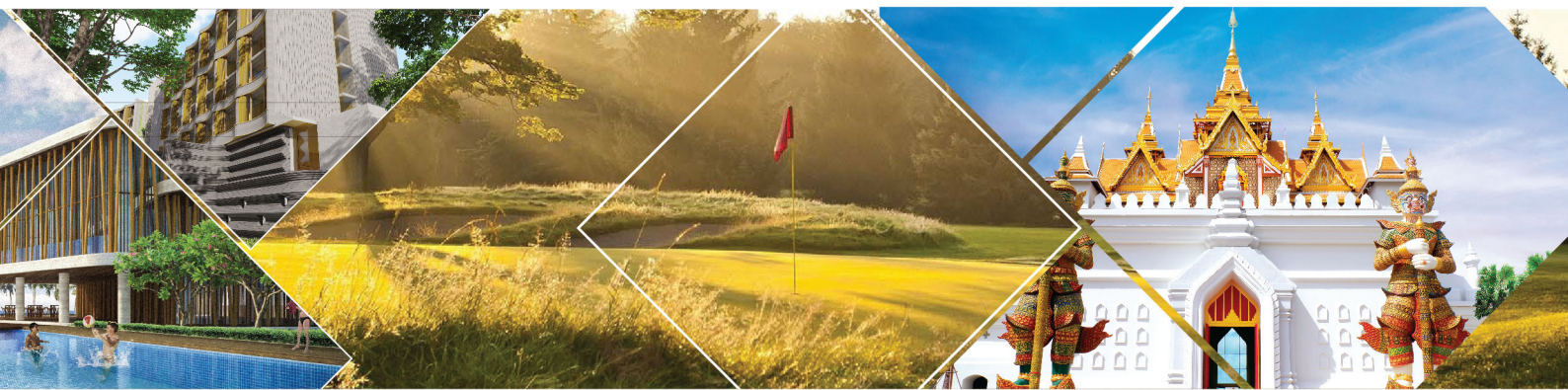


# ANNUAL REPORT | 2019



N U S A S I R I



☎ 1608 | [www.nusasiri.com](http://www.nusasiri.com)



English Version

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## Vision

A leading property company that is committed intentionally developing a better quality of life.

## Mission

Residential development. By considering the benefits and customer satisfaction, create wealth and stable to shareholders, Support personnel with management, the efficiency, effectiveness and integrity, Promote social Community and Environment.

## Core Values : NUSA

N

Enjoy Living

Enjoy Working

U

Unity

S

Smart Working

A

Smart Looking

Accountability

NUSASIRI “WE DEVELOP BETTER”



# NUSASIRI

## LET YOUR LIFE SHINE

In the last years, Nusasiri has many changed and developed. We aren't just real estate company determined to develop only the residences in the past. But has started a real estate project for investment, with guaranteed of return under the management of a world-renowned hotel management group "Movenpick". We have moved forward to build investment confidence from the Movenpick Residences Ekkamai Bangkok project. Expand into the project in area's important tourist of Thailand, such as Chivani Pattaya and Nusa My Ozone Khao Yai Condo3 etc.

For the year 2020, we're committed to continuously developing projects and reward customers who are the part of Nusasiri family, give the privilege by app. NUSA SMART for many privileges such as Movenpick Residences Ekkamai Bangkok, super luxury project, Nusa My Ozone Khao Yai. There are complete facilities such as 18 holes golf course, hospital, private airport etc. to create happiness for the Nusasiri family.





## Message from the Chairman

With our unwavering commitment, “Nusasiri” continues to look forward to becoming a leading property development company. That isn’t just housing development but also focus on creating “Better quality of life” in all aspects to meet the needs and maximum benefit to all stakeholders. Although in the past year, the economic environment has various factors to the challenge there may be various obstacles that affects our operations but we didn’t discourage and we’re still moving forward to reach the objective.

“Better Quality of Life” is what “Nusasiri” always gives the most significance. We’re committed to continuously developing, create a good health of customers as well. We therefore, fully expand in a “healthcare” business to penetrate both domestic and foreign markets. For the year 2020, we give reward customers is a part in Nusasiri family, give the privilege by app. NUSA SMART for many the privilege of projects and affiliated company such as Movenpick Residences Ekkamai Bangkok, Super Luxury project Nusa My Ozone Khao Yai, there are facilities, 18 hole golf course, hospital, private airport etc. for create happiness to the Nusasiri family.

On behalf of the Nusasiri Public Company Limited, we express our profound gratitude to shareholders, investors, partners, and all parties involved, including financial institutions supporting our operation as always. We strongly believe that “Nusasiri” will continue to strive, carefully, transparency and good corporate governance, for the company to steadily grow, leading property development business henceforth in the future.



(Mr. Visanu Thepjaroen)

The Chairman of the Board of Directors

## General Information of the Company

Name of Company	Nusasiri Public Company Limited
Securities Symbol	NUSA
Nature of Business	Property Development
Registration No.	BorMorJor. 0107537001595
Head office	Charn Issara Tower 2 12A Floor 2922/209 Petchaburi Rd., Bangkok, Huai Khwang, Bangkok 10310 Tel. : 0-2030-1399 Fax. : 0-2030-1398 Home Page : <a href="http://www.nusasiri.com">www.nusasiri.com</a>
Type of Stock	Common Stock
Registered Capital	9,597,464,031 Baht
Par Value	1 Baht
Paid up Capital	7,641,078,761 Baht (At December 31, 2019)
The Securities Registrar	Thailand Securities Depository Co., Ltd. 93 The Stock Exchange of Thailand Bldg., Ratchadapisek Rd., Dindaeng, Bangkok 10400 Tel. : 0-2009-9999 Fax. : 0-2009-9991
Auditors	EY Company Limited 33rd floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road Khwang Khlong Toei, Khet Khlong Toei, Bangkok 10110 Tel. : 0-2264-0777 Fax. : 0-2264-0789-90
Financial Institution	Krung Thai Bank Public Company Limited 35 Sukhumvit Rd., Klong Toey, Wattana, Bangkok 10110



# FINANCIAL HIGHLIGHTS

Unit : million Baht

	2017	2018	2019
<b>Assets</b>			
Cash and cash equivalents	468	329	26
Trade and other receivables	26	539	110
Short-term loans to related parties	15	414	435
Project development cost	3,978	2,224	1,861
Inventories	6	6	10
Deposit for purchase of land and condominium units	390	180	180
Value-added tax credit	26	45	61
Other current assets	59	117	130
Restricted bank deposits	22	41	44
Other long-term investments	700	-	-
Investments in joint ventures	326	487	382
Deposit for purchase of land	1,061	1,061	917
Land awaiting development	2,009	1,980	1,591
Investment properties	721	710	653
Property, plant and equipment	2,042	3,449	3,866
Intangible assets	6	14	14
Deferred tax assets	5	9	9
Withholding tax deducted at source	45	78	77
Deposit for purchase of investments	138	536	647
Advance payment to contractors	192	21	15
Other non-current assets	433	421	16
<b>Total assets</b>	<b>12,668</b>	<b>12,661</b>	<b>11,044</b>
<b>Liabilities and shareholders' equity</b>			
Trade and other payables	446	810	1,550
Retention payables	89	79	78
Short-term debentures	-	59	230
Current portion of liabilities under finance lease agreements	22	22	9
Deposits and advance received from customers	79	210	215
Current portion of long-term loans from financial institutions	962	743	224
Current portion of long-term loans from other persons	49	100	210
Current portion of long-term debentures	798	1,646	719
Short-term loans from related parties	10	47	7
Short-term loans from other parties	893	230	341
Income tax payable	2	-	10
Short-term provisions	110	94	117
Other current liabilities	166	239	219
Other long-term payables	64	912	-
Liabilities under finance lease agreements - net of current portion	31	10	1
Long-term loans from financial institutions - net of current portion	525	20	89

# FINANCIAL HIGHLIGHTS

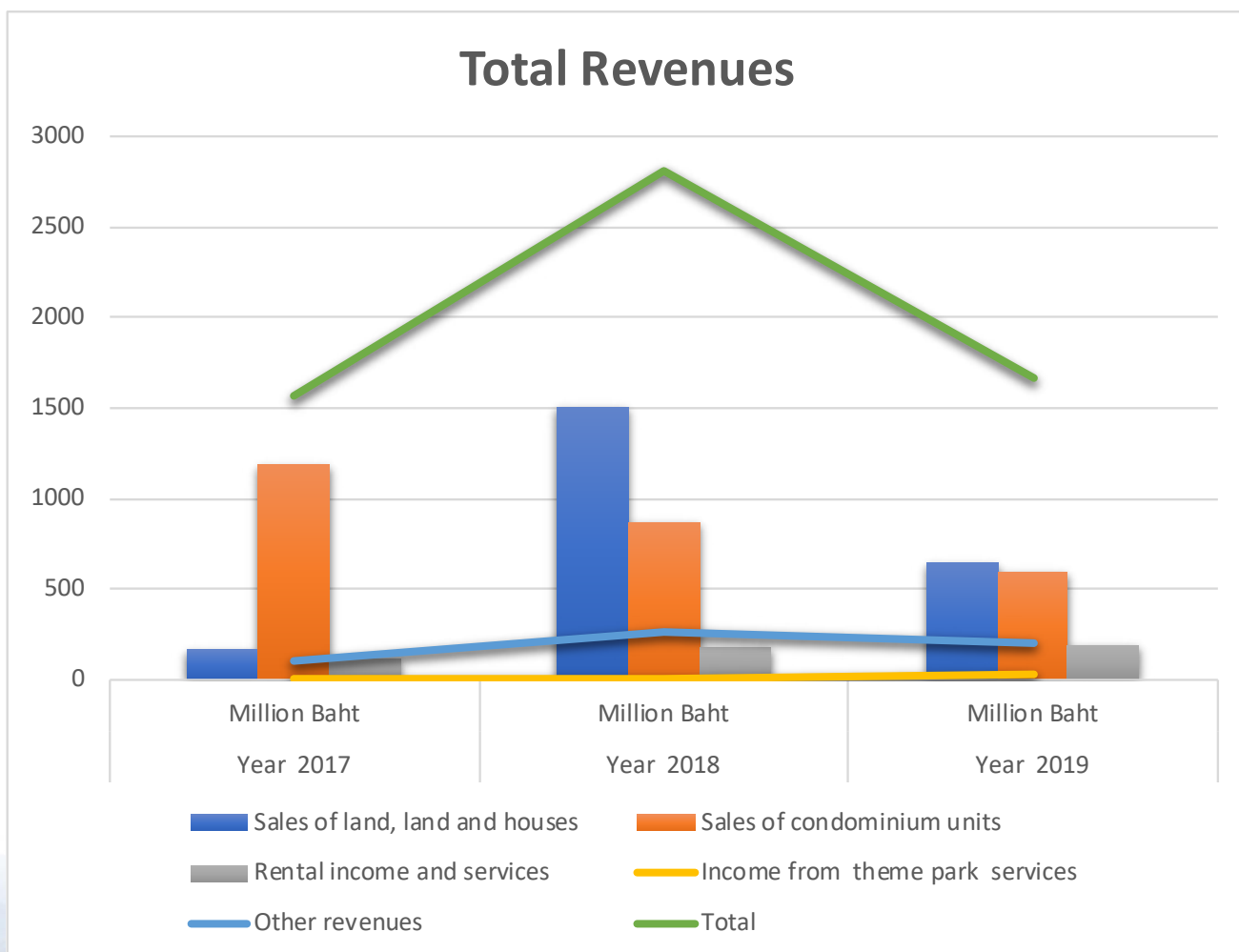
Unit : million Baht

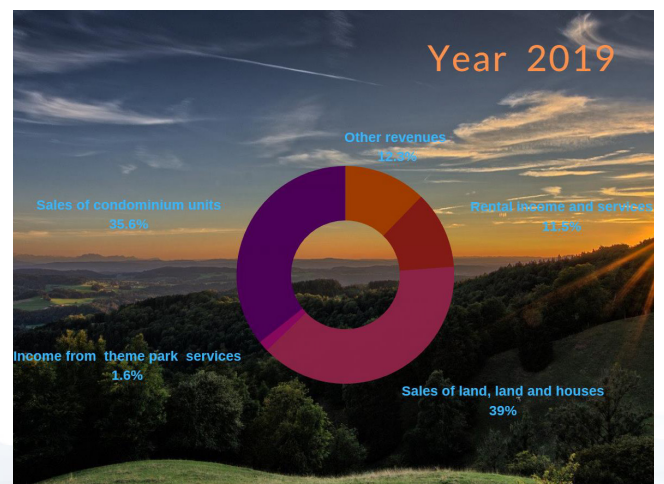
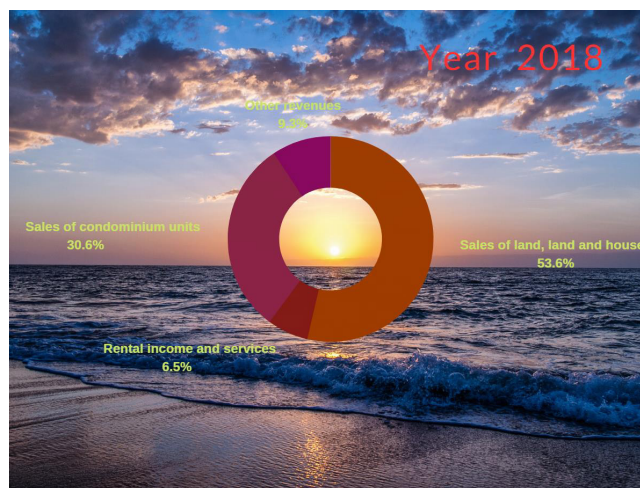
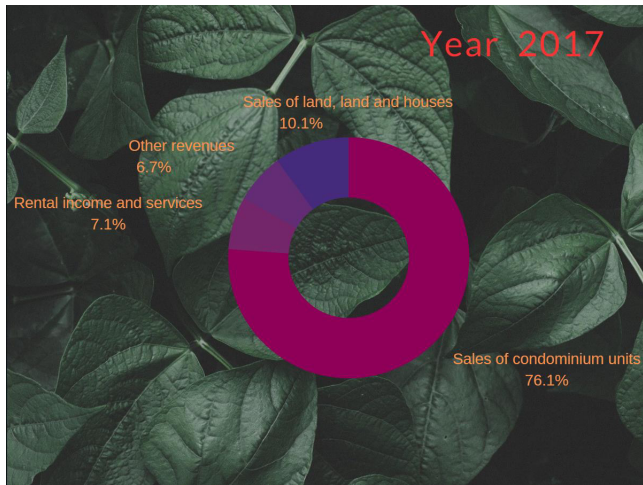
	2017	2018	2019
<b>Liabilities and shareholders' equity</b>			
Long-term loans from other persons - net of current portion	310	210	-
Long-term debentures - net of current portion	1,287	291	801
Long-term provisions	303	371	344
Provision for long-term employee benefits	9	9	7
Total liabilities	6,155	6,102	5,171
Share capital - Issued and fully paid-up	6,947	7,641	7,641
Share premium	357	10	10
Retained earnings			
Appropriated - statutory reserve	11	11	11
Unappropriated (deficits)	(881)	(1,153)	(1,802)
Other components of shareholders' equity	(9)	(11)	(32)
Non-controlling interests of the subsidiaries	88	61	46
Total shareholders' equity	6,513	6,559	5,874
Total liabilities and shareholders' equity	12,668	12,661	11,044
<b>Performance</b>			
Revenue from sales of real estate	932	2,371	1,242
Rental and service income	110	182	192
Revenue from theme park	-	-	26
Other income	105	262	204
Total revenues	1,147	2,815	1,664
Cost of real estate sold	878	2,039	974
Cost of rental and service	180	97	125
Cost of theme-park service	-	-	82
Selling expenses	203	214	206
Administrative expenses	485	374	471
Loss on impairment of assets	-	45	72
Doubtful debt expenses	-	-	13
Total expenses	1,746	2,769	1,943
Gross Profit	54	332	268
Share of loss from investments in associate and joint ventures	19	71	130
Finance cost	165	282	246
Income tax benefits (expenses)	6	(5)	13
Loss for the year	(789)	(302)	(668)
<b>Financial Ratios</b>			
Book value per share (Baht/Share)	0.94	0.86	0.77
Basic profit (Loss) (Baht/Share)	(0.11)	(0.04)	(0.09)
Net profit (Loss) to revenues (%)	(68.79)	(10.73)	(40.18)
Rates of return to the shareholders (%)	(12.11)	(4.60)	(11.38)
Rates of return on total assets (%)	(6.31)	(2.38)	(5.64)
Dividend per share (Baht/Share)	-	-	-



## Total Revenues

Type of Revenue	Year 2017		Year 2018		Year 2019	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Sales of land, land and houses	158	10	1,510	54	649	39
Sales of condominium units	1,188	76	861	31	593	36
Rental income and services	110	7	182	6	192	12
Income from theme park services	-	-	-	-	26	2
Other revenues	104	7	262	9	204	12
<b>Total</b>	<b>1,561</b>	<b>100</b>	<b>2,815</b>	<b>100</b>	<b>1,664</b>	<b>100</b>







# NATURE OF BUSINESS

## • Business of selling vacant land & houses and land

### Nusasiri City Rama 2

The Hi-End project on an area of over 350 rai. Under concept “Perfection in life, start here”, focus on privacy and fully equipped with various facilities that makes every minute of life full of happiness, that does not need to search for facilities elsewhere such as Park and large lake in the middle of the project, Community Mall – Gourmet District Rama2, Norwich International School Bangkok and Panacee Hospital

**Greenery**, it is a Phase 1 of Nusasiri City Rama 2 project: Outstanding with the design of the house that matches the nature and the greenery of 9 gardens. There are 7 modern style house to choose from on the land 101- 473 square meters and have living space 314 - 650 square meters in total of 104 units. Project value over 1,781 million baht, expected to be closed phase on 2020.

**Lake Serene**, it is a Phase 2 of Nusasiri City Rama 2 project: Distinctive with a large house. Next to the lakeside over 35 rai of 400 units. Project value is estimated at 5,000 million baht. The model house is expected to be completed and ownership transfer started in early 2020.

### Nusa My Ozone

under the concept of “Perfect life With Good Health” on an area of over 1,300 rai surrounded by mountains and nature in the fresh air, including a 5-star hotel and a 24-hour health service center. There divided into 8 phases, totaling 316 units. Currently open for sale Condo C, single house phase A and single house zone G, luxury house with hangar.

### The Nusa Chivani Pattaya Project

with outstanding architecture in Tuscan style from Italy which is the first in Pattaya - Chon Buri. The project area of over 185 rai, consisting of 3 single-detached houses consisting of 84 units in Phase 1, with a total project value of 870 million baht and Phase 2, 3.

### The Narathorn Project

located on Suwinthawong-Ramkhamhaeng Road, is a detached house project and townhouses in a modern style, close to the main road, near the orange line electric train (Suwinthawong Station). The project area is over 36 rai, consisting of 50 square wah detached houses, starting price 4.99 million baht and townhouses 18 square wah, starting price 2.39 million baht. The total project value is 1,650 million baht. Currently, phase 2 is sold and transferred ownership.







### **Baan Krisana Rama 5 Project**

next to Kanchanaphisek Road, Bang Khu Wiang Subdistrict, Bang Kruai District, Nonthaburi Province, is the resort house style that has 120 units. Project value is over 1,000 million baht.

### **• Business for Low-Rise and High-Rise condominiums**

#### **Movenpick Residence Ekkamai Bangkok (UP Ekkamai) Project (sold out)**

is located on Ekkamai Road (Sukhumvit 63), Wattana district, Bangkok, Residential and investment property, a 29-floors condominium with 1 building on an area of over 2 rai. There are 253 condominium units with a project value of over 1,520 million baht. The Art Condominium style that is different in interior design concepts. Guaranteed with the design award from The International Property Awards 2011 located on the Sukhumvit-Ekkamai area which responding to B+ target customers who want to live in a comfortable city, elevate your lifestyle with superior facilities including swimming pool, fitness, restaurant with hotel service from Movenpick, the professional management team from Switzerland. (sold out)

### **Nusa State Tower Project**

is located on Silom Road, Bang Rak District, an investment residence and luxury office rental space on Silom location, the most important economic district of Bangkok. Meet the real life in the city with the view of the Chao Phraya River curve and beautiful city views, a total of 226 units, worth a total of 2,378 million baht.

#### **YUU Project by Nusa (Nusa Sriracha)**

Located on Sukhumvit Road, Bang Phra Subdistrict, Sriracha District, Chonburi Province Luxury condo on the main road and next to the sea on a curved, wide beach front. The most beautiful long Suitable for living and investment with ZEN design, quiet and simple, assembled with a building of 28-31 floors, 4 buildings divided by an associate 2 buildings totaling 1,166 units on over 11 rai of land, with a total value of 3,200 million baht, currently awaiting development

#### **Park Exo Kaset-Nawamin Project**

located on Kaset-Nawamin road. Condominiums that meet New lifestyle in a complete health society with the shady atmosphere of the green area, large swimming pool and Sports Mall. Suitable for young people who care about health. Like exercise under





the concept of “365 days of resort-style living in the midst of nature” consists of 8-floors buildings with a total of 6 buildings with a total of 1,232 units with a project value of over 2,449 million baht. Located near the Pink Line and the Brown Line electric train in the future. The project is complete and transfers have been completed by 2020.

### **Fresh Condominium Project**

is located at Soi Bangkok, Nonthaburi 13, Bang Sue District, Bangkok. A new trend condominium for urban lifestyle. On a potential location near the sky train connecting to Tao Pun Station - Bang Son (Purple Line), supporting the expansion of the area in the Bangkok - Nonthaburi Road area with complete facilities. Suitable for a group of people in the area or a group of workers around Bang Sue, Bang Pho area. Phase 1 (building A and B), a total of 372 units worth over 636 million baht, all completed by 2020.

### **• Area sales business and rental space in the health plaza area**

The company foresaw the health-related business opportunities in the Bangkok Mediplex Center “BMC” project, which is a medical center, medicine and medical devices. Most advanced in Asia with a concept that focuses on health and advising clients. BMC currently has an average occupancy rate of 90% or more.

### **• Rental business of Nusa Sports Mall**

Located in front of the Parc Exo project, with annual and monthly membership fees aimed at middle-class people and families living in the Kaset-Nawamin area. The Sports Mall has a total rental area of over 4,400 square meters to support the residents of the project and outsiders. There are consisting of 7-11 convenience store, barber shop, drug store, coffee shop, laundry, Cook & Co restaurant, Fitness center with badminton court and boxing areas, etc. and will be the location of the Panacee Health Center in the future as well.





### • Community Mall Rental Business

In front of Nusasiri City Rama 2 Project, focusing on providing services to customers within the project and customers who live nearby. The rental fee is collected from the shop on a monthly basis. The said Community Mall has an area of over 4,300 square meters which has been operational in 2015 and is currently undergoing expansion which will be expanded to a full Community Mall with petrol pumps, restaurants, Drive thru, shops, Supermarket etc.

### • Golf course business

The company invested in the construction of an 18-hole golf course in the My Ozone Project, Pak Chong District, Nakhon Ratchasima Province. It is the gateway to the northeast region. There are many natural attractions, especially Khao Yai National Park and the surrounding area has been popular with both Thai and foreign tourists. At the same time, it is the goal of golfers traveling to play golf a lot. As well as taking care and managing golf courses that are of national and international standards from foreign companies as well as providing training and training personnel to provide specific advice for golf courses in the region, making the My Ozone Golf Club a golf course suitable for both male and female golfers and also the elderly.

### • Amusement Culture-oriented Business Park

Legend Siam Cultural Park Theme Project, located in the Best Location Land Mark of the East in the EEC Gateway (Special Economic Zone), which has factors supporting the development of the project. Utapao Airport, ARL (SUARNABHUMI AIRPORT Link and City Air Terminal), Deep Sea Port (Fleet) is a factor that encourages the region's highest GDP growth in 4 regions of Thailand.

# Structure of Shareholders

## Major Shareholders

Closing of the register book as of December 31st, 2019, the list and a stake of 10 major shareholders as follows;

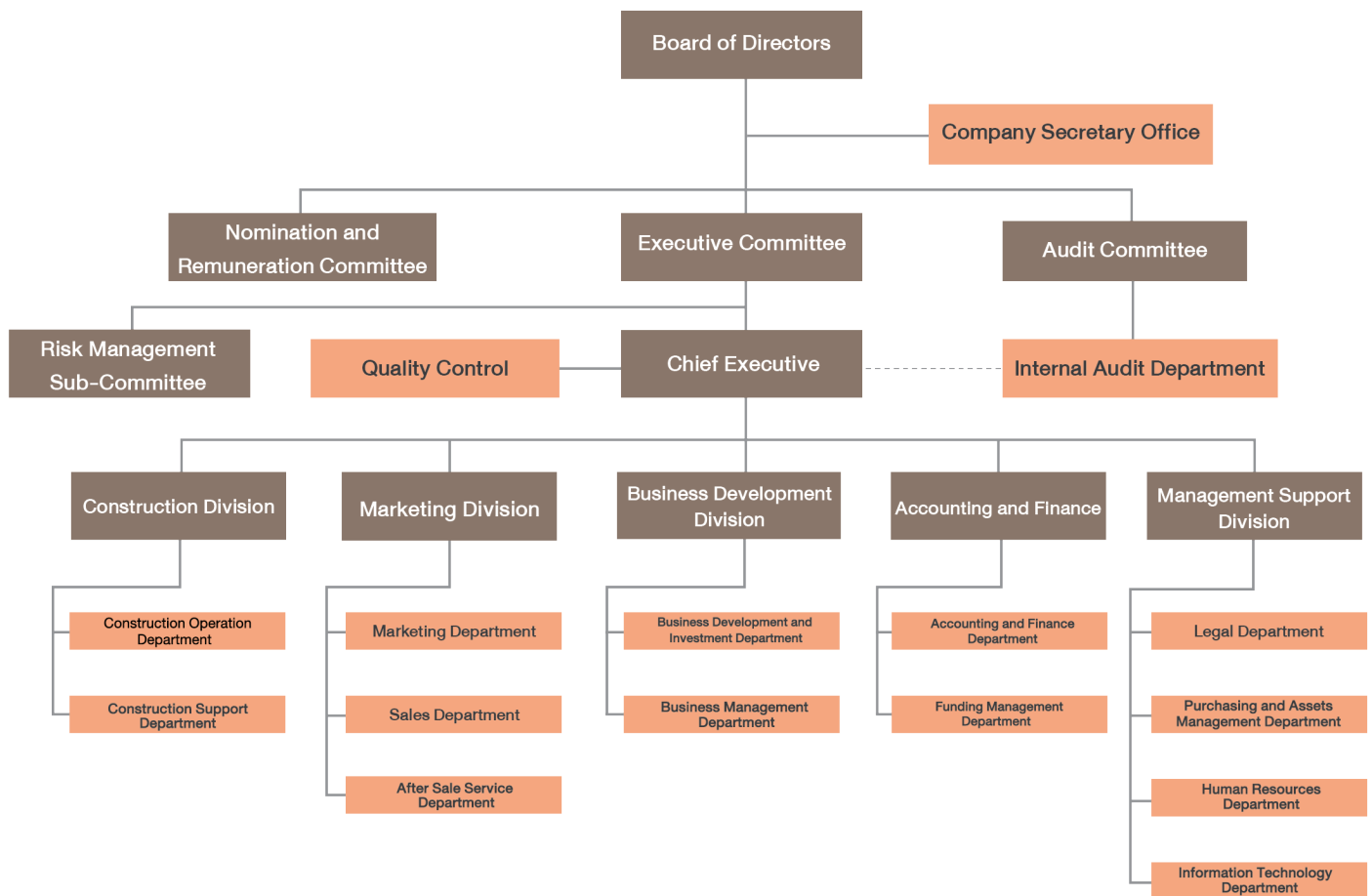
No.	Major Shareholders	Number of shares (shares)	Shareholding (%)
			(As of the book closing date Dec., 31, 19)
1	Kitti-itsaranon's Group		
	Miss. Nantida Kitti-itsaranon	754,056,700	9.868
	Miss. Janejira Kitti-itsaranon	468,167,300	6.127
	Mr. Kamtorn Kitti-itsaranon	351,687,900	4.603
	Miss. Mayuree Kitti-itsaranon	4,064,900	0.053
	Miss. Wanwisa Kitti-itsaranon	1,400,000	0.018
	Mr. Somsak Kitti-itsaranon	1,108,300	0.015
	Mrs. Rumpai Kitti-itsaranon	185,000	0.002
	Total	1,580,670,100	20.686
2	Thepcharoen's Group		
	Mr. Visanu Thepcharoen	533,148,738	6.977
	Mrs. Siriya Thepcharoen	177,995,827	2.329
	Mr. Vongsakorn Thepcharoen	120,554,352	1.578
	Ms. Visnie Thepcharoen	44,963,990	0.588
	Mrs. Somporn Thepcharoen	14,038,200	0.184
	Mr. Sirawit Thepcharoen	4,069,382	0.053
	Ms. weerawan Thepcharoen	3,144,724	0.041
	Mr. Sirawat Thepcharoen	202,647	0.003
	Mr. Siwa Thepcharoen	93	0.000
	Total	898,117,953	11.754
3	Sirirat's Group		
	Mr. Wasin Sirirat	218,375,263	2.858
	Mr. Virasak Sirirat	237,214,285	3.104
	Mr. Rattanakorn Sirirat	86,000	0.001
	Total	455,675,548	5.963



No.	Major Shareholders	Number of shares (shares)	Shareholding (%)
			(As of the book closing date Dec., 31, 19)
4	Harnkraivilai's Group		
	Mr. Nakorn Harnkraivilai	130,000,000	1.701
	Mr. Surapong Harnkraivilai	108,005,000	1.413
	Mrs. Aumpai Harnkraivilai	95,000,000	1.243
	Total	333,005,000	4.358
5	Rungrongnawarat's Group		
	Mr. Sompong Rungrongnawarat	219,480,600	2.872
	Mr. Baworn Rungrongnawarat	57,570,105	0.753
	Mr. Bodin Rungrongnawarat	2,180,000	0.029
	Total	279,230,705	3.654
6	Ms. Arthika Thokaew	275,946,617	3.611
7	Saravaneeyarak Group		
	Ms. Kamataya Saravaneeyarak	246,900,000	3.231
	Mrs. Nye Saravaneeyarak	50,000	0.001
	Total	246,950,000	3.232
8	Hongrattanawijit's Group		
	Mr. Somchai Hongrattanawijit	211,650,479	2.770
	Mr. Narongsak Hongrattanawijit	2,710,000	0.035
	Total	214,360,479	2.805
9	Sawattananond's Group		
	Mr. Anan Sawattananond	185,101,754	2.422
	Mr. Pattranit Sawattananond	4,000,000	0.052
	Mr. Pradit Sawattananond	700	0.000
	Total	189,102,454	2.475
10	Ms. Somsri Tangtirawat	146,645,000	1.919

# Structure of Management

Organization Chart Nusasiri Public Company Limited



approved by the Board of Directors, at its meeting No. 9/2018 held on 14 November, 2018.

## 1. The Board of Directors

As at December 31st, 2019, There are 7 members of the Board of Directors as follows.

1. Mr. Visanu Thepcharoen  
Chairman of the board
2. Mr. Somkid Sari  
Vice Chairman / Independent Director
3. Mr. Pradit Sawattananond  
Independent Director
4. Mrs. Sirinongnard Prieupanich  
Independent Director
5. Mr. Pi boon Vorravanprecha  
Independent Director
6. Mrs. Siriya Thepcharoen  
Director
7. Mr. Sompjit Chaichanajak  
Director / Company Secretary

### THE SCOPE OF AUTHORITY OF THE COMPANY'S BOARD OF DIRECTORS

1) Perform duty with responsibility, prudence, honesty, and preservation of the company's interest and compliance with the laws, objectives, and the company's regulations, as well as shareholders' resolutions.

2) Has a duty to set a vision, policy, and direction of the company's operation, and to regulate, control management division to ensure that the operation is in accordance with the determined policy efficiently and effectively to increase the maximum economic value to shareholders and sustainable growth.

3) Always be accountable for shareholders, operate the business by preserving shareholders' interest disclose important information to investors accurately, completely, with standard and transparency.

4) The company's board of directors must have the knowledge, competency, and experience which is useful for the business operation, and has genuine interest in the company's business which they are the directors.

5) Evaluate performance and determine remuneration of directors and senior executives.

6) Be accountable for management division's performance to ensure that they pay attention to their work and are prudent in performing their duties.

7) Regulate to ensure that a clear and measurable business operation's target is determined in order to be used as the guideline for determining operational target by taking in to account possibility and reasonability.

8) Regulate to ensure that the business is morally operated.

9) Regulate to ensure that the management division has appropriate and efficient risk management system.

10) Make a decision in the important matters such as policy and business plan for large investment project, the authority to manage asset acquisition or asset disposal, and any other transactions prescribed by the law.

11) Determine the authority and approval level in the transaction and various operations relating to the company's work for a group or individual appropriately and in accordance with relevant legal provisions by providing operating authority manual which shall be reviewed at least once per year.

12) Arrange accounting system, financial report, and reliable auditing, as well as arranging appropriateness assessment of the internal control.

13) Approve the appointment of auditor and consider the annual audit fee in order to be proposed to shareholders for an approval.

14) Report the responsibility of the Board of Directors in preparing financial report by presenting it together with the auditor's report in the annual report, which covers main issues according to the policy of good practice for directors of the company that is registered in the Stock Exchange of Thailand.

15) Regulate the performance of various sub-committees to ensure that it is in accordance with the prescribed charter.

16) The Board of Directors must perform self-assessment and assess the overall performance.

## 2. Audit Committee

As at December 31, 2019, There are 4 members of the Board of Audit Committee as follows.

