial statements	
Fair value as at January 1, 2022	205,100	
Loss on fair value adjustment (Level 2)	1,300	
Fair value as at December 31, 2022	206,400	
Cost	148,693	
Accumulated gain on fair value adjustment	57,707	
Fair value - net	206,400	

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 January 12, 2023. The appraisal values, determined according to the Market Comparison Approach, are categorised as Fair Value - Level 2, use of other observable inputs.

As at December 31, 2022, the Company 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 73.30 million used for project operations (Note 23).

17. PROPERTY, PLANT AND EQUIPMENT - NET

Movements of the property, plant and equipment - net account during the year ended December 31, 2022, are summarised below:

Unit: Thousand Baht					
Consolidated financial statements					
	As at	Movements during the year			As at
	December 31, 2021	Increase	Decrease	Transfer in (transfer out)	December 31, 2022
Cost:					
Land	39,272	-	-	(30,006)	9,266
Land improvements	66,376	-	-	(66,376)	-
Sales gallery building	8,844	-	-	-	8,844
Building and building improvements	71,221	12,466	-	(22,759)	60,928
Utilities	88,332	-	-	(88,332)	-
Machinery and factory equipment	28,358	558	(1,467)	-	27,449
Warehouse equipment	5,582	99	-	-	5,681
Furniture and office equipment	37,995	4,081	(1,610)	-	40,466
Furniture and office equipment for show-unit and sales gallery	5,191	-	-	-	5,191
Operating equipment	2,146	164	-	-	2,310
Motor vehicles	17,554	-	(2,140)	698	16,112
Construction in progress	401	4,417	-	-	4,818
Common area	-	-	-	69,022	69,022
Total cost	371,272	21,785	(5,217)	(137,753)	250,087
Accumulated depreciation:					
Land improvements	6,684	-	-	(6,684)	-
Sales gallery building	7,996	-	-	-	7,996
Building and building improvements	24,784	2,617	-	(1,748)	25,653
Utilities	8,320	-	-	(8,320)	-
Machinery and factory equipment	18,767	3,209	(1,459)	-	20,517
Warehouse equipment	5,217	242	-	-	5,459
Furniture and office equipment	22,269	5,593	(1,498)	-	26,364
Furniture and office equipment for show-unit and sales gallery	4,667	1,371	-	-	6,038
Operating equipment	668	435	-	-	1,103
Motor vehicles	17,035	158	(2,140)	662	15,715
Common area	-	1,369	-	-	1,369
Total accumulated depreciation	116,407	14,994	(5,097)	(16,090)	110,214
<u>Less Allowance for impairment</u>	<u>(401)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(401)</u>
Net	254,464	-	-	-	139,472

Unit: Thousand Baht

	Separate financial statements				As at December 31, 2022
	Movements during the year			Transfer in (transfer out)	
	As at December 31, 2021	Increase	Decrease		
Cost:					
Land	39,272	-	-	(30,006)	9,266
Land improvements	66,376	-	-	(66,376)	-
Sales gallery building	8,844	-	-	-	8,844
Building and building improvements	68,598	12,466	-	(22,759)	58,305
Utilities	88,332	-	-	(88,332)	-
Machinery and factory equipment	5,355	-	-	-	5,355
Warehouse equipment	5,385	99	-	-	5,484
Furniture and office equipment	32,326	3,827	-	-	36,153
Furniture and office equipment for show-unit and sales gallery	5,190	-	-	-	5,190
Motor vehicles	15,801	-	(2,140)	698	14,359
Construction in progress	401	4,417	-	-	4,818
Common area	-	-	-	69,022	69,022
Total cost	335,880	20,809	(2,140)	(137,753)	216,796
Accumulated depreciation:					
Land improvements	6,684	-	-	(6,684)	-
Sales gallery building	7,996	-	-	-	7,996
Building and building improvements	24,638	2,092	-	(1,748)	24,982
Utilities	8,320	-	-	(8,320)	-
Machinery and factory equipment	5,354	-	-	-	5,354
Warehouse equipment	5,038	242	-	-	5,280
Furniture and office equipment	18,112	4,819	-	-	22,931
Furniture and office equipment for show-unit and sales gallery	4,666	1,371	-	-	6,037
Motor vehicles	15,742	44	(2,139)	662	14,309
Common area	-	1,369	-	-	1,369
Total accumulated depreciation	96,550	9,937	(2,139)	(16,090)	88,258
<u>Less</u> Allowance for impairment	(401)				(401)
Net	238,929				128,137

Depreciations for the years ended December 31, 2022 and 2021, have been charged to profit or loss of consolidated financial statements amounting to Baht 14.99 million and Baht 26.57 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 9.94 million and Baht 21.85 million, respectively.

