



JAKPAISAN ESTATE
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Jakpaisan Estate Public Company Limited

Annual Report **2020**

Ended on 31 December 2020

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Investors can find additional information of the issuing stock securities from the Company's Annual Registration Statement (Form 56-1) as shown in the Stock Exchange of Thailand; www.sec.or.th or the company website.

Policy and Business Overview

Business overview

Jakpaisan Estate Public Company Limited (“the Company” or “JAK”) was established on 4th April 2003 with an initial registered capital of 10,000,000 baht (ten million baht) (100,000 ordinary shares at par value 100.00 baht per share) under the company name "Asia Thanasin Leasing Company Limited" to engage in car hire purchase business. The company was founded and under the management of Mr. Weeraphan Jakpaisan. Later in 2005, Khun Weeraphan saw the opportunity to operate the real estate development business, and therefore began to enter the real estate business since that time. Khun Weeraphan is the pioneer and developer of the real estate business of the company starting with the development of commercial building projects in Saraburi, Ayutthaya and Chonburi provinces, which consists of Twin houses in Saraburi and Chachoengsao, and condominium projects up to 8 floors (Low rise) in Bangkok which emphasizes potential locations, convenient transportation, modern design, perfect functionality and the quality of construction work as well as the management of the sanitation system orderly in every project. The aim is to create happiness and impressions to the customers, thus making the Company's projects continuously receive good feedback from customers.

In 2008, Khun Weeraphan made a joint investment with Golden Paradise Property Company Limited by setting up an associated company under the name of MTS Asset Development Company Limited with an initial registered capital of 5.00 million baht to purchase land for the real estate development business. Khun Weeraphan held 10,000 shares with a par value of 100.00 baht per share, or 20 percent of the registered capital. In February 2015, the company changed its name to "Asia Thanasin Company Limited." In the same year, the company ceased the car hire purchase business. Later in 2016, MTS Asset Development Co., Ltd. increased its registered capital from 5.00 million baht to 150.00 million baht. Mr. Weeraphan and Golden Paradise Property Co., Ltd. sold shares to Asia Thanasin Co., Ltd, which made Asia Thanasin Co., Ltd. hold 600,000 shares with a par value of 100.00 baht per share, or 40.00 percent of the registered capital and Idyll project In Phan Thong district Chonburi Province was developed, consisting of a one-story townhouse, semi-detached houses, and commercial buildings

As of July 12, 2018, the company changed its name to “Jakpaisan Estate Company Limited”. Later on April 9, 2019, the company was registered as a public limited company and changed the par value of shares from 100.00 baht per share to 1.00 baht per share, and increased the registered capital from 237,290,100 baht (two hundred thirty-seven million, two hundred and ninety one hundred baht) to 320,000,000 baht (three hundred twenty million baht) in full amount. By issuing new ordinary shares of 82,709,900 shares and offering to the public on dated 8, 11 and 12 January 2021 at a price of 1.45 baht per share, total offering value of 119,929,355 baht, the company registered to change the paid capital to 320,000,000 baht (Three hundred twenty million baht) on 13th January 2021.

As of December 31, 2020, the Company has 5 projects under development and in the process of selling (see details of the projects under "Nature of Business").

Vision and Mission

Vision

To be the first residential leader of the middle-to-lower class in the Bangkok Metropolitan Area, Saraburi, and the Eastern region

Mission

1. To establish the brand as a "Top of Mind" in housing for first-person residential buyers by providing excellent pre- and post-sales service to create online referrals and publicity to make the company a better place to stay to be widely known
2. To develop homes to have the best value by designing beautiful products, modern and highly functional management of the living space at an affordable price
3. To aim for operational excellence by developing technology to manage cost and quality in construction
4. To focus on sustainable growth by adhering to the interests of all stakeholders

Major changes and developments

Year	Detail
2003	On April 4, 2003, the name "Asia Thanasin Leasing Company Limited" was established by Mr. Weeraphan Jakpaisan with an initial registered capital of 10.00 million baht consisting of 100,000 ordinary shares at par value of 100.00 baht per share. Its office is located at 7/37 Village No. 11, Soi Ram Inthra 52, Ramindra Road, Khannayao Sub-district, Khannayao District, Bangkok
	At the end of 2003, the company increased its capital from 10.00 million baht to 30.00 million baht by offering new shares to existing shareholders for use as working capital.
2005	Developing commercial building projects in Saraburi, Ayutthaya and Chonburi provinces were initiated. It consisted of Housing project: detached houses and twin houses in Saraburi and Chachoengsao.
2006	January 2006, the company increased its registered capital from 30.00 million baht to 100.00 million baht by offering capital increase shares to existing shareholders for use as working capital.
	The company moved the company location to 24/81 Village No. 9, Vibhavadi Rangsit Road, Si Kan Subdistrict, Don Mueang District, Bangkok.
2008	February 2008, the company increased its registered capital from 100.00 million baht to 200.00 million baht by offering new shares to existing shareholders for use as working capital.
2008	Joint investment with Golden Paradise Property Company Limited by setting up a joint company under the name of MTS Asset Development Company Limited with an initial registered capital of 5.00 million baht to operate a real estate development business. Mr. Weeraphan Jakpaisan holds 10,000 shares with a par value of 100.00 baht per share, or 20.00 percent.
2013	May 2013, the company launched the sale of Jakpaisan Project 18 which comprises commercial buildings, townhouses, detached houses and semi-detached houses. On an area of approximately 38-1-11.20 rai, total 295 units, located in Si Racha District, Chonburi. The project value is approximately 521.21 million baht.
2015	February 2015, the company name was changed to "Asia Thanasin Co., Ltd."
	June 2015, the company launched the Lazio project, which is an 8-storey condominium project on an area of approximately 1-1-55 rai of 79 units located at Samsen Road, Bangkok; the project value is approximately 245.99 million baht.

Year	Detail
2016	MTS Asset Development Co., Ltd. increased its registered capital from 5.00 million baht to 150.00 million baht, and Golden Paradise Property Co., Ltd. sold shares to Asia Thanasin Co., Ltd., enabling Asia Thanasin Co., Ltd. to hold 600,000 shares with par value of 100.00 baht per share, or 40.00 percent to develop real estate projects, single storey townhouse, semi-detached house and a joint commercial building in Phan Thong District, Chonburi.
2016	Relocated to 153/3 Village No. 6, Bang Phun Subdistrict, Mueang Pathum Thani District Pathumthani 12000
2018	July 2018, the company name changed to "Jakpaison Estate Company Limited"
	November 2018, the Extraordinary General Meeting of Shareholders resolved to approve the transfer of the entire business from Casta Company Limited/ 1 in order to restructure the group of companies under common control of the Jakpaison family, which is the transfer of assets and liabilities from Casta Company Limited (Currently, Casta Co., Ltd. has dissolved the company and is no longer a juristic person). Casta Co., Ltd. has assets that are land in Muak Lek District. Saraburi, an area of 29 rai 1 ngan 72 square wa, which is in the future development plan of the company. The Company paid for the transfer of such assets by issuing 372,901 new shares and increasing the Company's registered capital from 200.00 million baht to 237.29 million baht.
2019	<p>March 2019, the 2019 Annual General Meeting of Shareholders has resolved as follows:</p> <ol style="list-style-type: none"> 1) Converted to a public company 2) Approved the change of par value from the original 100.00 baht per share (one hundred baht only) to 1.00 baht per share (one baht only). The company will have the number of ordinary shares 237,290,100 shares (two hundred thirty-seven million, two hundred and ninety one hundred shares) with a par value of 1.00 baht (one baht only). 3) Approved to increase the Company's registered capital by issuing new ordinary shares in order to raise capital and offer the Company's shares to the public for the first time in the amount of 82,709,900 baht from 237,290,100 baht (two hundred thirty-seven million, two hundred and ninety one hundred baht). Total) is 320,000,000 baht (Three hundred twenty million baht), divided into 320,000,000 ordinary shares (three hundred twenty million shares) with par value of 1.00 baht (one baht only).
2019	April 2019, the company was registered as a public company.
	September 2019, the company launched the sale of Fern Project Phase 1, a commercial building on an area of approximately 4-3-72.31 rai of 44 units located at Nong Khang Khok Subdistrict, Muang District, Chonburi. Project value in the phase 1 commercial building is approximately 141.78 million baht.

Year	Detail
	In this year 2019, the company stopped operating the business of providing real estate leasing services to customers for clarity in the business of the company
2020	<p>April 2020 , The 2020 Annual General Meeting of Shareholders passed a resolution to approve the plan to list the Company on the Market for Alternative Investment as follows:</p> <p>1) Approved the allocation of 82,709,900 newly issued ordinary shares of the Company (Eighty Two Million Seven Hundred Nine Thousand Nine Hundred Shares) at the par value of Baht 1.00 per share (one Baht only) to be offered to the public for the first time (Initial Public Offering (IPO) or 25.85% of the total paid-up capital after IPO.</p> <p>2) Approval for listing of the Company's ordinary shares as listed securities on the Market for Alternative Investment (MAI)</p>

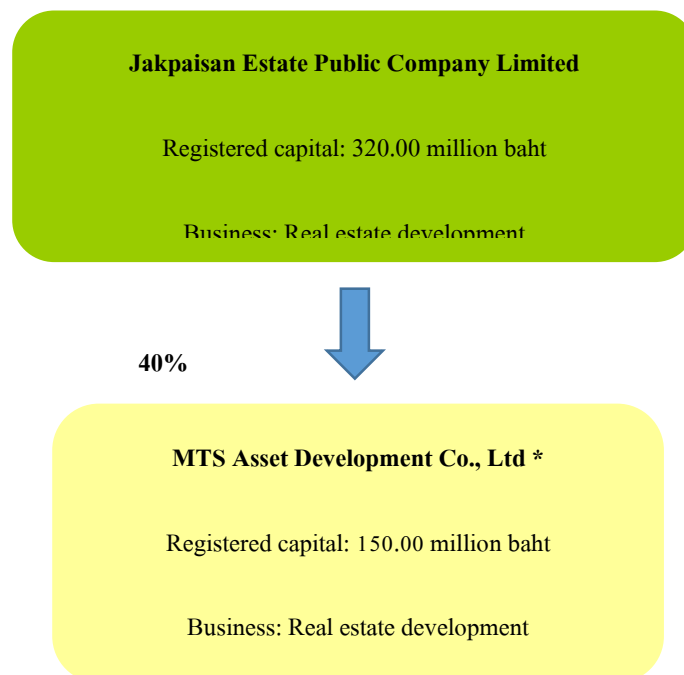
Note: / 1 related companies under the same control Conducting business of giving credit for trade and investment. As of 31st December2018, the company has been terminated and has not been a juristic person.

Shareholding structure of the company group

The company holds shares in associated companies which is MTS Asset Development Co., Ltd with registered capital of 150.00 million baht (common shares of 1,500,000 shares. The share value specified is 100.00 baht per share) conducting real estate development business. The company joined the investment with Golden Paradise Property Co., Ltd to develop real estate project together for 1 project which is Ideal Project which is a single-storey twin townhouse and commercial building located at Panthong District, Chonburi Province.

On 31 December 2020, the company holds the share in MTS Asset Development Co., Ltd in the number of 600,000 shares. The share value specified was 100.00 baht or 40.00% of the paid share. Golden Paradise Property Co., Ltd holds the share in such company in the amount of 899,999 shares which was 59.99% of the paid share and MD. Kritrat Hiransiri holds 1 share or which was 0.0001%. The company will acknowledge profit from investment in the associated company for 40% (according to investment ratio).

Shareholding structure of the company group on 31 December 2020



Shareholders of MTS Asset Development Co., Ltd

Order	Name list of shareholders	Shareholding ratio
1	Golden Paradise Property Co., Ltd ^{/1}	59.99%
2	Jakpaisan Estate Public Co., Ltd	40.00%
3	MD. Kritrat Hiransiri	0.0001%
	Total	100.00%

Note : ^{/1} Shareholders of Golden Paradise Property Co., Ltd

Order	Name list of shareholders	Shareholding ratio
1	Hiran Holding Co., Ltd ^{/2}	66.26%
2	MD. Kritrat Hiransiri	32.80%
3	Others	0.94%
	Total	100.00%

Note : ^{/2} Shareholders of Hiran Holding Co., Ltd

Order	Name list of shareholders	Shareholding ratio
1	Mr. Natapong Hiransiri	25.25%
2	MD. Kritrat Hiransiri	18.96%
3	Mrs. Apsorn Hiransiri	18.96%
4	Mr. Kiradit Hiranyasiri	18.41%
5	Miss Donlaporn Hiransiri	18.41%
	Total	100.00%

(History : Business Online)

Associated company: MTS Asset Development Co., Ltd

Founding date	:	5 September 2008
Office	:	No 40, 42, 44, Gold Development Institute, Sapsin Road, Burapapirom Sub-district, Phra Nakhon District, Bangkok Metropolis 10200
Business type	:	Real Estate Development
Paid registered share	:	150.00 million baht
Specified value per share	:	100.00 baht
Company directors	:	MD. Kritrat Hiransiri, Mr. Keeradit Hiransiri, Miss Donlaporn Hiransiri, one of the directors signing name with Mr. Weerapat Jakpaison or Miss Sunisa Jakpaison, two directors signing name together and affix the seal of the company.
Relationship with the company	:	Associated company of the company which the company holds 600,000 shares which is 40.00% of the registered and paid share. There are joint directors including Mr. Weerapan Jakpaison, Mr. Natapong Jakpaison and Miss Sunisa Jakpaison.
Revenue recognition	:	Revenue recognition from investment in associated company 40% (according to investment ratio)
Business operating policy	:	Develop only "Ideal" project until every phase is complete.

Relationship with the business group of the majority shareholders

As there are companies related by directors and shareholders of the company for 2 companies which related to real estate business which would lead to conflict of interest in the future. Therefore, to get rid of such conflict of interest, the operation is as follows.

1. Kasta Co., Ltd transferred the business under the same control by transferring property and debt to Jakpaison Estate Public Company Limited and Kasta Co., Ltd liquidated the company.

2. Majority shareholder ^{/1} of Jakpaison Estate Public Company Limited entered into the non-competing contract to not perform other businesses which are the same real estate development with Jakpaison Estate Public Company Limited and/or competing business or might cause conflict of business with the company directly or indirectly from the contract start date on 10 April 2020.

The shareholding structure in the associated company of majority shareholders only the group conducting real estate development business for selling on 31 December 2020 with the details as follows.

Order	Company Name	Shareholding ratio		Current status
		Jakpaisan Group ^{/1}	Others	
1	Casta Co., Ltd	100.00%	-	Transfer all the asset and liabilities to Jakpaisan PCL. Casta Co., Ltd registered to liquidate the company on 3 December 2018.
2	MTS Asset Development Co., Ltd	40.00%	60.00%	Associated company to develop real estate development for only 1 project which is Ideal Project located at Panthon district, Chonburi province. The company will stop this joint investment business after finishing the project which is expected to have the project period of 5-7 years after project start date.

Note ^{/1} : including Mr. Weerapan Jakpaisan, Mr. Natapong Jakpaisan and Miss Sunisa Jakpaisan

Business operation characteristics

Revenue structure categorized by the business type

The revenue structure of the company divided by the project type in the year 2018-2020 with the details as follows.

Revenue structure (Unit : Million baht)	2018	Percentage	2019	Percentage	2020	Percentage
Revenue from horizontal project development						
Jakpaison 18 Project						
- Townhouse	0.96	0.45	-	-	-	-
- Commercial building	-	-	17.52	10.98	-	-
- Single house	33.19	15.45	18.35	11.51	23.65	26.02
- Twin house	24.53	11.41	22.91	14.36	4.12	4.53
Fern project						
- Commercial building	-	-	-	-	50.19	55.22
- Townhome	-	-	-	-	-	-
Total revenue of development project	58.68	27.31	58.78	36.85	77.96	85.77
Horizontal real estate						
Revenue from condominium project development (not higher than 8 floors)						
J.P. Smart Condo Project	5.04	2.35	-	-	-	-
Lazio Sriyan Project	144.99	67.48	95.70	60.00	5.00	5.50
Total revenue of development project						
condominium real estate (not higher than 8 floors)	150.03	69.83	95.70	60.00	5.00	5.50
Income from selling drinks and bakery	-	-	-	-	2.94	3.24
Total revenue from selling	208.71	97.14	154.48	96.86	85.90	94.51
Other income revenue*	6.15	2.86	5.01	3.14	4.99	5.49
Total revenue	214.86	100.00	159.49	100.00	90.89	100.00
Share of profit (loss) from investment money in associated company	(1.99)	(0.93)	6.90	4.33	12.45	13.70

Note: *Other revenue including revenue of real estate lease from investment, revenue of management cost of Ideal project, profit from selling asset, revenue from public utilities and income of late fine etc

Characteristics of product and service

Jakpaisan Public Company Limited ("Company") is a commercial real estate development company. Moreover, the company provides hire-purchase service to customers who buy houses in the project of the company for some customers who cannot request loan from a bank as the company has experience from conducting car hire-purchase business in the past. Therefore, it is considered that customers who cannot request loan from banks are small vendors or labor users with regular saving history etc. Therefore, the company proposes the hire-purchase amount in the rate of 85-90% of the land and house price and there would be interest of 8.00-10.00 per year by having the land and house of the customers as security. If the customer can have loan from the bank afterward, the company will close the account of that customer. However, in case the loan cannot be requested from the bank, customer can continue pay installments to the company until the contract term is complete. In the past, the company provided hire-purchase contract to customers in the total amount of 24 contracts and there is no NPL from such hire-purchase on 31 December 2020. The company has remaining of 5 debtors with the remaining capital (not including interest of 4.61 million baht. Right now, the company has already stopped such service to prevent investors from confusion in the main business of the company. As for customer who has completed the last contract, if that customer cannot ask for loan from financial institutions, the contract would end in 2042. The company can provide real estate hire-purchase service to customers under the objective that the company registered with the Department of Business Development, Ministry of Commerce which the Department of Business Development, Ministry of Commerce and the Bank of Thailand do not specify restriction for juristic entities to conduct real estate hire-purchase business.

Table showing hire-purchase amount and number of hire-purchase contracts in 2015-2019 and remaining value on 31 December 2020

Contract year	Contract number	Hire-purchase amount (million baht)	Remaining contract	Remaining capital (million baht)	Remaining amount ^{/1} (million baht)	NPL (million baht)
			On 31 December 2020			
2558	7	7.07	-	-	-	-
2559	10	10.05	1	0.01	0.01	-
2560	2	4.1	2	1.54	1.75	-
2561	5	5.66	2	3.06	4.75	-
Total	24	26.88	5	4.61	6.51	-

Note: /1 Remaining value of contract capital including interest

As for commercial development of the company, real estate project could be categorized into 2 main types as follows.

1) **Horizontal type project** including commercial building, townhouse, single house and twin house. The past horizontal project of company was in Saraburi, Ayutthaya, Chonburi and Chachoengsao in the total of 8 projects. Right now, every project has been sold off. As for horizontal projects between development and selling are as follows.

1.1) **Jak Paisan 18 Project** is a project of commercial building, townhouse, single house and twin house located in Siracha District, Chonburi Province with the total of 295 units.

1.2) Fern Project is a project of commercial building and townhome with the total of 252 units located on Motorway road 7. The first phase of selling commercial building in the fourth quarter in 2019 with the total of 44 units.

1.3) Ideal Project is a project of single floor townhouse, twin house and commercial building located at Panthong District, Chonburi province. This project is an investment by associated company which is MTS Asset Development Co., Ltd and selling the first phase of the project on single floor townhouse on October 2018 with the total of 304 units.

2) **Condominium project** not higher than 8 floor (Low Rise) for 2 projects as follows.

2.1) JP Smart Condo Project located on Jangwattana Road, Bangkok near various centers such department stores and hospital. Right now, the project is closed.

2.2) Lazio Sriyan Project is located on Samsen Road, Bangkok. The project was open for selling in the third quarter of the year 2015 and the last unit was sold in the first quarter of 2020. Right now, the project is closed.

From the operation of the company in the past, the company focused on project location with convenient communication. The design focused on current lifestyle and priority was given to construction quality and creature comfort inside the project fully to support the need and lifestyle of single family and people looking for the first house with the objective for customers to have happiness and impression when they stay at home which can summarize the progress detail in selling and construction of each project on 31 December 2020 as follows.

Sale status Transfer of ownership And the Company's project construction as of 31 December 2020

				Construction			Sales						Transfer of ownership						
Project	location	Project description	Project area (Rai - Ngan - Wa)	Month / year of birth Reserve / sell the project	Month / year of construction completion Or expected to be completed	Project progress (%)	Project value 1)		Sold 2)		□ 3= (1) - (2)		Sales progress (%)	Month / year of ownership transfer / expected to start transfer	Amount of ownership transferred		Remaining (waiting for transfer)		
							Unit	Million baht	Unit	Million baht	Unit	Million baht			Unit	Million baht	Unit	Million baht	Unit
Plains project																			
1. Jakpaisan 18	Sriracha Chon Buri	Commercial building	38 rai 1 ngan 11.2 square wa.	May-56	May-58	100%	90	212.31	84	197.84	6	14.47	93.18%	ก.ค.-57	84	197.84	0	0	
		Townhouse		Jul-56	Apr-59	100%	107	105.57	107	105.57	0	0	100%	พ.ค.-58	107	105.57	0	0	
		Detached house		Sep-57	Dec-62	100%	50	114.29	50	114.29	0	0	100%	มิ.ย.-58	49	111.79	1	2.49	
		Semi-detached house		Mar-59	Aug-62	100%	48	86.26	48	86.26	0	0	100%	พ.ค.-59	48	86.26	0	0	
		Total								295	518.42	289	503.95	6	14.47	97.21%	288	501.46	1
2. Fern	Motorway	Commercial building	4 rai 3 ngan	Sep-62	Aug-63	65%	44	141.78	22	68.55	22	73.23	50%	เม.ย.-63	17	52.74	5	15.81	
		(Phase 1)	72.31 square																
		Total	wa.				44	141.78	22	68.55	22	73.23	48.35%		17	52.74	5	15.81	
3. ไอทีอี	Phan Thong Chon Buri	Single storey townhouse	26 rai 2 ngan	Nov-60	Aug-63	50%	304	407.78	135	203.55	169	204.23	49.92%	ก.ย.-62	129	193.8	6	9.75	
		(Phase 4)	64.6 square																
		Total	wa.				304	407.78	135	203.55	169	204.23	49.92%		129	193.8	6	9.75	
Condominium project (Low rise)																			
1. Lazio	Sri Yan Bangkok	condominium	1 rai 1 ngan	Jun-58	Aug-61	100%	79	245.69	79	245.69	0	0	100%	ก.ย.-61	79	245.69	0	0	
			79.8 square																
		Total	wa.				79	245.69	79	245.69	0	0	100%		79	245.69	0	0	
Total							722	1,313.66	525	1,021.73	197	291.93	77.78%		513	993.68	12	28.05	

Note: / 1 sold and accumulated means the unit that has been reserved. And / or entering into purchase and sale agreements, sales contracts and / or units that have already been transferred

Projects of the company which have been closed as follows.