1. Mr. Pradit Sawattananond  
Chairman of Audit/Independent Director
2. Mr. Somkid Sari  
Audit committee/Independent Director
3. Mrs. Sirinongnard Prieupanich  
Audit committee/Independent Director
4. Mr. Pi boon Vorravanprecha  
Audit committee/Independent Director

Mr. Pradit Sawattananond is a Director who has knowledge and experience in the Financial Statement and the Secretary of Audit Committee is Mr. Kampol Sangsrijan, Manager Internal Audit Department



## THE SCOPE OF AUTHORITY OF THE AUDIT COMMITTEE

1) Verifying the financial report to ensure that it is accurate and reliable, as well as sufficient disclosure of information, by coordinating with external auditor and the executive responsible for preparing both the quarterly financial report and the annual financial report.

2) Verify the company internal control system to ensure appropriateness and efficiency, and may recommend the verification or audit any transaction deemed necessary and important, as well as propose recommendation relating to the important and necessary improvement of the internal control system to the company's Board of Directors by verifying the internal operation system together with external auditor and department manager.

3) Verify the compliance with the law on securities and exchange, or SET's requirement, policy, rule, procedure, requirement, and other laws relating to the company.

4) Select, nominate, and appoint the auditor, as well as propose remuneration for the company's auditor to the company's Board of Directors.

5) Accurately and completely disclose the company's information in the case that there are related transactions or transaction that may have conflicting interest.

6) Prepare a report for the Audit Committee's business regulation by disclosing it in the company's annual report which such report must be signed by the chairman of the Audit Committee.

7) Ensuring that the Company has appropriate risk management systems and performance.

8) Performance of the Audit Committee to the Board of Directors at least 4 times a year.

9) A comment on the appointment or removal of the work of the staff of the internal audit.

10) In the performance of duties the Audit Committee has the authority to request the Executive Management or employees of the Company concerned to make comments participants or documents it deems relevant or necessary.

11) Shall have power to employ counsel by the Company or third parties to provide comments or advice if necessary.

12) A report of the Corporate Governance Committee disclosed in the Company's Annual Report, which report shall be signed by the Chairman of the Audit Committee.

13) The Audit Committee shall evaluate the performance of self-assessment and evaluation and reporting

of operational problems that could cause the operation to achieve the purpose of the establishment of the Audit Committee, the Board of Director each year.

14) The review and update the charter of the Audit Committee

15) Perform other tasks assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee

16) Evaluating work performance by self-evaluation and submitting its report, including reporting the obstacles and problems that may cause the performance to fail to achieve the purpose of establishing the Audit Committee to the Board of Directors every year.

17) Providing a direct channel to contact between the stakeholders and the Audit Committee.

18) Reviewing and improving the Audit Committee Charter to be suitable for the operation.

19) Carrying out other duties assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

## 3.Nomination and Remuneration Committee

As at December 31, 2019, There are 4 members of the Nomination and Remuneration Committee as follows.

1. Mr. Somkid Sari

Chairman of the Nomination and Remuneration Committee

2. Mr. Pradit Sawattananond

Nomination and Remuneration Committee /Independent Director

3. Mrs.Sirinongnard Priewpanich

Nomination and Remuneration Committee /Independent Director

4. Mr.Piboon Vorravanpreecha

Nomination and Remuneration Committee /Independent Director

The Secretary of Nomination and Remuneration Committee is Miss Panrada Mooknon , Acting Vice President, Human Resouces

## THE SCOPE OF AUTHORITY OF NOMINATION AND REMUNERATION

### RECRUITMENT

1) Determine method for recruiting appropriate person to hold the director post which is appropriate with the nature of the organization's business operation by determining the required qualification, knowledge, and expertise in each area.

2) Recruit directors when it is time for nominating potential directors to the company's Board of Directors for consideration, which the recruitment may consider-

ing allowing existing directors to remain in their post, or accept nominations from shareholders, or acquiring the help from a third party company for the recruitment, or considering a person from the association of professional directors, or let each director nominate appropriate person, etc.

3) Consider the list of nominations and select persons whose qualification matches The required qualification.

4) Verify whether the nominated person is qualified according to the law and the requirement of the relevant agency.

5) Approach person whose qualification matches the required qualification in order to ensure that such person is willing to hold the position of the company's director if such person is appointed by the shareholders.

6) Propose the name list to the Board of Directors to consider and post the name list in the shareholders' meeting invitation in order to be appointed at the shareholders' meeting.

7) Recruit senior executive as assigned by the company's Board of Directors.

#### REMUNERATION DETERMINATION

1) Consider the rule for directors' and senior executives' remuneration to ensure the appropriateness by reviewed the appropriateness of the current rule, comparing with the remuneration information of other companies that are in the same industry as the company. Determine appropriate rule to achieve the result as expected to ensure fairness, and is repaying persons who helped the company in achieving its success.

2) Review the format of every type of remuneration such as regular remuneration, remuneration according to performance, and meeting attendance fee by taking into account the regulation applied to the same industry, the company's performance and business size, and responsibility, knowledge, and experience of directors and senior executive required by the company.

3) Consider the rule for performance assessment of CEO, division executive directors, and senior executives as assigned by the company's Board of Directors.

4) Determine the annual remuneration of directors, CEO, division executive directors, and senior executives as assigned according to the rule of remuneration to be submitted to

the company's Board of Directors for the approval of the remuneration for CEO, division executive directors, and senior executives. For the directors' remuneration, the company's Board of Directors shall propose at the shareholders' meeting for an approval.

5) Consider the appropriateness and approve in the case of new securities are offered to directors and employees by adhering to the principle of fairness to shareholders, and create incentive for directors and employees to perform their duty in order to add value to shareholders in the long run, and to be able to actually retain quality personnel.

#### 4. Executive Committee

As at December 31, 2019, There are 4 members of the Executive Committee as follows.

1. Mr. Visanu Thepcharoen  
Chairman
2. Mr. Sompijit Chaichanajarak  
Vice Chairman
3. Mrs. Siriya Thepcharoen  
Executive Committee
4. Mr. Rachan Arayawongchai  
Executive Committee

The Secretary of Executive Committee is Miss Kodchaphan Jariyathamwat, Senior Secretary.

#### THE SCOPE OF AUTHORITY OF MANAGEMENT COMMITTEE

1) Control the company's management to ensure that it is in accordance with the Policy prescribed by the company's Board of Directors, and report performance to the company's Board of Directors. The meeting of Management Committee shall have at least half of its members in attendance. Resolution of Management Committee shall receive the majority vote at the meeting, and such votes that are at least half of the total number of votes of the Management Committee.

2) Has the authority to authorize any particular director or directors, or other person to perform any particular duty under the control of the Management Committee, or authorize such person to have the authority as the Management Committee deems as appropriate, and within the period the Management Committee deems as appropriate, which the Management Committee may cancel, revoke, change, or amend the authorized person, or that particular authority as appropriate.

3) Plan and determine the annual business plan, business strategy, and budget for business operation in order to be proposed to the company's Board of Directors for approval, as well as approve the allocation of the annual budget, the amendment to the annual budget in case of exigency, which shall be proposed to the Board of Directors' meeting for acknowledgement.

4) Have the authority to approve the following financial operation;

a. In case it is prescribed in the annual business plan or budget which the company's Board of Directors has already approved, the Management Committee may operate without any financial limit.

b. In case it is not prescribed according to a., the company's Management Committee shall have the authority to approve financial operation that does not exceed THB 200 million, which such authority for financial approval shall include the approval of expenses in normal business operation, investment in capital asset, or fixed asset, loan, credit provision, including guarantee provision, etc., and shall be presented at the company's Board of Directors meeting for acknowledgement.

5) Have the authority executing financial transaction with banks or financial Institutions regarding opening/closing account with banks or financial institutions, as well as determine condition for withdrawal, loan, loan interest rate agreement with banks or financial institutions, and requesting for the letter of guarantee from banks or financial institutions.

6) Regulate to ensure that there is procedure that the operator must report unusual Event or illegal action to the Management Committee immediately. In the case that such event has significant impact, it must be reported to the company's Board of Directors in order for it to be resolved within reasonable period.

7) Verify and monitor the compliance with the policy, and the guideline for Various administrations of the company which have been prescribed efficiently that supports the condition of business operation.

8) Verify and monitor the company's performance prescribed to ensure that it is in accordance with the prescribed business plan.

9) Filter every type of work proposed to the company's Board of Directors.

10) Perform any action to support the aforementioned

operations, or according to the comment of the company's Board of Directors, or as authorized by the company's Board of Directors.

11) Presentation made at the Management Committee's meeting regarding any Matter which has been voted for and/or approved by the Management Committee, shall be reported to the company's Board of Directors at the next the company's Board of Directors meeting.

12) Perform other duties as assigned by the company's Board of Directors in each period.

## 5. Risk Management Sub-Committee

As of 31 December, 2018, Risk Management Sub-Committee comprises five members as follows;

1. Mr. Sompijitr Chaychanajarak  
Chairman of the Risk Management Subcommittee
2. Mr. Rachan Arayawongchai  
Subcommittee
3. Mr. Montri Mokaranont  
Subcommittee
4. Mr. Jira Panpremjit  
Subcommittee
5. Mr. Anusak Monkhlang  
Subcommittee and Secretary

## THE SCOPE OF AUTHORITY OF RISK MANAGEMENT SUBCOMMITTEE

### DETERMINING POLICY AND RULE FOR RISK MANAGEMENT

This is determining policy, objective, scope, responsibility, rule, and guideline for risk management that are consistent with strategy, target, plan, and direction of business operation, which the company organizes annual review which will be prepared at the same time as business plan to ensure their consistency.

### RISK IDENTIFICATION

This is identifying the risk that may affect the achievement of objective and target, which is considered from the risk that arises from internal and external factors such as environment, law, fiancé, information system, decision support system, investor satisfaction, capital management, human resource, reputation and image, security system, etc., which the company will manage the risks according to their priorities before considering control system. If it is high and very high, the company will analyze those risks first.



## RISK ANALYSIS

This is the analysis to assess the remaining risk level after the assessment of the existing control system, and prioritizing the risks, which if the remaining risk is still at the high or very high levels, a measure for dealing with the risk must be determined immediately by the responsible senior executive. If the remaining risk is at the medium or low levels, the measure for dealing with the risk shall be determined within the division, or it shall be resolved in the operation process

## RISK MANAGEMENT

This is determining the method for preparing a plan to deal with significant Risks according to their priorities in the risk analysis step. Risk management has many methods such as control, risk transfer, risk avoidance, risk utilization, or risk acceptance.

## RESULT MONITORING AND VERIFICATION

This is the procedure of monitoring the result of risk management according to the prescribed plan, as well as assessing the result of risk management which the Risk Management Committee will monitor and report to senior executive and Audit Committee.

## 6. NOMINATION OF DIRECTORS AND EXECUTIVE MANAGEMENT LEVELS

### INDEPENDENT DIRECTORS

Independent Directors means any director who is independent from major shareholder and management and is able to express their opinions and report any suggestion independently as assigned without any concern over possible remuneration benefits or perceivable rewarded titles and not acting under of any control or influence by any individual . Thus, the person who shall be qualified to be independent director must be in fully compliance with the following qualifications and independent criteria as prescribed by Capital Market Supervisory Board which are:

### ROLES AND DUTIES OF INDEPENDENT DIRECTORS

While the roles and duties of independent directors are the same as executive directors, they also play crucial roles and duties to act independently to protect the interests of all stakeholders without dominance from any group of person(s).

### QUALIFICATIONS OF INDEPENDENT DIRECTORS

1) Holding shares not exceeding 0.5 percent of the total number of shares with voting rights of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director.

2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person.

3) Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the applicant or its subsidiary company.

4) Neither having nor used to have a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.

5) Neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person.

6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services.

7) Not being a director appointed as representative of directors of the applicant, major shareholder or shareholder who is related to major shareholder.

8) Not undertaking any business in the same nature and in

competition to the business of the applicant or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the applicant or its subsidiary company.

9) Not having any other characteristics which cause the inability to express independent opinions with regard to the applicant's business operation.

### BUSINESS RELATIONSHIP OR PROFESSIONAL ADVISOR

There was neither business relationship transaction nor professional advisor transaction between independent director (and director) and its parent company, subsidiary, or juristic person who may have conflicts of interest having the amount more than prescribed in Notification of the Capital Market Supervisory Board No. Tor Chor. 28/2551 Re: Application for an Approval of Offer for Sale of Newly Issued Shares Which is Defined Significantly and is not Independent, which are:

1) A normal business relationship transaction with the amount of three percent or more of the net tangible assets or twenty million Baht or more, whichever is lower. It shall include the transaction taking place during the course of six months prior to a date of transaction. The amount of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship commences.

2) Being an auditor or professional advisor of the company such as legal advisor, Financial advisor or asset appraisal.

## RECRUITMENT OF DIRECTOR AND CHIEF EXECUTIVE

### RECRUITMENT OF DIRECTOR

Selecting person who will hold the director post will be considered from many factors Such as experience, knowledge, competency, and qualification prescribed by the law, whom will be selected from person who is a representative or nominee from shareholder. After that, the committee will present the list of candidates at the shareholders' meeting for appointment. For the executive, the committee will select person who has knowledge

and competency in various fields that are necessary and beneficial for the company's business operation.

The conditions for recruitment and appointment of the company's directors as prescribed in the company's regulation are as follows;

1) The company has one committee which consists of at least 5 directors. Chairman of the committee shall be selected amongst the committee members at the general meeting. Vice chairman, managing director, and other positions may be elected as appropriate. At least half of the total number of directors shall reside in the kingdom.

2) Shareholders' meeting shall elect directors according to the following rules and methods;

A. A shareholder has one vote per share.

B. Each shareholder shall use all available votes according to a. to elect one or more directors. However, votes may not be divided for anyone.

C. Person who receives the most votes according to the descending order shall be elected as directors in the number equal to the number of directors to be elected at the time. In case there are more persons who have been elected next in the voting order with equal number of votes than the number of directors to be elected at the time, the chairman shall issue the deciding vote.

3) In each Annual General Meeting, one third (1/3) of directors shall vacate their posts. If number of directors may not be divided into three parts, the number of directors that is the closest to one third (1/3) shall vacate their posts.

4) In case there is a vacancy for the director post due to the reason other than Vacating the post according to the term, the committee shall elect person who is qualified and does not have prohibited characteristics according to the Public Limited Company Act B.E. 2535, the Securities and Exchange Act B.E. 2535, and the Principle of Good Corporate Governance as his/her replacement at the next committee's meeting, unless the remaining period of the term is less than two months, such replacement shall only hold the post for the remaining period of the director whom he/she has replaced. The committee's resolution shall consist of at least three fourths of the total vote of the remaining directors.



## RECRUITMENT OF CHIEF EXECUTIVE

CHAIRMAN OF THE EXECUTIVE COMMITTEE/CHIEF EXECUTIVE OFFICER.

Having qualifications according to the requirements of the Company and must possess the vision, knowledge, ability and experience appropriate to the organization by the Nomination Committee and Remuneration Committee is recruiting for a presentation to the Board for approval those who are eligible for such positions.

The Company has relevant plans and procedures for successors and continuation of Chairman of the Executive Committee / Chief Executive Officer, particularly in the event that any of its top executives are not able to carry out their functions due. The purpose is to avoid any hiccup on the Company's operation to the following reasons:

In the event that the positions of the Chairman of the Executive Committee/ Chief Executive Officer are vacant or the individual in such positions cannot perform their duties, the Company has an arrangement whereby executives in a closely comparable level or their deputy shall act on their behalf until the selection process for the qualified replacements is completed. The criteria for such selection shall be based upon suitable qualifications as prescribed by the Company, as well as other qualities such as business vision, knowledge, proficiency, and experience, that well suit the Company's corporate culture. The Company's Nomination and Remuneration Committee shall be responsible for the selection process and submit their final choice to the Company's Board of Directors for approval and further appointment.

## EXECUTIVE

The Human Department is responsible for seeking internal candidate with qualifications appropriate, possessing knowledge, ability and experience from each particular line of activities to be appointed as executive of the company. If the Company cannot seek appropriate qualified candidate from the internal staff, the Company will seek and recruit appropriate qualified candidate with knowledge, proven capability, vision and positive attitude to the Company and then propose him/her to the Chief Executive Officer or the Chairman of the Executive Committee for appointment. The Company has relevant plans and procedures for successors and continuation of Executive,

particularly in the event that any of its top executives are not able to carry out their functions due. The purpose is to avoid any hiccup on the Company's operation to the following reasons: In the event that the management positions at the level of department manager and above are vacant or the individual in such positions cannot perform their duties, the Company makes an arrangement whereby executives in a closely comparable level or their deputy shall act on their behalf until the selection process for the qualified replacements, undertaken by the Human Resource Department, is completed. Candidates for these positions can be from either existing staff or outsourced. The criteria for such selection shall be based upon suitable qualifications as prescribed by the Company, as well as other qualities such as knowledge, proficiency, and experience, that well suit the positions. Upon completion of the selection process, the Human Resource Department shall submit their final choices to the Chief Executive Officer or the Chairman of the Executive Committee for approval and further appointment.

## 7. Management Team

The company is managed by Chief Executive Officer and Deputy Chief Executive Officer of any divisions. They supervise in each division as their responsibility. There are 5 divisions as follow

1. Mr. Visanu Thepcharoen  
Chief Executive Officer (CEO)
2. Mr. Sompjit Chaichanajak  
Senior Deputy Chief Executive Officer, Administrative Partner Division
3. Mrs. Siriya Thepcharoen  
Deputy Chief Executive Officer, Marketing Division
4. Mr. Rachan Arayawongchai  
Deputy Chief Executive Officer, Accounting and Finance Division
5. Miss Manussanun Atchariyapluk  
Vice President, Accounting

## 8. REMUNERATION OF DIRECTORS AND EXECUTIVES

### 8.1 Compensation

#### Remuneration of Directors

The shareholders' meeting for the year 2019 approved remuneration of the Directors for the year 2019 a maximum amount of 5,500,000 baht. Bonus Remuneration not exceed the rate of 0.25% of total assets increased The company must have a profit, but not limited to a maximum limit of 500,000 baht / person / year. Medical Checkup and Medical Care up to 200,000 baht / person / year. The Meeting authorized the Board of Directors consider allocating appropriate. Details are below (As at December 31, 2019)

No	Name	Position	Remuneration Board (Baht)			Attendance fee (Baht)			Medical fee	Net balance (Baht)
			BOD	AC	NRC	BOD	AC	NRC		
1	Mr. Visanu Thepcharoen	Chairman of the Board	360,000	-	-	175,000	-	-	200,000	735,000
2	Mr. Somkid Sari	Vice Chairman / Chairman of the Nomination and Remuneration Committee/ Audit Committee/ Independent Director	300,000	-	-	120,000	60,000	12,500	200,000	692,000
3	Mr. Pradit Sawattananond	Director / Chairman of Audit Committee / Nomination and Remuneration Committee / Independent Director	300,000	-	-	140,000	100,000	10,000	-	550,000
4	Mrs.Sirinongnard Priewpanich	Director / Audit Committee / Nomination and Remuneration Committee/ Independent Director	300,000	-	-	140,000	80,000	10,000	200,000	730,000
5	Mr.Piboon Vorravanpreecha	Director / Audit Committee / Nomination and Remuneration Committee/ Independent Director	300,000	-	-	140,000	80,000	10,000	-	530,000
6	Mrs.Siriya Thepcharoen	Director	300,000	-	-	100,000	-	-	200,000	600,000
7	Mr. Sompijit Chaichanajarak	Director / Company Secretary	300,000	-	-	140,000	-	-	-	440,000
Total			2,160,000	-	-	955,000	320,000	42,500	800,000	4,277,500

Bonuses	Bonus Remuneration not exceed the rate of 0.25% of total assets increased The company must have a profit, but not limited to a maximum limit of 500,000 baht / person / year.	3 years ago, not pay bonuses to directors
Special interest or other benefits	There is no committee to have special interest Or other benefits. Which is different other committee.	
Medical Checkup and Medical fee	Medical Checkup and Medical Care up to 200,000 baht / person / year. Request approval in 2019, first year	

#### Notes

BOD Board of Director

AC Audit Committee

NRC Nomination and Remuneration Committee



**8.2 Remuneration of executives. as of December 31st, 2019.** The remuneration of the Executive Committee & Executive comprises salaries, bonuses, Social Security Contributions, Provident fund, welfares and other benefits.

REMUNERATION	TOTAL	AMOUNT (BAHT)
Executive	7	23,094,901.73

## 9. Corporate Governance

The Company sees the importance of good Corporate Governance and efficiency and transparency of our management system thus will build our shareholders, investor's and beneficiary's and other related party's confidence. The Company operates according to the Good Corporate Governance (for company registered in 2017) Practice and has prepared the 2019 Corporate Governance report which can be summarized as follows;

### 9.1 THE RIGHTS OF SHAREHOLDERS

#### Determining the date, time, and venue, and sending invitations to shareholders

The company's Board of Directors will hold shareholders' meeting on the date, time, and venue which is convenient for shareholders to attend.

##### - Meeting Invitation

The company will send meeting invitation which consists of meeting's agendas, the company's Board of Directors' comments, as well as all other documents that are sufficient for decision making process in each agenda to shareholders in advance prior to the meeting date, which is completely in accordance with the rule prescribed by relevant laws and agencies.

##### - The ability to propose additional agenda prior to the meeting

Every shareholder, according to company's criteria, may propose additional agenda prior to the meeting by sending the agenda and its details in writing to the company at least 30 days prior to the meeting date in order for the company's Board of Directors to consider whether to include such additional agenda in the meeting.

##### - Attending the Meeting and Registration

Every shareholder has the right to attend the meeting and vote or authorize other person to attend the meeting and vote on their behalf. The company allows shareholders to register for the meeting prior to the meeting time, and

The Company uses a barcode technique in the meeting registration and vote counting. The process helps reduce the time spent during each step. The Company is able to provide its meeting participants with the score results immediately after each shareholder voting.

##### - Inquiry, Comment, Vote, and Minutes of Meeting Recording

The company's Board of Directors allows equally opportunity for every shareholder in verifying the company's operation in every shareholders' meeting. Shareholders may fully inquire, comment, and offer various recommendations. The consideration and voting in every matter is done independently. For the voting, one share is equal to one vote which applies to every shareholder. The company records the minutes of meeting as well as inquiries, recommendations, meeting's resolutions, and number of supporting vote, non-supporting vote, or abstention in each agenda in writing in order for shareholders and relevant person to verify, as well as publishing the minutes of meeting on the company's website after the meeting is complete.

##### - Attending meetings of the Board of Directors.

Board of Directors take the importance of the meeting of shareholders is huge. It is the duty that The Board of Directors must attend all meetings shareholder at all times. Data is presented in its entirety to shareholders feedback, the recommendation of the shareholder, the opportunity for shareholders to ask questions and answer questions with the correct information.

##### - The Secretary of the Board is assigned to determine the meeting date, prepare the meeting's agenda

Provide adequate supplementary documents submitted to Thailand Securities Depository Company Limited, the company's registrar, for forwarding them together with the meeting notifications to all shareholders for consideration all data more than the period as prescribed by law prior

to the meeting date. All shareholders' rights are also being taken care of more than prescribed by law. Moreover, the shareholders may download the notifications for shareholder meeting including the supplementary documents both in Thai and English which are forwarded to shareholders at least thirty days prior to the Meeting date from Web Site: [www.nusasiri.com](http://www.nusasiri.com) which are the same that shareholders will receive in hard copy form the company. The notifications for shareholder meeting shall inform the shareholders the meeting regulation and proceedings including all necessary data of every agenda for pre-consider.

## 9.2 EQUITABLE TREATMENT OF SHAREHOLDERS

In case of absence, shareholder may use proxy to entitle an individual to attend the meeting on his/her behalf. The proxy will be sent along with meeting agendas to shareholder in advance. Independent Director can be delegated to vote on behalf of shareholder

In case of absence, shareholder may use proxy to entitle independent director to vote on his/her behalf.

### - Rights to Minority Shareholders

Minority shareholder has rights to propose any agenda for the meeting and nominate a directorial candidate.

### - Preventive measure for insider trading

The Company has preventive measure for insider trading as well as others who seek to use inside information for their own benefit as follows;

- Prohibit the Company's major shareholders, directors, executives, and staff from taking advantage of their positions as the Company's major shareholders, directors, executives, and staff to obtain any monetary or non-monetary benefits, as well as other forms of benefits for themselves, or for their families, and for close associates.

- Discourage all its employees against making any related party transactions, except in such cases which can necessarily benefit the Company and only if they are duly allowed under the rules and regulations prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand; namely disclosure of information on name and relationship of related individuals, policies on pricing and valuation and the board opinions on transactions related.

- Prevents all its employees from undertaking any personal

business that impacts corporate working-time and duties, and avoid any business transactions with the Company on a personal behalf, family behalf or transacting any business with the Company for any juristic entity which such employees having interest therein or conducting any business which competes with the Company's activities.

The Company also requires its directors, executives, and employees to avoid or refrain from trading any of the Company's securities during the one month period prior to the public announcement of its financial statements in order to bar any possible insider trading actions. The requirement is set in accordance with its prescribed good governance policy. In the event that there any occurrences of any incidents which could be regarded as a conflict of interest and related party transactions, the Company's Board of Directors shall review each such incident with caution, and fully abide with the rules and regulations prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.

## 9.3 The role of stakeholders

The company ensures the rights of both internal and external stakeholders are protected and treated with care, as the result of the cooperation from these parties concerned will benefit the company in terms of competitiveness and stability, and create profitability for the company in the long term. For such purpose, the Company provides fair, transparent, and timely disclosure of the key information to ensure that all stakeholders are treated equally.

### - Guidelines of Policy and Practice towards Shareholders

The company does business on the basis of honesty and ethics of good business development aims to provide stable growth and continuous development in accordance with the mission granted to the shareholders. Discover the best returns to shareholders' equity. Disclosure the transparency, reliability and fairness towards the major shareholders and directors, as well as child care directors, executives and employees. The pursuit of private interests. From the information that is the essence of the company.

### - Guidelines of Policy and Practice towards Customers

The Company recognizes the importance of customers and therefore, determines to create customer satisfaction appropriately by offering high quality products and services in response to the customers' needs as follows;



### 1. Products and services

Deliver quality products and services that are in line than the customer's expectations, at a fair price. In this respect, and Supply its customers with adequate, accurate, and updated information to protect them from any possible misunderstandings on quality, quantity and conditions of such products and services without distortion. In addition to compliance with the terms and conditions with the customer. If you cannot comply with the terms of agreements or not. Must dash to let customers know what to fix. Get suggestions and complaints without discrimination.

### 2. Confidentiality of customer's information

Not take client confidentiality for the benefit of themselves or related wrongful. And will not reveal customer information. Without the permission of the client or from an authorized representative of the company before. Unless the information must be disclosed to third parties involved to clarify or operated within the law.

### 3. After Sales Services

In an attempt to enhance sustainable growth of its business, the Company is committed to providing its customers with satisfaction and assurance. Such as Follow-up and regularly monitor customer's satisfaction, Review and properly correct problems and flaws during the warrantee period, Organize joint social and environmental awareness activities to enhance closer relationships between the Company and its customers. The company held a channel for customer can offer a suggestion Or complain of problems associated with the company have at the company, directly or via Call Center call. 1608 or Website of the company [www.nusasiri.com](http://www.nusasiri.com). The Company presently operates a customer relation management (CRM) system that helps create an intercompany relationship with customers to provide information and access needs of most customers by organizes in cooperation with the customer, in order to strengthen relations between the company and customer. Such as performing morning merit making and giving alms to monks in the morning on New Year's Day, Songkran Day, the annual "Religious Bathing".

### - Guidelines of Policy and Practice towards Employees

The company recognizes the importance of employees as valuable resources and is important to the success of the company. Therefore, it strongly promotes a good corporate culture and a supportive working environment. Team work, unity, and good working relationships are also encouraged.

In 2013, the Company arranged various joint activities for its management and staff such as Songkran Day, performing the traditional Thai ceremony of pouring water on the hands of top executives and asking for their blessing. The Company treats its employees ethically and morally, Encourage employees to have an understanding of ethics that employees must perform. Welfare staff appropriately to workplace safety, health, etc. The principles are as follows;

1) Treat employees with respect, according to the principles of human rights.

2) The appointment of migration as well as to reward and punish employees do with truthful and located on the basis of knowledge. Capabilities, appropriate, and fair treatment without discrimination.

3) Evaluate the employee's performance and progress on a regular basis

4) The yield on the various aspects of equitable and appropriate based on the knowledge and experience to the position. The responsibilities and the performance of individual employees by considering, in accordance with the company's business results.

5) Provides welfare and other benefits to employees by other companies. comparable to that contained in the same or a similar business, and is in accordance with the law, such as Fund for employees.

6) support and give priority to the development of knowledge and the potential of all employees benefits continuous and smooth. To advance in the career of the employee

7) To maintain a good environment in which to work, to health and safety to life and property of people on a regular basis

8) Encourage employees to have better quality of life and encourage the development of life. Is your family, happy and sustainable self-reliance along the philosophy of sufficiency economy

9) Promotion of the participation of the employees and respect for the right to join a group of employees. To suggest or determine the guidelines to work and/or the agreement to benefit all parties.

10) encourage employees to perform work under a good culture and shared values, as well as internal unity

11) Managed by careful and avoid any action that is unfair, which might affect the stability in the employee's work duties

12) Compliance with laws and regulations concerning labour law (employment, termination, etc) and the welfare of employees

#### - Human Resource Management Policies

The company has a policy as follows;

1) Employment and employee, the employment policy of the company and employees as necessary and appropriate for the job by employees who have been hired and there must be a qualification. Experience and the ability to fit the position. The articles of Association of the company. In case of vacancies, the company will provide an opportunity to consider and qualify the company's employees, the empty positions. If you are unable to recruit employees from within the company.

2) Airline bosses structures and divisions. The company defines the structure of the airline bosses and the company's divisions, with the scope of responsibilities of the section and clearly positions. And periodically reviewed in order to better suit the situation

#### 3) Compensation administration

3.1) Salaries and wages and salaries, companies pay a fair consideration of the various factors such as level of experience qualification position duties and responsibilities. The wage rate of the labour market in the country and the situation of the company required.

3.2) Other compensation. The company will make money exclusive compensation for work beyond regular working overtime, holiday work values, as appropriate to the circumstances, including the grant to the expense. As a travel allowance and accommodation fees

4) Medical Care Benefits: The company has a policy to ensure that employees have good health. In order to do so, the company effectively. This is. Benefits that an employee receives The company is comparable with the industry in the same way. Or, as the law defines such a Fund, The Social Security Fund, the Fund contributions In case of illness or accident is due to the work force, Fund staff, annual health check-up, Organize your visit In case of illness must stay in the hospital, grant such cases spouses suffer disaster. The grant, to respect his father and mother, an employee covered by dead-spouse and children of employees, etc.

5) Working environment: The company's policy, employees working in the company happily safe so the work around. The machine tool equipment in operation to fit the job description. Such as parking, etc.

6) Employee development: The company has a policy to promote employee development, knowledge, skills, and attitudes about the job is the ability to position them like a

wide variety of development guidelines are as follows: Training seminar by trainers who have knowledge from outside the organization. Training from an experienced manufacturer in the organization. Coaching by head (Coaching), Learning from the actual operations (On the Job Training), Studies show both within and outside the country. Convey knowledge among colleagues and share learning between managers and employees on Learning Organization.

7) Promote teamwork, collaboration, and cooperation with each other to work as a person in the same family.

#### - Guidelines of Policy and Practice towards Creditors:

The company attaches importance to creditors. Whether the trade creditors. Or financial institution To pay the debt owed. Back to the due date Or contracted Including compliance payable strictly defined conditions. Based treat creditors to be fair to both parties.

#### - Guidelines of Policy and Practice towards Trade Partners

The Company set policies and practice guidelines for trade selection processes and commercial transactions that are based on fair and productive treatment towards all its trade parties, with emphasis on good conduct, rightfulness, legitimacy, and duly complying with governing trade conditions. Its policies and practices.

#### - Guidelines of Policy and Practice towards Trade Competitors:

The Company's focal policy and an important code of conduct by which the company abides. The Company commits to promoting fair competition, transparency, non-discrimination, and also to abide to legally prescribed trade agreements and conventions, principles of best practice, and internationally accepted trade rules and regulations.

#### - Fair Practices and Social Responsibility Policy

By observing the doctrine of fairness in its business practices, and committing not to be lured by any illicit gains from wrongful business conducts, the Company creates business confidence and assures its stakeholders of its social consciousness. This best practice shall enhance its lasting business prosperity. It is the Company's philosophy to pursue a sustainable growth path, and therefore well-realizes that long run business survival requires quality products, professional integrity, public awareness and social contribution. The Company consistently fosters moral and ethical behavior, social responsibility, and environmental awareness in all their staff in different positions. It also gives significant weight to trade counterparts who are fair-minded and have a good sense of social responsibility.



- Guidelines of Policy and Practice on No Violation of Intellectual Property Rights

The company operates under the administration of corporate governance and social responsibility, the environment, whether it is practical to management and employees of the Company. By the way, the social business (Corporate Social Responsibility) to the business. Fairness Selfless service to others Including respect for intellectual property rights of others. Not support the action in the manner of intellectual property infringement. Whether copyrights, patents, trademarks. Trade Secrets And other intellectual property rights of all types.

- Guidelines of Policy and Practice for Prevention of Corruption

It is the Company's policy to prohibit its directors, executives and staff to exploit their positions for self or family benefits, or for benefits of others, whether such benefits are in monetary terms or in any other form. Such as Prohibits its directors, executives and staff of all levels to receive any monetary or personal rewards offered by the Company's customers, trade partners, or any other individuals for the work they perform on behalf of the Company, Prohibits its directors, executives and staff of all levels to borrow or raise funds from the Company's customers and counterparties, except that when such borrowings represent loans from their banks or financial institutions of which they are customers, Prohibits its directors, executives and staff of all levels to accept any presents with a value exceeding that of generally acceptable practices, As well as prohibiting discrimination against partners.