The gross carrying amount of fully depreciated assets of the Group that were still in use as at December 31, 2022 and 2021 amounted to Baht 76.93 million and Baht 62.93 million, respectively.

The subsidiary, Alloy Solution Asia Limited, use its machinery with book value as at December 31, 2022 of Baht 5.40 million as collateral for lease for purchasing machinery with a bank (Note 24).

18. RIGHT-OF-USE ASSETS - NET

Movements of the right-of-use assets - net account during the year ended December 31, 2022, are summarised below:

Unit: Thousand Baht					
Consolidated financial statements					
As at December 31, 2021	Movements during the year			As at December 31, 2022	
	Increase	Decrease	Transfer in (transfer out)		
Cost:					
Building	79,896	29,510	(3,157)	-	106,249
Motor vehicles	8,275	2,287	-	(698)	9,864
Total cost	88,171	31,797	(3,157)	(698)	116,113
Accumulated depreciation:					
Building	20,481	16,735	(2,751)	-	34,465
Motor vehicles	4,423	1,769	-	(662)	5,530
Total accumulated depreciation	24,904	18,504	(2,751)	(662)	39,995
Net	63,267				76,118

Unit: Thousand Baht					
Separate financial statements					
As at December 31, 2021	Movements during the year			As at December 31, 2022	
	Increase	Decrease	Transfer in (transfer out)		
Cost:					
Building	39,825	26,237	(17,364)	-	48,698
Motor vehicles	5,199	2,287	-	(698)	6,788
Total cost	45,024	28,524	(17,364)	(698)	55,486
Accumulated depreciation:					
Building	9,039	9,377	(5,209)	-	13,207
Motor vehicles	2,668	1,154	-	(662)	3,160
Total accumulated depreciation	11,707	10,531	(5,209)	(662)	16,367
Net	33,317				39,119

Depreciations for the year ended December 31, 2022 and 2021, has been charged to profit or loss of consolidated financial statements amounting to Baht 18.50 million and Baht 13.90 million, respectively, and has been charged to profit or loss of separate financial statements amounting to Baht 10.53 million and Baht 6.58 million, respectively.

19. INTANGIBLE ASSETS - NET

Movements of the intangible assets - net account during the year ended December 31, 2022 are summarised below:

Unit: Thousand Baht					
Consolidated financial statements					
	As at	Movements during the year			As at
	December 31, 2021	Increase	Decrease	Transfer in (transfer out)	December 31, 2022
Cost:					
Computer software	24,280	220	(295)	-	24,205
Patent and trademark	1,500	-	-	-	1,500
Development expenditure for design of new products	2,498	-	-	-	2,498
Golf membership fee	2,750	-	-	-	2,750
Right of use of common assets	-	-	-	96,725	96,725
Total cost	31,028	220	(295)	96,725	127,678
Accumulated amortisation:					
Computer software	9,576	2,270	(295)	-	11,551
Patent and trademark	1,500	200	-	-	1,700
Development expenditure for design of new products	772	50	-	-	822
Right of use of common assets	-	-	-	1,734	1,734
Total accumulated amortisation	11,848	2,520	(295)	1,734	15,807
Net	19,180				111,871
Unit: Thousand Baht					
Separate financial statements					
	As at	Movements during the year			As at
	December 31, 2021	Increase	Decrease	Transfer in (transfer out)	December 31, 2022
Cost:					
Computer software	18,500	-	-	-	18,500
Patent and trademark	1,500	-	-	-	1,500
Development expenditure for design of new products	1,994	-	-	-	1,994
Golf membership fee	2,750	-	-	-	2,750
Right of use of common assets	-	-	-	96,725	96,725
Total cost	24,744	-	-	96,725	121,469

