



THE NEW GATEWAY
ANNUAL
REPORT **2020**



วิสัยทัศน์

มุ่งมั่น สร้างสรรค์ พัฒนาอสังหาริมทรัพย์
ด้านโรงงานอุตสาหกรรม อาคารสำนักงาน
และที่พักอาศัย พร้อมการบริการด้วยใจอย่างต่อเนื่อง
เพื่อสร้างความพึงพอใจสูงสุดแก่ลูกค้า

Vision

Be Dedicated, Be Creative
Be a Quality Real Estate Developer in
Industrial Factory, Office Buildings &
Real Estates Sectors Providing the Best
Customer Service for Our
Customer's Satisfaction



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Investor can study additional details of issuer from the Company's Annual Information Disclosure (Form 56-1) on the SEC's website at www.sec.or.th or the Company's website at <http://jck.international>

Financial Highlights

Unit : Baht Million

Lists	2021	2020	2019	2018
Financial Data:				
1. Income from Sales and Service	387.39	389.48	2,127.82	915.68
2. Total income	415.33	426.41	2,362.96	1,018.84
3. Net profit (loss)	(289.95)	(469.36)	85.47	(474.58)
4. Total assets	8,459.59	8,256.95	8,479.29	10,492.48
5. Total liabilities	6,351.04	5,837.04	5,680.36	7,774.06
6. Shareholder's equity	2,108.55	2,419.91	2,798.93	2,718.42
Financial Ratio:				
1. Net profit to total income	-69.81%	-110.07%	3.62%	-46.58%
2. Return on equity	-12.81%	-17.99%	3.10%	-20.42%
3. Return on total assets	-3.47%	-5.61%	0.90%	-4.71%
4. Net profit (loss) per share (Baht)	(0.14)	(0.23)	0.03	(0.27)
5. Dividend per share (Baht)	-	-	-	-
6. Book value per share (Baht)	0.98	1.13	1.30	1.27
7. Current ratio (time)	1.79	2.32	2.61	1.56
8. Debt: Equity ratio (time)	3.01	2.41	2.03	2.86

Message from the Chairman

Dear Shareholders,

It was to accept that the economic crisis as a result of the outbreak of Corona virus 2019 (COVID-19) which started by the end of year 2019 was the situation that we have never expected that this situation will happen. Initial happened in China and then wide spread to expand cover wide area around the world which in some countries, they have to lock down their countries which then cause major impact on the trade and various transactions have to slowdown. It was expected that the trend of Thai economy in the third quarter of 2020 would drop by 6.0% with the export value drop of 7.5%. However, the return of the second wave of the COVID-19 at the end of year 2020 had caused the expectation of the recovery of Thai economy in 2021 was then increase more uncertainty. Though the startup of COVID-19 Vaccination since the beginning of 2021 in several countries has brought up the favorable atmosphere in some investment.

In 2020, the Company has to accept that we have had the impacts from the outbreak of the COVID-19 same as other businesses. The LOCK DOWN policy by the government to prevent the spread out of the virus has impact on the termination of employment, strictly limit the working time and the final the closure of the businesses. There was a ripple effect to the business operations of the Company including the income from property rental, the income which did not meet the expected target plan. However, during the economic crisis, the Company still has planned to do in order to support when the economy recover in 2021. These include the allocation of the land in TFD Industrial Estate 2 to be the Free Zone and also prepare to expand the TFD Industrial Estate in the next phase to serve for the coming back of investors. And as Thailand is one of the Countries that has been recognized as having good measures to control and limit the spread out of the epidemic in 2020, this will be the strength of the country to build the confidence to national and foreigners to come back to Thailand and thus builds the confidence that when the epidemic of COVID -19 has resolved, the Company will have certainly a good performance.

The Company would like to thank our shareholders, business partners and customers for their continuous support and trust in the Company. Thanks to our management and employees who have played the important role in driving the Company to pass through all various situations with your determination, dedication, honesty, cooperation and unity which make the organization still be strong and stately standing in the business, befit for the trustworthy from our shareholders and customers forever.

Sincerely yours,



(Dr. Apichai Taechaubol)

Chairman

Board of Directors

Dr. Apichai Taechaubol

Chairman

Appointed on March 14, 2018

Executive Chairman

Appointed on January 20, 2012

Age : 65 years old

Education :

- ❖ Honorary Degree of Master of Business Administration in
Department of General Management
Ramkhamhaeng University
- ❖ Master's Degree in Political Science
Ramkhamhaeng University
- ❖ Bachelor's Degree in Business Administration
North Central University
- ❖ Bachelor's Degree in Political Science
Ramkhamhaeng University

Directors Program Training from IOD

- ❖ DAP, Class 39/2005
- ❖ Chairman 2000 Program
- ❖ CGI, Class 3/2015

Director position in another listed company :

- ❖ Chairman and Executive Committee Chairman
JCK Hospitality Public Company Limited

Director position in non-listed company :

- ❖ Director – Ratchadamri Real Estate Co., Ltd.
(formerly known as Mahadlekluang Co., Ltd.)
- ❖ Director - BGY & TFD Properties Co., Ltd.
- ❖ Chairman - TFD Real Estate Management Co., Ltd.
- ❖ Chairman and Executive Chairman
Crown Development Co., Ltd.
- ❖ Chairman
JCK Utilities Co., Ltd. (formerly known as Total Industrial
Services Co., Ltd.)
- ❖ Director and Executive Chairman – SG Land Co., Ltd.
- ❖ Director and Executive Chairman
J.C. Kevin Development Co., Ltd.

Working Experience :

- ❖ Director - AEC Securities PCL.
- ❖ Director - Barnsley Warehouse Limited
- ❖ Director - Bognor Regis Warehouse Limited
- ❖ Vice Minister for Office Of Prime Minister
- ❖ Director to the DASTA
- ❖ Advisor to Deputy Minister of the Internal Affairs Ministry
- ❖ Consultant to the Thai/Chinese Chamber of Commerce
- ❖ Chairman - Princeton Park Suites Co., Ltd.

Mr. Prasong Vara-ratanakul

Audit Committee Chairman

Corporate Governance, Nominating and Remuneration Committee Chairman

Independent Director

Appointed on April 30, 1999

Age : 74 years old

Education :

- ❖ Master of Public Administration
Chulalongkorn University
- ❖ Bachelor of Commerce
Chulalongkorn University
- ❖ Bachelor of Law
Ramkamhaeng University

Directors Program Training from IOD

- ❖ DCP, Class 72/2006
- ❖ DAP, Class 51/2006
- ❖ ACP, Class 12/2006
- ❖ AACP, Class 16/2014
- ❖ ELP, Class 2/2015

Director position in another listed company :

- ❖ Independent Director and Audit Committee Chairman
JCK Hospitality Public Company Limited.
- ❖ Independent Director and Audit Committee Member
We Retail Public Company Limited.
- ❖ Independent Director and Audit Committee Chairman
Thai Property Public Company Limited.

Director position in non-listed company :

- ❖ -None-

Working Experience :

- ❖ Director and Audit Committee Chairman
Krungthep Land Public Company Limited.

Mr. Chetawan Anuntasomboon

Independent Director

Appointed on February 28, 2018

Audit Committee Member

Corporate Governance, Nomination and Remuneration Committee Member

Appointed on May 14, 2019

Age : 67 years old

Education :

- ❖ Barrister at Law Institute
Legal Education Thai Bar Association
- ❖ Bachelor's Degree in Law
Ramkhamhaeng University

Directors Program Training from IOD

- ❖ ELP, Class 17/2019

Director position in another listed company :

- ❖ Independent Director and Audit Committee
of JCK Hospitality Public Company Limited.

Director position in non-listed company :

- ❖ -None-

Working Experience :

- ❖ Director of JCK Utilities Co., Ltd. (formerly known as
Total Industrial Services Co., Ltd.)
- ❖ Deputy Director General of Department of Public
Works and Town & Country Planning
- ❖ Inspector of Department of Public Works and Town &
Country Planning
- ❖ Secretary of Department of Town and Country
Planning

Mr. Tawil Praisont

Independent Director

Audit Committee Member

Appointed on August 14, 2019

Age : 84 years old

Education :

- ❖ Master's Degree in Public and Administration, Syracuse University, USA.
- ❖ Master's Degree in Political Science (Honor), National Institute of Development Administration
- ❖ Bachelor's Degree in Political Science, Chulalongkorn University
- ❖ Certificate in Political and Administrative Science, Institute of Social Studies, Netherland.

Directors Program Training from IOD

- ❖ -None-

Director position in another listed company :

- ❖ -None-

Director position in non-listed company :

- ❖ -None-

Working Experience :

- ❖ Deputy Speaker of the House of Representatives
- ❖ Minister of the Ministry of University Affairs
- ❖ Member of the House of Representatives, Nakhon Si Thammarat, for 2 terms
- ❖ Member of the House of Representatives, Bangkok, for 5 terms
- ❖ Party list Member of the House of Representatives for 1 term
- ❖ Elective Senator, Nakhon Si Thammarat
- ❖ Municipal clerk of Sungai Kolok Subdistrict-Municipal Office, Narathiwat
- ❖ Municipal clerk of Phatthalung Town-Municipal Office, Phatthalung
- ❖ Secretary of City-Municipal Office Mayor, Bangkok
- ❖ District Supervisor of Phranakorn district and Bangkhuntien district, Bangkok
- ❖ Director of Policy and Planning, Bangkok Metropolis Administration (Government officer Level 10)
- ❖ Vice President of Rangsit University
- ❖ Bachelor's Degree Special Instructor in Metropolis Administration Subject, Faculty of Social Science, Kasetsart University
- ❖ Master's Degree Special Instructor in Metropolis Administration Subject, Faculty of Political Science, Thammasart University
- ❖ Special Instructor in many institutes, for instance, Ramkhamhaeng University, Burapha University, King Prajadhipok's Institute.

Mr. Anukul Ubonnuch

Director

Appointed on February 1, 2002

Executive Director

Appointed on February 27, 2017

Managing Director

Appointed on April 5, 2019

Age : 62 years old

Education :

- ❖ Master's Degree in Business Administration
Kasetsart University
- ❖ Barrister at Law Institute
Legal Education Thai Bar Association
- ❖ Bachelor's Degree in Law
Ramkhamhaeng University

Directors Program Training from IOD

- ❖ DCP, Class 7/2001
- ❖ Director Diploma Examination
- ❖ Chartered Director, Class 5/2009

Training from other Institute

- ❖ Graduate Diploma in Public Law and Management,
Batch#6, King Prajadhipok's Institute
- ❖ Certificate of Applied Psychology for National Security,
Batch#89, The Institute of Applied Psychology, National
Defence Studies Institute

Director position in another listed company :

- ❖ -None-

Director position in non-listed company :

- ❖ Director
Ratchadamri Real Estate Co., Ltd.
(formerly known as Mahadlekluang Co., Ltd.)
- ❖ Director
BGY & TFD Properties Co., Ltd.
- ❖ Director
SG Land Co., Ltd.
- ❖ Managing Director, Director
JCK Utilities Co., Ltd. (formerly known as Total Industrial
Services Co., Ltd.)
- ❖ Managing Director, Director
Crown Development Co., Ltd.
- ❖ Director
Midman Marketing and Engineering Co., Ltd.

Working Experience :

- ❖ Director - Barnsley Warehouse Limited
- ❖ Director - Bognor Regis Warehouse Limited
- ❖ Managing Director
Credit Foncier Unico Housing Limited
- ❖ Chief Legal Department
Laem Thong Bank PCL.

Mr. Krittawat Taechaubol

Director

Executive Director

Appointed on April 11, 2014

Director Deputy Managing Director

Appointed on January 1, 2019

Age : 30 years old

Education :

- ❖ Master of Science in Real Estate
City, University of London
United Kingdom
- ❖ Bachelor's Degree in Management Sciences
The London School of Economics and Political Science
United Kingdom

Directors Program Training from IOD

- ❖ DCP, Class 196/2014

Training from Other Institute

- ❖ BBL Internship Program #58, Bangkok Bank PLC

Director position in another listed company :

- ❖ -None-

Director position in non-listed company :

- ❖ Director
Ratchadamri Real Estate Co., Ltd.
(formerly known as Mahadlekluang Co., Ltd.)
- ❖ Director
BGY & TFD Properties Co., Ltd.
- ❖ Director
JCK Utilities Co., Ltd. (formerly known as Total Industrial Services Co., Ltd.)
- ❖ Director, Executive Director
SG Land Co., Ltd.
- ❖ Director, Executive Director
Crown Development Co., Ltd.
- ❖ Director
High Active Consultant Tech Co., Ltd.
- ❖ Director
Rim Nam Bangpakong Co., Ltd.
- ❖ Director
Spa Capital Co., Ltd (formerly known as Capital Planner Co., Ltd.)

Working Experience :

- ❖ Marketing Analysis Manager
J.C. Kevin Development Co., Ltd.

Mr. Gumpol Tiyarat

Director

Appointed on February 1, 2002

Age : 67 years old

Education :

- ❖ Master's Degree of Business Administration
Kasetsart University
- ❖ Bachelor's Degree of Economics
Thammasart University
- ❖ Bachelor's Degree of Accounting
Dhurakijbundit University
- ❖ Bachelor's Degree of Law
Chulalongkorn University

Directors Program Training from IOD

- ❖ Role of the Chairman, Class 22/2009
- ❖ DCP Refresher, Class 2/2006
- ❖ DCP, Class 30/2003
- ❖ AACP, Class 21/2015

Training from Other Institute

- ❖ Business and Economic Analysis Program,
Class 22/2009
Faculty of Economics, Chulalongkorn University

Director position in another listed company :

- ❖ -None-

Director position in non-listed company :

- ❖ Director
JCK Utilities Co., Ltd. (formerly known as Total
Industrial Services Co., Ltd.)
- ❖ Director
Crown Development Co., Ltd.
- ❖ Director
J.P.V. ACCOUNTION AND LAW Co., Ltd.
- ❖ Director
STAR BIZ COLLECTIONLAW Co., Ltd.

Working Experience :

- ❖ Tax Economist Officer of Revenue Department
- ❖ Ex-Police Sub-commission on Laws & Regulations
Royal Thai Police
- ❖ Director Executive Director
SG Land Co., Ltd.
- ❖ Ex-Managing Director
Princetonparksuite Co., Ltd.
- ❖ Director
DITTHAPADA Co., Ltd.

Mr. Tseng, Kuo-Chan

Director

Appointed on August 14, 2019

Age : 60 years old

Education

- ❖ Diploma in Li De Commercial and Technical Vocational School, Kaohsiung, Taiwan

Director position in another listed company :

- ❖ -None-

Director position in non-listed company :

- ❖ President of Jaie Haour Group
 - Jaie Haour Industrial Co., Ltd.
 - Shangxin Construction Industrial Co., Ltd.
 - Yongqing Construction Engineering Co., Ltd.
- ❖ Vice Chairman of the (Criminal) Correctional Association
- ❖ Committee Member of Tainan After-Care Association
- ❖ Executive Director of Lifeline Association
- ❖ Executive Director of the Consultants of the Honorary Probation Officers Association.

Ms. Siriporn Tamenant

Director

Executive Director

Director Deputy Managing Director, Administration and Information Technology

Appointed on June 10, 2019

Company Secretary

Appointed on November 14, 2007

Age : 63 years old

Education :

- ❖ Master of Arts in English
Naresuan University
- ❖ Bachelor of Science in Business Administration (Finance)
Roosevelt University, Chicago, U.S.A.

Directors Program Training from IOD :

- ❖ Risk Management Program for Corporate Leaders (RCL), class 5/2016
- ❖ Ethical Leadership Program (ELP), class 2/2015
- ❖ Advanced Audit Committee Program (AACP), class 16/2014
- ❖ Director Accreditation Program (DAP), class SEC/2014
- ❖ Role of the Chairman Program (RCP), class 34/2014
- ❖ Effective Minutes Taking (EMT), class 8/2007
- ❖ Company Secretary Program (CSP), class 13/2005 and 22/2007
- ❖ Role of The Compensation Committee (RCC), class 1/2006
Training from Other Institute
- ❖ Top Executive Program, Capital Market Academy, class 2

Director position in another listed company :

- ❖ -None-

Director position in non-listed company :

- ❖ -None-

Director position in another institution :

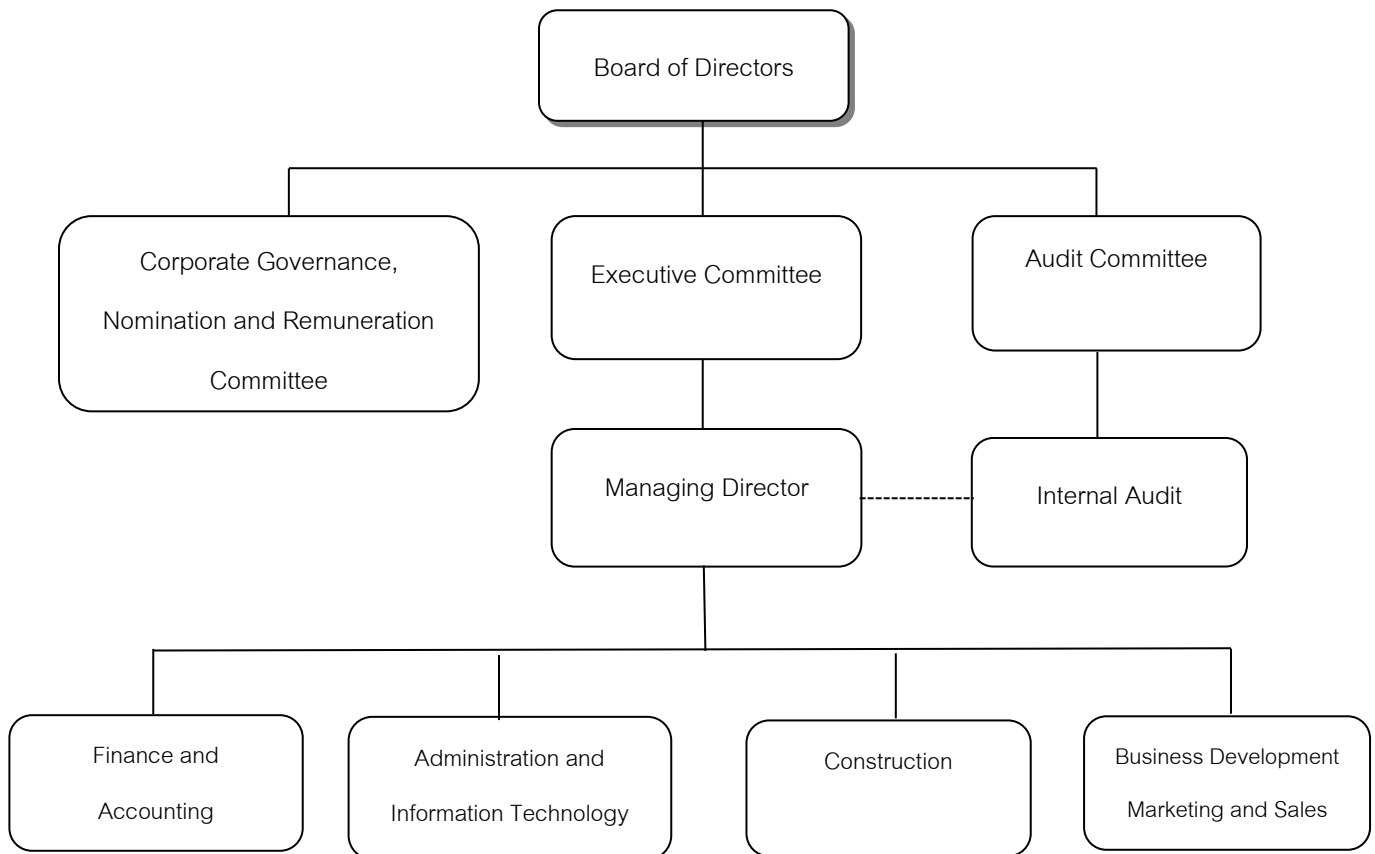
- ❖ Director
Capital Market Academy

Working Experience :

- ❖ President's Advisor
Capital Market Academy
- ❖ Independent Director and Audit Committee Member
JCK Hospitality PCL.
- ❖ Vice President, Secretary-General and Director
Thai Listed Companies Association

Organization Chart

Organization Chart as of December 31, 2020



Remark : The Company's internal auditor has assigned to the Non-Juristic Body of Person, responsible for all function of work and others related to the assignment from the Audit Committee.

Management

1. **Mr. Anukul Ubonnuch**
Managing Director

Education :

- ❖ Master's Degree in Business Administration
Kasetsart University
- ❖ Barrister at Law Institute
Legal Education Thai Bar Association
- ❖ Bachelor's Degree in Law
Ramkhamhaeng University

Joined JCK in 2002

2. **Mr. Kittawat Taechaubol**
Director Deputy Managing Director

Education :

- ❖ Master of Science in Real Estate
City, University of London
United Kingdom
- ❖ Bachelor's Degree in Management Sciences
The London School of Economics and
Political Science
United Kingdom

Joined JCK in 2014

Management

3. **Ms. Siriporn Tamenant**
Director Deputy Managing Director, Administration Information Technology
Company Secretary

Education :

- ❖ Master of Arts in English
Naresuan University
- ❖ Bachelor of Science in Business Administration (Finance)
Roosevelt University, Chicago, U.S.A.

Joined JCK in 1994

4. **Mrs. Rachanee Siwawej**
Deputy Managing Director, Finance

Education :

- ❖ Bachelor's Degree in Commerce
Thammasart University

Joined JCK in 1981

Social Development in the year 2020

JCK International Public Company Limited (the Company) and its subsidiaries recognize the importance of their responsibility to the community and society in every area the group has conducted the business, especially in the fields of caring for the environment, making relationship and providing benefits to be returned to the community.

In 2020, the Company organized the activities to support and develop the community regularly in the area which the Company has operated its business, whether in relation to education, improvement of quality of living and donation of items to the foundation to help those who face such hardship, including those who live in remote area. The Company emphasizes on the collaboration of the Company, the entrepreneurs, its staffs and the community. The main activities were as follows:

■ Project “TFD Blood Donation to Support Humanity”

The Company in cooperation with the Industrial Estate Authority of Thailand (IEAT), organized the project “TFD Blood Donation to Support Humanity” to help for medical purpose and there were also people who wish to donate their bodies, organs and eyes, at the office of TFD Industrial Estate, which were held 3 times in 2020.



■ Project “Environmental Governance” (so-called “White Flag, Green Star”)

The Company cooperated with the Industrial Estate Authority of Thailand (IEAT), to conduct the annual Environmental Governance practice (White Flag, Green Star) for 2020 to encourage the participation of people to monitor and supervise activities of industrial factories and to support the public to learn how to manage the environment and the safety of facilities in the Industrial Estate and to strengthen relationships with communities surrounding the TFD Industrial Estate.

■ Project “Annual Emergency Plan drills”

The Company joined with the IEAT and other entrepreneurs within the TFD Industrial Estate have conducted the emergency plan drills for level 1 and



industrial level to minimize the impact on the community during the emergency situation in the year 2020.

Other Activities that the Company Arranged with the Entrepreneurs and the Communities

■ Activities Program for the development of morality, ethics and quality of life for the elderly, disabled and disadvantaged people

The Company collaborated with the Theppharach Sub-district Administrative Organization had supported the development of morality and ethics to create the quality of life and improvement of mental health which can adapt for conduct of life for the elderly, the disabled and disadvantaged people including general public.



■ National Children's Day

The Company had cooperated with the Sub-district Administration Organization, the business entrepreneurs in the TFD Industrial Estate, the Industrial Estate Authority of Thailand (IEAT) and community leaders to bring learning materials, stationeries, sports equipment and consumables to hand on to students in schools surrounding the TFD Industrial Estate.



■ Make Merit Activity

The Company together with the Industrial Estate Authority of Thailand (IEAT), the entrepreneurs and communities surrounding the TFD Industrial Estate arranged the meritorious ceremony for the occasion of New Year 2020.

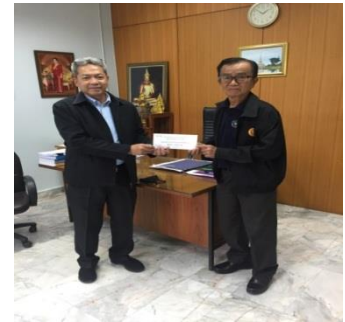
■ **Project “Mahadthai Paetrew Pun Sook”**

The Company altogether with the IEAT and the entrepreneurs cooperated to subsidy all essential items including dried food to the Project “Too Pun Sook” of the Tha Sa-an Subdistrict Administrative organization and the Thepparat Subdistrict Administrative organization.



■ **Project Eco Industrial Town**

The Company and the IEAT, entrepreneurs and the community have arranged the meeting to determine the guidelines and master plan of industrial estate development towards the eco-industrial cities.



■ **Red Cross Activity**

The Company together with Tha Sa-An Sub-District Administrative Organization supported the activity of “Red Cross Day” in Chachoengsao Province.

■ **Activity on The First Day of the Buddhist Lent**

The Company supported the first day of the Buddhist Lent activities by bringing Buddhist Lent candles to Tha Sa-An Temple and Sukha Ram Temple (Sam Yaek), Nong Chok Sub-district, Bang Pakong District, Chachoengsao Province, on the occasion of Buddhist Lent Day of the year 2020.



■ **Visiting the Community Leader who was involved in the accident**

The Company has visited Mr. Sompoch Tubtim, Village head, Village Head 3, Tha Sa-an Subdistrict, Bang Pakong District, Chachoengsao Province who had a car accident at Churarat 11 Hospital.

■ **Project ISO 14001 : 2015 Training**

The Company and the TFD Industrial Estate has organized the training course of the program for the ISO 14001 : 2015 system to upgrade the environmental management of TFD Industrial Estate.



■ **Project “Construction of a reinforced concrete bridge across the Ban Mu canal”**

The Company has organized the meeting to educate the project “the construction of a reinforced concrete bridge across the Ban Mu Canal” at Moo 3, Tha Sa-an Subdistrict, Bang Pakong District, Chachoengsao to the members of the Subdistrict Administrative Organization Council, the community leader and all villagers on October 21, 2020. The purpose of the construction is to benefit the community such as to improve the traffic jam, to decrease the accidents in the community, to support the expansion of the community in the future etc.



■ Project to support the educational support to the Chan Charoen School in Tha Sa-an Subdistrict, Bang Pakong District, Chachoengsao Province

The Company has supported the budget for the educational personnel to Chan Charoen School, Tha Sa-an Subdistrict, Bang Pakong District, Chachoengsao Province.



Principles on the Good Corporate Governance Manual and Business Conduct

Realizing that corporate governance helps strengthen trust and confidence among investors, financial institutions, business partners and other stakeholders in the business in a sustainable manner, the Board of Directors of JCK International Public Company Limited (hereinafter referred to as the “Board of Directors”) has adopted the principles of corporate governance (CG) and business conduct in “the Company’s Corporate Governance Manual and Business Conduct” as a guideline for directors, executives, employees and other related persons to comply with. The Board of Directors has periodically updated the CG principles as well as disseminated this and other information through the Company’s website at <http://www.jck.international>

In 2020, the Board of Directors has reviewed the principles appeared in the Company’s Corporate Governance Manual and Business Conduct to comply with the 2017 Corporate Governance Code (“CG Code 2017”) of the Securities and Exchange Commission (“SEC”), and also provided and promoted knowledge and understanding to the Company’s employees about the principles in the Company’s Corporate Governance Manual and Business Conduct, which considered as one of the disciplines to all of the Company’s employees to comply. Moreover, according to the compliance of such principles of the Company’s personnel last year, there were not any disobedience occurred.

The Company’s Corporate Governance Manual and Business Conduct can be divided into 11 important chapters as follows:

Chapter 1 Business philosophy

Chapter 2 The Board of Directors

Chapter 3 Ethics of the Board of directors, the management and the employees

Chapter 4 Reports on the finance, the management and the internal control

Chapter 5 Risk management

Chapter 6 Rights of the shareholders

Chapter 7 Equitable treatment of shareholders

Chapter 8 Role of the stakeholders

Chapter 9 Disclosure of the information and transparency

Chapter 10 Responsibility for the society and the environment

Chapter 11 The anti-corruption

Chapter 1 Business philosophy

The Company has the intention to be the best on the organization that does business on real estate development with good management, focusing on increasing the operation to be flexible with the capability in competition and can operate with optimization to the involved persons, including the stakeholders. Moreover, the Company is determined to be an organization with good ethics, transparency and accountability to increase the value to the business and acceptability by everyone involved.

From the said intention the Company has prescribed the philosophy in the business for the Board of Directors, the management and the employees to use as guidelines for the operations. It emphasizes the personnel to have good attitude with the learning behavior and development creatively and consciously on the overall society. The said philosophy consists of the following essence:

1. Main principles in the business operations and good corporate governance

1.1 Accountability is the responsibility on decision-making and self-action and can explain the decisions.

1.2 Responsibility is the responsibility toward the duty with adequate capability and effectiveness.

1.3 Equitable treatment is treating the stakeholders and all parties equally, justifiably and explicable.

1.4 Transparency is transparent operations that can be verified and the information disclosed to all involved parties.

1.5 Vision to create long-term value is having the vision to build added value to the business in the long run.

1.6 Ethics is maintaining the ethical value while doing the business.

2. Corporate Values

- 2.1 To the shareholders - It shall do business with sustainable growth and profitability, considering the good return on investment.
- 2.2 To the customers - It shall build satisfaction to the customers by presenting the products and services with high quality at the international-standard level at the fair prices.
- 2.3 To the employees - It shall support the development on capability of working at the professional level continuously with confidence for the life quality of the employees to be equal to the leading companies.
- 2.4 To the community - It shall be responsible for and has participated in development of the environment with good quality life for the community.
- 2.5 To the trade partner - It shall build good relations for mutual interest.

3. Corporate culture

- 3.1 Attitude
 - Having the ownership feeling.
 - Focusing the business interest as priority.
 - It is customer-centered.
 - Focusing the organization to have continuous development.
 - Having the conscience on team spirit with the mutual goal that is clear.
- 3.2 Thinking method - Thinking in analytical method with the strategic system and in-line issue.
- 3.3 Working behavior
 - Having the clear framework and working plan.
 - The working method can be adjusted according to the situation.
 - Working in teamwork.
 - Recording and collecting information for analysis and building as knowledge.
 - Having the system to transfer the working method systematically.
 - Knowing how to manage the time.

Chapter 2 The Board of Directors

1. Criteria and procedure for nominating directors and the high-level management

1.1 State of leadership and independence of the Board of Directors

-
- The Board of Directors under the leadership of the chairman shall have the state of leadership and can control the operations of the management efficiently and effectively to achieve the targets that are the heart of the business of the Company by building and increasing the investment value to the shareholders, the government sectors, the people and the stakeholders.
 - The Board of Directors should consist of independent directors with knowledge and capability, and should convene a meeting at least 4 times a month. The independent directors must access to the financial data and other business sufficiently to express opinions independently, keeping interest of those involved by attending the meeting regularly.
 - The Company requires that Chairman and Managing Director be elected from members of the Board of Directors and that they are two different persons where roles and responsibilities relating to policy, performance evaluation and management are separated from each other. The Chairman of the Board shall have leadership skills. His major responsibilities are to ensure that the Board is independent from the management, to adopt meeting agendas based on the Board's responsibility and to effectively chair the meeting of the Board of Directors and Shareholders by encouraging all directors to participate at the meeting.

1.2 Elements of the Board of Directors and the appointments

- The Board of Directors be comprised of:
 - Executive director,
 - Non-executive director,
 - Independent Director
- The Company aims to have the independent directors to be the most professional possible, but no less than 3 persons.
- The directors should come from the authorities in various fields to integrate the necessary ability, consisted of the persons knowledgeable in real estate development at least 3 persons, at least one legal-knowledgeable person, and one person in accounting and finance.
- Appointments of the directors should comply with the specific agenda, transparency and clarity by disclosing the number of years each director has been with the company in the annual report and the company's website.

1.3 Appointments of other committees

- The Audit Committee: The Board of Directors must appoint the Audit Committee as part of it from the directors at least 3 persons from which 1 person must have knowledge on accounting/finance. The Audit Committee must have the qualification on independence, according to the notice of the SET on the qualification and scope of operations of the audit committee to inspect/supervise the operations of the Company. It shall report on finance, internal control, selection of the auditor, and consideration on the conflict of interest, including reporting on governance of the business of the Audit Committee. At present, the Company has 3 independent directors who are members of the Audit Committee, and all 3 of them have knowledge for reviewing the Company financial report and relevant experience as follows:

1. Mr. Prasong	Vara-ratanakul	Audit Committee Chairman
2. Mr. Chetawan	Anuntasomboon	Audit Committee Member
3. Mr. Tawil	Praisont	Audit Committee Member

- The Corporate Governance, Nomination and Remuneration Committee: The Board of Directors on November 14, 2019 has appointed two independent directors as members of the Corporate Governance, Nomination and Remuneration Committee who are fully qualified according to the criteria of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) Re: Qualifications of independent directors. The two members of the Corporate Governance, Nomination and Remuneration Committee whose term of office is 3 years or until they are no longer the Company's directors, are as follows:

1. Mr. Prasong	Vara-ratanakul	Corporate Governance, Nomination and Remuneration Chairman
2. Mr. Chetawan	Anuntasomboon	Corporate Governance, Nomination and Remuneration Committee

In order to effectively perform their duties and to achieve their responsibilities as assigned by the Board, the Corporate Governance, Nomination and Remuneration Committee shall hold the meeting at least 2 times a year to consider and conduct any matters to achieve their responsibilities.

In addition, the Board of Directors clearly states a policy that independent directors shall serve on the Board not longer than 9 years consecutively starting from the date of their first appointment. In case of re-appointment, the Board shall appropriately review towards the necessity..

2. Characteristics and qualifications of the Board of Directors

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- The Board of Directors shall have the qualification and shall not have disqualification pursuant to the criteria under the Public Company Act.
 - The Board of Directors will thoroughly review performance of directors sitting in the board of various companies. In other words, each director should not hold directorship in more than 5 listed companies and non-listed subsidiaries.
 - The independent directors must have the qualifications concerning independency, according to the notification of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) Re: Qualification and scope of work of the audit committee, and can oversee the interests of all the shareholders equally, and no conflict of interest between the Company and the management, the major shareholders of other companies, which the management / major shareholders in the same group. Moreover, it shall attend the Board meetings and express opinions independently.
 - According to the rules and regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) Re: Qualifications of an independent director, determine the structure of Listed Company's Board of Directors that shall be at least 3 members of the Board membership is made up of independent directors and the sub-committee should be an independent director. The Company is able to determine the qualifications of an independent director over the standard of SET and SEC.
 - The independent directors must have the qualifications concerning independency from major shareholders, executives, and related person or director not being as executive of the Company, subsidiary, and associated companies. Those qualifications shall be in compliance with the rules and regulations regarding clause 16: qualifications of an independent director of Notification of the Capital Market Supervisory Board No. TorChor. 39/2016 Re: Application for and Approval of Offer for Sale of Newly Issued Shares as follows.

Qualifications of independent directors of the Company

1. Holding shares not to exceed 1% of the total shares with voting right of the Company, its parent company, subsidiaries, associates, major shareholders and controlling parties of the Company, provided that the shares held by the related parties of such independent director shall be included.
2. Not being or having never been an executive director, employee, staff, advisor receiving regular salary, nor controlling parties of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the Company, unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission

(SEC). Such prohibition shall not include the case that such independent director used to be an official or advisor of the government sector that is the major shareholder or controlling party of the Company.

3. Not being the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters and children. The prohibitive persons also include spouses of daughters and sons of other directors, executives, major shareholders, controlling parties or the person who is in the process of nomination to be the director or the executive or controlling party of the Company or its subsidiary.
4. Not having or having never had business relationship with the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholders, or controlling parties of any person having business relationship with the Company, its parent company, subsidiaries, associates, major shareholders or controlling parties of the Company, unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

The business relationship mentioned under the first paragraph shall include any business transaction in ordinary business manner, rent or lease of the immovable property, transaction related to assets or services, or provision or receipt of the financial support regardless of being lend or borrowing, guarantee, provision of assets as collateral, and any otherwise similar conduct which causes liability or obligation to the Company or counter party, provided that such liability is equal to or exceed 3% of the net tangible assets of the Company or equal to or more than Baht 20 million, whichever is lower. In this regard, the calculation of such liability shall be in accordance with the calculation method of the value of connected transaction under the Notification of Capital Market Supervisory Board governing the conditions of connected transaction to be applied mutatis mutandis. The liabilities incurred during a period of 1 year prior to the date of having business relationship with the above party shall be included on calculation of such liabilities.

5. Not being or having never been the auditor of the Company, its parent company, subsidiaries, associates, major shareholders or controlling parties of the Company and is not the significant shareholder controlling parties, or partners of the auditing firm which employs an auditor to the Company, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the Company, unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.
6. Not being or having never been the professional service provider, including a legal service or financial advisor receiving service fees for more than Baht 2 million per year from the Company, its parent company, subsidiaries, associates, major shareholders or controlling parties, and is not the significant

shareholder, controlling parties, or partners of the above mentioned service firms, unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

7. Not being the director who is nominated to be the representative of directors of the Company, major shareholders, or any other shareholder related to the major shareholders.
8. Do not operate the same and competitive business with the business of the Company, or its subsidiaries, or is not a significant partner of the partnership, or is not an executive director, employee, staff, advisor receiving regular salary, nor holds shares for more than 1% of the total shares with voting right of any other company which operates same and competitive business with the business of the Company or its subsidiaries.
9. Not being in any character which may hinder to express independent opinion regarding the business operation of the Company.

Such independent director may be assigned by the Board of Directors to make decision in respect of collective decision on business operation of the Company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders, or controlling parties of the Company.

3. Main duties and responsibilities of the Board of Directors and sub-Committees

3.1 Scopes of authority of the Board of Directors

1. To review and approve actions as required by the laws.
2. To regularly review the managing director's performance; to set managing director's remunerations.
3. To determine the business's vision and be responsible for the business's operation results and performances of the management by promoting attentiveness and prudence.
4. To review and approve major strategies and policies, objectives, financial goals, work plans and to regularly monitor the management for their compliance.
5. To set up a reliable accounting system, financial reporting and auditing as well as a process that evaluates the soundness of an internal control system and an internal auditing system to ensure their efficiency and the effectiveness of the Company's risk management, financial reporting and monitoring practices, at least annually as well as to disclose the review results in the annual report.
6. To supervise and resolve problems of conflict of interest among stakeholders.
7. To oversee the Board of Directors' practices to be in line with corporate governance and ethical work practices.

8. To be authorized to approve investment items and expenses in projects exceeding Baht 500 million in value which, however, shall be aligned with relevant regulations of the SEC, the Capital Market Supervisory Board and the SET.

The Executive Board of Directors shall be empowered to approve investment items and expenses in projects for a value not exceeding Baht 500 million, while Managing Director is authorized to approve investment items and expenses not exceeding Baht 100 million in value.

9. The Board shall ensure that the management regularly monitors, evaluates and makes reports on the company's financial status to the Board. The Board and the management shall ensure that any threats to the Company's financial liquidity and solvency are promptly addressed and remedied.
10. The Board shall ensure that it does not consciously approve any transactions or propose any transactions for shareholders' approval which could negatively affect business continuity, financial liquidity or solvency.
11. In the event of financial risk or difficulties, the Board shall enhance monitoring of the affairs of the Company and duly consider the Company's financial position and disclosure obligations.
12. The Board shall ensure that the Company has sound financial mitigation plans considering the stakeholders' rights, including creditor rights. The Board shall monitor the management's handling of financial risk or difficulties and seek regular reports.
13. The Board shall ensure that any actions to improve the Company's financial difficulties, by any mean, shall be prudently made.

3.2 Scopes of authority of the Sub-Committees

The Board of Directors has set up 2 sub-committees; namely the Audit Committee and the Corporate Governance, Nomination and Remuneration Committee, whose significant responsibilities are as follows.

3.2.1 Scopes of authority of the Audit Committee

1. To review the Company's financial statements to ensure that it reflects the Company's actual financial status.
2. To review that the Company has put in place an appropriate and effective internal control system and internal audit; to approve an appointment, transfer, termination and performance evaluation of head of the Internal Audit Department and to review the Internal Audit Department's independence towards its performance and reporting tasks as well as its line of command.

3. To review the Company's compliance with the laws on securities and exchange, the SET's requirements or other laws relating to the Company's business.
4. To review, select, nominate, appoint and propose the auditor's fee and to review the auditor's independency in case the Company's auditor provides other non-audit services which could lead to its lack of independence; and to organize a meeting with the auditor without the presence of the management at least once a year in order to seek opinions in various matters from the auditor.
5. To review compliance and information disclosure in the case of connected transactions or any transaction with a potential conflict of interest for the purpose of accuracy and comprehensiveness.
6. To prepare the Audit Committee's annual corporate governance report to be signed by Chairman of the Audit Committee. This report will be published in the Annual Report and sent to every shareholder. The report will feature the number of the Audit Committee's meetings being held during the year, meeting attendance of each of the Committee's members and their opinions in the following issues:
 - Accuracy, comprehensiveness and reliability of the Company's financial statements;
 - Adequacy of the Company's internal control system;
 - Legal compliance with the laws on securities and exchange, the SET's requirements or other legislations relating to the Company's business;
 - The auditor's suitability;
 - Transactions with a potential conflict of interest;
 - Overall opinion or observation that the Audit Committee has received from performing its duty based on the Charter;
 - Other information that shareholders and investors should learn based on the roles and responsibilities entrusted by the Board;
7. To perform other duties as designated by the Board upon the Audit Committee's approval.

3.2.2 Scopes of authority of the Corporate Governance, Nomination and Remuneration Committee

The Corporate Governance, Nomination and Remuneration Committee has a duty to recommend, supervise and review corporate governance practices of the Company as well as nominate those qualified as the Company's directors to replace directors resigning on rotation or in other cases. The Committee also reviews an evaluation system of performance of the Board and other

committees. It is responsible for a succession plan of the Company's managing director, which will then be reported to the Board for approval or for proposing to the Shareholders' Meeting, as the case may be. The Committee also studies changes and trends of director's remunerations and recommend it as a policy to keep quality people with the Company while acting as an incentive to help expanding the Company. Its jobs are as follows:

1. To review corporate governance policies and practices and business ethics to see if they are sound and adequate; and to improve and update such policies for continuity to present.
2. To monitor the compliance of a corporate governance policy and business ethics by the Board, the management and staff according to the Company's practices and policies.
3. To promote compliance with corporate governance policies and practices and business ethics for continued effect and to ensure that it fits with the Company's business.
4. To recommend the Company, the Board, the management and workgroups on corporate governance.
5. To determine how to nominate director or managing director systematically and transparently.
6. To nominate an appropriate person to be as a director or a managing director in case of vacancy for further recommendation to the Board or the Shareholders' Meeting, as the case may be.
7. To recruit future directors to replace those whose term is expired for further recommendation to the Board or the Shareholders' Meeting.
8. To nominate a director qualified as a member of the sub-committee for recommendation to the Board in case of vacancy.
9. To recommend how to evaluate performances of directors, the Board and the sub-committee and to follow up with the evaluation.
10. To review and propose amendments to the scopes of authorities and responsibilities of the Corporate Governance, Nomination and Remuneration Committee and to determine its remunerations that suit each situation.
11. To recommend any guideline on remunerations and the method to pay remunerations or other benefits to the Board, the sub-committees and the managing director with fair and reasonable criteria and to propose it to the Board of Directors for consideration.
12. To perform other functions as entrusted by the Board.

4. Role and Responsibilities for Chairman

The Chairman is responsible for leading the Board of Directors. The Chairman's duties should at least cover the following matters:

1. To oversee, monitor, and ensure that the Board efficiently carries out its duties to achieve the Company's objectives.
2. To ensure that all directors contribute to the Company's ethical culture and good corporate governance.
3. To set the board meeting agenda by discussing with the managing director and the Company Secretary and to ensure that important matters should be included in the agenda.
4. To allocate sufficient time for the management to propose topics and for the directors to debate important matters thoroughly, and to encourage the directors to exercise careful contemplation and with independent judgement.
5. To promote constructive relations between executive directors and non-executive directors, and between the Board and the management.

5.. Qualifications and responsibilities of Company Secretary

The Board of Directors shall appoint a Company Secretary to oversee activities of the Board and to ensure that both the Board and the Company comply with relevant laws, rules and regulations. The Company Secretary is to oversee the meeting of the Board of Directors and the shareholders as well.

Qualifications of Company Secretary

- Understand the Company's business and related roles and responsibilities of Company Secretary's functions, including having fundamental knowledge in principles of laws and regulations of governing

agencies, the laws on public company and the laws on securities and exchange. The Company Secretary is to seek knowledge from experts or legal advisors to strengthen his/her understanding.

- Being knowledgeable; understand and support the Company's operation to achieve the purposes under the principle of corporate governance and best practices on corporate governance.
- Refrain from seeking personal interest from the Company's business opportunities; be able to keep the Company's secrets; hold morale and ethic and take into consideration of all stakeholders; and refrain from action that could defame the Company's reputation and harm its image.
- Have excellent interpersonal skills; able to coordinate with both internal departments and external agencies.

Roles and Responsibilities of Company Secretary

- Give basic consultation and advice to the Board of Directors in respect of laws, orders and regulations of the Company, as well as to ensure proper and consistent compliance; as well as to make reports on any significant change in matter of laws to directors.
- Organize the shareholders' meeting and the Board's meeting in accordance with the laws, articles of association and proper practice;
- Prepare and keep documents of the Board of Directors and shareholders; namely registration of directors, invitation letter to attend the meeting of the Board and Shareholders, minutes of the meeting of the Board and Shareholders, annual report and quarterly financial statements;
- Keep the reports of interests filed by the directors or executives and make submission as required by laws;
- Have information and IT reports under his/her responsibility to be disclosed to governing agencies in compliance with the laws and the Company's rules and regulations on information disclosure.
- Contact and communicate with general shareholders to keep them informed of various shareholders' rights and the Company's news;
- Conduct any other function as entrusted.