No.	Project	Location	Type	Unit	Project value (Million baht)	Opening/closing year
1	Jak Paisan Project 11	Kokmali Intersection, Nakhonluang District, Phra Nakhon Si Ayutthaya	3-floor commercial buildg	19	35	2009/2010
2	Jak Paisan Project 12	Ban Beung district, Chonburi Province	3-floor commercial buildg	13	23	2010/2012
3	Jak Paisan Project 14	Nong Kae District, Saraburi Province	3-floor and 2-floor commercial buildg and single floor townhouse	57	87	2010/2012
4	Jak Paisan Project 15	Kokmali Intersection, Nakhonluang District, Phra Nakhon Si Ayutthaya	3-floor commercial buildg	8	16	2010/2012
5	Jak Paisan Project 16	Liap Khlong Chonpratan Road, Phra Nakhon Si Ayutthaya	3-floor commercial buildg	16	20	2011/2011
6	Jak Paisan Project 17	Ban Beung District, Chonburi Province	3-floor commercial buildg, twin house and single floor townhouse	21	18	2012/2013
7	J.P. Smart Condo	Jangwattana Road, Bangkok	8-floor condominium	77	136.30	2011/2018
8	Lazio Sriyan Project	Samsen Road, Bangkok	6-floor condominium	79	245.69	2015/2020
Total				290	580.99	

The projects between develop and selling

Horizontal type project


1. Jak Paisan 18 Project - Beung Sub-district, Siracha District, Chonburi Province

	Project area plan	
	Location	77/38, Village 4, Beung Sub-district, Siracha District, Chonburi Province
	Nearby places	Pinthong Industrial Estate, WHA Chonburi Industrial Estate and Amata City Rayong Industrial Estate
	Status	<p>Phase 1 : Finished commercial buildings, remaining for sale for 6 units</p> <p>Phase 2: Finished townhouse and the project is closed.</p> <p>Phase 3: Detached house, twin house, remaining for sale for 1 unit</p> <p>(On 31 December 2020)</p>
	Project area	38-1-11.2 rai
	Project type	Large project consisting of commercial building, townhouse, detached house and twin house
	Special characteristics	<ul style="list-style-type: none"> - Commercial building size 18 sq. m. for 90 units -Townhouse size 18.70 sq. m., 2 bedrooms, 1 bathroom for 107 units. The sale is closed. - Single floor detached house size 52.80 sq.m., 3 bedrooms with 2 bathrooms and 2 bedrooms with 1 bathroom for 50 units. - Single floor twin house size 45 sq.wah, 2 bedrooms with 1 bathroom for 48 units. The sale is closed.

	Project value	518.42 million baht		
	Initial selling price	Commercial building	1.39	Million baht
		Townhouse	0.80	Million baht
		Single house	1.79	Million baht
		Twin house	1.49	Million baht
	Target customers	Employees/executive in Siracha district, Chonburi with the income of 15,000-40,000 baht per month		
	Project feature	Public park is more than 1.5 rai and road inside the project is 14 meters wide.		
		Ventilated house with 3-meter ceiling. The usage area is properly allocated.		
		24-hour security maintenance		

2 Fern project (commercial building) - Highway No 7 (Motorway), Nong Kang Kok sub-district, Muang District, Chonburi Province

    	Project area plan	
	Location	Highway No 7 (Motorway), Chonburi province
	Nearby places	Pinthong Industrial estate, Amatanakhon Industrial Estate, Tiger Park Siracha, Khao Kheow Open Zoo and Nong Mon market
	Status	Phase 1 : Commercial building between construction and selling Remaining 22 units (on 31 December 2020) Phase 2 : 2-floor townhome between construction. There are 208 units.
	Project area	First phase (commercial building) around 4-3-72.31 rai Total project area 21-3-20 rai
	Project type	Commercial building and 2-floor townhome
	Special characteristics	- Commercial building size 17.0 sq. wah. for 44 units - 2-floor townhome with the initial land area of 22.8 sq.w. for 208 units Total of 252 units
	Project value	First phase (commercial building) around 141.78 million baht Total project around 554.78 million baht

	Initial selling price	Commercial building 3.20 million baht 2-floor townhome 1.79 million baht
	Target customers	Employees/business owner/executive in Sansook sub-district (Bangsan) and nearby real estate
	Project feature	Located on parallel road No 7 connecting between Industrial Estate and the city
		The building was designed for more use comparing with the similar project.
		Distinguished design in Modern Barn style
		Using of quality material with construction standard

3 Fern project (2-storey townhome) - Highway No 7 (Motorway), Nong Kang Kok sub-district, Muang District, Chonburi Province



Project description	2-storey townhome
Project value	Phase 2 townhome about 413 million baht
Number of units	208 units divided into a width of 5 meters 186 units and a width of 7.5 meters 22 units
Project area	16-3-48 rai
location	Highway 7 (Motorway), Chonburi Province
Duration of construction started	Quarter 4 Year 2020
Expected time to start selling	Quarter 1 Year 2021
Expected time to start delivery	Quarter 2 Year 2021
Target customers	Employees / business owners / company executives in the area of Saensuk (Bang Saen) and nearby industrial estates
Project highlights	Townhome concept "RELAX AND MINIMAL" gives a feeling of airy, floor to 3 meter ceiling, comfortable to travel. Close to Pinthong Industrial Estate, Amata Nakorn Industrial Estate, Sriracha Tiger Zoo, Khao Kheow Open Zoo and Nongmon Market.
Project progress	Under construction



4 Canna project - Takhian Tia sub-district, Banglamung District, Chonburi Province



Project description	One-story commercial buildings, townhouses and semi-detached houses
Project value	about 422 million baht.
Number of units	Total of approximately 229 units, divided into 6 commercial buildings, 175 units of one-story townhouses, and 48 units of single-story twin houses.
Project area	26-0-67.8 rai
location	Takhian Tia sub-district, Banglamung District, Chonburi Province
Duration of construction started	Quarter 1 Year 2021
Expected time to start selling	Quarter 3 Year 2021
Expected time to start delivery	Quarter 4 Year 2021
Target customers	Company employees and factory workers And business owners in the area
Project highlights	One-story townhouses and semi-detached houses Location near North Pattaya Laem Chabang Industrial Estate Pinthong Industrial Estate Amata City Rayong Industrial Estate and Laem Chabang Port
Project progress	Currently under development of public utilities.

[illegible]

Location	Moo 2, Sukprayoon Road, Nongkaka Subdistrict, Phan Thong District, Chonburi Province
Nearby places	Amata Nakorn Industrial Estate, Hemaraj Chonburi Industrial Estate 2 and Robinson Lifestyle Chonburi
Status	Phase 4: 304 single-storey townhouses under construction and under sale. And started transferring ownership 169 units remaining for sale (as of December 31, 2020)
Project area	Phase 4 Project area 26-2-64.6 rai Total area of the project 77-3-81.3 rai
Project type	Single storey townhouses, semi-detached houses and commercial buildings
Special characteristics	- 304 single-storey townhouses - Twin houses and commercial buildings of 561 units Total 865 units
Project value	Phase 4 value 407.78 million baht The total value of the project is approximately 1,265.50 million baht.

 	Initial selling price	Single storey town, width 5 meters, 0.99 million baht
	Target customers	Group of employees in the industrial estate Neighborhood workgroup / neighborhood group of people looking to buy a residence to invest
		Group of people earning 12,000 baht per month or more
	Project feature	The project is located on the main road of Phan Thong District, Chonburi Province, convenient transportation, only 5 minutes from Highway No. 7 (motorway) surrounded by amenities such as shopping malls, educational institutes and Amata Nakorn Industrial Estate.
		The design meets urban living in Modern Japanese style, airy with floor to ceiling height up to 4.8 meters.
		24-hour security system with key card access, frame and CCTV in the project
		Focus on construction with quality materials

Risk factors

Risk factors in the Company's business that may significantly affect the operating results and financial position of the Company, as well as the return on investment in the Company's ordinary shares, can be summarized as follows:

Business risk

Risk from operating a highly competitive business

Currently, a large number of residential condominiums and low-rise projects are gradually entering the market, causing the Company to face more intense competition both in the target area of the Company in Bangkok and its vicinity Eastern region in the EEC province, namely Chonburi Province and the central region, including Saraburi Province. With entrepreneurs who are listed on the Stock Exchange of Thailand and non-listed companies, both small and large, or new people who have just entered the real estate business which has many operators set more diverse marketing strategies in addition to the trend of the real estate market condition slowing down from the impact of the COVID-19 situation, there is a more radical marketing strategy to attract people who want to buy a house. There are promotions such as free of cost and furniture, giveaway, price reduction, incentives with 0% installment for a specified period. Also, many entrepreneurs have started developing projects to target the middle-lower segment, which is the Company's target customers and is a group of customers who truly want to buy for their own living; therefore, there may be competition in the purchase of land resulting in land prices rising. Consequently, the Company is at risk from high competition in the industry. This may result in the Company having higher costs and lower sales revenue, which will affect the results of operations and profit margins of the Company.

However, with the policy of considering the potential land acquisition at a reasonable price when compared to other projects in the same area and the Company's construction cost control policy, the Company has an advantage over construction cost competitors by having its own construction management and supervision team as well as a team with knowledge, experience and expertise. If the cost of construction increases, there will be an analysis of the causes and solutions presented to the Executive Committee for consideration and approval of the increased costs. In addition, before investing in each project, the Company has carefully studied the feasibility of the investment project such as competition in the location where the Company will develop a project and economic condition. The Company has also checked legal restrictions, risks and rewards as well as conducting market research in the project area to collect data on factors, such as the number of real estate developers in that area, Project model's pricing method and location of competitors. This includes the questionnaire on customer needs, the factors that customers pay attention to when choosing a residence in the district to be developed to study the needs of customers in terms of functional and housing design (Function and Design) by designing housing according to customer needs. The Company has studied focus group to know the needs of customers. For example, a customer needs a space to park 2 cars, so the design is to increase the proportion of parking space. The management team will carefully ponder the report that has been studied and consider the feasibility of the project including the returns and risks that will be received of that project to propose to the Board of Directors for consideration of each investment in each project again.

All these factors have enabled the Company to maintain a stable gross margin in the past and reduce the risk from the impacts that the Company will experience from its highly competitive business operations as well as the ability to maintain the Company's profitability.

The risk of discrete income recognition

As of December 31, 2020, the Company has projects that have been closed for sale, namely Lazio Project, Samsen Road, Bangkok. Its project value is approximately 245.69 million Baht, with a total of 79 units for projects under construction and sales of the Company.

Jakpaisan18 Project, located in Sriracha District, Chonburi Province, has the proportion of revenue recognition for the year 2020 30.55% of total sales revenue. The number of units remaining for sale is 2.37% of the total number of units.

Fern project, located at Motorway Route7, Chonburi Province, launched the first phase, Phase1 of the commercial building in Q4 2019 and began to recognize revenue in the second quarter of 2020. The proportion of revenue recognition for 2020 is 55.22% of the total revenue from sales, and the number of units remaining for sale is 50% of the total number of units.

The Idyll project, located in Phan Thong District, Chonburi Province, is a joint venture project of the Company, with the Company's associate, MTS Asset Development Co., Ltd. The first phase of a single-storey townhouse was launched in the 4th quarter of 2017. For this project, the Company will recognize only the profit from investment at 40% (proportionate to investment). In the year 2020, the Company recognized profit sharing from the implementation of this project equal to 12.45 million Baht, and the number of units remaining for sale accounted for 55.59% of the total number of units.

However, if there are factors that affect consumers' purchasing decisions, such as the economic slowdown or various epidemics, the Company may be exposed to risks from inconsistent income recognition and affect the Company's operating results. To achieve continuity of income, the Company has plans to develop new projects in 2021-2022 as follows:

Fern Phase2, 2-storey townhomes, total 208 units, is valued at approximately 413 million Baht. It is under construction and is expected to start selling / booking around the second quarter of 2021.

Canna Project (Rong Poh, Chonburi Province), a total of 229 units of commercial buildings, townhouses and semi-detached houses with a total value of approximately 422 million Baht, is expected to commence construction around the 4th quarter of 2020 to the first quarter of 2021 and to start selling / booking around the second quarter of 2021.

Peony & Pine Project (Rangsit) Phase1, Townhomes totaling 106 units, with Phase1 townhome worth approximately 251 million Baht (the total value of the project is approximately 587 million Baht), is expected to start construction and start selling / booking during the third quarter of 2021 - the first quarter of 2022, depending on the economic situation and the real estate market conditions. The management team will assess the situation every quarter.

However, the Company is well aware of the risk from such discontinuous income recognition. Therefore, the Company will conduct a feasibility study of various projects thoroughly and carefully to ensure the feasibility of the project and the return will worth the investment. The Company considers a potential land plot in a smaller size in order to be able to develop more projects for continuous revenue recognition as well as monitoring the economic conditions in the country that may affect many factors such as changes in interest rates, inflation rate and adjusting the rules for lending in commercial banks. This includes the real estate industry conditions, the progress of government infrastructure projects such as the mass

rapid transit system and other factors that affect the success of the project, such as consumer demand trends for housing and consumer confidence so that the Company can plan strategies to keep up with the changing environment and respond to market needs in a timely manner. During the year, there may be some unexpected events that the Company has expected such as some projects with a high interest rate or with less attention than expected or a delay in the transfer of ownership due to the economic crisis. The Company has reviewed the annual budget every quarter by presenting the budget compared with the actual operating results to help reduce the impact that will occur and be able to generate income for the business continuously.

Number of units booked by the customers who have made a purchase and sale agreement, but the ownership of the project has not yet been transferred as of 31 December 2020

Project	Value Sold and waiting for ownership transfer (million Baht)	Residual value (million Baht)	Status
Jakpaisan18	2.49	14.47	Ready for sales and ownership transfer
Fern	15.81	73.23	Ready for sales and ownership transfer
Idyll	9.75	204.23	Ready for sales and ownership transfer
Total	28.05	291.93	

The risk of lacking qualified contractors and the delay of the construction of the project

One of the key factors in ensuring the quality of construction projects of the Company and the completion of the construction according to the operational plan is quality contractors and a sufficient number of labor. Otherwise the Company may be exposed to such risks during various festivals or, at times, there is an expansion of real estate from the private sector or public infrastructure. This will cause the construction of the Company's project to be delayed or not in accordance with the planned plans. It may affect the revenue and profit of the Company, and the Company may have increased operating costs like interest burden.

In 2019, the Company hired a contractor for the Fern project with a %age of purchase, representing 28.67% of the total purchase. As a result, the Company may be at risk from relying on additional contractors. However, the Company is well aware of such risks and it therefore has developed and improved construction methods by recruiting innovations to reduce the time and use of labor in the construction process as much as possible, such as the use of prefabricated walls (reduce plastering), pre-cast walls (Precast), special strength steel structures. The Company has set criteria for selecting a contractor based on general qualifications such as registered capital and past performance. The Company will select from at least 2 to 3 bidders to ensure that the Company will get quality contractors to carry out the construction for the Company's projects. When the project is completed, the Company will prepare a contractor evaluation form to be a database for selecting contractors of the Company.

Risk from future performance not meeting target due to customer not transferring by due date

Most of the Company's projects are the sale of ownership after the development of the projects is completed. The Company will set the down payment period in accordance with the duration of the construction of the project. Usually, the duration for a condominium project is about 10 - 15 months. For single houses and twin houses / townhouses, the down payment period is approximately 3-6 months. Therefore, it may expose the Company to the risk that the customer does not come to the transfer of ownership on time. This will affect the performance of the Company that may not meet the goals set. As of December 31, 2020, the Company has projects that customers have reserved and made an agreement to buy and sell, but have not yet transferred ownership of 12 units, totaling 28.05 million Baht, divided into Chakphaisan18 project, amounting to 2.49 million Baht or approximately 8.88% of the total value sold but not yet delivered. Fern Project (Phase 1, Commercial Building) amounted to 15.81 million Baht, accounting for approximately 56.36% of the total value sold but not yet delivered. The Idyll project (Joint venture project) Phase 4 amounted 9.75 million Baht or approximately 34.76% of the total value.

However, the Company is well aware of such risks. Therefore, the customer is required to pay the contract fee and the down payment to the Company before the transfer of ownership. In the customer booking process, the sales department will first review the customer's basic information, such as the customer's salary base, liabilities, and credit lines. The Company has a good relationship with banks in dealing with credit for customers, thus it is able to provide convenience for customers as well. In addition, the sales department of the Company will closely monitor the customers so that customers can transfer the house successfully. If the customer does not come to proceed with the transfer of ownership, the Company will consider the customer a waiver, and, if considered, that the customer does not have the ability to transfer ownership or does not wish to transfer ownership, the Company will assume the customer has waived the right and will continue to hold down payment and continue to find new customers.

The number of units that the customer has reserved / made a contract to buy and sell But has not yet transferred ownership as of December 31, 2020

Project	The number of units sold but not yet delivered			The expected time to transfer ownership
	No. of Units	Value (million Baht)	Proportion to total value (%)	
1. Jakpaisan 18	1	2.49	8.88	Quarter 1 of 2021
2. Fern ^{/1}	5	15.81	56.36	Quarter 1 of 2021
3. Idyll ^{/2}	6	9.75	34.76	Quarter 1 of 2021
Total	12	28.05	100.00	

Source: Company / 1 and / 2 shows the first phase's specific amount and value

2. It is a joint venture project by an associated Company, MTS Asset Development Co., Ltd., and will recognize only 40% of the profit. (According to investment proportion)

The risk of turnover depending on the success of the project being developed.

The Group's projects under development consist of 3 projects are as follows:

1. Jakpaisan18 Project has a total project value of approximately 521.21 million Baht.
2. Fern Project has the project value for the first phase of approximately 141.78 million Baht (the total value of the project is approximately 554.55 million Baht), and
3. Idyll Project has the project value for Phase 4, which is developed as the first phase, of approximately 407.78 million Baht (the total value of the project is approximately 1,265.50 million Baht).

For the Idyll project, it is a joint venture project by an associated Company, MTS Asset Development Co., Ltd., where the Company will recognize a profit share at the rate of 40% (in proportion to the investment), which Jakpaisan 18 and Idyll projects can gradually transfer the ownership to the customer and the income is recognized. For Fern Phase1, commercial buildings began to transfer ownership to customers in the second quarter of 2020 and will begin selling Phase 2 townhomes worth approximately 413 million Baht during the second quarter of 2021 and is expected to transfer ownership in the third quarter. Year 2021. In addition, the Company plans to launch two new projects in 2021 - Q1 of 2022, namely the CANNA Project (Chonburi Province) and Peony & Pine (Rangsit) Project, with the total project value of approximately 1,009 million Baht. If there is construction uncertainty or the success of the project, it may affect the Company's operating results. The success of the Company's project development depends on various factors such as the world economy, economic conditions and real estate conditions in the country, sufficiency of working capital for project development, residential needs of consumers in different areas, changes in government policy, public transport including rail systems, and interest rates.

However, prior to the implementation of any real estate development projects, the Company will study and plan the implementation of the various projects, including promoting the project on an ongoing basis in order to boost sales and to make the brand known. From the past performance, the Company has received good feedback from customers continuously. The booking rate and transfer rate are in line with the Company's operating plan. This gives the Company confidence that it will be able to successfully execute various projects as planned.

Risk from land acquisition for future project development

The Company does not have a policy to buy a lot of land to keep for the development of the project. This is because they do not want to bear financial costs which may affect the liquidity of the Company in the future. However, the Company may be at risk of not being able to purchase land in the desired location due to the increasing competitors or the increase in land prices, causing the Company to be unable to develop projects as planned, which may affect the Company's operating results. In addition, the Company may be at risk from the town planning changes from government agencies that may occur in the future.

However, the Company has already prepared land for project development to ensure that the Company will have land for project development in the next three to five years. The Company has also studied potential of land locations for project development, project feasibility and rewards in detail, relevant legal restrictions for preparing land purchase plans for future development projects. In the past, a group of land brokers continually offered land to the Company, including

recommendations from the management ties. In this regard, the Company will purchase the land at the estimated price that can be used to develop projects to generate income and profit according to the criteria of the Company only.

The risk of cancellation of the contract to purchase and sell the customer's residence

Most real estate developers, including companies, will launch projects in advance before the construction is completed (Pre-sales) because it requires some money from the customer for the development of the project and the Company wants to lighten the burden of customers who have to pay the rest on the date of ownership transfer. During the opening of the project or pre-sales, the customer has to make a reservation and pay for the reservation and make an agreement to buy and sell and pay for the contract including the down payment according to the installments specified in the contract. Therefore, if the project is not completed or the construction is delayed, the customer then cancels the purchase by suppressing the payment due under the contract, such as reservation payment, contract payment and down payment, the cash flow received from customers may not be as expected. This will affect the financial planning for the project development and the revenue from sales does not meet the projections.

In the year 2018, 2019 and 2020, the Company had income from forfeiting money from reservation money entering into contracts and down payment of 0.10 million Baht, 0.02 million Baht and 0.38 million Baht or equal to 0.05 %, 0.01 % and 0.42 % of total income, respectively. This was a very low proportion of the Company's total income. In this regard, if considering the proportion of the amount after the contract has been terminated in 2018, 2019 and the first 9 months of 2020, it accounted for 9.38%, 38.89% and 8.82% of the number of post contracts, respectively. In 2019, the termination of the contract was from the Lazio project equivalent to 5 units out of the total number of contract cancellations of 7 units in 2019. This is because customers have economic problems and credit approval is not passed by some canceling customers who have contracted to buy and sell more than one unit, making it impossible to apply for credit as required due to the strictness of financial institutions. Moreover, the Company had a process to bring the condominium units from the cancellation back to sell to the customers in need through the Company's sales team and is able to close the sale of Lazio Project in the first quarter of 2020, and in 2019 the Company had a lot of new contracts, which was much lower than 2018 when compared to the number of canceled contracts. As a result, the proportion of contract cancellation in 2019 was quite high. The reason for the decreasing new contracts was because the Jakpaisan 18 project and the Lazio project, which were under sale in 2019, had a small number of units remaining to sell and were in the process of closing.

For Associated Companies or MTS in 2018, 2019 and 2020, MTS earned income from forfeiture of contract money and down payment of 0.09 million Baht, 0.61 million Baht and 0.57 million Baht or 65.53 %, 0.95 % and 0.43 % of total income, respectively. In 2018, MTS did not transfer ownership to customers; therefore, no sales revenue was recognized. The proportion of the number after the contract was canceled in the year 2018, 2019 and 2020 was 10.53%, 67.06% and 59.38% of the number of post contracts, respectively. The reason for the cancellation in 2019 came from the revision of the project development plan, causing delay. As a result, some customers were worried and therefore requested to cancel the contract due to change of mind to buy a house ready to live. However, construction of the house is currently in line with the sales plan and there are no construction delays for 2020 due to the effects of the COVID-19 outbreak, causing customers to delay their decision to buy a house. As a result, in the first quarter of 2020, there were quite a few contracted customers, while the number of contract cancellations was quite large. However, the sales situation showed signs of improvement from

Q1 2020, with the number of contracted customers in Q1, Q2, and Q3 2020 equal to 14, 22, and 11 units, respectively. While the number of contract cancellations in Q1, and Q2 2020 is 22 and 13 units, respectively, in Q3 2020 there is no cancellation of any contract.