Unit: Thousand Baht

Consolidated financial statements					
	As at	Movements during the year			As at
	December 31, 2021	Increase	Decrease	Transfer in (transfer out)	December 31, 2022
Accumulated amortisation:					
Computer software	7,833	1,661	-	-	9,494
Patent and trademark	1,500	200	-	-	1,700
Development expenditure for design of new products	526	-	-	-	526
Right of use of common assets	-	-	-	1,734	1,734
Total accumulated amortisation	9,859	1,861	-	1,734	13,454
Net	14,885				108,015

Amortisation for the years ended December 31, 2022 and 2021, have been charged to profit or loss of consolidated financial statements amounting to Baht 2.52 million and Baht 2.52 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 1.86 million and Baht 1.95 million, respectively.

The gross carrying amount of fully amortisation intangible assets of the Group that were still in use as at December 31, 2022 and 2021 amounted to Baht 5.99 million and Baht 6.15 million, respectively.

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

Bank overdrafts and short-term loans from financial institutions as at December 31, 2022 and 2021 comprised:

	Consolidated financial statements			
	Interest rate (%)		Unit: Thousand Baht	
	2022	2021	2022	2021
Bank overdrafts	MOR, MMR-1.50, MRR-1.50, F/D Rate+2	MOR, MOR-3.18, MMR-1.25, MRR-1.50, F/D Rate+2	20,395	16,039
Trust receipt	MLR-1, 3.47 - 6.78	2.23 - 4.47	58,165	49,032
Promissory notes	MLR, MLR1.5, MLR-2, MLR-2.35 3.47 - 4.35	MLR, MLR1.5, MLR-2, 3.47 - 4.35	136,121	149,811
Total			214,681	214,882

Separate financial statements				
	Interest rate (%)		Unit: Thousand Baht	
	2022	2021	2022	2021
Bank overdrafts	MMR-1.50	MOR-3.18, MMR-1.50	9,690	9,697
Trust receipt	3.47 - 4.50	3.47 - 4.25	11,236	35,176
Promissory notes	MLR, MLR-2, MLR-2.35, 3.47 - 4.35	MLR, MLR-2, 3.47 - 4.35	136,122	149,811
Total			157,048	194,684

21. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade payables				
Trade payables - other parties	60,098	56,406	26,436	19,921
Trade payables - related parties	-	269	16,559	9,117
Total trade payables	60,098	56,675	42,995	29,038
Other current payables				
Advances from related parties	24	1,060	8	100
Other payables	10,341	8,983	3,500	3,168
Payables for business transfer - subsidiary	-	-	43,579	43,579
Commission payables	6,167	6,659	4,784	4,646
Accrued expenses	14,238	9,245	9,988	5,033
Accrued senior living project under development	4,799	32,973	4,799	32,973
Accrued cost of real estate development project	6,066	2,669	-	-
Accrued bonus expenses	2,985	6,268	1,171	6,268
Interest payables	2,923	3,042	2,620	3,042
Interest payables - person and related parties	-	-	570	148
Other	1,959	1,337	527	557
Total other current payables	49,502	72,236	71,546	99,514
Total	109,600	128,911	114,541	128,552

22. CURRENT CONTRACT LIABILITIES

Current contract liabilities as at December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Contract liabilities				
Reservation fee and deposits for purchase of condominium	9,293	23,299	-	-
Customer deposit for purchases of inventory	13,891	10,242	3,489	2,460
Guest deposits	1,273	614	-	-
Total	24,457	34,155	3,489	2,460

23. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Movements of long-term loans from financial institutions during the year ended December 31, 2022 are summarised below:

	Unit: Thousand Baht			
	Consolidated financial statements			As at December 31, 2022
	As at January 1, 2022	Movements during the year		
	Increase	Decrease		
Long-term loans from financial institutions				
Credit limit of real estate development project	239,627	18,348	(146,076)	111,899
Credit limit of senior living project under development	29,865	-	(28,054)	1,811
Credit limit of alleviation of the impact of COVID-19	43,734	-	(8,184)	35,550
Credit limit of promissory note payment relief	34,530	-	(14,046)	20,484
Total	347,756	18,348	(196,360)	169,744
<u>Less</u> Current portion of long-term loans from financial institutions	(277,012)			(140,619)
Net	70,744			29,125
	Unit: Thousand Baht			
	Separate financial statements			As at December 31, 2022
	As at January 1, 2022	Movements during the year		
	Increase	Decrease		
Long-term loans from financial institutions				
Credit limit of senior living project under development	29,865	-	(28,054)	1,811
Credit limit of alleviation of the impact of COVID-19	33,734	-	(5,796)	27,938
Credit limit of promissory note payment relief	34,530	-	(14,046)	20,484
Total	98,129	-	(47,896)	50,233
<u>Less</u> Current portion of long-term loans from financial institutions	(37,385)			(25,425)
Net	60,744			24,808

As at December 31, 2022, 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 of real estate development project</i>				
1	160.00		51 months as from October 5, 2018	MLR-0.75 per annum
Total	160.00			
<i>Credit limit of senior living project under development</i>				
2	60.00		48 months as from November 19, 2019	MLR per annum
Total	60.00			
<i>Credit limit of alleviation of the impact of COVID -19</i>				
3	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
4	24.63		60 months as from October 10, 2020	MLR-2.65 per annum
5	12.00		24 months as from November 18, 2020	2 per annum
Total	46.63			
<i>Credit limit of promissory note payment relief</i>				
6	20.00		24 months as from April 1, 2021	MLR per annum
7	21.99		72 months as from January, 2022	MLR-2.13 per annum
Total	41.99			
Total	308.62			

Fixed deposits of the Company and land and buildings of the projects and machinery of the subsidiary and the Company (Note 10, 11 and 17), were pledged as collateral for above long-term loans credit facilities.

The borrower must comply with the following significant financial conditions for Loan No. 1 (total credit limit of Baht 160.00 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. 2 and 5 (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 - NET

Lease liabilities - net as at December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease liabilities				
- Within 1 year	29,624	19,697	16,203	7,169
- Over 1 year but not over 5 years	54,098	55,348	29,279	32,483
- Over 5 years	11,772	3,733	4,499	-
<u>Less</u> Deferred interest expenses	(9,137)	(10,330)	(4,357)	(6,081)
Present value of leases liabilities	86,357	68,448	45,624	33,571
<u>Less</u> Current portion of leases liabilities	(26,460)	(16,596)	(14,428)	(5,677)
Net	59,897	51,852	31,196	27,894

25. OTHER FINANCIAL LIABILITIES - NET

Other financial liabilities - net as at December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2022	2021
Other financial liabilities		
- Within 1 year	3,335	3,335
- Over 1 year but not over 5 years	1,112	4,446
<u>Less</u> Deferred interest expenses	(234)	(681)
Present value of other financial liabilities	4,213	7,100
<u>Less</u> Current portion of other financial liabilities	(3,119)	(2,888)
Net	1,094	4,212

Other financial liabilities recognises contract from sale and leaseback transactions is satisfied of asset which is not a sale in accordance with TFRS 15 "Revenue from Contracts with Customers". The Group therefore continue recognises such transfer assets as fixed assets in the financial statement and recognises liabilities from sale and leaseback as other financial liabilities equal to the transfer proceeds of assets.

26. NON-CURRENT LIABILITY FOR GUARANTEE REFUND TO LEASSEE - NET

Non-current liability for guarantee refund to lessee - net as at December 31, 2022 and 2021 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Liability for guarantee refund to lessee	168,569	151,569	158,569	141,569
<u>Less</u> Deferred interest expenses	(102,043)	(80,217)	(92,043)	(80,217)
Net	66,526	71,352	66,526	61,352

27. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movements of the present value of non-current provisions for employee benefit for the years ended December 31, 2022 and 2021 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Non-current provisions for employee benefit				
as at January 1,	8,562	7,400	7,268	6,902
Included in profit or loss:				
Current service cost	2,566	1,117	29	941
Interest cost	185	268	147	246
Past service cost	-	442	-	442
Loss on settlement of benefits	2,067	-	2,067	-
Included in other comprehensive income:				
Actuarial gains arising from				
Demographic assumptions	-	602	-	488
Financial assumptions changes	-	(1,368)	-	(995)
Experience adjustments	-	1,607	-	750
Benefit paid	(1,152)	(1,506)	(1,025)	(1,506)
Transfer to accrued employee benefit	(5,621)	-	(4,000)	-
Non-current provisions for employee benefit				
as at December 31,	6,607	8,562	4,486	7,268