The Company has appointed Ms. Siriporn Tamenant, who has proper qualifications as the Company Secretary on 14 November, 2007.

Name	Ms. Siriporn Tamenant
Title	- Director
	- Executive Director

Education

- Director Deputy Managing Director, Administration and Information Technology,
- Company Secretary

IOD Training course

- Master of Arts in English Naresuan University
- Bachelor of Science in Business Administration (Finance) Roosevelt University, Chicago, U.S.A.
- Ethical Audit Committee Program (ELP), Class 2/2015
- Advanced Audit Committee Program (AAP), Class 16/2014
- Director Accreditation Program (DAP), Class SEC/2014
- Role of the Chairman Program (RCP), Class 34/2014
- Effective Minute Taking (EMT), Class 8/2007
- Company Secretary Program (CSP), Class 22/2007
- Role of The Compensation Committee (RCC), Class 1/2006
- Risk Management Program for Corporate Leaders (RCL), Class 5/2016

6. Procedures on the Board meetings and the receipts of documents and data

- The office of the managing director to act as the secretary of the Company to hold board meetings, the shareholders' meetings, and to give advices on the various laws that the Board of Directors should know.
- The Company shall set the Board meeting schedule and agenda in advance and notify each director of the schedule so that each member of the Board can manage time to attend the meetings.
- The Board of Directors should dedicate and pay attention to the Company fully and shall be ready to attend the meetings regularly at least once every 3 months, and as required in special circumstances, but not less than 6 times a year. It requires at least one half of the total directors to attend the meeting in order to achieve the quorum. Absence from the Board meetings more than 3 consecutive times without reasonable causes shall be regarded as not wanting to become the Company's director anymore. If the meetings are not monthly, the Company should submit to the Board, for the month of not having a meeting, a monthly report on the Company's performance so that it can monitor the management's performance continuously and promptly.
- No less than two-thirds of all directors shall be present at the meeting of the Board of Directors when a resolution is adopted,
- All directors should attend at least 75% of all the numbers of the Board meetings to be held during the year.

- The Chairman of the Board should give approval on the meeting agenda by consulting with the managing director; however, the managing director should consider a request by some directors to put other important matters in the agenda in the next meeting.
- The Chairman of the Board should give confidence that the Board of Directors to allocate the time sufficiently for the management to present documents and information for discussion and adequately for the directors to discuss the important issues.
- The Chairman of the board should have the clear measure for the directors to receive the information involved in advance with sufficient time to study and decide correctly on the matters at each board meeting. Relevant documents for the meeting shall be sent to each director at least 5 business days in advance of the meeting.
- The Board of Directors can access to additional information by requesting documents, data, consultation and various services concerning the operations from the high-level management or the Company Secretary and may seek independent opinions from outside consultants, as necessary, to be supplemental in each meeting, at the Company's expense.
- The minutes of the Board meetings shall be prepared for clarity and reference.

The Board of Directors' Meeting attendance in 2020

Time (s) / Total

meeting

Name	Board of Directors	Executive Committee	Audit Committee	Corporate Governance, Nomination and Remuneration Committee
1. Dr. Apichai Taechaubol	7/7	2/2		
2. Mr. Prasong Vara-ratanakul	7/7		4/4	3/3
3. Mr. Chetawan Anuntasomboon	7/7		4/4	3/3
4. Mr. Tawil Praisont	7/7		4/4	
5. Mr. Gumpol Tiyarat	7/7			
6. Mr. Anukul Ubonnuch	7/7	2/2		
7. Mr. Krittawat Taechaubol	7/7	2/2		
8. Mr. Tseng Kuo-Chan	0/0			
9. Ms. Siriporn Tamenant	7/7	2/2		

Remark : * Due to the Covid-19 outbreak, which affected the international travel, Mr. Tseng, Kuo-Chan was unable to attend the Board of Directors Meeting.

7. Evaluation of the Board of Directors

Criteria for the evaluation of the Board of Directors

- The Board of Directors should prepare the self-evaluation form to be used as the framework for examination of the performance of the directors constantly.
- The Board of Directors should set its working standards with criteria and evaluation on its performance in order to compare with the criteria periodically.
- The managing director should participate in explaining the expectations from the Board of Directors.
- The Board should appoint an external consultant to facilitate a board assessment at least once every 3 years, and assessment results should be disclosed in the annual report.

The process and the evaluation of the Board of Directors

- The Board of Directors shall set up an evaluation form where the Board and the sub-committees shall conduct a self-evaluation on a group basis 1 time a year by using a reference from the evaluation form of the SET and the Institute of Directors (IOD) as a framework to check and improve the performances of the directors. The name of evaluated directors and the results derived from the evaluation will not be disclosed. The evaluation form of the entire Board consists of 4 topics as follows:
 1. Structure of the Board
 2. Strategy and directions of the Company
 3. Monitoring and evaluation of the management
 4. Responsibilities of the Board
- To evaluate performances of the Board of Directors, the self-evaluation surveys of each individual director will be gathered. Results of the evaluations in “appropriate” and “to be improved” columns will be added up and divided by the total number of directors conducting the self evaluation to come up with a percentage from all directors to present a summary of whether each of the topics is appropriate or to be improved.

8. Development of the Board and the management

- The Board of Directors encourages and facilitates the directors, executives, Company Secretary and related parties in order to attend coursework training to be organized by the Thai Institute of Directors (Thai IOD), the Stock Exchange of Thailand (SET), or other independent agencies to improve their performances. Whenever a new director is appointed, the management will provide documents and information to be beneficial to his/her performance, including to organize a session to introduce the Company's nature of business and direction to the new director.
- The Board requires Managing Director to regularly report a succession plan as well as to appoint a successor to replace executives at various levels in case they cannot perform their duty. All the information has already been stated in the Company's HR policy and HR development plan annually.

9. Separation of duties and responsibilities between the Board of Directors and the Management

The Company has clearly defined separate and respective roles, duties and responsibilities of the Company's Board of Directors and those of the management as follows:

- The Company's Board of Directors has the role of overall governance and oversight of the Company's business operations so as to ensure that they are in accordance with all legal requirements as well as the corporate objectives and regulations of the Company as approved by the Board Meeting together with the Company's policy on corporate governance, where by the Board of Directors need to make decisions with due care, integrity and in an honest manner for the maximum benefit of the shareholders.
- The Executive/Management Group has the duties and responsibilities to undertake normal operating activities of the Company based on policies determined by the Board, so as to achieve the established goals and corporate strategies.

Chapter 3 Ethics of the Board of Directors, the management and the employees

In order to show the intention of the Company in doing the business with transparencies, merits and responsibilities towards the stakeholders, considering the society and the environment, the Company's ethical standards are set for the Board of Directors, the management and all the employees to use as the guidelines in practices in conjunction with the Company's rules/regulations as follows.

3.1 Ethics of the Board of Directors and the management

To be in compliance with the above principles, the Board of Directors and the management shall conform with the ethics as follows:

1. The Board of Directors and the management shall perform their duty according to the laws, objectives and regulations of the Company and the resolutions of the shareholder's meeting.
2. The Board of Directors and the management must manage the business for the benefit of the Company, the shareholders, and the employees at present and in the future, as well as to maintain the image of the Company.
3. The Board of Directors and the management must manage the business with integrity for the benefit of the Company, the shareholders and the employees at present and in the future.
4. The Board of Directors must have the important role in the control and decision-making on the policy, including appointing the management to manage daily affairs, and each side has the responsibility on the duty towards each other to comply with the objectives and rules of the Company. The Board of Directors should give power to the management to do the daily operation fully without interfering by non-justifiable cause.
5. The Board of Directors and the management must not have conflict of interest or competition with the Company directly or indirectly.
6. The Board of Directors and the management shall manage the operations avoiding conflict of interest with the Company, so the management is effective and beneficial to the Company, including:
 - Not seeking personal interest from the directorship.
 - Not abuse the confidential information of the Company.
 - Not being a director or a management in a competing company.
 - Not having interest in signing a contract for the Company.
7. The Board of Directors and the management must manage the work carefully, and not to create any binding effect to the Company that may have conflict with their duty later.
8. The Board of Directors and the management must not seek personal interest from their working whether directly or indirectly.
9. The Board of Directors and the management must work on their duty in full capacity for the maximum interest to the Company.
10. The Board of Directors and the management must not be an important operator or shareholder or have a family member as a director or shareholder in the business or any business in the same condition and in competition or do the business with the Company regardless of for self-interest or for others.

11. The Board of Directors and the management must not do any kind of conduct that would deteriorate the Company's interest or grant advantage to the other person or company for self-interest or for others.
12. The Board of Directors and the management must determine to prevent and eliminate corruption of all kinds based on speediness, clarity and definiteness.
13. The Board of Directors and the management must be independent in decision-making and performing, including creating satisfaction from the correctness of the decision-making by the Board of Directors and the management.

3.2 Implementations by the employees

The Company's business is the real estate development both in the industrial and residential sectors. The Company shall optimize to the shareholders and that it is necessary to maintain professionalism, flexibility and independence to maintain those characteristics further. Therefore, the Company has specified the guidelines for the employees as follows:

- 3.2.1 She/he does the duty with responsibility, integrity, determination, dedication and observation of the rules and policies with interest of the Company as priority.
- 3.2.2 She/he strictly maintains the confidentiality to the customers, trade partners and the Company, by caring not to allow any documentation or information held as confidential to the Company to be exposed to the outsiders that may cause damage to the Company.
- 3.2.3 She/he respects in personal rights of other employees by avoiding bringing data or information of other employees concerning the operations and personal matters to be disclosed or commented in the way to cause damage to the employees or overall image of the Company.
- 3.2.4 She/he does not defame or do anything to lead into the internal division or damage to the Company or persons involved.
- 3.2.5 She/he maintains and creates unity and team spirit among the employees and helps to support each other for benefit to the Company's work on the overall.
- 3.2.6 She/he treats the colleagues with politeness, spirit and good human relations, by not concealing necessary data for the operation of the colleagues and being in good cooperation with other people, including giving honor to others by not claiming the work products of others as his own.
- 3.2.7 She/he shall behave and develop himself/herself for self-benefit and the Company by always seeking knowledge and experience to build working ability, adhere to the merits, and abstain

from all the vices, and not to behave in a way that may cause bad reputation to oneself and the Company.

- 3.2.8 She/he shall notify the superior or the audit committee if the Company or its management or any employee is found to do something in bad faith or corrupt practice.
- 3.2.9 She/he shall pay attention and help in anything to conserve the environment and atmosphere on working, including development of the organization to excellence.
- 3.2.10 She/he should avoid giving/receiving things, entertainment or any benefits from the trade partners or stakeholders of the Company, except for the benefit in doing business in the righteous way of the Company, or in festival or customary tradition at the suitable value. The recipient shall consider if the gift received in the monetary form or things with high value, he/she shall notify the superior and return it.

Chapter 4 Reports on the finance, the management and the internal control

- The Board of Directors should report on the status evaluation and trend of the Company, by summarizing in the terms that is easy to understand in the annual report of the Company.
- The Board of Directors must prepare the balance sheet, profit and loss statement and report of the auditor together with the annual report of the Board of Directors to be presented to the shareholders in the annual general meeting (AGM) for approval.
- There shall be an administrative report on analysis in various forms as the Board of Directors may require, in addition to the financial and audit reports.

The audit committee and the auditor

- The Board of Directors should provide the system that is official and transparent in maintaining relation with the internal and external auditors with the audit committee as the coordinator.
- The external auditor should confirm independency of himself each year to the audit committee, and the various methods used in the auditing office for confidence of independency of the external auditor.
- The auditor is entitled to verify the reports or other financial reports that the Board of Directors issues together with the financial report that it has audited, and can report the abnormality in the report that is inconsistent with the audited financial statement.

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- The audit committee has the duty to be responsible for the review of the financial report.
 - The remuneration on the audit and other fees paid to the auditor should be disclosed separately in the financial statement for transparency and independency of the auditor.

Internal Control

Realizing the significance of internal control and regular supervision, the Board of Directors has designated the Audit Committee to review and assess the internal control process. The Internal Audit Department which is independent from the management shall directly report to the Audit Committee to ensure efficient and effective performance. The efficiency of the internal control system shall be regularly assessed. The audit should cover everything including the financial control, operations, governance and compliance control, risk management and priority to the unusual items.

Chapter 5 Risk management

The Company assesses both internal and external risks that could affect its operation. It analyzes and ranks major risks based on impacts and potentials of the risks to strike each business process as a means to adopt a risk management plan. In addition, risk factors and circumstances are closely monitored.

The Company sets up teamwork or clearly authorizes to the unit within the Company for verifying and governing of the risk management such as financial risks, operation risks, business risks or event risk, etc. and to preparing the risk management report to be presented to the Board of Directors.

In addition, the Board of Directors also discloses risk management practices and risk factors in the Company's Annual Report and every time the level of risk exposure changes. This includes giving priority to advanced warning signals and unusual transactions. The Board of Directors also reviews the adequacy of the risk management process and risk management efficiency at least once a year or as deemed necessary.

Chapter 6 Rights of the shareholders

The Company recognizes the shareholders' rights and avoids any action that violates those rights as well as encourages the shareholders to exercise their right for controlling the Company by appointing the Board of Directors to act as their representatives to make decisions on any significant corporate changes.

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- The Board of Directors publicly discloses policies to encourage all shareholders, especially institutional ones, to attend the Company's shareholders' meeting.
 - The Company provides to the shareholders, in advance of meetings, with the date, time, venue, and all agenda items with the rationale or explanation for each agenda item or resolution in the notice of the annual general meeting or extraordinary general meeting or circulars and/or the accompanying statement.
 - The chairman of the meeting should allocate the time appropriately and promote expression of opinions and inquiries at the meeting and allow the shareholders to send their questions to the Company prior to the meeting date pursuant to the determined criteria for accepting advance questions. The Company also posts the process for submitting the advance questions on the Company's website.
 - The Board of Directors encourages the shareholders to specify their votes and allows the shareholders to appoint at least 1 independent director to be appointed as their alternative proxy.
 - The Board of Directors supports the Company to use technology in the shareholders' meeting, including in recording attendee registration, printing ballots and processing voting results for fast, precise and accurate meeting process.
 - Each director, especially the Chairman of the Board/chairman of the committees should attend the meetings of the shareholders to answer the questions by the meeting attendants.
 - The shareholders should have the right to vote for each item proposed, and the Board of Directors should not bundle many unrelated businesses for approval in one resolution. In addition, there will be separate voting in each item where there are several items into the same vote; for example, election of directors.
 - The Company appoints an independent party of scrutineers/inspectors to count and/or validate votes at the annual general meeting or extraordinary meeting of shareholders. This scrutineer shall be disclosed at the meeting and recorded in the minutes.
 - For the sake of transparency and inspection, the Board encourages the use of voting cards for important agenda items such as related party transactions or disposal of significant assets.
 - The Board make publicly available on the Company's website by the next working day the result of voting during the annual general meeting or extraordinary general meetings of shareholders for all resolutions.

Chapter 7 Equitable treatment of shareholders

The Board of Directors provides convenience at the shareholders' meetings with equal treatment for all, and nothing shall limit the information of the Company and the attendance into the meetings of the shareholders.

- The Company shall release its annual general meeting's notice, with detailed agenda and explanatory circulars from the Board to the Stock Exchange of Thailand and disseminate them through the company's website at least 30 (thirty) days before the date of the meeting. Moreover, the Company's notice of shareholders' meeting will be fully translated into English and published at the same time as the local language version. The Company will deliver an invitation letter to attend the meeting to shareholders at least 7 days before the meeting date or as required by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).
- The Company shall inform the shareholders of the meeting procedures and voting criteria, including the voting rights attached to each class of shares. If a shareholder who is in a management position shall not add any agenda item which is not being notified in advance, especially if it is an issue that will require shareholders to spend a good deal of time to study before deciding.
- The Board pre-determines the criteria on allowing minority shareholders to clearly propose any agenda item in advance of the meeting date, in order to indicate equitable and transparent measure whether or not such proposed item will be added. The Board also establishes procedures for the nomination of director candidates by minority shareholders via the Company's nomination committee 3 to 4 months prior to the meeting date, together with supporting information on the candidates' qualifications and their consent.
- The Board allows the shareholders to vote on individual nominee in election of directors.
- The Board has adopted a policy that requires any director having an interest in any agenda to refrain from attending the meeting in that agenda. The directors are to report their interests at least before the agenda starts which shall be recorded in the minutes of the Board of Directors' Meeting.
- The Company has a policy to continue executing connected transactions carried out at present in the future, subject to the corporate governance principle where conditions of the transactions will be aligned with ordinary course of business and at a market price which can be comparable to a price offered to the third party. In addition, the Audit Committee will take part in the process to review the soundness of the connected transaction's price and its rationality.
- The Board of Directors will comply with the laws on securities and exchange as well as regulations, announcements, orders or requirements of the Office of the Securities and Exchange (SEC), the Capital

Market Supervisory Board and the Stock Exchange of Thailand (SET) when executing a connected transaction possible taking place in the future. The Board will also comply with requirements to disclose information of connected transactions to be happened in the future which will remain relatively the same as present. However, the volume may be subject to change based on necessity and suitability to the business of the group of the Company.

- If the Company or its subsidiaries execute a connected transaction with a person who may have a conflict of interest, a stakeholding or a conflict of interest in the future, the Company will have the Audit Committee to express its opinion regarding the transaction's necessity and soundness. If the Audit Committee doesn't have any expertise to review such connected transaction, an independent expert or an auditor of the Company will provide an opinion instead for the Board's or the shareholders' decision-making process, as the case may be. The Company will disclose the connected transactions in notes to the financial statements as audited or reviewed by the Company's auditor.
- The Board establishes written procedures concerning the use and protection of inside information and communicates them to everyone in the Company to follow. Every director and executives regularly submit to the Board a report on their ownership of the Company's shares and this information will be disclosed in the the Company's annual report.

Chapter 8 Role of the stakeholders

- The Board of Directors is aware and gives confidence that the stakeholder of the Company will be treated carefully.
- The Board of Directors should report a non-financial data that shows the stakeholders are taken care and considered well in making a decision of the Company.
- The Board of Directors should fully specify who the stakeholders of the Company are and rank their priority for consideration without any mistake or failure in business operation at the end.

The roles of the stakeholders of the Company are segregated as follows:

8.1 Responsibility for the shareholders

The Company is determined to be a good representative of the shareholders in doing business in order to create highest satisfaction for the shareholders, considering the value growth of the Company in the long term and a good return on investment continuously at suitable levels. It shall carry on business

transparently and create confidence of the accounting system. To comply with said principles, the Company embraces these guidelines:

8.1.1 The Company's growth of value in the long term;

- It performs the duty with integrity and fairness to the major and minor shareholders for overall maximization.
- It manages by using the knowledge, ability and skill in full capacity, including carefulness and prudence in the decision-making in any cases.
- It shall not do anything to cause conflict of interest to the Company.

8.1.2 Disclosure of information

- It reports the status and the future trend of the Company to the shareholders equally, regularly and fully as it actually happens.
- It shall not seek any benefit for self-interest and to any involved persons, using any information of the Company not being disclosed to the public.
- It does not disclose any confidential data to outsiders, which may cause adverse effects to the Company.

8.2 Relationship with the customers

The Company is determined to create satisfaction and confidence with the customers to receive the good products and service with the quality at the suitable price, including maintaining good and sustainable relations, so it has set the guidelines as follows:

- 8.2.1 Producing quality goods and service with determination to develop the standard of the goods to have higher quality continuously, and revealing the information on the goods and service correctly and completely without distortion of facts and keeps up-to-date.
- 8.2.2 Providing warranty on the goods and service under suitable conditions.
- 8.2.3 Introducing the system for the customers to make complaint on the goods and the service, and operating the best for the customers to receive quick response.
- 8.2.4 Not making excessive profit compared with the quality of the goods or service in the same type or kind, and not specifying any trade conditions that are unfair to the customers.
- 8.2.5 Complying with the terms and conditions provided to the customers strictly, and if it cannot be done, notifying the customers in advance to consider a joint correction.

- 8.2.6 Keeping the confidentiality of the customers seriously and constantly, including not using for self-interest and for the involved persons illegally.

8.3 Relations with its trade partners, competitors and creditors

The Company shall consider the equality and integrity in the business operations and the joint interests with its trade partners in compliance with the laws and rules in a strict manner and good ethics in the business operations. While the business is in competition, the Company shall adhere to the rules on good competition, and the Company will comply with guidelines and fairness in borrowing money from the creditor and repayment. In order to comply with said principles, the Company has specified practical guidelines as follows:

8.3.1 Relations with the trade partners

- It shall not demand or receive or pay the benefit of any kind in bad faith to or from its trade partners.
- It shall comply with the existing conditions strictly with partners.
- In case of non-compliance with the conditions, it shall notify the trade partners in advance to jointly find the guidelines on solving the problems with justification.

8.3.2 Relations with the trade competitors

- It shall comply with the rules on good competition.
- It shall not try to destroy the reputation of the competitor by slandering with baseless allegation.

8.3.3 Relations with the trade creditors

- It shall maintain and comply with the conditions with the creditors strictly on repayment and care of securities, guarantees and other conditions, including not using the funds received from loans to be contrary to the objective in the agreement made with the lenders.
- Report the financial status to the creditors with honesty.
- Report to the creditors in advance if it cannot comply with the obligations in the contract, and try to find guidelines on a joint solution.

8.4 Responsibility for the employees

The Company shall regard the employees as a factor to its success, so it determines to develop, create culture and good atmosphere, including promote teamwork for confidence of the employees and that they can do sustainable work with the Company. The Company specifies the guidelines as follows:

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- 8.4.1 The employees to receive fair remuneration in the form of salaries and/or working compensation, including the various fringe benefits.
 - 8.4.2 To provide cares for the working condition with safety for the life and property of the employees.
 - 8.4.3 To appoint and transfer, including to present rewards and make disciplinary action with equality, honesty and justification based on the knowledge, ability and suitability, including the conduct or performance of the employees.
 - 8.4.4 To do priority on development and transfer of knowledge and ability of the employees by giving opportunity to the employees widely and regularly.
 - 8.4.5 To listen to the ideas and propositions from the employees at all levels equally and equitably.
 - 8.4.6 To comply with the laws and regulations concerning the employees strictly.
 - 8.4.7 To manage by avoiding anything unfair, which may have effects on the duty stability of the employees.
 - 8.4.8 To treat the employees with politeness and respect equally for everyone.
 - 8.4.9 To encourage the employees to have an opportunity to notify on illegality of the Company by reporting to the superior or the audit committee.

Chapter 9 Disclosure of the information and transparency

The role of the Board of Directors concerning the disclosure of information and transparency:

- The Board of Directors has the duty to disclose information on financial and non-financial report sufficiently, reliably, and in time for the shareholders and the stakeholders to receive the information equally as prescribed by the law, regulation and the public sector involved.
- The Company should prepare the corporate information carefully, clearly, and compactly, using simplified language with transparency and shall regularly disclose important information on both positive and negative sides which carefully not to cause users misunderstanding and confusion of factual information. The Company shall pay more concentration on contents rather than format and shall specify important information or relevant assumption in completion.
- The Company shall provide an investor relations unit to publicize/communicate informative data that is beneficial to the shareholders, the investors, the securities analysts and the involved persons to obtain the information of the Company.
- The Board of Directors should provide sufficient resources to help develop capability of the management in presenting information and communications.

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- In addition to disclosing information as specified in regulations of the SET, annual statements (Form 56-1), and annual reports, the Board shall disclose information, both in Thai and English, via the Company's website. All disclosed information will be up-to-date with the minimum information as follows:
 - Objectives of the Company.
 - Financial status and operation results of the Company (the current and the previous year).
 - Direct and indirect shareholding structure and the right to vote.
 - List of the directors, committees, the senior management and their remuneration.
 - Factors and policies on risk management that is visible, concerning the operations and finance.
 - Issues with essence concerning the employees and the stakeholders.
 - The Board encourages the company to make a Management Discussion and Analysis (MD&A) for each quarterly financial statement, to help investors better understanding of changes in the Company's financial status and performance in each quarter, not to be presented only with the figures in financial reports.
 - It should disclose in the annual report on the number of times that each of the directors and/or the sub-committees attending the meetings, compared with the number of times of the Board meetings and/or the sub-committees in each year, including the ongoing professional education or training of its directors, which are disclosed in the annual report.
 - The Board should ensure that audit and non-audit fees are disclosed.

Chapter 10 Responsibility for the society and the environment

Having a vision to be a business with social and environmental responsibility, the Company has set up a working committee to oversee environmental management issues when conducting business. A social responsibility strategy has been concretely adopted to maximize the management of various projects by improving environmental protection processes and practices and by conducting an environmental impact assessment before a project starts. The Operation Department may directly report the Corporate Governance, Nomination and Remuneration Committee when necessary. and the performance report must be reviewed at least once a year. In addition, a business review will be conducted from the perspectives of social responsibility, risk assessment and effects to sustainable growth where plan and practices to respond to the issue of social

responsibility will be strategically adopted. Moreover, in each year the Company will arrange the seminar to provide knowledges to the Company's personnels about the policy of social responsibility and the environment.

The Company and its subsidiaries are responsible for pursuing business on the basis of policies and plans adopted within the framework of social responsibility and are also responsible for strengthening our knowledge and understanding within the responsible context through the monitoring and the reporting. As a result, the Company has come up with the following practices with a view to pursue a sustainable business development:

- 10.1 By using a benefit from natural resources, the Company will consider the option with minimum impact on the society, environment and life quality of the people.
- 10.2 To support the creative activities for the society and environment regularly from the Company's profit.
- 10.3 To inculcate the conscience of social responsibility and the environment among the employees at all levels continuously and earnestly.
- 10.4 To give priority of all transaction deal with the trade partners who has the same goal in society and environment.
- 10.5 To treat and cooperate or control for strict treatment, according to the intention of the law and regulations, issued by the corporate governance section.
- 10.6 The Company regards it as a main duty and policy to give priority to the activities of the community and society, aiming for development of society, the environment, creativity and conservation of the good natural resources, including to support education to the youth and public activities that benefit the deprived communities to be stronger, self-reliant, and to be under the self-sufficient economy with creativity to skill and development of occupation to the general communities.

Chapter 11 The anti-corruption

To assure that the Company has put in place appropriate policy, practices and requirements to prevent corruption possibly incurred from the business activities and to encourage thorough decisions and actions that could potentially be exposed to corruption risk, the Company has adopted an anti-corruption policy in writing as a clear practice for the operation and for sustainable corporate development. Moreover, in each year, the Company will arrange a seminar to provide knowledges to the Company's personnel about the policy of the anti-corruption.

Roles and Responsibilities

1. The Board of Directors has roles and responsibilities to adopt a policy and to supervise a system that will effectively support anti-corruption practices. This is to create awareness among the management on the importance of this practice and thereby to promote it as a corporate culture.
2. The Audit Committee has roles and responsibilities to audit financial statements and the systems of financial and account reporting, internal control, internal audit and risk management for compliance with international standards while making sure that they remain precise, sound, sophisticated and effective.
3. Managing Director, the management and executives have roles and responsibilities to set up a system that will help supporting and communicating an anti-corruption policy to employees and related parties. They are also to review the soundness of the measures to reflect business, legal and regulatory changes.
4. An internal auditor has roles and responsibilities to audit and review compliance with policy, practice, authority and regulatory rules and laws to ensure that the Company has indeed an adequate and appropriate system against potential corruption risk. The internal auditor directly reports to the Audit Committee.

Practices

1. Directors, executives and employees at all levels are to comply with the Company's anti-corruption policy where they shall neither directly nor indirectly be involved in corruption.
2. Employees must not remain ignorant if witnessing action potentially qualified as corruption in relation to the Company. They shall report the incident to supervisors or responsible persons and cooperate with the examination process. In case of doubt or question, employees should consult with supervisors or persons designated to be responsible for such policy compliance through available channels.
3. The Company will protect and fairly treat employees who report or refuse to be involved in corruption in relation to the Company through measures designed to protect whistleblowers of corruption.
4. Corrupting is an offense and is subject to disciplinary actions based on the Company's regulations. Besides, corrupted persons may be subject to legal punishment if the action is found illegal.
5. The Company underlines the importance of disseminating anti-corruption information and knowledge and making the third party collaborating with the Company or whose action could affect to the Company comply with this anti-corruption policy.
6. The Company commits to promote and nurture the corporate culture that corruption is unacceptable when conducting transactions with either the public or private sectors.

Reporting of grievances and whistle-blowing

The Board of Directors has adopted whistle-blowing or grievance measures which allow employees or stakeholders to file complaints against legal violation, corrupted malpractice or improper behavior of the Company's personnel. In addition, measures to protect them are also adopted to enable stakeholders to effectively help protecting the Company's interests.

Issues to be reported

- Legal violation, corruption against the Company's regulations or wrongdoings committed by the directors, executives and employees.
- Unusual items in financial statements or defected internal control system.
- Matters that could jeopardize the Company's interests or reputation.

Channels of Grievance

Company's website: www.jck.international

Email: cs@jck.international

Address: JCK International Public Company Limited
18, Soi Sathorn 11, Yaek 9, TFD Building, Kwaeng Yannawa, Sathorn District,
Bangkok 10120

Tel: 0-2676-4031-6

All grievances will go through independent directors or members of the Audit Committee for investigation of the matter based on a process already adopted by the Company before reporting the result to the Board.

Whistleblower Protection Mechanisms

- A database of confidential information received from whistleblowers will be established. Only executives from Deputy Managing Director level and above will be authorized to access the database.
- It's the duty and responsibility of supervisors and heads of the person whose action is reported to protect whistle-blowers, witnesses and collaborators from being exposed to danger, threat or injustice resulted from such reporting, from being the witness or from confiding the information.

Significant Company's Policies

1. Policy on Human Rights and Human Resources Management

(1) Human Rights

The Company respects rights of employees and other interested persons without prejudicing to treat them on their own attitude, point of views, ethnics, skin tones, religions, genders, sexual favors, nationalities, ages, handicapped or any status that is deemed as the rights of human. The Company shall implement and apply reasonable human right's standards to every business transaction and shall concentrate on eliminating unfairness, selective treatment, threats and all other violation of rights. The Company shall not hire any illegal young labors, forced labors or slaves or forced overtime labors. The Company shall not hire any person of age lower than 16 years old, and underage labors shall not be absolutely hired, except for the case of compliance in legal and requirements on ages, hiring hours, remuneration payment, health and safety.

(2) Human Resources Management

The Company considers all employees as core resources that bring success, progress and sustainable growth to the Company through their teamwork and dedication. The Company aims to elevate the employees' capabilities to excel their performance by developing them in knowledge management and working culture and to providing them with sufficient and modern tools and equipment and competitive remuneration and welfare as those in the same business nature. The Company shall also create good working condition and environment and safety. The employees will work with integrity, concentration, dedication and compliance with the Company's interests being upheld. The management shall be responsible to manage human resources for utmost efficiency, performance and interest.

Factors of the policy to be used as guidelines are as follows;

(2.1) The policy and guidelines in relation to human resource recruitment

(2.1.1) The Company has a policy to promote progress of work for employees in all respect by which any vacancy of work position in the Company or its affiliate shall be initially recruited internally.

(2.1.2) The Company will not support any utilization of human resources on unnecessary basis. Therefore, any new recruitment shall be in compliance with the manpower plan both in quantity and quality as approved by the approving authority only.

(2.1.3) In recruiting personnel, the working unit and the responsible person shall consider.

- a long-term necessity for the Company relating to skills, consciousness, attitude and behavior of personnel to be filled in any vacancy.

- a possibility and difficulty in developing personnel to fill into the position as required by the Company in long term considering from a knowledge basis and potentiality of that personnel to fill into.

- The recruitment process shall be fair and transparent in every step.

(2.1.4) In recruiting personnel with qualification to match suitably with the manpower plan required by the Company, the working unit and the responsible person shall do as follows.

- For the Company's employees, there shall be a process to monitor and study work performance assessment in a proper system and proximity by regularly consulting with the head of unit.

- For the new recruitment, there shall be a long term and proper advance preparation.

(2.2) The policy and guidelines on the progress of work of the employees

(2.2.1) The Company has a policy to promote the employees for their success, progress and growth along with the Company.

(2.2.2) In obtaining a professional progress, the employees shall be responsible for their self-development with the support from the superior in providing information and suitable and possible guidance on the basis of the Company's need.

(2.2.3) The Company shall implement activities that support the employees' progress such as promotion, relocation, conference and training, special assignment and succession plan for instance.

(2.3) The policy and guidelines on the employees' remuneration

(2.3.1) The Company shall provide to the employees a remuneration payment system together with other benefits related to the employees' working on a fair and motivating basis comparable to those of leading

group of business of the same class and other related businesses. The working unit and the management being responsible for the remuneration administration shall make a frequent survey in the market place as necessary.

(2.3.2) In administration of the remuneration system, the financial capability and performance of the Company and the employees' capability and their performance shall be brought into consideration.

(2.3.3) The Company expects that the employees will be aware for their plans on quality of life. The Company, therefore, supports on the saving of the employees when they retire by setting up a provident fund for such purpose and the Company has contributed a portion.

(2.3.4) The Company provides welfares for the employees as deems necessary and appropriate in order to be as a support and security to the employees as much as possible. The Company expects that the employees will pay attention to and plan for their life for good health of their own and their families.

(2.4) The policy and guidelines on the employees' development

(2.4.1) The Company intends the employees to have working capability and skills to be as those of a leading group of business of the same class and similar. The Company will, therefore, promote and support the employees' development in every aspect regularly in order to achieve said goal.

(2.4.2) Every employees and superiors in any level shall realize the essence of attending the seminar and the training, and the employees shall attend the seminar and training as specified by the Company.

(2.4.3) The Company requires the employees to have willingness and strive for increasing their knowledge and skills regularly for sake of their own development.

(2.5) The policy and guidelines on work performance evaluation

The Company has an intention and a clear policy to provide a work performance evaluation system for the employees on an ethical and fair basis in order to maximize motivation of the employees' working performance.

(2.6) The policy and guidelines on discipline and complaint

(2.6.1) It is a duty and responsibility of all superiors to supervise and control the employees under his/her supervision to strictly comply with the discipline in order to prevent any fault or serious mistake to their work, other employees or to the Company.

(2.6.2) The employee who commits disciplinary fault shall be subject to disciplinary actions as appropriate in order to prevent a reoccurrence or more serious fault. Said disciplinary action shall be taken without malice, slander or unfair treatment.

(2.6.3) A violation in discipline, even it is the same mistake, may generate a different penalty if that mistake is a reoccurrence or committed by willingness or create impact or likely to materially affect the Company in a different way.

(2.6.4) The employee shall act in compliance with the behavior standards as regulated by the Company. Any employee who is non-compliant shall be warned by the superior or subject to disciplinary actions pursuant to the Company's policy and working regulations or guidelines as specified.

(2.7) The policy and guidelines on the termination of employment

(2.7.1) The employment status of an employee shall be terminated when

- decease
- resign approval
- resign approval before retirement
- disqualified or prohibited as specified
- retire
- terminate of employment

(2.7.2) For the termination of employment, it is a duty of the line superior to inform the employee under his/her report on the cause and the background for said termination of employment.

(2.7.3) The Company shall consider any benefits to be derived by the employee when his/her employment is terminated in conformity with the laws, regulations and policies pursuant to the cause of said termination.

(2.7.4) In order for the Company to be in competitiveness with other business, the Company may abolish or terminate any position that is deemed unnecessary or the employment of that position which is not performing.

2. Policy on Accounting and Financial Reporting

(1) Accuracy of the Company's Records

The record of the Company's businesses is essential for accounting and financial reporting which has to be accurate, timing, reasonable and reliable for submission to the management, shareholders, investors, governmental agencies and other related person. Therefore, it is important that all levels of personnel must strictly comply with accounting and financial control procedures, regulations and internal control system as well as accounting and financial requirements of the Company as follows.

(1.1) All business transaction of the Company must be recorded accurately and inspected without limitation or exception in any respect.

(1.2) Any accounting records and business records must be true without distortion or false statement regardless to whatever purpose.

(1.3) Every level of employees shall conduct business transaction to be consistent and conformed with regulations and requirements of the Company with a complete supporting documentation for all entries to the Company's business records. A sufficient and suitable information shall be timely supplied to a recording personnel who has a duty to record, prepare and assess the accounting and financial reports in order that he/she shall be able to record and prepare all types of the accounting and financial record of the Company into the accounting system with accurate and complete details.

(2) Accounting and Financial Reporting

The personnel who has a duty to record, prepare, assess and maintain information and/or all types of accounting and financial records of the Company shall always realize that the Company pays high respect with accuracy of all records for accounting and financial reports preparation by using appropriate accounting policy and regularly conducting and complying with generally accepted accounting principles and disclosing sufficient important information and in accordance with the Company's accounting and financial requirement that

(2.1) All employees shall not distort information or make false statements whether or not they are business information relating to accounting or financial or information on operation;

(2.2) All employees shall realize that the accuracy of accounting and financial reports are joint responsibility of the Company's Board of Directors, management and the personnel who is responsible in accounting and finance.

(2.3) All employees who are involved shall be responsible in preparing and/or providing the business information records.

(3) Legal Compliance

(3.1) The personnel in all levels shall comply with regulations and related legal requirements in order to ensure that accounting and financial records of the Company are accurate and complete as well as the performance in their other responsibilities.

(3.2) The personnel in all levels shall abide with honesty, without prejudices, and with integrity in keeping records. Said integrity means to include non-involvement in any illegal or unethical activity.

(3.3) The Company absolutely prohibits to record false statements or an intention to create misunderstanding records.

3. Policy on Internal Control

(1) Objectives of the internal control

"Internal Control" is the process of working or implementing the job that the board of directors and personnel of all levels of the Company have provided for reasonable assurance on the operations of the Company to achieve the following objectives:

- The operations shall have efficiency and effectiveness by achieving the goal of the Company, including caring not to lose or misuse the assets.
- The financial reporting must be accurate, reliable and in-time presentable.
- The implementation and compliance requirements shall be performed strictly under the rules, regulations and the laws of securities and the Stock of Exchange of Thailand, or the laws relating to business of the Company.

(2) Importance of the internal control system

The internal control system is the important mechanism that provides reasonable assurance to the management.

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- To reduce business risks.
 - To do business effectively with suitable allocation of the resources and to achieve the established goals.
 - To prevent missing, damaging or losing of assets from any corrupt practice.
 - To assure the accuracy and reliability of the financial reporting.
 - To support the personnel to adhere to the laws and rules involved.
 - To provide protection on the investment of the shareholders.

The internal control is the main factor behind the success of all business either in government or private sectors. No matter what the business classification is, the management, as the leader, must perform their duties not only to properly set up various elements and environment of internal control within their units, it should also:

- Create mind-set and encouragement to subordinates of all levels to realize the importance of constant and continuous coordination and adherence to the measures and mechanisms of the internal control system set up by the management to achieve the established objectives.
- Regularly monitor and evaluate the result of internal control in order to obtain suitable strategies and mechanism under the variation in difference circumstance of risks.

The internal control, regardless of design or implementation, shall give only confidence at the reasonable level as it can be protective from loss, waste or the operation will be accomplished and become effective. However, it can not assure or give confidence of the business success, because the internal control has several limitations, which mostly involving with the human behavior.

(3) Policy on internal control of the Company

The Company emphasizes that its management must be aware of the importance of internal control which is adequately efficient to acceptable risk level and suitable with the circumstances of the job or activity of that units. It divides the duties and responsibilities concerning the internal control of the Company as follows:

(3.1) The board of directors as well as the audit committee must perform their duties and responsibilities to provide the effective internal control system, to manage and control of risks in the suitable level and by specifying the policy concerning to the internal control system, risk management, and monitoring of the evaluation constantly whether or not the established system goes as planned. However, the audit committee

has the duty to review that the elements of the internal control system of the five aspects are complied with effectiveness as follows:

- The business has good control environment.
- The business has proper procedure of risk assessment.
- The business has good control on activities
- The business has good system on information and communication.
- The business has good system on monitoring and evaluation.

(3.2) The management has the duty and responsibility to fulfill the policy which the board of directors has delegated, so the Company determining the management to treat the internal control as important. The management has the direct duty and responsibility to provide the internal control system in the Company, including works or various activities of all levels or latent in the business methods of the management function by:

- The senior management shall provide the internal control that covers all elements in the Company, encouraging the subordinates to have discipline and good conscience on the internal control.
- The middle management shall provide the internal control to their works with the responsibility to evaluate the efficiency of the internal control, adjust the system to be concise and review on its compliance.

(3.3) The employees of all levels must perform their duties in compliance with all laws, regulations, rules, announcement, policies, plans, measures, and the internal control system the management has established by focusing on the importance and conducting their duties consistently and regularly to ensure the efficiency of internal control system. As a result, the operations shall comply with the goal effectively and economically. All the employees must have the conscience to be aware of the importance of the internal control.

(3.4) For the internal control framework, the internal auditor has duties and responsibilities in evaluation of the internal control, and examination of the operating system, periodically and regularly in order to assure that various control measures are suitable with all significant situation, circumstance and incidence of risk. The internal auditor shall recommend the senior and middle managements in order to provide the efficient internal control measures for the company's business units, which shall become as a policy that the internal auditor shall be independent in conducting appropriate examination as he/she deems suitable in accordance with the professional standards of internal audit.

- The internal auditor has the right to request for checking the assets and activities, including the books, accounting, supplementary documents on the records and bookkeeping, correspondences and reports involved.

- The internal auditor can ask the audited units to give data, explanations and delivery of the documents on the audited matters.

In this regard, the personnel of all levels must provide full cooperation and to provide the completion of information needed by the internal and external auditors which their duties is examination and evaluation to ensure that the internal control sufficient and effective as intended to respond with the company goal, and give recommendation for improvement, as it deems appropriate.

4. Policy on Risk Management

In the conduct of business, the Company has to confront several risks and uncertainties which can materially affect its incomes, profits, assets, liquidity and share price. Since today's connection between financial and economic activities has been very sophisticated, the Company therefore has to adjust itself to face with economic dynamism that could affect the Company's business direction, strategy, decision-making and its operation. As a result, to minimize business volatility, the Company has adopted an integrated risk management process in writing covering product risk, income risk as well as risk from natural disasters, competitions, finance and lending both at the management and operational levels to be used as the direction in order to significantly achieve its goals and targets.

Aside from these risks, there could be other risks that the Company is not aware of or cannot yet identify at the moment. In addition, certain risks that it believes having no material effect at the moment may become significant in the future. The stakeholders should, as a result, consider both the impacts and possibilities and other possible risk factors that the Company may confront aside from those stated here.

(1) Employees at all levels shall be responsible for risk management. They must be aware of operation risk both in their functions and within the organization where risk management shall be determined how it should be managed at an appropriate and sufficient level.

(2) The Company shall promote and support risk management to be as an important tool to manage the Company. The risk management system shall be a part of a decision-making process, strategic planning as well as the Company's action plan and operation. The risk management system shall also be directive for the Company to achieve its objectives, goals, visions, mission and strategies. Personnel of all levels must understand and collaborate in the implementation of risk management for a good corporate image, to strengthen its corporate governance (CG) practice and operation excellence and to create confidence of shareholders or stakeholders.

(3) Financial and non-financial causes of risk that could affect the Company shall be identified and risk shall be assessed whenever there is a change of risk factors affecting the Company's investment funds.

(4) Types of risk and acceptable levels of risk shall be identified for use as criteria to respond to the Company's risks.

(5) Risk prevention and mitigation guidelines shall be adopted to avoid possible damage or loss. In addition, the Company shall regularly monitor and evaluate risk management results quantitatively and qualitatively for better accuracy.

(6) The Company shall introduce a sophisticated information technology (IT) system to manage the Company's risks and it should enable personnel at all levels to extensively access risk management information. Besides, the Company should put in place a risk management report mechanism to allow the Board to efficiently manage the Company's risks.

In addition, the Company has determined roles and responsibilities and approval authority regarding risk management. It has already posted the risk management policy and procedures on its website for ever work units to acknowledge and conform. Besides, a risk management report has been prepared and submitted to the Board for refinement of the Company's risk management plan.

5. Policy on Conflicts of Interest

(1) Policy on conflicts of interest

The policy of the Company related to conflicts of interest is based on the principle that any decision-making of the personnel at all levels for business activities must be for the best interest of the Company. Said decision shall be made free from influence of personal gains, including those for family tie or close associates that may affect the decision-making to decide which the best interest of the Company is. Especially for all personnel to work full time for the Company in full capability, they should not have interest in other business outside the Company which may lead to take the working time off or detract dedication to the duty or responsibility for the Company and may cause damage to it.

The conflicts of interest will happen when the personnel of all levels, or their family ties or close associates gain the personal interest, whether on financial or any other matter in activities which may receive interests from the decision-making of that person in performance of his/her duty to the Company or access to its activity or future plans.

The Company deems to be the duty of personnel of all levels to avoid having involvement in finance and/or relation with the outsiders, which may result the Company to lose interest or cause conflict on loyalty or interest or obstruction of effective performance.

The Company has the policy to safeguard its justified interests, while at the same time to have a minimum limit on the scope of freedom in various activities of the personnel of all levels.

(2) Examples of the situations on conflicts of interest

The personnel of all levels should take the following circumstances as guidelines for their self-interest and consider them as important matters for working. Disclosure and consultation in steps will help solving problems or leading into further appropriate solutions. If any doubt exists, employees are to seek guidance from their management or

(2.1) General investment

The general rule of this matter is that the personnel of all levels, their family members or close associates must not hold the shares or receive any interest from the competing companies or any enterprises,

including the customers, trade partners/sellers that the Company has contact. The purchase of shares of the listed companies in the SET or investment via the mutual fund or investment units is not conflict of interest, as long as it does not affect the performance with the Company.