The Company and associated companies manage such risks with clear guidelines and procedures including a team to follow up and coordinate with customers closely. It also facilitates and resolves problems in order to enable customers to comply with the purchase and sale contract and to coordinate the application of credit with financial institutions. For the residence after the contract has been terminated, the Company can also be sold to new customers. As a result, the impact of the above risks on the Group is minimal. However, most of the canceled units can be sold upon completion. Therefore, it does not affect the cash flow in any way.

However, at present, the Company has set guidelines for real estate development projects. Clearly, all feasibility must be studied before investing in the project development. The feasibility study was conducted in land development. The plot contains legal limitation such as checking the survey of the title deed, relevant burden and expenses including various legal issues. Then the Company studies the market by exploring the needs of the target customers to design and layout the project plan in accordance with the customer needs to be completed first. Therefore, a feasibility study was conducted and estimated the return of the project including feasibility study. In addition, the program is constantly being promoted to boost sales and to make the Company's brand known. From the past performance, the Company has consistently received good feedback from customers and have had income at a satisfactory level in line with the Company's operating plan. This makes the Company confident that it will be able to develop projects to be accomplished as planned.

Risk from the coronavirus epidemic

The spread of the COVID-19 virus has spread in many countries around the world as wide as Asia, Europe and the USA, resulting in a large number of sick and fatalities. It also affects the tourism industry, hotels, as well as both local and international investment, manufacturing sector in various industries and real estate sector. The unemployment and unstable wages inevitably affects the loss of income of people as well as the national economy. For Thailand, the government requested cooperation from citizens to stay at home to stop the infection for the nation at the end of March 2020, having such a great impact on the Company's projects that even though the projects were open for sale, the number of customers who visited the project was small. Therefore, the Company has a risk in the event that some buyers postpone their purchasing decision first. Those who have already bought and are paying down payment are unable to continue down payment. Those who are about to transfer ownership request to postpone the transfer of ownership or in the end may cancel the purchase. This may affect the performance of the Company in the year 2020 and in the future.

However, the Company is well aware of the risks and impacts. Therefore increasing the consideration and caution in investing in the Company's projects. Along with changing sales methods by focusing more on online sale and giving discounts or special gifts during this time, such as promotions '#Covid reduction' campaign and special discount. At the same time, the executives have kept up with various news closely in order to cope with various events that may happen. Moreover, the sales department of the Company monitors customers more closely so that customers can transfer their homes successfully. It will result in low-rise real estate getting more attention from the impact. Regarding various projects of the Company, there is a

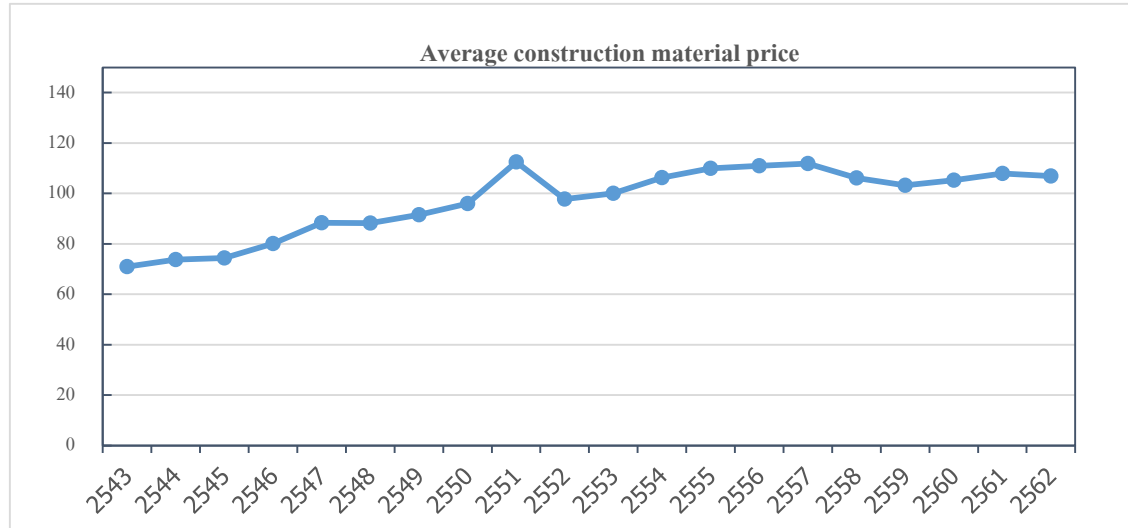
design principle to meet the needs of the useful life in the house that is worthwhile and set an accessible price. The Company has also seen an opportunity from government funding to people who want to have their first home at the top million price, causing the Company to review and modify the new project sales plan by adjusting the construction plan according to customer demand. This will reduce the risk of using large amounts of construction capital at one time.

The risk of political, legal and regulatory changes that could affect business Company real estate

Regulatory changes related to real estate operations are one of the factors that can have an impact on the operating costs and expenses of the Company. If the Company does not have complete follow-up or study of the rules, it may cause the Company to do not comply with the regulations that have been revised, which may have an impact on the cost of the Company as it has to be modified to make it correct. For example, the Land Allocation Act, including changes in the rules for determining the scope of land use and urban planning law. In addition, there are uncertainties and political turmoil in the country from time to time, which directly affects the economy.

However, the Company has continuously studied and monitored changes in regulations that may occur in order to prepare for the adjustment of the real estate project development plan to be in line with such changes that may occur along with a regular study of the market condition. This ensures that the Company will be able to cope with such changes in time.

Risk from the fluctuation of construction material prices



Picture showing average construction material price index from 2000 -2019 Source: Department of Trade Economy Ministry of Commerce

According to the Department of Trade Economy, Ministry of Commerce, the average monthly total index of the yearly construction material prices from 2000 - 2019 had an average increase of 2.18% per year (CAGR: Compound Annual Growth Rate). In the past, the construction material price index has increased. This was due to the expansion of public utilities from the government and real estate development from the private sector and decreased at some time. The average construction material price index for the year 2018, 2019 and the 8-month period of 2020 were 107.9, 106.6, and 104.4,

respectively, which caused from the reduction of the price of steel and steel products, sanitary ware, and electrical and plumbing equipment.

However, the Company is aware of such risks. Therefore, there is a construction control department that determines the type, quality and standard of construction materials used in each project. It will estimate and calculate the total cost of construction materials and will calculate the allowance for fluctuation from the increase in the construction material price in the project cost in the construction budget to reduce the impact from the construction material price that may change in the future. However, the Company does not have a policy to purchase large quantities of building materials and keep them as inventory. In the event that the main construction material prices rise, the Company will negotiate with the seller to confirm the original price or with partners to control and reduce the risk of construction material price fluctuation to a certain extent.

Risk from relying on profit sharing from MTS Asset Development Company Limited (“MTS”)

In 2020, the Company recognized revenue from 2 projects. The Jakpaisan 18 Project, which was 100% completed, was in the end of sales and there were 7 units remaining for sale. The other project is under development, namely Fern Project in Phase1, Commercial Building, which is 60% completed. In addition, the Company will recognize revenue from its share of profit (loss) from an associate, MTS, which developed the Idyll project. It is recognized in the proportion of 40% in proportion to the investment. The share of profit (loss) from investments in such associated companies in 2018, 2019 and 2020 accounted for (0.95), 4.47% and 14.49% of the Company's sales revenue. Details of the Company's profit and share of profit (loss) from investments in associates are as follows:

Table showing Company's profit details and shares of profit (loss) from investments in associates

Item	2018	2019	2020
Company profits before share of profit (loss) is recognized from investments in associates	61.94	33.95	2.32
Share of profit (loss) from investments in associates	(1.99)	6.90	12.45
Income tax expenses	(12.70)	(7.02)	(0.61)
Net profit	47.25	33.83	14.17

According to the Company's performance in 2020, if the profit sharing from MTS is excluded, the Company will have operating profit of 2.32 million Baht. This equals to 12.14, 22.42 and 29.31 million Baht, indicating an improvement in the Company's business outlook from recovering from the COVID-19 epidemic. In addition, the Company plans to develop new projects by itself to create revenue continuity and reduce dependence on profit sharing from Idyll projects. In 2020, the Company will be able to recognize the income of Jakpaisan18 Project and Fern Project Phase1, Commercial Building, and in the 4th quarter of 2020, the Company will start developing the Fern Project Phase2, Townhome, and it is expected that revenue will be recognized in 2021. In addition, the Company has plans to develop new projects, including two projects, totaling approximately 1,009 million Baht, expected to be able to recognize revenues in 2021-2022 as well.

The Company has a governing mechanism for MTS in order to be able to control and maintain the interests of the Company's investments. It is supervised through a meeting of the board of directors of MTS, which holds at least one meeting

a month to report the performance of MTS, where three representatives are sent to serve as MTS directors out of the total number of 6 directors of the Company. The signing of MTS in any matter must be approved by the Company. Since the director who is the representative of the Company has been authorized to bind the Company, there must be a director who represents any one of the Company to co-sign on the documents and seal of the Company every time. In addition, the Company has an audit of MTS's financial information. MTS sends financial information to the Company every month to verify that all information is correct and there are no differences in any way. MTS has written a written memorandum of understanding. This specifies the deadline for sending details of MTS financial statements to the Company for review and preparation of financial statements. However, MTS has also hired an internal auditor to examine four key processes: 1) Income and Debt Collection System; 2) Project Cost Management System; 3) Procurement System and Debt Settlement; and 4) Accounting Closing and Financial Reporting System. This is to ensure that MTS has a concise, sufficient and appropriate management and internal control system. From the audit of the internal control system in the past, MTS has continuously improved and revised according to recommendations of internal auditors, enabling MTS to have an internal control system that is suitable for the nature of its business and to ensure that the management system is efficient and transparent, which can be traced.

Financial risk

Risk from an increase in interest rates

Risk from the increase in interest rates will affect the business operation of the Company by affecting the financial cost of the Company and customer purchasing decisions.

1. Effect on the financial costs of the Company

As of December 31, 2020, the Company has long-term loans due within 1 year amounting to Baht 18.71 million to be used to develop projects of the Company, which has floating interest rates. Therefore, the increase in interest rates will cause the Company to have higher financial costs. Such interest has a direct impact on the Company's net profit and thus increase the cost of project development of the Company. However, if the Company is able to complete the sale of shares to the public, it will reduce dependence on borrowing from financial institutions. This will reduce the impact on the interest expense of the Company.

2. Effect on the customer's housing purchasing decisions

Increasing interest rate is another factor that will influence customers' decision to buy a home. This is because most customers will have a loan for their home from a financial institution. Therefore, interest rates and payment terms are the key factors for customers' purchasing decisions, which may delay the customer making a purchase decision. However, the Company is aware of such risks by continuously studying customer behavior and arranging the purchase and down payment

conditions for customers to closely follow up and give advice so that clients can plan their finances properly and have minimal impact on the Company's future earnings.

Risks from Financial Institutions Lending Policy

As the Bank of Thailand has announced the measure to control home loans, LTV (Loan to Value) measures, or to control mortgage lending, especially for second home borrowers and above, to control financial discipline and reduce speculative purchases in the future, which was announced on April 1, 2019 onwards. As a result, commercial banks have increased the strictness of lending, causing the overall picture of the industry to slow down significantly. When the Bank of Thailand determines that it has announced an amendment to the LTV criteria to support people who want to have a home effective on January 20, 2020, this new LTV cut will make it easier for homebuyers to own residences with access to the loan threshold. They can also use the loan of 10% to buy necessary things for the first house.

Summary of minimum down payment according to the latest LTV measure.

House price	No. of contracts	Minimum down payment
Less than 10 million Baht	1st home loan contract	Full amount of house loan plus another 10% for furniture and other necessities
	2nd home loan contract	10% if first contract is over 2 years or 20% if first contract is less than 2 years
	3rd home loan contract	30%
More than 10 million Baht	1st home loan contract	10%
	2nd home loan contract	20%
	3rd home loan contract	30%

Source: Bank of Thailand

The Company is aware of such risks, but the Company expects that such measures will have little impact on the Company. Since the Company's customers are the ones who buy the first house, they are not considered to be a loan applicant who has two residential loan agreements at the same time, and the Company's products are priced not more than 10 million Baht but will benefit the Company even more. It helps people to make it easier for people to own the first house, which corresponds to the main target customers of the Company. In addition, from the past operations before the project is completed, the Company will closely monitor and guide customers in applying for credit to reduce communication errors

between customers and banks and increase the chances of receiving credit approval from financial institutions and business partners of the Company.

Risk in financing project development and liquidity management of the Company

Group funding sources for the development of each project mainly come from borrowing from financial institutions. The Company has a policy to procure funding sources for project development from long-term loans from financial institutions, the whole project consisting of land, land development and utilities, and construction cost. In some cases, a financial institution may grant a bridging loan first in order for the Company to use the loan to pay for the land and for the utility development and construction costs. The financial institution will consider long-term loans to the Company and may consider changing the temporary loan for the payment of land to long-term loans later. This is due to the economic slowdown and the spread of COVID-19. This makes financial institutions more stringent in lending to real estate entrepreneurs. Hence, it may create a risk in finding funding sources for project development not in time to follow the construction plan, causing the Company to have liquidity problems of the Company that may delay the project development plan, affecting income and Company performance especially in the payment of land which the Company cannot delay or postpone the payment like the construction of a project. The reason is that the Company has to pay for land in accordance with the land purchase and sale agreement because if the Company does not pay the land under the contract, the Company will not be able to get the potential land that can be developed into a project which could result in a loss of business opportunities and loss of the deposit for the land from the forfeiture of the deposit. So, it is necessary for the Company to use other sources of funds, such as short-term loans, which have higher borrowing costs than long-term loans, or loans from major shareholders for project development.

This is to address the tightness of financial institutions' lending and to prevent the Company's liquidity problem in the current situation. The Company has adjusted the strategy for the development of real estate projects by focusing on developing projects that require a small amount of investment, gradually develop projects, and gradually sell in a small number of units. For example, the postponement of the CANNA project development plan at Bang Lamung District, Chonburi Province, the project will proceed faster because the CANNA Rong Por project is a commercial building project, townhouse and single storey house with ready-to-construct land conditions without wasting time and cost in land development. It is a project that requires a small amount of investment because it is able to gradually build a few units at a time and it will gradually be sold out quickly.

Management risk

Risk from major shareholders influences management policy formulation.

As of December 31, 2020, the Jakpaisan family is the major shareholder of the Company, which accounted for 93.47 % of the issued and paid-up capital. Jakpaisan family will hold shares representing approximately 69.42 % of the registered and paid-up capital. Therefore, the Company and its minority shareholders may be at risk from the Jakpaisan family having influence in setting management policies and control almost all shareholders' resolutions, whether it is the appointment of directors or requesting for resolutions on other matters requiring a majority vote of the shareholders' meeting, except for matters that are required by law or the Company's Articles of Association, which three-fourths of the shareholders' meeting must be received, such as capital increase and capital reduction. Other shareholders may not be able to gather votes to balance the power proposed by the Jakpaisan family.

However, in order for the business operations of the Company to have a balance of power in management and transparency, the Company has established the management structure of the Company, which consists of Board of Directors Audit Committee Nomination and Remuneration Committee And the Executive Committee. This comprises of personnel with knowledge and capability with clear scope of work and assignments to directors and executives.

In addition, the Company has appointed 3 independent third parties to be the Board of Directors of the Company in total of 7 directors, where the Chairman of the Board is an independent director and appointed 3 members of the Audit Committee to audit and balance the decisions, as well as to consider giving opinions or approving various items before presenting to the shareholders' meeting.

Risk from relying on management Major shareholders

Since Mr. Weeraphan Jakpaisan is the founder of the major shareholder director and Managing Director, it is the main executive of the Company that defines the vision and marketing strategy of the Company. In addition, Mr. Weeraphan is also an experienced person in the selection of land for the development of the Company's projects as well as having good relations in business circles and different trading partners. Therefore, if there is a change in the aforementioned key management may affect the business operations of the Company.

However, the Company is aware of such risks that may occur. Therefore, in the current operations of the Company, there is a set of executive committee which will hold a monthly meeting to consider and give opinions on the Company's operations such as the Company's project progress and future projects before presenting to the Board of Directors every time. In addition, the Company places great emphasis on building and retaining personnel by establishing a succession plan for key positions such as the top management for each department as well as supporting executives and employees to attend various courses to enhance the knowledge and ability to work and to consider appropriate compensation. It also continuously foster good relationships within the organization every year, such as the Company's annual seminars and the annual party. After being listed in the Market for MAI, the Company is confident that it will recruit more knowledgeable personnel to join the Company, which will reduce the risk.

In addition, the Company relies on Mr. Weeraphan Jakpaisan, using his personal assets and deposit account and Deposit Account of Paisan Piphat Company Limited, where Mr. Weeraphan is a director and a major shareholder, as collateral for short-term and long-term loans from financial institutions without charging a guarantee fee. The Company has been approved for an interest rate of 1.150 - 6.125 % per annum. As of 31 December 2020, the Company has outstanding debt of 129.59 million Baht. The Company has taken steps to reduce dependence as follows:

- For overdraft lines that are guaranteed by the property of the directors, The credit line was loaned to redeem the bill of exchange for payment of land for the CANNA Project at Rong Po, Bang Lamung District Chonburi Province. The Company has negotiated a long-term credit facility with a financial institution and is in the process of developing a credit plan for the said project. Once the project development loan facility has been approved, the Company will proceed to release Mr. Weeraphan 's collateral.
- For other overdraft lines, this is the credit line that the Company has been using in the business since the beginning of the business. The Company expects that after the Company can be listed on the stock market, so the Company will have funds from the public offering of newly issued ordinary shares for the first time. The Company plans to use some of the said funding to pay off some of the overdraft facility that uses Mr. Weeraphan's assets and deposit accounts of Paisan Piphat Company Limited, including negotiations to release some collateral to reduce such dependence.

However, whether it is approved or not, it depends on the consideration of the said financial institution as well.

For future directions, the Company will seek funding from equity or external sources of loans that require sufficient guarantees of the Company's assets first. If it is necessary to receive financial assistance from persons who may have conflicts and / or connected persons according to the SEC definition, the Company will comply with the law on securities and exchange and the regulations of the announcement, order, or office requirements of SEC and SET.

General and other important information

Issuing company

Company name:	: Jakpaisan Estate Public Company Limited
Company Registration Number:	: 0107562000122
Nature of Business:	: Real estate development for sale
Location of the head office:	: 153/3 Moo 6, Bang Phun Subdistrict, Mueang Pathum Thani District Pathumthani Province
Phone:	: 02-157-1958
Fax:	: 02-1571959
Website:	: www.jakpaisanestate.com
E-Mail:	: support@jakpaisanestate.com
Registered capital:	: 320,000,000 baht (three hundred twenty million baht only)
Issued and paid-up capital:	: 320,000,000 baht (three hundred twenty million baht only)
(As of January 13, 2021)	
Par value per share:	: 1.00 baht (one baht only)

Associated Company

Company name:	: MTS Asset Development Co., Ltd.
Company Registration Number:	: 0105551101303
Nature of Business:	: Real estate development for sale
Location of Head Office:	: 40,42,44 Golden Development Institute Building, 2nd Floor, Sapsin Road, Wang Burapha Phirom Sub-district, Phra Nakhon District, Bangkok 10200
Phone:	: 02-770-7777
Registered capital:	: 150,000,000 baht (one hundred and fifty million baht only)
Issued and paid-up capital:	: 150,000,000 baht (one hundred fifty million baht only).
Par value per share:	: 100.00 baht (one hundred baht only)
Shareholding Proportion of the Company	: Jakpaisan Estate Public Company Limited holds 40% of share

Reference information

Auditor:	:	Deloitte Touche Tohmatsu Jaiyos Audit Company Limited 11/1 AIA Sathorn Tower, 23rd - 27th Floor, South Sathorn Road Yannawa, Sathorn, Bangkok 10120 Phone: 02-034-0000 Fax: 02-034-0100
Internal Auditor:	:	Unique Adviser Co., Ltd. 253, 25th Floor, Sukhumvit 21 Road (Asoke) Klongtoey Nuea Subdistrict, Watthana District, Bangkok 10110 Phone: 02-261-9699 Fax: 02-261-9697
Financial Advisor:	:	Finnex Advisory Company Limited 1177 Pearl Bangkok Building, 6th Floor, Room 606, Phaholyothin Road Phayathai Subdistrict, Phaya Thai District, Bangkok 10400 Phone: 02-029-7172 Fax: 02-029-7173
Legal Advisor:	:	Mr. Chanchai Horradan 100/20 Moo 6, Iris Village Bang Mueang Mai Subdistrict, Mueang District, Samut Prakan Phone 089 8876692
Securities Registrar:	:	Thailand Securities Depository Company Limited
Ordinary shares		The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400 Phone: 02-009-9999 Fax: 02-009-9991

Shareholders

As of December 31, 2020, the company has a registered capital of 320,000,000 baht with a par value of 1.00 baht per share with 237,290,100 baht of paid-up capital, equivalent to 237,290,100 ordinary shares and after the 8th IPO on 11th and 12th January 2021, the amount of 82,709,900 shares, accounting for 25.85 percent of the Company's registered capital, which makes the company to have a paid-up capital of 320,000,000 baht, divided into 320,000,000 common shares

Shareholders

As of December 31, 2020 and after IPO, the company has shareholders according to the register book as follows:

Name of shareholders	As of 31 st December		After IPO	
	No. of Shares	%	No. of Shares	%
<u>Jakpaisan Family</u>				
Mr. Weeraphan Jakpaisan	173,331,900	73.05	173,331,900	54.17
Ms. Sunisa Jakpaisan	23,729,100	10.00	23,729,100	7.41
Mr. Natabong Jakpaisan	23,729,100	10.00	23,729,100	7.41
Mrs. Buakhaw Jakpaisan	1,000,000	0.42	1,000,000	0.31
Total	221,790,100	93.47	222,141,100	69.30
<u>Japanese Investor</u>				
Mr. Hiroshi Kikuchu	15,000,000	6.32	15,000,000	4.69
Total	15,000,000	6.32	15,000,000	4.69
<u>Others</u>				
Mr. Chaichana Chaimongkolsud	500,000	0.21	500,000	0.16
Total	500,000	0.21	500,000	0.16
Public	-	-	82,358,900	25.85
Gross Total	237,290,100	100.00	320,000,000	100.00

In accordance with the conditions of the long-term loan agreement between the company (“borrower”) and a financial institution (“lender”) dated 25 September 2019 and the memorandum of amendment to the loan agreement dated 13th August 2020, which has a total loan limit of 217 million baht. It has stipulated the conditions in the loan agreement that “Throughout the term of this contract, the borrower promises that Mr. Weeraphan Jakpaisan, as well as his lawful wife and children, maintains the borrower’s shareholding proportion together not less than 50% of the borrower’s paid-up capital”.