Non-current provisions for employee benefit for the years ended December 31, 2022 and 2021, have been charged to profit or loss of consolidated financial statements amounting to Baht 4.82 million and Baht 1.83 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 2.24 million and Baht 1.63 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, 2022 and 2021 (represented by the weighted-average) consisted of:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate per annum	1.20% - 2.82%	1.20% - 2.82%	1.20%, 1.92%	1.20%, 1.92%
Future monthly salary increase rate per annum	3.86%	3.86%	3.86%	3.86%
Mortality rate	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2017
Gold price (Per Baht Gold)	Baht 27,144	Baht 27,144	Baht 27,144	Baht 27,144

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2022 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%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(0.33)	0.35	(0.25)	0.26
Salary increase rate	0.36	(0.34)	0.27	(0.26)
Turnover rate	(0.42)	0.45	(0.32)	0.34

28. DEFERRED INCOME TAX

Deferred income tax as at December 31, 2022 and 2021 were consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets - net	1,823	4,990	14,764	16,014
Deferred tax liabilities - net	(5,348)	(5,270)	-	-

Movements in deferred tax assets during years ended December 31, 2022 and 2021 were as follows:

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	As at January 1, 2022	Profit (loss)	As at December 31, 2022	As at January 1, 2022	Profit (loss)	As at December 31, 2022
Deferred tax assets						
Allowance for expected credit losses	2,365	3	2,368	2,009	-	2,009
Allowance for obsolete of inventories	1,237	51	1,288	573	-	573
Allowance for impairment loss of investments	-	-	-	21,284	-	21,284
Non-current provisions for employee benefit	1,712	733	2,445	1,454	243	1,697
Liability for guarantee refund to lessee	922	213	1,135	922	213	1,135
Tax losses	2,540	(2,540)	-	-	-	-
Effect from business combination under common control	-	-	-	2,791	(942)	1,849
Effect from eliminate transactions	3,963	(942)	3,021	-	-	-
Total deferred tax assets	12,739	(2,482)	10,257	29,033	(486)	28,547
Deferred tax liabilities						
Tax depreciation - investment properties	(1,738)	(504)	(2,242)	(1,738)	-	(1,738)
Gain on fair value adjustment of investment properties	(11,281)	(260)	(11,541)	(11,281)	-	(11,281)
Deferred tax liabilities	(13,019)	(764)	(13,783)	(13,019)	-	(13,019)
Net	(280)	(3,246)	(3,526)	16,014	(486)	15,528
As presented in the statement of financial position were as follows:						
Deferred tax assets - net	4,990		1,823	16,014		14,764
Deferred tax liabilities - net	(5,270)		(5,348)	-		-
	(280)		(3,525)	16,014		14,764

Unit: Thousand Baht

	Consolidated financial statements			Separate financial statements				
	As at	Other	As at	As at	Other	As at		
	January 1, 2021	Profit (loss)	comprehensive income	December 31, 2021	January 1, 2021	Profit (loss)	comprehensive income	December 31, 2021
Deferred tax assets								
Allowance for expected credit losses	2,365	-	-	2,365	2,009	-	-	2,009
Allowance for obsolete of inventories	1,081	156	-	1,237	679	(106)	-	573
Allowance for impairment loss of investments	-	-	-	-	21,284	-	-	21,284
Non-current provisions for employee benefit	1,480	64	168	1,712	1,380	25	49	1,454
Liability for guarantee refund to lessee	496	426	-	922	496	426	-	922
Tax losses	-	2,540	-	2,540	-	-	-	-
Effect from business combination under common control	-	-	-	-	3,128	(337)	-	2,791
Effect from eliminate transactions	4,391	(428)	-	3,963	-	-	-	-
Total deferred tax assets	9,813	2,758	168	12,739	28,976	8	49	29,033
Deferred tax liabilities								
Tax depreciation - investment properties	(1,234)	(504)	-	(1,738)	(1,234)	(504)	-	(1,738)
Gain on fair value adjustment of investment properties	(11,281)	-	-	(11,281)	(11,281)	-	-	(11,281)
Total deferred tax liabilities	(12,515)	(504)	-	(13,019)	(12,515)	(504)	-	(13,019)
Net	(2,702)	2,254	168	(280)	16,461	(496)	49	16,014