(2.2) Supply of goods and services to the Company

The conflict of interest may arise if the personnel at the level, their family members or close associates are the suppliers of goods or service to the Company as a trade partner/seller and if that person can lead or have influence to said operations, although no duty involved in the business operations of the Company with that business dealing.

In the event that the personnel of all levels of the Company have a family member or close associate as an employee, owner, customer, trade partner/seller or competitor, and that person participates in the decision-making dealing with the business related with that enterprise, it shall be regarded as conflict of interest.

Likewise, if the customer, trade partner/seller or employee of a competitor has a family member as employee of the Company, then it is not appropriate to authorize that person the power to influence on a decision-making in the Company's activity involved with the family member.

The Company shall not buy or lease property, equipment, raw material or use service from an employee of the Company, his/her family member or close associates, and will not sign a contract for that matter (except the employment contract), unless it is a special case and approved in writing from the Managing Director.

(2.3) Entertainment and gifts

The personnel of all levels should not accept any entertainment, gifts, passenger tickets, sports tickets and other tickets or any offers for recreation or entertainment or offers that are personal matters involving their duty in the Company, if such action can lead to binding the Company or cause them to be put in the situation of conflict of interest.

(2.4) Accepting academic task as a lecturer or public service or any positions

The management and employees can participate in outside activities with appropriate reasons. In several cases, the Company encourages its personnel to participate in external activities as it deems those

activities may expand the perspective and experience to its personnel, which may help to improve the job of these personnel to the Company. The personnel who accept the jobs in professional institutions as lecturers, public service or offices such as a director, consultant, etc. must ask for approval from the Managing Director before taking acceptance of the job or title. The employees who have received approval should always realize that they would not bring the Company or his/her title to bind the outside activity, except by approval to do so.

In the event that the management or employee is appointed the secretary of any committee of the Company or an agent in the management of a project or a director in a joint venture or subsidiary of the Company, this shall not be regarded as a conflict of interest.

(3) Definitions

“Family members” means the persons with relation to the personnel of all levels from the bloodline or legal marriage, including legally adopted persons.

“Close associates” means the person with involvement with the personnel of all levels in any relations closely.

6. Policy on Confidentiality

(1) Protection of Company’s Confidentiality

(1.1) Directors, management personnel and employees of the Company will sometimes have to deal with data and documentation that will not be disclosed to third parties and/or is classified as a trade secret. The protection on the kind of data is vital to the Company’s success in the future as well as to the security of everyone at work.

(1.2) Personnel in directorship, management and staffs have a duty to accept legal obligations and ethical standards not to disclose any data and documentation that are classified as confidential or trade secret for duration of two years after their employment is exited.

(1.3) Every personnel are required to understand data protection procedures that are developed to protect data that is confidential and to prevent the confidential data to be disclosed without intention.

(2) The Type of Confidential Data

(2.1) A trade secret is internal confidential data of the Company which shall be protected and not to be disclosed to public. Sensitivity of those confidential data can be segregated into several types from minimum to maximum, for example a type of information designated as “Disclosable”, “Classified”, “Confidential”, and “Strict Confidential”.

(2.2) The mutual use of internal data shall be in a measure that is assigned to his/her duty and responsibility only.

(3) Measures for Data Release to Public

(3.1) Any data that will be released to public shall be approved by Managing Director by which the Managing Director will release it by himself or assign someone to release or answer.

(3.2) Data relating to other co-investors shall be approved by the co-investors.

(3.3) A central office that will release data to public is Office of the Managing Director and Office of Investor Relations and an internal office will act for correspondence to staffs.

(3.4) The office holding the data will provide fact sheet and coordinate with Managing Director, the Office of Managing Director and the Office of Investor Relations before public release.

(4) Public Release

There shall not be any public release or opinion to public. In case any third party asks a question, the personnel shall ask himself/herself if he/she has a duty to provide the answer. If it is not the duty, the refusal shall be politely presented and advised to further contact the Office of Investor Relations.

7. Policy on Security Trading

(1) The Board of Directors and designated management, which include their spouse and children who have not reached legal age, have a duty to report the holding of their security in accordance with regulations issued by the Stock Exchange of Thailand (SET) and the Stock Exchange Commission (SEC) in which the Company rules that the directors and high-level management personnel shall report their security trading to the Commission at least 1 days prior to the trading date.

(2) Insider Trading

As a listed company in the Stock Exchange of Thailand (SET), the Company shall conduct any measure equally and fairly to all shareholders. In order to prevent any illegal act by all levels of personnel of the Company as well as their family members who receive or likely to receive any insider information that has not yet revealed to public, the Company therefore prohibits those persons to buy or sell shares of the Company, or invite other persons to buy or sell or propose to buy or sell shares of the Company whether by themselves or through any broker while those information is still under their custody without public release. The Company and the Stock Exchange of Thailand (SET) hold that the transaction for such stock buying or selling is speculation or creation for advantages to any group.

(3) Preventive Measures

To ensure compliance with applicable policies, the Company shall implement the following.

(3.1) Limit accessibility to non-disclosed information to public and allow for only related and necessary persons to access.

(3.2) Set-up a security system in working places to protect information files and classified documentation.

(3.3) Retain the owner of non-disclosed information to public to control the personnel related to those informations to be in compliant with the strict preventive measures.

(4) Penalty for Insider Trading

A violator of the policy will be resulted in disciplinary action and/or legal action as the case may be.

8. Policy on Information Technology and Telecommunication

The Company's information technology is essential to support the Company's business. The use of information technology and telecommunication is joint responsibility of all personnel to use it in an appropriate manner consistent with the Company's business policy and this policy.

(1) Security Protection of Information Technology

The Company has arranged information and information technology which are essential for the personnel to utilize in the Company's business. Every personnel has a duty to protect and oversee those information and information system of the Company that are in their custody not to be utilized by outsiders without permission.

(2) Utilization of Information Technology

Process control systems and computer devices are set to support the Company's business operations only. The employees shall not use the same for privately use or illegal acts. The Company reserves the right to suspend or inspect computer systems or other related equipment belongs to the Company if it appears a doubt in any conduct that may lead to any damage of the Company or other person. In order to utilize any process control system of the Company in a proper manner and not violate any other person's rights, all working units shall use the system and computer software that are procured rightly and in consistent with the Company's standards only.

(2.1) Internet Usage

- The access right to internet from the Company's information system is rightfulness to the Company in order to assign any person to use or not to use or to control the usage of internet from the Company's information system for the Company's utmost benefit.

- The employees shall avoid using any inappropriate internet sites or that of poor ethics and shall not disseminate contents from those internet sites to others. The Company reserves the right to close accessibility to those inappropriate internet sites and follow the employees' internet usage.

- Internet activities are deemed as public usage. The users shall consider the use with carefulness. Sending internet mails for any classified business information shall be properly conducted in consistent with the Company's standards.

(2.2) Electronic mail (e-mail) Usage

- The Company has provided electronic mail (e-mail) system for the Company's employees in all levels to use in communication for its business. Personal usage may be conducted as necessary but not for personal business purpose. The users shall contribute careful consideration in using the e-mail system that may affect to the Company's image or cause damage to the Company or violate the rights of or cause nuisance to others or is illegal or break morale.

- Sending e-mail through other person's name without permission is subject to disciplinary action.

- The Company reserves the right to examine contents in e-mails by personnel assigned by the Company in case where there is a doubt in any conduct that may cause damage to the Company or the others.

(2.3) Accessibility

- Only the assigned personnel shall be able to access to information or programs whether they are in the form of computer files or other forms. An attempt to violate the rights or other actions is subject to disciplinary action.

(2.4) Telecommunications Usage

- The Company has provided telecommunications system for the Company's employees in all levels to use in communication for its business. Personal usage may be conducted as necessary but not for personal business purpose. The users shall contribute careful consideration and ethics in using telecommunication devices that may limit the rights of or cause nuisance to others and shall consider business interests to the Company.

(2.5) Individual Rights

- The employees shall tribute ethical manner in using process control system and computer devices in the Company's network without violating rights of the others.

- The use of computer or other equipment in relation to the service of information technology or telecommunication devices are joint responsibility of personnel at all levels in order to use them in appropriate manners and reliable pursuant to the Company's business standards and in consistent with the policy and business conducts of the Company.

9. Policy on Non-infringement of Intellectual Property

The Company does not support any conduct that is infringement of intellectual property or copyright which demonstrates the Company's intention to undertake business with fairness with following procedures.

- Any products resulted from working performance is fallen into the Company's intellectual property.
- Any products or information of a third party derived by or to be used within the Company shall be examined to ensure that it will not infringe intellectual property or copyright of the others.
- There shall be examination on procurement of computer systems up to installation to use and prepare software database or other computer programs currently used in the organization in order to ensure that all conducts are consistent with the law concerning computer offence B.E. 2560.

10. Policy concerning Quality, Safety, Health and Environment

The Company undertakes real estate development business both industrial and residential sector with specially focus on quality, safety, health and environment. The Company commits to do every step to reduce and protect impacts on the quality, safety, health, environment and any operation of the Company to stakeholders, all of which will lead to customers' satisfaction, safety in lives and assets of workforce and public and creation of good social environment. To achieve the aforesaid, the Company has set operational outlines as follows.

- (1) The management and all employees shall implement quality assurance, safety, health and environment as a part of their work in order to generate efficiency, proficiency and highest working value.

(2) The management and all employees will adopt and strictly comply with the laws, policies, regulations and standards on quality, safety, health and environment.

(3) The Company will control and prevent any losses that may incur in any form due to accident, incident, injury or sickness from work, property loss or damage, violation on safety system, incorrect operation process and other mistakes, and protect working environment for safety to workforce. It is a duty and responsibility of management and workforce to report accidents and incidents in conformity with the specified measures.

(4) The Company will provide public relation and communication to create understanding and disseminate related information on policy, regulations, procedures and other warning notices on quality assurance, safety, health and environment to workforce, employees of contractors and related stakeholders for their proper compliance in order to prevent harm to health, assets and environment.

(5) The Company will promote and provide awareness on quality assurance, safety, health and environment to be normal way of life of the workforce.

(6) The Company will seriously and continuously participate in social responsibility on quality assurance, safety, health and environment by realizing the importance of environment and safety for related stakeholders as well as in promoting social activities in protecting environment and develop quality of lives in community pursuant to sustainable development.

11. Policy on Procurement

(1) Policy on Supplies Procurement

To implement the Company's supplies procurement in expedite, correct, save and reliable measures, the Company has therefore defined procedures in procurement of supplies to be in place with efficient process and standards consisting with the change in knowledge and business technology at all times. The following are

policies specified to monitor work performance in every step and to clarify working procedures for the workforce to correct implementation.

(1.1) The supplies shall be procured with utmost benefit to the Company by being alert that requesting units need to obtain supplies right to their purpose without any environmental effect by considering policies on quality, safety, health and environment of the Company.

(1.2) The Company does not intend to take advantage from vendors, hence, the consideration in relation to procurement of supplies shall be taken not only for interests and damage which may be incurred to assets of the Company but interest and damage to be incurred to reputation and image of the Company to third parties shall also be taken into account.

(1.3) The procurement of supplies shall be opportunity reasonably open to all competitive vendors for interest of the Company based on the accuracy, fairness and validly sound collectively.

(1.4) The Company's regulations, policies and orders shall be followed in strict at all times.

(1.5) Advance planning for supplies procurement shall be implemented to avoid urgent procurement without reasonable.

(1.6) Procurement for supplies and services from Thai nationals shall be encouraged.

(1.7) Supplies procurement shall be systemized and complied with knowledge on tidy control and shall be promptly adjustable in consistent with changes in knowledge and business technology.

(2) Procedures

The Company has a procurement policy under audit control pursuant to regulations specified by the Company for protection of the Company's interest with consideration on integrity, reasonable economy and fair treatment to vendors. The following are procedures to be used as outlines for implementation.

(2.1) The procurement for supplies

(2.1.1) The personnel shall do procurement with an important principle that is to obtain supplies/services with quality as demanded by users in timely manner and reasonable prices under clear, transparent and fair processes.

(2.2.2) The personnel will provide accurate, clear and complete information to vendors with openly procedures and provide equal opportunity to the vendors.

(2.1.3) The personnel will listen to any opinion or suggestion from the vendors in order to improve or correct problems at work.

(2.1.4) The personnel will keep any information derived from each of bidders or co-bidders confidential and not to disclose any prices or technical information derived from one vendor to other vendors for own benefit.

(2.1.5) An invitation to enter bid shall be for a purpose of fair competition to all bidders.

(2.1.6) Not to seek opportunity for gains from the vendors' mistake in proposal or their requirement.

(2.1.7) The procuring management shall use due consideration in providing consultation and suggestion to the procuring personnel and listen to their opinion.

(2.1.8) The procuring management will control and oversee procuring conducts for strict and standardized conformance. Failure to do so will result in further investigation and disciplinary action.

(2.2) Negotiation

(2.2.1) Negotiation is based on business relationship in contemplation to appropriateness between interest of the Company and fairness to the vendors.

(2.2.2) Negotiation will be done openly and documented and verified by the authorized person and/or the stakeholders.

(2.3) Relationship with Vendors

(2.3.1) The relationship will be laid upon the vendors as appropriate in business and with fairness.

(2.3.2) No demand to or acceptance from vendors of any assets or interests, whether directly or indirectly, to gain benefits between each other is allowed.

12. Policy on Business Conduct with Responsibility to Social and Environment

By vision to be a company with responsibility on social and environment, the Company has established a working committee to develop a system for managing good environment at every section. A strategy on social responsibility is firmly created and covered in management of every project with highest efficiency. This includes improving working processes, procedures and measures to look after environment as well as to support in studying impacts to environment prior to commence any project of the Company. The operation section is allowed to directly report to Committee of Good Corporate Governance, Selection and Remuneration as deemed necessary. An annual report will be done at least once a year to review business conduct on the social responsibility perspective, risk assessment, opportunity that may affect sustainable growth as well as the guidelines and plans to reflect social responsibility strategically. The Company and its subsidiaries are responsible to undertake process in accordance with policies and guidelines on the context of social responsibility as well as to enhance knowledge and understanding in that context and to monitor and report the results for sustainable development. The Company has therefore specified the guidelines as follows.

(1) Business Conduct

JCK International Public Company Limited conducts real estate businesses which can be divided into 6 categories from its core revenue businesses as follows,

1. Industrial estates
2. Sell and lease of land, ready-made standard factories, warehouses and management
3. Service business on lease of office space and asset management on real property
4. Contractor on building, design and construction control

The Company management is to conduct the businesses with standards of ethics and good corporate governance with open, transparent, just and verifiable together with mindfulness to social and environment. The Company opines that every organization should participate a part to assist and develop social and environment simultaneously with the growth target of business by developing mutual interests between the business and the social to support each other for growth. The Company has therefore arranged activities on

Corporate Social Responsibility (CSR) to increase the social and environment into its businesses which will lead to its competitiveness, creation of reliability and acceptance of its businesses into society.

(2) Report on Sustainable Growth

The Report on Sustainable Growth of JCK International Public Company Limited made annually during the period of the 1st of January to the 31st of December each year with contents covering the Company's policies and procedures on economic, social and environment. The annual report (Form 59-2) is made for a purpose of informing stakeholders on a strong intention of the Company in the social responsibility and business performance that is consistent with the Company's operation.

For specifying the material contents in the report, the Company has started to make it by a study, survey and analyze in order to develop businesses and corporate image to the public. Subsequently, the Company has prioritized essentiality starting from the "customers" in the first place as they will be affected both directly and indirectly from business undertakings of the Company. The "workforce" of the Company is the second priority because the Company holds the workforce as a vital moving force for the Company to deliver the qualified products and services with social responsibility, and it shall be pursued to other group of the stakeholders such as the shareholders, the vendors, the people and the community for instance.

13. Policy on Anti-Corruption

Directors, executives and employees of the Company, subsidiaries and associates shall not execute or support any corruption no matter the case is, and shall strictly comply with the Anti-Corruption Policy. The Company shall provide the internal control to prevent and suppress any disloyalty or corruption within the organization, which covering all related business sectors and departments, as well as to review the principles and regulations of the Company to be in compliance with the change of business, rules, regulations and principles of the laws.

(1) Roles and Responsibilities

(1.1) The Board of Directors has roles and responsibilities to adopt the policies and systems that could effectively support the anti-corruption practices, in order to make sure that the management is aware and giving priority to the importance of this practice and thereby promote it as a corporate culture.

(1.2) The Audit Committee has roles and responsibilities to audit financial statements and the systems of financial and account reporting, internal control, internal audit and risk management for compliance with international standards while making sure that they remain concise, sound, sophisticated and effective.

(1.3) Managing Director, the management and executives have roles and responsibilities to set up a system that will help supporting and communicating an anti-corruption policy to employees and related parties. They are also to review the soundness of the system and other measures to reflect business, order, legal and regulatory changes.

(1.4) An internal auditor has roles and responsibilities to audit and review compliance with policy, practice, authority and regulatory rules and laws to ensure that the Company has indeed an adequate and appropriate system against potential corruption risk which shall be directly reported to the Audit Committee.

(2) Practices

(2.1) Directors, executives and employees at all levels shall comply with the Company's anti-corruption policy where they shall neither directly nor indirectly be involved in corruption.

(2.2) Employees must not remain ignorant if witnessing action potentially qualified as corruption in relation to the Company. They shall report the incident to supervisors or responsible persons and cooperate with the examination process. In case of doubt or question, the employees should consult with supervisors or persons designated to be responsible for such policy compliance through available channels.

(2.3) The Company will protect and fairly treat the employees who report or refuse to be involved in corruption in relation to the Company through measures designed to protect whistleblowers of corruption.

(2.4) Corrupting is an offense and is subject to disciplinary actions based on the Company's regulations. Besides, corrupted persons may be subject to legal punishment if the action is found illegal.

(2.5) The Company underlines the importance of disseminating anti-corruption information and knowledge and making the third party collaborating with the Company or whose action could affect to the Company comply with this anti-corruption policy.

(2.6) The Company commits to promote and nurture the corporate culture that corruption is unacceptable when conducting transactions with either the public or private sectors.

(3) Rule for the operation

(3.1) The political neutrality and political support

- The Company is neutral in politic, which support and abide by the democratic administration. The Company does not have any policy to support any political institution neither directly nor indirectly.

- Directors, executives and employees have the rights and political freedom under the law, but shall not conduct in any manner that causes the Company to lose neutrality or to be damaged from the political involvement.

- Directors, executives and employees shall abstain from operating any political activity in the Company, including using the Company's resources for such operation.

(3.2) The donation for charity or capital support

The Company will support the communities and social in order to promote the quality of life, economy and strength, via the business procedures or via the donation for charity, which shall be used only for the public charity. Moreover, the capital support of the Company shall not be used as the excuse of corruption, and shall be supported with clear documentary evidence in accordance with the Company's regulation.

(3.3) Gifts, Meals, Travelling, Event Hosting and Entertainment

In practice, it is understood that to providing gifts, meals, event hosting and entertainment to the customers, suppliers and business partners with reasonableness and suitability will benefit to the goodwill of

the Company and help strengthen business relations, which in some business cultures a small gift is something to be expected.

Nevertheless, the Company prohibits providing the gifts or services which are overabundant or improper. The providing of business hospitality, travelling, gifts, meals, and entertainment have to be suitable with the opportunity and be complying with the laws, policies and regulations of the Company. For instance, even if it would be suitable and acceptable to provide the travelling expenses to the customers who have a company visit or to provide another facilities under the legitimate business purpose, such operating must be done with considerably carefulness, and the time of the visit have to be on the time that is necessary for such business purpose, as well as the travelling expenses must be reasonable and also be the actual expenses which related to the travel, while any expenses that not related such as the extent distance, shopping and other services shall be paid by the customers themselves.

In addition, actual expenses incurred and activities which are considered to be one part of the hospitality, travelling, gifts, entertainment and meals must be transparent, which means they must have the bookkeeping of the expenses and the activities must specify the related person, the business purpose, the activities in details and the amount of money that were expensed.

14. Policy on dividends payment

The Company and subsidiaries will pay no fewer than 60percent of net profit in a relevant year based on a separated financial statement as a dividend if there is enough profit to do so unless the Board of Directors and shareholders find it is reasonable and necessary to suspend the dividend payment or to pay less than the stated rate. In addition, the Board of Directors may consider paying an interim dividend from time to time as appropriate.

In addition, according to the Company's Articles of Association, the dividends payment of the Company shall be as follows;

(1) No dividends may be distributed out of any funds other than profits. The Company may not make any payment of dividends if there is still any accumulated loss.

(2) Dividends shall be divided by the number of shares and in equal portions for all shares. Payment of dividends must receive the approval of the meeting of shareholders.

(3) Payment of dividends shall be made within one month from the date the resolution is passed by the meeting of shareholders or the board of directors, as the case may be. Written notice shall also be sent to shareholders and the publications of such payment of dividends shall be made in newspaper (s) as well.

(4) In the case where the Company still cannot sell its shares up to number registered or the Company has registered an increase of capital, the Company may pay dividend in full or in part by issuing new ordinary shares to the shareholders, with approval of the meeting of shareholders.

(5) The Company must allocate no less than 5 percent of its annual net profit deducted by accumulated loss brought forward (if any) as its reserves until the reserves reach no less than 10 percent of its registered capital.

15. Policy on the governance of operation and management of subsidiaries and associates

(1) The Company will nominate a specified number of Company representatives to serve as directors of the subsidiaries and associates reflecting the shareholding proportion of the Company in the respective subsidiaries and associates. Such nomination of directors shall be considered and approved by the board of directors' meeting.

(2) The scope of duties and responsibilities of the directors of subsidiaries and associates are as follows:

(2.1) To perform their duties in compliance with laws, objectives and the Company's articles of association, as well as the resolution of the board of directors and the resolution of shareholders' meeting with duty of loyalty, duty of care, accountability and ethics.

(2.2) To follow up and provide necessary opinion for the operation of subsidiaries and associates to be in accordance with the agreements and related rules and regulation.

(2.3) To continuously monitor the operations of subsidiaries and associates, as well as providing necessary recommendations to ensure that the operations of subsidiaries and associates are in accordance with the specified target. Such directors are able to promptly and appropriately deal with any obstacles which may occur.

(2.4) To consider, monitor and provide any necessary recommendations for subsidiaries and associates to have internal controls systems and/or working systems for efficiency and effectiveness of business operation.

(2.5) Where necessary to review and improve the policies and business plans relating to the business operation of subsidiaries and associates in order to remain up-to-date and appropriate regularly.

(2.6) The boards of directors of the subsidiaries and associates may assign one or more director or any other persons to act on behalf of such board of directors. Such authorization shall not constitute authorization or sub-authorization in a manner which causes the directors, or the person with the authority to approve a transaction in which they have a conflict, interest, or a conflict of interest in any other manner, to be made with the Company and/or subsidiaries and/or associates.

(3) The Company shall set up necessary plans to ensure that subsidiaries and associates shall disclose information relating to the operation and financial status, including information which is required to be disclosed to related authorities and governmental authorities, external investors and the public, and which is accurate, complete and reliable.

(4) When it becomes necessary for subsidiaries or associates to enter into any related party transactions or transactions which may have a conflict of interest, the Company shall monitor and ensure that subsidiaries and associates fairly and transparently enter into such transactions. The Company shall strictly comply with the rules regarding related transactions and acquisitions or disposal of assets which are regulated by related regulators.

(5) The Company shall monitor and proceed with necessary actions, to ensure that subsidiaries and associates have the sufficient and appropriate system relating to the disclosure of information and sufficient and appropriate internal control system to operate the business.

Policy on internal control

1. Objective of the internal control

“Internal Control” is the process of working or implementing the job that the board of directors and personnel of all levels of the Company provided for confidence with justification on the operations of the Company to achieve the following objectives:

- The operations shall have efficiency and effectiveness by achieving the goal of the Company, including caring not to lose or misuse the assets.
- The financial reporting must be accurate and in-time presentation.
- The compliance with policies, rules, and regulations shall be performed the duties strictly to the rules and regulations of the Stock of Exchange of Thailand, or laws relating to business of the company.

2. Importance of the internal control system

The internal control system is the important mechanism that gives confidence with justification to the management for:

- Helps to reduce the business risk.
- Helps to do business effectively with suitable allocation of the resources and achieve the established goal.
- Help to prevent corruption, protect misusing, and safeguard and care of property.
- Helps to assure the reliability of the financial statement.
- Helps the personnel to comply with the laws and rules involved.
- Helps to give protection on the investment of the shareholders.

The internal control is the main factor behinds the success of all business either in government or private sectors. The management as the leader, must perform their duties in responsible to various elements and environment of their units. In additional they should:

- Encourage team work mind-set to the subordinates of all levels to be aware of the importance to coordinate and comply with constantly and continuously. So the measures and mechanisms of the internal control system set up by the management to accomplish the established objective.
- Regularly monitoring and evaluating of internal control in order to obtain suitable strategies and mechanism under the variation in difference circumstance of risks.

The internal control, regardless of design or implementation, shall give only confidence at the reasonable level, as it can protect from loss, waste or accomplishment and effectiveness. However, it can not assure or give confidence of the business success, because the internal control has several limitations, which mostly involving with the human behavior.

3. Policy on internal control of the Company

3.1 The Company commit that its management must aware with the important of internal control is sufficiently efficient to acceptable risk level and suitable with the circumstances of the job or activity of that units. It divides the duties and responsibilities concerning the internal control of the Company as follows:

3.1.1 The board of directors as well as the audit committee must perform their duties and responsibilities to provide the effective internal control system, to manage and control of risks in the suitable level. Specifying the policy concerning to the internal control system, risk management, and monitoring of the evaluation constantly that whether or not the established system goes as planned. However, the audit committee has the duty to review that the elements of the internal control system of the five aspects are comply with effectiveness as follows:

- The business has good control environment.
- The business has proper procedure of risk assessment.
- The business has good control on activities
- The business has good system on information and communications.
- The business has good system on monitoring and evaluation.

3.1.2 The management has duty and responsibility to fulfill the policy which the board of directors has delegated, so the Company determining the management must be treated as it important of the internal control. The management has direct duty and responsibility to provide the internal control system in the company, including works or various activities of all levels or latent in the business methods of the management function by:

- The senior management shall provide the internal control that covers all elements in the Company, encouraging the subordinates discipline and good conscience on the internal control.
- The middle management shall provide the internal control with the responsibility to evaluate the efficiency of the internal control, adjust the system to be complete and review on its compliance.

3.1.3 The employees of all levels must perform their duties by complying with all laws, regulations, rules, announcement, policies, plans, measures, and the internal control system, the management has established. Conduct their duties honestly with care in the performance, and regularly provide the implementation that ensures the efficiency of internal control system.

As a result, the operations shall comply with the goal effectively and economically. All the employees must have the conscience to be aware of the importance of the internal control.

3.1.4 Internal control, the internal auditor has duties and responsibilities of evaluation the internal control, and examination the operating system, periodically and regularly. Updating and assuring that the various control measures are suitable with all significant situation, circumstance, and incidence of risk, with the objective to assist and recommend the senior and middle managements to provide the efficient internal control in the company's business units as the policies:

- The internal auditor is independent and perform their duties in a more effective manner as it deems appropriate according to the profession standard of the internal control
- The internal auditor has the right to request for checking the assets and activities, including the books, accounting, supplementary documents on the records, bookkeeping, correspondences and reports involved.
- The internal auditor can ask the audited units to give data, explanations and delivery of the documents on the audited matters.

However, the personnel of all levels must provide full cooperation to give the availability of information, resource, and material needed by the internal and external auditors which their duties is examination and evaluation to ensure that the internal control sufficient and effective as intended to respond with the company goal, and give recommendation for improvement, as it deems appropriate.

Risk management

When doing business, the Company had to confront several risks and uncertainties which can materially affect its incomes, profits, assets, liquidity and share price. Since today's connection between financial and economic activities has been very sophisticated, the Company therefore had to adjust itself to face with economic dynamism that could affect the Company's business direction, strategy, decision and operation. As a result, to minimize business volatility, Thai Factory Development Public Company Limited has adopted a risk management process in writing covering product risk, income risk as well as risk from natural disasters, competitions, finance and lending both at the management and operational levels for use as a direction to achieve its goal.

Aside from these risks, there could be other risks that the Company is not aware of or cannot yet identify at the moment. Besides, certain risks that it believes having no material effect at the moment may become significant in the future. As a result, stakeholders should consider both the impacts and possibilities and other possible risk factors that the Company may confront aside from those stated here.

1. Employees at all levels shall be responsible for risk management. They must be aware of operation risk both in their functions and within the organization where risk management shall be carried out in a way that there is enough management and that risk is kept at an appropriate level.
2. Risk management shall be an important tool to manage the Company where the risk management system shall be part of a decision-making process, strategic planning as well as the Company's action plan and operation. The risk management system shall also be highlighted for the Company to achieve its objectives, goals, visions, mission and strategies. Personnel of all levels must understand and collaborate in the implementation of risk management for a good corporate image, to strengthen its corporate governance (CG) practice and operation excellence and to boost confidence of shareholders or stakeholders.
3. Financial and non-financial causes of risk that could affect the Company shall be identified and risk shall be reviewed whenever there is change of risk factors affecting the Company's investment funds.
4. Types of risk and acceptable levels of risk shall be identified for use as criteria to respond to the Company's risks.
5. Risk prevention and mitigation guidelines shall be adopted to avoid possible damage or loss. In addition, the Company shall regularly monitor and evaluate risk management results quantitatively and qualitatively for better accuracy.

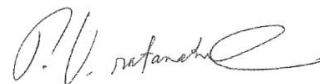
6. The Company shall introduce a sophisticated information technology (IT) system to manage the Company's risks and it should enable personnel at all levels to extensively access risk management information. Besides, the Company should put in place a risk management report mechanism to allow the Board to efficiently manage the Company's risks.

In addition, the Company has determined roles and responsibilities and approval authority regarding risk management. It has already posted the risk management policy and procedures on its website for everyone's compliance. Besides, a risk management report has been prepared and submitted to the Board for refinement of the Company's risk management plan.

Report from the Audit Committee

In 2020, JCK International Public Company Limited complied with the following requirements set by the Stock Exchange of Thailand and as entrusted by the Board of Directors. Details are :

1. The Audit Committee convened 4 times in 2020. The meeting was attended by all members of the Audit Committee. The auditor meanwhile attended the Audit Committee meeting at least once a year.
2. The Audit Committee reviewed and approved the 2020 auditing plan of the Internal Audit Department where it focused at strengthening the internal control system, reinforcing adequate auditing in required areas and reporting results of such internal control to the Audit Committee on a regular basis. Having reviewed and assessed the Audit Committee's operation in 2020, the Board of Directors had an opinion that the internal control system was efficient enough to control and supervise the operation of both JCK International Plc and its subsidiaries and no material defect was found.
3. Both quarterly and annual financial statements of the Company were reviewed to provide full and accurate financial information based on the generally-accepted accounting principles in a timely fashion as well as a true reflection of the company's financial status before they were submitted to the Board of Directors.
4. The Audit Committee reviewed an evaluation form of the adequacy of the Company's internal control system to ensure that it had an appropriate and adequate internal control system to supervise operation based on its business objectives.
5. The Audit Committee reviewed risk management procedures by taking into consideration a risk management policy and a risk management plan and guideline based on prevailing corporate risks. It also regularly reviewed the efficiency and suitability of the Company's risk management system.
6. The Company was requested to be compliant with corporate governance on the basis of the Stock Exchange of Thailand's guideline and to develop its CG practice to match the international standards.
7. The Audit Committee reviewed the Company's compliance with the laws and the authorities' rules and regulations.
8. The Audit Committee reviewed connected transactions and items that could cause conflict of interest as well as ensured that the information was accurately and completely disclosed.
9. The Audit Committee appointed an auditor and set his remuneration before submitting the information to the Board of Directors for proposing to the Shareholders' Meeting for its approval.



(Mr. Prasong Vara-ratanakul)
Chairman of the Audit Committee
February 23, 2021

Independent Auditor's Report

To the Shareholders of JCK International Public Company Limited

Opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JCK International Public Company Limited and its subsidiaries and of JCK International Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of matter

I draw attention to the following matters:

As discussed in Note 1.2 to the consolidated financial statements, a second wave of the Coronavirus disease 2019 pandemic has slowed down the economic recovery and has adversely impacted most businesses and industries.

This situation has significantly affected the Group business activities in terms of sales and transfer of ownership. This is significantly impacting the Group's financial position, operating results, and cash flows at present, and is expected to continue in the future. However, the impact cannot be reasonably estimated at this stage.

The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

My opinion is not qualified in respect of these matters.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Compliance with covenants stipulated in borrowing agreements

As at 31 December 2020, the Group had bills of exchange, promissory notes, loans from unrelated parties and financial institutions, and debentures totaling Baht 5,211 million or 82% of total liabilities (Separate financial statements: Baht 5,037 million or 82% of total liabilities), as discussed in Notes 17, 19 and 20 to the financial statements. Under the borrowing agreements, the Group needs to comply with certain covenants, if the Group is unable to comply with those covenants, this may cause the lenders to call the loans and resulted in the reclassification of the liabilities from non-current liabilities to current liabilities, which could impact on the going concern of the Group.

I read the borrowing agreements and gained an understanding of the process of management's monitoring compliance with the covenants and testing for compliance with both non-financial and financial covenants, including whether financial ratios are in line with those stipulated in the borrowing agreements. In addition, I reviewed the disclosures made with respect to covenants in the notes to the financial statements.

Allowance for diminution in value of project development cost

As at 31 December 2020, the Group had an outstanding balance of project development cost totaling Baht 5,858 million, or 69% of total assets (Separate financial statements: Baht 4,657 million or 56% of total assets), as disclosed in Note 10 to the financial statements. The estimating of the allowance for diminution in the value of project development cost is an area of significant management judgement. This requires analysis of the competitive environment, economic circumstances and the situation within the industry. There is a risk with respect to the allowance for diminution in value of project development cost.

I gained an understanding of the process of the Group relevant to the determination of allowance for diminution in value of project development cost. I assessed the method and the assumption applied by the management in determining the provision for diminution in value of project development cost and for those property projects of which the fair value has been appraised by an independent appraiser, I reviewed the assumptions and method applied by the independent appraiser in determining the fair value.

Investment properties

As at 31 December 2020, the Group had an outstanding balance of investment properties amounting to Baht 902 million, under cost method. Thai Financial Reporting Standards require the disclosure of fair value of investment properties in notes to the financial statements. The Group measured the fair value of investment properties and disclosed in Note 15 to the financial statements. The measurement of fair value was based on the assumptions and judgement of the management and the measurement of fair value was considered as the Group already considered the impairment of investment properties.

I gained an understanding of the approach and assumptions used in the fair value measurement and assessed their reasonableness and appropriateness as well as reviewed the reasonableness of the data used in the measurement by inquiring of the management and performing an analytical review of relevant information.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group 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 financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, 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 Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 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 Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 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.

I am responsible for the audit resulting in this independent auditor's report.



Siraporn Ouapunkun

Certified Public Accountant (Thailand) No. 3844

EY Office Limited

Bangkok: 25 February 2021

JCK International Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	14,733,180	23,248,010	2,753,107	9,883,052
Investment in trading securities		-	1,610,000	-	1,610,000
Other current financial assets		980,000	-	980,000	-
Trade and other receivables	9	145,508,613	103,654,283	124,425,414	87,449,692
Short-term loans to related parties and interest receivable	7	7,180,719	90,337,534	1,000,395,967	1,337,763,120
Current portion of long-term loan to subsidiary and interest receivable	7	-	-	6,429,199	24,000,000
Project development costs	10	5,858,138,567	5,825,023,946	4,656,827,777	4,592,197,183
Deposit for purchase of land and condominium unit		148,990,000	153,891,750	148,990,000	153,891,750
Deposit for purchase of project development costs	7	-	65,000,000	-	65,000,000
Cost to obtain contracts with customer		23,249,229	-	-	-
Other current assets		22,165,725	21,260,331	3,217,301	11,033,340
Total current assets		6,220,946,033	6,284,025,854	5,944,018,765	6,282,828,137
Non-current assets					
Restricted bank deposits	11	30,577,651	74,144,733	28,782,632	72,367,629
Short-term loans to related parties and interest receivable, classified as non-current assets	7	-	-	288,424,705	-
Long-term loan to subsidiary and interest receivable, net of current portion	7	-	-	-	429,199
Investments in subsidiaries	12	-	-	1,150,027,107	1,149,777,107
Investment in joint venture	13	263,767,371	120,294,519	-	-
Investments in avialable-for-sales securities		-	150,216,810	-	150,216,810
Other non-current financial assets	14	123,454,045	-	123,454,045	-
Leasehold rights		-	418,679,204	-	239,565,268
Investment properties	15	902,109,500	828,916,380	-	-
Equipment	16	44,140,126	53,844,241	43,224,613	50,476,511
Right-of-use assets	21	567,483,822	-	566,288,367	-
Deferred tax assets	28	246,861,783	214,685,558	145,303,509	132,918,191
Income tax receivable		48,072,509	83,786,604	4,972,658	19,316,423
Other non-current assets		12,179,461	28,354,494	10,511,406	24,414,858
Total non-current assets		2,238,646,268	1,972,922,543	2,360,989,042	1,839,481,996
Total assets		8,459,592,301	8,256,948,397	8,305,007,807	8,122,310,133

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

JCK International Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans	17	412,096,413	377,594,616	372,368,968	305,083,885
Trade and other payables	18	218,665,910	181,813,648	202,386,104	201,966,273
Advance received from customers		126,038,199	25,763,658	35,589,535	2,311,735
Short-term loans from related parties					
and interest payable	7	8,003,443	-	234,146,533	71,516,974
Current portion of debentures	19	2,118,805,015	1,636,012,985	2,118,805,015	1,636,012,985
Current portion of liabilities under					
finance lease and hire-purchase agreements		-	634,875	-	303,948
Current portion of long-term loans	20	442,444,972	437,452,788	397,506,083	395,544,455
Current portion of long-term loans					
from related party and interest payable	7	45,000,000	36,000,000	-	-
Current portion of lease liabilities	21	36,267,176	-	27,093,040	-
Income tax payable		2,616,376	4,105,945	-	-
Other current liabilities		62,650,963	13,279,609	57,420,436	10,498,796
Total current liabilities		3,472,588,467	2,712,658,124	3,445,315,714	2,623,239,051
Non-current liabilities					
Debentures, net of current portion	19	1,489,001,089	2,015,903,447	1,489,001,089	2,015,903,447
Liabilities under finance lease and hire-purchase					
agreements, net of current portion		-	2,429,665	-	1,431,724
Long-term loans, net of current portion	20	748,340,456	775,559,358	659,074,724	609,486,390
Long-term loans from related party					
and interest payable, net of current portion	7	4,723,813	39,568,478	-	-
Lease liabilities, net of current portion	21	531,806,994	-	523,376,398	-
Deposit received		67,905,656	70,524,630	821,910	821,910
Payable to the Treasury Department for					
rental management fee		-	190,516,920	-	190,516,920
Provisions for long-term employee benefits	22	33,287,922	27,061,328	22,423,069	17,452,047
Other non-current liabilities		3,385,250	2,813,650	2,610,000	2,040,000
Total non-current liabilities		2,878,451,180	3,124,377,476	2,697,307,190	2,837,652,438
Total liabilities		6,351,039,647	5,837,035,600	6,142,622,904	5,460,891,489

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

JCK International Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Shareholders' equity					
Share capital	23				
Registered					
3,220,551,718 ordinary shares of Baht 1 each					
(2019: 2,769,466,527 ordinary shares of Baht 1 each)		<u>3,220,551,718</u>	<u>2,769,466,527</u>	<u>3,220,551,718</u>	<u>2,769,466,527</u>
Issued and fully paid up					
2,147,034,479 ordinary shares of Baht 1 each					
(2019: 2,147,034,141 ordinary shares of Baht 1 each)		2,147,034,479	2,147,034,141	2,147,034,479	2,147,034,141
Share premium		1,818,635,340	1,818,634,495	1,818,635,340	1,818,634,495
Retained earnings					
Appropriated - statutory reserve	25	50,655,721	50,655,721	50,655,721	50,655,721
Unappropriated (deficit)		(1,859,404,580)	(1,549,949,816)	(1,833,773,599)	(1,356,148,887)
Other components of shareholders' equity		<u>(206,905,771)</u>	<u>(185,495,559)</u>	<u>(20,167,038)</u>	<u>1,243,174</u>
Equity attributable to owners of the Company		1,950,015,189	2,280,878,982	2,162,384,903	2,661,418,644
Non-controlling interests of the subsidiary		<u>158,537,465</u>	<u>139,033,815</u>	-	-
Total shareholders' equity		<u>2,108,552,654</u>	<u>2,419,912,797</u>	<u>2,162,384,903</u>	<u>2,661,418,644</u>
Total liabilities and shareholders' equity		<u>8,459,592,301</u>	<u>8,256,948,397</u>	<u>8,305,007,807</u>	<u>8,122,310,133</u>
		-	-	-	-

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

JCK International Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Profit or loss:					
Revenues					
Revenue from sale		131,391,500	131,500,000	25,500,000	66,000,000
Revenue from rental and services		256,001,665	257,978,990	19,124,666	12,310,050
Gain on sales of investment properties		-	8,398,341	-	-
Project management income	7	-	-	-	8,500,000
Interest income		5,546,274	7,309,120	62,205,687	78,798,397
Other income					
Dividend income		10,297,117	9,669,128	10,297,117	17,159,633
Others		12,094,363	11,556,487	19,524,715	20,667,554
Total revenues		415,330,919	426,412,066	136,652,185	203,435,634
Expenses					
Cost of sales		99,924,306	90,783,377	13,408,538	38,019,371
Cost of rental and services		153,409,938	152,316,208	14,855,142	14,911,787
Selling expenses		27,317,579	20,824,602	12,120,506	7,920,304
Administrative expenses		198,426,773	225,086,897	148,031,178	165,301,041
Loss from impairment of investments in subsidiaries		-	-	-	27,600,000
Loss on sales of investment in subsidiary		-	8,093,528	-	-
Total expenses		479,078,596	497,104,612	188,415,364	253,752,503
Operating loss		(63,747,677)	(70,692,546)	(51,763,179)	(50,316,869)
Share of profit (loss) from investments in joint venture	13	143,472,852	(11,563,716)	-	-
Finance cost	26	(386,043,388)	(397,922,130)	(375,894,298)	(371,836,627)
Loss before income tax		(306,318,213)	(480,178,392)	(427,657,477)	(422,153,496)
Income tax	28	16,367,099	(6,132,262)	7,032,765	3,874,295
Loss from continued operation for the year		(289,951,114)	(486,310,654)	(420,624,712)	(418,279,201)
Discontinued operation					
Profit from discontinued operation for the year		-	16,947,434	-	-
Loss for the year		(289,951,114)	(469,363,220)	(420,624,712)	(418,279,201)

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

JCK International Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the year ended 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Loss on change in value of available-for-sale securities		-	(4,316,575)	-	(4,316,575)
Exchange differences on translation of financial statements in foreign currency		-	87,314,999	-	-
Less: Income tax effect	28	-	863,315	-	863,315
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>					
		-	83,861,739	-	(3,453,260)
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Actuarial loss	22	-	(1,315,201)	-	(842,017)
Loss on investments in equity designated at fair value through other comprehensive income		(26,762,765)	-	(26,762,765)	-
Less: Income tax effect	28	5,352,553	254,957	5,352,553	168,403
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>					
		(21,410,212)	(1,060,244)	(21,410,212)	(673,614)
Other comprehensive income for the year		(21,410,212)	82,801,495	(21,410,212)	(4,126,874)
Total comprehensive income for the year		(311,361,326)	(386,561,725)	(442,034,924)	(422,406,075)
Profit or loss attributable to:					
Equity holders of the Company					
Loss from continued operation		(309,454,764)	(508,658,544)	(420,624,712)	(418,279,201)
Profit from discontinued operation		-	16,947,434	-	-
		(309,454,764)	(491,711,110)	-	-
Non-controlling interests of the subsidiary					
Profit from continued operation		19,503,650	22,347,890	-	-
Profit from discontinued operation		-	-	-	-
		19,503,650	22,347,890	-	-
		(289,951,114)	(469,363,220)	-	-
Total comprehensive income attributable to:					
Equity holders of the Company					
Total comprehensive income from continued operation		(330,864,976)	(425,832,985)	(442,034,924)	(422,406,075)
Total comprehensive income from discontinued operation		-	16,947,434	-	-
		(330,864,976)	(408,885,551)	-	-
Non-controlling interests of the subsidiary					
Total comprehensive income from continued operation		19,503,650	22,323,826	-	-
Total comprehensive income from discontinued operation		-	-	-	-
		19,503,650	22,323,826	-	-
		(311,361,326)	(386,561,725)	-	-
Earnings per share					
29					
Basic earnings per share					
Loss attributable to equity holders of the Company		(0.14)	(0.23)	(0.20)	(0.19)
Earnings per share from continued operation					
29					
Basic earnings per share					
Loss attributable to equity holders of the Company		(0.14)	(0.24)	-	-