- No Violation of Human Rights Policy

The Company puts emphasis on human dignity and fundamental human rights. These beliefs are the Company's key pillars in its human resource development that results in equitable treatment of its employees and stakeholders. This fair treatment creates a better workplace environment, as well as enhances ethical spirit and cooperative efforts among individuals within and outside the organization, which in turn helps support staff creativity and a service minded attitude.

#### 9.4 INFORMATION DISCLOSURE AND TRANSPARENCY

Aware of the importance of adequate, accurate, inclusive, timely and transparent disclosure, the Company publishes its important information including financial and non-financial data on the websites of the Stock Exchange of Thailand (SET) at [www.set.or.th](http://www.set.or.th) and the Security and Exchange Commission (SEC) at [www.sec.or.th](http://www.sec.or.th) according to the criteria

laid down by the SET and SEC. In addition, the information that has been made public and informed to stakeholders is made available at the Company's website at [www.nusasiri.com](http://www.nusasiri.com)

- The financial report and the Board's responsibility to financial reporting

The Board of Directors is responsible for the financial statements of the Company. And consolidated financial statements of the Company and its subsidiaries. The financial information contained in the annual report. The Board therefore ensure that such financial statements. Be prepared in accordance with generally accepted accounting standards. And there is adequate disclosure in the notes to the financial statements, including the verification of the CPA. And has been audited by the Audit Committee. The Board of Directors has prepared the report of the Board of Directors for the financial report in the Annual Report

- Corporate governance policies and practices

The Board of Directors of the company are in accordance with the principles of good corporate governance for the company. Registered (The Principles of Good Corporate Governance) that is in accordance with the guidelines of the Stock Exchange of Thailand (SET).To build confidence, caused shareholders. And those involved.

- The compensation policy for directors and executives

Remuneration of Directors Considered by the Nomination Committee and remuneration Committee Offer shareholders approve annually. Compensation for senior executives Considered by the Nomination Committee and remuneration Committee In consideration of the obligations And the competitive business.

- Anti-corruption Policy

The company has ideology conduct business with integrity by adhering to social responsibility stakeholders with all group, by the Corporate Governance (CG)and the guidelines for stakeholders with fairness,has made the "Anti- Corruption Policy" is written. To beclean guidelines for conducting business and sustainable development organization.The Guidelines are;

1) Not permitted to Directors and Staff of the "Nusasiri" action or accept corrupt in any form,either directly or indirectly. Including any business and all the sections involved and review of compliance Policy against corrupt this regularly. As well as review the guidelines and regulations for the operation meet the changing business and regulatory requirements of the law.

2) Directors and Staff of the “Nusasiri” must not be ignored or neglected when exposed to the action deemed corrupt related to “Nusasiri” must notify supervisor and departments concerned.

3) Corrupt Acts Must Be considered disciplinary action according to the “Nusasiri” defined and may be punishable by law if the action is illegal.

4) The Anti-corruption campaign to cover the administration of the process of recruitment, selection, promotion, training, evaluation and compensation by supervisors at all levels. Communicate with employees to this policy is the responsibility of business activity.

5) In order to operate in high risk that it will corrupt the transparency of practice, Directors, and Employees be treated with caution in following;

5.1) To give or receive gifts, entertainment, to comply the rules of the “Nusasiri” by strictly.

5.2) To give or receive do nations or sub vention must transparent and legitimate. Therefore, must ensure that the donation soft sub vention do not rub used to justify bribery.

5.3) The Conduct Of business relationships, the procurement; do not give or accept gifts of any kind. Contact The “Nusasiri” must be transparent, honesty and accountability, under the laws and regulations related to business operations.

## 9.5 RESPONSIBILITY OF THE BOARD OF DIRECTORS

### - Structure of the Board of Directors

The Board of Directors has appointed qualified directors and assigned relevant duties for them according to their individual skill and proficiency to be members of other committee. The committees were set up to assist the Board in corporate governing activities and to efficiently scrutinize and undertake detailed study of required matters for the Board. These committees and subcommittees are the Audit Committee, the Nominating and Remuneration Committee, the Executive Committee and the Risk Management Sub-Committee. The company has defined scope of duties and responsibilities, which the company has assigned the duties and responsibilities of members and properties, history, number of times to attend meetings of the Board of Directors of each Directorate

The number of independent directors on the board shall be in accordance with the notification of the Capital Market Supervisory Board (CMSB) Ref.No.TorJor. 4/2552 on 25 February 2009 which prescribed that a public listed company shall have the number of its independent directors at no less than one third of the total board members. The Com-

pany defies the definitions of “independent” for a director, roles and duties of independent directors, qualification of independent directors, all of which are defined by applying the minimum benchmark prescribed by the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand.

### - Role, Duty, and Responsibility of the Board of Directors

The Board of Directors has the obligation and responsibility to perform its duty in accordance with laws, objectives, regulations, code of conducts, and resolutions of the shareholders’ meeting, as well as to consider and approve the Company’s policy and management direction, financial target, and annual budgets. The Board of Directors also oversees and monitors to ensure that business operations are managed effectively and according to the Company’s policy for the utmost benefits of shareholders under ethical standards with honesty and carefulness. as follows;

#### 1. Business Ethics

The Board of Directors has clear policies on business ethics, which have been communicated to the management and employees on a regular basis. All concerned individuals are expected to adopt these policies and implement them with integrity, honesty, and fairness in their dealings with the Company, interested parties, the public, and society. Interactions between individuals concerned and other parties are constantly monitored. The Company has compiled and published a code of professional ethics for staff and specified penalties for violating the aforementioned code.

#### 2. Conflicts of Interest

To prevent conflicts of interest, the Board of Directors carefully reviews any item that could be construed as a conflict of interest, and to establish written policies and procedures for the authorization of transactions between related parties. The Article of Association of the Company and its subsidiaries were revised to stipulate that if there is any transaction between the Company and its subsidiaries, or the sale and acquisition of the Company’s and its subsidiaries’ assets, all transactions must be complied with guidelines by the Stock Exchange of Thailand regarding the inter-related transaction

#### 3. Internal Control and Internal Audit

The Company places importance on an effective and appropriate internal control system for business operations, both at the managerial and operational levels. Therefore, the Company has adjusted the structure of the organization to be in line with the Company’s objectives, business, duty, and responsibility of each strategic business unit. The Company has



also clearly established the written guideline of the obligation, and scope of authority of staff and the management, has the control and monitoring system for the utilization of the Company's assets, and has clear separation and segregation of duty and obligation for operators, the monitoring party and the evaluator. This is to balance the power and authorization and enables appropriate cross examination among all parties involved. Furthermore, the Company also has an internal control of financial system, by setting the financial reporting structure according to the respective management in charge. The Company conducts investigation to determine that its operations and financial activities are proceeding properly and efficiently, and are compliant with all relevant laws and regulations. In order that an internal auditing unit be independent, capable, and balanced, the Board of Directors has stipulated that its reports must be made directly to the Audit Committee and that its activities be evaluated by the Audit Committee as well.

#### 4. Risk Management

The Company places great importance on risk management. The risk involved in each corporate activity is evaluated, along with measures to prevent and mitigate risk and its effect on corporate operations. The task of the management is to assess economic, financial, social, and legal risks produced by changes in circumstance, along with their impacts on competitiveness in the industry, and to decide on appropriate solutions.

### 10. RULES FOR PROPER USE OF INSIDE INFORMATION

It is the Company's policy to adhere to its professional ethics, and to have honest conduct in dealing with its customers, employees, trade counterparts, shareholders, investors, trade competitors, community, society, and environment. It also opposes corruption; particularly those linked to wrongful use of insider information, and prohibits its directors, executives and staff to make use of material information, which is classified as internal information that has not been officially released to the public, for their own benefit or for the benefit of others even if such use may not cause any disadvantages to the Company. The prohibitions include restriction on trading of the securities of the Company and its subsidiaries during the process of the release of its operational results and its dividend plan, discouraging or forbidding the trading

of the Company's securities during the period of one month prior to any public announcement of its material information, or the trading of land property close to the planned development sites of the Company which may be perceived as the exploitation of internal information for self-benefit or for the benefits of others. The Company also establishes safety protections for its computer and information systems and prescribes practice guidelines for its directors, executives and staff of all levels to comply with. This procedure is intended to protect any unapproved disclosure of important information and data or unauthorized access to the information source. Severe penalty is set for unauthorized disclosure of internal information and wrongful use of such information for personal benefits or for the benefits of others or actions which may be the cause of any conflicts of interest. All these actions are regarded as serious offenses and are subject to punishment. The relevant practice guidelines are prescribed in the Company's Code of Conduct.

As prescribed under Articles 258 of the Securities and Security Exchange Act B.E.1992 (Amended in 2008), security trading activities of the Company's directors, executives as well as their spouses, minors and their related persons, that involve the Company's shares must be reported both in terms of trading transactions and changes of ownership in the form duly prescribed and submit such report to the Office of the Securities and Exchange Committee within 3 days after the trading and transfer date thereof. The Company's directors and executives are duly aware of their reporting duties in such trading and transfer of the Company and its Group's securities as per the rules and regulations of both the Stock Exchange of Thailand and the Office of the Securities and Exchange Committee.

### 11. INTERNAL CONTROL

The Board of Directors of the company assigned to the Audit Committee is responsible for review, a subsidiary. Internal control systems are adequate suitable according to the business plan targets efficiently. With the internal audit department. Reports and evaluation of internal control of the subsidiary and associated companies to the Audit Committee, to present the opinion to the Board of Directors.

## Board of Directors







### Mr.Visanu Thepcharoen

- Chairman of the Board of Directors of Nusasiri Public Company Limited
- Chairman of the Executive Committee of Nusasiri Public Company Limited
- Chief Executive Officer of Nusasiri Public Company Limited

#### Education Background

MBA, Public Service Ramkhamhaeng University

#### Directorship(s) in Other Company

Bachelor Degree A Bachelor of Arts (Political Science) Ramkhamhaeng University

Chairman of the Executive Committee of Nusasiri Grand Public Company Limited

Chairman of the Executive Committee of Nusa Playa Hotel & Spa Company Limited.

#### Work Experience

Director of The Success Heritage Company Limited

Director of Thailand Post Company Limited

#### Training

- The National Defense Course Class, Class 61
- Digital Edge Fusion (DEF) Class 4
- Joint Government-Private Sector Administration of Society's Peace and Order Course : 4
- Tourism Management Program for Executives (TME) Class 2
- Top Executive Program in Commerce and Trade : TEPCoT (Class 10)
- Top Executive Program in Industrial Development and Investment (Class 2), Institute of Business and Industrial Development (IBID)
- The Executive Program in Energy Literacy for a Sustainable Future Class 3
- Chief executive, Capital Market Academy Class 19
- Chief executive, urban development (Greater Class 2) Institute of Urban Development. Bangkok
- Corporate Governance For directors and executives of state enterprise and Public Organization (Class 16) Institute of King Prajadhipok
- Financial Statements for Directors" (IOD)
- Director Accreditation Program" (DAP) Class 69/2008 Thai Institute of Directors
- Strategic Planning For Hotel and Resort Management" Thai hotel and hospitality management association
- Real Estate Development Class 25 (RE-CU)" Chulalongkorn University

#### Share Holding (%)

6.977 (At march 16, 2020)

#### Number of meetings attended

The Board of Directors 7/7



**Mr. Somkid Sari**

- Vice Chairman of the Board of Directors of Nusasiri Public Company Limited
- Chairman of Nominating and Remuneration Committee of Nusasiri Public Company Limited
- Independent Director and Audit Committee of Nusasiri Public Company Limited

Education Background	<ul style="list-style-type: none"> <li>- Master Degree in Master of Public Administration, National Institute of Development Administration (NIDA)</li> <li>- B.A. in Economic, Ramkhamhaeng University</li> </ul>
Directorship(s) in Other Company	No positions in other companies
Work Experience	The performance consultant (Level 10) (policy analysts and Honorary the plan)
Training	Have not yet passed the director training course
Share Holding (%)	-
Number of meetings attended	<ul style="list-style-type: none"> <li>- The Board of Directors 6/7</li> <li>- Audit Committee 3/4</li> <li>- Nominating and Remuneration Committee 1/1</li> </ul>





### Mr. Pradit Sawattananond

- Independent Director of Nusasiri Public Company Limited
- Chairman of Audit Committee of Nusasiri Public Company Limited
- Nominating and Remuneration Committee of Nusasiri Public Company Limited

#### Education Background

- MBA, Management, Central State University, Oklahoma, U.S.A
- Bachelor Degree, Faculty of Commerce, Chulalongkorn University

#### Directorship(s) in Other Company

- Independent Director and Chairman of Audit Committee Asia Sermkij Leasing Public Company Limited
- Independent Director and Audit Committee KGI (Thailand) Public Company Limited
- Independent Director and Audit Committee
- Independent Director, Audit Committee, Nominating and Remuneration Committee and Corporate Governance Committee of LH Financial Group Public Company Limited
- Independent Director, Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee and Risk Management Committee of Land and Houses Bank Public Company Limited

#### Work Experience

- Commission scholars Finance, Finance, Banking, House of Representatives
- Director Thailand Securities Depository Company Limited.
- Consultant, Economic Development Commission House of representatives

#### Training

- Director Certification Program (DCP) 3/2000 (IOD)
- Audit Committee Program (ACP) 3/2004 (IOD)
- CFO Certification Program Class 1/2004, Institute of Certified Accountants and Auditors of Thailand
- Improving the Quality of Financial Reporting 4/2006 (IOD)
- Monitoring the Quality of Financial Reporting 5/2007 (IOD)
- Monitoring the Internal Audit Function 5/2008 (IOD)
- Monitoring the System of internal Control and Risk Management Class 2/2008 (IOD)
- Role of the Compensation Committee 6/2008 (IOD)
- Advance Audit Committee Program (AACP) 13/2013 (IOD)
- How to Develop a Risk Management Plan (HRP) 4/2013 (IOD)
- Corporate Governance for Capital Market Intermediary (CGI) 1/2014 (IOD)
- Information Security Awareness Training 2018 (LH Bank)

#### Share Holding (%)

0.00% (700 shares) (At March 16, 2020)

#### Number of meetings attended

- The Board of Directors 7/7
- Audit Committee 4/4
- Nominating and Remuneration Committee 1/1



**Mr.Piboon Vorravanpreecha**

- Independent Director of Nusasiri Public Company Limited
- Audit Committee of Nusasiri Public Company Limited
- Nominating and Remuneration Committee of Nusasiri Public Company Limited

**Education Background**

- Master of Defence Studies University of New South Wale, UNSW Australia)
- Bachelor of Science (Mechanical Engineering), Royal Thai Air Force

**Directorship(s) in Other Company**

Chief of Executive Staff Committee to the Commanders Royal Thai Air Force Headquarters

**Work Experience**

Chief of Executive Staff Committee to the Commanders Royal Thai Air Force Headquarters

**Training**

Director Certification Program (DCP) 281/2019

**Share Holding (%)**

-

**Number of meetings attended**

- The Board of Directors 7/7
- Audit Committee 4/4
- Nominating and Remuneration Committee 1/1





### Mrs.Sirinongnard Priewpanich

- Independent Director of Nusasiri Public Company Limited
- Audit Committee of Nusasiri Public Company Limited
- Nominating and Remuneration Committee of Nusasiri Public Company Limited

#### Education Background Directorship(s) in Other Company

- Bachelor of Accounting, Thammasat University
- Chairman of the Executive Committee of Baramee Consultant Company Limited
- Chairman of the Executive Committee of Hippopo Food And Restaurant Company Limited
- Chairman of the Executive Committee of Pureka Pure Two Company Limited
- Chairman of the Executive Committee of Pureka Food Company Limited
- Business Consultant of chia tai Company Limited
- Business Consultant of True Vision Public Company Limited
- Business Consultant of Shanghai Kinghill Company Limited
- Business Consultant of CT Bright Holding Company Limited

#### Work Experience

- Chairman of the Executive Committee of Hippopo Food And Restaurant Company Limited

#### Training

Director Certification Program (DCP) 276/2019

#### Share Holding (%)

-

#### Number of meetings attended

- The Board of Directors 7/7
- Audit Committee 4/4
- Nominating and Remuneration Committee 1/1



### Mr.Sompijit Chaichanajarak

- Director the Nusasiri Public Company Limited.
- Executive Vice Chairman the Nusasiri Public Company Limited.
- Senior Deputy Chief Executive Officer the Nusasiri Public Company Limited.
- Secretary Nusasiri Public Company Limited.

#### Education Background

- MBA, (Accounting plan) Kasetsart University.
- MBA, Ramkhamhaeng University.
- MBA, Master of Public Administration Ramkhamhaeng University.
- Bachelor Degree (Accounting) Ramkhamhaeng University.

#### Directorship(s) in Other Company

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#### Work Experience

- Senior Director level 11, Assistant responsible party lines Supporting the organization and Acting Director of Human Resources Department, Small and Medium Enterprise Development Bank of Thailand (SME Bank).
- Chairman the group Krissana House to Housing Business

#### Training

- Successful Formulation & Execution the Strategy (SFE) Class 2/2008 Thai Institute of Directors
- Director Certification Program (DCP) Class 108/2008 Thai Institute of Directors

#### Share Holding (%)

-

#### Number of meetings attended

The Board of Directors 7/7





**Mrs. Siriya Thepcharoen**

- Director the Nusasiri Public Company Limited.
- Executive Committee the Nusasiri Public Company Limited.
- Deputy Chief Executive Officer the Nusasiri Public Company Limited.

Education Background	Bachelor of Political Science Program (Special) Ramkhamhaeng University
Directorship(s) in Other Company	- Executive Vice President the Nusasiri Public Company Limited.
Work Experience	<ul style="list-style-type: none"> <li>- Director the KN Real Estate Company Limited</li> <li>- Director the Yenlift Company Limited</li> <li>- Executive Committee the Krissana Development Company Limited.</li> <li>- Executive Committee the Sin Pathumthani Company Limited.</li> <li>- The Advisor Assistant Minister Office of the Deputy Prime Minister Major General Sanan Kachornprasart</li> <li>- Position of luminaries In promoting contemporary art and culture, Under the Ministry of Culture</li> </ul>

**Training**

- Top Executive Program in Industrial Development and Investment (Class 4), Institute of Business and Industrial Development (IBID)
- “The Boss” The Boss Association Class 47
- “Strategic Planning For Hotel and Resort Management” Thailand Hotel and Hospitality Management Associations
- “Director Accreditation Program” (DAP) Class 76/2008

Share Holding (%)	2.329 (At march 16, 2020)
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Number of meetings attended	The Board of Directors 5/7
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# Risk factor

## 1. Risk to the business operations of the company / group of companies

### Risk from external factors

#### 1.1 Risk of construction costs and shortage of construction materials

Due to the sale of houses and land of the company Most of them are selling houses and land to customers before building houses. Therefore, if fluctuations in prices of construction materials or have to adjust the labor rate after the company has set the selling price and has already booked customers for buying houses and land. The difference from the said price adjustment or even the impact of house production is lower than expected will inevitably cause the company's sales costs get higher but the gross profit margin of the company decreased.

Construction materials are an important construction cost. The price of the main building material many parts have adjusted the price increase. The increase was mainly due to the increased demand for construction materials. Both used in the real estate sector and in the construction of large utility projects. The price of construction materials in the world market has increased dramatically. Including the rising oil price which has an impact on production costs and transportation costs causing the price of construction materials to increase and ultimately causing the company. The company may not be able to adjust the selling price immediately or in the case that the company can adjust the sales price to be in accordance with the said higher cost. It may affect the sales volume of the company's housing and the said incident will have a significant impact on the business financial statement and the company's performance.

In addition, having more construction projects may lead to insufficient amounts of construction materials to demand. If such incidents occur, the company may have to pay more expensive materials or have to wait for the material until unable to complete the construction of the house in the allotted time which will affect the business financial statement and the company's performance as well.

#### 1.2 Risk from lack of quality contractors and construction labor

In the development of housing estate project, it is necessary to have good quality contractors. The important risk factors are the shortage of good quality contractors will result in the company unable to complete the project construction as planned which may lead to increased operating costs. From the present, there are many property developers despite being listed on the stock exchange and which are

outside the stock exchange together with the continuous development of public utility systems. Therefore, there is a need for a large number of contractors and construction workers. The company has a policy to manage risk in this area by starting to experiment with using new technology for construction. This will help reduce labor. In addition, the company has a policy to build good relationships with the contractors of the company continuously and the construction work is distributed with regard to the ability of each contractor. In this regard, the Company will have a project manager, project engineer, Chief of Construction Supervisor, Construction Supervisor as well as the quality control staff to supervise the construction of the contractor again to ensure the quality of the construction of each contractor.

#### 1.3 Tighter credit risk exposure of commercial banks

Various commercial banks have more stringent in approving credit lines for housing purchases as for consumer loans (Post-Finance), which has many factors that affect the approval of credit lines. Due to the current situation that the personal loan industry is growing rapidly affecting consumer spending behavior consumers use future funds through personal loans such as credit cards and personal loans. The high level of household debt in the country causes the company to have a direct impact on income because most customers need to ask for loans from commercial banks to buy housing. The company is well aware of the above problems. Therefore, customers have been screened with preliminary debt repayment capabilities before submitting credit approval applications to financial institutions. As well as advising customers to apply for loans with financial institutions that have policies in accordance with customer payment requirements (Bank Matching), including coordination to contact the head office of the financial institution directly to reduce the time for approving loans that affect the customer's decision to buy housing. In addition, the company has searched for new options for customers such as other financial institutions apart from commercial banks to increase the chances of credit approval for customers.

#### 1.4 Risk from political instability

After the elections in March 2019 and the new government in the middle of the year 2019, the signs have started to improve for the Thai economy which will increase the credibility of Thailand and many foreign investors will be interested in investing in Thailand including investors in growing Asian countries which are interested in investing in real estate related to hotels and tourism and in the past the government has a policy to build various electric trains to cover in Bangkok for convenient transportation therefore resulting in the property market to grow steadily.



### 1.5 Risk from relying on large customers

At present, the company is aware of the risk from relying on large customers, therefore the company has diversified the risk by developing various projects in the form of projects and different locations such as condominiums for living, investment condominiums, single houses or townhouses for living and detached houses for investment as well as the hotel and golf service business. The company's customers are diverse in terms of purchase objectives and income levels of different customer groups. For this reason, the company has a low risk of relying on only one large group of customers or a specific area.

### 1.6 Risk from relying on loans from connected persons

The Company has borrowed from Nusasiri Grand Public Company Limited, a company in the Thep Charoen Family. Most of them are short-term loans to enhance the liquidity of the company only. The interest rates on loans are the same as those from the bank. Although there are many loans during the year but it is reimbursed in a quick time however the company has a policy to reduce the reliance from connected persons by using the mechanisms of the capital market.

## **Risk from internal factors**

### 1.7 Risk from construction and project development

Construction and project development is considered an important part to achieve the company's goal. At present, the company hires external contractors to construct both low-rise homes and condominiums, resulting in the company. There is a risk of quality and time. If hiring a contractor that does not have enough expertise or has a shortage of labor. To reduce the said risk, the company has managed by selecting contractors with experience and quality for construction according to plan and not rely on one particular contractor too much with better work divisions in order for the contractor to have more liquidity and also helping to procure some materials to reduce the financial burden for the contractor as well. There is also a clear policy on forming alliances with groups of contractors and manufacturers. In order to jointly develop the construction and construction materials to have quality and faster time by choosing the right technology that has been studied check before considering use with the contractor being inspected and selected and a manufacturer with expertise, including studies to find ways to use less labor to reduce the risk of labor shortage in the construction industry. In the case of a condominium will choose a large contractor with experience and subdivide each type of work according to their expertise, will not hire only one contractor

to construct all types of work in the project. In addition, the company has enough experts and project management team to control the standardized construction work. In addition, there are training plans for operators, supervisors and contractors to develop the construction process to improve efficiency and quality. And have the same correct understanding to check the quality of the work to get a good quality job and reduce the risk of delays in delivering work.

### 1.8 Financial risk

From the business plan of the company that needs to be invested in new projects that have been continuously implemented in order to create sustainable operating results and returns to shareholders. The Company therefore needs to find funding sources for project development by long-term loans from financial institutions and short-term debentures and bills of exchange. As of December 31, 2019, the Company and its subsidiaries liabilities from financial institutions were 433.79 million baht, decreased 330.05 million baht as of December 31, 2019. The company and its subsidiaries had bills of exchange of 50 million baht, decreased 130 million baht and as of December 31, 2019, the company has issued long-term and short-term debentures in the amount of 1,790.00 million baht, decreased from 229.2 million baht. Overall, the company in the past year, were able to pay off debt as well. Whether it is a long-term loan from a financial institution, Bill of exchange or the issuance of long-term and short-term debentures have liquidity in business management resulting in the company having a more stable financial status.

### 1.9 Marketing and sales risk

Sales and marketing are the heart of our business operations. Therefore, the company attaches great importance to creating consumer confidence, which will affect the sales of the project in the long run. The housing prices that increase due to the burdens of construction material costs and rising land prices. The growth trend of the economic slowdown. These factors may affect the purchasing power and housing purchasing decisions of the company's target customers. The company has a policy to create maximum satisfaction for consumers, including opening new markets to the company for sustainable sales growth.

### 1.10 Human resource risk

The company gives importance to human resource management by assisting employees to have the opportunity to demonstrate their ability to perceive themselves and to create a commitment to bring their own abilities.



## 2. Risk of investment of securities holders

### 2.1 Risk of having a major shareholder of the company

The major shareholder of the company is Kitti Isaranont family, holding 20.598% of the company's shares (as of 30 December 2019). The second is Thepcharoen family, holding 10.885% of the company's shares. If these major shareholders integrate with other major shareholders. There will be able to control more than half of the votes of the shareholders' meeting. Whether it's appointment of Directors or requesting resolutions on other matters. Therefore, other shareholders may not be able to gather votes to check and balance the issues proposed by the major shareholders. Including important agenda that requires special resolution which requires more than 3 in 4 votes of the shareholders' meeting. If not approved by the major shareholder, the resolution cannot be passed. However, the company has an audit committee to check and consider to prevent any conflicting transactions and to create transparency in the operations of the company.

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### 2.2 Risk from management that depends on the executives and shareholders

Company brand has an image attached to the management and shareholders of the company, Thep Charoen family, in which Mr. Visanu Thepcharoen and Mrs. Siriya Thepchareon are important parts in the management of the Company until becoming famous and recognized in the property development industry and has an important part that makes the company. If the company loses the said management, it may affect the management and operation of the company. However, the company has organized the management structure of the company to have decentralization of management, scope of duties and responsibilities for various line executives, according to knowledge and ability and experience by inviting successful professional managers to help manage the business to reduce the risk of dependency.



# SUSTAINABILITY STRATEGY

## 1. POLICY OVERVIEW

The Company's policy is to invest in the core business related to real estate with regard to the suitability of each type of business, consists of land and a house with land. Business space for sale and rent, and in the plaza about health Business of Construction Type: Condominium, Rental business and Business of Community Mall, Water Park Plaza and Golf business. The Company's management is aware of the needs of consumers and to facilitate usability whether traveling Safety in residential hygiene and the environment emphasis on social and environmental potential, the residents receive full benefits.

The Company is committed to conducting business in accordance with corporate governance regulations, practice to focus a substantial and ongoing both for the benefit of shareholders and the interested persons of the Company.

The company adheres to the principle of corporate governance seriously to provide a framework for conducting business with integrity for good image Including tracking the performance of the company continues and policy makers to make appropriate returns to the Committee, Management Team and staffs achieve fairness, further optimize the system performance cause the solder joint benefit our shareholders will lead to increased value on investment for shareholders and stakeholders, all parties in the end

### **Vision:**

A leading property company that is committed intentionally developing a better quality of life.

### **Mission:**

Residential development. By considering the benefits and customer satisfaction, create wealth and stable to shareholders, Support personnel with management, the efficiency, effectiveness and integrity, Promote social Community and Environment.

### **Business Ethics**

The company has set and spread news to relevant parties. including Director, Executive and Employee. To strictly abide accordance with the guidelines for shareholders, Customers, Employees, Creditors, Trading partners, Community, Society and Environment.

## 2. CORPORATE ACTIONS MADE IN COMPLIANCE WITH CORPORATE GOVERNANCE AND SOCIAL & ENVIRONMENTAL RESPONSIBILITY

The company has operations in order to comply with the principles on the Corporate Governance and Social & Environmental Responsibility Committee approved the advancement of the Company's operational guidelines to be in accordance with the principles of good governance and social & environmental responsibility, can be summarized as follows:

### 2.1 CORPORATE GOVERNANCE

The Company has applied the governance guidelines recommended by the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET), which are prescribed in accordance with the principles of corporate governance set out by the Organization for Economic Co-operation and Development (OECD). The guidelines adopted are: Rights of Shareholders, Equitable Treatment of Shareholders, Roles of Stakeholders, Disclosure and Transparency and Board Responsibility

### 2.2 SOCIAL & ENVIRONMENT RESPONSIBILITY

The Company has applied the Corporate Social Responsibility Guidelines prescribed by the SEC's Working Group on Corporate Social & Environmental Responsibility, and the recommended CSR Best Practices as its guideline principles for the strategy plan towards its short and long term actions on the issues of good corporate governance and social & environmental responsibility, of which the principles adopted are:

#### **Corporate Ethical Principles**

The Company applies these principles as its key strategy and includes guideline practices towards its stakeholders, namely: shareholders, customers, employees, creditors, trade counterparts, business competitors, and society. The principles also include matters namely participation in community and social development, business operating practices under applicable environmental standards, non-violation of intellectual property rights, safeguard of information and data system, staff training on environmental issues, fighting against internal and external corruption or bribery, encouragement of management

and staff morale against fraud and any involvement in human rights violation, as well as communication of the Company's information via various media channels.

#### **Fair Business Practices**

The Company can assure its stakeholders and related parties of its long-term business prosperity, and create business confidence that the Company shall not be lured by any illicit gains from wrongful business conducts.

##### Practice Guidelines

1) Avoid any actions which may result in any conflict of interest, or upon any occurrence of any conflict of interest shall apply the appropriate mediation process and fair dispute resolution, whereby proper disclosure shall consequently be made thereafter.

2) Promote competitiveness in free trade while avoiding any attempts at nepotism.

3) Do not encourage any misappropriation of intellectual property and copy rights.

4) Apply management conducts and systems which assure protection against bribery and fraud, or instigate processes which can promptly detect any occurrences of bribery and fraud.

5) Inspire the Company's staff to recognize the importance of avoiding acts of deception, intimidation, and all types of corruption.

#### **Respect Human Rights and Fair Treatment towards Workers**

These beliefs are the Company's key pillars in its human resource development that enables it to achieve its value creation targets. Human resources are a key corporate element for value augmentation and increased productivity. Therefore improvement in the workplace environment and prescribed labor conditions will instigate a high working quality. The Company also offers career opportunities and proficiency enhancement schemes to its staff.

##### Practice Guidelines

1) Support and respect human rights protection by regularly monitoring that the Company does not engage in business conducts which violate any human rights, such as the utilization of forced labor and any illegal foreign workforce, while also opposing the use of child labor.

2) Promote workplace hygiene and occupational safety, such as the implementation of pollution controls in the work process, promotion of health standards in the workplace, and the proper application of safety measures against accidents and diseases.

3) Promote skill and proficiency enhancement for staff by providing access to further education, and appropriate career promotions.

4) Provide fair employment conditions and non-discriminatory staff remunerations that are suitable to their competency.

5) Provide access to petition against improper and unfair treatment of the staff.

6) Provide appropriate welfare benefits and preparation plan for life after retirement to the staff, such as annual leave, suitable overtime schedule, and a relevant medical care scheme including providing knowledge regarding health treatment and life after retirement.

7) Encourage employees to maintain a good balance between their career and personal life, to be ethical, to follow the good philosophy of sufficiency economy, while motivate them to be a good citizen who participate in social work, and promote staff's religious practices, on an unbiased basis.

8) Provide whistleblower protection for staff who report inappropriate actions in the workplace.

9) Provide the staff and the employee representatives with accurate operational results and business status of the Company.

10) Uphold a two-way dialog and cooperation between employer and employee, or the employee representatives in order to improve the quality of the workplace.

#### **Responsibility to the Consumer**

The Company's products and services shall not impose any risk or harm to the consumers. The Company shall improve the quality of its products and services to meet prescribed international standards, with common accessibility to all consumers, while improvements shall also provide public benefits and social solutions.

##### Practice Guidelines

1) Provide housing development and business services which are safe and reliable, do not use materials which could be harmful to consumer's health and arrange to have appropriate inspection processes to safeguard against unsafe materials.

2) Protect consumer data and do not release their information without prior permission.

3) Provide sufficient and correct information to consumers, and be aware of the consumer's health and well-being by not overstating advertisement information and always



providing information which is accurate, complete, and easy to understand. Consumers should be provided with comprehensive application instructions and also the best method to dispose of the product.

4) Encourage consumers and producers to pay more attention to the important concerns of environmental and social aspects in utilizing products and services

5) Develop products and business services that enhance both corporate and social benefits that attribute to the creation of a good consumer society that supports cultural inheritance and ethical principles, and emphasizes sustainable development.

6) Improve an efficiency of accessibility of necessity goods and services to consumers.

7) Provide accessible channels for stakeholders to access to the Company's important information such as reports of product test results which are not trade secrets.

8) Fair trade to customers, trade counterparts, business partners, vendors, and partners.