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

Deferred tax assets - net	2,120	4,990	16,461	16,014
Deferred tax liabilities - net	(4,822)	(5,270)	-	-
	(2,702)	(280)	16,461	16,014

Certain subsidiaries have unutilised tax loss carried forward as at December 31, 2022 and 2021. 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: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Unused tax losses				
Expire in next 1 year	7	359	-	-
Expire in 2 - 5 years	31,896	21,569	15,178	8,549
Temporary differences	191	(241)	197	(280)
Total	32,094	21,687	15,375	8,269

29. INCOME TAX

Income tax for the years ended December 31, 2022 and 2021 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current tax expense				
Current period	1,720	-	-	-
Deferred tax expense				
Relating to origination and reversal of temporary differences	3,245	(2,254)	1,250	496
Tax expenses (income)	4,965	(2,254)	1,250	496

Reconciliation of effective tax rate for the years ended December 31, 2022 and 2021 as follows:

	Consolidated financial statements			
	2022		2021	
	Tax rate (%)	Unit: Thousand Baht	Tax rate (%)	Unit: Thousand Baht
Loss before income tax expenses		(26,207)		(85,975)
Income tax using the corporate tax rate	20.00	(5,241)	20.00	(17,195)
Tax effect of expenses that are not deductible and income that are not required in determining tax profit	(0.60)	156	(0.35)	302
Current year losses for which no deferred tax assets was recognised	(39.46)	10,341	(23.25)	19,993
Prior year losses which no deferred tax assets was recognised but used to reduce current tax expenses	0.05	(12)	7.06	(6,074)
Current year temporary differences which no deferred tax assets was recognised	(0.73)	191	0.28	(241)
Effect from eliminate transactions	1.79	(470)	(1.12)	961
Tax expenses (income)	(18.95)	4,965	2.62	(2,254)

	Separate financial statements			
	2022		2021	
	Tax rate	Unit:	Tax rate	Unit:
	(%)	Thousand Baht	(%)	Thousand Baht
Loss before income tax expenses		(28,536)		(37,863)
Income tax using the corporate tax rate	20.00	(5,707)	20.00	(7,573)
Expenses not deductible for tax purposes	(0.46)	131	0.53	(200)
Current year losses for which no deferred tax assets was recognised	(23.23)	6,629	(22.58)	8,549
Current year temporary differences which no deferred tax assets was recognised	(0.69)	197	0.74	(280)
Tax expenses		1,250		496

30. 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.

31. 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.

During the year ended December 31, 2022 and 2021, the Group's contributions to the provident fund are Baht 1.90 million and Baht 2.09 million, respectively.

32. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2022 and 2021 are as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Changes in inventories of finished goods and work-in-process	(17,376)	1,453	(5,827)	37,272
Changes in cost of real estate development project	220,206	182,496	24,541	-
Purchases of finished goods	186,641	230,090	116,601	148,736
Land, project consultant and construction	35,124	59,796	-	-
Raw materials and supplies used	31,414	34,157	-	5,417
Depreciation and amortisation	36,018	42,986	22,329	30,377
Staff costs	96,223	89,098	44,456	54,130
Commission, advertising and sale promotion	44,147	26,093	12,147	9,456
Transport and distribution expenses	35,394	3,747	2,846	3,139
Operating rental expenses	1,803	4,014	1,013	1,043
Consultant and professional service fee	5,560	6,079	4,096	3,346
Repairs and maintenance	8,983	5,716	6,889	2,636

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, 2022 and 2021 were as follows:

Unit: Thousand Baht

	Sales of construction materials		Selling and installing		Senior Living Project		Real estate development project		Central		Elimination of inter-segment revenue		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from sales and services	314,111	288,423	54,914	46,113	108,453	42,288	247,251	228,246	-	-	-	-	724,729	605,070
Inter-segment revenue	241	20	116	950	-	-	-	-	-	-	(357)	(970)	-	-
Cost of sales and services	(209,949)	(195,721)	(59,683)	(49,772)	(82,548)	(45,530)	(223,798)	(223,776)	-	-	662	1,265	(575,316)	(513,534)
Segment gross profit (loss)	104,403	92,722	(4,653)	(2,709)	25,905	(3,242)	23,453	4,470	-	-	305	295	149,413	91,536
Interest revenue					427	561	424	145	7,131	7,758	(7,181)	(7,509)	801	955
Other income					750	863	11,612	1,616	3,149	3,572	(359)	(82)	15,152	5,969
Gain on foreign exchange - net					-	-	-	-	951	1,792	-	-	951	1,792
Gain on fair value adjustment of investment properties					1,300	-	-	-	-	-	-	-	1,300	-
Distribution costs					(13,211)	(10,294)	(21,223)	(21,168)	(37,674)	(34,740)	-	-	(72,108)	(66,202)
Administrative expenses					(25,383)	(12,959)	(15,344)	(17,965)	(58,754)	(53,549)	4,850	-	(94,631)	(84,473)
Profit (loss) from operating activities	(10,212)	(25,071)	(1,078)	(32,902)	(10,212)	(25,071)	(1,078)	(32,902)	(85,197)	(75,167)	(2,385)	(7,296)	878	(50,423)
Finance costs	(7,192)	(6,949)	(10,087)	(18,550)	(7,192)	(6,949)	(10,087)	(18,550)	(15,190)	(17,517)	5,695	7,534	(26,774)	(35,482)
Share of loss of joint ventures	-	-	(312)	(69)	-	-	(312)	(69)	-	-	-	-	(312)	(69)
Loss before income tax expenses	(17,404)	(32,020)	(11,477)	(51,521)	(17,404)	(32,020)	(11,477)	(51,521)	(100,387)	(92,684)	3,310	238	(26,208)	(85,974)
Income tax income (expenses)	(920)	(376)	135	4	(920)	(376)	135	4	(4,180)	2,717	-	(92)	(4,965)	2,253
Loss for the year	(18,324)	(32,396)	(11,342)	(51,517)	(18,324)	(32,396)	(11,342)	(51,517)	(104,567)	(89,967)	3,310	146	(31,173)	(83,721)

The reconciliations of each segment total assets to the Group's assets and other material items as at December 31, 2022 and 2021 were as follows:

	Unit: Thousand Baht											
	Sale of construction materials		Selling and installing		Selling and installing		Real estate development project		Consolidated financial statements			
			2021		2021		2021					
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021		
Non-current assets												
Deposits at bank pledged as collateral	47,320	47,320	-	-	-	-	-	-	3,000	3,000	50,320	50,320
Investments in joint venture	-	-	-	-	-	8,337	8,649	-	-	-	8,337	8,649
Senior living project under development	-	-	-	-	-	160,845	-	-	-	-	-	160,845
Investment properties - net	-	-	-	-	206,400	205,100	-	-	-	-	206,400	205,100
Property, plant and equipment - net	23,689	6,013	8,800	12,760	106,318	234,581	665	1,110	-	-	139,472	254,464
Right-of-use assets - net	47,718	35,413	6,706	7,410	20,654	20,444	1,040	-	-	-	76,118	63,267
Intangible assets - net	9,328	11,054	-	-	98,888	4,059	1,026	1,168	2,630	2,899	111,872	19,180
Other	9,857	19,779	-	-	209	7,472	1,585	1,523	2,650	4,982	14,301	33,756
Total non-current assets	137,912	119,579	15,506	20,170	432,469	632,501	12,653	12,450	8,280	10,881	606,820	795,581

For of the year 2022 and 2021, the Group has revenues from a major and two customer, more than 10 percent of revenue in consolidated financial statements, which are revenues from sales of land of real estate development project, in the amount of Baht 139.00 million and Baht 199.49 million, respectively.

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, 2022 and 2021 was as follows:

	Unit: Thousand Baht					
	Thailand		Foreign countries		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021
For the year ended December 31,						
Revenue from sales and services	671,469	564,121	53,260	40,949	724,729	605,070

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, 2022, the Group has hedged the foreign currency on accounts payable and part of its anticipated purchases.