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

JCK International Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
Other components of shareholders' equity												
Other comprehensive income												
Issued and fully paid-up share capital	Share premium	Retained earnings		Surplus (deficit) on changes in value of investment in equity	Exchange differences on translation of financial statements in foreign currency	Difference from changing investment proportion in subsidiary	Deficits from business combination under common control	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests of the subsidiary	Total shareholders'	Total shareholders'
		Appropriated - statutory reserve	Unappropriated (deficit)									
Balance as at 1 January 2019	2,147,034,141	1,818,634,495	50,655,721	(1,057,202,526)	4,696,434	(87,314,999)	(45,699,839)	(141,038,894)	(269,357,298)	2,689,764,533	124,226,714	2,813,991,247
Profit or loss for the year	-	-	-	(491,711,110)	-	-	-	-	(491,711,110)	22,347,890	(469,363,220)	(469,363,220)
Other comprehensive income for the year	-	-	-	(1,036,180)	(3,453,260)	87,314,999	-	-	83,861,739	82,825,559	(24,064)	82,801,495
Total comprehensive income for the year	-	-	-	(492,747,290)	(3,453,260)	87,314,999	-	-	83,861,739	(408,885,551)	22,323,826	(386,561,725)
Dividend of subsidiary paid	-	-	-	-	-	-	-	-	-	(7,516,725)	(7,516,725)	(7,516,725)
Balance as at 31 December 2019	<u>2,147,034,141</u>	<u>1,818,634,495</u>	<u>50,655,721</u>	<u>(1,549,949,816)</u>	<u>1,243,174</u>	<u>(45,699,839)</u>	<u>(141,038,894)</u>	<u>(185,495,559)</u>	<u>2,280,878,982</u>	<u>139,033,815</u>	<u>2,419,912,797</u>	<u>2,419,912,797</u>
Balance as at 1 January 2020	2,147,034,141	1,818,634,495	50,655,721	(1,549,949,816)	1,243,174	(45,699,839)	(141,038,894)	(185,495,559)	2,280,878,982	139,033,815	2,419,912,797	2,419,912,797
Profit or loss for the year	-	-	-	(309,454,764)	-	-	-	-	(309,454,764)	19,503,650	(289,951,114)	(289,951,114)
Other comprehensive income for the year	-	-	-	-	(21,410,212)	-	-	-	(21,410,212)	(21,410,212)	-	(21,410,212)
Total comprehensive income for the year	-	-	-	(309,454,764)	(21,410,212)	-	-	-	(21,410,212)	(330,864,976)	19,503,650	(311,361,326)
Increase in share capital from exercise of warrants (Note 24)	338	845	-	-	-	-	-	-	1,183	-	1,183	1,183
Balance as at 31 December 2020	<u>2,147,034,479</u>	<u>1,818,635,340</u>	<u>50,655,721</u>	<u>(1,859,404,580)</u>	<u>(20,167,038)</u>	<u>(45,699,839)</u>	<u>(141,038,894)</u>	<u>(206,905,771)</u>	<u>1,950,015,189</u>	<u>158,537,465</u>	<u>2,108,552,654</u>	<u>2,108,552,654</u>

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

JCK International Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

Separate financial statements						
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of equity	
			Appropriated - statutory reserve	Unappropriated (deficit)	Other comprehensive income	
					Surplus (deficit) on changes in value of investment in equity	Total shareholders' equity
Balance as at 1 January 2019	2,147,034,141	1,818,634,495	50,655,721	(937,196,072)	4,696,434	3,083,824,719
Loss for the year	-	-	-	(418,279,201)	-	(418,279,201)
Other comprehensive income for the year	-	-	-	(673,614)	(3,453,260)	(4,126,874)
Total comprehensive income for the year	-	-	-	(418,952,815)	(3,453,260)	(422,406,075)
Balance as at 31 December 2019	2,147,034,141	1,818,634,495	50,655,721	(1,356,148,887)	1,243,174	2,661,418,644
Balance as at 1 January 2020	2,147,034,141	1,818,634,495	50,655,721	(1,356,148,887)	1,243,174	2,661,418,644
Cumulative effect of change in accounting policy (Note 4)	-	-	-	(57,000,000)	-	(57,000,000)
Balance as at 1 January 2020 - as restated	2,147,034,141	1,818,634,495	50,655,721	(1,413,148,887)	1,243,174	2,604,418,644
Loss for the year	-	-	-	(420,624,712)	-	(420,624,712)
Other comprehensive income for the year	-	-	-	-	(21,410,212)	(21,410,212)
Total comprehensive income for the year	-	-	-	(420,624,712)	(21,410,212)	(442,034,924)
Increase in share capital from exercise of warrants (Note 24)	338	845	-	-	-	1,183
Balance as at 31 December 2020	2,147,034,479	1,818,635,340	50,655,721	(1,833,773,599)	(20,167,038)	2,162,384,903

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

JCK International Public Company Limited and its subsidiaries
Cash flow statement
For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Loss before tax	(306,318,213)	(480,178,392)	(427,657,477)	(422,153,496)
<u>Add</u> profit before tax from discontinued operation	-	<u>20,572,475</u>	-	-
Loss before tax	(306,318,213)	(459,605,917)	(427,657,477)	(422,153,496)
Adjustments to reconcile loss before tax				
to net cash provided by (paid from) operating activities:				
Decrease in project development costs as a result of transfer to cost of sales	97,694,393	83,841,226	11,198,626	31,097,221
Depreciation and amortisation	118,996,206	102,634,444	28,437,108	11,960,678
Allowance for expected credit loss/allowance for doubtful accounts (reversal)	13,185,927	(2,068,712)	6,342,220	-
Impairment loss of loan from related party	-	-	9,000,000	-
Impairment loss of investments in subsidiaries	-	-	-	27,600,000
Loss on sales of investment in subsidiary	-	8,093,528	-	-
Gain on sales of equipment	(84,110)	(168,221)	(84,110)	(168,221)
Gain on sales of investment properties	-	(8,398,341)	-	-
Gain on sales of investment in equity	(625,000)	-	(625,000)	-
Loss on valuation of financial assets - investment in equity	630,000	-	630,000	-
Unrealized loss on trading securities	-	1,250,000	-	1,250,000
Share of loss (profit) from investment in joint venture	(143,472,852)	11,563,716	-	-
Write-off withholding tax	10,708,524	-	279,056	-
Provision for long-term employee benefits	8,800,954	9,182,484	6,609,022	5,186,573
Dividend received from investment in equity	(10,297,117)	(9,669,128)	(10,297,117)	(9,669,128)
Dividend received from investment in subsidiary	-	-	-	(7,490,505)
Interest income	(5,546,274)	(7,316,554)	(62,205,687)	(78,798,397)
Finance cost	<u>386,043,388</u>	<u>402,371,205</u>	<u>375,894,298</u>	<u>371,836,627</u>
Profit (loss) from operating activities before				
changes in operating assets and liabilities	169,715,826	131,709,730	(62,479,061)	(69,348,648)
Operating assets (increase) decrease				
Trade and other receivables	54,001,254	(63,661,045)	65,523,114	(70,928,381)
Project development costs	(54,228,428)	(207,437,260)	(43,588,729)	(198,132,564)
Deposit for purchase of land and condominium unit	(27,107,000)	(121,883,000)	(27,107,000)	(121,883,000)
Deposit for purchase of project development costs	-	(65,000,000)	-	(65,000,000)
Cost to obtain contracts with customer	(23,249,229)	-	-	-
Other current assets	(9,495,766)	(8,075,376)	(774,335)	(9,094,010)
Other non-current assets	1,707,420	(15,321,428)	(564,161)	(14,294,781)
Operating liabilities increase (decrease)				
Trade and other payables	20,779,073	(50,507,192)	(19,717,988)	9,615,680
Advance received from customers	97,655,567	17,509,840	33,277,800	2,304,861
Other current liabilities	49,371,354	(48,198,949)	46,921,640	(39,574,478)
Other non-current liabilities	<u>571,600</u>	<u>481,700</u>	<u>570,000</u>	<u>330,000</u>
Cash flows from (used in) operating activities	279,721,671	(430,382,980)	(7,938,720)	(576,005,321)
Cash paid for long-term employee benefit	(2,574,360)	(4,400,000)	(1,638,000)	(3,650,000)
Interest paid	(388,576,107)	(427,675,613)	(351,808,087)	(384,114,521)
Cash received from withholding tax refundable	30,979,807	-	16,377,198	-
Corporate income tax paid	<u>(17,920,379)</u>	<u>(45,623,636)</u>	<u>(2,312,490)</u>	<u>(2,660,168)</u>
Net cash flows used in operating activities	<u>(98,369,368)</u>	<u>(908,082,229)</u>	<u>(347,320,099)</u>	<u>(966,430,010)</u>

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

JCK International Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from investing activities				
Cash paid for investments in equity	(1,325,000)	(2,860,000)	(1,325,000)	(2,860,000)
Proceeds from sale of investment in equity	1,950,000	-	1,950,000	-
Decrease in short-term loans to related parties	65,000,000	50,000,000	41,685,260	144,916,039
Decrease in restricted bank deposits	43,567,082	11,457,464	43,584,997	12,770,149
Decrease in long-term loan to subsidiaries	-	-	-	33,253,929
Increase in investment in subsidiaries	-	-	(250,000)	(2,500,000)
Proceeds from sale of investment in subsidiary	-	170,855,155	-	-
Cash received from repayment of loan	-	333,182,078	-	-
Increase in improvement and leasehold rights	-	(17,355,222)	-	(13,198,541)
Acquisition of investment properties	(8,639,785)	(3,552,318)	-	-
Proceeds from sales of investment properties	-	31,500,000	-	-
Acquisition of equipment	(800,432)	(2,313,644)	(800,432)	(1,896,167)
Proceeds from sales of equipment	84,111	168,224	84,111	168,224
Dividend received from investment in equity	10,297,117	9,669,128	10,297,117	9,669,128
Dividend received from investments in subsidiary	-	-	-	7,490,505
Interest received	24,204,253	1,622,239	21,964,039	7,249,690
Net cash flows from investing activities	134,337,346	582,373,104	117,190,092	195,062,956
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans	34,161,521	(71,253,582)	67,321,573	25,081,804
Increase (decrease) in short-term loan from related parties	8,000,000	(8,000,000)	159,811,096	(144,122,877)
Cash received from issued debentures	1,201,100,000	2,078,000,000	1,201,100,000	2,078,000,000
Cash paid for redemption of debentures	(1,252,040,000)	(1,238,628,000)	(1,252,040,000)	(1,238,628,000)
Cash paid for liabilities under finance lease and hire-purchase agreements	-	(1,331,368)	-	(899,359)
Cash received from long-term loans	102,220,000	104,580,000	102,220,000	104,580,000
Repayment of long-term loans	(124,868,347)	(525,773,509)	(51,000,000)	(54,000,000)
Repayment of long-term loans from related parties	-	(33,253,929)	-	-
Repayment of lease liabilities	(13,055,415)	-	(4,412,040)	-
Cash received from exercise of warrants	1,183	-	1,183	-
Dividend paid	(1,750)	(7,501,629)	(1,750)	-
Net cash flows from (used in) financing activities	(44,482,808)	296,837,983	223,000,062	770,011,568
Decrease in translation adjustment	-	(2,600,727)	-	-
Net decrease in cash and cash equivalents	(8,514,830)	(31,471,869)	(7,129,945)	(1,355,486)
Cash and cash equivalents at beginning of year	23,248,010	54,719,879	9,883,052	11,238,538
Cash and cash equivalents at end of year	14,733,180	23,248,010	2,753,107	9,883,052

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

JCK International Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Supplemental cash flow information:				
Non-cash transactions				
Transfer of deposit for purchase of land to project development costs	-	43,411,000	-	43,411,000
Transfer of project development costs to investment properties	136,846,336	97,969,792	-	-
Transfer of investment properties to project development costs	183,652,374	46,731,474	-	-
Purchase of assets under finance lease agreements	-	1,903,750	-	1,903,750

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

JCK International Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2020

1. General information

1.1 General information of the Company

JCK International Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the property development. The registered office of the Company is at 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn, Bangkok.

1.2 Coronavirus disease 2019 pandemic

A second wave of the Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. This situation significantly affects the Group’s business activities in terms of sales and transfer of the ownership, and this is significantly impacting the Group’s financial position, operating results, and cash flows at present, and is expected to do so in the future. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of JCK International Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2020</u>	<u>2019</u>
			Percent	Percent
JCK Utilities Company Limited (Formerly known as Total Industrial Services Company Limited)	Factory rental and sale	Thailand	100.00	100.0
SG Land Company Limited	Office rental	Thailand	49.91	49.91
Crown Development Company Limited	Residential condominium units for sale	Thailand	100.00	100.00
TFD Real Estate Management Company Limited	Being REIT manager	Thailand	100.00	100.00
Ratchadamri Real Estate Company Limited (Formerly known as Mahadlekluang Company Limited)	Property development	Thailand	100.00	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, 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, being 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) The assets and liabilities in the financial statements of overseas subsidiary are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

- g) 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.
- 2.3 The separate financial statements present investments in subsidiaries and joint venture under the cost method.

3 New financial reporting standards

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

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. They also include stipulations regarding the presentation and disclosure of financial instruments.

The adoption of these standards has the impact on the Group's financial statements to result in the following adjustments.

- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the general approach to consider impairment of short-term loans and interest receivable.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

TFRS 16 Leases

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

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

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

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

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to impairment of assets, reversal of deferred tax assets and not to account for any reduction in lease payments by lessors.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets and adjusted the lease modification. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current year, the Group has adopted the set of financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			
	31 December	Financial reporting standards related to financial instruments	TFRS 16	1 January
	2019			2020
Statement of financial position				
Assets				
Current assets				
Investment in trading securities	1,610	(1,610)	-	-
Other current financial assets	-	1,610	-	1,610
Other current assets	21,260	-	(8,802)	12,458
Non-current assets				
Investments in available-for-sales securities	150,217	(150,217)	-	-
Other non-current financial assets	-	150,217	-	150,217
Leasehold rights	418,679	-	(418,679)	-
Investment properties	828,916	-	200,662	1,029,578
Equipment	53,844	-	(3,750)	50,094
Right-of-use assets	-	-	590,422	590,422
Other non-current assets	28,354	-	(14,320)	14,034
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	181,814	-	(3,245)	178,569
Current portion of liabilities under finance lease and hire-purchase agreements	635	-	(635)	-
Current portion of lease liabilities	-	-	24,579	24,579
Non-current liabilities				
Liabilities under finance lease and hire-purchase agreements, net of current portion	2,430	-	(2,430)	-
Lease liabilities, net of current portion	-	-	517,781	517,781
Payable to the Treasury Department for rental management fee	190,517	-	(190,517)	-

(Unit: Thousand Baht)

	Separate financial statements			
		The impacts of		
		Financial reporting standards related		
	31 December	to financial		1 January
	2019	instruments	TFRS 16	2020
Statement of financial position				
Assets				
Current assets				
Investment in trading securities	1,610	(1,610)	-	-
Other current financial assets	-	1,610	-	1,610
Short-term loans to related parties and interest receivable	1,337,763	(57,000)	-	1,280,763
Other current assets	11,033	-	(8,802)	2,231
Non-current assets				
Investments in available-for-sales securities	150,217	(150,217)	-	-
Other non-current financial assets	-	150,217	-	150,217
Leasehold rights	239,565	-	(239,565)	-
Equipment	50,477	-	(2,102)	48,375
Right-of-use assets	-	-	588,774	588,774
Other non-current assets	24,415	-	(14,320)	10,095
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	201,966	-	(1,026)	200,940
Current portion of liabilities under finance lease and hire-purchase agreements	304	-	(304)	-
Current portion of lease liabilities	-	-	15,931	15,931
Non-current liabilities				
Liabilities under finance lease and hire-purchase agreements, net of current portion	1,432	-	(1,432)	-
Lease liabilities, net of current portion	-	-	501,333	501,333
Payable to the Treasury Department for rental management fee	190,517	-	(190,517)	-
Shareholders' equity				
Deficit	(1,356,148)	(57,000)	-	(1,413,148)

4.1 Financial instruments

Details of the impact on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Recognition of an allowance for expected credit losses on financial assets	-	(57,000)
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	-	(57,000)

As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
Carrying amounts					
under the former basis		Classification and measurement in accordance with TFRS 9			
		Fair value			
		Fair value	through other		
		through profit	comprehensive		
		or loss	income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	23,248	-	-	23,248	23,248
Other current financial assets	1,610	1,610	-	-	1,610
Trade and other receivables	103,654	-	-	103,654	103,654
Short-term loans to related parties and interest receivable	90,338	-	-	90,338	90,338
Restricted bank deposits	74,145	-	-	74,145	74,145
Other non-current financial assets	150,217	-	150,217	-	150,217
Other non-current assets	12,355	-	-	12,355	12,355
Total financial assets	455,567	1,610	150,217	303,740	455,567

(Unit: Thousand Baht)

Separate financial statements					
	Carrying amounts	Classification and measurement in accordance with TFRS 9			
	under the former basis				
		Fair value			
		Fair value	through other		
		through profit or	comprehensive		
		loss	income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	9,883	-	-	9,883	9,883
Other current financial assets	1,610	1,610	-	-	1,610
Trade and other receivables	87,450	-	-	87,450	87,450
Short-term loans to related parties					
and interest receivable	1,337,763	-	-	1,280,763	1,280,763
Restricted bank deposits	72,368	-	-	72,368	72,368
Other non-current financial assets	150,217	-	150,217	-	150,217
Long-term loan to subsidiary and					
interest receivable	24,429	-	-	24,429	24,429
Other non-current assets	8,689	-	-	8,689	8,689
Total financial assets	1,692,409	1,610	150,217	1,483,582	1,635,409

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	1,940,460	1,902,762
Less: Short-term leases and leases of low-value assets	(405)	(312)
Less: Contracts reassessed as service agreements	(15,613)	(3,912)
Less: Deferred interest expenses	(1,385,147)	(1,383,010)
Increase in lease liabilities due to TFRS 16 adoption	539,295	515,528
Liabilities under finance lease agreements as at 31 December 2019	3,065	1,736
Lease liabilities as at 1 January 2020	542,360	517,264
Weighted average incremental borrowing rate (percent per annum)	5.44 - 11.53	5.53 - 11.53
Comprise of:		
Current lease liabilities	24,579	15,931
Non-current lease liabilities	517,781	501,333
	542,360	517,264

5. Significant accounting policies

5.1 Revenue and expense recognition

Revenue recognition relating to sale of real estate

Revenue from sales of land, factory and condominium units are recognised at a point in time when control over the asset is transferred to the customer. Sales are thus recognised as revenue in full when the ownership has been transferred to the customer after all payments have been received from the customer. Revenue from sale of real estate is presented based on the value received after deducting discounts and expenses paid by the Group on behalf of the customer. The payment conditions are in accordance with the payment schedules specified in the contracts with the customer. The amount that the Group received from the customer before registering the ownership transfer is presented under the caption of "Advance received from customers" in the statement of financial position.

Rental and service income

Rental income is recognised on a straight-line basis over the lease term, and service income is recognised when services have been rendered.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cost of sales

In determining the costs of land sold in the project, and factory and condominium units sold, the Group allocated anticipated total development costs (after recognising the costs incurred to date) and attributed to units already sold on the basis of the salable area and then recognised as costs in the profit and loss.

Cost of real estate sales includes cost of other goods, such as furniture and fixtures, that are considered part of the residential condominium unit and transferred to a customer in accordance with the contract.

Selling expenses directly associated with projects, such as specific business tax and transfer fees, are recognised as expenses when the sale occurs.

5.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.4 Project development costs

Project development costs are stated at the lower of cost and net realisable value. Cost comprises cost of land, design fees, utilities, construction costs and directly related finance cost and expenses.

The Group recognised loss on diminution in project value (if any) in profit or loss.

5.5 Cost to obtain a contract

The Group recognises commission paid to obtain a customer contract as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

5.6 Investments in subsidiaries and joint ventures

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

Investments in subsidiaries and joint venture are accounted for in the separate financial statements using the cost method.

5.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Warehouse building for rent	2, 30 years
Improvement of warehouse building for rent	5, 15, 30 years
Condominium units for rent	30 years
Office building for rent	28, 30 years
Improvement of leasehold building	5 years

Depreciation of the investment properties is included in determining income. No depreciation is provided for land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.8 Equipment/Depreciation

Equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Improvement of leasehold office building	5, 8 years
Furniture and office equipment	5, 8, 20 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on assets under installation.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.9 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.

5.10 Leases

At inception of contract, the Group assesses whether a 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 as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

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

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

Land	29 - 50	years
Office building	3	years
Motor vehicles	1 - 5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

5.11 Related party transactions

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

They also include associated companies, individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of operations of the Company.

5.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

5.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Group have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

5.15 Assets held for sale and discontinued operations

The Group classifies disposal assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the disposal assets are available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Gain or loss from discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the profit or loss.

5.16 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.17 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.18 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and 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.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020

Trade accounts receivables

Trade accounts receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income and will be recorded in profit or loss when the securities are sold.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of investments in unit trusts has been determined by using the net asset value as published by the Asset Management companies.

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

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.19 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 applies 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 measures 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 determines 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.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Consolidation of subsidiary that the Company holds less than half of shares

The management of the Company determined that the Company has control over SG Land Company Limited, even though the Company holds 49.91% of shares and voting rights that is less than half of shares and voting rights. This is because the Company has the ability to direct the significant activities. As a result, SG Land Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of loan to subsidiary and interest receivable

In determining an allowance for expected credit losses of loan to subsidiary and interest receivable, the management needs to make judgement and estimates based upon, among other things, the borrower's status, the repayment plan for loan principal and accrued interest, including probability of recovery under the plan.

Allowance for diminution in value of project development cost

The Group treat project development cost as diminution when the management judges that there have been significant declines in the fair value below their cost. The management determines the devaluation of project development cost (if any) based on net realisable value. The determination of what is "significant" and such devaluation requires the management to exercise judgment.

Investment property

The disclosure of fair value of investment property and impairment testing require management to make estimates the fair value by using the income approach, because there is no market price that could be used to apply a comparative approach. The key assumptions used in estimating the fair value are described in Note 15.

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

Project development costs estimation

In calculating costs of land in the project, the Company has to estimate all project development costs, comprising land improvement costs, public utilities costs, borrowing costs and other related costs. The management estimates these costs based on their experience in the business and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Litigation/Tax assessment

The Group have contingent liabilities as a result of litigation and tax assessment. The Company's management has used judgement to assess of the results of the litigation and tax assessment and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

7. Related party transactions

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

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer Pricing Policy
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	59	77	Interest rate at 5.25% - 9.975% and 15% per annum
Dividend income	-	-	-	7	As declared
Building management income	-	-	7	8	Contract price
Project management income	-	-	-	9	Contract price
Interest expenses	-	-	5	5	Interest rate at 5.25% - 6.25% per annum
<u>Transactions with joint venture</u>					
Interest income	2	6	-	-	Interest rate at 5.00% per annum
Management income	-	-	4	6	Contract price

(Unit: Million Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with related companies</u>					
Interest income	3	6	3	-	Interest rate at 7.50% per annum
Rental and service income	5	5	-	-	Contract price
Rental and service expenses	15	12	11	12	Contract price
Interest expense	-	2	-	1	Interest rate at 5.25% - 7.00% and 15% per annum

As at 31 December 2020 and 2019, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade and other receivables (Note 9)</u>				
<u>Subsidiaries</u>				
TFD Real Estate Management Company Limited	-	-	51	51
SG Land Company Limited	-	-	574	574
JCK Utilities Company Limited (Formerly known as Total Industrial Services Company Limited)	-	-	3,968	3,867
Crown Development Company Limited	-	-	8,543	8,543
Total	-	-	13,136	13,035
<u>Joint Venture</u>				
BGY & TFD Properties Company Limited	482	1,172	482	1,172
Total	482	1,172	482	1,172
<u>Related parties</u>				
JC Kevin Development Company Limited	1,980	1,827	53	1
JCK Hospitality Public Company Limited	3,502	1,709	63	-
High Active Consultant Company Limited	5,597	4,648	-	-
High Active Consultant Communications Company	62,820	-	62,820	-
High Active Consultant Tech Company Limited	673	-	-	-
JCK Ratchada Hotel Company Limited	14	14	-	-
Total	74,586	8,198	62,936	1

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Director</u>				
Executive Chairman (Advance)	5,000	70,000	5,000	70,000
Executive Director (Advance)	250	-	250	-
Total	5,250	70,000	5,250	70,000
Grand Total	80,318	79,370	81,804	84,208

Deposit for purchase of land and condominium unitRelated party

JC Kevin Foods and Beverages Company Limited	41,500	41,500	41,500	41,500
Total	41,500	41,500	41,500	41,500

Deposit for purchase of project development costsRelated party

High Active Consultant Communications Company Limited	-	65,000	-	65,000
Total	-	65,000	-	65,000

Prepaid for building rental and service

(presented as part of other current assets and other non-current assets in the statement of financial position)

Related party

JC Kevin Development Company Limited	-	22,902	-	22,902
Total	-	22,902	-	22,902

(presented as part of right-of-use assets in the statement of financial position)

Related party

JC Kevin Development Company Limited	14,574	-	14,574	-
Total	14,574	-	14,574	-

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Deposit for building rental and service paid</u>				
(presented as part of other non-current assets in the statement of financial position)				
<i><u>Related party</u></i>				
JC Kevin Development Company Limited	5,021	5,021	5,021	5,021
Total	<u>5,021</u>	<u>5,021</u>	<u>5,021</u>	<u>5,021</u>
<u>Other payables (Note 18)</u>				
<i><u>Subsidiary</u></i>				
SG Land Company Limited	-	-	40,000	77,000
Crown Development Company Limited	-	-	1	-
Ratchadamri Real Estate Company Limited (Formerly known as Mahadlekluang Company Limited)	-	-	250	-
Total	<u>-</u>	<u>-</u>	<u>40,251</u>	<u>77,000</u>
<i><u>Joint Venture</u></i>				
BGY & TFD Properties Company Limited	40	-	40	-
Total	<u>40</u>	<u>-</u>	<u>40</u>	<u>-</u>
<i><u>Related parties</u></i>				
JC Kevin Development Company Limited	983	1,254	983	1,215
JCK Hospitality Public Company Limited	1,936	1,090	1,313	1,090
Lobster Power Company Limited	400	158	400	158
Noname Foods and Beverages Company Limited	137	118	137	118
High Active Consultant Company Limited	1,566	696	1,277	696
High Active Consultant Tech Company Limited	14	-	-	-
Total	<u>5,036</u>	<u>3,316</u>	<u>4,110</u>	<u>3,277</u>
Grand Total	<u>5,076</u>	<u>3,316</u>	<u>44,401</u>	<u>80,277</u>

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Deposit for building rental and service received</u>				
(presented as part of deposit received in the statement of financial position)				
<u>Subsidiaries</u>				
TFD Real Estate Management Company Limited	-	-	149	149
JCK Utilities Company Limited (Formerly known as Total Industrial Services Company Limited)	-	-	559	559
Crown Development Company Limited	-	-	114	114
Total	-	-	822	822
<u>Related parties</u>				
JCK Hospitality Public Company Limited	583	583	-	-
High Active Consultant Company Limited	200	1,010	-	-
Total	783	1,593	-	-
Grand Total	783	1,593	822	822

During 2019, the Company entered into an agreement to purchase land with High Active Consultant Communications Company Limited (“Seller”) with a total value of Baht 430 million to develop a horizontal residential project and a deposit of Baht 65 million was paid to the seller.

Since the COVID-19 pandemic has impacted the economic in overall, the Company has revised the business plan. On 20 May 2020, the Company entered into a memorandum to cancel an agreement to purchase land. The seller agreed to return the deposit with the interest of 7.5 percent per annum in installments within 1 year from the date the memorandum is entered into until the installment payment is complete. As at 31 December 2020, the remaining deposit of Baht 61 million is presented as other receivables in the statement of financial position.

Loans to related parties and loan from related parties

As at 31 December 2020 and 2019, the balance of loans between the Company and those related parties and the movement are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements			
		Balance as at		Balance as at	
		1 January	During the year		31 December
Related by		2020	Increase	Decrease	2020
<u>Short-term loans to related</u>					
<u>party and interest receivable</u>					
BGY & TFD Properties Company Limited	Joint Venture				
Loan		65,000	-	(65,000)	-
Interest receivable		25,338	2,045	(20,202)	7,181
Total		90,338	2,045	(85,202)	7,181
<u>Short-term loans from related</u>					
<u>party and interest payable</u>					
Executive Director	Director				
Loan		-	8,000	-	8,000
Interest payable		-	3	-	3
Total		-	8,003	-	8,003
<u>Long-term loans from related party</u>					
<u>and interest payable</u>					
Schubert Holdings Pte. Ltd.	Shareholders of a subsidiary				
Loan		-	-	-	-
Interest payable		75,568	-	(25,844)	49,724
Total		75,568	-	(25,844)	49,724
Less: Current portion		(36,000)			(45,000)
Long-term loans from related party and interest payable, net current portion		39,568			4,724

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at	During the year		Balance as at
		1 January			31 December
	Related by	2020	Increase	Decrease	2020
<u>Short-term loans to related parties and</u>					
<u>interest receivable</u>					
JCK Utilities Company Limited (Formerly known as Total Industrial Services Company Limited)	Subsidiary				
Loan		990,952	3,200	(44,885)	949,267
Interest receivable		346,811	58,743	-	405,554
Total		1,337,763	61,943	(44,885)	1,354,821
Less: Allowance for expected credit losses of loan and interest receivable		(57,000)	(9,000)	-	(66,000)
Net		1,280,763	52,943	(44,885)	1,288,821
Less: Classified as non-current assets		-			(1,000,396)
Short-term loan to subsidiary and interest receivable, net of classified as non-current assets		1,280,763			288,425
<u>Long-term loans to subsidiary and</u>					
<u>interest receivable</u>					
SG Land Company Limited	Subsidiary				
Loan		-	-	-	-
Interest receivable		24,429	-	(18,000)	6,429
Total		24,429	-	(18,000)	6,429
Less: Current portion		(24,000)			(6,429)
Long-term loans to subsidiary and interest receivable, net of current portion		429			-

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at			Balance as at
		1 January	During the year		31 December
Related by		2020	Increase	Decrease	2020
<u>Short-term loans from related parties</u>					
<u>and interest payable</u>					
SG Land Company Limited	Subsidiary				
Loan		-	75,000	-	75,000
Interest payable		8,685	2,266	(2,266)	8,685
Total		8,685	77,266	(2,266)	83,685
Crown Development Company Limited	Subsidiary				
Loan		50,000	142,541	(57,730)	134,811
Interest payable		12,832	2,819	-	15,651
Total		62,832	145,360	(57,730)	150,462
Grand Total		71,517	222,626	(59,996)	234,147

Short-term loans to related parties and interest receivable

The balance of short-term loans to related parties comprised short-term unsecured loans granted by a subsidiary to a joint venture carrying interest at a rate of 5.00 percent per annum (2019: 5.00 percent per annum) and repayable on demand, and unsecured loans granted by the Company to its subsidiaries in a form of promissory notes carrying interest at rates of 5.25 - 9.975 percent per annum (2019: 5.25 - 9.975 percent per annum) and repayable on demand. However, the Company expects that some of loan and interest receivable payments from subsidiary not to be settled within one year. As a result, the loan is classified as non-current assets.

Long-term loans to subsidiary and interest receivable

The Company entered into loan agreements with a subsidiary which interest is charged at a rate of 15 percent per annum and to be paid monthly at a relaxed rate. In 2019 the Company received the long-term loans repayment from subsidiary in full.

Short-term loans from related parties and interest payable

The balance of short-term loans from related parties and director is in a form of promissory notes carrying interest at rates of 5.25 percent per annum repayable on demand and unsecured (2019: 6.00 percent per annum)

Long-term loans from related parties and interest payable

The subsidiary entered into loan agreements with related party which interest is charged at a rate of 15 percent per annum and to be paid monthly at a relaxed rate. The loans are unsecured and in 2019 the subsidiary repaid long-term loans to related party in full.

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses of their directors and management as detailed below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	49,791	57,302	41,988	43,609
Post-employment benefits	3,496	3,491	3,496	3,121
Total	<u>53,287</u>	<u>60,793</u>	<u>45,484</u>	<u>46,730</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 32.3 to the financial statements.

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash	455	455	280	280
Bank deposits	14,278	22,793	2,473	9,603
Total	<u>14,733</u>	<u>23,248</u>	<u>2,753</u>	<u>9,883</u>

As at 31 December 2020, bank deposits in saving accounts carried interests between 0.125 and 0.250 percent per annum (2019: between 0.125 and 0.625 percent per annum).

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables - related parties (Note 7)</u>				
Aged on the basis of due dates				
Past due				
Up to 3 months	1,743	2,384	-	-
3 - 6 months	2,344	3,276	-	-
6 - 12 months	3,012	-	-	-
Over 12 months	2,099	-	-	-
Trade receivables - related parties	9,198	5,660	-	-
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Past due				
Up to 3 months	14,467	9,857	2,930	2,476
3 - 6 months	5,257	6,358	68	51
6 - 12 months	6,364	4,390	116	82
Over 12 months	10,424	7,268	298	235
Total	36,512	27,873	3,412	2,844
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(12,419)	(5,575)	(183)	(183)
Total trade receivables - unrelated parties, net	24,093	22,298	3,229	2,661
Total trade receivables - net	33,291	27,958	3,229	2,661
<u>Other receivables</u>				
Advance to director (Note 7)	5,250	70,000	5,250	70,000
Accrued income - related parties (Note 7)	509	695	8,500	8,500
Accrued income - unrelated parties	1,238	1,255	-	-
Other receivables - related parties (Note 7)	65,361	3,015	68,054	5,708
Other receivables - unrelated parties	46,202	731	45,734	581
Total	118,560	75,696	127,538	84,789
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(6,342)	-	(6,342)	-
Total other receivables - net	112,218	75,696	121,196	84,789
Total trade and other receivables - net	145,509	103,654	124,425	87,450

10. Project development costs

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land and land improvement	3,858,571	3,880,023	3,648,960	3,662,859
Interest cost	269,537	210,491	168,736	112,947
Construction in progress	1,497,566	1,402,119	839,132	816,391
Condominium units available for sale	232,465	332,391	-	-
Project development costs	<u>5,858,139</u>	<u>5,825,024</u>	<u>4,656,828</u>	<u>4,592,197</u>
Capitalisation rates (percent)	5.25 - 6.00	6.00 - 6.25	5.25 - 6.00	6.00 - 6.25

During the year 2020 and 2019, the subsidiary transferred land, factory building and condominium unit thereon for rent to investment properties.

During the year ended 31 December 2020, the amount of borrowing costs capitalised by the Group to their projects was approximately Baht 54 million (Separate financial statements: Baht 54 million) (2019: Baht 13 million (Separate financial statements: Baht 13 million)).

As at 31 December 2020, the Group has mortgaged land and the construction thereon and condominium units under the property development project, totaling Baht 5,115 million (Separate financial statements: Baht 3,951 million) (2019: Baht 5,576 million (Separate financial statements: Baht 4,355 million)), as collateral for bank overdrafts, loans from financial institutions, loans from unrelated parties and debentures and as a guarantee for any tax liabilities that may arise from tax assessment of the subsidiary as stated in Note 32.5 b).

11. Restricted bank deposits

The Group pledged bank deposits to secure loans from financial institutions, debentures and letters of guarantee issued by the banks on behalf of the Company and its subsidiaries.

In 2020, the Company received the letter of guarantee for credit facilities of Baht 50 million and the pledged bank deposits were released.

12. Investments in subsidiaries

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

							(Unit: Thousand Baht)	
Company's name	Paid-up capital		Shareholding		Cost		Dividend received	
	<u>2020</u>	<u>2019</u>	percentage		<u>2020</u>	<u>2019</u>	during the year	
			<u>2020</u>	<u>2019</u>			<u>2020</u>	<u>2019</u>
			(Percent)	(Percent)				
JCK Utilities Company Limited								
(Formerly known as Total								
Industrial Services Company								
Limited)	425,000	425,000	100.00	100.00	422,550	422,550	-	-
SG Land Company Limited	100,450	100,450	49.91	49.91	45,523	45,523	-	7,490
Crown Development Company								
Limited	951,000	951,000	100.00	100.00	746,901	746,901	-	-
TFD Real Estate Management								
Company Limited	30,500	30,500	100.00	100.00	30,500	30,500	-	-
Ratchadamri Real Estate								
Company Limited (Formerly								
known as Mahadlekluang								
Company Limited)	250	-	100.00	-	250	-	-	-
Total					1,245,724	1,245,474	-	7,490
Less: Allowance for impairment of investments in subsidiaries					(95,697)	(95,697)		
Net					1,150,027	1,149,777		

On 27 January 2020, the meeting No.1/2563 of the Board of Directors of the Company passed a resolution approving an establishment of a subsidiary (Mahadlekluang Company Limited), with the registered share capital of Baht 1 million (10,000 ordinary shares with a par value of Baht 100 each), called for the payments 25 percent. The Company invested 100 percent of the registered share capital of the subsidiary. On 28 January 2020, the Company registered the establishment with Ministry of Commerce.

Subsequently, on 5 June 2020, the Annual General Meeting of Shareholders of a subsidiary (Mahadlekluang Company Limited) for the year 2020 approved the change of the subsidiary's name to "Ratchadamri Real Estate Company Limited". The subsidiary registered the change of its name with the Department of Business Development, Ministry of Commerce on 18 June 2020.

12.2 Details of investments in subsidiary that has material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by		Accumulated balance of		Profit allocated to non-controlling interests		Dividend paid to non-controlling interests	
	non-controlling interests		non-controlling interests		during the year		during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(Percent)	(Percent)						
SG Land Company								
Limited	50.09	50.09	159	139	20	22	-	7

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling interest.

Summarised information about financial position

(Unit: Thousand Baht)

	SG Land Company Limited	
	As at 31 December	
	<u>2020</u>	<u>2019</u>
Current assets	165,270	112,074
Non-current assets	280,497	327,283
Current liabilities	70,490	74,706
Non-current liabilities	59,951	88,263

Summarised information about comprehensive income

(Unit: Thousand Baht)

	SG Land Company Limited	
	For the year ended 31 December	
	<u>2020</u>	<u>2019</u>
Revenue	177,555	186,056
Total comprehensive income	38,938	44,615

Summarised information about cash flow

	(Unit: Thousand Baht)	
	SG Land Company Limited	
	For the year ended 31 December	
	<u>2020</u>	<u>2019</u>
Cash flow from operating activities	55,995	89,119
Cash flow used in investing activities	(51,357)	(1,969)
Cash flow used in financing activities	(4,734)	(81,932)
Net increase (decrease) in cash and cash equivalents	(96)	5,218

13. Investment in joint venture

13.1 Detail of investment in joint venture:

Investment in joint venture represent investments in entities which are jointly controlled by the subsidiary and other company. Details of these investments are as follows:

	(Unit: Thousand Baht)					
	Consolidated financial statements					
Joint venture	Shareholding		Carrying amounts			
	percentage		Cost		based on equity method	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(%)	(%)				
BGY & TFD Properties Company Limited	51	51	255,000	255,000	263,767	120,295

13.2 Share of comprehensive income:

During the year, the subsidiary has recognised its share of comprehensive income from investment in joint venture in the consolidated financial statements as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
Joint venture	Share of (gain) loss from		Share of other	
	investment in joint venture		comprehensive income from	
	investment in joint venture		investment in joint venture	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
BGY & TFD Properties Company Limited	(143,473)	11,564	-	-

13.3 Summarised financial information about joint venture

Summarised information about financial position

	(Unit: Million Baht)	
	As at 31 December	
	<u>2020</u>	<u>2019</u>
BGY & TFD Properties Company Limited		
Current assets	3,403	3,383
Non-current assets	94	55
Current liabilities	(2,321)	(1,741)
Non-Current liabilities	(611)	(1,398)
Net assets	565	299
Shareholding percentage (%)	51	51
Share of net assets	288	152
Elimination entries	(24)	(32)
Carrying amounts of joint venture based on equity method	264	120

Summarised information about comprehensive income

	(Unit: Million Baht)	
	For the year ended 31 December	
	<u>2020</u>	<u>2019</u>
BGY & TFD Properties Company Limited		
Revenue from sale	1,465	-
Other income	5	8
Cost of sales	(883)	-
Selling and administrative expenses	(212)	(83)
Finance cost	(40)	(6)
Income tax	(54)	58
Total comprehensive income	281	(23)

The subsidiary (Crown Development Company Limited) has placed the ordinary shares of BGY & TFD Properties Company Limited as collateral for debentures of the Company as described in Note 19 to financial statements.

14. Other non-current financial assets

(Unit: Thousand Baht)

Consolidated / Separate financial statements				
31 December 2020				
Equity instruments designated at	Shareholding		Unrealised loss on	
FVOCI	percentage	Cost	changes in value of	Carrying amount
	(Percent)		other non-current	
			financial assets	
MFC Industrial Investment Property				
and Leasehold Fund (M-II)	10.04	148,663	(25,209)	123,454
Total		148,663	(25,209)	123,454

The Company received dividends from the fund during the current year amounting to Baht 10 million.

The Company has pledged its investments in MFC Industrial Investment Property and Leasehold Fund (M-II) amounting to Baht 108 million (2019: Baht 107 million) to secure bill of exchange, promissory note and loan from unrelated parties, as stated in Notes 17 and 20 to the financial statements.

Other non-current financial assets consist of the investment in unit trust in balanced close-ended fund listed in the Stock Exchange of Thailand and stated at fair value using inputs of Level 1 which is use of quoted market prices in an observable active market for such assets or liabilities.

15. Investment properties

The net book value of the investment properties as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and warehouse building for rent/ improvement of leasehold building	Office building for rent	Condominium unit for rent	Right-of-use assets for rent	Total
As at 31 December 2020:					
Cost	636,018	364,043	57,816	758,928	1,816,805
<u>Less</u> : Accumulated depreciation	(51,974)	(254,653)	(1,951)	(604,196)	(912,774)
<u>Less</u> : Allowance for impairment	(1,922)	-	-	-	(1,922)
Net book value	<u>582,122</u>	<u>109,390</u>	<u>55,865</u>	<u>154,732</u>	<u>902,109</u>
As at 31 December 2019:					
Cost	740,641	359,814	-	-	1,100,455
<u>Less</u> : Accumulated depreciation	(37,133)	(232,484)	-	-	(269,617)
<u>Less</u> : Allowance for impairment	(1,922)	-	-	-	(1,922)
Net book value	<u>701,586</u>	<u>127,330</u>	<u>-</u>	<u>-</u>	<u>828,916</u>

The subsidiaries have placed investment properties, with total net book values as at 31 December 2020 of Baht 784 million (2019: Baht 829 million), as collateral to debentures, long-term loan from financial institution and letter of guarantee to guarantee electricity use from bank.

A reconciliation of the net book value of investment properties for the years 2020 and 2019 is presented below.

(Unit: Thousand Baht)		
	Consolidated financial statements	
	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	828,916	1,440,099
Adjustments of right-of-use assets due to TFRS 16 adoption (Note 4)	200,662	-
Acquisition of assets	8,640	3,552
Transfer from project development cost	136,846	97,970
Transfer to project development cost	(183,652)	(46,731)
Disposal	-	(23,102)
Decrease from sale of investment in subsidiary	-	(556,569)
Depreciation	(89,303)	(47,294)
Translation adjustment	-	(39,009)
Net book value at end of year	<u>902,109</u>	<u>828,916</u>

The addition information of the investment properties as at 31 December 2020 and 2019 stated below:

(Unit: Thousand Baht)		
	Consolidated financial statements	
	<u>2020</u>	<u>2019</u>
Fair value of Land, Warehouse Buildings, and Building improvement for rent	750,113	910,000
Fair value of Office building for rent and improvement of leasehold building	318,500	140,566
Condominium unit for rent	62,570	-
Lease liabilities	16,607	-

The fair value of investment properties has been determined using the income approach. The main assumptions used in the valuation are yield rate, long-term vacancy rate and long-term growth real rates.

Sale of assets to MFC Industrial Investment Property and Leasehold Fund in 2013

In December 2013, the Company and JCK Utilities Company Limited (Formerly known as Total Industrial Services Company Limited) (the subsidiary) transferred the ownership of property and factory buildings in TFD industrial Park and factory buildings in Kingkaew Project to MFC Industrial Investment Property and Leasehold Fund (“the Fund”) and have entered into agreement and accepted some conditions as follows:

1. An agreement regarding compensation for property and factory building in a plot of land of which a sublease agreement has not been made or a sublease has been made but rental or service fee has not started or has started but the remaining lease period is less than 6 months. The Company and the subsidiary agreed to guarantee the minimum rental rate and service fee for these assets for a period of three years from the date the property ownership was transferred.
2. An agreement relating to investment in unit trusts of the Fund, whereby the Company or its subsidiary agree to invest in unit trusts not less than 10% of the increase value in unit trust, equivalent to Baht 75 million (7.5 million units). As at 31 December 2020, the Company made an investment in the Fund, equivalent to 10.40% (2019: 10.04%) of the value of the Fund's unit trusts.
3. An amendment agreement of Property manager appointment agreement made with the Fund whereby the Fund appointed the Company as the Management Company to manage the property of the increase of unit trusts to seek benefits from the property. In this regard, the Company agreed to place additional deposit of Baht 0.5 million with the Fund as a performance guaranteed the Management Company.
4. The Company agreed to guarantee of the factory's construction for the period of 5 years after the date of transfer of the factory buildings to the Fund.