Issuance of capital to increase shares

On 30th November 2018, the Extraordinary General Meeting of Shareholders No. 4/2018 resolved to approve the increase in the registered capital of ordinary shares of the Company from 200 million baht to 237.29 million baht by increasing the number of new ordinary shares of 372,901 shares at par value, at 100 baht per share, amounting to 37.29 million baht. The Company accepts the payment for shares by transferring net assets from a related business with a fair value of 73.08 million baht. The difference between the par value of the shares and the fair value of the net assets acquired is the premium on ordinary shares in the amount of 35.79 million baht, and the company has registered the capital increase with the Ministry of Commerce on 28th December 2018.

On 20th March 2019, the Annual General Meeting of Shareholders for the year 2019 passed a resolution to approve the capital increase of ordinary shares of the company from 237.29 million baht to 320.00 million baht by issuing new ordinary shares of 82,709,900 shares at par value of 1.00 baht per share, amounting to 82.71 million baht. In addition, on 28th April 2020, the 2020 Annual General Meeting of Shareholders approved the allocation of the said new capital increase shares in full amount offered to the public.

Issuance of other securities

On May 21, 2020, the company issued bills of exchange totaling 80 million baht, which is listed below.

	Bill of Exchange
Financial Instrument Name	Bill of Exchange of Jakpaisan Estate Public Company Limited No.1/2020
Issuance Date	21 May 2020
Maturity Date	7 July 2020
Financial Instrument Life	47 Days
Kind of Instrument	Short-term Maturity / 270 Days
Number of Units Sold	1 issue
Face Value per Unit	80,000,000 baht
Amount	80,000,000 baht
Type of Offedring	Offer for sale in a limited number of no more than 10 issues / person

	Bill of Exchange
	Offer for sale at one time to Mr. Weeraphan Jakpaisan, the Board of Director, a major shareholder and Managing Director, who is an investor with a relationship with the Company * in accordance with the criteria specified in the Notification of the Securities and Exchange Commission and the Capital Market Supervisory Board Or other relevant regulations
Interest rate	2.5 % per year
Limitation to maintain Financial Ratio	None
Credit Rating	Credit Rating is not set up
Maturity Due Date	None
Collateral	None

Note: * Investors who have relationship with the company are persons with relationships with the company in a manner that is a business relationship, investment, or management and management of the company such as customers, suppliers, raw materials. Person who will join the business with the company affiliates of the Company (Parent Company, Subsidiary, Subsidiary of the same level Or associated company)

shareholders of the Company from 5% or more of the total number of shares Directors and executives of affiliated companies, etc.

However, on July 7, 2020, the company has repaid the principal and interest in full in the amount already.

Dividend Policy

The Board of Directors' Meeting No. 1/2019 on 26th February 2019 and the Annual General Meeting of Shareholders for the year 2019 on 20th March 2019 approved the dividend payment policy which was effective from March 21, 2019 onwards at the rate of Not less than 40% of the net profit according to the financial statements of the company after deducting various types of reserves as stipulated in the laws and regulations of the company. However, such dividend payment shall not exceed the retained earnings in the company's financial statements. In the event that the financial statements of the company have accumulated losses, the company will not consider paying dividends; however, the company may consider paying dividends at a lower rate than specified above. It depends on the results of operations, financial status and the liquidity of the company including the need for working capital in operation, company business expansion plan in the future and other factors related to the management of the company as the Board of Directors deems appropriate.

The payment of dividends must be approved by the shareholders' meeting. Unless it is an interim dividend payment which the Board of Directors Interim dividends may be approved from time to time when the company has sufficient profits to pay dividends and to report the said interim dividend payment to the next shareholders' meeting.

Dividend Policy of Associates Company

The associate does not set a fixed dividend policy. The dividend payment of the associate company is based on the net profit remaining after deducting various reserves. All types as required by law by considering the financial statements of the associated company. However, such dividend payment will depend on the company's operating results, financial position and the liquidity of the company including the need for working capital in operation, company business expansion plan in the future and other factors related to the management of the company as the Board of Directors deems appropriate.

The payment of dividends must be approved by the shareholders' meeting. Unless it is an interim dividend payment which the Board of Directors Interim dividends may be approved from time to time when the company has sufficient profits to pay dividends and to report the said interim dividend payment to the next shareholders' meeting.

Management structure

The Board

Company management structure consists of the Board of Directors and has appointed four sub-committees to oversee the management and internal control systems in accordance with the established policies, namely the Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and the Executive Committee.

Board of Directors

As of December 31, 2020, the Board of Directors of Jakpaison Estate Public Company Limited consists of 7 directors as follows:

Name	Position
1. ADM. Na Arreenich	Independent Director / Director / Chairman of the Board / Audit Committee
2. Mr. Praisan Wongsmith	Independent Director / Director / Chairman of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Member of the Risk Management Committee
3. Mr. Chavapas Ongmahutmongkol	Independent Director / Director / Chairman of the Risk Management Committee / Audit Committee
4. Mr. Weeraphan Jakpaison	Director / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee / Member of the Risk Management Committee / Managing Director / Acting Deputy Managing Director, Strategy Support Division
5. Mr. Natapong Jakpaison	Director / Executive Director / Risk Management Committee / Deputy Managing Director of Engineering and Design
6. Ms. Sunisa Jakpaison	Director / Executive Director / Member of the Nomination and Remuneration Committee / Member of the Risk Management Committee / Deputy Managing Director of Business Support Division / Company Secretary
7. Mr. Thanaprus Chumpolkulwongse	Director / Executive Director

Note: Appointed by the Board of Directors Meeting No. 1/2019 on 26th February 2019 and the Annual General Meeting of Shareholders for the year 2019 on 20th March 2019.

Directors with authority under the company certificate

Mr. Weeraphan Jakpaison signed together with Mr. Natapong Jakapaisan or Ms. Sunisa Jakpaisarn with the Company's seal.

The Meeting of the Board Director

รายชื่อ	No. of attending the meeting / No. of the meeting held	
	Year 2019	Year 2020
1. ADM. Na Arreenich	4/4	5/5
2. Mr. Praisan Wongsmith	4/4	5/5
3. Mr. Chavapas Ongmahutmongkol	4/4	5/5
4. Mr. Weeraphan Jakpaison	4/4	5/5
5. Mr. Natapong Jakpaison	4/4	5/5
6. Ms. Sunisa Jakpaison	4/4	5/5
7. Mr. Thanaprus Chumpolkulwongse	4/4	5/5

Audit Committee

The Board of Directors Meeting No. 1/2019 on 26th February 2019 and the Annual General Meeting of Shareholders for the year 2019 on 20th March 2019 resolved to appoint the Audit Committee of the Company, consisting of 3 directors as follows:

Name-Surname	Position
1. ADM. Na Arreenich	Chairman of the Audit Committee / Independent Director
2. Mr. Praisan Wongsmith	Audit Committee / Independent Director
3. Mr. Chavapas Ongmahutmongkol	Audit Committee / Independent Director

Mr. Praisun Wongsmith is the Audit Committee member who has sufficient knowledge and experience in performing the duty to review the reliability of the Company's financial statements, Financial Economics and master's degree Economics from Oklahoma University, USA, and Ms. Sunisa Jakpaison is the secretary of the Audit Committee.

Audit Committee Meeting

Name-Surname	No. of attending the meeting / No. of the meeting held	
	Year 2019	Year 20p20
1. ADM. Na Arreenich	4/4	4/4
2. Mr. Praisan Wongsmith	4/4	4/4
3. Mr. Chavapas Ongmahutmongkol	4/4	4/4

Risk Management Committee

The Board of Directors' Meeting No. 1/2019 on February 26, 2019 and the Annual General Meeting of Shareholders for the year 2019 on March 20, 2019 resolved to appoint the Company's Risk Management Committee, consisting of 5 directors as follow:

Name-Surname	Position
Mr. Chavapas Ongmahutmongkol	Chairman of the Risk Management Committee
Mr. Praisan Wongsmith	Risk Management Committee
Mr. Weeraphan Jakpaison	Risk Management Committee
Mr. Natapong Jakpaison	Risk Management Committee
Ms. Sunisa Jakpaison	Risk Management Committee

Ms. Sunisa Jakpaison is the secretary of the Risk Management Committee.

Risk Management Committee Meeting

Name-Surname	No. of attending the meeting / No. of the meeting held	
	Year 2019	Year 2020
1. Mr. Chavapas Ongmahutmongkpo	3/3	1/1
2. Mr. Praisan Wongsmith	3/3	1/1
3. Mr. Weeraphan Jakpaison	3/3	1/1
4. Mr. Natapong Jakpaison	3/3	1/1
5. Ms. Sunisa Jakpaison	3/3	1/1

Nomination and Remuneration Committee

The Board of Directors Meeting No. 1/2019 on February 26, 2019 and the Annual General Meeting of Shareholders for the year 2019 on March 20, 2019 resolved to appoint the Nomination and Remuneration Committee of the Company, consisting of 3 directors as follows:

Name-Surname	Position
Mr. Praisan Wongsmith	Chairman of the Nomination and Remuneration Committee
Mr. Weeraphan Jakpaisan	Member of the Nomination and Remuneration Committee
Ms. Sunisa Jakpaisan	Member of the Nomination and Remuneration Committee

Ms. Sunisa Chakphaisarn takes the position of Secretary of the Nomination and Remuneration Committee.

Meetings of the Nomination and Remuneration Committee

Name-Surname	No. of attending the meeting / No. of the meeting held	
	Year 2019	Year 2020
Mr. Praisan Wongsmith	2/2	2/2
Mr. Weeraphan Jakpaisan	2/2	2/2
Ms. Sunisa Jakpaisan	2/2	2/2

Executive Committee

The Board of Directors Meeting No. 1/2019 on February 26, 2019 and the Annual General Meeting of Shareholders for the year 2019 on March 20, 2019 resolved to appoint the Company's Executive Committee, which consists of 5 directors as follow:

Name-Surname	Position
Mr. Weeraphan Jakpaisan	Chief Executive Officer
Mr. Natapong Jakpaisan	Executive Officer
Ms. Sunisa Jakpaisan	Executive Officer
Mr. Thanaprus Chumpolkulwongse	Executive Officer
Mr. Suwit Wannasirisuk*	Executive Officer

* The Board of Directors' Meeting No.3 / 2020 on August 14, 2020 resolved to appoint Mr. Suvit Wana Sirisuk as an additional executive director.

Executive

As of December 31, 2020, the Company's management as defined in the Notification of the Securities and Exchange Commission No. KorJor. 17/2551 Re: Definitions in Notices on Issuance and Offering of Securities, consisting of 4 persons as follows:

Name-Surname	Position
Mr. Weeraphan Jakpaisan	Managing Director / Deputy Managing Director, Strategy Support
Mr. Natapong Jakpaisan	Deputy Managing Director of Engineering and Design
Ms. Sunisa Jakpaisan	Deputy Managing Director of Business Support
Mr.Suwit Wannasirisuk*	Deputy Managing Director of Accounting and Finance

Note: Management means the manager or the first four management-level positions following the manager's descending order. Every person holding a position equivalent to the fourth executive level position and will include a person holding a position in management level in accounting or finance who is a department manager or above or equivalent, the information of the Company's management appears in Attachment 1.

Company secretary and those who are assigned direct responsibility for accounting supervision

Company secretary

In accordance with the resolution of the Board of Directors Meeting No. 1/2019 held on February 26, 2019, the Board of Directors appointed Ms. Sunisa Jakpaisan to be the Company Secretary, which contains information and history details as shown in Attachment 1

The company secretary has duties and responsibilities as follows:

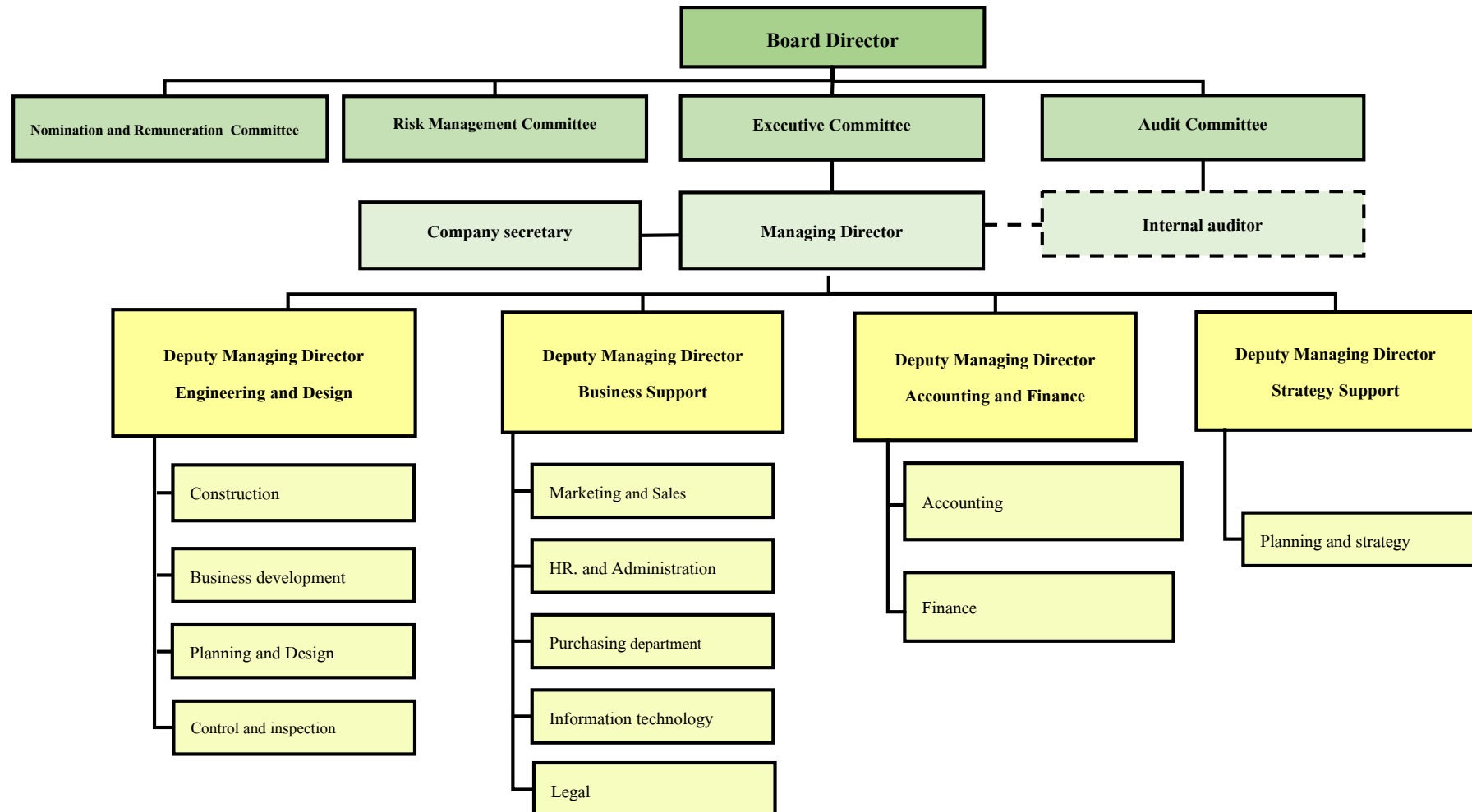
1. Prepare and maintain the following documents
 - 1) Director registration
 - 2) Invitation letter to the Board of Directors meeting, minutes of the Board of Directors meeting and the annual report of the company
 - 3) Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting
2. Perform other tasks as specified in the notification of the Capital Market Supervisory Board
3. Send a copy of the report of interest under Section 89/14 of the Securities and Exchange Act B.E. 2535 (including the amendment) to the Chairman of the Board of Directors and the chairman of the audit committee within seven business days from the date the company received that report and the company must provide a document retention system or evidence relating to the data display and ensure that there is a complete and accurate storage and can be examined Within a period of not less than 10 years from the date such document or information is prepared
4. Give advice to the Board of Directors about laws and regulations, including good corporate governance practices to provide the performance of the Board of Directors Complies with all applicable laws and regulations
5. Be responsible for coordinating with regulators such as the Securities and Exchange Commission and the Stock Exchange of Thailand, etc. and be responsible for the disclosure of information and reporting information to various departments in accordance with the relevant rules
6. Perform any other duties assigned by the Board of Directors

Ms. Sunisa Chakphaisarn has passed the training course for company secretary of the Thai Institute of Directors Association (IOD), Class 92/2018, from 9th -10th October 2018.

Those assigned to be directly responsible for the supervision of bookkeeping.

Miss Thanchanok Chutintharap is the person who has been assigned direct responsibility for accounting supervision, supervising the company's accounting transactions to be efficient and in accordance with the regulations, requirements, and regulations of the company by joining the company since September 2018; information and related details of those assigned to be directly responsible for accounting supervision appears in Attachment 1.

Management Structure of Jakpaisan Estate Public Company Limited as of December 31, 2020



Corporate governance

Corporate Governance Policy

Jakpaisan Estate Public Company Limited has established a corporate governance policy in accordance with good corporate governance principles for listed companies (Corporate Governance Code: CG Code) Year 2017 of the Stock Exchange of Thailand and the Securities and Exchange Commission to achieve good management efficiency Transparent, cause fairness to all stakeholders, and to provide the business with good long-term performance that is valuable and sustainable.

The Company has established a good corporate governance policy and a written business ethics handbook covering various aspects of performance. The Company provides a review of the good corporate governance policy and an annual business ethics handbook to be consistent and up-to-date with the operations of the Company. There are 8 aspects of the Company's practice as follows:

- Principle 1 : Recognize the roles and responsibilities of the Board of Directors as the corporate leader that creates sustainable value for the business.
- Principle 2 : Define the business objectives and main goals for sustainability
- Principle 3 : Strengthen effective committees
- Principle 4 : Executive Recruitment and Development and Personnel Management
- Principle 5 : Promotion of innovation and responsible business conduct
- Principle 6 : Ensure that there is an appropriate risk management and internal control system.
- Principle 7 : Maintain financial credibility and disclosure of information
- Principle 8 : Encourage participation and communication with shareholders

Principle 1: Recognize the roles and responsibilities of the Board of Directors as the corporate leader that creates sustainable value for the business.

1.1 The Board of Directors understands their roles and is aware of their responsibilities for the performance of their duties for the best benefit of the Company and all stakeholders. The Company has a clear separation of duties and responsibilities between the Board of Directors and the management in the Board of Directors Charter. The Board of Directors is the policy maker and supervisors to ensure that the Company's various operating systems are in accordance with the policy. The board understands its role and recognizes the responsibility as a leader who must oversee the organization's good management. It covers setting objectives and goals, strategy formulation, operating policy as well as allocation of important resources to achieve the objectives and goals. It includes monitoring and evaluating the performance of the Company in accordance with the objectives and goals.

1.2 The Board of Directors will supervise the business to create sustainable value for the business by supervising the Company to be competitive in order to have a good performance, taking into account the long-term effects, conduct business ethically, respect rights, be responsible for shareholders and stakeholders, contribute to society, and develop or reduce negative impact on the environment. In addition, it can adapt under various factors. The Board of Directors also has a duty to supervise, encourage executives and employees to operate according to the Company's policy guidelines.

1.3 The Board of Directors is responsible for all directors and executives perform their duties with responsibility, prudence, and honesty to the organization and to ensure that the operations are in accordance with the laws, regulations and resolutions of the shareholders' meeting according to the Securities and Exchange Act B.E. 2535.

1.4 The duties and responsibilities of the Board of Directors are defined and clearly set boundaries including the assignment of duties to various departments, that is, the Company has prepared a charter of the Board of Directors and various committees in writing, stating duties, responsibilities, structure, tenure or vacation from office as a framework for the performance of duties of every committee member. In addition, the charter is regularly reviewed to ensure it is consistent with the direction of the organization.

Principle 2: Define the business objectives and main goals for sustainability.

2.1 The Board of Directors has set the objectives and main goals of the business to be sustainable. It is an objective and a goal that is consistent with creating value for the entire business, all stakeholders, and sustainable society. The Board of Directors supervises the Company's objectives as well as clear and appropriate business strategies in line with the main goals of the business. This can be used as a key concept in business model and communicated to everyone in the organization to move in the same direction. The Company has defined in the vision, mission and corporate values and will promote the strengthening of the organizational objectives and goals in the decisions and operations of the Company's personnel.

2.2 The Board of Directors has oversight to regularly monitor and evaluate the performance to ensure that objectives and goals and strategies of the entity are consistent with the achievement of the entity's objectives.

The Company operates a real estate development business such as housing projects and condominiums. The Company also operates a business related to land development. To create stability for the Company in the long run, the Company has

set a goal for stable and sustainable growth in the real estate development business to build confidence among all stakeholders. This can be seen from the vision and mission of the Company.

Vision

To be the first residential leader of the middle-to-lower class in the Bangkok metropolitan area, Saraburi and the Eastern region.

Mission

1. To establish the brand as a "Top of Mind" in housing for first-person residential buyers by providing excellent pre- and post-sales service to create online referrals and publicity to make the Company a better place and widely known
2. To develop homes to have the best value by designing beautiful products and modern and highly functional management of the living space at an affordable price
3. To aim for operational excellence by developing technology for cost management and construction quality
4. To focus on sustainable growth by adhering to the interests of all stakeholders

Principle 3: Strengthen effective committees

3.1 The Board of Directors establishes and reviews the board structure about the composition and the proportion of independent directors appropriate and necessary to lead the organization to its objectives and main goals.

3.2 The Board of Directors selects a suitable person to be the Chairman of the Board and to ensure that the composition and operation of the Board of Directors facilitates the independent use of judgment in decision-making.

3.3 The Board of Directors supervises the selection and selection of directors and has a transparent process in order to get a qualified board that corresponds to the specified elements.

3.4 Regarding the proposal of the remuneration to the shareholders for approval, the board should consider that the compensation structure which is suitable for their responsibilities and motivate the board to lead the organization to achieve

3.5 The Board of Directors oversees that all directors are responsible for performing their duties and allocate sufficient time.

3.6 The Board of Directors supervises a framework and mechanism for governance of policies and operations of the Company and other businesses in which the Company has significantly invested at the appropriate level for each business including companies and other businesses that the Company has invested to have the same correct understanding.

3.7 The Board of Directors should arrange for an annual performance appraisal of the Board of Directors, sub-committees, and individual directors. The evaluation results should be used for further development of the function.

3.8 The Board of Directors should ensure that the Board of Directors and each director have knowledge and understanding of their roles and duties, nature of business, and laws relating to business operation as well as encouraging all directors to acquire skills and knowledge for their regular performance of duties.