As of December 31, 2022, the Group has unhedged balances of financial assets and liabilities denominated in foreign currencies, are as follows:

Foreign currencies	Unit: Thousand foreign currency		Exchange rate as at	
	As at December 31, 2022		December 31, 2022	
	Consolidated financial statements		(Baht per foreign currency unit)	
	Foreign currencies	Financial liabilities	Buying rate	Selling rate
US Dollars	566	154	34.39	34.73
New Zealand Dollars	-	145	21.55	22.18
Australian Dollars	-	116	22.96	23.79

Foreign currencies	Unit: Thousand foreign currency		Exchange rate as at	
	As at December 31, 2022		December 31, 2022	
	Separate financial statements		(Baht per foreign currency unit)	
	Foreign currencies	Financial liabilities	Buying rate	Selling rate
Australian Dollars	49	154	34.39	34.73

(D) Derivatives

Forward exchange agreements

Receivables and payables arising from forward exchange agreements are initially recognised and measured at fair value on the date on which the derivative contract is entered into and are subsequently remeasured at fair value, which has been calculated using the quoted market rates, at the end of reporting period. Gains or losses resulting from changes in its fair value are recognised in profit or loss. However, where transactions qualify for hedge accounting, recognition of any resultant gain or loss from changes in the fair value depends on the nature of the item being hedged.

As at December 31, 2022, the Company has no outstanding foreign exchange contracts.

(E) 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.

(F) 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, 2022, 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, 2022			
	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	10.47	-	10.63	-

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

35. COMMITMENTS AND CONTINGENT LIABILITIES

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

As at December 31, 2022, the Group has above outstanding commitments with third parties to repay, are as follows:

<u>Year</u>	<u>Unit: Thousand Baht</u>
Within 1 year	424
Over 1 year but not over 5 years	1,180

34.2 Capital expenditure commitments

As of December 31, 2022, the Company has capital expenditure commitments regarding the land purchase of Baht 6 million according to an Agreement to Sell and Purchase of Land.

34.3 Bank guarantee issued by financial institutions

As at December 31, 2022 the Group has outstanding commitments and contingent liabilities with financial institutions as follows:

		<u>Consolidated financial statement</u>		
		<u>Unit: Million Baht</u>		
		<u>Credit limit</u>	<u>Used</u>	<u>Unused</u>
1)	Bank overdrafts	22.42	(20.40)	2.02
2)	Short-term loan - trust receipts, letters of credit and promissory notes	232.21	(194.29)	37.92
3)	Letter of guarantee	82.32	(37.11)	45.21
4)	Long-term loan	160.00	(158.10)	1.90
		<u>496.95</u>	<u>(409.90)</u>	<u>87.05</u>

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

As at December 31, 2022, the Group had letters of guarantee issued by financial institutions for electricity usage and payment of goods to certain suppliers amounting to Baht 37.11 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, 2022, the Group and the Company's debt-to-equity ratio were 1.98: 1 and 1.14: 1 respectively (as at December 31, 2021: 2.28: 1 and 1.18: 1).

37. RECLASSIFICATION

The Group has reclassified certain consolidated financial statement accounts in the statement of financial position as at December 31, 2021, and the statement of comprehensive income for year ended December 31, 2021, 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:

Account	Unit: Thousand Baht		
	Consolidated financial statements		
	As previously reported	Reclassified amount	As reclassified
<u>Statement of financial position</u>			
Bank overdrafts and short-term loans from financial institutions	236,868	(21,986)	214,882
Trade and other current payables	129,914	(1,003)	128,911
Current portion of land payable	15,947	1,003	16,950
Current portion of long-term loans from financial institutions	273,352	3,660	277,012
Long-term loans from financial institutions - net	52,418	18,326	70,744

Account	Unit: Thousand Baht		
	Separate financial statements		
	As previously reported	Reclassified amount	As reclassified
<u>Statement of financial position</u>			
Bank overdrafts and short-term loans from financial institutions	216,670	(21,986)	194,684
Current portion of long-term loans from financial institutions	33,725	3,660	37,385
Long-term loans from financial institutions - net	42,418	18,326	60,744

38. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of Directors on February 23, 2023.