16. Equipment

(Unit: Thousand Baht)

	Consolidated financial statements			
	Improvement of leasehold office building	Motor vehicles	Furniture, fixtures and office equipment	Total
Cost				
As at 1 January 2019	21,738	49,642	91,808	163,188
Additions	556	1,419	2,242	4,217
Disposals	-	(5,305)	-	(5,305)
As at 31 December 2019	22,294	45,756	94,050	162,100
Adjustments of right-of-use assets due to TFRS 16 adoption	-	(3,609)	(963)	(4,572)
Additions	-	-	801	801
Disposals	-	(1,298)	-	(1,298)
As at 31 December 2020	22,294	40,849	93,888	157,031

(Unit: Thousand Baht)

	Consolidated financial statements			
	Improvement of leasehold office	Motor vehicles	Furniture, fixtures and office equipment	Total
	building			
Accumulated depreciation:				
As at 1 January 2019	16,409	42,965	43,944	103,318
Depreciation for the year	1,911	3,547	4,785	10,243
Depreciation on disposals	-	(5,305)	-	(5,305)
As at 31 December 2019	18,320	41,207	48,729	108,256
Adjustments of right-of-use assets due to TFRS 16 adoption	-	(693)	(129)	(822)
Depreciation for the year	1,379	1,350	4,026	6,755
Depreciation on disposals	-	(1,298)	-	(1,298)
As at 31 December 2020	19,699	40,566	52,626	112,891
Net book value:				
As at 31 December 2019	3,974	4,549	45,321	53,844
As at 31 December 2020	2,595	283	41,262	44,140
Depreciation for the year				
2019 (All included in an administrative expenses)				10,243
2020 (All included in an administrative expenses)				6,755

(Unit: Thousand Baht)

	Separate financial statements			
	Improvement of leasehold office	Motor vehicles	Furniture, fixtures and office equipment	Total
	building			
Cost				
As at 1 January 2019	19,117	39,404	71,965	130,486
Additions	556	1,419	1,825	3,800
Disposals	-	(5,305)	-	(5,305)
As at 31 December 2019	19,673	35,518	73,790	128,981
Adjustments of right-of-use assets due to TFRS 16 adoption	-	(1,419)	(963)	(2,382)
Additions	-	-	801	801
Disposals	-	(1,298)	-	(1,298)
As at 31 December 2020	19,673	32,801	73,628	126,102

(Unit: Thousand Baht)

	Separate financial statements			
	Improvement of leasehold office building	Motor vehicles	Furniture, fixtures and office equipment	Total
Accumulated depreciation:				
As at 1 January 2019	13,893	35,750	25,466	75,109
Depreciation for the year	1,843	2,573	4,284	8,700
Depreciation on disposals	-	(5,305)	-	(5,305)
As at 31 December 2019	15,736	33,018	29,750	78,504
Adjustments of right-of-use assets due to TFRS 16 adoption	-	(150)	(130)	(280)
Depreciation for the year	1,344	948	3,659	5,951
Depreciation on disposals	-	(1,298)	-	(1,298)
As at 31 December 2020	17,080	32,518	33,279	82,877
Net book value:				
As at 31 December 2019	3,937	2,500	44,040	50,477
As at 31 December 2020	2,593	283	40,349	43,225
Depreciation for the year				
2019 (All included in an administrative expenses)				8,700
2020 (All included in an administrative expenses)				5,951

As at 31 December 2020, the Group has certain improvements of leasehold office building and equipment items which have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 79 million (Separate financial statements: Baht 53 million) (2019: Baht 63 million, (Separate financial statements: Baht 45 million)).

17. Bank overdrafts and short-term loans

(Unit: Thousand Baht)

	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Bank overdrafts	MOR	24,438	20,277	19,490	17,168
Bills of exchange	5.25 – 9.50	29,843	69,686	29,843	34,821
Promissory note	5.00 - 8.00, MLR	168,159	157,632	133,380	123,095
Short-term loans	7.00 - 10.00	189,656	130,000	189,656	130,000
Total		<u>412,096</u>	<u>377,595</u>	<u>372,369</u>	<u>305,084</u>

Bank overdrafts of the Group are guaranteed by the Company and the Executive Chairman and the mortgage of land with construction of the Group.

The Group has short-term bills of exchange which are secured by collateral amounting to Baht 30 million (2019: Baht 30 million: short-term bills of exchange which are secure and unsecured amounting to Baht 40 million).

The Group has promissory notes from unrelated parties which are secured by collateral amounting to Baht 5 million and promissory notes from unrelated parties and bank are unsecured amounting to Baht 163 million (2019: Baht 158 million: promissory notes from unrelated parties which are unsecured).

Such bills of exchange and promissory note from unrelated party was secured by investments in MFC Industrial Investment Property and Leasehold Fund (M-II).

The Company have short-term loans from third party of Baht 190 million (2019: Baht 130 million) was secured by the mortgage of land of the Company and certain condominium units of the subsidiary and investments in MFC Industrial Investment Property and Leasehold Fund (M-II).

18. Trade and other payables

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade payables</u>				
Trade accounts payable - unrelated parties	7,405	3,924	2,841	3,021
Accounts payable – construction	41,583	43,372	29,587	35,345
Total trade payables	48,988	47,296	32,428	38,366
<u>Other payables</u>				
Other payable - deposit from sale of project - related party (Note 7)	-	-	40,000	47,000
Other payable - related party (Note 7)	5,076	3,316	4,401	33,277
Retention for constructors	28,580	29,860	17,713	16,632
Accrued expenses	124,410	84,046	101,836	54,817
Others	11,612	17,296	6,008	11,874
Total other payables	169,678	134,518	169,958	163,600
Total trade and other payables	218,666	181,814	202,386	201,966

19. Debentures

(Unit: Thousand Baht)		
	Consolidated / Separate	
	financial statements	
	<u>2020</u>	<u>2019</u>
Senior and secured debenture 1/2561	-	440,000
Senior and secured debenture 2/2561	-	769,000
Senior and secured debenture 3/2561	387,360	430,400
Senior and partially secured debenture 1/2562	525,500	525,500
Senior and secured debenture 2/2562	966,400	966,400
Senior and secured debenture 3/2562	546,100	546,100
Senior and secured debenture 1/2563	811,100	-
Senior and secured debenture 2/2563	390,000	-
Less: Unamortised cost relating to the issuance of debentures	(18,654)	(25,484)
Total	3,607,806	3,651,916
Less: Current portion of debenture	(2,118,805)	(1,636,013)
Debentures - net of current portion	1,489,001	2,015,903

Movements in debentures account during the year ended 31 December 2020 are summarised below.

	(Unit: Thousand Baht) Consolidated / Separate financial statements
Balance as at 1 January 2020	3,651,916
Issued during the year	1,201,100
Maturity during the year	(1,252,040)
Debentures issuing costs	(21,357)
Amortisation of deferred debentures issuing costs	28,187
Balance as at 31 December 2020	3,607,806

On 15 February 2018, the Company issued and offered 440,000 units of senior and secured debentures 1/2561 with a face value of Baht 1,000 each, amounting to Baht 440 million. The debentures mature on 15 February 2020 and bear interest at a rate of 6.5% per annum, payable every 3 months. The debentures were secured by the part of land with construction thereon of the Company in Chachoengsao Province.

On 15 February 2020, the Company redeemed the senior and secured debentures 1/2561.

On 27 April 2018, the Company issued and offered 769,000 units of senior and secured debentures 2/2561 with a face value of Baht 1,000 each, amounting to Baht 769 million. The debentures mature on 27 January 2020 and bear interest at the rate of 7.25% per annum, payable every 3 months.

The debentures were secured by the following:

- (1) Part of the Company's vacant lands in Chachoengsao Province.
- (2) The land with construction thereon of the project under development of the Company.

On 27 January 2020, the Company redeemed the senior and secured debentures 2/2561.

On 27 September 2018, the Company issued and offered 430,400 units of senior and secured debentures 3/2561 with a face value of Baht 1,000 each, amounting to Baht 430.4 million. The debentures mature on 27 September 2020 and bear interest at the rate of 6.50% per annum, payable every 3 months.

The debentures were secured by the following:

- (1) Ordinary shares of the joint venture held by a subsidiary
- (2) A collateral agreement whereby a subsidiary agrees to take responsibility for 100 percent of principal

Subsequently, on 10 September 2020, the Meeting of Debenture holders No. 1/2563 for the senior and secured debentures 3/2561 passed a resolution approving amendment of clause in rights and duties of debenture issuer and holders with respect to the extension maturity date, changes of applicable interest rates and the conditions for early redemption. As a result, the maturity date is extended to 27 March 2022, with interest payable every three months at the rates of 6.50% per annum for the period from issuance date until 26 September 2020, and 7.00% per annum for the period from 27 September 2020 to 27 March 2022. The Company is to repay the principal of the debentures in 6 installments, in the amount equal to 5.00% of the principal each, and the repayment will be made every 3 months, starting from 27 September 2020. The remaining balance (70% of the principal) will be repaid on the maturity date.

On 15 February 2019, the Company issued and offered 525,500 units of senior and partially secured debentures 1/2562 with a face value of Baht 1,000 each, amounting to Baht 525.5 million. The debentures mature on 15 February 2021 and bear interest at a rate of 6.75% per annum, payable every 3 months. The debentures were secured by the part of land with construction thereon of the Company in Chachoengsao Province.

Subsequently, on 22 January 2021, the Meeting of Debenture holders No. 1/2564 for the senior and secured debentures 1/2562 passed a resolution approving amendment of clause in rights and duties of debenture issuer and holders with respect to the extension maturity date, changes of applicable interest rates and the conditions for early redemption. As a result, the maturity date is extended to 15 February 2023, with interest payable every three months at the rates of 6.75% per annum for the period from issuance date until 15 February 2021, and 7.25% per annum for the period from 15 May 2021 to 15 February 2023. The Company is to repay the principal of the debentures in 8 installments, in the amount equal to 5.00% of the principal each, and the repayment will be made every 3 months, starting from 15 February 2021. The remaining balance (60% of the principal) will be repaid on the maturity date.

On 22 March 2019, the Company issued and offered 1,006,400 units of senior, secured and callable debentures 2/2562 with a face value of Baht 1,000 each, amounting to Baht 1,006.4 million. The debentures mature on 22 March 2021 and bear interest at a rate of 6.75% per annum, payable every 3 months. The debentures were secured by the part of land with construction thereon of the subsidiary in Chachoengsao Province.

In 2019, the Company partially redeemed senior, secured and callable debentures 2/2562 in the secondary market amounting to Baht 40 million.

Subsequently, on 22 February 2021, the Meeting of Debenture holders No. 2/2564 for the senior and secured debentures 2/2562 passed a resolution approving amendment of clause in rights and duties of debenture issuer and holders with respect to the extension maturity date, changes of applicable interest rates and the conditions for early redemption. As a result, the maturity date is extended to 22 March 2023, with interest payable every three months at the rates of 6.75% per annum for the period from issuance date until 22 March 2021, and 7.00% per annum for the period from 22 June 2021 to 22 March 2023. The Company is to repay the principal of the debentures in 5 installments, in the amount equal to 5.00% of the principal each, and the repayment will be made every 3 months, starting from 22 December 2021. The remaining balance (75% of the principal) will be repaid on the maturity date. In addition, during the term of the debenture, if the debenture issuer who pledged the assets disposes of or transfers the pledged assets to third parties in the ordinary course of business and for business purposes, the debenture issuer may release the pledged assets and replace them with other collaterals of equal value to maintain the ratio of collateral to total debt at 1:1 or higher.

On 26 July 2019, the Company issued and offered 546,100 units of senior, secured and callable debentures 3/2562 with a face value of Baht 1,000 each, amounting to Baht 546.1 million. The debentures mature on 26 July 2021 and bear interest at a rate of 6.75% per annum, payable every 3 months.

The debentures were secured by the following:

- (1) Part of the Company's vacant lands in Chachoengsao Province.
- (2) Certain condominium units under a real estate development project of the subsidiary.

On 24 January 2020, the Company issued and offered 811,100 units of senior, secured and callable debentures 1/2563 with a face value of Baht 1,000 each, amounting to Baht 811.1 million. The debentures mature on 24 January 2022 and bear interest at a rate of 7.00% per annum, payable every 3 months. The debentures were secured by the part of land with construction thereon of the Company in Chachoengsao Province.

On 13 February 2020, the Company issued and offered 390,000 units of senior, secured and callable debentures 2/2563 with a face value of Baht 1,000 each, amounting to Baht 390 million. The debentures mature on 13 August 2022 and bear interest at a rate of 7.25% per annum, payable every 3 months. The debentures were secured by the part of land with construction thereon of the Company in Chachoengsao Province.

The balance of the debentures is presented net of deferred debenture issuing costs. Under the debentures agreement, there are normal covenants relating to various matters, as required in the normal course of business.

20. Long-term loans

(Unit: Thousand Baht)						
Credit No.	Currencies	Credit facilities (Million)	Consolidated		Separate	
			financial statements		financial statements	
			<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
1	Baht	159	20,476	32,477	-	-
2	Baht	235	67,400	127,300	-	-
3	Baht	1,600	981,581	970,030	981,581	970,030
4	Baht	55	46,328	48,205	-	-
5	Baht	35	35,000	35,000	35,000	35,000
6	Baht	40	40,000	-	40,000	-
Total			1,190,785	1,213,012	1,056,581	1,005,030
Less : Current portion			(442,445)	(437,453)	(397,506)	(395,544)
Long-term loans, net of current portion			<u>748,340</u>	<u>775,559</u>	<u>659,075</u>	<u>609,486</u>

Movements in long-term loans from financial institutions for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)		
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2020	1,213,012	1,005,030
Addition during the period	102,220	102,220
Amortisation of deferred loan cost	421	331
Repayment	(124,868)	(51,000)
Balance as at 31 December 2020	<u>1,190,785</u>	<u>1,056,581</u>

Credit line (1) On 13 January 2015, a subsidiary received a loan facility of Baht 159 million from a local bank, which has been drawn down in full (the amount of the loan facility after a drawdown period is expired), carrying interest at MLR-0.5% per annum, payable on the 10th of every month from the drawdown date. Principal was payable from the 13th month onwards, counting from the drawdown date, in monthly payments of no less than Baht 7,700,000 until the loan is repaid in full, which must be completed within 3 years from the drawdown date.

In 2016, the subsidiary entered into the amendment memorandum to the loan agreement. The subsidiary was granted a postponement of the date for the first principal repayment to March 2017, and the loan must be fully repaid by February 2019.

In 2017, the subsidiary entered into an amendment memorandum to the loan agreement, allowing the subsidiary to make repayment in monthly installments from January 2018 to November 2027, with a step rate feature whereby installments begin at Baht 1,000,000 rising to Baht 2,500,000, and the balance is to be paid in the final installment in December 2027.

The loan was secured by the following:

- (1) The mortgage of land with construction thereon of a subsidiary and the assignment of the beneficiary rights under the insurance policies covering these assets to the lender.
- (2) Letter of guarantee from the Company and the Executive Chairman.

Credit line (2) On 13 January 2015, a subsidiary received a loan facility of Baht 235 million from a local bank (which has been drawn down in full), carrying interest at MLR-0.5% per annum, payable on the 14th of every month from the drawdown date. Principal was payable from the 16th month onwards, counting from the drawdown date, in monthly payments of no less than Baht 11,200,000 until the loan is repaid in full, which must be completed within 3 years from the drawdown date.

In 2016, the subsidiary entered into the amendment memorandum to the loan agreement. The subsidiary was granted a postponement of the date for the first principal repayment to May 2017, and the loan must be fully repaid by January 2019.

In 2017, the subsidiary entered into an amendment memorandum to the loan agreement, allowing the subsidiary to make repayment in monthly installments from January 2018 to November 2027, with a step rate feature whereby installments begin at Baht 1,000,000 rising to Baht 3,000,000, and the balance is to be paid in the final installment in December 2027.

The loan was secured by the following:

- (1) The mortgage of land with construction thereon of a subsidiary and the assignment of the beneficiary rights under the insurance policies covering these assets to the lender.
- (2) Letter of guarantee from the Company and the Executive Chairman.

Credit line (3) On 24 October 2017, the Company obtained a loan facility from a local financial institution granting long-term loan facilities of Baht 1,600 million (Baht 1,100 million has been drawn down), bank guarantee facilities of Baht 500 million and bank overdraft facilities of Baht 20 million. The long-term loans carry interest at MLR per annum, payable at the end of each month from the drawdown date. Principal is payable commencing from the 25th month after the drawdown date, and principal are to be repaid in monthly installments of no less than Baht 33 million until the loan is repaid in full, which must be completed within 6 years from the drawdown date.

On 4 February 2020, the Company requested a 12-month deferral on principal repayment. As a result, the Company did not repay the principal in February 2020 and March 2020.

Subsequently, on 29 April 2020, the Company entered into a debt restructuring agreement which stipulates the following conditions.

- Principal repayable is to begin from February 2021 to September 2024, with a monthly payment of Baht 33 million. The remaining balance is to be paid fully in the final installment in October 2024.
- Interest incurring from April 2020 to July 2020 is to be accrued and payable monthly from August 2020 onwards.
- The accrued interest is payable from August 2020 to December 2020 with a monthly payment of Baht 2.68 million, and the remaining balance is to be paid in full in January 2021.
- If the Company complies with the conditions described in the agreement without default and violations, the accrued interest of Baht 8.79 million will be exempted.

The loan was secured by the following:

- (1) The mortgage of land with construction thereon and the assignment of the beneficiary rights under the insurance policies covering these assets to the lender.
- (2) Letter of guarantee from the Executive Chairman.

Credit line (4) On 14 September 2018, a subsidiary obtained a loan facility of Baht 55 million from a local financial institution (which had been fully drawn down), carrying interest at MLR-1.25% per annum. From March 2019 onwards, principal and interest are to be paid every month in accordance with the agreement. The loan and interest must be fully repaid within September 2021.

Subsequently, on 19 May 2020, the subsidiary entered into the amendment memorandum to the loan agreement which stipulates the following conditions.

- The moratorium period from April 2020 to March 2021 on the principal and interests is granted. Step loan repayment is applied from April 2021 to August 2022, beginning from Baht 1,000,000 for the first monthly installment and stepping up to a monthly installment of Baht 4,500,000, and the remaining balance is to be repaid in full in the final installment in September 2022.
- Interest incurring from April 2020 to September 2020 is to be accrued and payable monthly from October 2020 onwards.
- The accrued interest is payable from October 2020 to March 2021, with a monthly payment of no less than Baht 300,000, and the remaining balance is to be paid in full in March 2021.

The loan was secured by the following:

- (1) The mortgage of land of the Company.
- (2) Letter of guarantee from the Executive Chairman.

Credit line (5) On 17 January 2019, the Company obtained a loan of Baht 35 million from a local financial institution in form of a bills of exchange, carrying interest at 6.75% per annum. The loan is to be fully repaid in January 2021.

The loan was secured by investments in MFC Industrial Investment Property and Leasehold Fund (M-II).

Credit line (6) On 2 November 2020, the Company obtained a loan of Baht 40 million from third party in form of promissory note, carrying interest at 6.80% per annum. The loan is to be fully repaid in May 2022.

The loan was secured by of land of the Company in Chachoengsao Province.

The loan agreements contain certain covenants and restrictions which the Group must comply, related to such matters as the maintenance of a debt to equity ratio of not more than 3:1, the maintenance of the shareholding structure and providing loans to related parties.

As at 31 December 2020, The Company had no undrawn credit facilities under loan agreements (2019: Baht 562 million). The credit facility for infrastructure of Baht 500 million can be drawn down when a buyer enters into an agreement to sell and purchase land for more than 50% of land to be sold of the project and pays a deposit at least 10% of the contractual price.

21. Leases

21.1 The Group as a lessee

The Group has lease contracts for various items of property, building, and equipment used in its operations. Leases generally have lease terms between 3 - 50 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land	Office Buildings	Motor vehicles	Total
1 January 2020	562,408	22,902	5,112	590,422
Depreciation for the year	(13,155)	(8,328)	(1,455)	(22,938)
31 December 2020	549,253	14,574	3,657	567,484

(Unit: Thousand Baht)

	Separate financial statements			
	Land	Office Buildings	Motor vehicles	Total
1 January 2020	562,408	22,902	3,464	588,774
Depreciation for the year	(13,155)	(8,328)	(1,003)	(22,486)
31 December 2020	549,253	14,574	2,461	566,288

The movements of right-of-use assets exclude the right-of-use assets which are classified as investment property which is presented in Note 15.

b) Lease liabilities

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Lease payments	1,914,979	1,896,288
Less: Deferred interest expenses	(1,346,905)	(1,345,819)
Total	568,074	550,469
Less: Portion due within one year	(36,267)	(27,093)
Lease liabilities - net of current portion	531,807	523,376

A maturity analysis of lease payments is disclosed in Note 34.1 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	22,938	22,486
Interest expense on lease liabilities	38,770	37,618
Expense relating to leases of low-value assets	274	179

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 13 million, including the cash outflow related to short-term lease, leases of low-value assets.

21.2 Group as a lessor

The Group has entered into operating leases for its investment property portfolio consisting of office building and manufacturing building (see Note 15) of the lease terms are between 1 - 10 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2020 as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Within 1 year	168,338
Over 1 and up to 5 years	106,360
Over 5 years	4,396
Total	279,094

During 2020 the Group has sub-lease income amounting to Baht 211 million.

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits				
at beginning of year	27,061	20,964	17,452	11,423
Transfer from subsidiary	-	-	-	3,650
Included in profit or loss:				
Current service cost	8,440	7,054	6,372	4,086
Interest cost	361	503	237	294
Past service cost	-	1,625	-	807
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes and				
financial assumptions changes	-	1,315	-	842
Benefits paid during the year	<u>(2,574)</u>	<u>(4,400)</u>	<u>(1,638)</u>	<u>(3,650)</u>
Provision for long-term employee benefits				
at end of year	33,288	27,061	22,423	17,452

The Group expect to pay Baht 6.5 million of long-term employee benefits during the next year (Separate financial statements: Baht 4.7 million) (2019: Baht 1 million, (Separate financial statements: Nil)).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 4 - 12 years (Separate financial statement: 7 years) (2019: 4 - 12 years, (Separate financial statements: 7 years)).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(%)	(%)	(%)	(%)
Discount rate	1.25 - 1.69	1.25 - 1.69	1.36	1.36
Future salary increase rate	5.00	5.00	5.00	5.00
Staff turnover rate (depending on age and level of staffs)	2 - 30	2 - 30	2 - 30	2 - 30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

(Unit: Thousand Baht)

	2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1,349)	1,506	(825)	926
Future salary increase rate	2,280	(2,082)	1,461	(1,332)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	(663)	728	(423)	467

(Unit: Thousand Baht)

	2019			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1,302)	1,445	(811)	904
Future salary increase rate	1,787	(1,639)	1,140	(1,043)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	(611)	665	(391)	428

23. Share capital

On 28 April 2020, the Annual General Meeting of Shareholders of the Company for the year 2020 approved the followings significant transactions.

- Approved the reduction of the registered share capital from Baht 2,769,466,527 to Baht 2,554,763,113, by canceling 214,703,414 shares with a par value of Baht 1 per share. The Company registered the reduction in share capital with the Ministry of Commerce on 5 May 2020.
- Approved the increase in the registered share capital of the Company from Baht 2,554,763,113 to Baht 2,769,466,527 by issuing 214,703,414 new ordinary shares with a par value of Baht 1 each to support the allotment to investors in private placement. The Company registered the increase in its share capital with the Ministry of Commerce on 7 May 2020.
- Approved the allocation of the 214,703,414 newly issued ordinary shares with a par value of Baht 1 each to be offered to investors in private placement.

On 2 November 2020, the Extraordinary General Meeting of Shareholders No.1/2563 of the Company approved the followings significant transactions.

- Approved the reduction of the registered share capital from Baht 2,769,466,527 to Baht 2,147,034,479, by canceling 622,432,048 shares with a par value of Baht 1 per share. The Company registered the reduction in share capital with the Ministry of Commerce on 4 November 2020.
- Approved the increase in the registered share capital of the Company from Baht 2,147,034,479 to Baht 3,220,551,718 by issuing 1,073,517,239 new ordinary shares with a par value of Baht 1 each to be reserved for the exercise rights of the holders of warrants No.6. The Company registered the increase in its share capital with the Ministry of Commerce on 5 November 2020.
- Approved the allocation of the 1,073,517,239 newly issued ordinary shares with a par value of Baht 1 each to be reserved for the exercise rights of the holders of warrants No.6.

24. Warrants to purchase ordinary shares

Details of warrants as at 31 December 2020 are as follows:

	<u>Warrants No.6 (JCK-W6)</u>
Issued date	12 November 2020
No. of warrants granted (Units)	1,073,369,142
Life of warrants	2 years from the issue date (Expired: 11 November 2022)
Exercisable	Last business day of each quarter from the issue date (First Exercise Date: 31 March 2021)
Exercise price per 1 ordinary share (Baht)	2.00
Exercise ratio (warrant to ordinary share)	1: 1

Movement of warrants for the year ended 31 December 2020 are summarised below:

	Warrants No.5 JCK-W5	Warrants No.6 JCK-W6
	Warrant (Unit)	Warrant (Unit)
Balance as at 1 January 2020	241,117,818	-
Addition during the period	-	1,073,369,142
Exercised during the period	(338)	-
Expired during the period	(241,117,480)	-
Balance as at 31 December 2020	-	1,073,369,142

On 14 July 2020, the Company received a payment totaling Baht 1,183 from holders of 338 warrants (JCK-W5) who exercised their final rights to buy the Company's 338 newly issued ordinary shares at the price of Baht 3.50 per share. The Company registered its increase in share capital with the Ministry of Commerce on 17 July 2020. The number of ordinary shares of the Company therefore increased to 2,147,034,479 shares at a par value of Baht 1 each.

The outstanding warrants of 241,117,480 units expired on 14 July 2020.

The Extraordinary General Meeting of Shareholders of the Company No.1/2563 held on 2 November 2020 passed a resolution to approve the issuance and offering of JCK-W6 with the allotted warrants of 1,073,517,239 units to the existing shareholders at the ratio of 2 existing shares per 1 unit of JCK-W6 without charge. The exercise price is Baht 2.00 per share.

On 12 November 2020, the Company issued 1,073,369,142 units of warrants to purchase newly issued ordinary shares of Company (JCK-W6) to the existing shareholders.

As at 31 December 2020 the first exercise date of 1,073,369,142 units of Warrants No.6 (JCK-W6) has not been reached.

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

26. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expenses on borrowings	347,273	397,722	338,276	371,765
Interest expenses on lease liabilities	38,770	200	37,618	72
Total	<u>386,043</u>	<u>397,922</u>	<u>375,894</u>	<u>371,837</u>

27. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Purchase of land, construction in progress and project development cost	96,336	199,729	88,163	199,729
Changes in project development costs	(33,115)	(64,650)	(64,631)	(168,632)
Salaries and wages and other employee benefits	60,589	66,512	33,912	45,195
Depreciation and amortisation expenses	118,996	102,634	28,437	11,961
Director and management benefits	53,503	60,793	45,483	46,730
Rental expenses from operating lease agreements	-	34,401	-	24,190

28. Income tax

Income tax for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	10,456	15,959	-	-
<u>Less</u> Income tax charge from discontinued operation	-	(3,625)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(26,823)	(6,202)	(7,033)	(3,874)
Income tax expenses reported in profit or loss	<u>(16,367)</u>	<u>6,132</u>	<u>(7,033)</u>	<u>(3,874)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to loss on changes in value of available-for-sale investments	-	(863)	-	(863)
Deferred tax relating to loss on measured in fair value through other comprehensive income ("FVOCI")	(5,353)	-	(5,353)	-
Deferred tax relating to actuarial loss	-	(255)	-	(168)
Total	<u>(5,353)</u>	<u>(1,118)</u>	<u>(5,353)</u>	<u>(1,031)</u>

The reconciliation between accounting profit (loss) and income tax is shown below.

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit (loss) before income tax from				
continued operation	(306,318)	(480,178)	(427,657)	(422,153)
Accounting profit before income tax from				
discontinued operation	-	20,572	-	-
	<u>(306,318)</u>	<u>(459,606)</u>	<u>(427,657)</u>	<u>(422,153)</u>
Applicable tax rate	20%	19, 20%	20%	20%
Income tax at Thai corporate income tax rate of 20%	(61,264)	(91,921)	(85,531)	(84,431)
Difference in tax rates of subsidiaries in overseas countries	-	(88)	-	-
Effect of elimination entries on the consolidated financial statements	(29,406)	16,878	-	-
Unrecognised deferred tax assets on unused tax loss	74,259	71,071	71,871	65,169
Utilisation of unused tax loss previously				
unrecognised deferred tax assets	(13,997)	(1,509)	(2,000)	-
Write-off deferred income tax assets on uncertainty of				
tax loss carry forward	-	8,567	-	8,567
Deferred tax on investment in subsidiaries	-	(1,550)	-	-
Effects of:				
Income which exempt for income tax	(2,059)	(3,534)	(2,059)	(3,480)
Non-deductible expenses	17,167	12,882	10,777	10,366
Additional expense deductions allowed	(1,067)	(1,039)	(91)	(65)
Total	<u>14,041</u>	<u>8,309</u>	<u>8,627</u>	<u>6,821</u>
Income tax from discontinued operation	-	(3,625)	-	-
Income tax expenses reported in profit or loss	<u>(16,367)</u>	<u>6,132</u>	<u>(7,033)</u>	<u>(3,874)</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	3,762	1,115	1,441	37
Allowance for impairment on investment properties	384	384	-	-
Unrealised gain	30,241	30,241	-	-
Unrealised loss on changes in value of trading securities	376	250	376	250
Unrealised loss on changes in fair value of investment	5,042	-	5,042	-
Difference in depreciation amount between tax base and accounting base	4,586	-	4,058	-
Unused tax loss	173,600	146,200	100,800	98,800
Provision for long-term employee benefits	6,370	5,932	4,485	3,490
Project development costs	29,102	29,789	29,102	29,789
Others	603	2,826	-	1,340
Total	<u>254,066</u>	<u>216,737</u>	<u>145,304</u>	<u>133,706</u>
Deferred tax liabilities				
Unrealised gain on changes in value of available-for-sale securities	-	311	-	311
Liabilities under financial lease and hire - purchase agreements	-	557	-	477
Prepaid Commission expense	4,650	-	-	-
Others	2,554	1,183	-	-
Total	<u>7,204</u>	<u>2,051</u>	<u>-</u>	<u>788</u>
Deferred tax assets - net	<u>246,862</u>	<u>214,686</u>	<u>145,304</u>	<u>132,918</u>

As at 31 December 2020, the Group has deductible temporary differences and unused tax losses totaling Baht 1,168 million (Separate financial statements: Baht 1,100 million) (2019: Baht 1,108 million (Separate financial statements: Baht 925 million)), on which deferred tax assets have not been recognised as the Group believe that their future taxable profits may not be sufficient to allow utilisation of the temporary difference and unused tax losses.

The unused tax losses amounting to Baht 1,072 million (Separate financial statements: Baht 1,004 million) will expire by 2025.

29. Earnings per share

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

Diluted earnings (loss) per share is calculated by dividing profit (loss) for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

No diluted earnings (loss) per share has been presented because an exercise price of the 6th series of warrant (JCK-W6) to purchase the ordinary shares of the Company was higher than the average market price of the Company's shares for the year ended 31 December 2020 and 2019.

The following table sets forth the computation of basic earnings (loss) per share:

Consolidated financial statements					
For the year ended 31 December					
		Weighted average			
Loss		number of ordinary shares		Loss per share	
<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
(Thousand	(Thousand	(Thousand	(Thousand	(Baht)	(Baht)
Baht)	Baht)	shares)	shares)		
Earnings per share					
Basic earnings per share					
Loss attributable to equity holders					
of the Company					
(309,455)	(491,711)	2,147,034	2,147,034	(0.14)	(0.23)
Earnings per share from continued					
operation					
Basic earnings per share					
Loss attributable to equity holders					
of the Company					
(309,455)	(508,659)	2,147,034	2,147,034	(0.14)	(0.24)

Separate financial statements					
For the year ended 31 December					
Weighted average					
Loss		number of ordinary shares		Loss per share	
<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Earnings per share					
Basic earnings per share					
Loss attributable to equity holders of the Company					
(420,625)	(418,279)	2,147,034	2,147,034	(0.20)	(0.19)
Earnings per share from continued operation					
Basic earnings per share					
Loss attributable to equity holders of the Company					
(420,625)	(508,659)	2,147,034	2,147,034	(0.20)	(0.24)

30. Segment information

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

For management purposes, the Group has five reportable segments as follows:

- (1) Land and factory building for sale segment concerns purchase of land to develop and to construct a factory as well as utilities with an objective to sell the empty developed land and the land with factory thereon.
- (2) Land and warehouse building for rent segment concerns purchase or long-term lease of land for development and construction of warehouse building as well as utilities with an objective to rent out the land with warehouse building thereon.
- (3) Office building for rent segment concerns long-term lease of land for development and construction of office with an objective to rent out office space and provide services.
- (4) Residential condominium units for sale segment concerns construction of residential condominium in city center and suburban area for sale to general people.
- (5) REIT manager segment. (At now, there is no trading activity of REIT manager segment therefore REIT manager segment information hasn't been presented).

No operating segments have been aggregated to from the above reportable operating segments of the Group.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with for the third party transactions.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the year ended 31 December 2020 and 2019.

(Unit: Million Baht)

For the year ended 31 December

	Land and factory building for sale ⁽¹⁾		Land and warehouse building for rent ⁽²⁾		Office building for lease ⁽³⁾		Residential condominium units for sale ⁽⁴⁾		Adjusting and Eliminations		Consolidation	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue												
External customers	88	118	83	73	175	185	43	13	(2)	-	387	389
Segment profit	27	37	40	32	57	67	3	2	7	8	134	146
Gain on sales of investment properties	-	-	-	8	-	-	-	-	-	1	-	9
Revenue and expense did not allocate:												
Interest income											6	8
Other revenue											22	21
Loss on sales of investment in subsidiary											-	(8)
Selling expenses											(27)	(21)
Administrative expenses											(198)	(225)
Share of gain (loss) from investment in joint venture											143	(12)
Finance cost											(386)	(398)
Income tax expenses											16	(6)
Profit from discontinued operation											-	17
Loss for the year											(290)	(469)
Profit attributable to non-controlling interest of the subsidiary											(19)	(23)
Loss for the year (Equity holders of the Company)											(309)	(492)

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Revenue from external customers		
Thailand (Continued operation)	387,393	389,479
United Kingdom (Discontinued operation)	-	37,435

Major customers

For the year 2020, the Group has revenue from 2 major customers in amount of Baht 105 million, arising from land and factory building for sale and condominium units segment (2019: revenue from 2 major customers in amount of Baht 118 million, arising from residential condominium units for sale segment).

31. Provident fund

The Group and their employees have jointly established a provident fund in accordance with Provident Fund Act B.E. 2530. The Group and their employees contributed to the fund monthly at the rates of 5 to 10 percent of basic salary. The fund, which is managed by MFC Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules.

The contributions for the year 2020 amounting to approximately Baht 3 million (2019: Baht 3 million) (Separate financial statements: Baht 2 million, (2019: Baht 2 million)) were recognised as expenses.

32. Commitments and contingent liabilities

32.1 Capital commitments

32.1.1 The Group have commitments in respect of agreements to design, improve and construct a residential condominium for sale and office building for lease were approximately Baht 78 million (Separate financial statements: Baht 78 million) (2019: Baht 78 million (Separate financial statements: Baht 77 million)).

32.1.2 The Company has commitments under the following agreements in respect of TFD Industrial Estate project and other projects as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Agreement to buy land and construction	-	365	-	365
Agreement to buy condominium units	23	23	23	23
Agreement to construct building and utilities system	174	171	164	171
Agreement to buy land for project development	278	276	278	276
Total	<u>475</u>	<u>835</u>	<u>465</u>	<u>835</u>

32.2 Long-term service commitments

32.2.1 The Company had commitments in respect of an agreement to develop TFD Industrial Estate project in collaboration with the Industrial Estate Authority of Thailand. The Company has to pay an annual fee for supervision of services rendered within the area of the project of approximately Baht 1 million, commencing in 2009. Such fee may be increased by no more than 10% on the existing fee every 3 years.

32.2.2 The Group has commitments under service agreement as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Payable:				
Up to 1 year	15	15	4	4
From 1 to 5 years	-	1	-	-
Total	<u>15</u>	<u>16</u>	<u>4</u>	<u>4</u>

32.3 Guarantees

32.3.1 The Company has provided guarantees for bank loan and credit facilities of subsidiaries totaling Baht 425 million (2019: Baht 425 million).

32.3.2 There were outstanding bank guarantees issued by the banks on behalf of the Group as follows:

Letter of guarantee	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
To guarantee performance under the agreement to develop TFD Industrial Estate project with the Industrial Estate Authority of Thailand	10	10	10	10
To guarantee performance for the construction of public utility and infrastructure for TFD Industrial Estate Phase II project with the Industrial Estate Authority of Thailand	207	144	207	144
To guarantee relating to the electricity use and others	22	22	13	13
Total	239	176	230	167

32.3.3 The Company and its subsidiary (Crown Development Company Limited) have guaranteed loan and bank credit facilities of joint venture (BGY & TFD Properties Company Limited) based on its percentage of investment at 51% of loan facility and credit facilities or amounting to Baht 1,365 million (2019: Baht 1,365 million).

32.4 Litigations

- a) In 2012, a company (the plaintiff) sued the Company as a joint defendant (the fourth defendant), together with the local administration of Paknampran Sub-District, petitioning the Court to revoke the construction permit of The Colonial Kao Tao Hua Hin project, a project of the Company, since the construction permit allowed the construction closer than the 200 meter distance from the shoreline stated in an announcement by the Ministry of Natural Resources and Environment and such construction permit was therefore in violation of the law. The plaintiff also petitioned to have the court order the defendants not to carry out construction or any other action until the case is finalised.

Subsequently, on 23 August 2013, the Administrative Court of First Instance ordered the suspension of the construction under the permit until the Court issues a judgement or others order otherwise. However, the Company appealed the order of the Administrative Court of First Instance on 25 September 2013.

On 27 March 2014, the Supreme Administrative Court reversed the order of the Administrative Court of First Instance, lifting the measures for temporary relief or protection before judgement.

On 21 November 2014, the Administrative Court of First Instance order to revoke the construction permit of condominium with a height over 12 meters from ground level up to the height of the building. However, the Company appealed against the order of the Administrative Court of First Instance on 19 December 2014.

Subsequently, on 12 October 2020, the Supreme Administrative Court reversed the order of the Administrative Court of First Instance and rendered a judgement to dismiss the revocation of the construction permit of The Colonial Kao Tao Hua Hin project.

- b) The injured parties sued government units and related persons with respect to issuance of building construction permit and approval of the Environmental Impact Assessment (EIA) for the leased land of the Company's project, demanding of both the suspension of construction project and the revocation of the EIA approval.

On 14 September 2017, the Central Administrative Court had ordered to revoke the Environmental Impact Assessment (EIA) of the Company's project. However, the Company appealed against the order of the Central Administrative Court on 5 October 2017. The case is currently pending the appeal in the Supreme Administrative Court.

On 26 September 2019, the Central Administrative Court rendered its judgment revoking the building construction permit of the Company's project which was effective retroactively on the permit date. However, the Company filed an appeal with the Supreme Administrative Court against the judgment of the Central Administrative Court on 24 October 2019. The case is currently pending the decision of the Supreme Administrative Court.

As at 31 December 2020, the project is under construction suspension. However, the Company's management believes that there will be no damage to the value of the Company's project. The Company therefore did not record an allowance for diminution in the value of the project as at the end of the reporting period.

32.5 Contingent liabilities

- a) JCK Utilities Company Limited (Formerly known as Total Industrial Services Company Limited) (“the subsidiary”) has contingent liabilities in respect of the compensation payable to MFC Industrial Investment Property and Leasehold Fund (“the Fund”), in the event that the land of the Kingkaew Project has been announced to be expropriated by the Department of Rural Roads in late 2014, in accordance with the conditions of agreement made between the subsidiary and the Fund. The maximum amount that the subsidiary may have to pay to the Fund is approximately Baht 24 million, calculated based on the rate specified in the agreement. The Group’s management have used judgement to estimate the losses in this event and believes that the Fund would not suffer any losses in the event that the land is expropriated and the subsidiary will not have to pay any compensation to the Fund. The subsidiary therefore did not record any contingent liabilities in respect of this matter.
- b) In 2017, Crown Development Co., Ltd. (“the subsidiary”) received notification of tax assessment included tax penalty totaling Baht 31.5 million from the Revenue Department as a result of a tax audit covering the tax year 2011, relating to specific business tax. The subsidiary has subsequently submitted an appeal of the assessment to Tax Appeals Committee.

In February 2019, the Company mortgaged its land with the Revenue Department as collateral to guarantee any tax liabilities of the subsidiary that may incur.

In June 2019, the Tax Appeals Committee dismissed the appeal. In November 2019, the subsidiary filed a lawsuit with the Central Tax Court in order to request the Court to withdraw the tax assessment. On 30 November 2020, the Central Tax Court ordered revocation of the specific business tax assessment notice. Currently, the Revenue Department is making a request for lodging an appeal against the judgment of the Central Tax Court with the Court of Appeal for Specialized Cases.

33. Fair value hierarchy

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

(Unit: Million Baht)

	As at 31 December 2020			
	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity are stated at fair value through profit or loss	1	-	-	1
Investments in equity are stated at fair value through other comprehensive income	123	-	-	123
Assets for which fair value are disclosed				
Investment properties	-	-	1,131	1,131
Liabilities for which fair value are disclosed				
Debentures	-	3,741	-	3,741

(Unit: Million Baht)

	As at 31 December 2020			
	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in equity are stated at fair value through profit or loss	1	-	-	1
Investments in equity are stated at fair value through other comprehensive income	123	-	-	123
Liabilities for which fair value are disclosed				
Debentures	-	3,741	-	3,741

(Unit: Million Baht)

As at 31 December 2019

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in trading securities - equity instruments	2	-	-	2
Investments in available-for-sale securities - equity instruments	150	-	-	150
Assets for which fair value are disclosed				
Investment properties	-	-	1,051	1,051
Liabilities for which fair value are disclosed				
Debentures	-	3,691	-	3,691

(Unit: Million Baht)

As at 31 December 2019

	Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in trading securities - equity instruments	2	-	-	2
Investments in available-for-sale securities - equity instruments	150	-	-	150
Liabilities for which fair value are disclosed				
Debentures	-	3,691	-	3,691

34. Financial instruments

34.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other accounts receivable, loans, investments, short-term and trade and other payables, bank overdrafts and short-term loans, liabilities under finance lease and hire-purchase agreements, debentures, and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other accounts receivable, loans, deposits with banks. The Group's maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables, other receivables and loans

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of Market risk comprises currency risk and interest rate risk.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its loans and short-term loans, lease liabilities, debentures, and long-term borrowings. However, since most of the Company's and its subsidiaries financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date).

(Unit: Million Baht)

Consolidated financial statement as at 31 December 2020						
	Fixed interest rates					
	Within	1-5	Floating	Non- interest		
	1 year	years	interest rate	bearing	Total	Interest rate
						(% per annum)
<u>Financial Assets</u>						
Cash and cash equivalent	-	-	14	1	15	0.125 - 0.25
Other current financial assets	-	-	-	1	1	-
Trade and other receivables	-	-	-	146	146	-
Loans to related parties and interest receivable	7	-	-	-	7	5.00
Restricted bank deposits	-	31	-	-	31	0.10 - 1.85
Other non-current financial assets	-	-	-	123	123	-
	7	31	14	271	323	
<u>Financial liabilities</u>						
Bank overdrafts and short-term loans	348	-	64	-	412	5.50 - 9.50, MOR, MLR
Trade and other payables	-	-	-	219	219	-
Loans from related parties and interest payable	53	5	-	-	58	15.00
Debentures	2,119	1,489	-	-	3,608	6.75 - 7.25
Long - term loans	9	77	1,105	-	1,191	6.75 - 7.45, MLR, MLR - 0.50
Lease liabilities	36	532	-	-	568	5.53 - 8.83
	2,565	2,103	1,169	219	6,056	

(Unit: Million Baht)

Separate financial statement as at 31 December 2020

	Fixed interest rates					
	Within	1-5	Floating	Non- interest		
	1 year	years	interest rate	bearing	Total	Interest rate
						(% per annum)
<u>Financial Assets</u>						
Cash and cash equivalent	-	-	3	-	3	0.125 - 0.25
Other current financial assets	-	-	-	1	1	-
Trade and other receivables	-	-	-	124	124	-
Loans to related parties and interest						
receivable	1,007	288	-	-	1,295	5.25 - 9.975, 15.00
Restricted bank deposits	-	29	-	-	29	0.10 - 1.85
Other non-current financial assets	-	-	-	123	123	-
	1,007	317	3	248	1,575	
<u>Financial liabilities</u>						
Bank overdrafts and short-term loans	313	-	59	-	372	5.50 - 9.50, MOR, MLR
Trade and other payables	-	-	-	202	202	-
Loans from related parties and interest						
payable	-	-	234	-	234	MLR
Debentures	2,119	1,489	-	-	3,608	6.75 - 7.25
Long-term loans	35	40	982	-	1,057	6.75 - 6.80, MLR
Lease liabilities	27	523	-	-	550	5.53 - 8.83
	2,494	2,052	1,275	202	6,023	

(Unit: Million Baht)

Consolidated financial statement as at 31 December 2019

	Fixed interest rates					
	Within	1-5	Floating	Non- interest		
	1 year	years	interest rate	bearing	Total	Interest rate
						(% per annum)
<u>Financial Assets</u>						
Cash and cash equivalent	-	-	23	-	23	0.125 - 0.625
Investments in trading securities	-	-	-	2	2	-
Trade and other receivables	-	-	-	104	104	-
Loans to related parties and interest						
receivable	90	-	-	-	90	5.00
Restricted bank deposits	-	74	-	-	74	0.10 - 1.50
Investments in available-for-sale						
securities	-	-	-	150	150	-
	90	74	23	256	443	
<u>Financial liabilities</u>						
Bank overdrafts and short-term loans	358	-	20	-	378	5.00 - 10.00, MOR
Trade and other payables	-	-	-	184	184	-
Loans from related parties and interest						
payable	36	40	-	-	76	15.00
Debentures	1,636	2,016	-	-	3,652	6.50 - 7.25
Long - term loans	-	35	1,178	-	1,213	6.75, MLR,
						MLR - 0.50, MLR - 1.25
Liabilities under finance lease and						
hire-purchase agreements	1	2	-	-	3	5.64 - 11.53
	2,031	2,093	1,198	184	5,506	

(Unit: Million Baht)

Separate financial statement as at 31 December 2019

	Fixed interest rates					
	Within	1-5	Floating	Non- interest		
	1 year	years	interest rate	bearing	Total	Interest rate
						(% per annum)
<u>Financial Assets</u>						
Cash and cash equivalent	-	-	10	-	10	0.125 - 0.625
Investments in trading securities	-	-	-	2	2	-
Trade and other receivables	-	-	-	87	87	-
Loans to related parties and interest receivable	1,362	-	-	-	1,362	5.25 - 9.975, 15.00
Restricted bank deposits	-	73	-	-	73	0.10 - 1.50
Investments in available-for-sale securities	-	-	-	150	150	-
	1,362	73	10	239	1,684	
<u>Financial liabilities</u>						
Bank overdrafts and short-term loans	288	-	17	-	305	5.00 - 10.00, MOR
Trade and other payables	-	-	-	202	202	-
Loans from related parties and interest payable	-	-	72	-	72	MLR
Debentures	1,636	2,016	-	-	3,652	6.50 - 7.25
Long-term loans	-	-	1,005	-	1,005	MLR
Liabilities under finance lease and hire- purchase agreements	1	1	-	-	2	5.64 - 11.53
	1,925	2,017	1,094	202	5,238	

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loans to and loans from affected as at 31 December 2020.