3.9 The Board of Directors should ensure that the operations of the Board of Directors are carried out in a neat and tidy manner with access to necessary information and has a Company secretary who has the knowledge and experience necessary and appropriate to support the board of directors' operations. It must recognize that shareholders, investors, and governing bodies care about the roles and responsibilities of the Board of Directors, which is considered a representative of the shareholders. Therefore, the Company places great importance on the selection and appointment of quality directors and sub-committees and can help strengthen the Company in the long run.

The Company has established criteria and guidelines for the selection of directors, with the Board of Directors assigned the Nomination and Remuneration Committee to determine the qualifications of the various committees and emphasize various qualifications in terms of skills, experience, and capabilities that are beneficial to the Company. This includes the transparent recruitment process in order to strengthen the confidence to shareholders and third parties. The list of the Board of Directors is disclosed on the Company's website, the structure, roles, duties and responsibilities of the Board of Directors are as follows:

Board of Directors

- **Elements**

1. Board of Directors consists of not less than 5 directors.
2. Shareholders meeting to appoint and remove the board of directors by using the majority of votes in accordance with the established rules and procedures
3. Board of Directors Independent directors must be at least one third of the total number of directors and must not be less than 3.
4. Directors of the Company are not less than half of the total number of directors and must be resident in the country and not less than half of the directors must be Thai nationals.
5. Company directors may or may not be shareholders of the Company.

- **Qualifications of the Board of Directors**

1. Company directors must be natural persons and be of legal age. By selecting persons to serve as directors through the nomination and remuneration committee, which will be selected according to the qualifications under Section 68 of the Public Limited Companies Act 2535 and the announcement of the Securities and Exchange Commission, and / or related laws.
2. They can hold director positions in other listed companies but should not exceed 5 companies. They must not be an obstacle to the performance of directors of the Company and must be in accordance with the guidelines of the Stock Exchange of Thailand.
3. They must have knowledge, ability, and experience that is beneficial to the business operation and have intentions and ethics in business.

4. They can exercise honest and independent discretion from the management and any other interest group.
5. They can devote sufficient time to the Company and pay attention to the performance of their duties according to their responsibilities.
6. They must not operate a business of the same nature and is in competition with the business of the Company or becoming a partner in an ordinary partnership or being a partner with unlimited liability in a limited partnership, being a director of a private Company, or being other companies operating the same business and is in competition with the business of the Company whether it is done for one's benefit or for the benefit of others unless they has notified the shareholders' meeting before the appointment.
7. In addition, company directors must not have prohibited characteristics under the Securities and Exchange Act or according to the criteria specified by the SEC Office. In addition, there is no characteristic indicating a lack of suitability to be entrusted to manage a publicly owned Company.

● **Position**

1. Board of Directors shall elect and appoint a committee member to be the chairman of the board. In the event that the Board of Directors considers it appropriate, one or more directors may be elected to be the vice chairman of the board. The Vice Chairman has duties in accordance with the regulations of the affairs assigned by the Chairman.
2. At every annual general meeting, they shall retire from office for one-third of the number of directors at that time. The director who has been in office for the longest time shall retire. The directors who retire by rotation may be re-elected to serve as new positions.
3. The shareholders' meeting may pass a resolution removing any director from office prior to the expiration of the term with a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and having shares combined not less than one-half of the number of shares held. The shareholders who attend the meeting have the right to vote.
4. In case the director position is vacant due to other reasons in addition to the time of retirement, the Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics under the law on public limited companies and the law on securities and exchange to be the director in the next meeting of the board of directors unless the remaining term of that director is less than 2 months. The person who becomes the said director may hold office for the remaining term of the director whom he or she replaces, not less than three-fourths of the votes of the remaining directors.

Performance of the Board of Directors

Determining the Company's vision, mission, goals, strategies, and policies

Business operations of the Company is the development of residential real , both vertical and horizontal, in Bangkok, metropolitan, and eastern regions. The Company's target customers are those looking for the first residence and customer groups who want to change from renting to buying a home instead. The Company focuses on functional design, construction quality, and building a quality society to be family-friendly.

Determination of the scope of duties and powers of the management

The Board of Directors also plays a role in defining the scope of duties and authorities of the management clearly and assess the performance of the management. This should be defined as clear and concrete criteria and indicators. The board should communicate expectations to management. In this regard, the delegation of authority within the specified scope of authority must not be a delegation that enables such management to consider and approve transactions that may have a stake or conflict of interest, any other benefits made with the Company or subsidiary (if any), except for the approval of transactions in accordance with the policies and criteria approved by the Board of Directors.

Appointment of sub-committees

The Board of Directors may appoint sub-committees as appropriate by considering the size and business condition of the organization to help alleviate the burden of the Board of Directors in areas that require review or consideration of studies in detail. In appointing sub-committees, the committee should define objectives, duties and responsibilities and the powers of the sub-committees to be clear to ensure the efficiency and effectiveness of the sub-committees. The board should require the management to provide support, both information and personnel, to the sub-committees including permission to contact or seek advice from outside personnel as appropriate, with the Company being responsible for the expense.

In this regard, the delegation of power under the specified scope of authority must not be a delegation of the aforementioned sub-committees to consider and approve any transactions that may have an interest or conflict of interest with the Company or the Company, sub-parties (if any), except for the approval of transactions in accordance with the policies and criteria approved by the Board of Directors.

The Board of Directors should set up a report on the performance of every sub-committees to be submitted to the Board on a regular basis to keep track of the work that has been assigned on a regular basis.

Evaluation of the Board of Directors

The Company will hold an assessment at the Board of Directors meeting annually, whereby all Company directors will conduct an evaluation for the past year and collect information to inform the Board of Directors at the next year's Board

of Directors meeting. The Company provides a self-assessment form of the board of directors in order for all directors to assess their roles and effectiveness in management and corporate governance of the Board of Directors as a whole.

Development of training for the Board of Directors

1. When a new Company director takes a position of director, the Company secretary will coordinate the meetings between the new directors and the management to keep the new directors informed about the Company information.
2. Business visit
3. The Company gives importance to the training of the board of directors. The Company secretary will present to the managing director and budget in this section and when there are courses that are considered important and will benefit directors, such as development courses for Company directors and sub-committees. This is organized by the Thai Institute of Directors Association. The Company secretary will notify the directors to inquire about their wishes to attend the training and provide training as needed and appropriate.

Principle 4: Executive Recruitment and Development and Personnel Management

4.1 The Board of Directors undertakes to ensure that the President and Chief Executive Officer are recruited and developed to have the skills, knowledge, experience and characteristics necessary to drive the organization towards its goals.

4.2 The supervisory committee has a suitable compensation structure and evaluation.

4.3 The board should understand the structure and relationship of shareholders that may affect the management and operation of the business.

4.4 The board should monitor Supervise the management and development of personnel to have the appropriate amount of knowledge, skills, experience and motivation.

The Company places great emphasis on recruiting and personnel management. This is a major cog in driving the organization in accordance with the policies and strategies set by the Board. In recruiting executives and personnel, the Board of Directors has determined that the Company has a skill set, experience, and qualifications required for management or individuals on each function to achieve results in recruiting personnel that meet the needs of the Company recruitment plan. The Nomination Committee is assigned by the Board of Directors to have the power to determine the criteria, qualifications for recruiting and appointing company executives. The criteria for recruiting executives are administrative competencies consisting of leadership skills, strategic management skills, project management skills, risk management skills, and business administration skills. Role-based competencies are the knowledge, skills, and attributes that management needs to have to be used in the performance of duties to achieve a set goal, such as analytical skills, design skills, planning and management skills.

In addition, the Nominating Committee has established a remuneration structure by management's remuneration that the Company has allocated. There are both monetary compensation, such as salary, bonus, and the Company organizes an assessment at the Board of Directors' meeting annually by requiring all directors to conduct an evaluation for the past year and collect information to inform the Board of Directors at the next year's Board of Directors meeting. The Company provides a self-assessment form of the board of directors in order for all Company Directors to assess their roles and effectiveness in administration and corporate governance of the Board of Directors as a whole. At the end of the year, the performance of employees will be assessed according to the criteria to obtain assessment results that match the performance and align with the Company's goals. In the development of the entire board, senior management or even employees, the Company has promoted both internal and external training and the Company has set a budget in this section. When there is a course that is considered important and will be useful, the Company will send it to the training in which the Company pays expenses

Principle 5: Promotion of innovation and responsible business conduct

5.1 The Board of Directors gives importance to and support the creation of innovations that bring value to the business along with creating benefits for customers or those involved and are responsible for society and the environment.

5.2 The Board of Directors monitors the management to operate the business with social and environmental responsibility and reflect in the action plan to ensure that all parties of the organization operate in line with the

5.3 The Board of Directors supervises the management, allocate, and manage resources for efficiency and effectiveness, taking into account impacts and resource development to be able to achieve sustainable objectives and main goals.

5.4 The Board of Directors has established a framework for supervision and management of information technology at the organization level, corresponding to the needs of the business including ensuring that information technology is used to increase business opportunities and operational development. Risks are to be managed so that the business can achieve the objectives and main goals of the business. Because the business of the Company is working together with many stakeholders, benefit management is the Company's prudent concern. They must try to maintain fairness for all parties by strictly complying with the relevant laws in order to protect the rights of all stakeholders including shareholders, employees, executives, trade partners, customers, creditors, and society as a whole.

The Company is committed to justice and morality with other stakeholders without discriminating against any one person unfairly. The Company do not use judgment or personal relationships to judge and provide equal opportunities regardless of race, nationality, religion or gender. The Company realizes its responsibility towards society and communities and regards as the main mission to create the project and activities that benefit society and community development. The Company has set guidelines for all stakeholders as follows:

Shareholder

The Company is determined to develop the Company's business to thrive, to be able to compete in the long term and to share profits for shareholders appropriately as well as presenting accurate, complete, transparent, timely and equitable information to shareholders.

Staff

The Company will treat employees equally and fairly and Implement both individual and departmental performance appraisal systems in order to reflect the actual performance all round. Employee training is also planned to support and promote more efficient work. The Company additionally considers the payment of fair compensation and also establishes a provident fund for employees and various welfare, taking care of safety and good hygiene in the workplace as follows:

- Consider selecting knowledgeable employees competence within the company to be filled in a higher position before outsourcing in which if it is an employee from outside the Company aiming to recruit and select employees who are knowledgeable, capable, have a positive attitude to the organization, work with the Company as necessary and appropriate for each department, taking into account the use of human resources for the best benefits.
- Promote employee progress by clearly setting the direction for employee development and taking care of employees at all levels and to be developed according to the said direction systematically and continuously in order to be able to work in the current job more efficiently and have higher responsibilities in the future.
- Manage wages, salaries and benefits to be fair and on par with leading companies and continuously improve to have suitable for the current conditions. The Company to consider the knowledge, ability, performance and potential of employees in salary adjustment and promotion.
- Promote teamwork for employees to cooperate Work together as if being a person in the same family which is considered an important corporate culture of the Company. The Company stipulates various guidelines as follows:

Recruitment process

The Company has clearly set the qualifications of employees according to their job characteristics, and differences in race, skin color, gender, religion, nationality, personal background, age and political opinion are not taken into consideration. The qualified candidates will be judged and selected according to the established selection process. In addition, if there are vacancies available or new positions are created, the Company has a policy to recruit suitable personnel from internal employees of the Company before selecting from outside personnel except in case there is no suitable person, the Company will select and fill in outsiders. It will recruit and select employees who have knowledge, ability, have a positive attitude to fit with the organization to work with the Company as needed and the suitability of each department with consideration to the best use of human resources.

Personnel Development Training

The Company realizes the importance of human resource development at all levels with a policy to develop employees to practice skills and increase their potential and competence of employees by supporting both the management of training for employees. To encourage external training, the Company is committed to developing and promoting knowledge of its employees including promoting good relations among employees in the organization to work efficiently.

Compensation for work

The Company provides fair employment conditions for its employees and allow employees to receive appropriate compensation according to their potential, position and duties and responsibility, corresponding to the operating results of the Company, both short term and long term, in addition to the salary that employees receive every month and at the end of the year. The Company will set clear work goals with employees, with individual and departmental performance assessments in order to use the score to calculate for the salary increase and annual compensation (bonus) and other benefits to employees.

Occupational health and safety

The Company provides a working system that focuses on safety and hygiene in the workplace appropriately, such as safety around the project construction area. A clean workplace to be safe from potential hazards.

Customer

The Company cares and is responsible for its customers, polite and enthusiastic customer service to provide hospitality services with sincerity, willingness, and attentiveness and to provide customers with correct information about the Company's products, service with speed, accuracy and reliability. The Company emphasizes the confidentiality of customers and do not use it for its own benefit or those involved improperly. The Company realizes the importance of the basic rights of consumers, such as the production of quality housing and after-sales service that responds to the needs of consumers to create maximum satisfaction.

Competitors

The Company adheres to the principles of good competition rules and regulations not using dishonest means to destroy competitors. Competition will be fair.

Creditors

The Company fulfills the contract and related laws to pay off debts to creditors who support corporate loans.

Community

The Company pays attention to the responsibility towards the environment and society as well as to support activities to contribute to the society on appropriate occasions and occasions. It is compliant with the Social Contribution Program (CSR) and is not involved in human rights and intellectual property violations. The Company will take care of being environmentally friendly as well as preserving the environment in working to ensure the safety of the life and property of employees at all times.

Whistleblowing or complaints

The Company has measures to take care of all stakeholders so they can complain to the Company through various channels to increase the efficiency of taking care of all stakeholders through the following channels:

Letters: To the Audit Committee or Managing Director or Company Secretary
Jakpaisan Estate Public Company Limited
153/3 Moo 6, Bang Phun Subdistrict
Mueang, Pathum Thani District, Pathum Thani 12000
Email: support@jakpaisanestate.com

For employees, they can make complaints or suggest opinions to the Board of Directors and executives directly by email in company systems or in-house communication boxes to communicate directly with management.

Communication channels

The Board of Directors assigns the Company's management to ensure that the Company communicates and discloses accurate, complete and timely information to investors and other stakeholders by using various media, such as publications, newspapers and the use of Website media and e-mails that can be sent - sent Information accurately and quickly.

Information Technology Management

The Company has managed the database in the form of a NAS, a secure internal storage system. The access history is kept. The Company can suspend the right to access the data and the NAS system when the data can be retrieved, or from anywhere which results in continuous work, reducing operational risks like data loss.

Principle 6: Ensure that there is an appropriate risk management and internal control system.

6.1 The Board of Directors shall ensure that The Company has a risk management system and internal controls to achieve objectives effectively and practice in accordance with the relevant laws and standards.

6.2 The Board of Directors has established an Audit Committee capable of performing duties efficiently and independently.

6.3 The Board of Directors monitors and manages conflicts of interest that may arise between the Company and the management committee or shareholders including the prevention of improper use of the property, company opportunities, and making transactions with those having a relationship with the Company in an inappropriate manner.

6.4 The Board of Directors supervises the formulation of a clear anti-corruption policy and practice and communicates at all levels of the organization and to outsiders for their implementation.

6.5 The Board of Directors ensures that the business has a mechanism for receiving complaints and taking action in case of clues are identified.

The Company gives confidence to investors by disclosing the Company's important information in a correct, complete, timely, transparent and equitable manner, both financial information and operating results. All other relevant information is also maintained by applicable regulations and company practices. This is to prevent the Company's secrets

from being leaked to competitors according to the regulations of the Securities and Exchange Commission (SEC) and the regulations of the Stock Exchange of Thailand to help shareholders, customers and interested parties have easy access to information equally and reliably.

Financial reporting

The Board of Directors is responsible for preparing the consolidated financial reports of the Company as well as information presented to the shareholders. They must oversee the quality of financial reports, including the Company's consolidated financial statements and prepare financial statements according to the generally accepted accounting standards. The account is audited by an auditor who has the qualifications as specified by the supervisory authority and independent supervision of the Company in addition to choosing an appropriate accounting policy and practicing it regularly and managing and supervising the consolidated financial reports of the Company to be accurate, complete and true. Important information is disclosed sufficiently, completely, reasonable and reliable.

The Board of Directors has appointed independent directors as Audit Committee to perform the duty of reviewing the Company, have accurate, clear and timely financial reports, review for the Company. There is an appropriate and effective internal control and internal audit system as well as considering the compliance with various laws and Company regulations. They consider the correct, clear, transparent and timely disclosure of information in accordance with the requirements of being a listed Company. In the event that there is a connected transaction or a transaction that may have conflict of interest, The Company will present to the audit committee to consider the suitability and reasonableness before proceeding with the next step.

Risk management

The Board of Directors has established a risk management committee to consider and present the policy, work, and performance according to the plan to the Board of Directors. The risk management policy covers all departments in the Company and covers the risk factors associated with the vision, goals, business strategy, finance, production and other operations, including the likelihood of occurrence and the severity of the impact. Clear corrective measures and responsible persons as well as reporting and monitoring measures are also established.

Internal control

The Board of Directors provides the Company with an internal control system that covers all aspects of finance and operations to comply with relevant laws and regulations. In addition, there is a mechanism for the checks and balances that are effective enough to protect, maintain and monitor the shareholders' investments and the assets of the Company on a regular basis. In addition, the Company hired Unique Adviser Co., Ltd., an independent internal audit agency to support practice Internal audit work to be effective and more productive.

Directors' transactions

- The Company has set a policy for directors to disclose reports of their share buying-selling and keep informed every time.
- The Company has set a policy for directors to report their interests to the Audit Committee.
- The Company has stipulated as a policy that making important inter-reporting reports must be approved by the Audit Committee.

Mechanisms for receiving complaints and actions

To maintain the standard of compliance with good corporate governance principles continuously, the guidelines are set as follows:

- Receiving complaints

The recipient of the complaint is Audit Committee (AC) Managing Director Or Company secretary by the recipient of the said complaint having the duty to submit complaints received to the Complaint Coordinator for further action.

- Coordinate complaints

The complaint coordinators are Internal Audit Department or a person appointed by the Audit Committee to have the duty to collect and consider the clarity and sufficiency of the evidence at the beginning and forward the complaint to the Complaint Investigator. This includes storing data, recording progress and making a summary.

If the complaint is a complex matter, it involves many organizations. The Managing Director shall appoint a fact-checking committee in a specific case. In order to investigate the said complaint, the said fact review committee must be approved by the Audit Committee.

- Conduct an investigation

The person investigating the complaint will depend on the complaint. In the event that the complaint coordinator and / or the complaint investigator initially examined the evidence, it was found that the complaint could have a material impact on the reputation of the business operation and or the financial position of the Company, the Complaint Coordinator finds or investigates the complaint must immediately report the matter to the Managing Director for further consideration.

- Informing the results of operations and storing information

The Complaint Coordinator is responsible for reporting and summarize the complaint to the whistleblower as necessary and appropriate and record complaints To serve as a guideline for further preventive work.

Principle 7: Maintain financial credibility and disclosure of information.

7.1 The Board of Directors is responsible for overseeing the management system, make financial reports and the disclosure of important information in a correct, adequate and timely manner and conform to relevant rules, standards and practices.

7.2 The Board of Directors should monitor the adequacy of financial liquidity and the ability to pay debts.

7.3 In the condition that the entity encounters financial problems or is likely to have problems, the board of directors should ensure that the entity has a plan to resolve the problem or has other mechanisms to resolve financial problems under consideration of the rights of stakeholders.

7.4 The Board of Directors should consider preparing a sustainability report as appropriate.

7.5 The Board of Directors supervises the management to have a unit or the person in charge of the investor relations work that serves to communicate with shareholders and other stakeholders

7.6 The Board of Directors should promote the use of information technology to disseminate information.

Investor relations

The Company provides people who are responsible for providing services and disseminating information about the Company's movements that are beneficial to all groups of people involved, including employees, shareholders, customers, trade partners, creditors equally, fairly and thoroughly through communication activities. The Board of Directors has established a code of conduct for investor relations to guide and support the Company's investor relations operations based on ethical principles and in accordance with good corporate governance principles. It emphasizes on disclosure of information and strict compliance with relevant laws and regulations. And adhere to the interests of shareholders and all stakeholders.

Channels of communication with investor relations

Mr. Suvit Wanna Sirisuk

Jakpaisan Estate Public Company Limited

Address: 153/3 Moo 6, Bang Phun Subdistrict, Mueang Pathum Thani District, Pathum Thani 12000

Email: support@jakpaisanestate.com

Website: www.jakpaisanestate.com

Principle 8: Encourage participation and communication with shareholders.

8.1 The board ensures that shareholders participate in making decisions on important matters of the Company.

8.2 The board ensures that the operations of the shareholders' meeting are neat, transparent, efficient and choose the shareholders to exercise their rights.

8.3 The board oversees the disclosure of the meeting resolutions and the preparation of the minutes of the shareholders' meeting is correct and complete.

Basic rights of shareholders

The Company is well aware of the importance of shareholders, respect the rights and equality of all shareholders with fairness. As specified in the Articles of Association of the Company And other relevant laws, the basic rights received by shareholders equally consist of the Right to attend the shareholders' meeting, the Right to appoint a proxy to attend the meeting and vote on their behalf, the Right to propose additional agenda items, the Right to nominate a director, the right to vote on an election or to remove a director individually, the Right to receive a profit share and dividends equally, the Right to express opinions and ask questions at the shareholders' meeting, the Right to receive adequate information timely and equal as well as providing convenience for shareholders to fully exercise their rights to attend and vote in the meeting. In the event of any event that has a material impact on the Company or other shareholders, the Company will immediately disclose the information. The Company also closely supervises the implementation of the said policy, including other rules stipulated by law to protect the rights of shareholders by the board of directors of the Company.

Shareholder meeting

1. In organizing the general meeting of shareholders, the Company will set the date the appropriate time and place for the meeting to facilitate all shareholders equally in their meeting attendance. The meeting will begin at a suitable time and convenient for attending the meeting and every shareholder can send the proxy form to the Company in advance to check the accuracy before the meeting date. In addition, the Company The meeting location will be chosen which is convenient for the shareholders to come to the meeting.

2. The Company sends the invitation letter for the meeting together with sufficient supporting information for the various agendas stating the objectives and reasons as well as the opinions of the Board of Directors in every agenda in order to provide opportunities for shareholders to study all information in advance. Before the date of the shareholders' meeting, the Company will send the invitation letter together with the meeting information on various agendas in advance of the meeting date and to shareholders according to the time prescribed by the law, relevant notifications or regulations. On the day of the meeting, the Company has arranged to have officers and representatives of the legal advisor to verify the correctness and completeness of the proxy form and supporting documents, such as a copy of identification card Copy of passport or government official card in case of natural person and Company certificate copy of the card of the authorized directors to bind the Company In the case of a juristic person.