9) Fight against corruption and ensure fairness in conducting business

### Community and social contribution

A well-built and sustainable community and society are an important supportive factor for good corporate operations. The Company shall organize social activities and/or community participations which are supportive to community strength, particularly for the community and the society which are impacted by its production and service process. It shall also act as a good corporate citizen and make all attempts to curve or stop any potential adverse impacts to such community and society that might have resulted from its operations

#### Practice Guidelines

1) Survey any communities close by and distant to the development sites, to assess the possibility of any adverse impacts caused by the Company's current and future operations, and apply such assessment to rectify/ improve its operations in order to protect the community and society against any direct or indirect damages and adverse conditions.

2) Support volunteer work that relates to community and social development.

3) Help improve community and social surroundings.

4) Support the basic infrastructure requirements of the

surrounding community and society such as schools, health care centers, roads etc.

5) Support and participate in charity work such as organization of activities which promote good standards, and reduce immoral activities in order to maintain a healthy lifestyle under the sufficiency economy standard.

### Environmental Protection

Global population increase and economic growth not only cause excessive consumption of natural resources, but also increase water, air, waste, and toxic pollution. In addition, global warming also impacts human beings and the ecology system. Therefore, the Company has a duty to support improvement in the quality of life and environmental management, as a part of the required collective social efforts.

#### Practice Guidelines

1) Arrange to have an appropriate environmental management system while undertaking construction management for residential projects and regularly monitoring the outcome. Encourage additional studying and learning on environmental aspects such as ecology system, global warming, pollution etc.

2) Apply technology and production processes which are qualified under the environmental standard and pay attention at reduction and treatment of waste prior to its release back to nature.

3) Use natural resources efficiently while being aware of energy saving and recycling measures.

4) Develop products/services which carry no environmental impact and are safe to use.

5) Provide the staff and public with information on any environmental impact, safety, and health care

6) Encourage customers to be aware of any environmental concerns on the utilization of the Company's products and services.

7) Provide knowledge and training for staff on environmental impact, safety, and health care.

8) Have an emergency plan that can respond to potential environmental problems, with prompt reporting procedure to concerned governing authority in case of such emergency.

9) Study and implement to decrease an impact on a social geography environment.

10) Encourage an environmental rehabilitation and conservation.

### Disseminate Innovations from Social Responsibility Activities

Include CSR practices in the business operations and corporate business strategy which will create ultimate innovative benefits in both business and social aspects

#### Practice Guidelines

1) Investigate current operational processes to explore whether they will create any risks or adverse impacts on society or the environment, then find measures which can mitigate such risks or impacts. In the process, even if innovative solutions do not come up, the Company should not give up its attempts to come up with appropriate mitigation solutions.

2) Disclose any of Company's innovative outcome and solution which are of benefit to the public and environment in order to induce similar motivation from other business operators.

3) Effectively communicate the Company's vision, value, mission, strategy, and social responsibility operation performance to all stakeholders.

4) Create transparency in business operation by providing contact channels for stakeholders to access important information and express their opinions on the Company's social responsibility topics.

### Preparation of Social and Environmental Reports

The Company must pay attention towards the disclosure of its CSR practices, which will be useful for all stakeholders, and will help in cross checking its compliance with the prior prescribed CSR guidelines.

#### Practice Guidelines

The Company will provide a report of CSR which may be contained in either the annual report or separately (CSR Report). The CSR report will be made in compliance with an acceptable worldwide standard form. Additionally, employees, trade counterparts, business partners, raw material vendors, and stakeholders will be provided opportunities to jointly draft the report. The report contains:

1) Business Operation which states regarding the Company's vision and strategy on the social and environmental activities, corporate governance structure, and operation performance.

2) Environmental and Safety Activities which states regarding the Company's environmental and safety management policy, environmental rehabilitation and conservation procedures, safety management procedures, disposal processes, useful characteristics of habitats which create value for consumers, society, and environment.

3) Social Activities which states regarding the Company's labor management policy, and employees' welfare and training, including a development of communities' environment located both close by and distant to the development sites

### Activities for the benefit of society and the environment

In addition to the formulation of the code of conduct and business practices that are in line with the corporate governance principles, the company has organized social activities in 2019 with the project "Nusathamdee". By bringing the staff to join the merit making for Home for Children with Disabilities (Phra Pradaeng), Samut Prakan Province, pak kret babies home Nonthaburi Province, Watsanawet Social Welfare Development Center Elderly, Phra Nakhon, Si Ayutthaya Province, SOS Children's Villages Samut Prakan Province, Social Welfare Development Center Elderly Pathumthani Province



## Activities in Year 2019

Image of activities By bringing the staff to join the merit making for Home for Children with Disabilities (Phra Pradaeng), Samut Prakan Province



Image of activities pak kret babies home Nonthaburi Province



Image of activities Watsanawet Social Welfare Development Center Elderly, Phra Nakhon, Si Ayutthaya Province



Image of activities SOS Children's Villages Samut Prakan Province





Image of activities Social Welfare Development Center Elderly Pathumthani Province



# Management Discussion and Analysis Report

## Overall company performance

Nusasiri Public Company Limited and the Subsidiaries (“the Company”) has reported the Company’s performance for the fiscal year ended December 31, 2019 and Financial Statements for the fiscal year ended December 31, 2019, having a significant change as follows;

Unit : Million Baht

Fiscal Year Ended December 31				
Details	2019	Increase (Decrease)	Increase (Decrease) %	2018
Sales Revenue	1,241	(1,130)	(48)	2,371
Rental assets and	218	36	20	182
Service Income				
Other Income	204	(58)	(22)	262
<b>Total Revenue</b>	<b>1,664</b>	<b>(1,151)</b>	<b>(41)</b>	<b>2,815</b>
Cost of Goods Sold	974	1,064	(52)	2,039
Cost of Rental Assets	207	110	113	97
and Service				
<b>Gross Profit Margin</b>	<b>482</b>	<b>(197)</b>	<b>(29)</b>	<b>679</b>
Net Profit (loss)	(668)	(366)	121	(302)
Net Profit (loss) of Nusasiri PCL.	(653)	(378)	137	(275)

## Operating Incomes

### Total Revenue

The company would like to clarify that Income statement for the year ended 31 December 2019, the company had total revenue according to the consolidated financial statements in the amount of 1,663 million baht, a decrease of 1,151 million baht or a 41% decrease from the previous year. When compared to total revenue, the main reasons can be summarized as follows

1. Revenue from sales of land with buildings decreased by 1,130 million baht or 45%, partly due to the decrease in

the sales of lands 912 million baht and a decrease in the sales of houses and condominium units 267 million baht due to the economic slowdown.

2. The company has increased rental and service income by 10 million baht or 5% due to the subsidiary has good operating ability resulting in increased revenue.

3. Interest income decreased by 148 million baht or a 73% decrease due to the repayment of principal from another business debtor in early 2019. Causing interest income to decrease.

4. Gain from foreign exchange increased in the amount



of 72 million baht due to the appreciation of the baht in 2019 due to the foreign construction payable of a subsidiary company

For sales revenue of the company's project, the main proportion is from all 4 high-rise projects, with revenue recognized in 2019 of 591 million baht or 41% of the main income. As for horizontal projects, revenue is recognized during the year 2019 for a total of 6 projects in the amount of 647 million baht or 44% of the main income. For the 4 high-rise projects, most of which are condominiums that meet the needs of many groups of consumers which distributed in many areas. The company still mainly considers the interests of customers under the policy of the development of the N-JOY Smart Living project. Customers will receive high quality and modern style products and they been well taken care of by the company and along with the search for the facilities available in the project.

#### **Cost of Goods Sold**

Cost of goods sold for the period ending 31 December 2019 is 974 million baht, a decrease of 1,064 million baht or 52% from the previous year. The cost of land sales decreased by 971 million baht. The cost of Houses and condominium decreased by Baht 93 million baht which is related to the decrease in sales of houses and condominium. The company has a gross profit margin of 22 percent which decreased 7% from the previous year.

#### **Cost of Rental Assets and Service**

Rental and service costs for the period ending 31 December 2019 in the amount of 125 million baht, an increase of 28 million baht or 29% from the previous year, in relation to the rental and service income that increase

In October 2016, the Company entered into an agreement with an international hotel management chain in order to manage the leased assets and services of the Company and certain subsidiaries with a 15-year management period

which the Company expects that the hotel management team will be able to increase the proportion of revenue and profits from the company's rental and service assets over the next several years which can be seen from the operating results from the year 2016 to the present, the company has been able to increase revenue continuously.

#### **Expenses on Sales and Management**

For the year ended 31 December 2019, the company had selling and administrative expenses of 762 million baht, an increase of 129 million baht or an increase of 20% from the previous year. Most of the increase from selling expenses from sales promotion in order to generate sales in various projects. Including the promotion of the project including the operating expenses of a subsidiary that launched the project in 2019

#### **Net Profit (Loss)**

Total operating results for the year ended 31 December 2019, there was a net loss of 668 million baht, an increase of 366 million baht from the previous year. The company's total revenue decreased by 1,151 million baht. The total expenses decreased by 785 million baht. However, the total expenses did not decrease as much as the revenue decreased. It is also a result of the increased loss of the joint venture due to the loss of the joint venture which is under the project development which the income is expected to be achieved in 2020. Therefore, in the current year, the company has an effect Increase in total loss.

#### **Net Profit (Loss) attributable to Equity holders of the Company**

Net profit (loss) attributable to Equity holders of the Company for the year ended 31 December 2019 with a net loss of 653 million baht, an increase of 378 million baht from the previous year.

Unit : Million Baht

Statement of financial position As at 31 December				
Details	2019	Increase (Decrease)	Increase (Decrease) %	2018
Current Assets	2,813	87	2	3,854
Non-Current Assets	8,231	(809)	(15)	8,807
Total Assets	11,044	(722)	(7)	12,661
Current Liabilities	3,929	(1,072)	(27)	4,280
Non-Current Liabilities	1,242	610	115	1,822
Total Liabilities	5,171	(462)	(10)	6,102
Shareholders' equity	5,828	(260)	(4)	6,498
Total Liabilities and Shareholders' equity	11,044	(722)	(7)	12,661

#### Statement of financial position

As of 31 December 2019, the company had total assets of 11,044 million baht, a decrease of 1,617 million baht from total assets last year. It is a decrease of cash and cash equivalents 304 million baht due to use of debentures due trade and other receivables decreased by 429 million baht due to receiving payments from other business receivables from an investment. Cost of real estate development projects decreased by 363 million baht. Investment in joint ventures decreased by 106 million baht. Deposits for purchase of land decreased by 144 million baht. Land awaiting development decreased by 389 million baht. Property, plant and equipment increased by 417 million baht. Deposit for purchase of investment increased by 111 million baht and other non-current assets decreased by 405 million baht

#### Shareholders' equity

As of 31 December 2019, the Company and its subsidiaries had shareholders' equity of 5,874 million baht, a decrease of 685 million baht from the year 2018, resulting from a net loss in the year 2019 of 664 million baht and loss from other components of shareholders' equity in the amount of 21 million baht.

#### Statement of Cash Flow

In the year 2019, the company and its subsidiaries had net cash from operating activities in the amount of 975 million baht which from sales and rental and service. The company used cash for investing activities amounting to 249 million baht for hotel construction and used with investments in joint ventures and investment deposits in subsidiaries. The other part is used for financing activities in the amount of 1,019 million baht in terms of repayment of various loans.



## RELATED TRANSACTIONS

For the year ended December 31st, 2019, the Company and its Subsidiaries were engaged in the transactions with companies / related parties as the following details;

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
1. PANACEE MEDICAL HONG KONG LIMITED	Joint Venture	<b><u>Outstanding balance</u></b> - Other Account Payable - Other Account Receivable	0.02 2.14	0.02 1.84	0.02 -	- Receiving money from the Company for business operation - Paid the salary for employees who work at Guangzhou
2. Mrs. kamonporn Krishna	- Mrs. kamonporn Krisana, Related parties through a directors	<b><u>Outstanding balance</u></b> - Other accrued expenses	-	-	0.76	- Rental fee payable
3. Mr. Jirawat Phuttitrisin	- Mr. Jirawat Phuttitrisin the younger brother of Mrs. Siriya Thepjaroen (the executive director and the major shareholder of Nusasiri PCL. ("NUSA"))	- Other Expenses <b><u>Outstanding balance</u></b> - Other Accrued Expenses - Other payables	- 1.68 -	0.48 1.20 0.48	0.48 1.20 -	- Rental fees for the sale office at the Fresh Condominium Project, a normal business transaction. Rental prices and conditions are not different from the transaction that does with the unrelated party (company). - Rental fees for the sale office and commercial buildings
4. Mr. Chakrit Sirirat	- A shareholder	Other Expenses <b><u>Outstanding balance</u></b> Accounts Receivable Other accrued expenses	0.37 - -	0.37 - -	- 0.26 0.01	- Rental fees - Accounts Receivable of ownership transfer (Up Ekkamai)

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
5. Ms. Kongkwan Wintuphan	- A shareholder	- Revenue from selling house with land and Condominium	-	75.91	-	- selling house with land (Chivani Pattaya Project) and condominium (Up Ekkamai)
		- Administrative expense	0.10	-	-	- Rental fees
		- Other Expenses	3.59	3.59	-	
		<b>Outstanding balance</b>				
		- Accounts Payable	0.37	0.29	-	
6. Ms. Primrata Tiyajinda	- Ms. Primrata Tiyajinda wife of Mr. Siwa Thepcharoen, Younger brother Mr. Visanu Thepjaroen and relationships group or Concert party with Mr. Visanu Thepjaroen and Mrs. Siriya Thepjaroen Nusasiri Grand Plc. and KMP Property Co., Ltd. By Ms. Primrata Tiyajinda is Shareholder of Rich Asset Management Co., Ltd.	- Advance received for Selling investment	-	33.00	-	
		- Other expenses	-	-	1.48	- Foreign business consultant fees Mr. Siwa Thepcharoen



A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
7. Mr. Yuranun Phamornmontri	- The chief executive officer of Panacee Medical Center (Thailand) Co., Ltd.	<b>Outstanding balance</b> - Advance - Other Account Payable - Other Accrued Expenses	- -	0.04 -	0.06 1.87	- Expenses for the Company's business operation of the Company - Expenses for Panacee's grand opening at Kao Yai
8. Mr. Wongsakorn Thepcharoen	- A shareholder	<b>Outstanding balance</b> - Advance - Account Receivable - Advance - Account Payable - Other Account Receivable	0.13 - 0.20	- 0.09 0.20	0.13 0.01 -	- Rental fees for services (Parc Exo Sport mall) - Advance for operating expenses of Nusa Logistic (BVI) Limited. - Advance for operating expenses of Nusa One Co., Ltd.
9. Mr. Wasin Sirirat	- Managing Director, DNA Medical Clinic Co., Ltd.	- Other expenses <b>Outstanding balance</b> - Other Accrued Expenses	2.04 -	2.04 -	- 0.85	- real estate rental fees of Nusa One Co., Ltd.
10. Ms. Watcharaporn Kraisdawat	- A related party(individual) through a related party(company)	<b>Outstanding balance</b> - deposit for Land purchasing - A deposit for purchasing of investment - Other Accrued Expenses	- 647.20 -	- 536.00 -	100.00 138.00 0.66	- A deposit for Land purchasing (My Ozone projects) - A deposit for purchasing of Panacee's shares - real estate rental fees of Nusa One Co., Ltd.
11. Mr. Visanu Thepjaroen	Mr. Visanu Thepjaroen is the director and the major shareholder of Nusasiri PCL.(“NUSA”)	-Other expenses <b>Outstanding balance</b> - Advanced - Other Account Payable - Accounts receivable - Other receivables	- 1.45 0.01 0.02	0.36 0.20 0.01 0.02	- - - -	- Meeting Allowances and Entertainment fee for foreigners customers - Entertainment expenses of Nusa One Co., Ltd.

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
12. Mr. Krishna Thepjaroen	- Related parties through a directors	<b>Outstanding balance</b> - Accounts receivable	0.03	0.03	-	- Entertainment fee of Nusa One Co., Ltd.
13. Ms. Visnie Thepcharoen	- - Related parties through a he position of Vice President of Marketing Nusasiri PCL.(“NUSA”) Heiress no.2 of Mrs. Siriya – Visanu Thepjaroen CEO Nusasiri PCL. (“NUSA”)	<b>Outstanding balance</b> - Advance - Account Receivable - Advanced – Other Account Payable - Other receivables	- - -	- - -	0.47 0.06 0.02	- Accrued advertising fee in November 2017 - Entertainment fee reserve for customers. - Investment in Legend Siam Co.,Ltd. And loan
14. Mrs. Siriya Thepjaroen	Mrs. Siriya Thepjaroen is the director and the major shareholder of Nusasiri PCL.(“NUSA”)	-Other expenses <b>Outstanding balance</b> - Advanced – Account Payable - Other receivables - Other Accrued Expenses - Accounts Receivable - short-term loan + Accrued interest - Advanced – Other Account Payable - Advance - Account Receivable	- 0.15 0.18 - 0.73 0.70 0.15 1.58	0.16 0.35 0.17 - 0.73 0.20 0.35 -	- 0.09 0.01 0.03 - - - - -	- Room decoration expenses UP Ekkamai Project and Entertainment fee - Investment in Legend Siam Co.,Ltd and loan - Reserve for buy accessories - attendance fee - Entertainment fee (Nusa One Co., Ltd.) - Loans for Legend Siam Co.,Ltd. - Advanced of Legend Siam Co.,Ltd.



A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
15. Mr. Sompijit Chaychanajarak	The director and the company' secretary of Nusasiri PCL. ("NUSA")	- Other expenses <b><u>Outstanding balance</u></b> - Account Payable - Advanced – Other Account Payable - Other accrued expenses	0.84  0.14 2.17  -	1.34  0.21 0.15  -	-  - 0.04  0.35	- Meeting Allowance and other Executive benefits - Advanced for general operation  - real estate rental fees of Nusa One Co., Ltd.
16. Ms. Artika Torkeaw	The shareholder of Nusa My Ozone Co., Ltd., which is the subsidiary of Nusasiri PCL. ("NUSA")	<b><u>Outstanding balance</u></b> - Advance - Other Account Receivable	-	-	0.01	- Advanced for rental expenses (Nusa My Ozone Co., Ltd.)
17. Ms. Issari Jirawatwittaya	- Ms. Issari Jirawatwittaya is the authorized director and the shareholder of Sarasiri Inter Co., Ltd. in the proportion of 20.50% (data as of December 28, 2013), which was the joint venture of NUSA and also hold 25% of SGALA's shares (data as of March 10, 2011)	Other expenses <b><u>Outstanding balance</u></b> - Other Accrued expenses - Other Account Payable	-  2.52  -	0.72  1.80 0.72	0.72  1.80  -	- Rental fees for the sale office at the Fresh Condominium Project, a normal business transaction. Rental prices and conditions are not different from the transaction that does with the unrelated party (company). - Rental fee for sale offices and commercial buildings

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
18. Nusa Playa Hotel and Spa Co., Ltd. (“Nusaplaya”), Originally named “Nusasiri Group”	Mr. Visanu Thepjaroen is the director and the shareholder of NUSA and also being the director and the shareholder of Nusaplaya , holding the proportion of 48.33% of shareholding (data as of April 18, 2016) - Mrs.Siriya Thepjaroen is the director and the major shareholder of NUSA and also is the shareholder of Nusaplaya , holding the proportion of 2.98% of shareholding (data as of April 18, 2016) The Success Co., Ltd. is the major shareholder of Nusaplaya, holding the proportion of 25.59% of shareholding (data as of April 18, 2016)	- Other Revenues	0.24	0.18	0.68	- Management fee (Nusa One Co., Ltd.)
		- Revenues from Rental Income and Service	0.24	-	-	
		<b><u>Outstanding balance</u></b>				
		- Accounts receivable	0.19	0.73	0.13	- Accounts Receivable for rental fee (Nusa One Co., Ltd.)
		- Other receivable	0.53	0.10	0.31	
		- Other deposits	-	-	2.00	
		- Accounts Payable	5.58	1.31	0.16	- Sales promotion service fee
		- Other accrued expenses	-	-	1.32	
		- Rental income and accrued service income	0.13	-	-	
		- Other payable	7.47	0.15	-	



A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
19. Nusasiri Grand Public Company Limited. ("NSG")	NSG and the group of related parties or the group of concert party, which are, Mr. Visanu Thepjaroen, Mrs. Siriya Thepjaroen, Mr. Siwa Thepjaroen, and NSG, all of whom hold 10.95% of NUSA's shares (data as of December 16, 2015)	Interest Expenses <b>Outstanding balance</b> - Advanced – Other - Account Other receivables  - Other accrued expenses - notes payable + accrued interest payable - Other payable	0.34  - 0.33  0.21 7.39 - -	0.64  - 0.29  0.21 28.26 0.58 -	0.20  0.29 -  0.21 10.00 - -	1. On February 28, 2017, the resolution of the Board of Directors Meeting No.1/2017 has approved of one- year renewal and extension of a short-term financial support from Nusasiri from March 18, 2017 to March 17, 2018 with the amount of Baht 250 million with unsecured MLR of Krung Thai Bank +1%. During the year 2016, the Company received financial support from NSG several times under the margin of the Board of Directors approved to operate the business smoothly. 2. Outstanding balance from purchasing assets according to the Agreement dated on June 24, 2009 and Amendment of Memorandum dated on February 12, 2010 and dated on February 19, 2010
20. D Varee Hotels and Resorts Co., Ltd.	- Mr. Pramote Upattiya is the Cousin of Mr. Visanu Thepjaroen (the director and the shareholder of NUSA), the director of D Varee Hotels and Resorts Co., Ltd.	- Revenues from Rental Income and Service <b>Outstanding balance</b> - Other Accrued expenses - Accounts receivable	0.62  - 0.36	0.68  - 0.01	0.68  0.01 0.24	- Rental space fee at the Bangkok Medical Center

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
21. Panacee Medical Center Co., Ltd. , originally named “Villa Medica (Thailand) Co., Ltd.”	- (Formerly) Mrs. Siriya Thepjaroen (the director and the major shareholder of NUSA) is the director and the major shareholder of Panacee Medical Center Co., Ltd. , holding the proportion of 59.05% of shareholding. Presently, there has been already changed the shareholder, therefore, the transactions are disconnected with the Company (data as of February 1, 2017)	- Revenues from Rental Income and Service	1.44	1.55	1.44	- Rental space fee at the Bangkok Mediplex by its price and terms are not different from the transaction that does with the unrelated party (company).
		- Other income	0.26	-	-	
		<b>Outstanding balance</b>				
	Mr. Siwa Thepjaroen, the younger brother of Mr. Visanu Thepjaroen and the	- Accounts Receivable	1.34	1.64	2.31	- Accounts Receivable of rental
		- Other Accounts Receivable	2.86	2.85	0.02	- Other Accounts Receivable that “Nusasiri” advanced
		- Other deposits	0.26	0.26	0.26	- Other deposits for rental
		- Other accrued expenses	-	-	0.81	
		- Accounts Payable	0.43	-	-	
		- Other payables	3.52	-	-	
		- Rental income and accrued service income	-	0.96	-	

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
	group of related parties and the group of concert party with Mr. Visanu Thepjaroen, Mrs. Siriya Therpjaroen, NSG and KMP are the shareholders of Panacee Medical Center Co., Ltd. , in the proportion of 2.75% (data as of February 1, 2017)					
22. Money Constructions 2012 (Thailand) Co., Ltd.	- A party associated with the executive, conducting a business for non-residential buildings	- Construction fees <u>Outstanding balance</u> - Other Accounts - Receivable Construction Retention - Account Payable	- 0.01 3.03 - -	1.42 0.01 3.07 -	0.64 0.01 3.56 0.03	- Construction expenses for projects of Nusasiri Public Company Limited
23. Gene Life Co., Ltd. ("Gene Life")	- Mrs. Duangdaow Chaichana as the younger sister of the director/the executive, a shareholder of Gene Life with the	- Revenues from Rental Income and Service <u>Outstanding balance</u> - Accounts Receivable	0.45 0.48	0.60 0.63	0.74 1.65	- Renting a condominium unit at the Bangkok Mediplex to Gene Life is a transfer of rights and duties from Nusasiri Grand Co., Ltd. in accordance with the existing lease agreement prior to the transfer date. (According to the sale agreement dated on



A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
	proportion of 10% (data as of April 28, 2016) - Mrs. Tiwakorn Chaichana as the wife of the director /the executive of Nusasiri Co., Ltd. ("NUSA"), a shareholder of Gene Life with the proportion of 45% (data as of June 29, 2010)					June 24, 2009, and the lease of a condominium unit at Bangkok Mediplex to Gene Life is a normal business transaction of the Company. The price and terms of the lease are not different from the transactions with the unrelated parties.
24. Riya Food Group Co., Ltd.	- A party associated with the director, conducting a restaurant business	- Revenues from Rental Income and Service <b>Outstanding balance</b> - Accounts Receivable - Prepaid Expenses - Advance - Account Payable - Other Accrued expenses - Accounts Payable - Other payable	-  - - - - 0.85 0.92	-  0.55 0.25 0.08  - - 0.83	1.98  10.83 - 0.09  0.88 - -	- Accounts Receivable of rental fee, maintenance fee, Water bill and Electric bill at Nusa Avenue  - Security expense and cleaning expense at Nusa Avenue

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
25. N Hotel Co., Ltd.	- A party associated with the director conducting the hotel, resort and condominium business in Phuket province	Accrued Interest	1.18	0.59	0.11	- Interest Incomes from N Hotel Co., Ltd.
		<b>Outstanding balance</b>				
		- Accounts Receivable	0.29	0.29	-	- Consumption cost use for service.
		- Other deposits	0.29	0.29	0.29	
		- Loan and Accrued Interest Incomes	27.15	11.91	3.31	
26. Siri Grand Property Co., Ltd.	- A joint venture for investment in the property business development to sell and develop lands and other developments related to a high-rise and low-rise property.	- Revenue from selling of land	-	669.68	-	- Rental fee of Avenue Rama II project
		- Revenue from rental and service	-	0.64	-	- Advanced of Rama II project phase 2-3
		- Interest received	20.55	18.86	-	
		- Other income	0.76	9.81	-	
		<b>Outstanding balance</b>				
		- Advance received for land	-	-	100.00	
		- Other Accounts Receivable	0.15	0.11	-	
		- Loans + Accrued interest	304.62	284.06	-	- Loans and interest (Siri Grand Property Co., Ltd.)
27. Risland Grand Co., Ltd. (Changed name from Siri Grand Asset Co., Ltd.)	- A joint venture for investment in the property business development to sell and develop lands and other developments related to a high-rise and low-rise property.	-Revenue from selling of land	-	327.55	-	
		Interest received	10.67	9.79	-	
		<b>Outstanding balance</b>				
		- Other Accounts Receivable	0.12	0.05	-	
		- Loans + Accrued interest	158.17	147.49	-	- Loans and interest (Risland Grand Co., Ltd.)

A party who may have led to the conflict of interests	Relationship	Nature of Transactions	Value of Transaction Dec. 31 <sup>st</sup> , 19 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 18 (million baht)	Value of Transaction Dec. 31 <sup>st</sup> , 17 (million baht)	Necessity and Responsibility
28. Mr. Somkid Sari	Director of Nusasiri Co., Ltd. ("NUSA")	Other expenses	0.84	0.84	-	- Rental fee
29. Mr. Virasak Sirirat	Shareholder	Other expenses	0.96	0.96	-	- Rental fee
30. Ms. kamonporn Krishna	Shareholder	Other expenses	1.52	1.52	-	- Rental fee
31. Mr. Sirawit Thepcharoen	Shareholder	Revenue from selling of land and Building	16.74	-	-	- Revenue from selling of land and Building Pattaya Project
32. Mr. Uwarn Saefung	a related Joint venture	Revenue from sales of condominiums	15.12	-	-	Revenue from sales of condominiums State Project
33. Advance received from customers and the several related parties	- The major shareholder, the director, the executive and the related parties of the major shareholder, the executive director, the executive	<b>Outstanding balance</b> - Advance received from customers	16.13	39.97	4.13	- These transactions are an advance receive for booking fee and down payment for the condominium units at Parc Exo, Up Ekamai, Nusa Chivani Pattaya, Fresh condo, Rama II phase 1 and Nusa State Tower which are normal business transactions. The price and terms of selling are not different from the transactions with the unrelated parties.



# REPORT FROM AUDIT COMMITTEES

The Audit Committees of Nusasiri Public Company Limited consists of 4 independent directors, appointed by the Board of Directors, not relate with management, which has all attributes with regard to the requirements of The Stock Exchange of Thailand and The Securities and Exchange Commission, Thailand.

1. Mr. Pradit Sawattananond Chairman of the Audit Committee
2. Mr. Somkit Sari Audit Committee
3. Mrs. Sirinongnard Piewpanich Audit Committee
4. Mr. Piboon Vorravanpreecha Audit Committee

Mr. Kampol Sangsrijan serves as the Secretary of the Audit Committee.

All of the Audit Committees have sufficient knowledge, experience and independence in performing their duties and responsibilities deliberately under the Audit Committee Charter. In the last year, the Audit Committees held the 4-time meeting and meeting with External Audit 1-time, without management join the meeting, which had the critical operation as follows;

## 1. A Financial Audit

The Audit Committees audited the financial statements for the year 2019 by attending the meeting with the external auditor and the related executive to inquire and listen to the explanation. And also to confirm that the company's financial statements and the disclosure of critical information were accurate, complete, and reliable. The Audit Committees concluded opinion that the Company's financial statements prepared were correct, complete and adequate for disclosure of matter information based on accounting standard.

## 2. Auditing of an Internal Control System

The Audit Committees audited an evaluation of sufficiency of the company's internal control system by analyzing the report of the internal auditors and the external auditor to ensure that the internal control of the company was sufficient to prevent and reduce any kind of risks that might occur. The Committees were firmly of the opinion that the company had the internal control system efficiently adequate to operate the business.

## 3. Risk Management

The Audit Committees checked and evaluated the effectiveness of the risk management processes of the company and suggested the company to appoint the Risk Management Sub-Committees who has duties to consider suggest the material risks including to suggest risks management plan and monitoring any risks that will affect to organization's goal and strategy.

## 4. Compliance with laws

The Audit Committees had an operational audit of the company and expressed opinion that the company observed the law and the requirements related to foster a good corporate governance and comply with the Securities and Exchange Act, Requirements of the Stock Exchange of Thailand as well as the law associated with the business of the company.

## 5. A Related- Party Transaction or a Conflict-of-Interest Transaction

The Audit Committees reviewed and commented on transactions related to a party/parties, and transactions that might lead to conflict of interest of the company. To determine whether the transactions were carried out under the business conditions reasonably required by the Stock Exchange of Thailand. The Audit Committees concluded opinion that the company could satisfy the correct criteria by doing business as reasonable, disclosed complete information accurately, and considered the interests of stakeholders as well.

## 6. Internal Audit Governance

The Audit Committees checked the internal audit to assess an effectiveness of the internal audit department by taking the audit principles into consideration, focusing on a risk level of the business, an annual audit plan, information in the audit report, tracking a solving-problem result of the issues according to the report, auditing key issues and giving a suggestion for the effective and efficient improvement on the audit operation, which includ-

ed the annual work performance evaluation of the internal audit department. In the Audit Committees' opinion, the internal audit was independent, appropriate and effective resulting in a good internal control, a good risk management and good corporate governance.

## 7. Check Fraud Prevention and Fraud Audit

The Audit Committees checked a fraud audit, which included checking measures and defining approaches in fraud prevention that might occur in the systems. Besides, The Committees also defined to receive a complaint, receive a whistle-blowing and protect a whistle-blower, together with giving a related person to conduct an investigation must follow the full procedure including to suggest the company to set the anti-corruption policies.

## 8. Selection and Appointment of Auditor for the year 2019

The Audit Committees considered a qualified external auditor from being independence, reputation, portfolio, and reasonable remuneration. In this year, the Committees have proposed the external auditor from EY Office Limited to the Board of Directors; meanwhile, the Annual General Meeting of Shareholders for the year 2019

To summarize the overall picture, the Audit Committees have performed their duties with prudence independently throughout the working period. They had transparency and ethical conduct set forth in the Audit Committee Charter approved by the Board of Directors. The Audit Committees expressed opinion that the company has been reported the financial information making accurately, completely and reliably, has the internal control system and internal audit appropriately, including enforcing the law, rules and regulations relevant to the business operation of the company in the line with Corporate Governance, transparency and auditable the operation. The company are also able to maintain the benefits for all stakeholders.



(Mr. Pradit Sawattananond)

Chairman of the Audit Committee

# REPORT FROM THE NOMINATION AND REMUNERATION COMMITTEES

The Board of Directors of Nusasiri Company Limited has appointed four independent directors of the Nomination and Remuneration Committee as follows;

1. Mr.Somkid	Sari	Chairman of the Nomination and Remuneration Committee
2. Mr.Pradit	Sawattananond	Director of the Nomination and Remuneration Committee
3. Mrs.Sirinongnard	Priewpanich	Director of the Nomination and Remuneration Committee
4. Mr.Piboon	Vorravanpreecha	Director of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has duty and responsibility of selecting suitable candidates to be the director and the high-level executive, as well as consider the format and criteria for the remuneration of directors and top executives in the line with the Good Corporate Governance.

In selecting and nominating of the Nomination and Remuneration Committee takes into the consideration the specific knowledge, abilities and experience beneficial to the Company's operations. They have good work experience, are able to devote their time to the Company adequately, have the Company Responsibility, and must not have the Conflict of Interest with the Company, including the qualification of these candidates must be proper as required by the Company by considering from proportion, number and composition of the committees in different fields in accordance with the Basic Legal Requirements, the Article of Association of the Company and the Good Corporate Governance.

The Nomination and Remuneration Committee has considered the determination of the remuneration as suitable as their duties and responsibilities, including complying with the Company's criteria as regards the Company's performance, the business environment, as well as economic conditions.

The Nomination and Remuneration Committee has completely finished their job assignment carefully, deliberately, fully and independently, including straightforwardly, and determines to perform their duties and responsibilities assigned by the principle of equality, fairness, and transparency in compliance with the Good Corporate Governance and for the highest benefits of all shareholders and stakeholders.