Consolidated financial statements		Separate financial statements	
Increase/decrease	Effect on profit	Increase/decrease	Effect on profit
	before tax		before tax
(%)	(Thousand Baht)	(%)	(Thousand Baht)
+1.0	(12,328)	+1.0	(13,207)
- 1.0	12,328	- 1.0	13,207

The above analysis has been prepared assuming that the amounts of the floating rate loans to and loans from and all other variables remain constant over one year. Moreover, the floating legs of these loans to and loans from are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

Foreign currency risk

The Company's exposure to foreign currency risk is limited since nearly all business transactions are denominated in Thai Baht.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, loans, debenture and lease contracts. Approximately 44% of the Group's debt will mature in less than one year at 31 December 2020 (the Company only: 45%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded that the Group has access to sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans from financial institutions	-	415,717	-	-	415,717
Trade and other payables	-	154,343	-	-	154,343
Short-term loans from related party and interest receivable	8,003	-	-	-	8,003
Debentures	-	2,215,315	1,614,301	-	3,829,616
Long-term loans	-	531,235	780,441	-	1,311,676
Lease liabilities	-	36,636	267,027	1,611,316	1,914,979
Long-term loans from related party	-	45,000	4,724	-	49,724
Total	8,003	3,398,246	2,666,493	1,611,316	7,684,058

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Bank overdraft and short-term loans from financial institutions	-	375,989	-	-	375,989
Trade and other payables	-	139,157	-	-	139,157
Short-term loans from related party and interest receivable	234,147	-	-	-	234,147
Debentures	-	2,215,315	1,614,301	-	3,829,616
Long-term loans	-	478,303	687,815	-	1,166,118
Lease liabilities	-	27,205	257,767	1,611,316	1,896,288
Total	234,147	3,235,969	2,559,883	1,611,316	7,641,315

34.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or bear interest rates which close to market rate, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

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

35. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 3.01:1 (2019: 2.41:1) and the Company's was 2.84:1 (2019: 2.05:1).

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2021.

Business Overview

1. Structure of incomes of the Company and subsidiaries

	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Land and factory building business at the TFD Industrial Estate and other industrial estates						
- Sales incomes	34.85	1.47%	118.00	27.67%	87.50	21.07%
- Rent and service incomes	60.74	2.57%	72.99	17.12%	81.05	19.51%
2. Office space for rent business						
- Rent and service incomes	178.80	7.57%	184.99	43.38%	174.95	42.12%
3. Residential condominium business	1,853.43	78.44%	13.50	3.17%	43.89	10.57%
4. Other incomes	235.14	9.95%	36.93	8.66%	27.94	6.73%
Total incomes	2,362.96	100.00%	426.41	100.00%	415.33	100.00%

2. Business of each product line

2.1 Nature of products and service

The Company and subsidiaries develop properties in a variety of shapes and forms, as of December 31, 2014 can be classified into six main business groups as follows.

- Industrial estate
- Standard factory/warehouse
- Residential project (condominium)
- Office building for rent
- Property management service
- Managing Real Estate Investment Trust (REIT)

1) Industrial estate

In 2007, the Company set up the TFD Industrial Estate at Bangpakong District, Chachoengsao Province, to develop land, set up basic infrastructure and build standard factory buildings. The Company signed a joint-operation contract with the Industrial Estate Authority of Thailand (IEAT) and provided for Thai and foreign investors lands for rent in two zones; namely, General Zone and Free Zone. Target groups of customers were businesses in the auto part industry, electronics and manufacturing industry not generating pollution.

To facilitate investors, the Company chose the site located not so far from Bangkok along the Motorway at Km 43 next to an exit into the Chachoengsao-Chonburi Highway. The site is flanked with convenient highways and not prone to flood which makes it extremely ideal to build factories and warehouses as a logistics center. Thanks to the site's competitive advantage as it's no more than 20 minutes from the Suvarnabhumi Airport and no more than 40 minutes from the Laem Chabang Deep Sea Port plus its close proximity to Bangkok, Thailand's capital, the location has become a very highly potential one. Most of the Company's customers are invested in electronic parts and auto part industries. In addition, the government plans to develop areas in Chachoengsao, Chonburi and Rayong as the Special Economic Zone. Known as the Eastern Economic Corridor (EEC), the megaproject will be connected with the country's western corridor. It is expecting that the government is going to invest around Baht 300 billion to develop basic infrastructure and provide tax privileges to support investment in this area, which in return should attract more than Baht 1.9 trillion worth of investment in 10 basic industries touted as Thailand's new engine of growth. The EEC is anticipated to become the country's main investment hub, which should benefit TFD's project area because it will boost the project's sales opportunity. As of December 31, 2020, the TFD Industrial Estate had two operation phases as follows.

- TFD Industrial Estate 1

The project has total area of 304.22 rai where salable area is 231.58 rai. Of this, 74.58 rai are in Free Zone and 156.85 rai are in General Zone. Since 2011, the Company has recognized incomes from the project both from the sales of vacant land and sales of land with the completed factory buildings. Currently, there was available for sale of 1.57 Rai.

- TFD Industrial Estate 2

The Company plans to expand the areas in the TFD Industrial Estate II, which located next to the TFD Industrial Estate I. The Company had purchased approximately 1,980 rai of vacant lands for the development, some part of lands was approved for the change to use for industrial purpose (purple zone) in December 2015. On November 10, 2016, the Company and The Industrial Estate Authority of Thailand (IEAT) entered into a joint operation contract where IEAT approved and allowed the Company to establish the TFD Industrial Estate Phase II. The Company also received the approval of the Environmental Impact Assessment (EIA) report on July 26, 2017.

The Company has received the approval of the land allocation on March 2, 2018 and the title deed can be issued successfully. The total area of the project is approximately 833.26 Rai with the available of sales area is 619.10 Rai. Currently, the Company has completed the development and construction of the main infrastructure of the project by 90%. At the end of 2020, the Company has salable area which already transferred the ownership of 13.70 Rai and still in backlog of 59.43 Rai, so the remain available area for sale of 545.97 Rai.

In addition, the Company is now studying the possibility and design to expand the project, which is the development of industrial real estate, commercial real estate and the accommodation to support the investment. Total area would be not less than 1,900 Rai. Currently, the Company has land awaiting for development (outside the settlement) of 1,134.76 Rai, of which 128.58 rai is pending for transfer of ownership in this year 2021.

- Project One Nakhon Phanom

The One Nakhon Phanom Project is a new project of the company located in the area of Special Economic Development Zone in Art-Samart Sub-district, Mueang Nakhon Phanom District, Nakhon Phanom Province on the land of approximately 1,335 rai, 2 ngan and 28.1 square wah. The Company has foreseen the potential and growth opportunities of Nakhon Phanom province as a major tourist and border trade city of the country. Therefore, the Company had decided to enter into the land lease agreement with the Treasury Department on 15 July 2019 for a period of 50 years in order to develop a commercial project which combines with an industrial estate and / or distribution center.

Since this project is located in the area of Special Economic Development Zone, the Company will receive the tax benefit from the Board of Investment as same as the projects in the Eastern Economic Corridor (EEC) including other privileges such as subleasing the land or providing other benefits, the ownership of the building belongs to the tenant or sub-tenant including not being enforced by Town Planning Act and the Public-Private Partnership Act. In addition, this project uses lower initial investment when compared to the purchasing of large-sized land plot to develop the project, as it is also difficult to procure the large adjoining plot of land because of the higher investment and also time demand comparative to the leasing. The Company then considered that the investment in this leasehold rights will assist to create opportunities and support the expansion of industrial estate and real estate development, which is the Company's core business in the long run. The Company has the idea to develop the project as a commercial project combined with industrial estates and / or distribution centers to support each parts and utilize the area with maximum efficiency. The Company is currently in the stage of conducting additional study on the possibility of the project and also procuring project partners.

2) Standard factory/warehouse building

The Company's business is to build standard ready-built factories and warehouses for sales in industrial estates and industrial zones at various locations to offer to investors where commuting conveniences, transport, communications, infrastructure, safety and appropriate surrounding environment are taken into consideration. Besides, factories are built both in the industrial zones and at free-trade zone as required by investors. The Company set up a subsidiary named Barnsley Warehouse Limited was established on April 22, 2014 and Bognor Regis Warehouse Limited was established on January 27, 2015 for investment in land and warehouse for sale and rent in the UK. In November 2018, the Company has sold Barnsley Warehouse Limited,

which the Company has realized the revenue from sale of investment in year 2018, and later the Company has sold the investment in Bognor Regis Warehouse Limited and realized the revenue from sale of such investment in the third quarter of year 2019.

- Domestic Standard factory/warehouse building

The Domestic standard completed factory is typically offered as a one-floor building with mezzanine floor for use as office in varying sizes from 1,000 square meters to 10,000 square meters. The factory is built at a fenced-in site to also include a security guard's house and parking space. The factory floor can accommodate 3 metric tons per square meter and 5 metric tons per square meter. Investors are able to various options to such as purchase or lease of warehouses or with a right to buy them later. The rental term of most lease agreements that the Company has signed with customers is 3 years with an option for renewal. The customer is required to deposit 3 – 6 months payment.

The following table features information of completed factory buildings and occupancy rate of the Company.

Completed factory building	Number of factory buildings at the beginning of period	Number of factory buildings sold	Number of factory buildings at end of period		Average annual occupancy rate
			With tenants	No tenants	
2015					
Number (buildings)	13	-	4	9	-
Area (square meters)	66,485.00	-	8,610.00	58,325.00	12.95
2016					
Number (buildings)	34	-	8.50	25.50	-
Area (square meters)	105,601.00	-	20,390.00	85,211.00	19.31
2017					
Number (buildings)	34	2	14	18	-
Area (square meters)	105,601.00	3,450.00	29,230.00	72,921.00	27.86
2018					
Number (buildings)	32	1	15.50	15.50	-
Area (square meters)	102,151.00	1,980.00	30,555.00	69,616.00	29.91
2019					

Completed factory building	Number of factory buildings at the beginning of period	Number of factory buildings sold	Number of factory buildings at end of period		Average annual occupancy rate
			With tenants	No tenants	
Number (buildings)	31	2	13.50	15.50	-
Area (square meters)	100,171.00	2,800.00	35,980.00	61,391.00	37.72
2020					
Number (buildings)	29	1	15.00	13.00	-
Area (square meters)	97,371.00	1,980.00	36,145.00	59,246.00	37.89

As of December 31, 2020, the Company has standard ready-built factories and warehouses altogether 28 units which can be divided as follows:

- The standard ready-built factories located in Laem Chabang of 5 units with total rental space of 8,910 sq.m. Currently there are 3 tenants which cover a total area of 7,410 sq.m.
- 8 ready-built factories in the TFD Industrial Estate at Tha Sa-an, Chachoengsao Province (the Green Park 1 Project) totaling 57,575 square meters of sales and rental space (an average of 3,625 - 7,750 square meter of space per structure). 1 tenant already rent a total of 7,375 square meters. The remaining of 7 factories, the Company has entered into the purchase agreement but pending for transfer of ownership.
- The factories and ready-built warehouses at Bangsaothong Samutprakan province (The Project Green Park 2 and 3) in total 21 units, 2 units were sold in 2018, 1 unit was sold in 2019 and another one sold in 2020 of 1, so now there are 15 units available for rent with total rental space of 28,906 square meters which now there are 10 tenants renting of which the total rental of 21,360 square meters.

In addition, the Company can provide the service to build custom-made warehouses or factories in various designs to provide customers with options as they may want to buy a land with factory or lease of the land with the factory or to get the right to buy the land later.

Table showing the proportion of the rental space which the lease term will be expired comparing to total rental space of the Company as of December 31, 2020

Year that lease term will be expired	Total area which will be due (sq.m.)	Proportion of the due rental space compared to total area (%)
2021	16,720.00	46.26%
2022	9,175.00	25.38%
2023	5,960.00	16.49%
2024	2,310.00	6.39%
2027	1,980.00	5.48%
Total	36,145.00	100.00%

3) Residential project (condominium)

The Company started developing two residential condominium projects for the first time; namely, the Lakegreen Apartment Project and the 59 Heritage Project and The Harbour View Residence.

At present, the Company has 4 ongoing projects as follows:

- The 15 Sukhumvit Residence Project
- The Colonial Kao Tao Hua Hin Project
- The Mahadlek Residence Project
- The Artisan Rachada Project

(1) The 15 Sukhumvit Residence Project

Situated between Soi 13 and Soi 15 on Sukhumvit Road, the 2-3-73 rai project is a 25-floor reinforced concrete tower bought by the company in 2010. The total project value is Baht 3,716 million. The project's total useable area is 59,113 square meters of which 31,659 square meters are sellable areas. There are 505 units for sales of which 492 units are residential condominium and 13 units are for commercial purpose. As at December 31, 2020, the Company can sold the residential and commercial units of 495 units with total value of Baht 2,997.90 million. There remains only 10 unit which the value of Baht 532.08 million (at the price of Baht 125,000 per square meter) of which 2 of them are unit for rent.



(2) The Colonial Kao Tao Hua Hin

A residential condominium, the project is located at Kao Tao, Tambon Paknam Pran, Pranburi District, Prachuab Kiri Khan Province, in the 9-0-42 rai of land, with a total value of around Baht 3,375 million. The Company already completed the construction of the 3-storey office building which was used as a sales office. The construction of a condominium building in December 2014 was temporarily suspended since the project was involved in a lawsuit (Details are in Section 1, Topic 3: Risk Factors). Finally, at present, the Supreme Administrative Court has reversed the judgment of the Court of First Instance to be dismissed and the case is final, which now the Company is in the process of considering the further action plans.



(3) The Mahadlek Residences

The residential project consists of one 41-storey building located in a 1-3-28 rai of land in Soi Mahadlek Luang 2, Rajdamri Road. The land owned by Vajiravudh College. The lease term is 30 years from the due construction period (which according to the contract requires that the construction period of the project be 5 years from the day it has been approved by Bangkok Metropolitan Administration (BMA) to build the project) or from the day the construction is finished, whichever is earlier.

The Mahadlek Residences Project's Environmental Impact Assessment Report (EIA report) was already approved by the Office of Natural Resources and Environmental Policy and Planning (ONEP) on June 10, 2014 and also received the Building construction permit on June 1, 2016. However, at present the Company has temporarily delayed the investment in this project because the lawsuit has been filed against the Administrative Court regarding the accusation of the Approval of EIA Report and the permission of construction were not proper. The Court then ordered the temporary suspension of the construction and on September 14, 2017, the Central Administrative Court judged revoking of the project's EIA report which thereafter the Company has appealed the order. On September 26, 2019, the Central Administrative Court has adjudicated to revoke the project's building construction permit, with retroactive effect from the date of

the issuance of the said permit. The Company has already submitted an appeal against said judgment to the Supreme Administrative Court on October 24, 2019 and is now pending on the outcome of the trial.



(4) Project The Artisan Ratchada

The Residential Condominium located in soi Thiamruammit, Huai Kwang Sub-district, Huai Kwang District, Bangkok with the total area of 8-1-27.4 Rai to develop as a residential condominium for sale, consists of 4 buildings of 34-storeys, totalling 1,393 units. The total salable area is approximately 68,618 square meters while the total usable area is approximately 128,000 square meters. Total sale revenue is Baht 6,300 million. The Company has entered into a joint venture agreement with Beauty Honour Enterprises Limited (“BH”) for the purpose of establishment of BGY & TFD Properties Co., Ltd (“BGY&TFD”) to be a developer for the Project Artisan Ratchada, with the structure of shareholdings between CROWN and BH at 51 : 49 . Currently, the construction is finish and the Company start to recognized the revenue in the second quarter of the year 2020. As of December 31, 2020, there are total booking or sale backlog of approximately Baht 5,400 million or more than 86% of the total project value.



4) Office building for rent

In 2008, the Company jointly invested in the office for rent business via SG in which it holds 49.91 percent shares where SG has invested in the right to lease the land and the SG Tower 1 office building as well as the right to sub-lease the land and The Millennia office building (SG Tower 2) located in Soi Mahadlek Luang 3, Rajdamri Road, and Langsuan Road for a total rentable area of 26,846.18 square meters. Both the land and the SG Tower 1 are owned by Vajiravudh College (the lessor) while the ownership of the land where the Millennia Office Building is located is held by GF Holding Co., Ltd. (the sub-lessor). The ownership of the Millennia building itself, however, is held by SG which will belong to GF Holding Co., Ltd. when the lease term is due in 2025. TFD meanwhile manages the two office buildings for rent. Details are as follows.

(1) SG Tower 1

The building is located on the 2-3-85 rai of land at No. 161/1 Soi Mahadlek Luang 3, Rajdamri Road, Kwaeng Lumpini, Pathumwan District, Bangkok. SG Tower 1 is a 19-storey office tower plus two stories of underground parking space offering of common areas and 8,108 square meters of parking space (for 220 cars). As of December 31, 2019, 90.40 percent of the tower's total rentable areas were rented. The building has an average rent income of Baht 7.67 million a month.

(2) The Millennia (SG Tower 2)

The building which is located at 62 Langsuan Road, Kwaeng Lumpini, Pathumwan District, Bangkok is situated on the 1-3-22 rai of land and houses one 26-storey office building plus one underground and 9,870 square meters of parking space (to accommodate 220 cars). As of December 31, 2019, 77.34 percent of the tower's total areas were rented. The building has an average rent income of Baht 5.83 million a month.

Most of the rental terms of lease agreements and its customers are 3 years with 3 months of security deposit.

The following table features the Company's office buildings as of December 31, 2020 under operation.

Office building	Location	Nature	Total rental areas (square meters)	Rent area under lease agreements (square meters)	Remaining rent areas (square meters)	Occupancy rate
SG Tower 1	161/1 Soi Mahadlek Luang 3, Rajdamri Road, Kwaeng Lumpini, Pathumwan District, Bangkok	One 19-storey office tower plus two stories of underground parking space	15,022.84	12,586.43	2,436.41	83.78%

Office building	Location	Nature	Total rental areas (square meters)	Rent area under lease agreements (square meters)	Remaining rent areas (square meters)	Occupancy rate
The Millennia	62 Langsuan Road, Kwaeng Lumpini, Pathumwan District, Bangkok	One 26-storey office building plus one underground parking space	11,941.50	9,040.70	2,900.80	75.71%
Grand total			26,964.34	21,627.13	5,337.21	80.21%

5) Property management service

The Company started selling land and factory buildings to the TIF1 Property Fund for the first time in 2005 before selling additional assets to the TIF1 Property Fund and the M-II Property Fund again in 2007, 2012 and 2013. Aside from selling land, factory and warehouse buildings, the Company has been appointed as a property manager of the property funds as well as property manager of SG's office buildings for rent in return for management fees summarized as follows.

The TIF1 Property Fund and the M-II Property Fund

- Property management fees and additional premiums
- Brokerage fees for securing new tenants
- Brokerage fees for contract renewal
- Brokerage fees in case of property sales or transfer of property leasehold (excluding sales of property to property manager or persons within the group of property manager)

(More details can be seen in the property manager appointment contract under Section 4: Operating assets.)

As of December 31, 2020 the following are properties managed by the Company:

(1) The TIF1 Fund is a property fund consisting of freehold assets which mainly invests in land and Factory buildings located in industrial estates. The TIF1's properties include 26 factories located in each of the following sites:

Industrial estate/industrial zone	Location	Types of service	Areas (square meters)	Number of units (units)
1. The Hi-Tech Industrial Estate	Ayutthaya	Land+Factory	17,247	12
2. The Bangpa-in Industrial Estate	Ayutthaya	Land+Factory	1,980	1
3. The Navanakorn Industrial Estate	PathumThani	Land+Factory	2,310	1
4. The Amata Nakorn Industrial Estate	Chonburi	Land+Factory	9,150	7

Industrial estate/industrial zone	Location	Types of service	Areas (square meters)	Number of units (units)
5. The Bangkadi Industrial Estate	PathumThani	Land+Factory	10,611	3
6. The TFD Industrial Estate 1	Chachoengsao	Land+Factory	3,240	2
Grand total			44,538	26

(2) The M-II Fund is a property fund of freehold and leasehold assets which mainly invests in properties and the rights to lease property. The M-II's properties include 35 factories and 17 warehouses located in each of the following sites:

Industrial estate/industrial zone	Location	Types of service	Types of ownership	Areas (square meters)	Number of units (units)
1. The Navanakorn Industrial Estate	PathumThani	Land+Factory	Freehold	1,080.00	1
2. The TFD Industrial Estate 1	Chachoengsao	Land+Factory	Freehold	27,810.00	16
3. The Laem Chabang Industrial Estate	Chonburi	Land+Factory	Freehold+Leasehold ¹	19,350.00	18
4. The Kingkaew Warehouse	SamutPrakan	Land+ Warehouse	Freehold+Leasehold ²	15,034.10	17
Grand total				63,274.10	52

- Note 1. The asset type of factories are freehold properties while the lands are leasehold properties. The lease rights of land (28-0-66.09 rai) will expire in the year 2042 and the sub-lease of the land (1-0-80 rai) expired in 2018, which the Fund has already executed to expand the term of lease agreement to be expired on December 17, 2042.
2. Warehouses are freehold properties while lands are leasehold properties. The right to lease the land (25-1-96 rai) is to be expired in 2036.

(3) SG's office buildings for rent which consist of 2 office buildings connected to each other between Soi Mahadlekluang 3, Rajdamri Road and Langsuan Road. Details are as follows:

Office buildings for rent	Rentable area (square meters)	Type of assets	Ownership of the assets
1. SG Tower 1	14,877.49	Right to lease the land and office building (expired in 2023)	Vajiravudh College
2. The Millennia	11,941.50	Right to sub-lease the land and office building (expired in 2025)	JF Holding Co., Ltd.

Office buildings for rent	Rentable area (square meters)	Type of assets	Ownership of the assets
Total	26,828.99		

6) Management of trusts for investment in real estate and leasehold (TFDRM)

TFD Real Estate Management (TFDRM) conducts its business as the Trust manager for investment in real estate and leasehold. As at December 20, 2016, TFDRM has been approved by the SEC to be the Trustee for Property Investment in real estate. Currently, TFDRM is undergoing to run the feasibility study and to acquire assets in order to set up a trust fund to invest in real estate and leasehold rights.

3. Marketing and competitions

Marketing strategies

1) Industrial estate

Target groups of customers for the Company's industrial estate business are supporting industry and major operators who have already bought vacant land in the TFD Industrial Estate. Major target groups of customers are small and medium-sized enterprises (SMEs) which do not generate pollution and, however, look for transportation convenience. This refers especially to electronics and auto part manufacturers.

The TFD Industrial Estate is located at two meters above sea level and therefore is not prone to flooding. That's why the project is in great demand from investors wishing to buy vacant lands and rent factories here. The project also enjoys Zone 2 investment promotion privileges from the Board of Investment (BOI). In close proximity to Bangkok, the strategic location of the industrial estate gives the project a great competitive advantage. In addition, at present, the Company accumulated around 2,000 rai of land to be developed as an industrial estate. The land accumulation was gradually done at lower costs compared to its sales prices.

The land in any industrial estate is highly demanded by investors, demands for land in the TFD Industrial Estate have consistently increased. The Company's pricing of its land and rent will however be based on construction costs, funding costs and land prices in the neighborhood. The Company adjusts both the rent and sales prices of vacant land to accord with market conditions on a yearly basis.

The Company has 2 major sales and distribution channels; namely, sales office of the Company and real estate agents. At the other end, it communicates with markets through billboards erected at the TFD Industrial Estate, newspapers and websites.

2). Standard factory building/warehouse building

Target groups of customers in the completed factory and warehouse for rent business are small and medium-sized enterprises (SME) as well as Thai and foreign operators wishing to restrict their investment risk during the initial investment phase.

Some foreign investors prefer to have factory and warehouse in an industrial estate thanks to available public infrastructure and related industrial services. In addition, by concentrating in the industrial estate, they can take advantage from developed transportation system, raw material management and interdependency with other industrial counterparts. This is especially the case of the automobile industry and the petrochemical industry. In addition, completed factory and warehouse building help them save time and labor costs to build a factory to manufacture products. That's why factory and warehouse building for rent is an alternative that enables investors to reduce investment costs while enhancing their competition flexibility. Customers can choose to rent factory and warehouse buildings during an initial phase and will only buy industrial land, factory or warehouse of their own when business subsequently expands. This service also helps the Company to maintain a good long-term relationship with customers as they could focus more at their strategic investment without having to put money into land, factory or warehouse and thereby reduces investment costs while increasing investment returns. As a result, the Company factory and warehouse location and its comprehensive one-stop service center are indeed its competitive advantage.

To set the rent, locations of factory and warehouse as well as rents demanded by competitors or nearby industrial estates are taken into consideration to ensure that the rent remains competitive.

The Company has 2 main distribution channels; namely, through salespersons of the Company and real estate agents. In addition, the Company also advertises through media such as billboards erected nearby the project's location, newspapers and website.

3). Residential building (Condominium)

Target groups of customers in the residential building project of both the Company are medium-income earners who eye for a condominium in the heart of the city close to skytrain and those wishing to have the second home for weekend retreat.

As of December 31, 2020, the Company has 4 condominium projects under development and/or sold and/or waiting to be transferred to customers which include (1) the 15 Sukhumvit Residence Project; (2) the Colonial Kao Tao Hua Hin Project; and (3) The Mahadlek Residence Project (4) The Artisan Rachada Project. Competitive advantage of the Company in the condominium business is a result of the management's long-time experience in the real estate development industry which enables the Company to effectively select an ideal site for residential projects.

Sales of the project are conducted through 2 main channels, namely, our salespersons and real estate agents.

4) Office building for rent

Target groups of customers are Thai and foreign operators wishing to secure an office in the Central Business District (CBD). The Company's main group of customers is foreign business introduced to the Company by word-of-mouth.

Locations of these two office buildings are connected between SoiMahadlekluang 3, Rajdamri Road and Langsuan Road which are close to two BTS Skytrain stations of Rajdamri and Chidlom. The site is considered a strategic location which helps enhancing the Company's competitive advantage in this office for rent business.

Determines the rent of its office space on the basis of original rents it currently charges customers while rents of neighboring offices are also taken into consideration to ensure the Company's competitiveness. The Company has a policy to adjust its rents every 3 years based on the rental term to consistently reflect market conditions.

The Company has 2 major sales and distribution channels consisting of direct sales through the Company's sales office and sales through agents.

Status of Industry and Competition

1) Industrial Estate

The Industrial Estate Authority of Thailand (IEAT) has a plan to develop the new industrial estates in the border provinces to support the entry to the ASEAN Economic Community, especially in Kanchanaburi and Chiang Rai, and also has a plan to develop additional eight industrial estates in some provinces along the Eastern and Western Economic corridors. On June 28, 2016, the Cabinet has approved the plan of the Eastern Economic Corridor Development, with the estimated investment by the public sector of 300 billion Baht and is expected that these projects will be able to attract the investment from the private sector of more than 1.9 trillion Baht with the objective to use those areas to be the main source of investment in the country which will connect to western economic corridor and Dawei city including the connection by waterway to the coast of Cambodia and China which will operate in 3 main eastern provinces which are Chon Buri, Rayong and Chachoengsao by dividing to the industrial zones, fundamental infrastructure development zones and the urban development zone, from the investment of 10 target industries in order to be a key mechanism or New Engine of Growth to drive the economy in the future. Thus, the Industrial Estate Authority of Thailand will need the partners from the private sector to participate in the development of the small industrial estates to support the small and medium enterprises industries.

In addition, the Board of Investment of Thailand (BOI) has adopt their policy regarding the promotion of investment to the modern policy, to support the entry into the ASEAN Economic Community and also to increase the capability of the country to compete with other countries, which other countries in the region of ASEAN have launched several measures and benefits to attract foreign investors to invest in their country. However, the foreign investors still concern about their investments divisions according to the new promotion policy because some areas in Thailand still lack of the promptness and readiness of the utility system to support their industry. Thus, the government should give priority and develop the utility system to support the investment.

The government also plans to develop the special economic zones throughout the country especially the provinces along the border line which connect to the neighbor countries via the Friendship Bridges and the economic corridors which connected between the eastern and western regions, Every special economic zones will comprise of commercial, residential and industrial areas which will be the key important factors that have impacts to the industrial estates in the country and in the future.

The selling price of land in the industrial estates and industrial parks depends on the location, distance from transportation, fundamental infrastructure and distributors. The highest price of land in the industrial estate is in Bangkok since Bangkok is the center of the transportation hub, both the ports and airports. The second and third in place are Chachoengsao and Rayong, consecutively. The reason that the price of land in Bangkok and Chachoengsao are very different from other areas is due to the fact that there are many industrial estates located near Bangkok while other industrial estates which are located far away from these facilities such as the estates in Prachinburi and Saraburi will have lower cost due to the distance from Bangkok and the ports.

The internal competitive situation in the industrial estates business is classified to be at a moderate level as there are few operators and this type of business requires high investment. The direct competitors of the Company are five industrial estates which locate in the same locations comprising of Gateway City industrial estate, Wellgrow industrial estate, Amata nakorn industrial estate, Asia industrial estate and Tpark industrial estate. However, the location of TFD Industrial Estate is considered to be the strategic point and thus provide the competitive advantage for the Company, which results in the Company high potential in competitiveness and can be the leader of Price maker in the industrial estate business which located in the nearby area.

In this regard, from the IEAT's performance data for the year 2020, it is found that the overall investment value in industrial estates has a good direction and is in line with the target set. By getting benefit from the existing customers base in industrial estates that have invested in this period, such as the electrical industry, electronics, scientific instruments, and automotive and transportation industries, etc., resulting in The IEAT performance in the fiscal year 2020 (ending September 2020) has a total investment value of Baht 239,038.48 million, an increase of Baht 30,527.54 million in 2019, or 683.02% increase, resulting in creating 32,753 manpower, an increase of 494.21 % compared to the employment only 5,512 people in 2019. In addition, land sales / lease in 2020 about 2,150.45 rai, a slight decrease of 1.52% from the previous year which was sold 2,183 Rai divided into EEC area amount 1,840.58 rai and outside the EEC amount 309.87 rai

In 2020, The IEAT has an industrial estate area under the supervision of IEAT of 60 industrial estates and 1 industrial port in 16 provinces nationwide. There are 2 new industrial estates which signed in the year 2020 which are Rojana Chonburi Industrial Estate 2 (Khao Khansong) and Asia Clean Industrial Estate. As a result, there will be total area of industrial estate of 178,654 rai which divided into estates for sale / rent of 118,344 rai and a cumulative sales / rent of 90,149 rai including the remaining area of 28,195 rai. Total overall investment value of Baht 4.01 trillion with the total factories of 5,077 units and total employment of approximately 524,774 manpower.

The tendency of the industrial estate in 2021 is expected to be better especially in the area of Eastern Economic Corridor (EEC) which will receive supplemental factors from the investment promotion policies from the government sector, both in term of tax and non-tax incentives including the accelerating in the infrastructure development within the EEC which now has concrete progress. Both the Map Tha Phut Port Development Project phase 3 (Phase 1), the High Speed Rail Project to link among 3 airports, Project Laem Chabang Port Phase 3, and the Airport City development and U-Tapao Airport which are all key factors to affect the confidence for investors and attract the continuous investment. The industrial estates which still have potential or still have vacant lands have accelerated their own development inside their estate to serve the increase in investment of the foreign investors. And since the trade conflict between China and United States has further continued and put stress on the market thus the companies which related to these two countries have to find new opportunities to invest more in the new channels to set up the manufacturing plants in other countries.

Moreover, the government sector has pushed the industrial development policy especially after the situation of the outbreak of COVID-19 which the industrial sector has to adjust its direction to be in line with the changes by means of promoting domestic production to build the supply chain and to enhance the production and export of high potential products in the New S-Curve group, in compliance with the government's release the promotional measures to stimulate and restore the investment in manufacturing businesses such as all types of electric vehicles etc. At the same time, the Government still has main target to enhance the country to be the central hub of the trading, investment and to be an important manufacturing base of the world, all these factors are positive factors which attract the increase investment in the near future.

2) Land with standard ready built factory / warehouse

For industrial estate development industry, the process will start from the industrial land development, invest in fundamental structures in the industrial land and then sell land to industrial entrepreneurs to build factory and warehouse. The manufacturers / investors may have a choice to rent the factory and warehouse instead so as to decrease such investment and also risk from any uncertainties which may occur. Also, the investors will have convenience from full range services from the industrial estate developer. In addition, the industrial estate development, the standard ready-built factory and warehouse also attract foreign entrepreneurs who want to set up their manufacturing bases in Thailand without to invest in ownership in factories and warehouses.

Supply of standard ready-built factory and warehouse can be classified into 2 main types : supply from developers who also own industrial lands, thus the developer of factory and warehouse is the same person as the owner of industrial estate , and supply from developers who build factory and warehouse on the industrial land , either purchased or rent from other developers. For example, the company that builds factory and warehouse for rent on the land purchased from the industrial estate developer in various locations etc. The demands of the standard ready-built factory and warehouse for rent come from the manufacturers who do not want to own the factory and warehouse in order to decrease the project's investment and for the flexibility in the operation. Moreover, Thailand is still a great choice for foreign investors because of its location, which located in the central part of Asia, skill workers, good infrastructure including the rules and regulations which support the investment from abroad. Therefore, the demand for the factory and warehouse for rent is still increase.

The competitive situation in the standard factory / warehouse business is still at a moderate level as there are few operators and this type of business also requires high investment as same as the industrial estate business. In addition, most of the entrepreneur and investors who have a need for factories or warehouses for rent, will have their target location which will be able to support their business. The direct competitors of the company in this business are several industrial estates which are in the same location, who provide standard factories and warehouses for rent. However, from the location of the TFD Industrial Estate which is considered to be a strategic location and can create a competitive advantage for the group of companies, resulting in the company having a relatively high potential in competitiveness and can be a leader in price maker in the standard factories / warehouses business which located in nearby locations.

As for the overall results of the first half of the year 2020, Mr. Phattarachai Taweewong, Associate Director of Research and Communications, Colliers International Thailand, has revealed that the expansion of the e-commerce business which have gained benefit from the work-from-home policy during the outbreak of COVID - 19 have affected the warehouse and factory grow continuously even during the time of the epidemic as it creates new demand and the warehouse and factory rental rate still increase continuously during the first half year of 2020 including the business which related to the consumers are still growing respectively too. Thus, affects the large online shopping operators still looking for the new warehouse and factory for rent in the first half of the year and mainly looking for the ones which area are larger than 10,000 sq.m. while the large developers also looking for the plot of lands for developing as factories and warehouses more than

200,000 sq.m. in the next 2 years especially in the area of Samut Prakan and in the EEC area to support the continuous increase in demands.

For the second half of the year 2020, Colliers foresees that the risk factors to closely monitor are the US- China trade war and other countries include the baht appreciating faster than other regional currencies and the further spread of the second wave of COVID -19. All these factors may affect the export sector and industrial production especially in the section of products that are not necessary for living. Moreover, in order that the economic activities will become back to normal as before the outbreak of COVID-19, it needs lots of factors such as the continued relaxed of the monetary and fiscal policy as it is expected that the remedial measures the impact from COVID -19 and the approval of economic and social rehabilitation plan must need the total fund of Baht 400 billion to become tangible project which will then benefit the Thai economy to improve from the lowest point in the second quarter of 2020.

However, in the first half of the year 2020, the supply of overall total area of the supply of warehouses and factories in Bangkok, Samut Prakan and EEC was approximately 6.963 million sq.m.. The highest supply is Samut Prakan with the total area of 38% of total or 2.619 million sq.m., and the area in EEC of which is at 32% or 2.255 million sq.m. The major industrial developers continue to seek to expand their warehouse business especially the expansion in the warehouses in these areas continuously, mainly in the EEC such as Reyong, Chon Buri and Chachoengsao) After the EEC infrastructure projects such as the twin track rail project and the development of U-tapao airport has completed, which will be an advantage to the industry business. These factors will attract the investors to invest in these areas as they will be the strategic area of the country in the near future.

In addition, the information from the Department of Business Development found out that the industry business still have average growth during the year 2011-2017 of 7% and the logistics industry still has tendency to grow continuously from the support of the public sector to become “Logistic Hub” which will be a key factor to support the connection of all economic among countries in this regional.

For the average rental price for the warehouse and factory still increase from previous year. In Bangkok, which is the area that rental price is the highest at 174 Baht per sq.m. which some warehouse in Bangkok still offer the rental price at higher than 200 Baht (terms of 3 years) follow by the rental in EEC which is average 153 Baht per sq.m. and in Samut Prakan at the rate of 152 Baht per sq.m.

3) Residential Condominiums

In 2020, Thailand had to face the outbreak of virus COVID-19 which had severe impact to the economics of the country which the Office of the National Economic and Social Development Council has estimated that the Thai GDP in 2020 will be minus 6.0% and lead to the household debt to be increasing significantly, the increase in unemployment rate and thus effects to the purchasing power of the consumers as a cycle which cannot avoid. This also includes the real estate industry which has impacts from the negative economic factors and the changes in the behavior of living style such as work from home, the increase in ordering food to eat at home, the increase in an E-Commerce business which all of these have had an impact to the overview market. However, the Real Estate Information Center (REIC) has expected that the economy will come back to expand at the 3.5-4.5 % which is the expansion from the unnormal lower base in 2020.

In the residential industry, the residential developers have all adapt themselves to the situations by delay the launch of the new projects nationwide since the year 2019 before the economic crisis from the outbreak of COVID-19 due to the sale of residential has deteriorated from the announcement of the measures to prevent the real estate speculation or the LTV measures in April 2019, and with the lockdown in economic in early 2020, the residential sales have been more shrunk especially the sale of condominium which had direct impacted from the lockdown as the foreigners cannot travel to the country thus the sales of condominium units to foreigners has almost vanished.

From the impact and risks mentioned above, cause the residential developer had to slow down launching the new projects, in 2020 it is expected that the new units supply (exclude second-hand home) had reduced by 46.6 % (from 148,639 units in 2019 to 79,408 units in 2020) which can be classified by types as follows: Housing residential reduced by 34.7% and the condominium decreased by 59.2%, while the value of the new residence for sale has reduced by 30.6% (from Baht 608,727 million in 2019 to Baht 422,243 million in 2020). For the new residential in 2020 is forecasted that the units sold in 2020 was decreased by 25.2 % (from 120,673 units in 2019 to 90,267 units in 2020) which the housing residential units decreased by 2.8% while

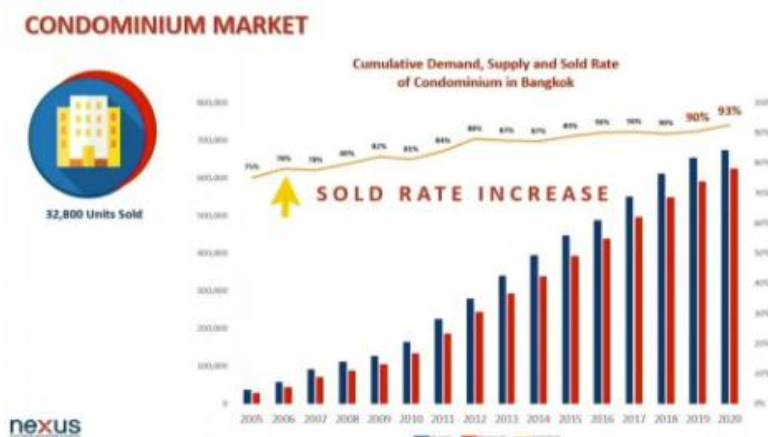
the condominium was decreased by 47.9%, the value of new sales was decreased by 17.0% (from Baht 473,919 million in 2019 to Baht 393,198 million in 2020).

For the trend in 2021, REIC has a positive view for the residential business. It is expected that the number of new supply will increase by 11.9% with the value increase by 3.9% which is an increase from the low base in 2020. In terms of the new projects in 2021, the developer will reopen the new projects especially the condominium which in 2020 many condominiums have been postponed. Main developers are those who are listed companies would add new supply to the market. It is expected that residential project in housing style will be opened for sale will increased by 4.1 % and the condominium will increase by 25.1% In addition, in 2021, it is expected that the number of new residential units sold nationwide will expand by 4.2 percent and the value of sales will increase by 3.0 percent, which is an increase from the low base in 2020, with the number of new sales units expected to increase by 2.0 percent and condominium units to increase by 8.4 %.

The LPN Wisdom Research Center shared the same view that in 2021 the housing market is likely to recover. The launch of new projects is likely to increase by 5 % , with a positive factor from the NESDB forecast. Thailand's GDP will grow by 3.5-4.5 percent. The economy will recover as the COVID-19 situation has now under control. Travel and employment will increase. In addition, there will be the completion of new train lines, the Yellow Line (Samrong-Ladprao) and Pink Line (Min Buri-Khae Rai).

However, if considering only the condominium business, Nexus Property Marketing Company Limited found that the trend of new condominium development projects have now move to the location outside the city such as Ramintra, Rangsit, Khukot, Phutthamonthon, Bang Yai, Sukhumvit, Thepharak and Bang Pu, and the price level of condominiums have changed as well. The market tends to be more responsive to condominiums in the price range not exceeding 1.2 million baht (not more than 50,000 baht / square meter), most of which are condominiums of approximately 30 square meters, located in the extension of the train line which may not have to be attached to a train but in the alley nearby. During the year 2020, the type of condominium in the market has also changed from the proportion of 49% of mid-market condominiums and 20% of City

Condo during the time before, but in 2020 the proportion has changed to 23% in Mid Market condominiums, while the City Condo has increased to 37%, and 18% of Affordable condos.



The amount of Condo Sale in 2020 was about 32,800 units which is higher than the amount of new supply incurred in 2020 which was 20,100 units. The rate of sales which is 93% is higher than the amount in year 2016-2019 which was at 90%.



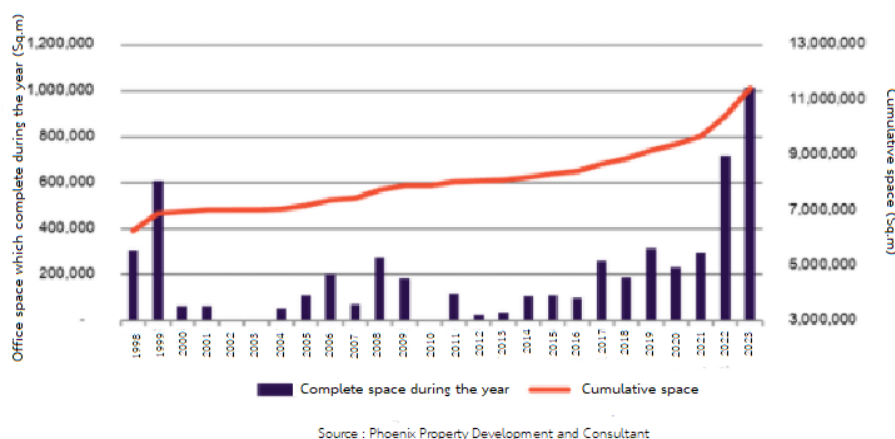
The reason that the sale of condominium rate in 2020 has increased though the situation was not in good shape with the crisis of the outbreak of COVID-19 and the economic, was due to the average price which decreased from 140,000 Baht per sq.m. in 2019 to 126,000 Baht per sq.m. or a 11% decrease. However, if we analyzed the sale by quarter, the result would be in second quarter the price went down by 16% and in the third quarter another 4% decrease.

The tendency of the real estate development in the type of condominium in the next 1-2 years, NEXUS expects that the supply will increase by 33,000-38,000 units which can be classified to the existing supply of 16,000 units and the rest will be the new supply. The demand is expected to be close to the supply which is 30,000 -35,000 units.

4) Office Building for rent

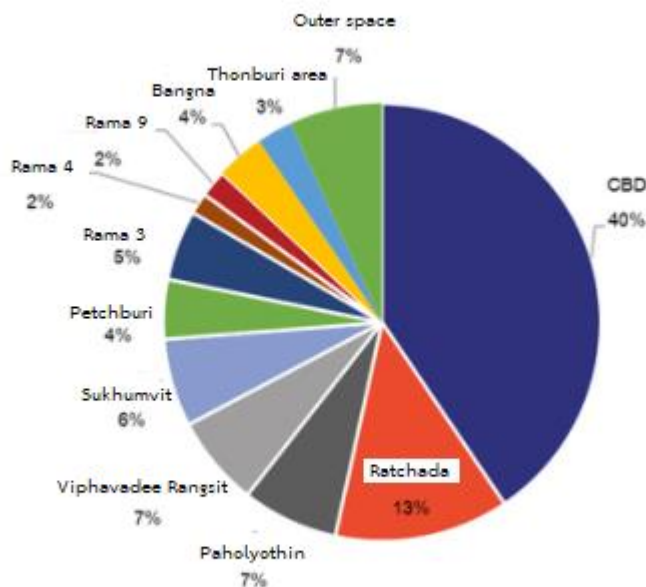
According to the Phoenix Property Development and Consultant has indicated that the supply of office building in Bangkok at the third quarter of 2020 was at 9.38 million sq.m., an increase from the end of year 2019 of 206,000 sq.m. as there is still the continuous increase of new office building during the past three quarters. In addition, there are still approximately 2 million sq.m. of office building under construction which will start to complete by 2021-2023.