3. The Company encourages the Board of Directors to the chairmen of all sub-committees attended the meeting. The Chairman of the Board of Directors acts as the chairman of the meeting. There are also management of the Company. External auditors or agents Legal advisor or representatives attending the meeting to listen to their opinions Responding to inquiries from shareholders in unison

4. In the shareholders' meeting before the meeting starts, the shareholders will be informed of the number and proportion of shareholders attending the meeting both the person who came by themselves and the proxy to acknowledge the quorum in accordance with the law. In addition, the moderator will explain the meeting method. Voting and counting of votes in each agenda The meeting will consider vote in accordance with the specified agenda without changing important information or adding meeting agenda in the meeting suddenly. The shareholders are given equal opportunities to examine

the Company's operations, make inquiries, express opinions and suggestions, and relevant directors and executives will attend the shareholders' meeting to answer questions at the meeting.

5. Taking notes of meeting minutes and making a complete, accurate, quick, transparent record and record any questions, inquiries, and opinions. The key is recorded in the minutes of the meeting for shareholders to review.

6. To make it easier for shareholders to receive dividends by transferring money to a bank account. (If dividends are paid) to facilitate shareholders to receive dividends on time. Prevent the problem of damaged, lost or delayed checks.

7. The Company encourages and encourages shareholders to exercise their rights in various fields and not to do any action that infringes or deprives the basic rights of shareholders.

Responsibility to shareholders

The Board of Directors is responsible for overseeing the management and staff, working with integrity, having a sense of duty With responsibility for the results of work performance in order to make shareholders believe and accept decisions that any action is done with fairness, taking into account the best interests of both large and small shareholders.

Shareholders are also required to exercise their rights to protect their interests, either by expressing their opinions, giving feedback and voting for joint decision-making on various important changes, including election of the Board of Directors and determination of directors' remuneration. Profit allocation and dividends including the appointment and remuneration of the auditors at the shareholders' meeting. The Company must disclose information truthfully, correctly, completely and be able to check.

Board of Directors

The Company's director structure consists of Board of Directors and 4 sub-committees, namely the Audit Committee and the Audit Committee, Risk Management Committee Nomination and Remuneration Committee and Executive Committee. The scope of powers and duties of the Board of Directors and the subcommittee approved by the Board of Directors Meeting No. 2/2020 on May 15, 2020 as follows:

Scope of Duties and Responsibilities of the Board of Directors

1. Define the Company's vision, mission, goals, strategies and policies.

The Board of Directors assigns the Executive Committee and Executives to prepare short-term and long-term plans and present them to the Board of Directors, whereby the Board of Directors will monitor the implementation of the specified plans for efficiency. Therefore, the Executive Committee has to establish a short-term plan that outlines clear and measurable goals and a long-term plan that represents a vision and the concept of operating the overall business and the future of the Company. In addition, the management has regularly evaluated the performance and presented the deviating results to the Board and requires the management to supply other useful information for planning and policy formulation to the Board for the purpose used to analyze the problem, cause and consider to decide to improve strategy or business plan accordingly.

2. Policy formulation

The Board of Directors must establish policies and guidelines in order for the management to adopt both short-term strategic plans and long-term to practice, create clarity on the direction of business operations to use as a communication tool between the Board and the Management. The policy should be flexible and can be adjusted to reflect the business situation, cover business. When the committee has established a policy for the Company, there should be an explanation or a system of transferring information to personnel at all levels of the organization. In order to create mutual understanding and to make operations in accordance with the established policies, the policy must be revised from time to time. To keep up with changing events.

3. Determination of the scope of duties and powers of the management

The committee also has a role to play in defining the scope of duties and powers of the management and assess the performance of the management. This should be defined as clear and concrete criteria and indicators. The board should communicate expectations to management. Ready to inform you of the results clearly and honestly. In this regard, the delegation of power under the specified scope of authority must not be a delegation that enables such management to consider and approve transactions that may have an interest or any other conflict of interest with the Company or its subsidiaries (if Any) except for the approval of transactions in accordance with the policies and criteria approved by the Board of Directors.

Another duty of the committee is to define the rules and procedures for removing senior management and consider removing or dismissing senior management personnel if necessary to protect the interests of the Company and shareholders including a process to prepare personnel to replace important positions that may resign or retire (Succession Plan)

4. Appointment of Sub-Committees

The Board of Directors may appoint sub-committees as appropriate by considering the size and business condition of the organization to help alleviate the burden of the Board of Directors in areas that require a review or a detailed study. In appointing sub-committees, the committee should define objectives, duties and responsibilities and the powers of the sub-committees to be clear to provide the performance of the subset committee efficiency and effectiveness. The board should require the management to provide support, both information and personnel, to the sub-committees including permission to contact or seek advice from outside personnel as appropriate, with the Company responsible for the expense. In this regard, the delegation of power under the specified scope of authority must not be a delegation of the aforementioned sub-committees to consider and approve any transactions that may have an interest or conflict of interest with the Company or the Company, sub-parties (if any), except for the approval of transactions in accordance with the policies and criteria approved by the Board of Directors.

The committee has set up a report on the performance of every subcommittee to submit to the committee on a regular basis to keep track of the work that has been assigned on a regular basis.

5. Consider and appoint the Managing Director as proposed by the Nomination and Remuneration Committee including the evaluation of the performance and the remuneration of the Managing Director.

6. Operations of the management

The Board of Directors has assigned daily management duties to the management but the committee also has a responsibility to monitor and follow up general operations of the Company to proceed under the law, relevant rules and regulations including the implementation of the goals and plans. In order to be able to monitor and supervise effectively, the

board should be aware of the Company's operating conditions at all times, including various factors both internal and external that may affect the organization and should educate about business trends to be able to modify the policy or strategy according to the changing environment.

7. Risk Management

The Board of Directors should ensure that the management is aware of the risks that may arise, as well as ensure that there are appropriate and clear risk management systems and tools. The board should approve the Company's risk management action plan made by the management including requiring the management to implement, doing an analysis and assessment of the appropriateness of the action plan on a regular basis. The board may assign the management or the risk management committee to perform such duties.

8. Compliance with rules, regulations and policies

The Board of Directors should establish an effective internal control system and internal audit system. This is to ensure that the Company complies with laws, regulations and government regulations and Company regulations policies. The system will be a timely tool to help identify flawed practices. The board should establish a system for monitoring and evaluating the sufficiency of the control system. In addition, the Board of Directors will acknowledge the critical audit reports of the Audit Committee or the supervisory authority and internal audit including the auditor and consultants in various departments of the Company and is responsible for determining ways to improve. In the event that any significant defect is found.

9. Disclosure of Information and Communication with Stakeholders

For transparency in the Company's operations, the Board of Directors should ensure that there is regular communication between the Company, shareholders and other stakeholders. By requiring the management to disclose important information accurately and up-to-date, the Board of Directors must set up a system to ensure that the information disclosed is correct, complete and up-to-date.

10. In the event that the Board of Directors appoints one or more directors or other persons to act on behalf of the Board of Directors. To such delegation, the authorized person must not have the power to approve such person or person who may have a conflict. ("Person who may have conflict of interest" as defined in the notification of the Securities and Exchange Commission) has an interest or may have a conflict of interest in any other manner with the Company or its subsidiaries.

Except for the following This can be done after receiving the approval from the shareholders' meeting first. In this regard, the list of directors or persons who may have conflicts Have interests or there may be a conflict of interest with any other Company or subsidiary. The directors who have interests in that matter have no right to vote on that matter.

- Issues that the law requires a resolution of the shareholders' meeting
- Transactions in which the directors have interests and are in the scope of the law or the requirements of the Stock Exchange of Thailand requiring approval from the shareholders' meeting.
- In addition, in the following cases, approval from the board of directors meeting and shareholders' meeting with a vote of not less than three-fourths of the total number of votes of the shareholders who attend the meeting and have the right to vote.

- Sale or transfer of all or a significant portion of the Company's business to another person. Making, amending or terminating the contract regarding renting of all or significant parts of the Company's business.
- Assigning other people to manage the business of the Company or merging business with other persons for the purpose of sharing the profit and loss together.
- Issuance of new shares to pay the creditors of the Company according to the debt to equity conversion scheme.
- Reduction of the Company's registered capital By reducing the number of shares or reduce stock value.
- Increasing capital, reducing capital, issuing debentures merger or dissolution of the Company.
- Any other matters as required by law.

11. The Board of Directors also has the scope and duty to supervise the Company to comply with the law on securities and exchange and regulations of the Stock Exchange of Thailand, such as connected transactions Acquisition or disposition of property according to the rules of the Stock Exchange of Thailand or according to the announcement of the Securities and Exchange Commission Capital Market Supervisory Board Or laws relating to the Company's business

12. The Board of Directors is responsible for scrutinizing the items that must be presented to the shareholders for approval in the shareholders' meeting. The main agendas for the annual general meeting of shareholders are as follows:

- Consider the report of the board of directors proposed to the meeting showing the operating results of the Company.
- Consider and approve financial statements.
- Consider allocation of Company profits.
- Propose a list of new directors in place of those who are due to retire by rotation.
- Propose the list of auditors and determine the audit fee.
- Consider items that may lead to conflicts of interest in the part that requires shareholder approval.
- Other matters

13. The Board of Directors assigns duties to sign the invitation letter for the Board of Directors and shareholders' meeting. The Chairman of the Board of Directors shall sign the notice of such meeting. In the event that the Chairman of the Board is unable to perform his duties, the Company Secretary or Managing Director shall sign on his behalf.

14. The Board of Directors delegates the duties of signing reports of the Board of Directors and shareholders' meetings. The Chairman of the Board of Directors shall sign the said minutes of the meeting. In the event that the Chairman of the Board is unable to perform his duties, the Company Secretary or Managing Director shall sign on his behalf.

15. Director Must notify the Company without delay When there are the following cases:

- Having a direct or indirect interest in any contract entered into by the Company.
- Holding shares or debentures in a Company or affiliated Company by specifying the total number that is increasing or decreasing.

Scope of Duties and Responsibilities of the Audit Committee

1. Review for the Company The financial reports are accurate and adequate by coordinating with the external auditors and the management responsible for preparing financial reports in accordance with the legal framework. The Stock Exchange of Thailand and relevant government agencies

2. Review to ensure that the Company has an internal control system and internal audit system as well as appropriate and effective risk management by reviewing together with the auditors and internal auditors and considering the independence of the internal audit department as well as to give approval to consider the appointment, transfer and termination of the head of the internal audit unit or any other unit responsible for the internal audit

3. Review to ensure the Company complies with the law on securities and exchange. Stock Exchange's requirements and laws relating to the Company's business.

4. Consider, select and nominate an independent person to act as the Company's auditor and to consider proposing such person's remuneration to the Board of Directors as well as to attend a meeting with the auditor without the management of the meeting at least once a year.

5. Consider connected transactions or transactions that may lead to conflicts of interest to comply with the laws and regulations of the Stock Exchange This is to ensure that such transactions are reasonable and in the best interest of the Company.

6. Prepare the Audit Committee's report and disclose it in the Company's annual report. The said report must be signed by the Chairman of the Audit Committee and must contain the following information:

- Opinions on the accuracy, completeness and creditability of the Company's financial reports.
- Opinions on the adequacy of the Company's internal control system.
- Opinions on the compliance with the law on securities and exchange. Market terms of Securities or laws related to the Company's business
- Opinion on the suitability of the auditor
- Opinions on transactions that may have conflicts of interest
- Number of Audit Committee meetings and the attendance of each audit committee's meeting
- Comments or overall remarks received by the Audit Committee from the performance of their duties in accordance with the charter (charter).
- Other items that the shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.

7. Review the accuracy of reference documents and self-assessment form on the Company's anti-corruption measures in the event that the Company joins the Thai Private Sector Collective Action Coalition against Corruption.

8. Perform any other act as assigned by the Board of Directors with the approval of the Audit Committee.

9. In the performance of duties of the Audit Committee If found or in doubt that the following items or actions. This may have a material impact on the financial position and results of operations of the Company. The Audit Committee shall report to the Board of Directors for rectification within the time the Audit Committee deems appropriate.

- Transactions that cause conflicts of interest
- Fraud or unusual or material defect in the internal control system.
- Violation of the law on securities and stock exchange Stock Exchange's Requirements Or laws relating to the Company's business

If the board of directors of the Company or the management fails to make amendments within the time under paragraph one, Any audit committee may report any transaction or action under the first paragraph to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

10. In the performance of duties under paragraph one, the Audit Committee is directly responsible to the Board of Directors, and the Board of Directors of the Company is still responsible for the operation of the Company to third parties.

Additional functions

- Review the internal audit plan of the Company according to generally accepted methods and standards
- Review to ensure that the Company has an appropriate and efficient risk management system.
- Report on the performance of the Audit Committee to the Board of Directors for acknowledgment at least 4 times a year.
- Participate in giving opinions on the appointment, dismissal, and evaluation of the staff of the internal audit department.
- To have the power to hire consultants or third parties according to the Company's regulations to give opinions or give advice if necessary.
- The audit committee must assess its performance by self-assessment. And report the assessment results as well as problems, or obstacles in performance that may cause the performance to not achieve the objectives of setting up an audit committee to the Company's directors every year.
- Review and revise the Audit Committee Charter
- Arrange a meeting with the Company's auditors without the management of the meeting at least once a year.
- Approve the internal audit plan as well as to acknowledge the performance reports of the Internal Audit Office and / or the internal auditors who are external parties
- Conduct an audit on matters notified by the Company's auditor. In the event that the auditor finds suspicious behavior that a director, manager or person responsible for the operation of the Company has committed an offense in accordance with the Securities and Exchange Act and report the preliminary

audit results to the Securities and Exchange Commission and the auditor's acknowledgment within 30 days from the date of being notified by the auditor.

Scope of Duties and Responsibilities of the Risk Management Committee

1. Determine the Company's overall risk management policy and guidelines covering various types of important risks, such as strategic risks, operational risk, financial risk and regulatory risks to present to the Board of Directors for approval.

2. Determine the Company's risk management strategies and methods in each subject in accordance with the risk management policy. The risk can be assessed, monitored and prevented to an appropriate level and have a guideline To be able to receive with the event when that risk arises.

3. Study, review and assess the risks that may arise including the trend of the impact that may have on the Company and subsidiaries Both external and internal risks in various issues as follows:

- Strategic risk
- Operational risk
- Financial risk
- Regulatory risks

4. Monitoring, supervising and reviewing the risk management policy including strategy and how to act when there is a risk at least once a year to ensure that the risk management strategy is appropriate for the event and has been put into practice effectively.

5. Appoint a working group to operate the risk management to provide support for the process and risk management activities as appropriate and necessary.

6. Progress report on risk management and things that need to be revised to be in line with the policies and strategies set as appropriate to the Audit Committee or the Board of Directors at least once a year.

7. Provide advice and support to the committee. Company management In regard to enterprise risk management Including promoting and to support the improvement and development of the internal risk management system to occur continuously and regularly

8. Communicate, exchange information and coordinate on risks and internal control with the Audit Committee of the Company.

9. Encourage an appropriate risk management and internal control culture.

10. Perform other tasks as assigned by the Board of Directors.

11. Risk Management Committee Can ask for advice from an advisor or outside independent experts Which may incur appropriate expenses.

12. Risk Management Committee Has the power to request information from various departments of the Company, including inviting employees, officers, executives or others to attend the meeting on relevant agendas to ask for information or comments for further consideration.

13. When there is a material risk that arises And affect the operations of the Company Risk Management Committee can notify the chairman of the risk management committee, call a committee meeting to report or approve the action.

14. Approve the Company's risk management framework and follow up implementation including reviewing the effectiveness of the risk management framework.

15. Approve the Company's risk management plan to ensure that the Company has a concrete risk management, and meet the objectives as well as giving observations, comments and recommendations to the working group for the risk management of the Company to organize the system of internal control and risk management of the segment in the event that something should be corrected, improved or developed.

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

Recruiting

1. Determine policies, criteria and methods for nominating Company directors and committees by considering the suitability of the number, structure and composition of the committee. To determine the qualifications of the directors to propose to the Board of Directors and / or propose for approval at the shareholders' meeting.

2. Consider recruiting and selecting qualified persons to hold positions. Directors who have completed their terms and / or have vacant positions and / or appoint more In accordance with relevant regulations and laws.

3. Approach the person who is qualified to meet the specified eligibility criteria. To ensure that such person is willing to take up the position of director of the Company. If appointed by shareholders.

4. Propose the names of the selected persons to the Board of Directors to consider and appoint a director of the Company In place of the retiring director.

5. Consider recruiting criteria and nominate a suitable person to be the Managing Director with the recruitment method set and with criteria and transparency to propose to the Board of Directors meeting for further consideration.

6. Perform other recruiting activities as assigned by the Board of Directors.

Compensation

1. Prepare the criteria and policies for determining the remuneration of the Board of Directors. And committees To propose to the Board of Directors and / or propose for approval at the shareholders' meeting, as the case may be.

2. To determine necessary and appropriate remuneration, both in monetary and non-monetary, of the Board of Directors individually for each year by considering suitability with duties, performance responsibility and comparison with companies in similar businesses and the benefits expected to receive from the directors to propose to the Board of Directors for consideration and propose to the shareholders' meeting for approval.

3. Responsible to the Board of Directors And is responsible for providing clarification, answer questions about the remuneration of the directors at the shareholders' meeting.

4. Consider the criteria for evaluating the performance of the Managing Director. And senior management as assigned by the Board of Directors.

5. Report on policies, principles / reasons for determining remuneration for directors and executives According to the requirements of the Stock Exchange of Thailand Disclosed in the annual registration statement (56-1) and the annual report of the Company.

6. Determine the annual remuneration for directors and propose them to the Board of Directors for further approval at the shareholders' meeting. It also stipulates the annual remuneration payment criteria for managing directors and top executives to be presented to the Board of Directors for approval of the said criteria.

7. Consider suitability and give approval. In the event that new securities are offered to directors and employees with fairness to the shareholders and create incentives for directors and employees to perform their duties in order to create long-term shareholder value and to retain truly qualified personnel.

8. Other operations related to the determination of remuneration as assigned by the Board of Directors.

9. By management and various departments must report or present relevant information and documents to Nomination and Remuneration Committee To support the performance of Nomination and Remuneration Committee Achieve the assigned duties

Scope of Duties and Responsibilities of the Managing Director

1. Comply with various laws including securities and exchange laws. Notification of the Securities and Exchange Commission Notification of the Capital Market Supervisory Board Notification of the Board of Directors of the Stock Exchange of Thailand, any other notifications, rules and / or regulations related and resolutions of the shareholders' meeting and the board of directors meeting.

2. Oversee, manage, operate and perform regular business operations for the benefit of the Company in accordance with the policy, vision, goals, business plans and the budget determined by the Board of Directors meeting.

3. Manage the operations of the Company in accordance with the mission (Mission) set by the Board of Directors in order to be in line with the business plan and the budget of the Company and related business strategies as determined by the Board of Directors.

4. Supervise the operations of finance, marketing, personnel management and other operational aspects as a whole in order to comply with the policies and operating plans of the Company as defined by the Board of Directors.

5. Have the power to hire, appoint, transfer, lay off, set wages and compensation for Company employees, who can appoint a sub-attorney to act on his behalf.

6. Determine the reward, salary increases, compensation, special bonuses In addition to the regular bonus of employees from the Company level. (Deputy Managing Director) go down.

7. Speak to and enter into any contract and / or transaction in relation to the Company's normal business operations. The credit limit for each item shall be as specified in the authority approved by the Board of Directors.

8. Issuing internal orders, regulations, announcements and records in order to ensure that the operations of the Company are in accordance with the policy and for the benefit of the Company. Including maintaining discipline within the organization.

9. Has the power to set commercial terms for the benefit of the Company. This is in accordance with the approval power provided by the Board of Directors.

10. Consider investing in a new business or the termination of business to present to the Executive Committee and / or Company directors.

11. Approve and appoint advisors in various areas necessary for the implementation of the approval authority provided by the Board of Directors.

12. Perform other duties assigned by the Board of Directors including having the power to take any action necessary to perform such duties.

13. To have the power to delegate and / or to delegate others to perform specific tasks on their behalf by delegating and / or such assignment to be within the scope of the authorization under the power of attorney given and / or in accordance with the regulations, requirements or orders set by the Board of Directors. In this regard, the delegation of powers, duties and responsibilities of the Managing Director. It must not be characterized as a delegation of power or delegate during which the Managing Director or an attorney from the Managing Director be able to approve items that may or may not have conflicts. (As defined in the Notification of the Securities and Exchange Commission or the announcement of the Capital Market Supervisory Board) may have interests or may receive benefits in any way or may have a conflict of interest with the Company. The exception is to approve transactions that are in accordance with the policies and criteria approved by the shareholders' meeting or the Board of Directors.

Nomination and Appointment of Directors and Top Executives

Board of Directors

The composition and qualifications of the Company's directors are set out in the Charter of the Board of Directors, which can be summarized as follows:

Composition

1. Board of Directors It consists of not less than 5 directors.
2. Shareholders meeting To appoint and remove the committee by the majority of votes in accordance with the rules and procedures prescribed.
3. Board of Directors Independent directors must be at least one third of the total number of directors and must not be less than 3.
4. Not less than half of the directors must reside in the country and not less than half of the directors must be Thai nationals.
5. Company directors may or may not be shareholders of the Company.

Board qualifications

1. Company directors must be natural persons and be sui juris by selecting a person to serve as a director, the Company will be selected through the nomination and remuneration committee, which will consider selection criteria according to Section 68 of the Public Limited Companies Act B.E. 2535 and the Notification of the Securities and Exchange Commission and / or related laws

2. Directors can hold director positions in other listed companies should not exceed 5 companies. They must not be an obstacle to the performance of duties of the Company's directors in accordance with the guidelines of the Stock Exchange of Thailand

Social Responsibility

Policy overview

Jakpaisean Estate Public Company Limited realizes the importance of conducting business for sustainable growth under social responsibility by aiming to develop the real estate to grow together with promoting the well-being of society and communities both inside and outside the company. It also focuses on operating businesses with care, current stakeholders, economy, society and environment with morality, ethics and ethics. The company hopes that running business under social responsibility will benefit the public, the growth of the company, so the company has established the social responsibility policy as follows:

1. Fair business operation

The company focuses on doing business with fairness by not taking advantage. The company maintains a code of conduct by respecting and abiding by the law which is the basis of social responsibility, adhering to the treatment of stakeholders, including shareholders, employees, customers, business partners and society with regard to equality, fairness, equality and benefit to all parties. The company has adhered to the following important practices.

- Follow the agreement and commercial conditions according to the generally accepted rules of competition
- Avoid activities that may lead to conflicts of interest and refrain from requesting and not give any dishonest benefits
- Avoid seeking the competitor's confidential information through dishonest or unsuitable means
- Avoid supporting any act that violates the intellectual property of others, that is, the company has a policy for personnel to comply with the law or intellectual property requirements, such as the use of legitimate computer programs, etc

2. Anti-Corruption

The company is managed on the basis of transparency and can be examined by setting up an organizational structure that fostered performance in line with the goals and the nature of business operations within the framework of ethics. There are a division of duties and responsibilities, working process, and a clear chain of command for each department to achieve a balance of power and tightness appropriately.

It also encourages employees to raise awareness to perform duties with honesty by complying with laws and related regulations. In addition, the company has set powers and approval as well as clear pay and acceptance which can be controlled to prevent any internal and external corruptions.