Mr.Somkid Sari  
Chairman of Nomination and Remuneration Committee



## REPORT FROM THE RISK MANAGEMENT SUBCOMMITTEES

Nusasiri Public Company Limited has realized the importance of risk management. Because seeing that risk management is an important foundation of business management. The risk management process, whether it is identifying risks, risk assessment, as well as control and regularly review of risks is considered an aggressive management that the company must do and follow. Therefore, has appointed the Risk Management Subcommittee which is responsible for determining the criteria and risk management policies so that the risk is at an acceptable level including monitoring and evaluating risk management results to report risk assessment results to the Executive Committee, Audit Committee and the Board of Directors.

The operations of the risk management subcommittees for the year 2019 were responsible for governance and risk management of the company by holding every quarterly meeting to analyze risks in various fields that may have impacted on its business operations, develop tools and a risk management system according to the current situation and also promote the development of risk management effectively. For the purpose that the risk management subcommittees followed the procedures of risk management process seriously, under the Corporate Governance Principles to ensure that the risk management was adequate, appropriate and helped the company to accomplish the business goals resulting in the maximum benefits to the company and the shareholder.

Mr. Sompijit chaichanajarak  
Chairman of the Risk Management Subcommittees

# Report on the Board of Director's Responsibility for Financial Report

The Board of Directors is responsible for financial statements of Nusasiri Public Company Limited and the consolidated financial statements of Nusasiri Public Company Limited and its subsidiaries including the information technology regarding financial matters appear in the annual report. The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543., whereby appropriate accounting policies have been utilized and implemented on a continual basis with careful discretion and best practice for the forecast. Also, important information has been sufficiently disclosed in the notes to financial statements in order to be transparent and beneficial to shareholders and general investors.

The Board of Director has provided suitable and efficient internal control system to reasonably assure that the accounting information is correct, complete, adequate and timely in order to maintain the property and prevent dishonest act or adverse act in material matters. It has also appointed the Audit Committee comprising independent directors who perform supervisory duties and review accounting policies and quality of financial reports, internal control system and the internal audit procedures to be efficient. The opinions of the Audit Committee on the above-mentioned matters are as appear in the report of the Audit Committee as presented in the annual report.

The financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries have been audited by the auditor of the Company, which was EY Office Limited. For the audit, the Board of Directors has provided information and documents in order for the auditor to be able to perform the auditing work and express opinions according to the accounting standards. Such opinions of the auditor appear without qualifying in the report of the auditor as presented in the annual report.

The Board of Directors is of the opinion that the overall internal control system of the Company has maintained an effective internal control at an adequate and appropriate level of protection and created reasonable confidence that the financial statements of Nusasiri Public Company Limited and the consolidated financial statements of Nusasiri Public Company Limited and its subsidiaries for the year ended 31 December 2019 are reliable in all material respects and have been prepared in accordance with Thai Financial Reporting standards and relevant laws and regulations.



Mr. Visanu Thepcharoen  
Chairman of the Board of Directors

# Independent Auditor's Report and Financial statements

Nusasiri Public Company Limited and its subsidiaries  
Report and consolidated financial statements  
31 December 2019

## Independent Auditor's Report

To the Shareholders of Nusasiri Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of Nusasiri Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, 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 Nusasiri 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 Nusasiri Public Company Limited and its subsidiaries and of Nusasiri Public Company Limited as at 31 December 2019, 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.

### Material Uncertainty Relating to Going Concern

As mentioned in Note 1 b) to the financial statements, the Group has had persistent operating losses and, as at 31 December 2019, the Group's total current liabilities exceeded its total current assets by Baht 1,116 million and it had a deficit of Baht 1,802 million. Current liabilities included debentures maturing in one year of Baht 980 million and payable for construction of a subsidiary by Baht 1,146 million, against which the Group's project is pledged as collateral. As of the date of this report, Baht 516 million of the amount payable for construction of the subsidiary has already come due and the remaining amount will gradually become due, with full settlement to be made by June 2020. The Group believes that the subsidiary's failure to pay the amount due will not cause the default in other liabilities because up to the current date, the creditor of the construction payable has not entered into judicial process and the Group is negotiating with the creditor to postpone the settlement to commence in July 2020 in accordance with a new payment schedule. This is the result of a dispute over a delay in the delivery of construction work, which caused a delay in the launch of the subsidiary's project. The Group expects the negotiations to be successful.

The Group plans to issue and offer debentures during Quarter 2 to Quarter 4 of 2020 with cash receipts to be used for settlement of debentures maturing in one year and the creditor. The debentures that the Group plans to issue are to be secured by projects



of the Group which are free of encumbrances and projects which are currently used to secure the debentures maturing in one year. The Group believes that the debentures will be issued and offered as planned despite the announcement by a subsidiary to close its project in March 2020 as disclosed in Note 38.2 because management believes that the project closure will not affect investors' confidence. Furthermore, the Group is in the process of implementing a performance improvement plan to improve the efficiency of its operations and to successfully turn a profit in the future.

These circumstances demonstrate that there are significant uncertainties which may raise substantial doubt about the ability of the Group to continue as a going concern. This will depend on the outcome of the negotiations with the creditor, timely issuance and offering of debentures to be used as working capital and to fund settlement of the creditor and maturing debentures, and the improvement in future operations. My opinion is not qualified in respect of these matters.

### Emphasis of Matters

I draw attention to the following notes to financial statements:

1. As mentioned in Note 34.1 to the financial statements, the Group sold some of the land and houses and condominium units to customers with an option to sell them back to the Group under conditions stipulated in the agreement. The Group recognised revenue from the sales of land and houses and condominium units on the date on which the Group registered the transfer of the title deed to the customer and received payment from the customer. Management has conducted assessment and believes that the likelihood of customers exercising the option is remote. However, the possibility of customer exercising the option depends on economic circumstances and the real estate market in the future. As at 31 December 2019, the Group has commitments of Baht 1,956 million (2018: Baht 1,754 million) in respect of the option for customers to sell back the land and houses and condominium units.

2. As mentioned in Note 7 to the financial statements, as at 31 December 2019, the Group had an outstanding balance of deposit for purchase of investment of Baht 647 million (2018: Baht 536 million) presented in the consolidated statements of financial position. This relates to a memorandum of understanding to purchase shares in a company, under which the Group gradually made payment of the share price from 2017 until 2019 to allow the seller to arrange and gather an amount of shares that corresponded to the shareholding that it was agreed would be sold. The Group expects the purchase of shares to be completed within the second quarter of 2020.

3. As mentioned in Note 4 to the financial statements, during the current year the Group restated prior periods' financial statements. The adjustments are as follows:

- Write-off over-capitalised borrowing costs and other expenses of approximately Baht 192 million in the consolidated financial statements and approximately Baht 134 million in the separate financial statements from project development cost, land awaiting development, and property, plant and equipment as at 31 December 2018.

- Record provision for liabilities arising from sales of land and houses and condominium units with leaseback agreements of approximately Baht 452 million in the consolidated financial statements and approximately Baht 291 million in the separate financial statements as at 31 December 2018.

- Record provisions totaling Baht 488 million for impairment on investments and advance for capital increase in subsidiary and for doubtful loan to subsidiary and interest receivable in the separate financial statements as at 31 December 2018.

The Group restated the consolidated statement of financial position as at 31 December 2018, and the consolidated statements of comprehensive income, changes in shareholders' equity and cashflows for the year ended 31 December 2018 of Nusasiri Public Company Limited and its subsidiaries, and the statement of financial position as at 31 December 2018 and statements of comprehensive income, changes in shareholders' equity and cashflows for the year

ended 31 December 2018 of Nusasiri Public Company Limited, presented herein as comparative information, to reflect the correction of those errors, and presented the consolidated statement of financial position of Nusasiri Public Company Limited and its subsidiaries and the separate statement of financial position of Nusasiri Public Company Limited as at 1 January 2018 as comparative information to reflect the above adjustments.

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.

#### **Recognition of revenue from sales of real estate**

Revenue is a key performance indicator in the real estate industry that is of interest to users of the financial statements and directly affects the Group's profit or loss for the year, and as real estate sale agreements include a variety of clauses pertaining to matters such as promotional items, there is a risk relating to the valuation and timing of revenue recognition.

I audited revenue from sales of real estate using the following techniques:

- Selected a sample of real estate sale agreements to verify that revenue recognition was in consistent with the information stipulated in the relevant agreements, and whether it was in compliance with the Group's policy.

- Selected a sample of sales transactions that occurred during the year and near the period-end to verify against supporting documents.

- Reconciled the number of land and houses and condominium units that had not been transferred with original ownership title deeds, and in the case of ownership title deeds in the banks' custody, with bank confirmations.

- Analytically reviewed revenue account to detect possible irregularities in the revenue from sale of real estate account

#### **Provision for impairment of investments in subsidiaries and allowance for doubtful loan to subsidiaries**

As disclosed in Notes 7 and 12 to the financial statements, the Company recorded allowance for doubtful loan to subsidiary of Baht 135 million and allowance for impairment loss on investments in subsidiaries of Baht 1 million in the separate financial statements for the year. In determining the impairment loss on investments and allowance for doubtful loan to subsidiaries, management had to exercise judgement with respect to its evaluations and projections of future operating performance. There is thus a risk with respect to the amount of allowance for impairment loss and allowance for doubtful loan to subsidiaries recorded.

I inquired with management of the Company regarding the basis used to consider the indicators of impairment of investments and allowance for doubtful loans to subsidiaries and evaluated the basis used for such consideration by reviewing historical financial information, analyzing profitability and dividend projections of subsidiaries and reviewing the operating result projections prepared by management. I also gained an understanding of the process used in the preparation of the projections and inquired with manage-

ment about the key assumptions used in the preparation of such projections, in order to evaluate the reasonableness of the judgment used by management in the preparation of such projections.

**Provision for diminution in value of project development costs and provisions for impairment on investment properties, property, plant and equipment and land awaiting development**

The estimation of the net realisable value of project development costs, investment properties, property plant and equipment and land awaiting development is an area of significant management judgement. This requires detailed analysis of the nature of the projects, location, competitive market environment, economic circumstances and the situation within the industry. There is thus a risk with respect to the amount of provision set aside for those assets.

I gained an understanding of the process applied by the management in determining the provision for diminution in value of project development costs and provisions for impairment on investment properties, property, plant and equipment and land awaiting development and assessed the methods and assumptions used. I also compared net cash receipts from sales after the date of the financial statements with the costs of project development costs of each project, and evaluated the assumptions and methods used by the independent valuer to determine the fair value of project development costs, investment properties, property plant and equipment and land awaiting development.

**Other matters**

The consolidated statements of financial position of Nusasiri Public Company Limited and its subsidiaries, and the separate statements of financial position of Nusasiri Public Company Limited as at 31 December 2018 (before restatement), and as at 31 December 2017 (restated for preparation of the statement of financial position as at 1 January 2018) were audited by another auditor who expressed unqualified opinions on those statements, under her reports dated 28 February 2019

and 27 February 2018, respectively.

The consolidated statements of comprehensive income, and related consolidated statements of changes in shareholders' equity and cash flows for the year ended 31 December 2018 (before restatement) of Nusasiri Public Company Limited and its subsidiaries and the statement of comprehensive income, related statements of changes in shareholders' equity and cash flows for the year ended 31 December 2018 (before restatement) of Nusasiri Public Company Limited, presented herein as comparative information, were also audited by the aforementioned auditor, who expressed an unqualified opinion on those statements, under her report dated 28 February 2019.

**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.

Wattoo Kayankannavee

Certified Public Accountant (Thailand) No. 5423

EY Office Limited

Bangkok: 27 February 2020

Nusasiri Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2019	31 December 2018	1 January 2018	31 December 2019	31 December 2018	1 January 2018
		(Restated)			(Restated)		
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	8	25,734,149	329,287,433	468,517,226	14,635,237	316,637,293	456,275,295
Trade and other receivables	9	109,972,438	538,518,304	25,937,490	444,986,514	326,539,666	100,826,015
Short-term loans to related parties	7	435,170,000	414,120,000	14,757,662	3,289,270,147	2,746,626,436	1,258,592,375
Project development cost	10	1,861,092,982	2,224,252,374	3,978,128,961	1,690,137,448	1,966,504,172	3,860,248,803
Inventories		9,723,376	5,609,597	5,586,728	-	-	-
Deposit for purchase of land and condominium units		180,363,044	180,363,044	390,363,044	90,000,000	90,000,000	300,000,000
Value-added tax credit		60,792,268	45,173,087	26,500,190	-	-	-
Other current assets		130,475,995	116,728,191	58,501,427	26,683,530	22,735,813	22,456,049
<b>Total current assets</b>		<b>2,813,324,252</b>	<b>3,854,052,030</b>	<b>4,968,292,728</b>	<b>5,555,712,876</b>	<b>5,469,043,380</b>	<b>5,998,398,537</b>
<b>Non-current assets</b>							
Restricted bank deposits	11	44,130,796	41,169,709	22,244,939	20,349,265	20,388,908	-
Other long-term investments		-	-	700,000,400	-	-	-
Other long-term receivables - related parties	7	-	-	-	453,791,720	453,791,720	52,291,720
Investments in subsidiaries	12	-	-	-	1,807,091,051	1,808,201,050	1,995,742,675
Investments in joint ventures	13	381,781,495	487,286,764	326,188,584	596,715,161	573,520,161	330,311,940
Deposit for purchase of land	14	916,607,391	1,060,627,391	1,060,627,391	-	-	-
Land awaiting development	15	1,590,957,038	1,980,124,417	2,008,627,918	1,049,592,593	1,363,925,181	1,340,596,862
Investment properties	16	652,751,300	710,286,691	721,260,698	666,371,584	740,379,133	743,986,305
Property, plant and equipment	17	3,866,060,100	3,448,821,469	2,042,319,646	34,200,991	39,554,295	144,728,742
Intangible assets		14,213,250	14,338,513	5,912,722	2,830,683	3,311,003	3,311,051
Deferred tax assets	30	9,003,826	9,256,713	5,076,206	7,862,141	8,154,895	3,616,159
Withholding tax deducted at source		77,425,482	77,753,160	44,582,003	60,822,928	61,069,445	36,757,659
Advance payment for capital increase in subsidiary	7	-	-	-	55,782,247	105,072,257	124,320,000
Deposit for purchase of investments	7	647,200,000	536,000,000	138,000,000	-	-	138,000,000
Advance payment to contractors		14,772,897	20,472,286	191,731,675	-	-	-
Other non-current assets	9	15,887,336	420,615,112	433,044,798	8,118,568	394,672,025	417,304,851
<b>Total non-current assets</b>		<b>8,230,790,911</b>	<b>8,806,752,225</b>	<b>7,699,616,980</b>	<b>4,763,528,932</b>	<b>5,572,040,073</b>	<b>5,330,967,964</b>
<b>Total assets</b>		<b>11,044,115,163</b>	<b>12,660,804,255</b>	<b>12,667,909,708</b>	<b>10,319,241,808</b>	<b>11,041,083,453</b>	<b>11,329,366,501</b>

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



Nusasiri Public Company Limited and its subsidiaries  
Statement of financial position (continued)  
As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2019	31 December 2018	1 January 2018	31 December 2019	31 December 2018	1 January 2018
			(Restated)			(Restated)	
<b>Liabilities and shareholders' equity</b>							
<b>Current liabilities</b>							
Trade and other payables	18	1,550,151,251	810,401,998	446,378,667	237,478,446	356,462,045	303,280,774
Retention payables		77,518,025	78,921,778	88,510,790	56,798,546	56,752,684	64,518,987
Short-term debentures	20	229,979,054	59,282,119	-	229,979,054	59,282,119	-
Current portion of liabilities under finance lease agreements		9,458,346	21,652,869	22,316,769	-	674,497	2,325,945
Deposits and advance received from customers		215,147,665	210,597,840	79,215,602	14,861,816	59,379,939	26,195,978
Current portion of long-term loans from financial institutions	22	223,891,624	743,565,971	961,437,449	211,858,580	730,520,462	949,971,340
Current portion of long-term loans from other persons	23	210,000,000	99,806,344	48,927,060	-	-	-
Current portion of long-term debentures	24	718,627,438	1,645,685,137	798,194,487	718,627,438	1,645,685,137	798,194,487
Short-term loans from related parties	7	6,570,000	47,280,000	10,015,932	871,650,585	635,239,983	14,115,122
Short-term loans from other parties	21	340,990,631	229,843,471	892,740,332	301,443,334	180,566,302	694,339,661
Income tax payable		10,490,783	126,991	2,434,905	-	-	-
Short-term provisions	25	116,641,847	93,723,578	110,345,523	65,869,273	57,078,921	53,384,973
Other current liabilities		219,322,619	238,932,553	165,908,211	165,095,040	164,389,407	90,370,783
<b>Total current liabilities</b>		<b>3,928,789,283</b>	<b>4,279,820,649</b>	<b>3,626,425,727</b>	<b>2,873,662,112</b>	<b>3,946,031,496</b>	<b>2,996,698,050</b>
<b>Non-current liabilities</b>							
Other long-term payables	19	-	912,009,785	63,790,767	-	-	-
Liabilities under finance lease agreements - net of current portion		427,200	9,932,514	30,918,825	-	-	692,703
Long-term loans from financial institutions - net of current portion	22	88,921,367	20,218,147	524,608,022	80,000,000	-	493,567,966
Long-term loans from other persons - net of current portion	23	-	210,000,000	309,722,981	-	-	-
Long-term debentures - net of current portion	24	801,438,340	290,781,917	1,286,915,825	801,438,340	290,781,917	1,286,915,825
Long-term provisions	25	344,333,787	370,418,367	303,044,040	256,358,065	233,522,470	129,503,486
Provision for long-term employee benefits		6,593,262	8,750,591	9,132,560	3,250,806	6,366,988	7,644,641
<b>Total non-current liabilities</b>		<b>1,241,713,956</b>	<b>1,822,111,321</b>	<b>2,528,133,020</b>	<b>1,141,047,211</b>	<b>530,671,375</b>	<b>1,918,324,621</b>
<b>Total liabilities</b>		<b>5,170,503,239</b>	<b>6,101,931,970</b>	<b>6,154,558,747</b>	<b>4,014,709,323</b>	<b>4,476,702,871</b>	<b>4,915,022,671</b>

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

Nusasiri Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)							
	Consolidated financial statements			Separate financial statements			
Note	31 December 2019	31 December 2018	1 January 2018	31 December 2019	31 December 2018	1 January 2018	
	(Restated)			(Restated)			
<b>Shareholders' equity</b>							
Share capital	26						
Registered							
9,597,464,031 ordinary shares of Baht 1 each							
(31 December 2018: 10,160,910,748 ordinary shares of Baht 1 each)							
(1 January 2018: 10,488,054,292 ordinary shares of Baht 1 each)							
	<u>9,597,464,031</u>	<u>10,160,910,748</u>	<u>10,488,054,292</u>	<u>9,597,464,031</u>	<u>10,160,910,748</u>	<u>10,488,054,292</u>	
Issued and fully paid-up							
7,641,078,761 ordinary shares of Baht 1 each							
(1 January 2018: 6,947,134,128 ordinary shares of Baht 1 each)							
	7,641,078,761	7,641,078,761	6,947,134,128	7,641,078,761	7,641,078,761	6,947,134,128	
Share premium	9,926,154	9,926,154	356,896,102	9,926,154	9,926,154	356,896,102	
Retained earnings							
Appropriated - statutory reserve	28	11,116,911	11,116,911	2,838,073	2,838,073	2,838,073	
Unappropriated (deficits)		(1,802,007,894)	(1,152,781,224)	(1,349,310,503)	(1,089,462,406)	(892,524,473)	
Other components of shareholders' equity		<u>(32,403,100)</u>	<u>(11,488,493)</u>	-	-	-	
Equity attributable to owners of the Company		5,827,710,832	6,497,852,109	6,304,532,485	6,564,380,582	6,414,343,830	
Non-controlling interests of the subsidiaries		<u>45,901,092</u>	<u>61,020,176</u>	-	-	-	
<b>Total shareholders' equity</b>		<u>5,873,611,924</u>	<u>6,558,872,285</u>	<u>6,304,532,485</u>	<u>6,564,380,582</u>	<u>6,414,343,830</u>	
<b>Total liabilities and shareholders' equity</b>		<u>11,044,115,163</u>	<u>12,660,804,255</u>	<u>10,319,241,808</u>	<u>11,041,083,453</u>	<u>11,329,366,501</u>	

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

## Statement of comprehensive income

For the year ended 31 December 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
			(Restated)		(Restated)
Profit or loss:					
Revenues					
Revenue from sales of real estate	7	1,241,424,287	2,371,099,842	855,021,626	2,308,239,090
Rental and service income		191,901,741	181,924,968	29,422,123	26,729,479
Revenue from theme park		26,232,659	-	-	-
Gain on sales of investment properties		-	-	8,126,704	-
Other income					
Project management fee income	7	-	-	-	24,960,000
Interest income	7	55,052,598	202,783,443	193,972,031	177,796,425
Gain on sale of investment in associate		-	-	-	6,010,186
Gain on exchange rate		77,784,962	5,405,507	-	55,376
Others		71,182,722	53,535,786	28,237,730	43,989,681
Total revenues		1,663,578,969	2,814,749,546	1,114,780,214	2,587,780,237
Expenses					
Cost of real estate sold		974,369,206	2,038,514,676	627,795,050	2,033,056,663
Cost of rental and service		125,083,226	97,090,000	22,447,383	16,562,722
Cost of theme-park service		81,758,212	-	-	-
Selling expenses		205,818,225	214,225,501	84,339,402	168,803,199
Administrative expenses		471,480,669	374,247,077	178,637,409	188,098,676
Loss on impairment of assets		71,729,540	44,599,494	34,144,336	44,599,494
Doubtful debt expenses		12,899,055	-	103,842,025	-
Loss on impairment of investment in subsidiary and advance payment for capital increase in subsidiary		-	-	50,400,009	69,284,443
Total expenses		1,943,138,133	2,768,676,748	1,101,605,614	2,520,405,197
Profit (loss) before share of loss from investments in associate and joint ventures, finance cost and income tax					
		(279,559,164)	46,072,798	13,174,600	67,375,040
Share of loss from investments in associate and joint ventures	13	(130,169,120)	(71,452,090)	-	-
Profit (loss) before finance cost and income tax					
		(409,728,284)	(25,379,292)	13,174,600	67,375,040
Finance cost		(245,639,074)	(281,609,504)	(277,683,798)	(272,423,089)
Loss before income tax					
		(655,367,358)	(306,988,796)	(264,509,198)	(205,048,049)
Income tax benefits (expenses)	30	(12,941,480)	4,867,129	698,017	5,253,012
Loss for the year					
		(668,308,838)	(302,121,667)	(263,811,181)	(199,795,037)
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements in foreign currency		(20,914,607)	(2,586,146)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		(20,914,607)	(2,586,146)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gain - net of income tax		3,963,084	3,254,452	3,963,084	2,857,104
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		3,963,084	3,254,452	3,963,084	2,857,104
Other comprehensive income for the year					
		(16,951,523)	668,306	3,963,084	2,857,104
Total comprehensive income for the year					
		(685,260,361)	(301,453,361)	(259,848,097)	(196,937,933)

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



**Nusasiri Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2019**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
<b>Profit (loss) attributable to:</b>				
Equity holders of the Company	(653,189,754)	(275,166,750)	<u>(263,811,181)</u>	<u>(199,795,037)</u>
Non-controlling interests of the subsidiaries	<u>(15,119,084)</u>	<u>(26,954,917)</u>		
	<u>(668,308,838)</u>	<u>(302,121,667)</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	(670,141,277)	(274,498,444)	<u>(259,848,097)</u>	<u>(196,937,933)</u>
Non-controlling interests of the subsidiaries	<u>(15,119,084)</u>	<u>(26,954,917)</u>		
	<u>(685,260,361)</u>	<u>(301,453,361)</u>		
<b>Loss per share</b>	31			
Basic loss per share				
Loss attributable to equity holders of the Company	<u>(0.09)</u>	<u>(0.04)</u>	<u>(0.03)</u>	<u>(0.03)</u>

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

Nusasiri Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity  
For the year ended 31 December 2019

	Consolidated financial statements											(Unit: Baht)
	Equity attributable to owners of the Company											
	Other components of shareholders' equity											
	Other comprehensive income											
	Exchange differences on translation of financial statements in foreign currency											
Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings	Unappropriated (deficits)	Exchange differences on translation of financial statements in foreign currency	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total	shareholders' equity		
6,947,134,128	356,896,102	11,116,911	(344,580,114)	(536,288,812)	(8,902,347)	(8,902,347)	6,961,664,680	138,631,858	7,100,296,538			
6,947,134,128	356,896,102	11,116,911	(880,868,926)	(8,902,347)	(8,902,347)	(8,902,347)	6,425,375,868	87,975,093	6,513,350,961	(586,945,577)		
-	-	-	(275,166,750)	-	-	-	(275,166,750)	(26,954,917)	(302,121,667)			
-	-	-	3,254,452	(2,586,146)	(2,586,146)	(2,586,146)	668,306	-	668,306			
-	-	-	(271,912,298)	(2,586,146)	(2,586,146)	(2,586,146)	(274,498,444)	(26,954,917)	(301,453,361)			
693,944,633	(346,969,948)	-	-	-	-	-	346,974,685	-	346,974,685			
7,641,078,761	9,926,154	11,116,911	(1,152,781,224)	(11,488,493)	(11,488,493)	(11,488,493)	6,497,852,109	61,020,176	6,558,872,285			
7,641,078,761	9,926,154	11,116,911	(563,035,335)	(11,488,493)	(11,488,493)	(11,488,493)	7,087,597,998	114,849,847	7,202,447,845			
-	-	-	(589,745,889)	-	-	-	(589,745,889)	(53,829,671)	(643,575,560)			
7,641,078,761	9,926,154	11,116,911	(1,152,781,224)	(11,488,493)	(11,488,493)	(11,488,493)	6,497,852,109	61,020,176	6,558,872,285			
-	-	-	(653,189,754)	-	-	-	(653,189,754)	(15,119,084)	(668,308,838)			
-	-	-	3,963,084	(20,914,607)	(20,914,607)	(20,914,607)	(16,951,523)	-	(16,951,523)			
-	-	-	(649,226,670)	(20,914,607)	(20,914,607)	(20,914,607)	(670,141,277)	(15,119,084)	(685,260,361)			
7,641,078,761	9,926,154	11,116,911	(1,802,007,894)	(32,403,100)	(32,403,100)	(32,403,100)	5,827,710,832	45,901,092	5,873,611,924			

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

**Nusasiri Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the year ended 31 December 2019**

	Separate financial statements					(Unit: Baht)
	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity	
			Appropriated - statutory reserve	Unappropriated (deficits)		
<b>Balance as at 31 December 2017 - as previously reported</b>	6,947,134,128	356,896,102	2,838,073	(203,501,263)	7,103,367,040	
Cumulative effects of prior year's restatement (Note 4)	-	-	-	(689,023,210)	(689,023,210)	
<b>Balance as at 31 December 2017 - as restated</b>	6,947,134,128	356,896,102	2,838,073	(892,524,473)	6,414,343,830	
Loss for the year - restated	-	-	-	(199,795,037)	(199,795,037)	
Other comprehensive income for the year - restated	-	-	-	2,857,104	2,857,104	
Total comprehensive income for the year - restated	-	-	-	(196,937,933)	(196,937,933)	
Increase share capital	693,944,633	(346,969,948)	-	-	346,974,685	
<b>Balance as at 31 December 2018 - as restated</b>	7,641,078,761	9,926,154	2,838,073	(1,089,462,406)	6,564,380,582	
<b>Balance as at 31 December 2018 - as previously reported</b>	7,641,078,761	9,926,154	2,838,073	(176,874,590)	7,476,968,398	
Cumulative effects of prior year's restatement (Note 4)	-	-	-	(912,587,816)	(912,587,816)	
<b>Balance as at 31 December 2018 - as restated</b>	7,641,078,761	9,926,154	2,838,073	(1,089,462,406)	6,564,380,582	
Loss for the year	-	-	-	(263,811,181)	(263,811,181)	
Other comprehensive income for the year	-	-	-	3,963,084	3,963,084	
Total comprehensive income for the year	-	-	-	(259,848,097)	(259,848,097)	
<b>Balance as at 31 December 2019</b>	7,641,078,761	9,926,154	2,838,073	(1,349,310,503)	6,304,532,485	

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



Nusasiri Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018 (Restated)
<b>Cash flows from operating activities</b>				
Loss before tax	(655,367,358)	(306,988,796)	(264,509,198)	(205,048,049)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	103,027,321	76,742,732	26,664,660	21,941,779
Allowance for doubtful accounts	12,899,055	-	103,842,025	-
Reduction in value of project development cost to net realisable value	6,322,901	6,534,639	6,322,901	6,534,639
Loss on impairment of investments in subsidiaries and advance payment for capital increase in subsidiary	-	-	50,400,009	69,284,443
Loss (gain) on disposals of investment in associates	-	4,647,765	-	(6,010,185)
Share of loss from investments in associates and joint ventures	130,169,120	71,452,090	-	-
Loss on impairment of assets	71,729,540	44,599,494	34,144,336	44,599,494
Reversal of loss on impairment of building	(3,324,775)	-	(3,324,775)	-
Gain on disposals of investment properties	-	-	(8,126,704)	-
Loss on disposals of building and equipment	5,983,654	-	3,324,775	-
Provision for long-term employee benefits	2,796,526	3,559,105	1,837,673	2,293,728
Write-off of withholding tax deducted at source	7,492,056	-	364,521	-
Penalty for termination of contract	-	10,000,000	-	10,000,000
Loss on provision for onerous contracts	61,273,647	161,097,906	61,273,647	161,097,906
Provision for lawsuits	16,452,400	-	14,600,000	-
Unrealised gain on exchange rate	(75,856,507)	(5,405,507)	-	-
Interest income	(55,052,598)	(202,783,443)	(193,972,031)	(177,796,425)
Interest expenses	164,978,047	200,972,375	210,872,760	206,150,057
Amortisation of front-end fee	254,032	9,829,482	60,377	9,829,482
Amortisation of debenture issuing cost	45,500,657	41,753,411	45,500,657	41,753,411
Profit (loss) from operating activities before changes in operating assets and liabilities	(160,722,282)	116,011,253	89,275,633	184,630,280
Operating assets decrease (increase)				
Trade and other receivables	(18,347,171)	(11,115,123)	28,813,701	(49,318,687)
Project development cost	899,278,209	1,855,471,951	584,376,412	1,853,276,944
Inventories	(4,113,779)	(22,870)	-	-
Deposit for purchase of land and condominium units	-	200,000,000	-	200,000,000
Other current assets	(21,141,508)	(76,899,661)	8,941,906	(279,765)
Other non-current assets	404,727,776	(28,845,032)	386,553,457	(18,641,895)
Operating liabilities increase (decrease)				
Trade and other payables	(120,129,981)	(113,056,091)	(149,211,393)	55,771,344
Retention payables	(1,403,753)	(9,589,012)	45,862	(7,766,304)
Deposits and advance received from customers	4,549,825	131,382,238	(44,518,123)	33,183,961
Other current liabilities	(11,583,703)	73,024,343	8,731,864	74,018,625
Cash flows from operating activities	971,113,633	2,136,361,996	913,009,319	2,324,874,503
Cash received from interest income	27,519,823	168,446,983	6,824,868	1,401,461
Cash paid for corporate income tax	(23,369,575)	(35,479,071)	(13,007,628)	(24,311,786)
<b>Net cash flows from operating activities</b>	<b>975,263,881</b>	<b>2,269,329,908</b>	<b>906,826,559</b>	<b>2,301,964,178</b>

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

Nusasiri Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(Restated)		(Restated)
<b>Cash flows from investing activities</b>				
Decrease (increase) in restricted bank deposits	(2,961,087)	(18,924,770)	39,643	(20,388,908)
Increase in short-term loans to related parties	(21,050,000)	(399,478,747)	(677,786,933)	(1,556,109,203)
Cash received from disposals of investments in subsidiaries	-	-	-	700,749,700
Cash paid for investments in subsidiaries	-	-	-	(563,244,775)
Cash received from disposals of other investments	466,190,906	232,987,576	-	-
Cash received from disposals of investments in associate	-	132,009,886	-	132,009,886
Cash paid for investments in joint ventures	(26,195,000)	(369,207,920)	(23,195,000)	(369,207,921)
Cash received from sales of land awaiting development	-	-	-	116,218,490
Cash paid for improvements of land awaiting development	-	(905,106)	-	(81,606)
Cash paid for acquisitions of investment properties	-3,407,448	-1,463,351	-1,772,083	-2,012,247
Cash received from disposals of investment properties	-	-	35,124,195	-
Cash paid for acquisitions of building and equipment	(341,327,894)	(137,983,593)	(1,286,271)	(3,083,641)
Cash received from disposals of building and equipment	36,124,195	-	-	-
Cash paid for payable for construction and purchase of assets	(242,155,377)	-	-	-
Cash paid for acquisitions of intangible assets	-3,318,706	-11,677,864	(101,971)	-582,243
Cash paid for deposit for purchase of investments	(111,200,000)	(398,000,000)	-	(263,500,000)
<b>Net cash flows used in investing activities</b>	<b>(249,300,411)</b>	<b>(972,643,889)</b>	<b>(668,978,420)</b>	<b>(1,829,232,468)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from related parties	(40,710,000)	37,264,068	236,410,602	621,124,862
Increase (decrease) in short-term loans from other parties	111,147,160	(662,896,860)	120,877,032	(513,773,359)
Repayment of long-term loans from other persons	(100,000,000)	(50,000,000)	-	-
Repayment of long-term loans from financial institutions	(451,031,504)	(732,090,834)	(438,722,259)	(722,848,325)
Cash received from issuing debentures	1,590,000,000	755,000,000	1,590,000,000	755,000,000
Repayment of debentures	(1,819,200,000)	(860,000,000)	(1,819,200,000)	(860,000,000)
Cash paid for debentures issuing cost	(62,004,998)	(26,114,551)	(62,004,998)	(26,114,551)
Cash paid for liabilities under finance lease agreements	(21,699,837)	(21,650,211)	(674,497)	(2,344,151)
Proceeds from increase in share capital	-	346,974,685	-	346,974,685
Cash paid for interest expenses	(225,790,066)	(219,815,963)	(166,536,075)	(210,388,873)
<b>Net cash flows used in financing activities</b>	<b>(1,019,289,245)</b>	<b>(1,433,329,666)</b>	<b>(539,850,195)</b>	<b>(612,369,712)</b>
<b>Decrease in translation adjustment</b>	<b>(10,227,509)</b>	<b>(2,586,146)</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(303,553,284)</b>	<b>(139,229,793)</b>	<b>(302,002,056)</b>	<b>(139,638,002)</b>
Cash and cash equivalents at beginning of year	329,287,433	468,517,226	316,637,293	456,275,295
<b>Cash and cash equivalents at end of year</b>	<b>25,734,149</b>	<b>329,287,433</b>	<b>14,635,237</b>	<b>316,637,293</b>
	-	-	-	-

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

Nusasiri Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2019

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2019</u>	<u>2018</u> (Restated)	<u>2019</u>	<u>2018</u> (Restated)
<b>Supplemental disclosure of cash flows information</b>				
Non-cash transaction:				
Transfer project development cost to land awaiting development	-	139,465,204	-	139,465,204
Transfer project development cost to investment properties	-	-	-	7,421,669
Transfer project development cost to property, plant and equipment	-	168,873,810	-	-
Transfer land awaiting development to property, plant and equipment	-	7,421,669	-	-
Transfer land awaiting development to project development cost	389,167,380	-	314,332,589	-
Sales of other long-term investment which cash not yet received	-	467,012,824	-	-
Payable for construction and purchase of assets of which no cash has been paid	122,800,933	1,203,313,827	-	-
Transfer property, plant and equipment to project development cost	-	210,550,721	-	96,614,913
Transfer advance payment to contractors to property, plant and equipment	5,699,389	171,259,389	-	-

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



# Notes to consolidated financial statements

## Nusasiri Public Company Limited and its subsidiaries

### Notes to consolidated financial statements

For the year ended 31 December 2019

#### 1. General information

- (a) Nusasiri 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 2922/209 Charn Issara Tower 2, 13th floor (12A), New Petchburi Road, Bangkapi, Huay Kwang, Bangkok.
- (b) The Group has had persistent operating losses and, as at 31 December 2019, the Group’s total current liabilities exceeded its total current assets by Baht 1,116 million and it had a deficit of Baht 1,802 million. Current liabilities included debentures maturing in one year of Baht 980 million and payable for construction of a subsidiary by Baht 1,146 million, against which the Group’s project is pledged as collateral. As at 27 February 2020, Baht 516 million of the amount payable for construction of the subsidiary has already come due and the remaining amount will gradually become due, with full settlement to be made by June 2020. The Group believes that the subsidiary’s failure to pay the amount due will not cause the default in other liabilities as up to the current date, the subsidiary has not entered into judicial process and the Group is currently negotiating with the creditor to postpone the settlement to commence in July 2020 in accordance with a new payment schedule. This is the result of a dispute over a delay in the delivery of construction work, which caused a delay in the launch of the subsidiary’s project. The Group expects the negotiations to be successful. The Group plans to issue and offer debentures during Quarter 2 to Quarter 4 of 2020 with cash receipts to be used for settlement of debentures maturing in one year and the creditor. The debentures that the Group plans to issue are to be secured by projects of the Group which are free of encumbrances and projects which are currently used to secure the debentures maturing in one year. The Group believes that the debentures will be issued and offered as planned despite the announcement by a subsidiary to close its project in March 2020 as disclosed in Note 38.2 because management believes that the project closure will not affect investors’ confidence. Furthermore, the Group is in the process of implementing a performance improvement plan to improve the efficiency of its operations and to successfully turn a profit in the future. The management believes that it is correct and appropriate to prepare the Group’s financial statements for the year ended 31 December 2019 based on the assumption that the Group will continue its operations as a going concern. Accordingly, such financial statements do not include any adjustments relating to the realisation of the recoverable amount and classification of the assets or the amount and classification of liabilities that might be necessary should the Group be unable to continue its operations as a going concern.