New and Cumulative Office Space in Bangkok



The area of CBD which is the area that has the highest office building area in Bangkok is about 40% of total office building area in Bangkok. The second in line is the area on Ratchada Road (out of CBD) which has proportion of 13% while the place else where compiled to less than 50% of total area of office building in Bangkok. The other areas besides the above two mentioned spaces are the spaces that had the office building before the Bangkok Metropolitan starting having the BTS / MRT to service which in fact is the same as the area of CBD and the Ratchada because most of the office building has completed their construction before the operation of BTS / MRT.

Office Space in Bangkok devided by location

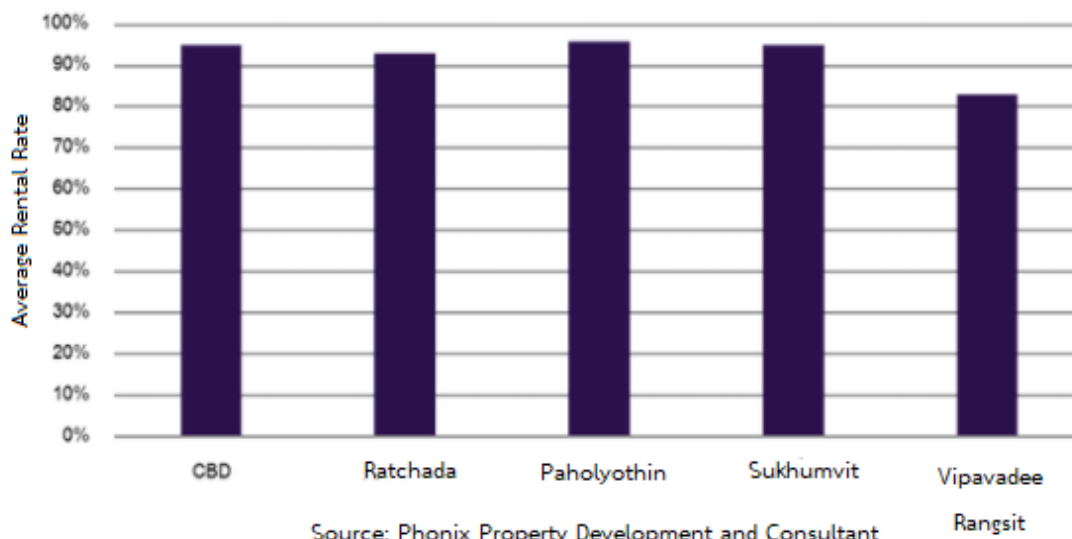


Source: Phoenix Property Development and Consultant

For the tendency of the expansion of the office building in 2021- 2023, there will spread out to area out of CBD, as a result now there are office building in the line of Sukhumvit, Petchburi, Bangna Pahol Yothin and Vipavadee Road. This was due to the developers has chosen to use the location of lands which the price is not too high to develop the office building. However, in CBD area, there are still office buildings constructed as the highest proportion and about 100% of them are on Rama 4 Road.

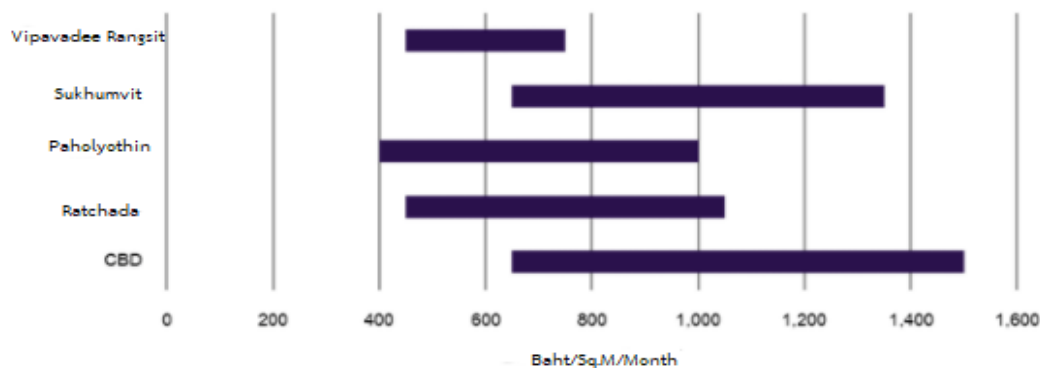
As for the demand for office space during the past 1-2 quarters, there were not so much. Because of economic conditions, including the need to take working time off or reduce the number of employees in the company due to the decline in corporate income as a result of the situation of COVID-19 which have affected economic growth around the world. Many foreign companies slowed their expansion including their plans to expand office space in Thailand. The average occupancy rate for office building in Bangkok as of Q3 2020 was approximately 92%.

Average rental rate of office spaces in 5 significant locations of Bangkok



For the rental fee for the office building in Bangkok as at the third quarter of 2020, there is no significant change though the demand of the office space in the third quarter is very low when compare to the quarter in 2019 but the office building owners still remained keeping the fee at the same rate. The rate may be reduced only in the period of the lockdown of Bangkok and asked all the companies to work from home but it was for only 1-2 months in the second quarter, since after then the price was back to normal rate.

Average Rental Fee in 5 significant location of Bangkok



The area in CBD is still the space where the office rent fee is the highest in Bangkok. However, there are now some place where the rental fee has increased especially in the area where there are office buildings are during constructed and will be finished within 1-2 years from now, which the price will be clearly higher than other office building which had completed before. The office Building which are now under construction and have plan to finished in the past period including in the near future are all Office Building Grade A which thus make the overall price for the outer CBD has increased.

The Nexus Real Estate Advisory has mentioned that in the past year 2020, the supply of the new office building of 130,000 sq.m. has caused the total office building in total of 6.2 million sq.m. The occupancy rate which has been at the rate of higher than 95% for the past seven years had decreased to 91% when compared to the rate in 2019 which was 94%. The rental rate has increased for only 1% from the normal increase should be 4-5% each year.

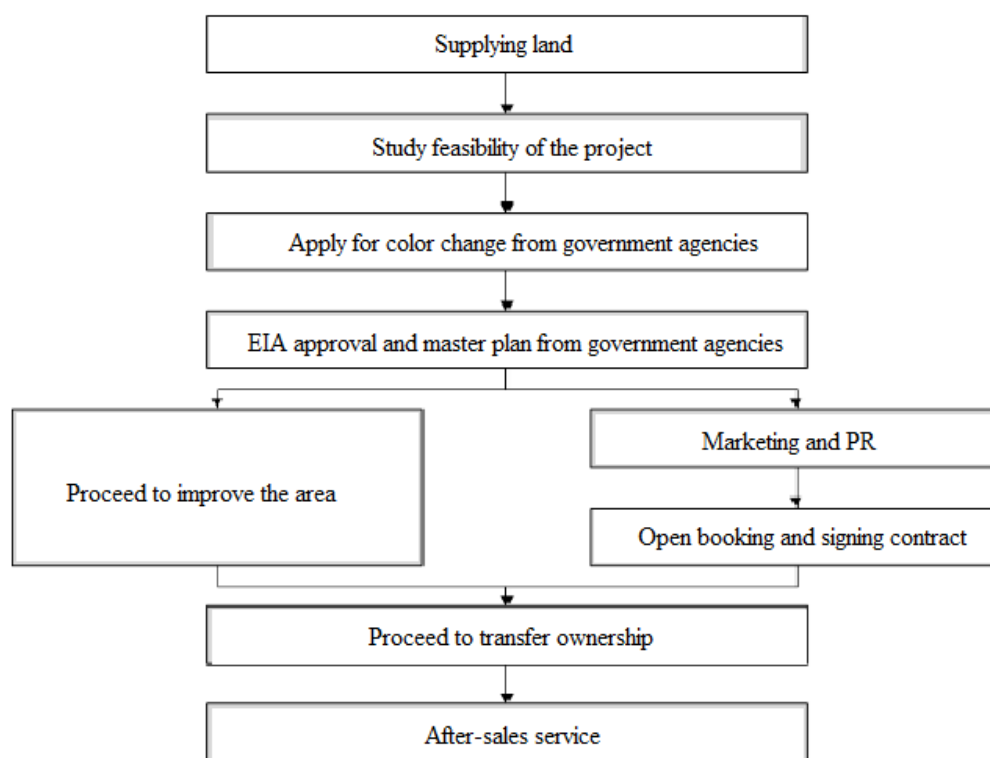
However, in the next 5 years, Nexus Real Estate Advisory CO., Ltd has forecasted that there will be supply of the office building more than 1.8 million (average equal to 360,000 sq.m. per year) when compare to the past 7 years which supply had added on only 1.12 million sq.m. (or average 160,000 sq.m. per year) , thus the increase in supply of over 1.8 million sq.m. in the next five years should be consider as a huge challenge of the demand of the office building which may change the competition. The developer may have to adjust themselves to meet with the requirement of the people such as the flexibility in the rent, and the provision of all amenities, change in style of rental : not to be the officers only but may require other facilities such as fitness, co-working space which is more flexible both in time and in space and to rent the space for using as data center.

Product or Service procurement

1) Industrial estate

The Company has spent 3-5 years duration to develop land for the project TFD Industrial Estate phase 1. Such time does not include the time in process of asking for permission from related authorities which is the key factor to the time duration. Another factor is season as it is very hard to develop in the rainy season. The main materials and services in developing land to set up Industrial

estate comprises of land, contractor, project designer or planner and construction materials such as cement and steel etc. The contractor that the Group Company has assigned to do the construction part for the project will also responsible to procure such materials. In brief, the process of the Company's industrial estate development can be summarized as in the flow-chart below:



The main materials and services in developing land to set up Industrial estate comprises of land, contractor, project designer or planner and construction materials such as cement and steel etc. The contractor that the Company has assigned to do the construction part for the project will also responsible to procure such materials.

2) Standard ready-built factory / warehouse

The Company has spent 6-7 months duration to build the standard ready built factory and warehouse which also exclude the time spent on permission from related authorities. The duration of time for building depend on the time spent on permission from related authorities and also the season as it is hard to build in the rainy season, same factors as the case to develop the industrial estate.

The main materials and services in building the standard ready built factory and warehouse consists of land, contractor, project designer or planner and construction materials, the same ingredients as used to develop land for the industrial estate. The contractor that the Company has assigned to do the construction part for the project will also responsible to procure such construction materials.

3) Residential Condominium

The Company have spent 2.5-3 years duration to develop and build the Condominium, not taking in to account the time in process of asking for permission from related authorities. The time used in building each condominium project will depend mainly on the size of the project.

Main materials in building Condominium project are land, contractor, Project designer and construction materials such as Precast concrete, glass and aluminum etc. The contractor that the Company has assigned to do the construction will also responsible to procure such construction materials.

4) Office building

The Company also operate the office building for rent, by co-operate with the partnership, Schubert Holdings Plc., Ltd, to take over SG Company which owns 2 office buildings. After such investment, the Company also acts as the project management company.

Unfinished Work

At 31 December 2020, the Company and subsidiaries not had unfinished work.

Policy on the Conflict of Interest and Connected Transaction with Subsidiaries.

1. Policy on the conflict of interest

The policy of the Company involves the conflict of interest is based on the principle that any decision-making of the personnel at all levels of the business must perform for the optimized interest of the Company only. The said decision shall be made free of personal influence, family tie or close associates, who may affect the decision-making to decide which the optimized interest of the Company is. Especially for all personnel to work full time for the Company in full capability, and should not have interest in other business outside the Company to take the time off or dedication to the duty on responsibility for the Company, and may cause damage to it.

The conflict of interest may happen in case the personnel of all levels have the personal interest or family members or close associates on finance or other sides in the business, which may receive interest from the decision-making of that person in performance of duty to the Company or realize its activity or operation or future plan.

The Company deems to be the duty of personnel of all levels to avoid having involvement in finance and/or relation with the outsiders, who may result in the Company to lose interest or cause conflict on loyalty or interest or obstruction of effective performance.

The Company has the policy to safeguard its justified interests, while to have the scope of freedom in various activities of the personnel of all levels to the minimum.

2. Examples of the situations on the conflict of interest

The personnel of all levels should take the following examples as guidelines for their interest and consider it as an importance thing for working Disclose and consult in step to help unravel problems or lead into the appropriate solutions. They should ask for advice when they are in situation of doubt or confuse.

2.1 General investment

The general rule of this matter is the personnel of all levels, family members or close associates must not hold the shares or receive interest from the competitor companies or any enterprises, including the customers, trade partners/sellers that the Company has contact.

The purchase of shares of the listed companies in the SET or investment via the mutual fund or investment units are not conflict of interest, as long as it does not affect the performance with the Company.

2.2 Supply of goods and services to the Company

The conflict of interest may happen if the personnel at the level of family or close associates supply goods or service to the Company as a trade partner/seller. If that person can lead or influence to the said operations, although no duty involved the business operations of the Company with that business.

In the event that the personnel of all levels of the Company have a family member or close associate as an employee, owner, customer, trade partner/seller or competitor, and s/he participates in the decision-making involve with the business related with that enterprise, shall be regarded as conflict of interest.

Likewise, if the customer, trade partner/seller or employee of a competitor has a family member as employee of the Company, then it is not appropriate to authorize that person the power to influence on a decision-making in the company's activity involve with the family member.

The Company shall not buy or lease property, equipment, raw material or use service from an employee of the Company, family member or close associate, and not sign a contract for that matter (except the employment contract) except in a special case and approved in writing from the Managing Director.

2.3 Entertainment and gifts

The personnel of all levels should not receive entertained things, gifts, passenger tickets, sports tickets and other tickets for recreation or entertainment or offers that are personal matters involving their duty, if such action can lead to binding the Company or cause them to be put in the situation of conflict of interest.

2.4 Accepting academic job as a host or public service or any positions

The management or employee can participate in the outside activities with good reasons. In several cases the Company encourages its personnel to participate in the external activities as it deems those activities may expand the perspective and experience to its personnel, which can help to improve the job of these people to the Company even more. The personnel who accept the jobs in professional institutions as lecturers, public service or offices such as a director, consultant, etc, they must ask for approval from the Managing Director before acceptance of the job or title. The employee that received approval should be realized that s/he would not bring the Company or his/her title to bind the outside activity, except by approval to do so.

In the event that the management or employee is appointed the secretary of the Board of Directors of the Company or agent in the management of a project/director in an affiliate or subsidiary shall not be regarded as a conflict of interest.

3. Definitions

“Family” means the person with relation to the personnel of all levels from the bloodline or legal marriage, including legally adopted persons.

“Close member” means the person with involvement with the personnel of all levels in any relations closely.

Connected Transactions

1. Connected person with possible conflict of interest and nature of the relationship.

Person / Entity having a conflict of interest	Relationship
JC Kevin Development CO., Ltd (JC Kevin) Operates the condominium development for sale, office building for rent and hotel business.	<ul style="list-style-type: none"> - Mrs. Chalida Taechaubol (wife of Mr. Apichai) holds 100% of shares. - Mr. Apichai Taechaubol and Mr. Chotiwit Taechaubol (son of Mr. Apichai) are directors of JC Kevin.
JC Kevin Food and Beverage Co., Ltd (JC Food) Operates the hotel management, restaurants, bars and nightclubs.	<ul style="list-style-type: none"> - Ms. Varaporn Taechaubol holds 99.01% - Mr. Apichai Taechaubol, Mrs.Chalida Taechaubol (Mr.Apichai's wife) and Mr. Chotiwit Taechaubol are directors of JC Food.
High Active Consultant Communication Co., Ltd (HACC) Operates the real estate development business.	<ul style="list-style-type: none"> - Mr. Apichai Taechaubol holds 100% of shares. - Mr. Apichai Taechaubol, Mr.Krittawat Taechaubol and Mr.Chotiwit Taechaubol (Mr.Apichai's sons) are directors of HACC.
JCK Hospitality Public Company Limited (JCKH) Operates the restaurants in various styles : Suki, Shabu, Grilled, Steak House, Fusion Foods, Italian and Chinese restaurants.	<ul style="list-style-type: none"> - Mr. Apichai Taechaubol holds 26.41% of shares. - Mr. Chotiwit Taechaubol holds 2.56% of shares. - Mr. Apichai Taechaubol and Mr. Chotiwit Taechaubol (son of Mr. Apichai) are directors of JCKH.
High Active Consultant Co., Ltd (HAC) Operates the restaurants and also provides the consultant services on food for the restaurants and food shop.	<ul style="list-style-type: none"> - Mr. Chotiwit Taechaubol holds 100% of shares. - Mr. Apichai Taechaubol and Mr. Chotiwit Taechaubol (son of Mr. Apichai) are directors of HAC.
High Active Consultant Tech Co., Ltd. (HACT) Operates in restaurants business.	<p>Mr.Chotiwit Taechaubol (son of Mr.Apichai) holding 51% of shares.</p> <p>Mr.Krittawat Taechaubol holding 29% of shares.</p> <p>Mr.Apichai Taechaubol and Mr. Krittawat Taechaubol are directors of HACT.</p>
Lobster Power Co., Ltd. (LOBSTER) Operates in restaurants business.	Mr.Apichai Taechaubol and Mrs.Chalida Taechaubol (wife of Mr.Apichai) are directors of LOBSTER.
Noname Food & Beverage Co., Ltd. (NONAME) Operates in restaurants business.	Mr.Apichai Taechaubol is director of NONAME.
Mr. Apichai Taechaubol	<ul style="list-style-type: none"> - Executive Chairman and major shareholder of the Company.

Person / Entity having a conflict of interest	Relationship
Mrs. Chalida Taechaubol	- Wife of Mr. Apichai Taechaubol and a shareholder of the Company.
Mr. Kittawat Taechaubol	- Son of Mr. Apichai Taechaubol, Executive Director and Director Deputy Managing Director of the Company.

2. Connected transactions between the Company and subsidiaries with the persons who may have the conflict of interest.

During 2017 - 2019, the Company and its subsidiaries had entered in to the following transactions with persons who may have the possible conflict of interest from such transactions, but without the conflict of interest as follows :

Transactions related to general business operation.

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
JC Food	JCK	<u>Entertainment Expenses</u> : JCK had used the services of restaurants of JC Food to entertain guests and use the meeting rooms to hold the Board's meeting and the shareholders' meeting	1.75	-	-	<p>JC Food charged the Company with an offer of 10% discount from the normal rate to general customers.</p> <p><u>The Audit Committee's opinion:</u></p> <p>The Audit Committee was of the opinion that the transactions were reasonable and also provided convenience for JCK to entertain JCK's guests and organize the meetings as the place was closed to JCK's office including the special discount provided.</p> <p>JC Food sets the selling price to JCK at the rate at least 15% lower than the appraised value and the market value. During 2020, JC Food has approved JCK to delay the transfer the ownership to be within April 2021 due to the impact of the situation of the Corona</p>
		<u>Trade Payable</u>	0.24	-	-	
		<u>Deposit for purchase of condominium units</u>	-	41.50	41.50	

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
						2019.
						<p><u>The Audit Committee's opinion:</u></p> <p>The Audit Committee was of the opinion that the transactions was reasonable.</p>
JC Kevin	JCK	<p><u>Entertainment Expenses</u> : JCK had used the services of restaurants and hotel of JC Kevin to entertain guests and use the meeting rooms to hold the Board's meeting and the shareholders' meeting</p> <p><u>Office rental</u>: JCK had entered into the lease agreement of office building space from JC Kevin on the second floor and on the 4th – 6th floors, total areas of 2,693 sq.m. to use as the headquarter of JCK with</p>	-	1.40	0.30	<p>JC Kevin charged the service at the same rate charged to general customers.</p> <p><u>The Audit Committee's opinion:</u></p> <p>The Audit Committee was of the opinion that the transactions were reasonable and also provided convenience for JCK to entertain JCK's guests and organize the meetings.</p> <p>The Company had considered to rent the office building space from JC Kevin which was the new building and had sufficient space for the Company's needs and the rental rate was comparable to other nearby office building rental rate.</p> <p><u>The Audit Committee's opinion:</u></p>
			9.66	8.87	8.33	

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
		the rental and services fees at Baht 1,279,145 per month (or Baht 475 per sq.m) for 3 years, ending on December 31, 2019. On August 1, 2017, the Company had reduced some partial space to be at only 1,802.44 sq.m. with the rental and services fees at Baht 856,159 per month, and on February 7, 2018 , the Company had asked to decrease the rental space for another 107 sq.m. to be only 1,695.44 sq.m, at the rate of rental and services of 805,334 Baht per month , due on September 1, 2019 and then renewed for another 3 years to be ended on August 31, 2022 , the rental and services fee is 805,334 Baht per month which has a condition that if the Company prepays the rental fees in advance for the				The Audit Committee 's meeting of 7/2016 on November 10, 2016 had considered the conduct of this connected transaction and was of the opinion that the transactions were reasonable as the JC Kevin's building was a new building and had sufficient space for the requirement of JCK, and also the rental price was at the acceptable rate when compared to other nearby office building rental rates. When the Company renewed the lease agreement on September 1, 2019, and the Company has agreed to pay the advance rental for the period of three years with the discount of 9% per annum which the Audit Committee was of the opinion that the transaction and their terms were normal business practices and provided benefit to the Company.

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
		<p>three years lease period, a discount of 9% p.a will be provided which the Company had agreed to pay the rental in advance with the discount rate offered as in the aforementioned conditions.</p> <p><u>Advance rental and service fees.</u> (Classified as Right-of-use of Assets according to the Thai Financing Reporting Standard which was first implemented)</p> <p><u>Advance Deposit</u></p> <p><u>Other payables</u></p>	-	22.90	14.57	
JCKH	SG	<p><u>Rental and service fees</u></p> <p>JCKH had entered into the rental agreement of office building space from SG in total area of 299 sq.m. to set up a restaurant. The rental and service fees is Baht 194,350 per month (or Baht 650 per</p>	-	2.19	2.20	<p>The rental rate is at acceptable rate when compared to other nearby office building rental rates and the trade conditions are normal as other trade transactions.</p> <p><u>The Audit Committee's opinion:</u></p> <p>The Audit Committee was of the opinion that the transactions were reasonable and was deem as general trade conditions.</p>

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
		sq.m) with the term of 3 years, ending July 31, 2022. <u>Renta and services Fees Deposit</u> <u>Trade receivables</u>	-	0.58 1.71	0.58 3.44	
JCKH	JCK	<u>Entertainment expenses</u> : JCK has purchased the restaurant voucher from JCKH and use JCKH's restaurant service in the reception. <u>Other Payable</u>	-	1.35 1.09	1.52 1.31	JCKH charges the voucher and the service at the real cost which are the same rate as charge to other customers. <u>The Audit Committee's opinion:</u> The Audit Committee was of the opinion that the transaction was reasonable, and was according as general trade conditions.
JCKH	JCKU	<u>Reception</u> : JCKU has used the restaurant services of JCKH in their reception. <u>Other creditors</u>	-	- -	2.88 0.62	JCKH charges the voucher and the service at the real cost which are the same rate as charge to other customers <u>The Audit Committee's opinion:</u> The Audit Committee was of the opinion that the transaction was reasonable, and was according as general trade conditions.

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
HAC	SG	<u>Rental and services fees:</u> HAC has entered into the lease agreement of office building space from SG of total area of 518 sq.m. to use for the restaurant. The rental and services fee at Baht 336,700 per month (or Baht 650 per sq.m.) with the term of 3 years ended July 31, 2022 <u>Rental and services Fees Deposit</u> <u>Trade receivables</u>	-	3.27	2.55	The rental rate is at the same rate as offered to general customers with normal trade conditions. <u>The Audit Committee's opinion:</u> The Audit Committee was of the opinion that the transactions were reasonable for the benefit of the Company and was deem as general trade conditions.
			-	1.01	0.20	
			-	4.65	5.60	
HAC	JCK	<u>Reception</u> : JCK has used the restaurant services of HAC in their reception <u>Other creditors</u>	-	-	0.52	HAC charges the service at the real cost which are the same rate as charge to other customers <u>The Audit Committee's opinion:</u> The Audit Committee was of the opinion that the transaction was reasonable, and was according as general trade conditions.
			-	-	1.28	
HAC	JCKU	<u>Reception</u> : JCKU has used the restaurant	-	-	0.97	HAC charges the service at the real cost which are the same rate

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
		services of HAC in their reception <u>Other creditors</u>	-	-	0.28	as charge to other customers <u>The Audit Committee's opinion:</u> The Audit Committee was of the opinion that the transaction was reasonable, and was according as general trade conditions.
HACC	JCK	Deposits for purchase of real estate projects: JCK has made a deposit contract for land purchase in Lat Krabang Sub-district, Lat Krabang District, Bangkok, with a total area of 31-0-79.9 rai and had made the deposit of Baht 65 million on the date of contract. <u>Other receivables - Net</u>	-	65.00	-	JCK has entered into the agreement to purchase the land as JCK has foreseen that the land is located in the potential location which can be developed to various types of project in the future and the purchasing price is lower than the appraisal value and also has better conditions. As the outbreak of the virus Corona -2019 has impacted to the overall economic, JCK has then adjusted its operational plan by on May 20, 2020, JCK had entered into the memorandum of agreement to cancel the contract to buy and sell the piece of land and HACC agreed to return the deposit within 1 year with the interest rate of 7.5% per annum by payment in installment. <u>The Audit Committee's opinion:</u>

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
						The Audit Committee was of the opinion that the purchase transactions was reasonable.
HACT	SG	<p><u>Revenue from rental and services</u> : HACT has agreed to lease the office building space from SG in total area of 114 sq.m to use as the restaurant location. Rental rate and services fee are 33,500 Baht per month (293.86 Baht per sq.m.) The Contract is 3 years lease ended on June 30, 2023</p> <p><u>Account Receivable</u></p>	-	-	0.54	<p>The rental rate is the same rate as the rate the Company charges from other customers and the trade condition is normal.</p> <p><u>The Audit Committee's opinion:</u></p> <p>The Audit Committee was of the opinion that the purchase transactions was reasonable.</p>
LOBSTER	JCK	JCK has purchased the restaurant voucher from LOBSTER and use LOBSTER's restaurant service in the reception	-	0.16	0.07	<p>LOBSTER charges the service at the real cost which are the same rate as charge to other customers</p> <p><u>The Audit Committee's opinion:</u></p>
		<u>Other Creditors</u>	-	0.16	0.40	<p>The Audit Committee was of the opinion that the purchase transactions was reasonable.</p>
NONAME	JCK	<u>Reception</u> : JCK has used the restaurant services of NONAME in their reception	-	0.12	0.07	NONAME charges the service at the real cost which are the same rate as charge to other customers

Connected person with possible conflict of interest	Company	Nature of transaction	Value (million Baht)			Necessity and Rationality
			Year 2018	Year 2019	Year 2020	
		<u>Other Creditors</u>	-	0.12	0.14	<u>The Audit Committee's opinion:</u> The Audit Committee was of the opinion that the purchase transactions was reasonable.

Transaction of loans between the Company and its subsidiaries and connected parties which may lead to conflict of interest

- None -

Guarantee of financial institution loans

Connected person with possible conflict of interest	Borrower	Guarantor	Total Amount (million Baht) as of Dec 31, 2020	Outstanding (million Baht)			Nature of Transaction	Necessity and Rationale
				As of Dec 31, 2018	As of Dec 31, 2019	As of Dec 31, 2020		
Mr. Apichai Taechaubol	JCK	✓	1,600.00	956.20	971.78	983.00	Personal Guarantee	This guarantee was corresponding to borrowing conditions of a financial institution of which the project loan was used as a working capital of the business and for the procurement of lands and building projects operated by JCK and its subsidiaries which were the project loans, which would benefit the Company and its subsidiaries businesses. <u>The Audit Committee's opinion.</u> The Audit Committee was of opinion that the transactions were necessary and deemed reasonable and appropriate, which would benefit to the operating performance of both JCK and its subsidiaries.
	JCKU	✓	235.00	181.70	127.30	67.40		
	JCKU	✓	185.00	66.53	32.48	20.48		
	CROWN	✓	55.00	55.00	48.36	46.39		

3. The approval measures or process of connected transactions.

The Board of Directors will approve a connected transaction as follows:

- The Management shall prepare and submit the report to the Board of Directors. The report should contain sufficient and comprehensive information for consideration in order to protect the

investors and should also provide the explanation of the necessity and appropriateness of the transaction.

- Any related person shall have no right to vote.
- Appraisal by acceptable and recognized independent appraiser is also required.
- Opinion from the independent or member of the Audit Committee is required.
- Such transaction has to complied with the legal or related regulations.

If a connected transaction meets a guideline which was given by the Board of Directors or if such transaction is a normal business transaction, the transaction will be considered subject to an approval by the Executive Board and / or the management.

Risk Factors

1. Risk from the increase in indebtedness and Debt-to-Equity Ratio

As of December 31, 2020, the Company's debt-to-equity ratio was 3.01 times, increasing from the end of year 2019 which was at 2.41 times. This was due to the adoption of the new financial reporting standards TFRS 16 - Lease which are effective for fiscal years beginning on January 2020 which the Company has to start recognize the long-term lease to be liabilities in the accounting which cause that in 2020, the Company has lease liabilities increase of Baht 568.08 million. However, when considered the interest-bearing liabilities in 2020 equal to Baht 5,268.41 million, decreased from the amount in year 2019 which was Baht 5,321.15 million while the shareholders' equity has decreased from the loss from operation in 2020 thus made the Debt-to-Equity ratio increased when compared to the ratio in 2019.

However, the Company is very confident that it can maintain the Net Debt-to-Equity ratio as according to the ration specified in the covenant of the Debenture which was set at 3.0-4.5 times. This is because the net debt which is used in the calculation of the said ratio will cover only the interest-bearing liabilities only, not include the lease liabilities, which in 2020, the net Debt-to-Equity ratio was 2.49 times. In addition, the Company expected that in 2021, the Company will earn revenue from the sale of land in the industrial estate, revenue from sale of warehouse, revenue from rental and services and also the dividend received from the Project Artisan Ratchada while the Company has planned to start to repay the loan and debenture which will affect that at the end of this year 2021, the Debt-to-Equity ratio will not higher than what has set in the Debenture's covenant.

Note: Net Debt means total debt according to the consolidated financial statements of the issuer of the debentures which have been audited by the auditor according to the figures stated in the issuer's annual consolidated financial statements. (As the case may be) which have interest payment obligations (But not include the liabilities incurred in normal business operation, trade advance received and / or any liabilities without interest bearing and / or loans from related persons and / or juristic persons) Less with the cash and / or Cash equivalents and / or short-term investments and / or investments in trading securities.

2. Risks of ability to pay principal and interest and the company's liquidity

The Company is at risk incurred from the uneven business revenues, especially the revenue from the industrial estate as the nature of this business needs to ask for several applying steps for permission and also require lots of time in each step such as changing the land color, requesting for EIA permission and also requesting for the land allocation from the IEAT. In addition, with the slowdown in economy as a result of the outbreak of COVID-19, the trade war and the unstable of political situation, all these factors affected the investment of the customers both domestic and foreign. For the revenue from the condominium business in 2020, the Company earned the revenue from the unit sale of the 15 Sukhumvit Residents and the Artisan Ratchada which has started to transfer to the customers since the second quarter of 2020, thus

make the ability of the Company to repay the principal and interest was quite volatile which can be noted from the Net Debt to Earning before interest, tax, depreciation and amortization ratio (the net Debt to EBITDA ratio) as at the end of year 2018-2020 which was 8.79, 260.0 and 26.44 times consecutively.

The Company operates the real estate business which main current assets are Project development cost which as at December 2020, the Company's project development cost was Baht 5,858.14 million, an increase from the year 2019 of Baht 33.12 million from the increase in project development cost of the TFD Industrial Estate 2. Thus, these current assets cannot liquidate to cash or cash equivalent fast so the quick ratio of the Company is equal to only 0.1 time which affect the liquidity and ability to pay short term loan of the Company.

In addition, the company has total liabilities of Baht 6,351.04 million, which current liabilities was Baht 3,472.59 million or 54.68 % of total liabilities and non-current liabilities of Baht 2,878.45 million or 45.32 % of total liabilities. For the current liabilities, the Company has short-term borrowing which will be due to pay in one year of Baht 3,026.35 million which comprised of Bank overdrafts and short-term loans of Baht 412.10 million, current portion of debentures of Baht 2,118.81 million, current portion of long term loans of Baht 442.44 million, current portion of short term loans from related party and interest payable of Baht 8.00 million and current portion of long term loans from related party and interest payable of Baht 45.00 million. For non-current Liabilities, the Company has long-term loan net of the current portion of Baht 2,242.06 million which can be divide to debentures of Baht 1,489.00 million and long-term loans from the financial institutions of Baht 748.34 million and long-term loans from related party and interest payable, net of current portion of Baht 4.72 million.

As at December 31, 2020, the Company has cash cycle of 8,245.47 days, decrease from the year 2019 which was 8,384.83 days which assumes that the Company has cash cycle in very high level and thus it affected the ability to repay debt and also because the Company had high current liabilities which also affected the liquidity of the Company.

However, at present, the TFD Industrial Estate 2 of the Company has developed the main utility and finished by more than 90% and also started to recognize the revenue from selling the land since 2018, which the Company has a plan to complete the utility development within 2021 to enhance the confidence of the investors. The Company expected that in 2021 the Company will have revenue from the sale of land in TFD Industrial Estate 2 higher than in 2020 as currently the Company has the land which is in the process of ownership transferred of 59.43 Rai which is estimated to transferred completely in 2021. The money received will partially be used to repay the financial institutions and debenture.

In addition, the Company still expects that there will be cash inflow received from the project The Artisan Ratchada which has already completed the construction and has started to transfer to the customers since the second quarter of 2020. Presently, the project has a backlog of not less than Baht 5,400 million, So from the above-mentioned factors, the Company is of the opinion that the Company's financial status and its performance will be improved.

3. Risk in relation to the business operation of the Company and subsidiaries

3.1 Risk from the laws, rules and regulations governing the property sector

Since the laws, rules and regulations governing the property sector are constantly amended, the group may be exposed to a risk resulted from such regulatory change, which includes amendment of the Land Development Act, rules and regulations on zoning, town and country planning laws and designation of additional green-zone rural and agricultural areas and decreasing of the designated purple industrial zones. Legal and regulatory changes as well as changes in approval procedures will affect the group's operation or delay projects currently run by the group.

However, in November 2019, the Cabinet has approved the draft announcement of the Eastern Special Development Zone Policy committee which results the EEC city plan which covers 3 provinces, comprising of Rayong, Chon Buri and Chachoengsao, become effective immediately and also expand the borderline of the industrial estate development area surrounding the TFD Industrial Estate from approximately 2,000 rai to 5,000 rai. As a result, the land surrounding the TFD Industrial estate that the company owns has changed from green zone (agricultural areas) to purple zone which is industrial area. Therefore, this plan will benefit JCK as the Company can use the land in this area to develop into industrial estates in the next phase instantly or may allot and sell some parts of the land (outside the industrial estates) which have potential to build the factories or warehouses for interested customers.

To manage this risk, the group is monitoring these regulatory changes on a regular basis to adjust its business direction to reflect such changes.

3.2 Risk from disputes under the Mahadlek Residences Project

The Mahadlek Residences Project which now the Company has received the approval of the Environmental Impact Assessment Report (EIA report) from the Office of Natural Resources and Environmental Policy and Planning (ONEP) on June 10, 2014 and also received the Building construction permit on June 1, 2016. However, at present the Company has temporarily delayed the investment in this project due to Central Administrative Court has then ordered the temporary suspension of the construction and on September 14, 2017, the Central Administrative Court has judged the revoke of the project's EIA report. and on September 26, 2019, the Central Administrative Court has ordered the judgment to revoke the project building construction permit, with retroactive effect from the date of the issuance of the said permit. The Company has re-appealed the said judgment which currently both cases are under the consideration process by the Supreme Administrative Court

As of December 31, 2019, the company has invested in this project in total amount of 274.84 million Baht. However, if the case comes to the end which the Supreme Administrative Court ruled that the company will be unable to proceed with the original construction, the

company can change the design the project to comply with the provisions of the law, though it may reduce size of the project to become smaller or the Company may consider to sell the project to other investor. In addition, in such case that the Company loses the suit and received the verdict or ruling to revoke the permit, the Company can sue the state sector who granted the permission for the compensation of all Company's damage including the claim of business opportunity loss of the Company.

However, the Company's management has used its discretion in the evaluation of the result of this case and the damage from the said construction suspension and is confident that there will be no damage to the value of the company's project because the company has applied for approval in accordance with the procedures and regulations of each related department and have received the EIA permit and the construction permit correctly. Therefore, the Company has not recorded an allowance for diminution in project value or provision for liabilities from the legal case at the end of the reporting period. The value of the said project has been evaluated by Thai Appraisal Company Linn Phillips Company Limited on 15 February 2018 with an appraised value of 414 million Baht, which the appraised value is higher than the current investment of the Company.

3.3 Risks from additional land acquisition for the development of the TFD II industrial Estate (the expanding phase)

As of December 31, 2020, the company has expanded its investment by buying more vacant land in the surrounding area of TFD Industrial Estate Phase 1, in approximately 1,980 rai in order to develop into a new industrial estate under the name "TFD II Industrial Estate" which the company plans to expand the area about 2,500 rai. In December 2015, some areas of land in this location were approved to change to be industrial land (purple zone). Later on 10 November 2016, the company and the IEAT have jointly signed a joint operating agreement and IEAT has approved the Company to establish the TFD II Industrial Estate Project. The area for development of the TFD II Industrial Estate Project in Phase 1 is 833.26 rai, with the EIA approval on 26 July 2017. The company has received the land allocation plan on March 2, 2018 and the title deed has been completed prepared. The company is currently accelerating the land development, adjust the landscape and the construction of various utility systems. For the remaining areas are currently in the process of requesting approval from government agencies and other related agencies.

However, the company may face the risk of not able to buy additional land to develop TFD II Industrial Estate, either in the quantity or in the desired location, including the risk from increase in the land prices. As a result, these factors may cause the Company being unable to have land at the predetermined size and location as required by the TFD II Industrial Estate Development Plan or may result in a higher cost of project development which will affect the

financial position and operating results of the Group Companies. However, according to the Cabinet's approval of the draft announcement of the Eastern Special Development Zone Policy committee in November 2019, which resulting in EEC city plan covering 3 provinces which are Rayong, Chon Buri and Chachoengsao becomes immediately effective. In addition, the Committee also announced the expansion of the industrial development area surrounding the TFD Industrial Estate from 2,000 rai to 5,000 rai. Thus, this change has affected to the land surrounding the TFD Industrial Estate to change from the green color zone (agricultural zone) to purple zone (Industrial zone) which has great advantage to JCK to be able to immediately use the land in these areas to develop as an industrial estate in the next phase including to partial sell some part of land (outside the industrial estate) which has potential to build the factories or warehouses to interested customers.

In addition, the Company also has guidelines for managing such risk by enter into agreements with land procurement agents, so they will act as a broker in the negotiations and bargaining the prices in accordance with the conditions set by the Company and to assist the company to complete the process of land buying. The company's land procurement broker comprises of people both outside the Chachoengsao area and in Chachoengsao Province which resulting in the procurement operation being more streamlined

3.4 Risk from shortage of contractors

Construction contractors are extremely necessary for the real estate development business. The Company and its subsidiaries therefore are exposed to a possible risk from the shortage of construction contractors, which may send a ripple to the group's construction work and project development as it could delay the projects from their plans and will affect the group's financial status and operation results.

However, the Company and subsidiaries plan to manage this risk by seeking contractors through a bidding process. After reviewing selected contractors, the Company and subsidiaries will monitor their operations and assess them through the quality of their work. Contractors who are assessed by the Company and subsidiaries will have their names listed in our Approved Supplier List for consideration to build the group's future projects.

3.5 Risks from the economy, political issues and other macro factors

The business of the Company and its subsidiaries may have impact from the economic fluctuations, political issues and also other macro factors such as the outbreak of the virus Corona 19 which led to the lockdown of the country and several significant places which had impact on the Company's business both direct and indirect, especially the industrial estate, Factory/ warehouse and the office building for rent as a group of main customers are entrepreneurs from abroad, which may consider to reduce the size of investment or move the

investment out of the country and thus will have impact on the demand of the abovementioned business. Therefore, these risks may also impact to the financial status and performance of the group Company.

Yet, the group manages this risk by diversifying its portfolio into other businesses including real estate development for industrial, residential and office for rent purposes. Besides, the group offers options for entrepreneurs to decide either to buy or rent land, factory and warehouse to minimize their investment risk. This not only responds to the needs of our customers but also reduces the volatility of fluctuating demands faced by our group as a result of economic, political and other macroeconomic variables.

3.6 Risk from renewal of lease agreements

The Company's business to construct standard factory or warehouse for clients to rent in several industrial estates or industrial zones is exposed to a risk of finding new customers or the fact that existing customers may not renew their lease agreements in the case of existing customers who have signed an average three-year rental term, which could affect future incomes of the group. However, based on past performances, rent of the Company's standard factories and warehouses remained stable or sometimes the Company could not even build enough factories and warehouses to meet demands of customers. Besides, most customers renewed the lease agreement, which means the period during which warehouses and factories remained vacant was very few. The risk therefore is quite low and the firm remains quite competitive.

The office for rent business's risk is when tenants decide not to renew their lease agreements, most of which last for three years. Therefore, if a lot of tenants refuse to renew the agreements and we could not find new tenants to replace them, it will directly affect our cash flows and operation results. Yet, based on previous performances, the occupation rate of the office building was as high as 80% and more. Most customers renewed their contracts since our office buildings were located in a strategic prime area. Besides, rental rates of both buildings remained competitive compared to others. This risk to have any effect to us therefore is quite low.

3.7 Risk from renewing lease rights and sub-lease rights in the office building business

SG has invested in the rights to lease land together with SG Tower 1 office building by signing a contract with Office of the Privy Purse (Currently, Vajiravudh College is the operator who manages the assets instead). It has also invested in the rights to sub-lease the land together with the Millennia Office Building (SG Tower 2) by signing an agreement with GF Holding Co Ltd to operate the office for rent business. The contract term between SG and Office of the Privy Purse is 30 years and will be due in October 2023 or 2 years from now. The term of the sub-lease agreement between SG and GF Holding Co Ltd is 30 years and will be due in November 2025 or

around 4 years from now. SG therefore has a risk of not able to renew the lease and the sub-lease agreements with Office of the Privy Purse and GF Holding Co Ltd, respectively, which could materially affect financial status and operation results of the Company and its subsidiaries.

In 2018, SG had the rental and service income of Baht 178.80 million and net profit of Baht 30.14 million or 16.86% of total revenue. In 2019 SG had the rental and service income of Baht 184.99 million and net profit of Baht 52.33 million or 28.29% of total revenue. In 2020, SG had the rental and service income of Baht 174.95 million and net profit of Baht 46.11 million or 26.36 %

3.8 Risk from requirements to pay compensations based on agreements made between the Company and subsidiaries with the M-II Property Fund

In December 2012 and August 2013, the Company and JCKU sold lands and factories for rent in the Company Industrial Estate, Navanakorn Industrial Promotion Zone and Laem Chabang Industrial Estate to the M-II Property Fund. In addition, JCKU transferred the rights to lease lands in the Laem Chabang Industrial Estate to the M-II Property Fund and agreed to sell lands and rented constructions located in the Kingkaew Project. In the agreements, the Company and JCKU are obliged to pay compensations or to absorb additional expenses incurred in the future as follows.

(A) A term in relation to JCKU (if the King Kaew land is expropriated) provides that the Company and JCKU have jointly agreed to compensate the M-II Property Fund where the amount will be calculated from an area in square meters multiplied by the land plot being rented out which is however affected by land expropriation if the land in the King Kaew Project is entirely or partially expropriated. In addition, the Company and JCKU have agreed to replace, renovate or repair the property so that it's in the original condition prior to the land expropriation and ready for use if such expropriation prevents the M-II Property Fund or small tenants from using the land; or if any part of the property has to be replaced, renovated or repaired.

(B) A term in relation to JCKU (if the lease agreement cannot be renewed with the Huabchem Group) due for the first period in February 2036 and where the second stage sub-lease agreement was already renewed by another 30 years to end in February 2066 provides that the Company and JCKU have agreed to compensate Baht 40 million to the M-II Property Fund if the fund cannot renew the lease agreement with the Huabchem Group (who is the landlord in an agreement to lease and develop land signed with JCKU) and register such lease for 30 years.

As a result, the Company and JCKU could be exposed to the risks of having to pay compensations based on the agreements made above with the M-II Property Fund, which could mean additional expenses that the Company and JCKU are to be liable to in the future.

4. Financial risk

4.1 Risk from interest rates and regulations of Bank of Thailand in relation to the property sector

Risk from interest rate changes

- Impact to client's decision to buy residential unit

Most customers in the residential condominium business will usually seek home loans from financial institutions. As a result, interest rates and loan payment conditions are major factors affecting their decisions. If the loan interest is higher, it will affect the customer's financial costs and may delay their decisions to buy.

The Company plans to manage this risk by learning customer's behaviors and desires and by providing purchasing terms and conditions and down payment methods that will respond to customer's need while relieving their financial burden as much as possible when buying a condominium unit.

- Impact to the group's financial costs

The group seeks loans from financial institutions to develop current and planned real estate projects. The interest rate change will also affect the group's financial costs.