3. Respect for human rights

The company has a policy to support and respect the protection of human rights by treating all stakeholders, whether they are employees, communities, and surrounding society with respecting to human values. Regarding equality and equal freedom, it does not violate fundamental rights and does not discriminate the following issues: nationality, race, nation, religion, language, skin color, sex, age, education, physical condition or social status including ensuring that the company's business is not involved in human rights violations such as the use of child labor.

In addition, the company has promoted surveillance of human rights compliance by providing participation in expressing opinions and a channel for complaints for those who have been negatively affected by the violation of their rights arising from the company's business operations.

4. Fair treatment of labor

The company supports and respects the protection of human rights. With a human resource management policy that focuses on fair employment according to the labor law, the company does not have a policy to use child labor and does not support the use of illegal foreign workers, etc. The company has provided fair employment conditions as well as managing wages, compensation and The fair promotion of employees is based on a system of performance appraisal with clear measurement criteria and the provision of appropriate welfare for the living of employees. In addition to the basic welfare required by law, employees can work for the company with happiness given the economic conditions and competition with the labor market.

5. Responsibility to Consumers

The company is committed to develop its products and services for satisfaction and the best benefit of the customers and adhere to treating customers with responsibility, honesty, and care as family members.

- The company takes into account the quality and efficiency of the company's services to develop a quality service management system. The company also cares about safety in order to provide customers with the highest quality and efficient service.
- The company adheres to fair marketing. The policy is to provide customers with accurate information about the company's services by not distorting any vague or exaggerated advertising and providing customers with correct information enough to make decisions.
- The company takes into account the safety of customers. Our focus is to provide our customers with quality and safe service according to the standards, and safety regulations at the standard level and as required by law. In addition, there is always improvement in service in order to make customers have confidence in the quality, standard and safety of the company.
- The company provides a system of communication channels with customers and receiving complaints about the quality of the service efficiently.
- The company will keep the customer's information confidential and will not use such information in a wrong way.

6. Caring for the environment

The company attaches great importance to social responsibility in caring for the environment. The company operates and controls the production and service of the company by strictly complying with the relevant laws relating to environmental conservation, with the following guidelines:

- The company has construction controls to control pollution or reduce pollution such as waste water, dust, noise.
- The company determines those who are responsible for the control of machinery and equipment by ensuring that the environmental impact does not exceed the established standards and must control the use of natural resources for the maximum benefit.
- The company has a policy to reduce the generation of waste or waste by employing waste management in the correct way.
- The Company conducts risk and impact assessments of environment, health and safety prior to investing joint ventures in any business where the company has operated under the concept of environmental conservation.
- The company has guidelines for the efficient and effective use of natural resources, materials or equipment.

7. Community or social development

The company is aware of its responsibility towards the community and society. Therefore, there is a policy to assist and develop society as follows:

- The Company provides opportunities for communities and stakeholders to participate in giving ideas for projects that may affect the community as well as offering opinions or any complaints resulting from the operations of the company.
- The company provides cooperation in the implementation of standards or international agreements on matters prepared to help prevent or reduce the environmental impact.
- The company realizes the importance of responding to events affecting the community, society and environment due to the operations of the company with speed and efficiency.

8. Innovation and dissemination of innovations from operating activities responsible for society, environment and stakeholders

The company pays attention to innovation from operations that are responsible for society, environment and stakeholders. The company has promoted the design and construction of housing projects with a focus on energy saving.

Operations and reporting (CSR in Process)

The company focuses on operating business under social responsibility and will benefit the public along with the growth of the company. Therefore, the social responsibility policy is used as a guideline in formulating policies and operational processes by focusing on cultivating employees to understand the goals of the organization and perform work with awareness of social responsibility. The company communicates the policy on social and environmental responsibility to all employees. Through the social responsibility policy which was announced in general, all employees can follow correctly in the same direction. In addition, employees are encouraged to regularly participate in various activities for the benefit of society and the environment by enhancing the participation and creation of social and environmental responsibility of personnel.

The company will consider operating guidelines for social and environmental responsibility that are appropriate for the company's business operations as well as the company's performance to set a budget and a pattern for conducting activities for that year by taking into account the framework and carrying out social and environmental responsibility. According to the policy, there is an annual report on the performance of the policy of social and environmental responsibility in order to present to management.

Activities for the benefit of society and the environment (CSR after process)

The company realizes the importance of social responsibility in all aspects. Especially, the impact may occur on the environment from the Company's business operation to give importance to and help each other to preserve the environment both inside and outside the organization as well as instilling good conscience to the company's employees.

During the past period, the company has had activities for the benefit of society and the environment in the vicinity of the Company's projects by doing business with the community happily and improving the quality of life of people in the community sustainably such as coordinating the extension of water supply service areas from the Provincial Waterworks Authority to communities near the Jakpaisan Project No.18, Sriracha District, Chonburi Province. As a result, about 100 houses in the neighborhood have water supply and a building painting project for approximately 7 buildings in front of the Lazio Project, Samsensri Road, Bangkok, making the landscape in that area look more clean and neat.



Anti-Corruption Policy

The company is committed to conducting business with honesty, transparency and fairness by adhering to direct and indirect corruption. The anti-corruption policy has been established for the Company's directors, executives and employees who are strictly abided by the Code of Business Conduct and Anti-Corruption Policy as follows:

1. Do not conduct any behavior that is demonstrated to be accepting bribes or bribery to stakeholders for which they are

responsible, either directly or indirectly, in order to obtain an unlawful benefit in the following.

- Do not accept or give gifts, souvenirs in cash, checks, bonds, stocks, gold, jewelery, real estate or similar items with stakeholders whom they have contacted and coordinated both government agencies and private entities.
- Do not accept any property, belongings, gifts, gratuity or other benefits. In this regard, before accepting a gift, the company should make sure that it is in compliance with the law and regulations of the company.
- Do not give any property, belongings, gifts or other benefits to motivate to make decisions, or it causes the recipient not to follow the same trade practices as other trade partners. The giving of things according to the occasion or agenda must not be too much in value.
- Do not act as an intermediary in offering money, property, objects or any other benefits to people involved in a business, government agency or organization in exchange for an undesirable privilege, causing government officials to refrain from complying with regulations and legal practice as required.

2. In purchasing and hiring, it must be done through the procedures in accordance with the Company's regulations, which is transparent and can be checked.

3. Spending on business entertainment and other expenditures associated with the performance of a business contract can be made to spend reasonably and can be examined.

4. In donating to charity, the company must do the following.

- Use of company funds or assets to donate to charity on behalf of the company only. The donation for charity must be a foundation, public charity, temple, hospital, nursing home or social benefit organization with certificate or reliable which can be examined and carried out through the process in accordance with company regulations.
- Charitable donation in personal name can be done but must be irrelevant or cause suspicion that it is an act of corruption for any benefit.

5. In providing funding, the company must do the following.

- Use of company funds or assets to support the project. The name must be specified in the name of the company only with funds paid with a business purpose, good image and the reputation of the company. However, disbursement must specify a clear purpose, have verifiable evidence, and proceed through the procedures according to the company's regulations.

6. The company must not do anything related to politics within the company and does not use any company resources to do so. The company is an organization that adheres to political neutrality, legal support and democracy. This includes no guideline for political assistance to any political party either directly or indirectly.

7. If the company sees an act that is considered a fraud or implicit corruption directly or indirectly, the company must not ignore such behavior and should notify the managing director or the company secretary immediately informed as it is set out in this policy.

8. Directors and executives must realize the importance of disseminating knowledge and giving advice regarding anti-corruption in order to create understanding to their subordinates and to enable employees to comply with this anti-corruption policy, be a good role model in the matter of honest Ethics and Code of Conduct.

Internal control and risk management

Opinion of the Board of Directors About the Company's internal control system

The company pays attention to having good internal control system accordance with the principles of good corporate governance, that is, having a transparent, fair, reliable operating system and a balance of power that can be examined. This will lead to the best interests of shareholders, employees, business partners, communities and all related parties. As of 31st March 2020, the company has 3 Audit Committee members who are responsible for reviewing the sufficiency of the company's internal control system including reviews to ensure that the company conducts business in accordance with the regulations of the Securities and Exchange Commission, The Stock Exchange of Thailand Public Company Law Securities and Exchange Law or other criteria relevant to the company and / or the business of the company.

At the Board of Directors Meeting No.3 / 2020 on 14th August 2020, all members of the Audit Committee attended the meeting., and the Board of Directors has considered and prepared an assessment of the adequacy of the Company's internal control system. It covers all 5 elements of The Committee of Sponsoring Organizations of the Treadway Commission (COSO), which are listed below:

1. Control Environment
2. Risk Management
3. Control Activities
- 4.Information and communication
5. Monitoring Activities

The Board of Directors has reviewed and considered together with the management by asking for information from the management, which refers to the Audit and Evaluation Report of Unique Adviser Company Limited (“Internal Auditor”) and assesses the adequacy of the internal control system.

According to the consideration of the adequacy assessment form of the Company's internal control system, the Board of Directors expressed the opinion that the company has provided adequate management, administration and internal control systems which is effective enough to prevent the risk that may arise. The Board of Directors and the management have encouraged employees in the organization to realize the importance of internal control and provide adequate personnel to operate the company's internal control system which is adequate and appropriate as well as being able to improve and correct to be in accordance with the changing situation effectively in order to achieve the company's operations to achieve the objectives set and comply with relevant laws and regulations in accordance with the principles of good corporate governance. The company has clearly defined duties and responsibilities. In addition, there have been written regulations, policies and appropriate operational approval authority in writing.

In addition, the company has provided an internal audit unit that is independent in monitoring and evaluating the internal control by outsourcing to audit the internal control system, which will report directly to the Audit Committee. The company has appointed Unique Advisor Co., Ltd. ("Internal Auditor") an internal auditor since 2018 to review and evaluate the internal control system. The company has been continuously giving advice on the appropriate internal control system.

Opinion of the internal auditors on the Company's internal control system

The company has appointed Unique Advisor Co., Ltd. to audit and assess the Company's internal control system since 2018, and the internal auditors have audited the company's internal control system in accordance with the guidelines of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) and examined the operating systems of 10 work systems, including

1. Income and debt repayment
2. Project cost management
3. Procurement and repayment of debt
4. Budget control and financial management
5. Warehouse and material management
6. Management of fixed assets
7. Human Resource Management
8. General control in information technology systems
9. Closing of Accounts and Preparing Financial Reporting
10. Corporate Governance Overview

This is to ensure that the company has a suitable internal control system and can create confidence that the management system which is efficient and transparent, can be traced. It is sufficient to support the company to be ready for listing on the Stock Exchange of Thailand.

Internal auditors conducted an audit, followed up on improvements, evaluated the results of internal control and report to the Audit Committee by reviewing and evaluating 10 internal control systems (1st time) according to the internal control review report for the period ended July 31, 2018, then the first and second revision audits were made according to the audit report. According to the review of the internal control system for the period ending July 31, 2018 (1st time) and the audit report of internal control system review for the period ended July 31, 2018 (2nd time), respectively, and then there were a reviewed and assessment of 9 systems of internal control systems (2nd time) as per the report. The internal control system review for the quarter ended on 31st March 2019 found that there was no high level of risk. There were only moderate and low risks which were subsequently checked for revision. It was found that the company has completely resolved all the risks detected from the first and second review and assessment of the internal control system. And there is a review and evaluation of the internal control systems in 3 systems according to the internal audit report for the quarter ended on 30th September 2019. Later, the internal control system was reviewed, evaluated, and followed up on the corrective action based on previous observations. According to the internal audit report for the quarter ended on 31st December 2019 and according to the internal audit report for the quarter ended on 31st March 2020, the company has completely corrected the observations detected in the previous period.

For the second quarter of 2020, the internal control system was reviewed, evaluated, and followed up on the corrective action based on previous observations. According to the internal audit report for the quarter ended on 31st March 2020, it was

found that the internal control system audit showed that no observations from the current examination were found. The company has also solved all 3 observations detected in the previous period, all of which are low risk. Subsequently, in the third quarter of the 2020 internal audits, 3 observations from the current audit are all low-risk. The company has corrected one observed observation. According to the internal audit of the fourth quarter of 2020, no observations from the current audit have been found.

Audit report of internal control and other matters from the audit of the account

The Company's auditors are Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., who are auditors of the financial statements for the year 2017, 2018, 2019 and 2020, assessing the use of the Company's information technology system, both General control (IT General Controls) and internal control (IT Application Controls). By commenting that the system is not complicated, there is no automatic control system (Automated Control) in relation to financial reports. The software packages that companies use can be processed efficiently. There is no material risk that may affect the financial information of the Company. Therefore, no IT application controls were audited. In this regard, the auditor has tested the list of accounts by randomly examining various documents and evidence. This is to ensure that the established internal controls are performed correctly in every accounting period. In addition, the company's internal auditors have examined the Company's information technology system. Regarding the general internal control (IT General Controls), the auditor gave an opinion in the audit report that the company did not have any significant flaw in the accounting system.

According to auditing the financial statements for the year 2020 by the auditors, there were no risks and flaws in the internal control system, so a management letter was not prepared for the year 2020. In addition, the auditor reported the results of the audit of the Group's financial statements for the year 2020 to the Audit Committee. It was found that there were no irregularities related to corruption impacting on the consolidated financial statements and the company financial statements.

Opinion of the Audit Committee in case there is a different opinion from the Board of Directors

When considering the sufficiency assessment form of the internal control system, the Board of Directors and all 3 Audit Committee members attended the meeting. It was found that there was no different opinion from the opinion of the Board of Directors in any way.

Internal audit supervisor and company performance supervisor

The Company has a policy of hiring an internal auditor who is an external party (Outsource). In the Audit Committee Meeting of Jakpaisan Estate Public Company Limited No. 1/2018 on 29th August 2018, the meeting resolved Certification of employment of Unique Advisor Co., Ltd. as an internal audit (Internal audit: IA) Of the Company for the year 2018 at the Audit Committee Meeting No. 1/2019 on 26th February 2019

The meeting resolved to renew the contract to hire Unique Adviser Co., Ltd. to be the Company's internal auditor for the year 2019 and in the Audit Committee Meeting No. 1/2020 on February 27, 2020, the meeting had Resolution to renew the contract to hire Unique Advisor Co., Ltd. to be the Company's internal auditors for the year 2020. Unique Adviser Co., Ltd. has

assigned Mr. Kosol Yamleemoon as Managing Director and had the main responsible person for performing the duties of the Company's internal auditors.

The Audit Committee has considered the qualifications of Unique Adviser Company Limited and found that they have sufficient knowledge, competence and experience to perform their duties as an internal auditor. With 15 years of experience in internal auditing, key practitioners have completed training courses at Thai Financial Reporting Standards (TFRS), Accounting Standards, Auditing Standards (continuous training), Internal Audit Workshop (continuous training).), Auditor's Report (continuous training), COSO 2013 (2014), Taxation and planning (various), IT Audit (various). It also has no relationship with the company, so we can review and make recommendations to the company. Freely and impartially

In this regard, the approval of appointment, Removal or transfer of the company's internal auditors must be selected and approved by the Audit Committee. The Audit Committee then presents the internal auditors who have been reviewed to the Board of Directors' meeting to consider and approve the employment including negotiation of related expenses. The contract to hire internal auditors expired at the end of 2020. The Company has a policy to outsource the hiring of internal auditors in 2021 by considering the appointment of such internal auditors after the expiration of the original contract.

Connected transactions

Persons who may have a conflict of interest with Jakpaisan Estate PCL

Transactions with persons who may have a conflict of interest are transactions with director, management and/or shareholders including persons related to director, management and/or shareholders which summarized are as follows:

Person's name	Relationship
1 Mr. Weeraphan Jakpaisan	<ul style="list-style-type: none"> - He is a director, managing director and major shareholder of the Company by holding 173,331,900 ordinary shares or 54.17% of registered share capital as at 31 December 2020 - He is a director of MTS Asset Development Co.,Ltd. - He is a director, managing director and major shareholder of Paisan Pipat Co.,Ltd. by holding 47,500 ordinary shares or 95% of registered share capital as at 31 December 2020
2 Mr. Nattapong Jakpaisan	<ul style="list-style-type: none"> - He is a director, deputy managing director and a shareholder of the Company by holding 23,729,100 ordinary shares or 7.41 of registered share capital as at 31 December 2020 - He is a director of MTS Asset Development Co.,Ltd. - He is a son of Mr. Weeraphan Jakpaisan
3 Miss Sunisa Jakpaisan	<ul style="list-style-type: none"> - She is a director, deputy managing director and a shareholder of the Company by holding 23,729,100 ordinary shares or 7.41 of registered share capital as at 31 December 2020 - She is a director of MTS Asset Development Co.,Ltd. - She is a daughter of Mr. Weeraphan Jakpaisan
4 Mr. Parnthep Areenij	<ul style="list-style-type: none"> - He is a son of Admiral Na Areenij who is Chairman of Board of Director

Person's name	Relationship
<p>5 MTS Asset Development Co.Ltd. (“MTS”)</p> <p><i>Real estate development</i></p>	<ul style="list-style-type: none"> - Shareholders of MTS Asset Development Co.,Ltd. are Golden Paradise Property Co.,Ltd. which hold 899,999 ordinary shares or 60% of registered share capital and Jakpaison Estate PCL which hold 600,000 ordinary shares or 40% of registered share capital as at 31 December 2020 - Joint committee with JAK: Mr. Weeraphan Jakpaison, Mr. Nattapong Jakpaison and Miss Sunisa Jakpaison
<p>6 Paisan Pipat Co.,Ltd. (“PP”)</p> <p><i>Cleaning service and selling of cleaning equipment</i></p>	<ul style="list-style-type: none"> - Major shareholder of Paisan Pipat Co.,Ltd. is Mr. Weeraphan Jakpaison who hold 47,500 ordinary shares or 95% of registered share capital as at 31 December 2020 - Joint committed with JAK: Mr. Weeraphan Jakpaison
<p>7 CASTA Co.,Ltd. (“CASTA”)</p>	<ul style="list-style-type: none"> - Shareholders of CASTA Co.,Ltd. are as follows: Mr. Weeraphan Jakpaison holds 8,000 ordinary shares or 80% of registered share capital as at 31 December 2018 Mr. Nattapong Jakpaison holds 1,000 ordinary shares or 10% of registered share capital as at 31 December 2018 Miss Sunisa Jakpaison holds 1,000 ordinary shares or 10% or registered share capital as at 31 December 2018 - Joint committee with JAK: Mr. Weeraphan Jakpaison - CASTA transferred the entire business to JAK and CASTA registered for liquidation on 3 December 2018 and completed the liquidation on 5 February 2019

Details of connected transactions

1. Sale transaction

No.	Co.	Person's name	Value of transaction (million Baht)		Transaction nature, necessity and justification
			2019	2020	
1)	JAK	Mr. Parnthep Areenij	Revenue from sales of Baht 4.65 million	-	<p>Mr. Parnthep Areenij bought and got transfer room no. 102 of LAZIO condominium on 26 April 2019 according to Buy and sale agreement no.LZ0008/2560 dated 4 September 2017. Net selling price of this room is 4,649,231.98 Baht. Price and other conditions are same as other customers.</p> <p><u>Audit Committee's opinion</u> : This transaction is normal business of the Company which price and other conditions are same as other customers.</p> <p>Currently, the Company has set up the policy of related party transaction in order to prevent conflict of interest. In order to comply with the regulations of SEC and SET, the Company set up the audit committee to consider related party transactions.</p>

2. Office rent transaction

No.	Co.	Person's name	Value of transaction (million Baht)		Transaction nature, necessity and justification
			2019	2020	
1)	JAK	PP	Revenue from office rental of Baht 0.12 million	Revenue from office rental of Baht 0.12 million	<p>PP has rented the office, first floor for 18 square wah which owned by the Company. Rental agreement is 1- year period from 1 January 2019 to 31 December 2019 at the rate of Baht 10,000 per month (excluded water expense, electricity expense and telephone expense). Rental rate is similar to rental rate of commercial building this area and payment condition is normal. New rental agreement is prepared on 1 January 2020 with 1-year period from 1 January 2020 to 31 December 2020 at the same rate. The Company did not hire the independent valuer to value the rental rate because the Company can get market rental rate for reference.</p> <p><u>Audit Committee's opinion :</u></p> <p>This transaction occurred reasonably and beneficial to the Company. Rental rate is similar to commercial building this area and payment condition is normal.</p>

3. Service transaction

No.	Co.	Person's name	Value of transaction (million Baht)		Transaction nature, necessity and justification
			2019	2020	
1)	JAK	MTS	Other income of Baht 1.725 million	-	<p>MTS engaged the Company to carry out the management task of Idyl project, Phanthong, Chobuir, as follows:</p> <ul style="list-style-type: none"> - construction work: control and supervise the contractors' work -procurement work: search for suppliers and buy construction materials -Land allocation and land title deed issuance: apply for related license with Department of Land including land survey, land allocation. - contract work: supervise and responsible for contractor's contract, buy&sale agreement and other legal work <p>The service charge price was cost plus basis. The Company considered spending hours and salary of staff who was sent to do this work.</p> <p>However, this contract started from 1 January 2019 to 31 December 2019 and no renew contract.</p> <p><u>Audit Committed's opinion</u> : This transaction was reasonable. The service charge price was reasonable and beneficial to the Company.</p>

4. Financial assistance transaction

No.	Co.	Person's name	Value of transaction (million Baht)		Transaction nature, necessity and justification
			2019	2020	
1)	JAK	Mr. Weeraphan Jakpaisan	<u>Loan</u> B/F 0 million Baht Borrow 10 million Baht Repay 10 million Baht C/F 0 million Baht <u>Interest</u> B/F 0 million Baht Interest 0.035 million Baht	<u>Loan</u> B/F 0 million Baht Borrow 80 million Baht Repay 0 million Baht C/F 80 million Baht <u>Interest</u> B/F 0 million Baht Interest 0.257 million Baht	<p>(1) On 4 September 2019, the Company borrowed money from Mr. Weeraphan Jakpaisan for payment of land at Rangsit of Baht 10 million and interest charge at 5% per annum. This loan was unsecured loan and repayable on demand. Currently, the Company's cost of interest was 5.75 – 7.125 per annum.</p> <p>On 30 September 2019, the Company already settle this loan and interest in full amount.</p> <p>(2) The Company borrowed money from Mr. Weeraphan Jakpaisan for payment of land at RongPo, Choburi and for working capital of Baht 80 million. The Company issued bill of exchange with discount rate 2.5% per annum which was higher than bank's interest rate (soft loan). Period of bill of exchange was not exceed 60 days from issued date.</p> <p>On 7 July 2020, the Company already settle this loan and interest expense in full amount.</p> <p>In the future if the Company need money for operation, the Company will increase share capital and borrow from outside sources. Process of borrowing from connected persons will be complied with the regulation of SEC and SET.</p>

No.	Co.	Person's name	Value of transaction (million Baht)		Transaction nature, necessity and justification
			2019	2020	
			Repay 0.035 million Baht Accrued interest 0 million Baht	Repay 0.257 million Baht Accrued interest 0 million Baht	<u>Audit Committee's opinion :</u> Borrowing transaction between the Company and shareholder occurred from acquiring of land at Rangsit and land at Rong Po which was normal business transaction. Currently, the Company's policy mentioned that fund raising from shareholders and borrowing from outside financial sources will be took action first. If the Company borrowed from connected persons, the Company will comply with the regulation of SEC and SET.
2)	JAK	Mr. Weeraphan Jakpaison	Loan from connected person B/F 6.38 million Baht Borrowing 0 million Baht Repay 6.38 million Baht	Loan from connected person B/F 0 million Baht Borrowing 0 million Baht Repay 0 million Baht	The Company entered into agreement with CASTA Co.,Ltd. to make the Entire Business Transfer by taking land at Amphur Muaklek, Saraburi and loan from Mr. Weeraphan Jakpaison of Baht 6.38 million. The Company already settled this loan on 25 Feburay 2019. <u>Audit Committee's opinion :</u> This transaction is necessary due to entire business transfer transaction. Financial valuer was hired to assess the fair value of CASTA and independent property valuer was hired to assess the value of land.