## 2 Basis for 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 dated 11 October 2016, 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 Nusasiri Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2019</u>	<u>2018</u>
			Percent	Percent
<b><u>Directly owned</u></b>				
Nusa Legend Siam Company Limited	Cultural Theme Park and Art Cultural Center Thailand	Thailand	100	100
Nusa My Ozone Company Limited	Property development, golf course and property rental	Thailand	75	75
Nusa Laya Company Limited	Property development	Thailand	100	100
Nusa Siracha Condotel C Company Limited	Ceased operations	Thailand	100	100
Nusa Pattaya Condominium Company Limited	Property development	Thailand	100	100
Nusa Laya Condominium Company Limited	Ceased operations	Thailand	100	100
Panacee Group Company Limited	Property development and investment in hospital business	Thailand	100	100
Nusa Chivani Phuket Company Limited	Property development	Thailand	100	100
Nusa One Company Limited	Hotel business and space for lease	Thailand	100	100
Nusa Residence Chiangmai Company Limited	Property development	Thailand	100	100
Nusa State Tower Company Limited	Property development	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2019</u> Percent	<u>2018</u> Percent
Nusa Maikhao Beach Company Limited	Ceased operations	Thailand	100	100
World Medical Alliance Company Limited (Formerly known as "Nusasiri Logistics (BVI) Limited")	Vehicle rental services	British Virgin Islands	100	100
<b><u>Indirectly owned</u></b>				
My Ozone Residence Company Limited (Held by Nusa My Ozone Company Limited at 100% of its registered share capital)	Property development	Thailand	75	75

- 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 companies 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 Company and its subsidiary companies 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 ventures 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 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. 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:

##### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any 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 2020**

The Federation of Accounting Professions issued a number of new and revised 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 except the following new standards which involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

A 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. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

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

## **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 using similar principles to those used under TAS 17.

The Group plans to adopt TFRS 16 using the modified retrospective method of adoption of 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 management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

### **4. Adjustment to the prior period's financial statements**

During the current year, the Group found that some accounting entries that were previously recorded were incorrect, and adjusted for the various effects of the correction of errors in prior periods' financial statements by restating those financial statements, presented herein as comparative information, to reflect the correction of those errors. The cumulative effect of these adjustments is presented as a separate item in the statement of changes in shareholders' equity. The adjustments are as follows:

- 4.1 Adjustments to project development costs, land awaiting development, and property, plant and equipment because of over-capitalised borrowing costs and other expenses to project costs in the prior year.
- 4.2 Adjustments to provision for liabilities arising from sale of land and houses and condominium units with leaseback agreements which was under recorded in the prior year.
- 4.3 Adjustments to the allowance for impairment of investment in subsidiaries, advance payment for capital increase in subsidiary, and allowance for doubtful debt of loans to subsidiary and interest receivables which were not recorded in the prior year.



The amounts of the adjustments affecting the statement of financial position and statement of comprehensive income are as follows:

(Unit: Thousand Baht)

		Increase (Decrease)			
		Consolidated		Separate	
		financial statements		financial statements	
		31 December	1 January	31 December	1 January
No.		2018	2018	2018	2018
<b>Statement of financial position</b>					
<b>Assets</b>					
Trade and other receivables	4.3	-	-	(17,663)	(17,663)
Short-term loans to related parties	4.3	-	-	(360,868)	(310,708)
Project development cost	4.1	(57,444)	(61,037)	(48,389)	(51,982)
Investments in subsidiaries	4.3	-	-	(90,036)	(40,000)
Land awaiting development	4.1	(85,782)	(85,782)	(85,782)	(85,782)
Property, plant and equipment	4.1	(48,785)	(39,314)	-	-
Advance payment for capital increase in subsidiary	4.3	-	-	(19,248)	-
<b>Total assets</b>		<b>(192,011)</b>	<b>(186,133)</b>	<b>(621,986)</b>	<b>(506,135)</b>
<b>Liabilities</b>					
Provisions	4.2	451,565	400,813	290,601	182,888
<b>Total liabilities</b>		<b>451,565</b>	<b>400,813</b>	<b>290,601</b>	<b>182,888</b>
<b>Shareholders' equity</b>					
Retained earnings	4.1 - 4.3	(589,746)	(536,289)	(912,587)	(689,023)
Non-controlling interests of the subsidiaries		(53,830)	(50,657)	-	-
<b>Total shareholders' equity</b>		<b>(643,576)</b>	<b>(586,946)</b>	<b>(912,587)</b>	<b>(689,023)</b>
<b>Total liabilities and shareholders' equity</b>		<b>(192,011)</b>	<b>(186,133)</b>	<b>(621,986)</b>	<b>(506,135)</b>

(Unit: Thousand Baht)

Profile for the year ended 31 December 2018

		Increase (Decrease)	
		Consolidated	Separate
	No.	financial statements	financial statements
<b>Statement of comprehensive income</b>			
<b>Profit or loss:</b>			
Revenue from sales of real estate	4.2	(161,098)	(161,098)
Other income	4.3	-	17,914
Cost of real estate sold	4.1	15,667	12,404
Cost of rental and service	4.2	139,400	-
Administrative expenses	4.3	-	(69,284)
Finance cost	4.1, 4.2	(50,599)	(23,501)
<b>Profit (loss) for the year</b>		<b>(56,630)</b>	<b>(223,565)</b>
<b>Profit (loss) attributable to:</b>			
Equity holders of the Company		(53,457)	(223,565)
Non-controlling interests of the subsidiaries		(3,173)	-
<b>Earnings per share (Baht)</b>			
Basic earnings (loss) per share		(0.01)	(0.03)

## 5. Significant accounting policies

### 5.1 Revenue recognition

#### a) *Revenue from sales of real estate*

Revenue from sales of land and houses and residential condominium units is recognised at the point in time when control of the real estate is transferred to the customer, generally upon transfer of the legal ownership. Revenue from sales of real estate is measured at the amount of the consideration received after deducting discounts and considerations payable to the customer. The terms of payment are in accordance with the payment schedule specified in the customer contract. Considerations received before transferring control of the real estate to the customer are presented under the caption of “Deposits and advances received from customers” in the statement of financial position.

#### b) *Revenue from sales of goods*

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

c) *Rental income*

Rental income is recognised in the statement of comprehensive income on an accrual basis over the term of the lease. Initial expenses are recorded as a part of total rental as lease agreement.

d) *Revenue from hotel business*

Room revenues are recognised on an accrual basis over the period of the guests stay. Food and beverage revenues are recognised after the food and beverages have been served. Recognised revenue does not include valued added tax and state net of discounts.

e) *Service income*

Service income is recognised at a point in time upon completion of the service.

f) *Interest income*

Interest income is recognised on an accrual basis based on the effective interest rate.

g) *Cost to obtain the contracts*

The Company and its subsidiaries recognises a commission paid to obtain a customer contract as an asset and amortise it to expense on a systematic basis that is consistent with the pattern of revenue recognition. An important loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of the consideration that the entity expects to receive less direct cost.

## 5.2 Cost of real estate sold

*Cost of land and houses sold and cost of residential condominium units sold.*

In determining the cost of land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses sold on the basis of the salable area and to residential condominium units sold on the basis of the sales value of the unit.

Cost of real estate sales includes cost of other goods, such as furniture and fixtures, that are considered part of the house or 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 Trade accounts receivable and allowance for doubtful accounts**

Trade accounts receivable 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.

### **5.5 Project development cost**

Project development cost is valued at the lower of cost and net realisable value. Cost consists of the cost of land, land improvement cost, design fees, utilities, construction cost, interest capitalised borrowing cost and other related expenses. The Company and its subsidiaries record these costs based on the actual cost incurred and project development costs estimation.

The Company and its subsidiaries recognise loss on diminution in value of projects (if any) in profit or loss.

### **5.6 Inventories**

Raw materials and supplies of the hotel business are valued at the lower of cost (under the first-in, first-out method) and net realisable value, and are charged to cost of service whenever consumed.

Finished goods of the cultural theme park business are valued at the lower of cost (under the average method) and net realisable value, and are charged to costs of sale whenever consumed.

### **5.7 Borrowing costs**

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

## 5.8 Investments

- a) Investments in joint ventures are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and joint ventures are accounted for in the separate financial statements using the cost method.

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

In the event the Company 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.

## 5.9 Investment properties and depreciation

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 estimated useful lives of 5 - 40 years. Depreciation of the investment properties is included in determining income. No depreciation is provided on 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.

## 5.10 Property, plant and equipment and depreciation

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

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

Buildings, building improvements and constructions	5 - 40 years
Furniture, fixtures and office equipment	3 - 10 years
Motor vehicles	5 - 20 years

Depreciation is included in determining income.

No depreciation is provided on land and asset under installation and construction.

An item of property, plant and 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.

### **5.11 Intangible assets and amortisation**

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 - 10 years

The amortisation expense is included in determining income.

### **5.12 Land awaiting development**

Land awaiting development is valued at cost net of allowance for diminution in project value (if any). Cost included all costs to acquire and improve land, utilities, project development cost and borrowing cost that occurred during past development.

### **5.13 Related party transactions**

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

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



#### **5.14 Long-term leases**

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.

#### **5.15 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 rate are included in determining income.

#### **5.16 Impairment of assets**

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible 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 Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

The Company and its subsidiaries recognise impairment loss in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

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

#### ***Defined benefit plans***

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

The obligation under the defined benefit plan are 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.

## **5.18 Provisions**

Provisions are recognised when the Company and its subsidiaries have 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.

## **5.19 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 Company and its subsidiaries 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 Company and its subsidiaries 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 Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## **5.20 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 Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximizes 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 categorized within the fair value hierarchy into three levels based on categorize 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 Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **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:

### **Non-consolidation of the company in which the Company's shareholding is more than half of the total shares**

The Company's management has decided that the Company has no control over Panacee Medical Hong Kong Limited, even though the Company holds 92% of this company's shares, which is more than half. This is because the Company and a co-investor co-signed a document to incorporate this joint venture, which stipulates that significant matters must be approved by at least one designated person from each party. As a result, the Company decided that the investment is an investment in a joint venture, and this company is, therefore, excluded from the consolidated financial statements.

### **Provision for onerous contracts**

The Company and its subsidiaries have to exercise judgement and apply various assumptions in determining the provision for onerous contracts required for sales of land and houses and condominium units with leaseback agreements. They take into consideration the nature of the transactions and the circumstances behind the provisions, the probability of loss and estimates of the net future cash outflows. The determination is based on experience, historical information and the latest information available, and the provisions are reviewed regularly. However, actual results may differ from the estimates made.

### **Provision for diminution in value of project development cost, investment properties, property, plant and equipment and land awaiting development**

The Company and its subsidiaries treat property development for sale, investment properties, property, plant and equipment and land awaiting development as impaired when the management judges that there has been a significant decline in the fair value. The management determines the devaluation of such properties based on net realisable value. The determination of what is “significant” and such devaluation requires the management to exercise judgment.

### **Project development costs estimation**

In determining cost of land and houses sold and residential condominium units sold, the Company and its subsidiaries need to estimate all project development costs, including land costs, land improvement costs, design and construction costs, public utility costs, borrowing costs for construction and other related costs. The management estimates these costs based on their business experience and revisit the estimation on a periodical basis or when the actual costs incurred significantly vary from the estimation.

### **Property, plant and equipment and depreciation**

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and residual values of the Company’s and its subsidiaries’ building and equipment and to review estimate useful lives and residual values when there are any changes.

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

### **Allowance for doubtful debts of account receivables and loans**

In determining allowance for doubtful debts of account receivables and loans, the management is required to make judgment and estimates of estimated losses that may be incurred in collection of receivables and loans. The allowance is generally based on collection experience, debt aging and economic situation at the time.

### **Provision for impairment on investments**

The Company treats investment in subsidiaries and joint ventures as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

## Leases

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

## Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has exercised judgement to assess of the results of the litigation and disclosed or recorded certain liabilities as at the end of reporting period.

## 7. Related party transactions

During the years, the Company 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 Company and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2019	2018	2019	2018	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Revenue from sales of real estate	-	-	2	116	As stipulated in agreements
Rental and service income	-	-	1	2	As stipulated in agreements
Project management fee income	-	-	-	25	As stipulated in agreements
Interest income	-	-	155	147	Interest rates of MLR+1 percent per annum
Selling expenses	-	-	3	71	As stipulated in agreements
Other expenses	-	-	3	3	As stipulated in agreements
Interest expenses	-	-	38	8	Interest rate of 3 percent and MLR+1 percent per annum
<u>Transactions with joint ventures</u>					
Revenue from sales of real estate	-	1,217	-	1,217	As stipulated in agreements
Rental and service income	-	1	-	1	At the price agreed upon
Interest income	33	30	32	30	Interest rates of 7.50 - 7.75 and MLR+1 percent per annum
Other income	1	10	-	-	At the price agreed upon



(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<u>Transactions with related parties</u>					
Rental and service income	3	3	3	3	At prices charged to the third parties
Other income	1	-	1	-	At stipulated in agreements
Construction service income	-	2	-	-	At the price agreed upon
<u>Transactions with related persons</u>					
Revenue from sales of real estate	32	-	17	-	As stipulated in agreements
Other expenses	10	11	-	2	As stipulated in agreements and at the price agreed upon
Interest expenses	1	-	-	-	Interest rates of MLR+1 percent per annum

As at 31 December 2019 and 31 December 2018, the balances of the accounts between the Company and those related parties are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Trade and other receivables - related parties (Note 9)</b>				
<b>Trade receivables - related parties</b>				
Subsidiary	-	-	100	1,662
Joint venture	297	297	-	-
Directors	760	732	-	-
Related parties and persons*	3,871	4,034	1,092	2,588
Total trade receivables - related parties	4,928	5,063	1,192	4,250
Less: Allowance for doubtful debts	(735)	(256)	(256)	(256)
Total trade receivables - related parties, net	4,193	4,807	936	3,994
<b>Other receivables - related parties</b>				
<u>Advances</u>				
Director	6,179	-	-	-
Related person*	128	-	-	-
Total	6,307	-	-	-

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Accrued income</b>				
Subsidiaries	-	-	-	35,952
Related parties*	126	963	-	-
<b>Total</b>	<b>126</b>	<b>963</b>	<b>-</b>	<b>35,952</b>
<b>Interest receivables</b>				
Subsidiaries	-	-	457,781	238,907
Joint ventures	62,000	29,350	61,759	29,350
<b>Total</b>	<b>62,000</b>	<b>29,350</b>	<b>519,540</b>	<b>268,257</b>
<b>Others</b>				
Subsidiaries	-	-	24,696	12,261
Associate and joint ventures	2,412	2,126	2,362	2,042
Directors	191	187	30	30
Related parties and person*	4,308	3,450	3,143	2,609
<b>Total</b>	<b>6,911</b>	<b>5,763</b>	<b>30,231</b>	<b>16,942</b>
Total other receivables - related parties	75,344	36,076	549,771	321,151
Less: Allowance for doubtful debts	-	-	(118,670)	(17,664)
Total other receivables - related parties, net	75,344	36,076	431,101	303,487
Total trade and other receivables - related parties, net	79,537	40,883	432,037	307,481

**Other long-term receivables - related parties**

## Subsidiaries

Receivable from the transfer of project to the subsidiary

- - 52,292 52,292

Receivable from the transfer of deposit for purchase of investments to the subsidiary

- - 401,500 401,500

**Total**

- - 453,792 453,792

**Advance payment for capital increase in subsidiary**

## Subsidiary

- - 124,320 124,320

Less: Allowance for impairment

- - (68,538) (19,248)

**Net**

- - 55,782 105,072

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Deposit for purchase of investments</b>				
Related person**	647,200	536,000	-	-
Total	647,200	536,000	-	-
<b>Other deposits (included in other non - current assets in the statement of financial position)</b>				
Joint venture	571	290	-	-
Related party*	259	259	259	259
Total	830	549	259	259
<b>Trade and other payables - related parties (Note 18)</b>				
<b>Trade payables - related parties</b>				
Director	508	210	-	-
Related parties and person*	6,868	1,598	-	-
Total trade payables - related parties	7,376	1,808	-	-
<b>Other payables - related parties</b>				
<u>Other payables</u>				
Subsidiaries	-	-	71,718	99,791
Joint venture	24	24	24	24
Directors	3,774	712	304	450
Related parties and persons*	11,917	3,004	3,823	4,475
Total	15,715	3,740	75,869	104,740
<u>Advances received from sales of investment</u>				
Related person**	-	33,000	-	33,000
Total	-	33,000	-	33,000
<u>Payable for construction</u>				
Related parties*	-	164	-	164
Total	-	164	-	164
<u>Accrued expenses</u>				
Subsidiaries	-	-	-	13,959
Joint venture	1	1	1	1
Related parties*	4,414	3,214	4,414	3,214
Total	4,415	3,215	4,415	17,174



(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Interest payables</b>				
Subsidiaries	-	-	37,356	8,697
Director	701	201	-	-
Related party*	827	486	827	486
Total	1,528	687	38,183	9,183
Total other payables - related parties	21,658	40,806	118,467	164,261
Total trade and other payables - related parties	29,034	42,614	118,467	164,261
<b>Retention payables</b>				
Related party*	3,027	3,068	1,421	1,421
Total	3,027	3,068	1,421	1,421
<b>Advances received from customers</b>				
Director	3,000	3,000	-	-
Related persons**	13,144	36,969	608	608
Total	16,144	39,969	608	608
<b>Other deposits (included in other current liabilities in the statement of financial position)</b>				
Related parties and persons**	315	240	315	240
Total	315	240	315	240

\*Related by common directors/shareholders

\*\*Related by related parties

Advance payment for capital increase in subsidiary ( World Medical Alliance Company Limited (Formerly known as “Nusasiri Logistics (BVI) Limited”))

On 25 November 2015, the Board of Directors Meeting of the Company No. 14/2015 passed a resolution to approve an increase in the registered share capital of the subsidiary (World Medical Alliance Company Limited) of no more than Baht 185 million (249.95 million shares at USD 0.02 per share), which is to be gradually paid based on the business needs and the financial status of the company. As at 31 December 2019 and 31 December 2018, the Company has made advance payment of Baht 124 million for the additional share capital of World Medical Alliance Company Limited but the subsidiary has not registered an increase in its share capital. The Company has therefore presented the advances as “Advance payment for capital increase in subsidiary” in the statement of financial position.

During the current year, the Company has recorded loss on impairment of advance payment for capital increase in subsidiary amounting to Baht 50 million (2018: Baht 19 million).

Deposit for purchase of investments / Receivable from the transfer of deposit for purchase of investments to the subsidiary

On 28 September 2017, the Company entered into a share purchase memorandum with a shareholder by Ms. Watcharaporn Kraisdawat to purchase ordinary shares of Panacee Medical Center Co., Ltd. (“PNCT”) in the portion of not over 90 percent of the total share capital or not over 3,600,000 shares, at Baht 200 per share, totaling not over Baht 720 million.

In relation to the transaction, an independent appraiser was contracted to appraise the land and construction thereon of PNCT and the Company determined the purchase price by reference to the appraisal value less liabilities of PNCT and by discounted cash flow method. The purchase price of Baht 200 per share as specified in the memorandum was determined at the lower price of the two methods.

As at 31 July 2018, the Company paid deposit for purchase of investments of Baht 402 million.

On 31 July 2018, the Company entered into an assignment memorandum to assign the right to purchase these ordinary shares to Panacee Group Company Limited (the subsidiary) in accordance with the resolution of the Board of Directors Meeting of the Company No.6/2018 held on 23 July 2018 and with the consent of the shareholder by Ms. Watcharaporn Kraisdawat.

Consequently, all rights and obligations under the agreement and the deposit for purchase of investments were transferred to the subsidiary. The subsidiary recorded the deposit received from the transfer as deposit for purchase of investments and gradually paid additional deposit for purchase of investments in accordance with the payment terms specified in the memorandum of agreement under the consideration of the shareholder as acquire the number of shares to be sold as agreed.

As at 31 December 2018, the subsidiary paid deposit for purchase of investments of Baht 536 million.

During the year, the subsidiary paid additional deposit for purchase of investments of Baht 111 million. A total deposit of purchase of investments of Baht 647 million has been paid. As at 31 December 2019, the remaining deposit to be paid by the subsidiary was Baht 73 million. Before making the payment of remaining deposit for purchase of investments, the subsidiary is currently in the process of seeking a new independent appraiser to access the value of PNCT in order to negotiate the share purchase price with the shareholder prior to the transferred shares.

On 1 November 2019, the subsidiary entered into an amendment memorandum to extend the payment period for the remaining deposit of investments to be due on 31 March 2020 and the management of the Group expected the sale and purchase of shares to be completed within the second quarter of 2020.

However, the Company has not received the payment of deposit for purchase of investments amounting to Baht 402 million from the subsidiary; therefore, the Company has presented the remaining balance as “Other long-term receivables - related parties” in the statement of financial position.

As guarantees for deposit for purchase of investments, the shareholder agreed to hand-over share certificates of PNCT owned by the group of shareholders to the Company. In the event that the group of shareholders violates the conditions stipulated in the agreement, they shall repay all deposits received from the subsidiary together with interest at an agreed rate.



## Loans to related parties and loans from related parties

As at 31 December 2019 and 31 December 2018, the balances of loans to and loans from between the Company and the related parties and the movement are as follows

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 31 December 2018	Increase during the year	Decrease during the year	Balance as at 31 December 2019
<b>Short-term loans to related parties</b>				
<u>Joint ventures</u>				
N Hotel Company Limited	11,220	14,900	(850)	25,270
Siri Grand Property Company Limited	265,200	-	-	265,200
Risland Grand Company Limited	137,700	-	-	137,700
Atta Film Company Limited	-	10,130	(3,130)	7,000
<b>Total</b>	<b>414,120</b>	<b>25,030</b>	<b>(3,980)</b>	<b>435,170</b>

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2018	Increase during the year	Decrease during the year	Balance as at 31 December 2019
<b>Short-term loans to related parties</b>				
<u>Subsidiaries</u>				
Nusa My Ozone Company Limited	629,854	299,298	(136,778)	792,374
Nusa Legend Siam Company Limited	414,880	641,080	(5,400)	1,050,560
Nusa One Company Limited	810,659	298,758	(613,406)	496,011
Panacee Group Company Limited	532,772	126,109	(1,448)	657,433
Nusa Chivani Phuket Company Limited	298,255	490	(15)	298,730
Nusa State Tower Company Limited	-	107,996	(53,780)	54,216
Others	6,954	1,920	(1,087)	7,787
<u>Joint ventures</u>				
N Hotel Company Limited	11,220	14,900	(850)	25,270
Siri Grand Property Company Limited	265,200	-	-	265,200
Risland Grand Company Limited	137,700	-	-	137,700
<b>Total</b>	<b>3,107,494</b>	<b>1,490,551</b>	<b>(812,764)</b>	<b>3,785,281</b>
Less: Allowance for doubtful debts	(360,868)	(135,143)	-	(496,011)
<b>Total short-term loans - net</b>	<b>2,746,626</b>	<b>1,355,408</b>	<b>(812,764)</b>	<b>3,289,270</b>

During the year, the Company recorded allowance for doubtful debt of short-term loan to Nusa One Company Limited amounting to Baht 135 million.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 31 December 2018	Increase during the year	Decrease during the year	Balance as at 31 December 2019
<b>Short-term loans from related parties</b>				
<u>Related party and person</u>				
Nusasiri Grand Public Company Limited	27,780	48,710	(69,920)	6,570
Mrs. Siriya Thepchaoen	19,500	49,700	(69,200)	-
<b>Total</b>	<b>47,280</b>	<b>98,410</b>	<b>(139,120)</b>	<b>6,570</b>

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2018	Increase during the year	Decrease during the year	Balance as at 31 December 2019
<b>Short-term loans from related parties</b>				
<u>Subsidiaries</u>				
Nusa Pattaya Condominium Company Limited	55,196	-	(1,320)	53,876
Nusa Laya Company Limited	216,873	120,745	(6,883)	330,735
Nusa Siracha Condotel C Company Limited	328,010	9,045	(880)	336,175
Nusa Laya Condominium Company Limited	-	144,211	(247)	143,964
Others	7,381	14,500	(21,550)	331
<u>Related party</u>				
Nusasiri Grand Public Company Limited	27,780	48,710	(69,920)	6,570
<b>Total</b>	<b>635,240</b>	<b>337,211</b>	<b>(100,800)</b>	<b>871,651</b>

### Short-term loans to subsidiaries

Loans to subsidiaries are unsecured promissory notes and due within 1 year, carrying interest at a rate of MLR+1 percent per annum (2018: Interest at a rate of 3% and MLR+ 1 percent per annum).

### Short-term loans to joint ventures

Loans to joint ventures are unsecured promissory notes and loan agreements, which are due at call and within 1 year, carrying interest at rates of 7.50 - 7.75 percent and MLR+ 1 percent per annum (2018: Interest at a rate of 7.50 - 7.75 percent and MLR+1 percent per annum).

### Short-term loans from subsidiaries

Loans from subsidiaries are unsecured promissory notes due within 1 year, carrying interest at rates of 3 percent and MLR+1 percent per annum (2018: Interest at rates of 3 percent and MLR+1 percent per annum).

### Short-term loans from related party and person

Loans from related party and person are unsecured promissory notes due within 1 year, carrying interest at a rate of MLR+1 percent per annum (2018: Interest at a rate of MLR+1 percent per annum).

### Directors and management's benefits

During the year ended 31 December 2019 and 2018, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	28	26	28	26
Post-employment benefits	1	1	1	1
Total	<u>29</u>	<u>27</u>	<u>29</u>	<u>27</u>

### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries and joint ventures, as described in Note 34.5 to the financial statements.

## 8. Cash and cash equivalents

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash	2,295	2,859	274	789
Bank deposits	23,439	326,428	14,361	315,848
Total	<u>25,734</u>	<u>329,287</u>	<u>14,635</u>	<u>316,637</u>

As at 31 December 2019, bank deposits in saving accounts carried interests between 0.10 and 1.30 percent per annum (2018: between 0.10 and 1.75 percent per annum).



## 9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	290	516	108	786
Past due				
Up to 3 months	841	1,204	257	681
3 - 6 months	404	858	355	851
6 - 12 months	281	2,074	216	1,676
Over 12 months	3,112	411	256	256
Total	4,928	5,063	1,192	4,250
Less: Allowance for doubtful debts	(735)	(256)	(256)	(256)
Total trade receivables - related parties, net	4,193	4,807	936	3,994
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	5,805	14,242	2,736	11,209
Past due				
Up to 3 months	8,199	1,723	1,069	1,342
3 - 6 months	2,096	1,702	542	887
6 - 12 months	1,953	1,296	1,524	950
Over 12 months	43,710	43,215	42,894	40,894
Total	61,763	62,178	48,765	55,282
Less: Allowance for doubtful debts	(43,186)	(40,028)	(43,038)	(40,028)
Total trade receivables - unrelated parties, net	18,577	22,150	5,727	15,254
Total trade receivables - net	22,770	26,957	6,663	19,248
<u>Other receivables</u>				
Receivable from sales of shares	-	466,191	-	-
Advances - related parties	6,307	-	-	-
Advances - unrelated parties	8,384	1,697	2,815	1,260
Accrued income - related parties	126	963	-	35,952
Accrued income - unrelated parties	138	253	-	-
Interest receivable - related parties	62,000	29,350	519,540	268,257
Interest receivable - unrelated parties	27	5,144	-	41
Others - related parties	6,911	5,763	30,231	16,942
Others - unrelated parties	9,801	4,094	6,302	4,398
Total	93,694	513,455	558,888	326,850
Less: Allowance for doubtful debts	(6,492)	(1,894)	(120,564)	(19,558)
Total other receivables - net	87,202	511,561	438,324	307,292
Total trade and other receivables - net	109,972	538,518	444,987	326,540

### Receivable from sales of shares

On 29 October 2015, Nusa Power Company Limited (a former subsidiary which the Company held 100 percent of its shares) invested in Wind Energy Holding Company Limited (“WEH”) by entering into a share sale and purchase agreement with DD Mart Holding Company Limited (“DD MART”) to purchase 1,272,728 shares, with par value of Baht 10 per share, or equivalent to 1.17 percent of WEH issued shares, at a price of Baht 550 per share, or for a total of Baht 700 million. Under the conditions of the agreement, if WEH fails to list its shares in the Stock Exchange of Thailand within 3 years from the date of the agreement, and/or the Initial Public Offering (IPO) price of the shares is less than the selling price per share as stipulated in the agreement, the seller shall repurchase all the shares from the buyer at the price stipulated in the agreement together with interest at an agreed rate.

As a result of a breach in the conditions of the agreement, on 21 September 2018, DD MART issued a letter stating its intention to repurchase all shares of WEH, at the price of Baht 550 per share, or a total of Baht 700 million from the former subsidiary together with interest at a rate of 7.5 percent per annum. DD MART requested to settle the payment in 3 installments. Subsequently, on 16 October 2018, the Company and DD MART reached an agreement with regard to payment terms. The repurchase price (calculated up to 15 November 2018) was agreed at Baht 867 million, payable in 3 installments as follows:

1<sup>st</sup> installment: the amount of Baht 400 million due within 15 November 2018

2<sup>nd</sup> installment: the amount of Baht 246 million plus interest at a rate of MLR + 2 percent per annum (Krungthai Bank) but not less than 8.5 percent per annum due within 15 March 2019

3<sup>rd</sup> installment: the remaining amount plus interest at a rate of MLR + 2 percent per annum (Krungthai Bank) but not less than 8.5 percent per annum due within 15 July 2019

Subsequently, on 18 October 2018, Nusa Power Company Limited (the former subsidiary) entered into an agreement to sell all shares to Nusa One Company Limited (the subsidiary). Accordingly, the subsidiary will receive the installment payment for the sale of WEH shares from DD MART, and Nusa Power Company Limited (the former subsidiary) registered for the liquidation in October 2018.