Risk from the Bank of Thailand's regulatory changes in relation to the property sector

At present, the Bank of Thailand closely monitors credit approval by commercial banks. The central bank focuses more at the quality of approved credits, which makes commercial banks being more restricted when approving their loans. In addition, criteria for credit approval were adjusted and loan amounts for each collateral were reduced when extending to non-major clients in general. This means clients who seek home loans from financial institutions have to have more down payments in hands, which may affect their purchasing power and their decision to buy. Alternatively, the fact that commercial banks are stricter for credit approval will help screen customers who have real purchasing power for us at a certain level.

4.2 Liquidity risk and risk to access funding sources

The property development business is in need of capital for buying land and developing it and for construction and sales activities. While huge investment is required upfront, the company will get most payments of its sales value on the title deed transfer date only, which will take place after construction is completed. The group has a period of project management from 2-5 years depending on the project's nature and size. As a result, the business is exposed to a risk of liquidity management and access to funding resources for use in the business.

Yet, the Company plans to manage this risk by careful review of a project that it will develop. This starts from choosing a right location, conducting the project's feasibility study and hiring project consultant to ensure every project's success. In addition, the Company and

subsidiaries are raising funds from diverse channels ranging from the equity market to financial institutions to reduce too much dependency from a particular funding source.

Management Discussion and Analysis

1. Overview of the business operations and significant changes

The Company and its subsidiaries have operated the business of real estate development, which can be classified into 6 sectors as follows :

- 1) Industrial estate development
- 2) Selling and renting out land with standard ready-built factory and/or warehouse
- 3) Selling residential Condominium
- 4) Renting out office building
- 5) Asset management services
- 6) Managing Real Estate Investment Trust (REIT) and leasehold rights

2. Operating Performance and Profitability

2.1 Revenue

Total Revenue

Total revenues of the Company comprise of revenues from sales, rental incomes and services fees, gains from sale of investment property and other incomes.

Unit : million Baht

Total Revenues	Audited Financial Statements as of December 31,					
	Year 2018		Year 2019		Year 2020	
	MB	%	MB	%	MB	%
Revenues from Sales	1,888.28	79.91%	131.50	30.84%	131.39	31.64%
Rental Incomes and Services Fees	239.54	10.14%	257.98	60.50%	256.00	61.64%
Gains from sale of investment property	13.29	0.56%	8.40	1.97%	-	0.00%
Dividend Incomes	9.41	0.40%	9.67	2.27%	10.30	2.48%
Interest Incomes	11.98	0.51%	7.31	1.71%	5.55	1.34%
Compensation Incomes	155.00	6.56%	-	0.00%	-	0.00%
Profit / Gain from sale of investment in subsidiaries	7.34	0.31%	-	0.00%	-	0.00%
Other incomes	38.12	1.61%	11.56	2.71%	12.09	2.91%
Total Revenues	2,362.96	100.00%	426.41	100.00%	415.33	100.00%

Total revenue of the Company during the year 2018-2020 was as follows : Baht 2,362.96 million, Baht 426.41 million and Baht 415.33 million consecutively. In 2019, total revenue was Baht 426.41 million, a decrease of Baht 1,936.55 million from 2018 or 81.95%

down. Mainly from the decrease in sales and other revenue which in 2018, the Company has realized the revenue of the selling of project Harbour View Residences of Baht 1,620.66 million which the Company had transferred the ownership of the whole project to the customers in the fourth quarter of 2018 and also received the other revenue from the fine to compensate the delay of transfer of ownership of that project of Baht 155 million. In 2019, the Company had the main revenue from the sale of land and building increased, however, the revenue from the condominium unit come from only the Project 15 Sukhumvit residences which most of the units have been transferred during the past years which makes the Company has only few units left for sale.

For year 2020, the Company had total revenue equal to Baht 415.33 million, a decrease of Baht 11.08 million or a decrease of 2.60% when compared to the year before due to the decrease in other revenue in the part of gain from sale of property investment had decreased.

However, the Company expected that in 2021, the Company's revenue will increase from several positive factors from 1) Project Artisan Ratchada which have completed construction and have started transferred the ownership to the customers since the second quarter of 2020. Currently, the project had the backlog of Baht 5,400 million which the Company will recognize the revenue through the gain from the investment in the joint venture company continuously 2) The revenue from sale of land in the industrial estate which currently, the Company has backlog for transfer of 59.4 rai with value of Baht 540 million, not to mention the current Thai and foreign investors which are in the process of negotiating to purchase the land from the industrial estate.

Revenue from Sales

Unit : million Baht

	Year 2018	Year 2019	Year 2020
Revenue from sales of Land and factory building	34.85	118.00	87.50
Revenue from sales of Condominium units	1,853.43	13.50	43.89
รวม	1,888.28	131.50	131.39

Revenue from the sale of land and factory building

In 2019, the Company had revenue from sale of one factory (without tenant) of Baht 52 million, an additional when compare to prior year which there was no sale of factory and also the revenue from the sale of land of 8.70 rai at the value of Baht 66.00 million, an increase from the year 2018 which had the sale of land from the land in the TFD Industrial Estate 1 of 2 rai with total value of 34.85 million.

In 2020, the Company had revenue from sale of land and factory of Baht 87.50 million, a decrease from the same period in year 2019 of Baht 30.50 million or a decrease of 25.85%. In 2020, the Company had the sale of land in TFD Industrial Estate 2 of 3 rai at the value of Baht 25.50 million and also the sale of factory in the Project Green Park 2 of Baht 62 million.

Revenue from sale of condominium units

The Company has developed and operated residential condominium projects for sale both in the center of the city and in some recreation location. Currently, the Company has 4 projects in hand which are; 1) The 15 Sukhumvit Residences Project 2) The Mahadlek Residence Project 3) The Colonial Khao Tao Hua Hin and 4) the “Artisan Ratchada” Project.

During the year 2018-2020, the Company’s revenue from the sale of condominium units was Baht 1,853.43 million Baht 13.50 and Baht 43.89 consecutively, which was the sale from the transfer of ownership of units sold in The 15 Sukhumvit Residences Project and The Harbour View Residences (which in the last quarter of 2018, the Company has sold out the entire project).

In 2019, the Company had income from the sale of only 2 condominium units in Project 15 Sukhumvit Residences since most of the units of the project had been transferred and recognized the revenue during the previous year. As a result, the number of remaining units is reduced while in 2018 the Company recognized revenue from the sale of The Harbor View Residences to customers during the fourth quarter of 2018.

For the year 2020, the Company had income from the sale of residential condominiums in the amount of Baht 43.89 million from the transfer of ownership of the Penthouse room of the 15 Sukhumvit Residences Project. As at December 31, 2020, the Company still have the remaining units unsold of 10 units which had value of about Baht 523.08 million.

As for the progress of other condominium projects, namely The Artisan Ratchada Project, the construction is now completed and ownership transfer has been started in the

second quarter of 2020. Currently, the project has a backlog of approximately Baht 5,400 million, enabling the company to recognize revenue through profit from investment in joint ventures continuously.

For the project The Colonial Khao Tao Hua Hin and The Mahadlek Residence Project, at present, the Company has temporarily suspended both projects.

Rental Incomes and Services Fees

Both rental income and services fees are revenue from the land and factory buildings or warehouses for rent which the Company has bought the land or rented on the long term period to develop and build the factory or warehouse buildings including the construction of utility systems for the purpose to rent out the land with ready-built factories or warehouses under the management by JCKU. For the office building for rent segment which will handle the long term rental of land in order to develop and construct the office building for the office space rental is under the management by SG.

Unit : million Baht

Rental Incomes and Services Fees	Year 2018	Year 2019	Year 2020
Rental revenue from factories and warehouses	60.74	72.99	81.05
Rental revenue from office building	178.80	184.99	174.95
Total	239.54	257.98	256.00

During the year 2018 – 2020, the Company had the revenues from rental and services of Baht 239.54 million, Baht 257.98 million and Baht 256.00 million consecutively.

In the year 2019, the revenue from the rental income and services fees increased by Baht 18.44 million or a 7.70% growth from the previous year, mainly from the increase in the rental business of warehouses segment and also the rental space and the increase in the rental rate of the office building segment. However, as of December 31, 2019, the occupancy rate of the factories and warehouses of the Company was at 33.94% of total area, a decrease from 45.60% at the end of 2018 as the Company had sold 2 factories and warehouses in Thailand which had the tenants and another factory in UK in the year 2019.

For the year 2020, the company had an increase in revenue from rental and service from factory and warehouse businesses by Baht 8.06 million or 11.04% compared to the

same period of the previous year. This was due to in year 2020, there are 4 new tenants, as of December 31, 2020, the company has a total rental area of 95,391 square meters, which the area of 36,145 square meters have tenants, representing the rental rate of 37.89 % of total area. For the revenue from office building rental business had decreased by Baht 10.04 million, mainly due to a waiver and partial rental price reduction policy to help operators who have affected by the COVID-19 epidemic.

Other Incomes

Other incomes are all other incomes from the non-core business of the Company which includes dividend, interest income, management fee and other miscellaneous income.

Unit : million Baht

Other Income	Year 2018	Year 2019	Year 2020
Dividend	9.41	9.67	10.30
Interest Income	11.98	7.31	5.55
Profit from sale of investment in subsidiaries	7.34	-	-
Profit from sale of investment property	13.29	8.40	-
Compensation Income	155.00	-	-
Other miscellaneous	38.12	11.56	12.09
Total	235.14	36.94	27.94

During the year 2018 - 2020, the company had other income equal to Baht 235.14 million, Baht 36.94 million and Baht 27.94 million baht, respectively. In 2019, the company had other income decreased by Baht 198.20 million or 84.29 % when compared to the same of prior year, due to the main reason that in 2018, the company had revenue from the fine compensation for the delay of the ownership transferred of The Harbor View Residences project customers in the amount of Baht 155.00 million.

In 2020, the Company's other income was Baht 27.94 million, a decrease of Baht 9.0 million or 24.36% reduced from the year 2019. Main reason was from the decrease in the gain from sale of investment properties.

2.2 Expenses

Total Expenses

Total expenses of the Company comprise of cost of sales, cost of rental and services , selling expenses, administrative expenses , loss on sale of investment in trading securities, loss from change in the investment transfer and loss from sale of investment in subsidiaries, details are as follows :

Total Expenses	Audited Financial Statement as of December 31					
	Year 2018		Year 2019		Year 2020	
	MB	%	MB	%	MB	%
Cost of Sale	1,386.16	76.72%	90.78	18.26%	99.92	20.86%
Cost of rental and services	155.90	8.63%	152.32	30.64%	153.41	32.02%
Selling expenses	49.79	2.76%	20.82	4.19%	27.32	5.70%
Administrative expenses	214.88	11.89%	225.09	45.28%	198.43	41.42%
Loss from sale of investment in subsidiaries	-	0.00%	8.09	1.63%	-	0.00%
Total Expenses	1,806.73	100.00%	497.10	100.00%	479.08	100.00%

During the year 2018 - 2019, the Company's total expenses were Baht 1,806.73 million, Baht 497.10 million and Baht 479.08 million, respectively.

In 2019, the total expenses decreased by Baht 1,309.63 million or a decrease of 72.49% when compared to the previous year which was the result of the decrease in the cost of sale of condominium in line with the sale, as the transfer of the condominium units has done in the previous year. As of December 31, 2019, the Company has the unsold units of the Project 15 Sukhumvit Residences left only 12 units which one of them is the rented unit.

For the year 2020, the Company's expense had decreased by Baht 18.02 million or 3.63%. Mainly from the decrease in the administrative expenses which were the loss from the impairment of investment in JCKU and a decrease in arrangement fee for financing which decrease from 2019.

Cost of Sale

Cost of Sale of the Company consists of cost of vacant land, cost of land with factory and cost of condominium unit sold.

Unit : million Baht

	Year 2018	Year 2019	Year 2020
Cost of sale of land and factory			
Cost of sale of vacant land	15.83	38.02	13.41
Cost of sale of land with factory	-	41.52	45.11
Cost of sale of condominium unit	1,370.33	11.24	41.40
Total	1,386.16	90.78	99.92

Cost of sale of land and factory

In 2019, the Company had total cost of sales of Baht 79.54 million, an increase of Baht 63.71 million or 402.46% increase from the year 2018 (YoY). This was due to the increase in cost of sale which increased in line with the revenue from sale of vacant land in TFD Industrial Estate 2 of 8 rai and sale of 2 vacant land with the factory of the Project Green Park 2 when compared to the prior year which had revenue from the vacant land only.

In 2020, the Company had cost of sales equaled to Baht 58.52 million, a decrease of Baht 21.02 million or 26.43% from the prior year which decrease in line with the decrease in sale. This year the Company had sale revenue from the sale of land in TFD Industrial Estate 2 of 3 rai and sale of one factory in the Project Green Park 2.

Cost of sale of condominium units

Unit : million Baht

<i>Cost of sale of condominium units</i>	Year 2018	Year 2019	Year 2020
Project 15 Sukhumvit Residences	203.16	11.24	41.40
Project The Harbour View Residence	1,167.17	-	-
Total	1,370.33	11.24	41.40

During the year 2018 - 2020, the company had cost of condominium sales of Baht 1,370.33 million, Baht 11.24 million and Baht 41.40 million, respectively. In 2018, the

company had income from both the 15 Sukhumvit Residences and The Harbour View Residences projects which most of the cost of condominium sales came from the sale of The Harbor View Residences.

In 2019 the Company's revenue came from the sale of only 2 units of condominiums in the 15 Sukhumvit Residences project, a decrease compared to the same period of the previous year. This is because most of the projects were sold during the previous year. As a result, the company has the cost of selling condominiums during the period decreased to Baht 11.24 million

For the year 2020, the company has income from the sale of only 1 condominium project of 15 Sukhumvit Residences, however the unit was a large penthouse, thus caused the cost of sales to increase by Baht 30.16 million.

Cost of Rental and Services

Unit : million Baht

<i>Cost of Rental and Services</i>	Year 2018	Year 2019	Year 2020
Rental cost of warehouse	34.38	40.68	41.65
Rental cost of office buildings	121.52	111.64	111.76
Total	155.90	152.32	153.41

During the year 2018 - 2020, the company had rental and service costs of Baht 155.90 million, Baht 152.32 million and Baht 153.41 million, respectively. In 2019, the company had rental and service costs of 152.32 million baht, a decrease of Baht 3.58 million baht from the same period of the previous year. Million baht or 2.30%, mainly due to the decrease in cost of office building rental of Baht 9.88 million.

For the year 2020, the cost of rent and services increased by Baht 1.09 million or 0.72 %, mainly due to an increase in warehouse rental costs in line with the increased occupancy rate.

Sales and Administrative Expenses

Sales Expenses of the Company comprise of advertising and promotion, salesmen salary, sale management and commission while the administrative expenses comprise of

salary, director's remuneration, travelling expenses and entertainment expenses and office rental expense. The details were as follows:

Unit : million Baht

Sales and Administrative Expenses	Year 2018	Year 2019	Year 2020
Sales Expenses	49.79	20.82	27.32
Administrative Expenses	214.88	225.09	198.43
Total	264.67	245.91	225.75

Sales expenses

During 2018 – 2020, the Company's sales expenses were recorded at Baht 49.79 million, Baht 20.82 million and Baht 27.32 million respectively, or at a percentage of 2.11%, 4.88% and 6.58% of total revenue respectively.

In 2019, the Company's sales expenses decreased from the previous year of Baht 28.97 million or a 58.18% decrease, mainly from the decrease in the specific business tax and commission on sale of condominium units.

For the year 2020, the company's selling expenses increased by Baht 6.50 million or 31.22%, mainly due to an increase in advertising and promotion costs including the expenses for the transfer of condominium ownership.

Administrative Expenses

In the year 2018 - 2020, the Company had administrative expenses equal to Baht 214.88 million, Baht 225.09 million and Baht 198.43 million respectively, or accounting for 9.09 %, 52.79 % and 47.78 % of total revenue, consecutively.

In 2019, the Company's administrative expense was increased of Baht 10.21 million or 4.75%, compared to the previous year, mainly from the rental expenses and from fees on the Company's new project.

For the year 2020, the administrative expenses decreased by Baht 26.66 million or 11.84% compared to the same period of the previous year. This was mainly due to lower employee expenses from the salary decrease during which the company had affected by the Corona 2019 or COVID-19.

Financial Expenses

During the year 2018 - 2020, the Company had financial expenses equal to Baht 405.09 million, Baht 397.92 million and Baht 386.04 million, respectively. In 2019-2020, the company had financial expenses decreased by Baht 7.17 million and Baht 11.88 million, respectively compared to the same period of the previous year. This was due to the decrease in the interest expenses of the company as a result that the Company had arranged the repayment of loan.

2.3 Profitability

Gross Profit Margin

In the year 2018 - 2020, the company has a gross profit margin equaled to 27.53%, 37.58% and 34.61%, respectively. In 2019, the Company's gross profit increased from the same period of the previous year due to the Company has most revenue from the sale of land in industrial estates, which is a business that has a higher gross margin than revenue from condominium sales and warehouses, while in 2018, the company earned most of the revenues from the sales of condominiums.

In 2020, the gross margin had decreased from 2019 due to the sales revenue in this year were from sale of condominium units and warehouse where the revenue from sale of land in the Industrial Estate which has high gross margin was only 3 rai or equivalent to the sale volume of Baht 25.50 million. However, as at December 31, 2020, the Company had the land in the TFD Industrial Estate 2 which were sold and were under negotiation of 59.4 rai or in total value of Baht 540 million so it is expected that the gross margin in 2021 will have tendency to increase.

In summary, the gross profit margin of the Company can be classified into 3 groups according to its type of business as follows:

Unit: %

Gross Profit Margin	Year 2017	Year 2018	Year 2019
Sale of land and factory	54.58%	32.59%	33.12%
Sale of condominium units	26.06%	16.74%	5.67%
Rental and services	34.92%	40.96%	40.07%
Total	27.53%	37.58%	34.61%

From the above table, the gross margin of land and building sales business during 2018 – 2020 were volatile. This was due to in the year 2018, the company has only income from the sale of industrial estate land, as a result, the gross profit margin from the land and factory sales business stood at 54.58 %. While in 2019 and 2020, the Company's revenue came mainly from the sale of warehouses in the Bang Sao Thong project which is a business that has a lower gross margin compared to the business of selling land in the industrial estate. As a result, the gross profit margin from this business dropped from 54.58% to 32.59 % and 33.12%, respectively.

In the year 2018 - 2020, the Company's gross profit margin of condominium sales business was 26.06%, 16.74% and 5.67%, respectively. The main cause of different gross profit margin was due to that in 2018, most of the revenues came from The Harbor View Residences project which was sold out. While in 2019 - 2020 the revenue of condominium units were from the sale of the 15 Sukhumvit Residences projects which the number of units remaining for sale is low. Moreover, the unit left was the large suite and it is a bare shell room and the company had to use a price reduction strategy to expedite the sale of remaining units. As a result, profit margins dropped from the past year.

During 2018 - 2020, the company has gross profit margin of rental and service business equaled to 34.92%, 40.96 % and 40.07 %, respectively. In 2019, the gross profit margin increased to 40.96%, mainly due to the increase in price and rental space of the office building business, resulting in increase in rental income and office building services. While in 2020, gross margins dropped slightly to 40.07% due to temporary rental cuts to some operators who have had affected by the outbreak of the Corona 2019

Operating Profit Margin

In 2018 - 2020, the Company's operating profit margin was 15.09%, -25.55% and -23.67%, respectively. In 2018, there was operating profit from the sale of the Project The Harbour View Residences and also received the fine for the delay of transferred the ownership which was deemed as opportunity fees, and the high coordination advisory fees. In 2019 and 2020, the operating profit margin dropped to -25.55% and - 23.67% respectively, mainly due to significant decrease in revenue from condominium sales as the company has not had much of the units remaining for sale. Also the revenue from the transfer of condominium ownership of The Artisan Ratchada Project, the Company had recognized the

sale through its share of profit (loss) from the subsidiary. In addition, the revenue from the sale of industrial estates that the Company expects to replace business income from Condominiums, have affected by the economic slowdown and a result of the outbreak of coronavirus 2019, so the sales had not been as planned.

Net Profit Margin

In 2018 - 2020, the company had a net profit margin of 3.62 %, -110.07 % and -69.81%, respectively. In 2019, the net profit margin dropped to -110.07 %, mainly due to sales revenue of the condominium had declined. Moreover, there was an increase in administrative expenses as a result of the Company's new rental and project fees.

For the year 2020, the Company's net profit margin was -69.81%, slightly improved when compared to the same period last year. This is because the company began to recognize profit sharing from The Artisan Ratchada project, which had started to transfer the ownership to customers in the second quarter of 2020 and also a result of the reduction in financial expenses.

Earnings Per Share (EPS)

In the year 2018 - 2020, the Company's return on equity ratio were 3.10%, -17.99% and -12.88%, respectively. In 2018, the Company has a positive return on equity due to the result of revenue recognition from The Harbor View Residences project in the fourth quarter of 2018, while in 2019 and 2020 the Company had negative return on equity as a result of the revenue from the sale of condominiums decreased. In addition, the Company still had high financial cost. As a result, the company still has a loss from its operations.

2.4 Assets Management Ability

Assets

The Company's main assets consist of Development costs of real estate projects, leasehold and investment properties. In 2018 - 2020, the Company had total assets of Baht 8,479.29 million, Baht 8,256.95 million and Baht 8,459.59 million baht, respectively. In 2019, the Company's total assets decreased from the end of 2018 by Baht 222.34 million due to the decrease in investment properties as a result of sale of investment in Bognor Regis Warehouse Limited (England) in the third quarter of 2019. In 2020, the total assets of the Company increased by Baht 202.64 million or an increase of 2.45% when compare on the

same period of time of the prior year. This was due to the Right-of-Use Asset as the adoption of the new Thai Reporting Financial Standard (TFRS 16)

During the year 2018 - 2020, the Company has a return on assets of 0.90%, -5.61% and -3.47%, respectively. The return on asset of 0.90% in 2018 was due to the sale of The Harbor View Residences, which sold the project to customers in the fourth quarter of 2018. While the Company's performance in 2019 and 2020 had suffered from loss from the operation thus return on assets were negative. In the past, the Company had invested in assets quite a lot and some of them were now still under development stage, especially the TFD Industrial Estate 2 which has received the land allocation permits from the IEAT on March 2, 2018, then the development could commence and develop. Currently, the Company has started to sell and recognized revenue from the land in the project since 2018 but the volume was not so much since the main utility of the project had not yet developed, thus some investors were not confident to invest in the industrial estate of the Company. Moreover, in 2019-2020, the Company also had affected from the economic slowdown and the outbreak of the virus CORONA 19, therefore the sale of land in the industrial estate cannot be sold as per Company's plan. However, the Company has now accelerate in investment and development of the said project to create the confidence to the investors, Currently, The Company has developed the main utility for more than 90%. In addition, the pandemic of CORONA 19 should have recovered and is likely to decrease as each country has started vaccination. From the various factors, it is expected that in 2021, the Company will be able to sell the land and recognized the revenue better than the past year. In addition, the Company will start to realize the gains from the investment in the joint venture company BGY&TFD which operate to develop the condominium under the name "The Artisan Ratchada" which has started to transferred the ownership since the second quarter of the year 2020, which will allow the Company to realize the revenue from the gain on profit from the project continuously until 2022.

Cash and cash equivalents

In 2018 - 2020, the Company had cash and cash equivalents equal to Baht 54.72 million, Baht 23.25 million and Baht 14.73 million, respectively. As at December 31, 2019 and December 31, 2020, the company had cash and cash equivalents decreased from the end of 2018 and 2019 in the amount of Baht 31.47 million and Baht 8.52 million, respectively, because the company has gradually paid off loans.

Trade receivables and other receivables

In the year 2018 - 2020, the company had trade and other receivables equal to Baht 40.72 million, Baht 103.65 million and Baht 145.51 million, consecutively. As of December 31, 2019, the company had trade and other receivables increased from the end of 2018 in the amount of Baht 62.93 million or an increase of 154.54% from receivables that have been overdue to repay the deposit for the project that the company has terminated the contract. As at December 31, 2020, the company had an increase in trade and other receivables from the end of 2019 in the amount of Baht 41.86 million or an increase of 40.39% from the receivables from sale of Green Park 1 warehouse that had entered into the purchase agreement in the fourth quarter of 2020, which has not yet completed the installment payment according to the contract.

Project Development Costs

During 2018 - 2020, the Company had Project development costs of Baht 5,760.37 million, Baht 5,825.02 million and Baht 5,858.14 million respectively. As at December 31, 2019, the Company had an increase of Baht 64.65 million from the end of 2018, and also on December 31, 2020, an increase of Baht 33.12 million from the end of 2019, mainly due to an increase in development costs of the TFD Industrial Estate 2.

Investment Properties

Investment Properties of the Company comprised of Office building for rent, factory and warehouse for rent (which already have tenants). In 2018 - 2020, the investment properties was Baht 1,440.10 million, Baht 828.92 million and Baht 902.11 million, consecutively. As at December 31, 2019, the Company had investment properties decreased from 2018 of Baht 611.18 million because the Company had sold the investment properties of warehouses both in local and in United Kingdom (Bognor Regis Warehouse Limited) in 2019. And as at December 31, 2020, the Company had investment properties increased from the year 2019 of Baht 73.19 million because the Company was able to rent more warehouse and factories in this year.

3. Liquidity and sufficiency of funds

3.1 Source of funds

Unit: million Baht

Source of funds	As of December 31,		
	2018	2019	2020
Total Liabilities	5,680.36	5,837.04	6,351.04
Total shareholders' equity	2,798.92	2,419.91	2,108.55
Debt to Equity Ratio (times)	2.03	2.41	3.01

Liabilities

Main Liabilities of the Company consist of short term borrowings from the financial institutions, Bill of exchange, debentures and long term loan from the financial institutions. During the year 2018 - 2020, the total liabilities were Baht 5,680.36 million, Baht 5,837.04 million and Baht 6,351.04 million respectively. As of December 31, 2019, the Company has liabilities increased from last year of Baht 156.68 million as a result that the Company had issued the new debenture to reserve for the repayment of the short-term loan which was to due and also for use as working capital. As at December 2020, the Company had the liabilities increased from year 2019 of Baht 514.01 million which was due to the increase in the lease liabilities which was the new accounting record of liabilities according to the TFRS 16.

Bank overdraft and short-term borrowing

During 2018 - 2020, the Company had the overdraft account and short -term loan of Baht 447.52 million, Baht 377.59 million, and Baht 412.10 million, consecutively. As at December 31, 2019, the Company had the overdraft account and short - term loan decrease from the year 2018 of Baht 69.93 million, due to the fact that the Company had brought the fund received from the sale of investment properties in Bognor Regis Warehouse Limited to repay the short-term loan and as at December 31, 2020, the Company had overdraft account and short -term loan increased from the year 2019 of Baht 34.51 million as the Company had borrowed additional short term loan to use as a working capital of the Company.

Trade and other Payables

Trade payables of the Company consisted of trade payable, construction payable and land payable while other payables comprised of advance from customers, retention guarantee, accrued expenses and etc. During 2018 – 2020, the Company had trade and other payables of Baht 324.64 million, Baht 181.81 million, and Baht 218.67 million, consecutively. As at December 31, 2019, the

Company had repaid the existing liabilities to the Contractor payable of the construction of the TFD Industrial Estate 2 which then made the trade and other payables decrease from the amount in 2018 of Baht 117.06 million, while as at December 31, 2020, the Company had the trade payables increase of Baht 36.86 million, due to the increase in the amount used for reserve the purchase and the amount used in the agreement to sell the land, building, warehouse and condominium.

Long-term Debenture

As of December 31, 2020, the Company had the long-term debenture outstanding of 3,626,460 units at face value of Baht 1,000, total value of Baht 3,626.46 million. The Company's debenture did not have any rating. Details of the outstanding debenture were as follows:

Number	Issuing Date	Maturity Date	Coupon (Interest) Rate(%)	Tenor (years)	Amount issued		Registrar	Trustee
					units	Million Baht		
3/2018	27 Sep. 2018	27 Mar. 2022	6.50 - 7.00	3 years 6 months	387.36	387.36	TMB	ASPS
1/2019	15 Feb. 2019	15 Feb. 2023	6.75 - 7.25	4 Years	525,500	525.50	TMB	ASPS
2/2019	22 Mar. 2019	22 Mar. 2023	6.75 - 7.00	4 Years	966,400	966.40	TMB	KTBS
3/2019	26 July 2019	26 July 2021	6.75	2 Years	546,100	546.10	CIMBT	ASPS
1/2020	24 Jan. 2020	24 Jan. 2022	7.00	2 Years	811,100	811.10	CIMBT	ASPS
2/2020	13 Feb. 2020	13 Aug. 2022	7.25	2 years 6 months	390,000	390.00	CIMBT	ASPS

Long term loans from financial institutions

During 2018-2020, the Company had long-term loan from the financial institutions-net of the current portion in one year equaled to Baht 1,549.95 million, Baht 775.56 million, and Baht 748.38 million, respectively. As at December 31, 2019, The Company had the long-term loan from the financial institutions decrease from the year 2018 of Baht 774.39 million, as the Company had issued the new debenture to use the fund received to repay the loan of financial institutions and also the repayment of the liabilities from the sale of factories and warehouses in Thailand and the Bognor Regis Warehouse Limited in United Kingdom. For the year 2020, the Company had long-term loan from the financial institutions decrease from the year 2019 of Baht 27.22 million, or a 3.51% decrease

as a result of the repayment of debt from the fund from transfer the ownership of the TFD Industrial Estate 2.

Shareholders' Equity

During 2018 - 2020, the Company's shareholders' equity was equaled to Baht 2,798.92 million, Baht 2,419.91 million, and Baht 2,108.55 million, respectively. As at the end of the year 2019 and 2020, the shareholders' equity was reduced by Baht 379.01 million, and Baht 311.36 million, respectively, due to the loss from operation in both years.

Debt to Equity Ratio (D/E ratio)

During 2018- 2020, the Company had the Debt-to-Equity ratio stood at 2.03 times, 2.41 times and 3.01 times respectively. The Debt-to-Equity ratio as at December 31, 2019 and 2020 had increased from the prior year. This was due to the fact that the Company had issued new lot of debentures to reserve the fund for the repayment of liabilities which had scheduled to due and also to use as the working capital in the Company and also because the shareholders' equity had decreased from the loss from operation, especially in 2020 which the Company had impact from the outbreak of the CORONA 2019, thus the Debt-to-Equity Ratio had increased from the same period in the prior year.

Investment Cost

The Company and its subsidiaries shared the main policy for the investment cost to mainly used for the expansion of the business operation. Currently, the projects which still are under operated by the group are TFD Industrial Estate II, the warehouse and factory for rent, ready-built factory and warehouses for rent at Tha Sa-An and Bang Sao Thong, The 15 Sukhumvit Residences project (through the investment in CROWN), The Colonial Khao Tao, Hua Hin, The Mahadlek Residences (invested by the Company directly), The Artisan Ratchada (through the investment in BGY&TFD) , the investment in the office building for rent (through the investment in SG), investment in the M-II Property Fund. The main source of funds for these projects was the loans from financial institutions and debentures including the funds received from the capital increase and from working capital of the Company.

For the investment plan in the year 2021, the Company and its subsidiaries will mainly concentrate on the development and upgrade the utility system of the TFD Industrial Estate 2 which has estimated the total investment to be in total of Baht 150 million (Mainly utility system has been

developed more than 90%) by using the source of fund from the borrowing and the equity in the Company. However, the amount of money is relatively low when compare to the total project value thus the Company foresees that it will not effect the Company's liquidity.

3.2 Liquidity Adequacy

Unit : million Baht

Cash flow	years 2018	years 2019	years 2020
Cash flow from / (used in) operating activities	767.28	(908.08)	(98.37)
Cash flow from / (used in) investing activities	441.55	582.37	134.34
Cash flow from / (used in) financing activities	(1,758.84)	296.84	(44.48)
Net Increase (Decrease) in the translation adjustments	2.44	(2.60)	-
Net increase (decrease) in Cash Flow during the period	(547.57)	(31.47)	(8.51)

Cash flow from operating activities

In 2018, the Company had cash flow from operating activities of Baht 767.28 million, mainly from the sale of the project Harbour View Residences which caused the cost of the Project Real Estate development decrease of Baht 797.10 million, while in 2019 and 2020, the Company had the cash used in the operating activities of Baht 908.08 million, and Baht 98.37 million, consecutively. Mainly from the interest paid incurred in 2019-2020 of Baht 427.68 million, and Baht 388.58 million, respectively, including the fund used in the development of the project during the year of Baht 207.44 million, and Baht 54.23 million, accordingly.

Cash flow from investing activities

In 2018-2020, the Company had the cash flow from the investing activities of Baht 441.55 million, and Baht 582.37 million, and 134.34 million, respectively. In 2018, the Company had cash flow from the investing activities of Baht 441.55 million, from the repayment of the borrowing from the related parties of Baht 140.00 million, decrease in restricted bank deposit of Baht 120.47 million, and received the repayment of long term loan from the sale of Bransley of Baht 137.52 million. In 2019, the Company had the cash flow from the investing activities of Baht 582.37 million, mainly from the repayment received from the long term loan from the sale of Bognor of Baht 333.18 million, and cash received from the sale of investment in the subsidiary Bognor of Baht 170.86 million,

In 2020, the Company had the cash flow from the investing activities of Baht 134.34 million, mainly from the repayment from the loan from the related parties of Baht 65.00 million, decrease in restricted bank deposit of Baht 43.57 million, and interest received of Baht 24.20 million,

Cash flow from financing activities

In 2019, The Company had cash flow from financing activities of Baht 296.84 million, as the Company has issued new lot of debentures of total Baht 2,078.00 million, to redeem the debenture which was due of Baht 1,238.63 million, and repaid the long term borrowing from the financial institutions of Baht 525.77 million,

While in 2018 and 2020, the Company had the cash flows used in financing activities of Baht 1,758.84 million, and Baht 44.48 million, consecutively. In 2018, the Company used the fund to repay the overdraft and short-term borrowing of Baht 689.02 million, and repaid the debenture net of Baht 651.07 million, while in 2020, the Company used the fund to repay the long-term borrowing from the financial institution of Baht 22.65 million,

The Company's current ratio at the end of the year 2018-2020 was 2.61 times, 2.32 times and 1.79 times respectively. The current ratio in the year 2019 slightly decreased to 2.32 times due to the Company had current liabilities increased from the current portion of debenture which increased of Baht 444.56 million, while the current asset increased only Baht 204.60 million. For the year 2020, the current ratio had decreased down to 1.79 times due to the increase in the current liabilities of Baht 759.93 million, mainly from the current portion of the debenture which will be due within one year while the current asset in total decreased of Baht 63.07 million.

Report of the Board of Directors' Accountability to the Financial Statements

The Board of Directors is responsible for the accuracy and completion of a consolidated statement of the company and its subsidiaries and financial information published in the Annual Report. The financial statement has been prepared on the basis of the Generally-Accepted Accounting Principles (GAAP) of Thailand upon an appropriate accounting policy regularly practiced, an exercise of discretion, the best estimate and the disclosure of adequate material information in notes to the financial statements for the best interest of shareholders and investors.

The Board of Directors has established and maintained an effective internal control to ensure that the company's accounting record is accurate, complete and adequate for the maintenance of our assets and for monitoring weaknesses to prevent corrupted or unusual practices that are material.

In this regard, the Board of Directors has set up the Audit Committee consisting of non-executive independent directors to be responsible for the quality of the financial statement and the internal control. The Auditor Committee's opinions regarding the matters are published in the Auditor Committee's report also included in the Annual Report.

The Board of Directors is of the opinion that the company's internal control system, in general, remains satisfactory, leading to its reasonable confidence that the financial statements of the company and subsidiaries as of December 31, 2019 are reliable in compliance with the GAAP and relevant laws, rules and regulations.



Dr. Apichai Taechaubol
Chairman of the Board



Mr. Anukul Ubonnuch
Managing Director

Shareholders and Management

The Directors and Management who are holding Ordinary Shares of the Company as at December 31, 2020

Full Name	Number of Ordinary Shares (Share)		
	6 Nov. 20	31 Dec. 19	Increase (Decrease)
1. Mr. Apichai Taechaubol	374,825,756	521,970,756	(147,145,00)
2. Mr. Anukul Ubonnuch	450,000	250,000	200,000
3. Mr. Kittawat Taechaubol	44,095,000	44,095,000	-
4. Mr. Chaiporn Yokawajorn	100	100	-

Directors' and managements' remuneration as at December 31, 2020

- (1) Baht 10,000,000 was approved by the 2020 Annual General Meeting of Shareholders as remunerations for the Board of Directors where the Board of Directors shall allocate such remunerations to each director. The directors' remuneration received as the meeting allowance and annual compensation as follows:

Full Name	Positions	Meeting Allowance (Bt.)	Annual Compensation (Bt.)	Total Remuneration (Bt.)
1. Mr. Apichai Taechaubol	Chairman and Executive Chairman	162,000.-	680,000.-	842,000.-
2. Mr. Prasong Vara-ratanakul	Audit Committee Chairman, Corporate Governance, Nomination and Remuneration Committee Chairman and Independent Director	240,000.-	678,000.-	918,000.-
3. Mr. Chetawan Anuntasomboon	Audit Committee Member, Corporate Governance, Nomination and Remuneration Committee Member and Independent Director	187,000.-	508,500.-	695,500.-
4. Mr. Tawil Praisont*	Audit Committee Member and Independence Director	144,000.-	508,500.-	652,500.-
5. Mr. Gumpol Tiyyarat*	Director	117,000.-	508,500.-	625,500.-
6. Mr. Anukul Ubonnuch *	Director, Executive Director and Managing Director	157,000.-	429,750.-	586,750.-

7. Mr. Kittawat Taechaubol	Director, Executive Director and Director Deputy Managing Director	117,000.-	429,750.-	546,750.-
8. Ms. Siriporn Tamenant	Director, Executive Director and Director Deputy Managing Director, Administration and Information Technology	159,000.-	429,750.-	588,750.-
9. Mr. Tseng Kuo-Chan	Director	-	508,500	508,500
Total		1,283,000.-	4,681,250	5,964,250.-

Remark : * Due to the situation of the Covid-19 virus epidemic affecting international travel, Mr. Tseng Kuo-Chan was unable to attend the Board of Directors' meeting of Thai companies.

(2) The management's remuneration starts from the Assistant Managing Director level up to the Executive Chairman as follow:

Total of Remuneration	Managements	2020	Managements	2019
Salary / Annual Incentive	7	36,006,707.-	8	36,677,619.04

Remark: In 2018, there were 7 managements consist of 1) Mr. Apichai Taechaubol 2) Mr. Kittawat Taechaubol 3) Mr. Anukul Ubonnuch 4) Ms. Siriporn Tamenant 5) Mrs. Rachanee Siwawej 6) Mr. Chaiporn Yokawajorn 7) Ms. Jinjuta Satayasansakul

Major Shareholders as at November 6, 2020

	No. of Shares	%
1. Mr. Apichai Taechaubol	373,440,556	17.393
2. Mrs. Chalida Taechaubol	279,130,666	13.001
3. Mrs. Sumalee Ongcharit	197,546,600	9.201
4. Mr. Kuo-Chan Tseng	75,900,000	3.535
5. Thai NVDR Co., Ltd.	67,735,174	3.155
6. Mr. Kuan-Ping Tseng	61,800,000	2.878
7. Mr. Kuan-Shun Tseng	61,800,000	2.878
8. Mrs. Montira Padungrat	52,268,300	2.434
9. Mrs. Yu-Hui Chen	50,000,000	2.329
10. Mr. Krittawat Taechaubol	44,095,000	2.054
11. Other	<u>883,318,183</u>	<u>41.141</u>
Total	<u>2,147,034,479</u>	<u>100.000</u>

General Information

JCK International Public Company Limited (“JCK”),
registered no. 0107537000475 (Bor Mor Jor. 294) with head office at
18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn,
Bangkok, 10120.

Tel : (66) 2676 4031-6 , (66) 2676 3836-9

Fax : (66) 2676 4038-9

Website : www.jck.international

Nature of Business

The Company’s main activities are categorized according to its sources of revenue into 4 types as follows:

1. Industrial Estate
2. Sale and rental, Land, ready-made factory, warehouses, and management
3. Rental for office space, and property management service of real estate
4. Construction, Design, and Construction Control

The Company’s Capital

The Company’s registered capital is Baht 3,220,551,718.- divided into 3,220,551,718 of ordinary shares with a par value of Baht 1 per share. The Company’s shares issued and paid-up is at 2,147,034,479 shares with a par value of Baht 1 per share, which amount totaling Baht 2,147,034,479.-. The ordinary shares remaining at 1,073,517,239 shares, divided as unpaid as follows:

- Ordinary shares in the amount of 1,073,517,239 shares with Par value of Baht 1 per share totaling Baht 1,073,517,239.- for the exercise of warrant No.6 (JCK-W6) which allotted to existing shareholders in ratio of 2 existing shares per 1 unit of JCK-W6 (fraction was disregarded) with no charge, the exercise ratio is 1 unit of JCK-W6 per 1 ordinary share, exercise ratio is Baht 2.- per share.

The Subsidiary Companies

JCK Utilities Co., Ltd. (former name: Total Industrial Services Co., Ltd.)
was established in April 2003, current registered capital is Baht 500 million,

the Company holds 100% of shares,
the objective is to provides the construction of standard factory and warehouses for sale and rent.
Head office is situated at 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn,
Bangkok, 10120.
Tel. : (662) 676-4055-57
Fax. : (662) 676-4064

CROWN Development Co., Ltd. (former name: VSSL Enterprise Co., Ltd.)

was established in July 1998, current registered capital is Baht 951 million,
the Company holds 100% of shares,
the objective is to engage in real estate development business.
Head office is situated at 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn,
Bangkok, 10120.
Tel. : (662) 676-4031
Fax. : (662) 676-4038

BGY & TFD Properties Co., Ltd.

was established in June, 2017, current registered capital is 1,000 million,
CROWN Development Co., Ltd. holds 51% of shares,
the objective is to engage in real estate development business.
Head office is situated at no. 9, G Tower Grand Rama 9, 24th floor, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok, 10310.
Tel. : (662) 126-6870

SG Land Co., Ltd.

was established in June 1988, current registered capital is Baht 100.45 million,
the Company holds 49.91% of shares,
the objective is to provides office building rental.
Head office is situated at No. 161/1, Soi Mahad Lek Luang 3, Ratchadamri Road, Lumpini,
Pathumwan, Bangkok, 10500.
Tel. : (662) 651-9485, (662) 651-8577-78
Fax. : (662) 651-8575, (662) 651-9471

TFD Real Estate Management Co., Ltd.

was established in June 2015, current registered capital of Baht 38 million,
the Company holds 100% of shares,
the objective is to provides Property Fund and REIT.

Head office is situated at 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn,
Bangkok, 10120.

Tel. : (662) 676-0288

Fax. : (662) 676-0277

Ratchadamri Real Estate Co., Ltd. (former name: Mahadlekluang Co., Ltd.)

was established in June 2020, current registered capital of Baht 1 million,
the Company holds 100% of shares,
the objective is to engage in real estate development business.

Head office is situated at 18 Soi Sathorn 11 Yaek 9, TFD Building, Yannawa, Sathorn,
Bangkok, 10120.

Tel. : (662) 676-4031

Fax. : (662) 676-4038

The Shares Registrar

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building,
93, Ratchadapisek Road, Dindaeng, Bangkok 10140.

Tel. : (662) 009-9991

Fax. : (662) 009-9999

Securities Dealer and Securities Underwriter (B/E and Bond)

Asia Plus Securities Public Company Limited.

11th Floor, Sathorn City Tower, 175 South Sathorn Road,
Thungmahamek, Sathorn, Bangkok, 10120.

Tel. : (662) 680-1111

Fax. : (662) 680-1014

KT Zmico Securities Company Limited.

8th, 15th - 17th, 19th, 21st Floor, Liberty Square Bldg.,
287 Silom Road, Bangrak, Bangkok, 10500.

Tel. : (662) 695-5000

Fax. : (662) 695-5173

Yuanta Securities (Thailand) Company Limited
127 Gaysorn Tower 14th-16th Floor Ratchadamri Road,
Lumpini, Pathumwan, Bangkok, 10330.

Tel. : (662) 009 8888

Fax. : (662) 009 8889

CIMB Thai Public Company Limited
44 Langsuan Road, Lumpini, Pathumwan, Bangkok, 10330.

Tel. : (662) 626 7506, (662) 626 7511

Fax. : (662) 009 8889

The Auditor

Ms. Watoo Kayankannavee CPA No. 5423 and/or

Ms. Supanee Triyanantakul CPA No. 4498 and/or

Mr. Preecha Arunnara CPA No. 5800 and/or

Ms. Siraporn Ouuanunkun CPA No. 3844

EY Office Limited

33rd Floor, Lake Rajada Office Complex,
193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110.

Tel. : (662) 264-0777

Fax. : (662) 264-0789-90

The Solicitor

The Far East Law Office (Thailand) Co., Ltd.

24th Floor, No. 121/74-75,

R.S. Tower, Dindaeng, Bangkok 10310.

Tel. : (662) 711-4912

Fax. : (662) 711-4920

The Share Listings

The Company's shares are listed and traded on the Stock Exchange of Thailand.

The Bankers and Other Financiers

The Siam Commercial Bank Plc

Bank of Ayudhya Plc.

Bangkok Bank Plc.

Registrar and Paying Agent

TMB Bank Public Company Limited

24th floor, A building, No. 3000, Phaholyothin Road,

Jompol, Jatujak, Bangkok 10900

Tel. : (662) 299 1111 ext. 5522

Fax. : (662) 299 1278

FACTORY LOCATION MAP





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