On 5 November 2018, Nusa One Company Limited (the subsidiary) received the 1<sup>st</sup> installment for the sale of shares of WEH amounting to Baht 400 million. Subsequently, on 14 November 2018, the ownership of WEH shares was transferred to DD MART, and in turn DD MART had to provide collateral consisting of the mortgage of WEH shares and a guarantee agreement provided by Ms. Nantida Kittitsaranon.

In March 2019, the subsidiary received the 2<sup>nd</sup> installment for the sales of shares of WEH amounting to Baht 246 million with interest of Baht 12 million, totaling of Baht 258 million.

Subsequently, on 27 June 2019, the Board of Directors Meeting of the Company passed a resolution to approve an extension of the 3<sup>rd</sup> installment for the sales of shares of WEH under the following terms and conditions:

1. The first payment of the 3<sup>rd</sup> Installment of Baht 40 million within 27 June 2019 is to be offset against interest from the original agreement (from 16 March to 27 June 2019 totaling 104 days). The remaining amount is used to settle the principal.
2. The second payment of the 3<sup>rd</sup> Installment, is the remaining balance due within 14 October 2019, together with the interest at the originally agreed rate calculated from 28 June 2019 to 15 July 2019 for a total of 18 days, and the new rate of 12 percent per annum calculated from 16 July to 14 October 2019, for a total of 91 days.
3. The collateral for guarantee shares payment remains unchanged.
4. In case of payment default under the above conditions whether in whole or in part, the original conditions as stipulated in the original memorandum shall be applied.

In June 2019, the subsidiary received the first payment of the 3<sup>rd</sup> installment arising from the sale of WEH shares of Baht 35 million together with the interest of Baht 5 million, or a total of Baht 40 million.

In July and August 2019, the subsidiary received the second payment of the 3<sup>rd</sup> installment arising from the sale of WEH shares of Baht 185 million together with the interest of Baht 3 million, or a total of Baht 188 million.

#### Relinquishment of right of land transfer

On 29 May 2017, the Company entered into a share sale and purchase agreement to sell 1,575,000 shares of a subsidiary (Nusa Siracha Condotel Company Limited, which later changed its name to SFC Venture Sriracha Company Limited (“SFC”)) to a local company in the portion of 50 percent of registered share capital of the subsidiary, or for a total price of Baht 175 million. The main conditions are as follows:

- a) Following the transfer of the shares, SFC shall transfer the ownership of 2 plots of land with total area of 5-0-69.70 rais to the Company.
- b) The Company and SFC shall have the right to the common land, consisting of a sale office, common road and land bank, for a total of 6 title deeds with total area of 1-0-22.60 rais, in the ratio of 52.19 percent and 47.81 percent, respectively.



As of the date of the agreement, the Company received payment from the purchaser in the amount of Baht 175 million, and transferred the ordinary shares of SFC to the purchaser. The Company recorded for the land acquisition right of Baht 407 million in other non-current asset in the statement of financial position by offsetting with total long-term loans to the subsidiary (SFC) as agreed by the Company and purchaser.

In November 2017, the Company entered into a share sale and purchase agreement to sell 315,000 additional shares of SFC to the original purchaser at a price of Baht 35 million. The Company received payment from the purchaser, and transferred the ordinary shares of SFC to the purchaser.

In April 2018, the Company entered into additional share sale and purchase agreement to sell all of its remaining shares in SFC to the original purchaser at a price of Baht 132 million. The Company received payment, and transferred all remaining shares of SFC to the purchaser. The conditions in this agreement state that SFC has the right to request the Company to give up its right of 52.19 percent portion of ownership of the land as stated in b) above in exchange for Baht 19 million compensation from the purchaser.

Subsequently, on 29 January 2019, the Company entered into a memorandum of agreement with the purchaser and SFC and agreed to the following matters:

- 1) Agreed to transfer the land acquisition right in 2 plots of land arising from the share sale and purchase agreement as stated in a) above to SFC and gave up the right to request SFC to transfer the ownership of the 2 plots of land to the Company along with the right to receive compensation for usage of the 2 plots of land at the rate of Baht 10,000 per rai.
- 2) Agreed to give up the right to reserve fund for common area development in the amount of Baht 20 million as agreed in the share sale and purchase agreement.
- 3) Agreed to transfer the right of the Company's portion of land and the construction thereon, to which the Company is entitled in the ratio of 52.19 percent as stated in b) to SFC.
- 4) The Company shall ensure that those who booked residential units in the tower are to enter into agreement with SFC no less than 80 percent of the total booking amount.

The purchaser agreed to the said transfer of right and, as compensation for the matter agreed, SFC agreed to pay compensation in the amount of Baht 370 million, payable in 3 installments under the following terms and conditions:

1<sup>st</sup> installment: the amount of Baht 100 million due within 3 days from the date of this memorandum of agreement.

2<sup>nd</sup> installment: the amount of Baht 100 million due within 30 days from the date of this memorandum of agreement.

3<sup>rd</sup> installment: the amount of Baht 170 million due within 180 days from the date of this memorandum of agreement.

However, as the Company was unable to perform comply with the condition stated in 4) above, the Company allowed SFC to pay only Baht 164 million for the 3<sup>rd</sup> installment, or for a total compensation of Baht 364 million as stated in the agreement.

Moreover, as specified in the share sale and purchase agreement made in April 2018, the Company is to be compensated by the purchaser in the additional amount of Baht 19 million for giving up ownership of right in the land in the portion of 52.19 percent.

Accordingly, the Company accounted for the transaction from the agreement by posting cash receipt, and reversed the land acquisition right previously posted of Baht 386 million ( net of allowance for diminution in value). The difference of Baht 3 million was recognised as loss in the statement of comprehensive income of the current year.

As at 31 December 2019, the Company received the whole outstanding compensation in total of Baht 383 million.

## 10. Project development cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Land	203,789	33,722	174,419	-
Land and construction under development	380,897	337,819	303,001	318,305
Developed land and construction	1,221,371	1,764,466	1,221,371	1,650,530
Condominium units for sales	67,894	94,780	4,204	4,204
Total	1,873,951	2,230,787	1,702,995	1,973,039
Less: Allowance for diminution in value				
of projects	(12,858)	(6,535)	(12,858)	(6,535)
Project development cost - net	1,861,093	2,224,252	1,690,137	1,966,504

During the year ended 31 December 2019, the subsidiary capitalised borrowing cost as part of project development cost amounting to Baht 10 million. The weighted average rate of 7.2 percent has been used to determine the amount of borrowing costs eligible for capitalisation.

As at 31 December 2019, the Company and its subsidiary have mortgaged their land and constructions thereon in the projects amounting to Baht 1,356 million (The Company only: Baht 1,355 million) for short-term debenture, short-term loans from other parties, loan from financial institutions, long-term loans from other person and long-term debenture of the Company and its subsidiary.

Movements in the allowance for diminution in value of projects for the year ended 31 December 2019 and 2018 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statement		financial statement	
	2019	2018	2019	2018
Balance at beginning of year	6,535	-	6,535	-
Additional set up during the year	9,518	6,535	9,518	6,535
Reversal during the year	(3,195)	-	(3,195)	-
Balance at end of year	12,858	6,535	12,858	6,535

As at 31 December 2019, the Company and its subsidiaries had revenue expected to be recognised in the future from sales of real estates with respect to the outstanding performance obligations of contracts with customers of Baht 457 million, which is expected to be recognised within 2020.

#### 11. Restricted bank deposits

This represents bank deposits of the Company and its subsidiaries which were pledged to secure bank guarantees and long-term loans from financial institutions of the Company and its subsidiaries.



## 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 percentage		Cost	
	2019	2018	2019	2018	2019	2018
			(%)	(%)		
Nusa Legend Siam Company Limited	400,000	400,000	99.99	99.99	399,960	399,960
Nusa My Ozone Company Limited	400,000	400,000	75.00	75.00	299,998	299,998
Nusa Laya Company Limited	332,500	332,500	99.99	99.99	332,500	332,500
Nusa Siracha Condotel C Company Limited	328,495	328,495	99.99	99.99	328,495	328,495
Nusa Pattaya Condominium Company Limited	150,000	150,000	99.99	99.99	149,999	149,999
Nusa Laya Condominium Company Limited	145,000	145,000	99.99	99.99	144,999	144,999
Panacee Group Company Limited	128,000	128,000	99.99	99.99	128,000	128,000
Nusa Chivani Phuket Company Limited	50,000	50,000	99.99	99.99	49,999	49,999
Nusa One Company Limited	40,000	40,000	99.99	99.99	40,000	40,000
Nusa Residence Chiangmai Company Limited	18,000	18,000	99.99	99.99	18,000	18,000
Nusa State Tower Company Limited	5,000	5,000	99.99	99.99	5,000	5,000
Nusa Maikhao Beach Company Limited	1,250	1,250	99.99	99.99	1,250	1,250
World Medical Alliance Company Limited* (Formerly known as "Nusasiri Logistics (BVI) Limited")	37	37	100.00	100.00	37	37
Total					1,898,237	1,898,237
Less: Allowance for impairment loss on investments in subsidiaries					(91,146)	(90,036)
Investments in subsidiaries, net					1,807,091	1,808,201

\* Paid-up capital of World Medical Alliance Company Limited was USD 1,000.

During the year, the Company recorded impairment loss on investments in Nusa Maikhao Beach Company Limited of Baht 1 million (2018: Nusa Chivani Phuket Company Limited of approximately Baht 50 million) in the separate statement of comprehensive income.

### Nusa Legend Siam Company Limited

On 26 September 2019, the Company entered into a memorandum of understanding to sell 1,000,000 ordinary shares of Nusa Legend Siam Company Limited, accounting for 25 percent of the registered capital, at a price of USD 47 and USD 50 per share for a total of USD 49 million or approximately Baht 1,500 million, to Via East West Capital Limited ("VEWC"). The Company is able to sell the subsidiary's ordinary shares to VEWC after the offering of not less than 16.3 percent of the offered shares has been made to foreign investors. The Company expects to acknowledge the process of the disposal of the investment in the ordinary shares by 30 April 2020.

### Nusa Laya Condominium Company Limited

On 3 October 2019, the Extraordinary General Meeting of shareholders of Nusa Laya Condominium Company Limited passed a special resolution to dissolve the company, and the subsidiary registered its dissolution with the Ministry of Commerce on 11 October 2019 and is in the process of liquidation.

### Nusa Siracha Condotel C Company Limited

On 3 October 2019, the Extraordinary General Meeting of shareholders of Nusa Siracha Condotel C Company Limited passed a special resolution to dissolve the company, and the subsidiary registered its dissolution with the Ministry of Commerce on 11 October 2019 and is in the process of liquidation.

### Nusa Maikhao Beach Company Limited

On 3 October 2019, the Extraordinary General Meeting of shareholders of Nusa Maikhao Beach Company Limited passed a special resolution to dissolve the company, and the subsidiary registered its dissolution with the Ministry of Commerce on 11 October 2019 and is in the process of liquidation.

## 12.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)								
Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit (loss) allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
	(%)	(%)						
Nusa My Ozone Company Limited	25	25	46	61	(15)	(27)	-	-

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling.

Summarised information about financial position

	(Unit: Million Baht)	
	Nusa My Ozone Company Limited	
	<u>2019</u>	<u>2018</u>
Current assets	177	129
Non-current assets	1,382	1,429
Current liabilities	1,228	1,269
Non-current liabilities	130	33

Summarised information about comprehensive income

	(Unit: Million Baht)	
	For the year ended 31 December	
	Nusa My Ozone Company Limited	
	<u>2019</u>	<u>2018</u>
Revenue	60	17
Profit (loss)	(54)	(107)
Other comprehensive income	-	1
Total comprehensive income	(54)	(106)

Summarised information about cash flow

	(Unit: Million Baht)	
	For the year ended 31 December	
	Nusa My Ozone Company Limited	
	<u>2019</u>	<u>2018</u>
Cash flow used in operating activities	(52)	(2)
Cash flow used in investing activities	(10)	(52)
Cash flow from financing activities	62	54
Net increase (decrease) in cash and cash equivalents	-	-



### 13. Investments in joint ventures

#### 13.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company, its subsidiary and other companies. Details of these investments are as follows:

		(Unit: Thousand Baht)					
Joint ventures	Nature of business	Consolidated		Separate			
		financial statements		financial statements			
		Carrying amounts based on equity method		Carrying amounts based on cost method			
		Shareholding percentage					
		2019	2018	2019	2018	2019	2018
		(%)	(%)				
N Hotel Company Limited	Hotel	47.50	47.50	77,802	95,239	124,364	124,364
Panacee Medical Hong Kong Limited	Wellness	92.00	91.66	133,209	154,033	202,051	178,856
Siri Grand Property Company Limited	Property development	51.00	51.00	115,020	147,008	178,500	178,500
Risland Grand Company Limited	Property development	51.00	51.00	54,905	91,007	91,800	91,800
Atta Film Company Limited	Movie production and distribution	60.00	-	845	-	-	-
Total				381,781	487,287	596,715	573,520

#### Panacee Medical Hong Kong Limited

On 29 May 2017, the Board of Directors Meeting No. 5/2017 of the Company passed a resolution to purchase 61 percent of the registered share capital of Panacee Medical Hong Kong Limited (PNCH) from the existing shareholders. On 30 October 2017, the Board of Directors Meeting No. 9/2017 approved the increase in the proportion of investment from 61 percent to 78.57 percent of registered shared capital.

On 4 April 2018, the Company entered into an agreement with a joint investor to determine the proportion of the investment in PNCH. Each party shall increase the share capital in accordance with the proportion specified in the agreement.

On 27 December 2018, the Board of Directors of PNCH approved the increase in registered share capital to USD 7 million by maintaining the number of shares at 10,000 and to sell 7,857 ordinary shares of USD 5.5 million to the Company and 2,143 ordinary shares of USD 1.5 million to the joint investor. However, the joint investor agreed to purchase only USD 0.5 million.

Subsequently, the Board of Directors Meeting of the Company passed a resolution to approve the purchase of 1,393 ordinary shares that the joint investor had not paid amounting to USD 1 million. 1,000 of those shares were to be sold to an independent investor at USD 1 million. As a result, the shareholding percentage of the Company in PNCH was changed to 82.5 percent. As at 31 December 2018, the Company received deposit for purchase from the independent investor of USD 1 million (approximately Baht 33 million), and the Company accounted for this transaction as “Advance received from sales of investment”. However, the independent investor later decided not to invest in the joint venture, and the Company repaid the full amount to the independent investor on 2 April 2019.

During the year, the Company paid for additional investment of USD 0.75 million or approximately Baht 23.2 million for a total payment for investment of USD 6.25 million or approximately Baht 202 million.

The Company has a commitment of USD 0.25 million or approximately Baht 7.5 million for the remaining payment of additional investment.

**Atta Film Company Limited (held through Nusa Legend Siam Company Limited which is a subsidiary of the Company)**

On 11 February 2019, Nusa Legend Siam Company Limited (a subsidiary) entered into a joint venture and partnership agreement with co-investors to establish Atta Film Company Limited, to engage in movie production and distribution including all types of entertainment media, with a registered share capital of Baht 5 million, comprising 50,000 ordinary shares with a par value of Baht 100 each. The company registered its establishment with the Ministry of Commerce on 4 March 2019. The subsidiary invested in 30,000 ordinary shares, which represent 60 percent of the registered share capital and made share payment totaling Baht 3 million.

The subsidiary and those co-investors jointly control Atta Film Company Limited. The subsidiary has therefore presented this investment as investment in joint venture.

### 13.2 Share of comprehensive income

During the years, the Company and its subsidiary recognised its share of comprehensive income from investments in the joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements			
	Share of profit (loss) from investments in joint ventures during the year		Share of other comprehensive income from investments in joint ventures during the year	
	2019	2018	2019	2018
N Hotel Company Limited	(17)	(16)	-	-
Panacee Medical Hong Kong Limited	(43)	(23)	(2)	-
Siri Grand Property Company Limited	(32)	(31)	-	-
Risland Grand Company Limited	(36)	(1)	-	-
Atta Film Company Limited	(2)	-	-	-
<b>Total</b>	<b>(130)</b>	<b>(71)</b>	<b>(2)</b>	<b>-</b>

### 13.3 Summarised financial information about material joint ventures

#### Summarised information about financial position

(Unit: Million Baht)

	N Hotel Company Limited		Panacee Medical Hong Kong Limited		Siri Grand Property Company Limited		Risland Grand Company Limited		Atta Film Company Limited	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Current assets	10	10	104	105	1,534	1,132	845	510	27	-
Non-current assets	268	289	50	88	25	2	84	51	-	-
Current liabilities	(68)	(71)	(9)	(26)	(1,328)	(847)	(815)	(382)	(26)	-
Non-current liabilities	(233)	(214)	-	-	(5)	-	(6)	-	-	-
<b>Net assets</b>	<b>(23)</b>	<b>14</b>	<b>145</b>	<b>167</b>	<b>226</b>	<b>287</b>	<b>108</b>	<b>179</b>	<b>1</b>	<b>-</b>
Shareholding										
percentage (%)	47.50	47.50	92.00	91.66	51.00	51.00	51.00	51.00	60.00	-
<b>Share of net assets</b>	<b>(11)</b>	<b>6</b>	<b>133</b>	<b>154</b>	<b>115</b>	<b>147</b>	<b>55</b>	<b>91</b>	<b>1</b>	<b>-</b>
Difference on fair value of assets at acquisition date	89	89	-	-	-	-	-	-	-	-
<b>Carrying amounts of joint ventures based on equity method</b>	<b>78</b>	<b>95</b>	<b>133</b>	<b>154</b>	<b>115</b>	<b>147</b>	<b>55</b>	<b>91</b>	<b>1</b>	<b>-</b>



## Summarised information about comprehensive income

	(Unit: Million Baht)									
	N Hotel Company		Panacee Medical		Siri Grand Property		Risland Grand		Atta Film Company	
	Limited		Hong Kong Limited		Company Limited		Company Limited		Limited	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue	50	52	-	-	31	-	1	-	-	-
Cost	(25)	(23)	-	-	-	-	-	-	-	-
Selling and administrative expenses	(44)	(44)	(1)	(2)	(85)	(63)	(42)	(2)	(4)	-
Share of loss from investment in joint ventures	-	-	(46)	(23)	-	-	-	-	-	-
Finance cost	(18)	(19)	-	-	(8)	-	(30)	-	-	-
Profit (loss) for the year	(37)	(34)	(47)	(25)	(62)	(63)	(71)	(2)	(4)	-
Other comprehensive income	-	-	(2)	-	-	-	-	-	-	-
Total comprehensive income	(37)	(34)	(49)	(25)	(62)	(63)	(71)	(2)	(4)	-

## 14. Deposit for purchase of land

(Unit: Thousand Baht)	
	Consolidated financial statements
<b>Balance as at 1 January 2019</b>	1,060,627
Transfer to project development cost	(144,020)
<b>Balance as at 31 December 2019</b>	<u>916,607</u>

As at 31 December 2019 and 31 December 2018, the balances represent the subsidiaries' deposits for purchase of land, for which payment has been fully made. The ownership of the land is to be transferred to the subsidiaries at a later date.

As at 31 December 2019, the subsidiaries have pledged land of approximately Baht 777 million as collateral for the Company's long-term debentures.

## 15. Land awaiting development

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Land awaiting development	1,590,957	1,980,124	1,049,593	1,363,925

As at 31 December 2019, the land awaiting development of the Company and its subsidiaries amounting to Baht 1,222 million (The Company only: Baht 859 million) were pledged as collateral for short-term debentures, short-term loans from other parties, loans from financial institutions, long-term loans from other persons, and long-term debentures.

## 16. Investment properties

The net book value of investment properties as at 31 December 2019 and 2018 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	House and commercial		Asset	Total	House and commercial		Asset	Total
	Building for rent	units for rent	under construction		Building for rent	units for rent	under construction	
As at 31 December 2019:								
Cost	537,304	267,997	4,766	810,067	537,304	282,296	4,766	824,366
Less: Accumulated depreciation	(49,307)	(73,865)	-	(123,172)	(49,307)	(74,543)	-	(123,850)
Less: Allowance for impairment loss	(34,144)	-	-	(34,144)	(34,144)	-	-	(34,144)
Net book value	<u>453,853</u>	<u>194,132</u>	<u>4,766</u>	<u>652,751</u>	<u>453,853</u>	<u>207,753</u>	<u>4,766</u>	<u>666,372</u>
As at 31 December 2018:								
Cost	546,969	266,263	3,145	816,377	546,969	297,151	3,145	847,265
Less: Accumulated depreciation	(38,835)	(67,255)	-	(106,090)	(38,836)	(68,050)	-	(106,886)
Net book value	<u>508,134</u>	<u>199,008</u>	<u>3,145</u>	<u>710,287</u>	<u>508,133</u>	<u>229,101</u>	<u>3,145</u>	<u>740,379</u>

A reconciliation of the net book value of investment properties for the years 2019 and 2018 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Net book value at beginning of year	710,287	721,261	740,379	743,986
Acquisition of assets	3,407	1,463	1,772	2,012
Transfer from project development cost	-	-	-	7,422
Disposals - net book value	(8,026)	-	(22,192)	-
Depreciation charge	(18,773)	(12,437)	(19,443)	(13,041)
Allowance for impairment loss	(34,144)	-	(34,144)	-
Net book value at end of year	<u>652,751</u>	<u>710,287</u>	<u>666,372</u>	<u>740,379</u>

During the year 2019, the Company recorded impairment loss of investment properties of Baht 34 million.

The fair value of the investment properties as at 31 December 2019 and 2018 stated below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Building for rent	624	630	624	630
House and commercial units for rent	352	407	492	423

The fair value of the above investment properties has been determined based on valuation performed by the accredited independent valuer, using depreciated replacement cost approach as well as using market approach for land and commercial units for rent.

As at 31 December 2019, the Company and its subsidiaries have pledged investment properties amounting to approximately Baht 650 million (The Company only: Baht 665 million) as collateral against long-term loans from financial institutions, long-term loans from other persons and long-term debentures.



## 17. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings, building improvements and constructions	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
<b>Cost:</b>						
1 January 2018	701,940	507,697	71,955	234,722	623,583	2,139,897
Additions and interest capitalisation	-	3,377	15,982	2,800	1,482,207	1,504,366
Disposals/write-off	-	-	(978)	-	-	(978)
Transfer in	169,653	6,643	-	-	-	176,296
Transfer out	(207,782)	(8,101)	(236)	-	-	(216,119)
Transfers	-	1,478	-	-	(1,478)	-
Translation adjustment	-	-	-	(1,103)	-	(1,103)
31 December 2018	663,811	511,094	86,723	236,419	2,104,312	3,602,359
Additions	-	25,576	22,344	24,278	366,901	439,099
Disposals / write off	-	(27,509)	(304)	-	(7,580)	(35,393)
Interest capitalisation	-	-	-	-	100,914	100,914
Transfer in	-	-	-	-	31,075	31,075
Transfer out	-	(345)	-	-	-	(345)
Transfers	-	2,006,412	22,368	1,493	(2,030,273)	-
Translation adjustment	-	-	-	(11,103)	-	(11,103)
31 December 2019	663,811	2,515,228	131,131	251,087	565,349	4,126,606
<b>Accumulated depreciation:</b>						
1 January 2018	-	38,271	23,083	36,224	-	97,578
Depreciation for the year	-	21,282	19,965	17,211	-	58,458
Depreciation on disposals/write off	-	-	(144)	-	-	(144)
Transfer out	-	(5,392)	(176)	-	-	(5,568)
Translation adjustment	-	-	-	(111)	-	(111)
31 December 2018	-	54,161	42,728	53,324	-	150,213
Depreciation for the year	-	42,683	19,705	18,423	-	80,811
Depreciation on disposals/write off	-	(6,089)	(27)	-	-	(6,116)
Translation adjustment	-	-	-	(1,947)	-	(1,947)
31 December 2019	-	90,755	62,406	69,800	-	222,961

(Unit: Thousand Baht)

**Consolidated financial statements**

	Land	Buildings, building improvements and constructions	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
<b>Allowance for impairment loss:</b>						
1 January 2018	-	-	-	-	-	-
Increase during the year	-	3,325	-	-	-	3,325
31 December 2018	-	3,325	-	-	-	3,325
Increase during the year	-	-	-	37,585	-	37,585
Decrease during the year	-	(3,325)	-	-	-	(3,325)
31 December 2019	-	-	-	37,585	-	37,585
<b>Net book value:</b>						
31 December 2018	663,811	453,608	43,995	183,095	2,104,312	3,448,821
31 December 2019	663,811	2,424,473	68,725	143,702	565,349	3,866,060
<b>Depreciation for the year</b>						
2018 (Baht 32.5 million included in cost of rental and service, and the balance in selling and administrative expenses)						58,458
2019 (Baht 52.2 million included in cost of rental and service, and the balance in selling and administrative expenses)						80,811

(Unit: Thousand Baht)

## Separate financial statements

	Land	Buildings and building improvements and constructions	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
<b>Cost:</b>						
1 January 2018	93,310	40,780	23,841	15,728	-	173,659
Additions	535	-	1,398	1,099	-	3,032
Transfer out	(93,845)	(8,101)	(236)	-	-	(102,182)
31 December 2018	-	32,679	25,003	16,827	-	74,509
Additions	-	-	1,286	-	-	1,286
Disposals/write off	-	(5,823)	(27)	-	-	(5,850)
31 December 2019	-	26,856	26,262	16,827	-	69,945
<b>Accumulated depreciation:</b>						
1 January 2018	-	5,007	15,650	8,273	-	28,930
Depreciation for the year	-	2,915	2,927	2,426	-	8,268
Transfer out	-	(5,392)	(176)	-	-	(5,568)
31 December 2018	-	2,530	18,401	10,699	-	31,630
Depreciation for the year	-	1,109	2,989	2,541	-	6,639
Depreciation on disposals/write off	-	(2,498)	(27)	-	-	(2,525)
31 December 2019	-	1,141	21,363	13,240	-	35,744
<b>Allowance for impairment loss:</b>						
1 January 2018	-	-	-	-	-	-
Increase during the year	-	3,325	-	-	-	3,325
31 December 2018	-	3,325	-	-	-	3,325
Decrease during the year	-	(3,325)	-	-	-	(3,325)
31 December 2019	-	-	-	-	-	-
<b>Net book value:</b>						
31 December 2018	-	26,824	6,602	6,128	-	39,554
31 December 2019	-	25,715	4,899	3,587	-	34,201
<b>Depreciation for the year</b>						
2018 (Baht 0.3 million included in cost of rental and service, and the balance in selling and administrative expenses)						8,268
2019 (Baht 0.3 million included in cost of rental and service, and the balance in selling and administrative expenses)						6,639



During the year 2019, the subsidiary recorded loss on impairment of property, plant and equipment amounting to Baht 38 million.

During the year ended 31 December 2019, the Company and its subsidiaries capitalised borrowing cost amounting to Baht 101 million as part of project. The weighted average rates of 6.11 - 7.22% were used to determine the amount of borrowing costs eligible for capitalisation.

As at 31 December 2019, the Company and its subsidiaries had equipment and motor vehicles with net book value of Baht 36 million (2018: Baht 42 million) which were acquired under finance lease agreements (the Company only: Baht 1 million, 2018: Baht 1 million).

As at 31 December 2019, certain items of equipment and motor vehicles of the Company and its subsidiaries were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 31 million (2018: Baht 30 million) (the Company only: Baht 26 million, 2018: Baht 26 million).

As at 31 December 2019, the Company and its subsidiaries have pledged their land and construction thereon amounting to approximately Baht 3,592 million (The Company only: Baht 27 million) as collateral against short-term debentures, short-term loans from other parties, long-term loans from financial institutions, long-term loans from other persons, long-term debentures and construction contract.

## 18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade payables - related parties	7,376	1,808	-	-
Trade payables - unrelated parties	69,369	93,627	23,884	35,371
Other payables - related parties	15,715	3,740	75,869	104,740
Other payables - unrelated parties	155,139	173,206	58,274	115,779
Advance received from sales of				
investment - related party	-	33,000	-	33,000
Payable for construction - related parties	-	164	-	164
Payable for construction and purchase				
of assets - unrelated parties	1,152,485	408,780	3,799	6,210
Accrued expenses - related parties	4,415	3,215	4,415	17,174
Accrued expenses - unrelated parties	43,805	50,322	11,759	14,774
Interest payables - related parties	1,528	687	38,183	9,183
Interest payables - unrelated parties	100,319	41,853	21,295	20,067
Total trade and other payables	1,550,151	810,402	237,478	356,462

As at 31 December 2019, payable for construction of a subsidiary amounting to Baht 1,146 million included the portion of Baht 516 million that has already come due as at 27 February 2020, and the remaining amount will gradually become due, with full settlement to be made by June 2020. As a result of a dispute over a delay in the delivery of construction work, which caused a delay in the launch of the subsidiary's project, the Group is currently negotiating with the creditor to request postponement of debt settlement.

## 19. Other long-term payables

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		2019	2018
Construction payable	-		902,060
Interest payables	-		9,950
Total other long-term payables	-		912,010

The balance as at 31 December 2018 was construction payable of Nusa Legend Siam Company Limited (the subsidiary). Under the terms agreed by the subsidiary and the contractor, the subsidiary was to repay the balance into installments until the completion of 18 months from the date the subsidiary issues a certificate of payment to the contractor. Other payables - non-current was the portion that was due over 12 months from the date of the statement of financial position.

As at 31 December 2019, the above construction payable was presented as payable for construction and purchase of assets under trade and other payable due to the balance was due within 12 months from the date of the statement of financial position.

## 20. Short-term debentures

		(Unit: Thousand Baht)	
		Consolidated/Separate financial statements	
		2019	2018
Short-term debentures	230,000		60,000
Less: Deferred debenture issuing costs	(21)		(718)
Short-term debentures - net	229,979		59,282

Movements in the short-term debentures account during the year ended 31 December 2019 are summarised below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
<b>Balance as at 1 January 2019</b>	59,282
Add: Issuance of debentures	330,000
Less: Repayments	(160,000)
Add: Amortisation of deferred debenture issuing costs	935
Less: Deferred expense of issuing the debentures	(238)
<b>Balance as at 31 December 2019</b>	<b>229,979</b>

The balance as at 31 December 2018 is short-term debentures, registered, unsubordinated, secured and with debenture holders' representative. The maturity date of this debenture was on 25 March 2019 and the debenture holders were entitled to receive interest at a rate of 5.4 percent per annum on the redemption date. During the year, the Company redeemed such debentures.

On 4 July 2019, the Company issued and offered 90,000 units of unsubordinated and secured short-term debenture No.1/2019 with a face value of Baht 1,000 each, amounting to Baht 90 million. The debentures matured on 3 October 2019 and bear interest at a rate of 5.7 percent per annum, payable on maturity date. The Company redeemed the debentures on 3 October 2019.

On 12 July 2019, the Company issued and offered 10,000 units of unsubordinated and secured short-term debenture No.2/2019 with a face value of Baht 1,000 each, amounting to Baht 10 million. The debentures matured on 10 October 2019 and bear interest at a rate of 5.7 percent per annum, payable on maturity date. The Company redeemed the debentures on 10 October 2019.

On 9 August 2019, the Company issued and offered 130,000 units of unsubordinated and secured debentures No.3/2019 (Tranche 1) with a face value of Baht 1,000 each, a total of Baht 130 million with an over-allotment not more than 100,000 units, amounting to Baht 100 million. The debentures mature on 12 May 2020 and bear interest at a rate of 5.7 percent per annum, payable every 3 months.

On 3 October 2019, the Company issued and offered 90,000 units of unsubordinated and secured short-term debenture No.3/2019 with a face value of Baht 1,000 each, amounting to Baht 90 million. The debentures mature on 8 January 2020 and bear interest at a rate of 5.7 percent per annum, payable on maturity date.



On 10 October 2019, the Company issued and offered 10,000 units of unsubordinated and secured short-term debenture No. 4/2019 with a face value of Baht 1,000 each, amounting to Baht 10 million. The debentures mature on 8 January 2020 and bear interest at a rate of 5.7 percent per annum, payable on maturity date.

On 8 January 2020, the Company issued and offered 100,000 units of unsubordinated and secured short-term debenture No. 1/2020 with a face value of Baht 1,000 each, amounting to Baht 100 million. The debentures mature on 7 April 2020 and bear interest at a rate of 5.7 percent per annum, payable on maturity date.

As at 31 December 2019, the debentures was guaranteed by the mortgage of land and construction thereon and land awaiting development of the Company and a subsidiary (2018: the debentures was guaranteed by the mortgage of land and construction thereon of a related company).

## 21. Short-term loans from other parties

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Bills of exchange	50,000	180,000	10,000	130,000
Less: Discount	(481)	(1,157)	(28)	(433)
Net	49,519	178,843	9,972	129,567
Short-term loans from other persons	300,663	51,000	300,663	51,000
Less: Discount	(9,192)	-	(9,192)	-
Net	291,471	51,000	291,471	51,000
Total	340,990	229,843	301,443	180,567

Short-term bills of exchange of the Company and its subsidiary are registered, in Baht and sold at face value less discount. These bills are sold to institutional investors, carrying interests at rate similar to market rate, payable in January 2020 and March 2020. The bills of exchange of the Company and subsidiary are guaranteed by the mortgage of land and the construction thereon of the subsidiary, land awaiting development of the subsidiary, and a guarantee provided by the Company.

In January 2020, the Company and its subsidiary issued short-term bills of exchange amounting to Baht 20 million, carrying interest at a rate of 8 percent per annum, payable in February 2020 and March 2020.

Short-term loans from other persons carries interest at a rate of 6.25 - 11.76 percent per annum. Loans repayment is due in January 2020 to November 2020. The loans are secured by the mortgage of land and construction thereon of the Company and its subsidiaries, land awaiting development of the Company and its subsidiaries and a guarantee by the Company's director.

In January 2020, the Company has entered into loan agreements with many other persons totaling approximately Baht 105 million with interest rates of 8.24 and 11.00 percent per annum, with repayment due in January 2021.

## 22. Long-term loans from financial institutions

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Long-term loans from financial institutions	312,813	763,844	291,859	730,580
Less: Deferred cost of financing loans	-	(60)	-	(60)
Total	312,813	763,784	291,859	730,520
Less: Current portion	(223,892)	(743,566)	(211,859)	(730,520)
Long-term loans from financial institutions, net of current portion	88,921	20,218	80,000	-

The details of long-term loans are presented below.

(Unit: Thousand Baht)

Company's name	Balance of long-term loans		Interest rate per agreement (Percent per annum)		Condition of repayment
	2019	2018	2019	2018	
Nusasiri Plc.					
- Loan No.1	63,289	75,252	SPR+0.5	SPR+0.5	Interest is paid at the end of month and repayment of the principal by quarterly, at the rate as stipulated in agreement, with full settlement to be made within 2 October 2020.
- Loan No.2	50,124	68,524	MLR+1	MLR+1	Interest is paid at the end of month and repayment of the principal by monthly at the rate as stipulated in agreement, which full settlement to be made within 11 October 2022.

(Unit: Thousand Baht)

Company's name	Balance of long-term loans		Interest rate per agreement (Percent per annum)		Condition of repayment
	2019	2018	2019	2018	
- Loan No.3	98,445	301,629	MLR+0.5	MLR+0.5	Interest is paid at the end of month and repayment of principal is due whenever assets unit is redeemed from mortgage, at 80 percent of the selling price, with full settlement to be made within 20 December 2020.
- Loan No.4	-	85,176	-	MLR+0.5	Interest is paid at the end of month and repayment of principal is due whenever assets unit is redeemed from mortgage, at the rate as stipulated in agreement, with full settlement to be made within 31 December 2019.
- Loan No.5	80,000	80,000	MLR - 1.5	MLR - 1.5	Interest and repayment of principal is due at the end of month, at the rate as stipulated in agreement, with full settlement to be made within 30 April 2021.
- Loan No.6	-	120,000	-	MLR - 1.5	Interest and repayment of principal is due at the end of month, at the rate as stipulated in agreement, with full settlement to be made within 30 April 2019.
<u>Subsidiary</u>					
Nusa One Company Limited	20,955	33,263	MLR	MLR	Interest and repayment of principal is due at the end of month, at the rate as stipulated in agreement, with full settlement to be made within 28 February 2022.
Total	312,813	763,844			



Movements of long-term loans account during the year ended 31 December 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Balance as at 1 January 2019</b>	763,784	730,520
Less: Repayments	(451,031)	(438,721)
Add: Amortisation of front-end fee	60	60
<b>Balance as at 31 December 2019</b>	<b>312,813</b>	<b>291,859</b>

These loans are secured by the mortgage of the Company's condominium units of the projects, the land and construction thereon of the projects of the subsidiaries, land awaiting development of the Company, investment properties of the Company and bank deposits of the Company and guarantees provided by the Company and directors of the Company.

The loan agreements of the Company and the subsidiaries contain covenants as specified in the agreements those, among other things, require the Company and the subsidiaries to maintain certain interest-bearing debt to equity and debt to equity ratios according to the agreements.

As at 31 December 2019, the Company and its subsidiaries had no available facilities for long-term loans.

#### **Nusasiri Public Company Limited**

On 31 January 2019, the Company amended a loan agreement with a local bank to extend the due date of full principal repayment from February 2019 to October 2020.

On 30 April 2019, the Company amended a loan agreement with a local bank to extend the due date of full principal repayment from April 2019 to April 2021.

As at 31 December 2019, the Company was unable to pay the interest and principal to a financial institution in accordance with the terms and conditions stipulated in the loan agreement. Currently, the Company is in the process of negotiating repayment terms for the outstanding debts and postponement of penalty interest payment. The management of the Company believes that the bank will approve the request, so the Company recorded interest at the original rate in accordance with the loan agreement in the statement of comprehensive income for the year 2019.

## 23. Long-term loans from other persons

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	2018
Long-term loans from other persons	210,000	310,000
Less: Front-end fee	-	(194)
Net	210,000	309,806
Less: Current portion	(210,000)	(99,806)
Long-term loans from other persons, net of current portion	-	210,000

Movements of long-term loans from other persons account during the year ended 31 December 2019 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
<b>Balance as at 1 January 2019</b>	309,806
Add: Amortisation of front-end fee	194
Less: Repayments	(100,000)
<b>Balance as at 31 December 2019</b>	210,000

### Nusa Legend Siam Company Limited (the subsidiary)

On 31 July 2017 and 12 September 2017, the subsidiary entered into loan agreements with other persons, amounting to Baht 210 million. These loans carry interest at a rate of 6.5 percent per annum, payable every 6 months, and interest at a rate of 3.5 percent per annum, payable when the loans are repaid. Principal repayment is due at call provided that it has been at least 3 years after the drawdown date. The subsidiary has the right to repay the principal anytime provided that it has been at least 1 year after the drawdown date.

These loans are secured by the mortgage of land and the construction thereon of the Company and the subsidiary, land awaiting development of the subsidiary, investment properties of the Company and guarantee provided by the Company.

In addition, the Company, which holds 99.99 percent of the shares of Nusa Legend Siam Company Limited, and the lender entered into agreements offering the right purchase up to 525,000 ordinary shares of the subsidiary in accordance with the terms and conditions specified in the agreement. As at 31 December 2019, this right was not exercised.

Nusa My Ozone Company Limited (the subsidiary)

On 6 September 2017, the subsidiary entered into a loan agreement with other person, granting the loan facilities of Baht 150 million. This loan carries interest at a rate of 9.41 percent per annum, and interest payment is due monthly. Principal repayment is due within 18 months from the date that all facilities are drawn down, and payable in 2 installments as follows:

1<sup>st</sup> installment: Baht 50 million within 6 September 2018

2<sup>nd</sup> installment: Baht 100 million within 6 March 2019

During the year, the subsidiary entered into an amendment agreement to increase the interest rate from 9.41 percent per annum to 10 percent per annum based on the remaining balance of loan starting from 6 March 2019, and amended the payment term to 3 installments as follows:

1<sup>st</sup> installment: Baht 50 million within 17 September 2018 (paid)

2<sup>nd</sup> installment: Baht 40 million within 6 March 2019 (paid)

3<sup>rd</sup> installment: Baht 60 million within 6 September 2019

Subsequently, the subsidiary entered into an amendment agreement to amended the payment term to 4 installments as follows:

1<sup>st</sup> installment: Baht 50 million within 17 September 2018 (paid)

2<sup>nd</sup> installment: Baht 40 million within 6 March 2019 (paid)

3<sup>rd</sup> installment: Baht 10 million within 31 August 2019 (paid)

4<sup>th</sup> installment: Baht 50 million within 4 October 2019 (paid)

This loan was guaranteed by the mortgage of land and construction thereon of the Company and a subsidiary, investment properties of the Company, land awaiting development of the subsidiary and guarantee provided by the Company.



## 24. Long-term debentures

					(Unit: Thousand Baht)	
					Consolidated / Separate	
					financial statements	
Debentures	Issued date	Maturity date	Terms	Interest rate (% per annum)	2019	2018
1/2017	1 June 2017	1 March 2019	1 year 9 months	5.8	-	674,200
2/2017	15 November 2017	15 August 2019	1 year 9 months	5.8	-	650,000
1/2018	1 February 2018	1 May 2019	1 year 3 months	5.6	-	335,000
2/2018	13 July 2018	23 April 2020	1 year 9 months	5.8	300,000	300,000
			10 days			
1/2019	18 January 2019	18 November 2020	1 year 10 months	6.0	450,000	-
2/2019	26 April 2019	26 March 2021	1 year 11 months	6.3	360,000	-
3/2019	9 August 2019	9 July 2021	1 year 11 months	6.3	450,000	-
Total					1,560,000	1,959,200
Less: Deferred debenture issuing costs					(39,934)	(22,733)
Long-term debentures, net					1,520,066	1,936,467
Less: Current portion					(718,628)	(1,645,685)
Long-term debentures, net of current portion					801,438	290,782

Movements in the long-term debentures account during the year ended 31 December 2019 are summarised below.

		(Unit: Thousand Baht)
		Consolidated/Separate
		financial statements
<b>Balance as at 1 January 2019</b>		1,936,467
Add: Issuance of debentures		1,260,000
Less: Repayments		(1,659,200)
Add: Amortisation of deferred debenture issuing costs		44,566
Less: Deferred debenture issuing costs		(61,767)
<b>Balance as at 31 December 2019</b>		1,520,066

On 18 January 2019, the Company issued and offered 450,000 units of unsubordinated and secured debentures with a face value of Baht 1,000 each, or a total of Baht 450 million. The debentures mature on 18 November 2020, bearing interest at a rate of 6 percent per annum, payable every 3 months.

On 22 and 23 January 2019, the Company redeemed the debentures No. 1/2017 in the amount of Baht 674 million before the maturity date. The Company agreed to pay fees of Baht 1 million to the holders of the debenture, which were paid together with the principal and interest.

On 26 April 2019, the Company issued and offered 360,000 units of unsubordinated and secured debentures with a face value of Baht 1,000 each, amounting to Baht 360 million. The debentures mature on 26 March 2021 and bear interest at a rate of 6.3 percent per annum, payable every 3 months.

On 30 April 2019 and 2 May 2019, the Company redeemed the debentures No.1/2018 which mature on 1 May 2019 in the amount of Baht 335 million.

On 9 August 2019, the Company issued and offered 350,000 units of unsubordinated and secured debentures No.3/2019 (Tranche 2) with a face value of Baht 1,000 each, a total of Baht 350 million with an overallocation not more than 100,000 unit, amounting to Baht 100 million. The debentures mature on 9 July 2021 and bear interest at a rate of 6.3 percent per annum, payable every 3 months.

On 14 and 15 August 2019, the Company redeemed the debentures No.2/2017 which mature on 15 August 2019 in the amount of Baht 650 million.

The debenture agreements contain covenants that require the Company to comply with certain matters as specified in the agreement, such as dividend payment and the maintenance of interest-bearing debt to equity ratio.

As at 31 December 2019 and 31 December 2018, the debentures were guaranteed by the mortgage of land and construction thereon and land awaiting development of the Company and its subsidiaries.

## 25. Provisions

Provisions for the years 2019 and 2018 had the following movements:

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Provision for			Provision for		
	Provision for	onerous		Provision for	onerous	
	lawsuits	contracts	Total	lawsuits	contracts	Total
Balance as at 1 January 2018	-	413,390	413,390	-	182,888	182,888
Increase during the year	-	161,098	161,098	-	161,098	161,098
Utilised	-	(110,346)	(110,346)	-	(53,385)	(53,385)
Balance as at 31 December 2018	-	464,142	464,142	-	290,601	290,601
Increase during the year	16,452	74,105	90,557	14,600	74,105	88,705
Utilised	-	(93,724)	(93,724)	-	(57,079)	(57,079)
Balance as at 31 December 2019	16,452	444,523	460,975	14,600	307,627	322,227
<b>2018</b>						
Current	-	93,724	93,724	-	57,079	57,079
Non-current	-	370,418	370,418	-	233,522	233,522
	-	464,142	464,142	-	290,601	290,601
<b>2019</b>						
Current	-	116,642	116,642	-	65,869	65,869
Non-current	16,452	327,881	344,333	14,600	241,758	256,358
	16,452	444,523	460,975	14,600	307,627	322,227



## 26. Share capital

On 30 April 2019, the Annual General Meeting of Shareholders for the year 2019 of the Company approved the followings transactions.

- a) Approved to acknowledge the cancellation of the allocation of new ordinary shares to support the exercise of warrants of the Company (NUSA-WA) in the amount of 500,000,000 shares and accommodate right adjustment of the Company's warrant (NUSA-WA) of 63,446,717 shares totaling 563,446,717 shares at a par value of Baht 1 each.
- b) Approved the reduction of the registered share capital from Baht 10,160,910,748 to Baht 9,597,464,031, by canceling 563,446,717 shares with a par value of Baht 1 per share to support the exercise of warrants of the Company as mentioned in Note 26 a) to the financial statements. The Company registered the decrease in its share capital with the Ministry of Commerce on 13 May 2019.

## 27. Warrants to purchase ordinary shares

The warrants are detailed as follows:

	NUSA-WB	NUSA-W3
	Amount (units)	Amount (units)
Balance as at 31 December 2018	1,250,000,000	693,939,896
Expired during the period	(1,250,000,000)	-
Balance as at 31 December 2019	-	693,939,896

### Warrants to purchase ordinary shares (NUSA-WB)

On 18 March 2016, the Board of Directors Meeting No. 2/2016 of the Company passed a resolution approving the issue and offer of 1,250,000,000 units of warrants to purchase the Company's ordinary shares ("NUSA-WB") to 17 shareholders in proportion to their shareholding percentage at the ratio of 2 ordinary shares per 1 unit. The selling price of the warrant is Baht 0 per unit.

Details of the warrants are as follows:

Issue date	1 April 2016
Units issued	1,250,000,000
Term	3 years from the issue date
Exercise date	the last business day of each quarter for a term of 3 years from the issue date
Exercise price per ordinary share	Baht 1
Exercise ratio (Warrant per ordinary share)	1:1

The last exercise date of warrants (NUSA-WB) was 29 March 2019, and 1,250,000,000 warrants expired without being exercised.

Warrants to purchase ordinary shares (NUSA-W3)

On 18 December 2017, the Extraordinary General Meeting of the Company's shareholders passed a resolution approving the issue and offer of warrants to purchase the Company's ordinary shares ("NUSA-W3") to shareholders of the Company who purchased and paid for the newly issued shares in proportion to their shareholding percentage at the ratio of 1 ordinary share per 1 unit for a total of 693,939,896 warrants. The selling price of the warrant is Baht 0 per unit.

Details of the warrants are as follows:

Issue date	19 February 2018
Units issued	693,939,896
Term	2 years from the issue date
Exercise date	the last business day of May and November with the first exercise date on 31 May 2018 and the last on 18 February 2020
Exercise price per ordinary share	Baht 1
Exercise ratio (Warrant per ordinary share)	1:1

During February 2020, 3,850 warrants (NUSA-W3) were exercised, equivalent to 3,850 shares, at a price of Baht 1 each. The Company registered the change in its paid-up share capital from Baht 7,641,078,761 to Baht 7,641,082,611 with the Ministry of Commerce on 27 February 2020.

The last exercise date of warrants (NUSA-W3) was on 18 February 2020 and 693,936,046 warrants expired without being exercised.

**28. Statutory reserve**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside 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.

## 29. Expenses by nature

Significant expenses classified by nature are as follow:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salary and other employee benefits	254,522	150,157	65,883	65,053
Depreciation and amortization	103,027	76,743	26,665	21,942
Commission expenses	45,888	48,848	36,503	63,082
Advertising and promotion expenses	88,334	76,577	12,112	55,008
Special business tax and transfer fees	28,827	46,850	23,572	40,419

## 30. Income tax

Income tax expenses for the year ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Current income tax:</b>				
Current income tax charge	13,679	127	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(738)	(4,994)	(698)	(5,253)
<b>Income tax expenses (benefits) reported in profit or loss</b>	<u>12,941</u>	<u>(4,867)</u>	<u>(698)</u>	<u>(5,253)</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax relating to actuarial gains	991	814	991	714
	<u>991</u>	<u>814</u>	<u>991</u>	<u>714</u>



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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
Accounting profit (loss) before tax	(655,367)	(306,989)	(264,509)	(205,048)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiply by income tax rate	(131,073)	(61,398)	(52,902)	(41,009)
Effects of:				
Temporary differences which were not recognised but utilised during the year	(52,054)	(20,959)	(26,339)	(19,812)
Temporary differences which were not recognised as deferred tax assets during the year	39,627	24,517	54,688	20,501
Unused tax losses which were not recognised	117,888	38,545	-	-
Non-deductible expenses/additional taxable income	38,553	14,428	23,855	35,067
<b>Total</b>	<b>144,014</b>	<b>56,531</b>	<b>52,204</b>	<b>35,756</b>
<b>Income tax expenses (benefits) reported in profit or loss</b>	<b>12,941</b>	<b>(4,867)</b>	<b>(698)</b>	<b>(5,253)</b>

As at 31 December 2019 and 2018, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Deferred tax assets</b>				
Provision for long-term employee benefits	1,318	1,750	650	1,273
Estimates sale promotion	7,686	7,507	7,212	6,881
<b>Total deferred tax assets</b>	<b>9,004</b>	<b>9,257</b>	<b>7,862</b>	<b>8,154</b>

As at 31 December 2019, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 1,170 million (2018: Baht 777 million) (the Company only: Baht 787 million, 2018: Baht 620 million). Deferred tax assets have not been recognised on these amount as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses which was not recognised as deferred tax assets amounting to Baht 1,107 million will expire by 2020 - 2024 (2018: Baht 653 million which will expire by 2019 - 2023).

### **31. 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.

However, the Company has not presented diluted earnings (loss) per shares for the year ended 31 December 2019 and 2018 since the exercise prices of warrants were higher than the average market price of the ordinary shares for the year.

### **32. 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

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have 3 reportable segments as follows:

- Property development segment
- Rental and service segment
- Cultural theme-park segment

No operating segments have been aggregated to form the above reportable operating segments.

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 that for third party transactions.

(Unit: Million Baht)

[illegible]



## Geographic information

The Company and its subsidiaries mainly operate in Thailand. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

## Major customers

For the year 2019, the Company and its subsidiaries had revenue from a major customer in the amount of Baht 475 million, arising from property development segment (2018: The Company and its subsidiaries had revenue from two major customers in the amount of Baht 1,217 million, arising from property development segment).

### **33. Provident fund**

The Company, subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B. E. 2530. The Company, subsidiaries and employee contribute to the fund monthly at the rate of 3 percent to 7 percent of basic salary. The fund, which is managed by Krungthai Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the years 2019 and 2018, the Company and its subsidiaries recognised the contribution amounting to Baht 1 million and Baht 1 million, respectively as expenses (Separate financial statements: Baht 1 million and Baht 1 million, respectively).

### **34. Commitments and contingent liabilities**

#### **34.1 Commitments for buy back option of houses and condominium units**

The Group sold some of the land and houses and condominium units to customers with an option to sell them back to the Group under conditions stipulated in the agreement. The Group recognised revenue from the sales of land and houses and condominium units on the date on which the Group registered the transfer of the title deed to the customer and received payment from the customer. Management has conducted assessment and believes that the likelihood of customers exercising the option is remote.

As at 31 December 2019, the Group has commitments of Baht 1,956 million (2018: Baht 1,754 million) in respect of the option for customers to sell back the houses and condominium units.

#### **34.2 Capital commitments**

As at 31 December 2019, the Company and its subsidiaries had capital commitments of approximately Baht 211 million (2018: Baht 209 million) (the Company only: Baht 58 million, 2018: Baht 90 million) relating to design and construction contracts of their projects.

#### **34.3 Operating lease commitments**

The Company and its subsidiaries have entered into several lease agreements in respect of asset for operation, office building and related service agreements. The terms of the agreements are generally between 1 to 9 years.

As at 31 December 2019 and 2018, the Company and its subsidiaries had future minimum lease payments required under these non- cancellable operating leases contracts and service agreements as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statement	
	2019	2018	2019	2018
Payable within:				
1 year	151	136	2	1
Over 1 and up to 5 years	405	427	2	-
Over 5 years	3	30	-	-

#### 34.4 Long-term service commitments

- a) The Company entered into sales and marketing service agreements with a subsidiary for a period of three years commencing from 1 May 2016. The Company is committed to pay fees at the rate specified in the agreements. In May 2019, the Company canceled the agreements.

The service expenses for the year ended 31 December 2018 amounted to Baht 41 million, which was presented in the statement of comprehensive income (2019: None).

- b) In October 2016, the Company and a subsidiary entered into a project management agreement with a company for a period of 15 years commencing in the year that project has been started operating, with an option to extend the agreement period of 5 years each. Such company is to provide management of the Company's service apartment and a subsidiary's hotel and allow the Company and the subsidiary to use trademark. The Company and the subsidiary shall pay variable fees as stated in the agreements.

In February 2017, the Company and the subsidiary entered into an assignment and novation agreement to assign and novate all their rights and obligations to another subsidiary. The Company and the subsidiary were required to issue a corporate guarantee of Baht 129 million (2018: Baht 129 million) (the Company only: Baht 65 million, 2018: Baht 65 million). In February 2017, the Company transferred the management of its service apartment to such company. At present, the subsidiary is in the process of transferring the management of its hotel to such company.

Management fee under the above agreement for the year ended 31 December 2019, amounted to Baht 2 million (2018: Baht 3 million), which is presented in the statement of comprehensive income.

### 34.5 Guarantee

- a) As at 31 December 2019, the Company had obligations from the guarantee of bank credit facilities of Baht 305 million (2018: Baht 415 million) for its subsidiaries.
- b) As at 31 December 2019, the Company had obligations from the guarantee of bank credit facilities of Baht 122 million (2018: Baht 122 million) for its joint venture.
- c) As at 31 December 2019, the Company and a subsidiary had obligations from the guarantee of trademark licensing agreement and hotel management agreement of a subsidiary in order to guarantee the contractual performance under the agreements of this subsidiary, amounting to Baht 129 million (2018: Baht 129 million) (the Company only: Baht 65 million, 2018: Baht 65 million).
- d) As at 31 December 2019, there were outstanding bank guarantees of approximately Baht 72 million (2018: Baht 142 million) (the Company only: Baht 49 million, 2018: Baht 126 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance obligations as required in the normal course of business.
- e) As at 31 December 2019, the subsidiary has commitment under construction agreement with a local company and a foreign company. The agreement is partially secured by land and construction thereon of a subsidiary, under the mortgage facility of Baht 1,346 million (2018: Baht 1,346 million) and a guarantee provided by the Company.

### 34.6 Litigations

As at 31 December 2019, the Company and its subsidiaries have pending litigation cases, relating to allegations of breaches of hire of work agreement, employment contract, repayment agreement, contract for penalty payment, sale and purchase agreement, common area fee claim and breaches of exercise of right and tort cases with the total claim of Baht 128 million. However, the Company and its subsidiaries are defending the lawsuits. During the current year, the Company and a subsidiary recorded the provision of Baht 16 million in respect of these cases. The management believes that the Company and its subsidiaries will not have a material effect as a result of the litigation in excess of the recorded provision.

### 34.7 Asset acquisition commitments

- a) On 29 May 2015, the subsidiary entered into a sale and purchase agreement to purchase 230 residential units (payable in installments) from Bangkok Commercial Asset Management Public Company Limited (“the Seller”) for a lump sum of Baht 903 million. On the date of the agreement, the subsidiary paid deposit for the purchase of Baht 90 million and has agreed to pay the remaining amount with interest in installments as specified in the agreement.



As at 31 December 2019, the ownership of 215 residential units has been transferred to the subsidiary, and the subsidiary has already paid Baht 829 million to the seller. The remaining asset acquisition commitment to the seller was Baht 75 million with interest as specified in the agreement.

- b) On 28 September 2017, the Company entered into a share purchase memorandum of Panacee Medical Center Company Limited. Subsequently, the Company had assigned the rights and obligations under the share purchase memorandum to Panacee Group Company Limited (the subsidiary) as disclosed in Note 7 to the financial statements.

As at 31 December 2019, the subsidiary has paid deposit for purchasing investments amounting to Baht 647 million, the subsidiary has commitment to pay the remaining deposit of Baht 73 million.

### 34.8 Other service commitments

The Company and its subsidiaries had commitments under service agreements and other agreements of Baht 20 million (2018: Baht 15 million) (the Company only: Baht 12 million, 2018: Baht 4 million).

### 35. Fair value hierarchy

As at 31 December 2019 and 2018, the Company and its subsidiaries had the assets that were measured at fair value or disclosed fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements				
31 December 2019				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	834	834
<b>Liabilities for which fair value are disclosed</b>				
Long-term debentures	-	1,566	-	1,566

(Unit: Million Baht)

Consolidated financial statements				
31 December 2018				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	1,089	1,089
<b>Liabilities for which fair value are disclosed</b>				
Long-term debentures	-	1,957	-	1,957

(Unit: Million Baht)

Separate financial statements				
31 December 2019				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	886	886
<b>Liabilities for which fair value are disclosed</b>				
Long-term debentures	-	1,566	-	1,566

(Unit: Million Baht)

Separate financial statements				
31 December 2018				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	992	992
<b>Liabilities for which fair value are disclosed</b>				
Long-term debentures	-	1,957	-	1,957

## 36. Financial instruments

### 36.1 Financial risk management

The Company's and the subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, loans to, trade and other payables, short-term loan, long-term loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans to. The Company's and its subsidiaries' management manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables other receivables and loans to as stated in the statement of financial position.

## Interest rate risk

The Company's and the subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, loans to, short-term loans, long-term loans and debentures. Most of the financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2019 and 2018, 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 2019						
	Fixed interest rates		Floating	Non-interest		
	within 1 year	1-5 years	interest rate	bearing	Total	Interest rate
						(% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	8	18	26	0.10 - 1.30
Trade and other receivables	-	-	-	110	110	
Short-term loans to related parties	428	-	7	-	435	Refer to MLR and 7.50 - 7.75
Restricted bank deposits	-	-	44	-	44	0.40 - 1.65
	428	-	59	128	615	
<u>Financial liabilities</u>						
Trade and other payables	1,018	-	-	532	1,550	6.00 - 12.00
Retention payables	-	-	-	78	78	
Short-term debentures	230	-	-	-	230	5.70
Liabilities under finance lease agreements	9	1	-	-	10	2.78 - 4.00
Long-term loans from financial institutions	-	-	313	-	313	Refer to SPR and MLR
Long-term loans from other persons	210	-	-	-	210	3.50 - 6.50
Long-term debentures	719	801	-	-	1,520	5.80 - 6.30
Short-term loans from related parties	-	-	6	-	6	Refer to MLR
Short-term loans from other parties	341	-	-	-	341	6.25 - 11.76
	2,527	802	319	610	4,258	



(Unit: Million Baht)

## Consolidated financial statement

As at 31 December 2018

	Fixed interest rates		Floating	Non-interest	Total	Interest rate
	within 1 year	1-5 years	interest rate	bearing		
						(% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	19	310	329	0.10 - 1.75
Trade and other receivables	-	-	-	539	539	
Short-term loans to related parties	414	-	-	-	414	7.50 - 7.75
Restricted bank deposits	-	-	41	-	41	0.30 - 1.50
	414	-	60	849	1,323	
<u>Financial liabilities</u>						
Trade and other payables	256	-	-	554	810	6.00
Retention payables	-	-	-	79	79	
Other long-term payables	-	902	-	10	912	6.00
Short-term debentures	59	-	-	-	59	5.40
Liabilities under finance lease agreements	22	10	-	-	32	2.78 - 4.00
Long-term loans from financial institutions	-	-	764	-	764	Refer to SPR and MLR
Long-term loans from other persons	100	210	-	-	310	3.50 - 10.00
Long-term debentures	1,645	291	-	-	1,936	5.60 - 5.80
Short-term loans from related parties	-	-	47	-	47	Refer to MLR
Short-term loans from other parties	230	-	-	-	230	6.25 - 11.76
	2,312	1,413	811	643	5,179	

(Unit: Million Baht)

## Separate financial statement

As at 31 December 2019

	Fixed interest rates		Floating	Non-interest		
	within 1 year	1-5 years	interest rate	bearing	Total	Interest rate
						(% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	2	13	15	0.10 - 1.30
Trade and other receivables	-	-	-	445	445	
Short-term loans to related parties	428	-	2,861	-	3,289	Refer to MLR and 7.50 - 7.75
Restricted bank deposits	-	-	20	-	20	0.50
Other long-term receivables - related parties	-	-	-	454	454	
	428	-	2,883	912	4,223	
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	237	237	
Retention payables	-	-	-	57	57	
Short-term debentures	230	-	-	-	230	5.70
Long-term loans from financial institutions	-	-	292	-	292	Refer to SPR and MLR
Long-term debentures	719	801	-	-	1,520	5.80 - 6.30
Short-term loans from related parties	337	-	535	-	872	Refer to MLR and 3.00
Short-term loans from other parties	301	-	-	-	301	6.25 - 11.76
	1,587	801	827	294	3,509	

(Unit: Million Baht)

	Separate financial statement					
	As at 31 December 2018					
	Fixed interest rates		Floating	Non-interest		
	within 1 year	1-5 years	interest rate	bearing	Total	Interest rate
						(% per annum)
<u>Financial Assets</u>						
Cash and cash equivalents	-	-	12	305	317	0.10 - 1.75
Trade and other receivables	-	-	-	327	327	
Short-term loans to related parties	414	-	2,333	-	2,747	Refer to MLR and 7.50 - 7.75
Restricted bank deposits	-	-	20	-	20	0.30 - 0.50
Other long-term receivables - related parties	-	-	-	454	454	
	414	-	2,365	1,086	3,865	
<u>Financial Liabilities</u>						
Trade and other payables	-	-	-	356	356	
Retention payables	-	-	-	57	57	
Short-term debentures	59	-	-	-	59	5.40
Liabilities under finance lease agreements	1	-	-	-	1	2.78 - 2.90
Long-term loans from financial institutions	-	-	731	-	731	Refer to SPR and MLR
Long-term debentures	1,645	291	-	-	1,936	5.60 - 5.80
Short-term loans from related parties	329	-	306	-	635	Refer to MLR and 3.00
Short-term loans from other parties	181	-	-	-	181	6.25 - 8.00
	2,215	291	1,037	413	3,956	

### Foreign currency risk

The Company's and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions and services that are denominated in foreign currencies. As at 31 December 2019, the subsidiary has an outstanding balance of accounts payable in foreign currencies of USD 38 million (2018: USD 34 million). In addition, the Company has investments in joint ventures in foreign countries which the Company has not entered into the hedging contract.



## 36.2 Fair values of financial instruments

Since the majority of the financial instruments of the Company and its subsidiaries are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position except for the following transactions.

(Unit: Million Baht)

	Consolidated / Separate financial statements			
	As at 31 December 2019		As at 31 December 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>				
Long-term debentures	1,520	1,566	1,936	1,957

Fair value of long-term debentures is derived from quoted market prices of the Thai Bond Market Association.

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

## 37. 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 2019, the Group's debt-to-equity ratio was 0.88: 1 (2018: 0.93: 1) and the Company's was 0.64:1 (2018: 0.68:1).

## 38. Events after the reporting period

38.1 On 3 February 2020, the Company's Board of Directors' meeting No.1/2020 passed a resolution approving the following matters:

- Approval for the increase in the registered share capital of World Medical Alliance Company Limited ("WMA") (formerly known as "Nusasiri Logistics (BVI) Limited") by USD 99,999,000, from the original registered share capital of USD 1,000 to the new registered capital of USD 100,000,000. The purpose of the capital increase is to support future business growth, create business opportunities in the medical industry and joint-venture with leading global companies and investors.
- Approval for the Company to make additional investment in ordinary shares of WMA not exceeding 55 percent of the registered capital, or USD 55,000,000.

38.2 On 27 February 2020, Nusa Legend Siam Company Limited (the subsidiary) announced its plan to close its cultural theme-park due to economic slowdown and the effect of the spread of Corona virus (Covid-19) on tourism industry and foreign customers, who are the subsidiary's major customer groups. The subsidiary plans to close the project for a certain period of time beginning on 3 March 2020 in order to adjust and plan its marketing strategies. When the situation resolves, the management of the subsidiary expects to reopen the project and resume operations in a timely manner.

### 39. Reclassification

The Company has reclassified certain amounts in the statement of financial position as at 31 December 2018 to conform to the current year's classifications. The reclassifications had no effect to previously reported net profit (loss) or shareholders' equity.

(Unit: Thousand Baht)

	As at 31 December 2018			
	Consolidated financial statements		Separate financial statements	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
	(Before restatement)		(Before restatement)	
Cash and cash equivalents	329,287	49,292	316,637	36,642
Current investment	-	300,384	-	300,384
Trade and other receivables (Note 4)	538,518	554,912	344,204	98,683
Short-term loans to related parties (Note 4)	414,120	443,470	3,107,494	3,375,751
Project development cost (Note 4)	2,281,697	-	2,014,893	-
Inventories	5,609	2,226,655	-	1,918,278
Value-added tax credit	45,173	-	-	-
Other current assets	116,728	128,566	22,736	-
Restricted bank deposits	41,170	20,781	20,389	-
Deposit for purchase of land	1,060,627	-	-	-
Land awaiting development (Note 4)	2,065,906	2,521,822	1,449,706	1,835,622
Property, plant and equipment (Note 4)	3,497,606	4,548,113	39,554	136,169
Intangible assets	14,339	14,354	3,311	3,311
Withholding tax deducted at source	77,753	73,877	61,069	61,069
Other non-current assets	420,615	26,923	394,673	8,757
Trade and other payables	810,402	903,605	356,462	405,673
Deposits and advance received from customers	210,598	-	59,380	-

(Unit: Thousand Baht)

As at 31 December 2018

	Consolidated financial statements		Separate financial statements	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
	(Before		(Before	
	restatement)		restatement)	
Short-term loans from related parties	47,280	47,967	635,240	644,423
Short-term loans from other parties	229,843	230,830	180,567	181,553
Other long-term payables	912,010	1,017,782	-	-
Long-term loans from other persons, net of current portion	210,000	219,950	-	-

#### 40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2020.





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