No.	Co.	Person's name	Value of transaction (million Baht)		Transaction nature, necessity and justification
			2019	2020	
			C/F 0 million Baht	C/F 0 million Baht	

Important Financial Information

	Unit	2561	2562	2563
Total Revenue	Baht	214,859,285	159,490,129	90,893,013
Cost of Sales	Baht	103,630,493	76,577,685	41,892,767
Gross Profit	Baht	105,083,582	77,897,467	44,010,346
Net Profit	Baht	47,254,797	33,828,653	14,166,273
Earnings per Share	Baht	23.57	0.14	0.06
Total Asset	Baht	499,073,345	537,200,550	599,195,668
Total Liability	Baht	222,404,323	226,965,065	289,031,316
Equity	Baht	276,669,022	310,235,485	310,164,352
Book Value per Share	Baht	1.17	1.31	1.31
Gross Profit Margin	%	50.35	50.43	51.23
Net Profit Margin	%	21.99	21.21	15.59
Return on Asset	%	11.15	6.53	2.49
Return on Equity	%	21.83	11.53	4.57
Debt to equity ratio	Times	0.80	0.73	0.93

Analysis and Explanation of Management

Summary of operating results

Statement of Comprehensive Income	Financial Statements in which the equity method is applied		
	For the year ended 31 Dec 2020	For the year ended 31 Dec 2019	Inc.(Dec.)
	Million Baht	Million Baht	Million Baht
Revenues			
Revenues from sales	85.90	154.48	(68.58)
Other income	4.99	5.82	(0.83)
Total Revenues	90.89	160.30	(69.41)
Cost of sales	(41.89)	(76.58)	(34.69)
Gross profit	44.01	77.90	(33.89)
Selling expenses	(4.13)	(6.70)	(2.57)
Administrative expenses	(24.45)	(24.33)	0.12
Managements' remuneration	(9.10)	(10.39)	(1.29)
Profit before finance costs and income tax expense	11.32	42.29	(30.97)
Finance income	0.54	0.80	(0.26)
Finance costs	(9.53)	(8.34)	1.19
Share of profit from investment in an associate	12.45	6.90	5.55
Profit before income tax expense	14.77	40.85	(26.08)
Income tax expense	(0.60)	(7.02)	(6.42)
Net profit for the years	14.17	33.83	(19.66)

Total revenues for year 2020 was Baht 90.89 million which decreased from year 2019 of Baht 160.30 million or 43.30%. Net profit for year 2020 was Baht 14.17 million which decreased from year 2019 of Baht 33.83 million or 58.11%.

Total Revenues

Revenue from sales of property

In 2020, the Company recognized revenue from sales of property of Baht 82.96 million compared with year 2019 of Baht 154.48 million which decreased of Baht 71.52 million or 46.30%, it mainly due to revenue recognition from Lazio Sriyan Condominium. Its unit transfer for year 2019 is 30 units while 1 last unit transfer in year 2020 and closed the project. However, the Company started to recognize revenue from Fern project (new project) in April 2020 at the amount of Baht 50.36 million.

Revenue from sales of beverage and bakery

In 2020, the Company has revenue from sales of beverage and bakery from Café Amazon, Salapao Sanghai and Puff&Pie which located in Fern project.

Other income

Other income mainly consisted of management fee income, rental income, commission income and others.

Other income for year 2020 and 2019 represented 5.49% and 3.14% of total revenues, respectively.

Cost of sales and gross profit

Cost of sales for year 2020 was Baht 41.89 million or 48.77% of revenue from sales, while cost of sales for year 2019 was Baht 76.58 million or 49.57% of revenue from sales. Cost of sales for year 2020 decreased from year 2019 which in line with decreasing of revenue from sales. However, gross profit margin for year 2020 and 2019 were 51.23% and 50.43%, respectively. Both gross profit margin was similar due to effective management of construction cost.

Selling and Administrative expenses

Selling expenses

Selling expenses mainly consisted of salary, commission, per diem and bonus of sale team, sale promotion expense and transfer fee.

Selling expense of year 2020 and 2019 were Baht 4.13 million and Baht 6.70 million, respectively, which in line with the decreasing of revenue from sales. Selling expenses represented 4.80% and 4.34% of revenue from sales, respectively.

Administrative expenses

Administrative expenses (including managements' remuneration) for year 2020 and 2019 were Baht 33.55 million and Baht 34.72 million, respectively. It decreased by Baht 1.17 million mainly due to control of administrative expenses.

Finance costs

Finance costs was interest expenses from long-term loan, bank overdraft and promissory notes. Finance costs for year 2020 and 2019 were Baht 9.53 million and Baht 8.34 million, respectively. It increased due to new loan from a financial institution for land of Canna project in Choburi.

Share of profit from investment in an associate

The Company recognized profit from investment in M.T.S. Asset Development Co.,Ltd. which the company owned 40% of paid-up capital. The principal business of this associate is real estate development. Currently, it operated Idyl project at Umphur Pan Thong, Choburi.

An associate recognized revenue since September 2019, the Company recognized share of profit from this associate in year 2019 of Baht 6.90 million while share of profit in year 2020 (full year) of Baht 12.34 million.

Net profit

Net profit for year 2020 and 2019 were Baht 14.06 million and Baht 33.83 million, respectively, and represented 15.46% and 21.10% of total revenues.

Summary of significant financial position

Summary of significant financial position as at 31 December 2020 are as follows:

Statement of Financial Position	Financial Statements in which the equity method is applied	
	As at 31 Dec 2020	As at 31 Dec 2019
	Million Baht	Million Baht
Total Assets	599.20	537.20
Total Liabilities	289.03	226.97
Total Shareholders' Equity	310.16	310.24
Debt to Equity Ratio (times)	0.93	0.73

The Company's assets were mainly inventory, land held for development, investment in an associate and property, plant and equipment. Total assets as at 31 December 2020 was Baht 599.20 million which increased from 31 December 2019 of Baht 62.00 million. It increased mainly from inventory of Baht 60.44 million. The Company acquired land at Rong Po, Choburi of Baht 65.38 million and develop as Canna project.

The Company's liabilities as at 31 December 2020 was Baht 289.03 million. Source of fund is bank overdraft and long-term loan from financial institutions. Bank overdraft and long-term loan represented 44.56% of total liabilities and shareholders' equity. Shareholders' equity as at 31 December 2020 changed a bit, net profit for the year of Baht 14.17 million and interim dividend of Baht 14.24 million.

Debt to Equity ratio as at 31 December 2020 is 0.93 time which higher than Debt to Equity as at 31 December 2019. According to a condition of loan agreement with a bank, debt to equity ratio must not exceed 2 times.

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REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
JAKPAISAN ESTATE PUBLIC COMPANY LIMITED

Opinion

We have audited the financial statements in which the equity method is applied and the separate financial statements of Jakpaisan Estate Public Company Limited (the “Company”), which comprise the statement of financial position in which the equity method is applied and the separate statement of financial position as at December 31, 2020, and the statement of profit or loss and other comprehensive income in which the equity method is applied and the separate statement of profit or loss and other comprehensive income, the statement of changes in shareholders’ equity in which the equity method is applied and the separate statement of changes in shareholders’ equity, and the statement of cash flows in which the equity method is applied and the separate statement of cash flows for the year then ended, and the related notes to the financial statements in which the equity method is applied and notes to the separate financial statements, comprising a summary of significant accounting policies.

In our opinion, the aforementioned financial statements in which the equity method is applied and the separate financial statements present fairly, in all material respects, the financial position of Jakpaisan Estate Public Company Limited as at December 31, 2020, its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the financial statements in which the equity method is applied and of the separate financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants determined by the Federation of Accounting Professions together with the ethical requirements that are relevant to the audit of the financial statements in which the equity method is applied and the separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Emphasis of Matter

We draw attention to Note 34.2 to the financial statements which described that the Company could not comply with a covenant as specified in the long-term borrowing agreement with a domestic financial institution after December 31, 2020, and the Company is in the process of amending such covenant with the financial institution. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements in which the equity method is applied and the separate financial statements of the current period. This matter was addressed in the context of our audit of the financial statements in which the equity method is applied and the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	Audit Responses
<p>Net realizable values of inventories</p> <p>As described in Note 3.4.1 to the financial statements regarding the consideration of net realizable value, and Note. 9.1 regarding details of inventories which are material to the Company's statement of financial position in which the equity method is applied and the separate statement of financial position.</p> <p>The Company considers net realizable values of long outstanding inventories based on appraisal price of independent appraiser which include significant judgments in determining key inputs used in valuation techniques.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Inquiry of management and independent appraiser to gain understanding of the basis and assumptions used in assessing valuation of inventories. • Assess the Company's design and implementation of the key internal controls related to the assessment of inventories valuation. • Test operating effectiveness of key internal controls over the assessment of valuation of inventories. • Perform substantive procedures as follows: <ul style="list-style-type: none"> - Evaluate the qualification, competence and independence of the independent appraiser. - Challenge the independent appraiser's source of key information used in the valuation of inventories and evaluate the appropriateness of such information including the key assumptions and valuation technique by the independent/specialist of auditor. - Consider the adequacy and appropriateness of the disclosure of valuation of net realizable values of inventories in the Note to the financial statements.

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Other Information

Management is responsible for the other information. The other information comprises information in the annual report, but excludes the financial statements in which the equity method is applied and the separate financial statements and our auditor's report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements in which the equity method is applied and the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements in which the equity method is applied and the separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Company.

Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the Equity Method is Applied and the Separate Financial Statements

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

In preparing the financial statements in which the equity method is applied and separate financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibility for the Audit of the Financial Statements in which the Equity Method is Applied and the Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and the separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Deloitte Touche Tohmatsu Jaiyos Audit
ดีลอยท์ ทูเช่ โทมัทสึ ไชยยศ สอนบุญชัย

- 5 -

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the financial statements in which the equity method is applied. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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



Manoon Manusook

Certified Public Accountant (Thailand)

Registration No. 4292

BANGKOK

February 25, 2021

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

UNIT: BAHT

	Notes	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6.3	3,393,613	7,128,722	3,393,613	7,128,722
Trade and other current receivables	7	1,306,214	680,279	1,306,214	680,279
Current portion of finance lease receivables	8	886,731	1,109,808	886,731	1,109,808
Inventories	9.1	292,555,074	232,119,534	292,555,074	232,119,534
Current tax assets		221,887	-	221,887	-
Other current assets	10	190,969	305,080	190,969	305,080
Total Current Assets		298,554,488	241,343,423	298,554,488	241,343,423
NON-CURRENT ASSETS					
Deposits used as collateral	6.3	454,700	454,700	454,700	454,700
Finance lease receivables	8	3,720,502	6,117,609	3,720,502	6,117,609
Investment in an associate	5.1	76,461,079	64,012,590	60,000,000	60,000,000
Investment properties	11	88,767,798	9,716,192	88,767,798	9,716,192
Land held for development	9.2	104,279,220	183,740,220	104,279,220	183,740,220
Property, plant and equipment	12	22,132,273	17,936,641	22,132,273	17,936,641
Right of use asset	13	1,198,034	1,724,035	1,198,034	1,724,035
Other intangible asset other than goodwill	14	741,532	118,222	741,532	118,222
Deferred tax assets	15.1	2,117,353	1,683,771	2,117,353	1,683,771
Other non-current assets	16	768,689	10,353,147	768,689	10,353,147
Total Non-current Assets		300,641,180	295,857,127	284,180,101	291,844,537
TOTAL ASSETS		599,195,668	537,200,550	582,734,589	533,187,960

Notes to the financial statements form an integral part of these statements

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2020

UNIT: BAHT

	Notes	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	17.1	165,676,698	103,223,696	165,676,698	103,223,696
Trade and other current payables	18	14,430,588	8,557,215	14,430,588	8,557,215
Current contract liabilities	19	242,000	290,000	242,000	290,000
Current portion of long-term borrowings from					
financial institutions	17.2	18,712,604	16,439,933	18,712,604	16,439,933
Current portion of lease liability	20	513,080	480,356	513,080	480,356
Current income tax payable		-	370,913	-	370,913
Other current liabilities		327,328	496,773	327,328	496,773
Total Current Liabilities		<u>199,902,298</u>	<u>129,858,886</u>	<u>199,902,298</u>	<u>129,858,886</u>
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	17.2	82,593,378	91,059,864	82,593,378	91,059,864
Lease liability	20	178,710	691,790	178,710	691,790
Non-current provisions for employee benefits	21	6,073,234	5,354,525	6,073,234	5,354,525
Retention		283,696	-	283,696	-
Total Non-current Liabilities		<u>89,129,018</u>	<u>97,106,179</u>	<u>89,129,018</u>	<u>97,106,179</u>
TOTAL LIABILITIES		<u>289,031,316</u>	<u>226,965,065</u>	<u>289,031,316</u>	<u>226,965,065</u>
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
320,000,000 ordinary shares of Baht 1 each,	22	<u>320,000,000</u>	<u>320,000,000</u>	<u>320,000,000</u>	<u>320,000,000</u>
Issued and paid-up share capital					
237,290,100 ordinary shares of Baht 1 each,		237,290,100	237,290,100	237,290,100	237,290,100
Share premium on ordinary shares	22	35,787,400	35,787,400	35,787,400	35,787,400
RETAINED EARNINGS					
Appropriated					
Legal reserve	23	1,432,266	1,346,377	1,432,266	1,346,377
Unappropriated		35,654,586	35,811,608	19,193,507	31,799,018
TOTAL SHAREHOLDERS' EQUITY		<u>310,164,352</u>	<u>310,235,485</u>	<u>293,703,273</u>	<u>306,222,895</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>599,195,668</u>	<u>537,200,550</u>	<u>582,734,589</u>	<u>533,187,960</u>

Notes to the financial statements form an integral part of these statements

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

UNIT: BAHT

	Notes	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD <input type="checkbox"/> IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		2020	2019	2020	2019
REVENUES					
Revenues from sales	25	85,903,113	154,475,152	85,903,113	154,475,152
Other income	26.1	4,989,900	5,014,977	4,989,900	5,014,977
Total Revenues		<u>90,893,013</u>	<u>159,490,129</u>	<u>90,893,013</u>	<u>159,490,129</u>
EXPENSES					
Cost of sales	9.1	41,892,767	76,577,685	41,892,767	76,577,685
Distribution expenses		4,127,374	6,704,231	4,127,374	6,704,231
Administrative expenses		24,449,890	24,333,720	24,449,890	24,333,720
Managements' remuneration	5.2	9,104,954	10,386,052	9,104,954	10,386,052
Total Expenses		<u>79,574,985</u>	<u>118,001,688</u>	<u>79,574,985</u>	<u>118,001,688</u>
PROFIT BEFORE FINANCE INCOME, FINANCE COSTS, SHARE OF PROFIT FROM INVESTMENT IN AN ASSOCIATE AND INCOME TAX EXPENSE					
FINANCE INCOME	26.2	538,236	801,938	538,236	801,938
FINANCE COSTS	28	(9,532,716)	(8,340,125)	(9,532,716)	(8,340,125)
SHARE OF PROFIT FROM INVESTMENT IN AN ASSOCIATE					
	5.2	<u>12,448,489</u>	<u>6,901,116</u>	<u>-</u>	<u>-</u>
PROFIT BEFORE INCOME TAX EXPENSE		<u>14,772,037</u>	<u>40,851,370</u>	<u>2,323,548</u>	<u>33,950,254</u>
INCOME TAX EXPENSE	15.2	(605,764)	(7,022,717)	(605,764)	(7,022,717)
NET PROFIT FOR THE YEARS		<u>14,166,273</u>	<u>33,828,653</u>	<u>1,717,784</u>	<u>26,927,537</u>
OTHER COMPREHENSIVE LOSS					
Transaction that will not be reclassified to profit or loss					
Losses on remeasurements of					
non-current provision for employee benefits	21	-	(327,738)	-	(327,738)
Income tax relating to transaction that will not be					
reclassified to profit or loss	15.2	<u>-</u>	<u>65,548</u>	<u>-</u>	<u>65,548</u>
OTHER COMPREHENSIVE LOSS					
FOR THE YEARS - NET OF INCOME TAX		<u>-</u>	<u>(262,190)</u>	<u>-</u>	<u>(262,190)</u>
TOTAL COMPREHENSIVE INCOME					
FOR THE YEARS		<u>14,166,273</u>	<u>33,566,463</u>	<u>1,717,784</u>	<u>26,665,347</u>
BASIC EARNING PER SHARE (BAHT)		0.06	0.14	0.01	0.11
WEIGHTED AVERAGE NUMBER OF					
ORDINARY SHARES (SHARES)		237,290,100	237,290,100	237,290,100	237,290,100

Notes to the financial statements form an integral part of these statements

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED
FOR THE YEAR ENDED DECEMBER 31, 2020

UNIT: BAHT

	Notes	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	
For the year ended December 31, 2019						
Balance as at January 1, 2019		237,290,100	35,787,400	-	3,591,522	276,669,022
Total comprehensive income for the year		-	-	-	33,566,463	33,566,463
Transfer to legal reserve	23	-	-	1,346,377	(1,346,377)	-
Balance as at December 31, 2019		237,290,100	35,787,400	1,346,377	35,811,608	310,235,485
For the year ended December 31, 2020						
Balance as at January 1, 2020		237,290,100	35,787,400	1,346,377	35,811,608	310,235,485
Total comprehensive income for the year		-	-	-	14,166,273	14,166,273
Transfer to legal reserve	23	-	-	85,889	(85,889)	-
Interim dividend paid	24	-	-	-	(14,237,406)	(14,237,406)
Balance as at December 31, 2020		237,290,100	35,787,400	1,432,266	35,654,586	310,164,352

Notes to the financial statements form an integral part of these statements

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

UNIT: BAHT

	Notes	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	
For the year ended December 31, 2019						
Balance as at January 1, 2019		237,290,100	35,787,400	-	6,480,048	279,557,548
Total comprehensive income for the year		-	-	-	26,665,347	26,665,347
Transfer to legal reserve	23	-	-	1,346,377	(1,346,377)	-
Balance as at December 31, 2019		237,290,100	35,787,400	1,346,377	31,799,018	306,222,895
For the year ended December 31, 2020						
Balance as at January 1, 2020		237,290,100	35,787,400	1,346,377	31,799,018	306,222,895
Total comprehensive income for the year		-	-	-	1,717,784	1,717,784
Transfer to legal reserve	23	-	-	85,889	(85,889)	-
Interim dividend paid	24	-	-	-	(14,237,406)	(14,237,406)
Balance as at December 31, 2020		237,290,100	35,787,400	1,432,266	19,193,507	293,703,273

Notes to the financial statements form an integral part of these statements

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

UNIT : BAHT

	Note	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Net profit for the years		14,166,273	33,828,653	1,717,784	26,927,537
Adjustments by:					
Depreciation - investment properties		409,394	422,153	409,394	422,153
Depreciation - property, plant and equipment		1,695,405	1,281,800	1,695,405	1,281,800
Gain on sales of property, plant and equipment		-	(8,410)	-	(8,410)
Amortization - right-of-use asset		526,001	526,147	526,001	526,147
Amortization - other intangible asset other than goodwill		119,869	33,176	119,869	33,176
Employee benefit expense		718,709	1,014,709	718,709	1,014,709
Share of profit from investment in an associate		(12,448,489)	(6,901,116)	-	-
Finance income		(538,236)	(801,938)	(538,236)	(801,938)
Finance costs		9,532,716	8,340,125	9,532,716	8,340,125
Income tax expense		605,764	7,022,717	605,764	7,022,717
Profit from operations before changes in operating assets and liabilities		14,787,406	44,758,016	14,787,406	44,758,016
Operating assets (increase) decrease					
Trade and other current receivables		(625,935)	(84,800)	(625,935)	(84,800)
Inventories		(63,103,117)	(46,993,321)	(63,103,117)	(46,993,321)
Other current assets		114,111	15,309,140	114,111	15,309,140
Deposits used as collateral		-	(296,146)	-	(296,146)
Finance lease receivables		2,620,184	6,540,303	2,620,184	6,540,303
Land held for development		-	(279,220)	-	(279,220)
Other non-current assets		9,584,458	(219,251)	9,584,458	(219,251)
Operating liabilities increase (decrease)					
Trade and other current payables		5,635,360	(45,388,971)	5,635,360	(45,388,971)
Current contract liabilities		(48,000)	-	(48,000)	-
Other current liabilities		(169,445)	370,203	(169,445)	370,203
Retention		283,696	-	283,696	-
Cash used in operations		(30,921,282)	(26,284,047)	(30,921,282)	(26,284,047)
Income tax paid		(1,632,146)	(15,490,884)	(1,632,146)	(15,490,884)
Net cash used in operating activities		(32,553,428)	(41,774,931)	(32,553,428)	(41,774,931)

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2020

UNIT : BAHT

	Note	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		2020	2019	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash paid for purchasing of property, plant and equipment		(2,989,833)	(1,239,895)	(2,989,833)	(1,239,895)
Cash paid for purchasing of other intangible assets other than goodwill		(743,179)	-	(743,179)	-
Proceeds from sales of property, plant and equipment		-	8,411	-	8,411
Finance income received		538,236	801,938	538,236	801,938
Net cash used in investing activities		<u>(3,194,776)</u>	<u>(429,546)</u>	<u>(3,194,776)</u>	<u>(429,546)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from bank overdraft and short-term borrowings from financial institutions		62,453,002	49,531,079	62,453,002	49,531,079
Cash received from long-term borrowings from financial institutions		46,300,000	100,000,000	46,300,000	100,000,000
Cash paid for long-term borrowings from financial institutions		(52,224,203)	(84,216,600)	(52,224,203)	(84,216,600)
Cash paid for short-term borrowing from a related party		(256,708)	(6,383,500)	(256,708)	(6,383,500)
Cash paid for liability under lease agreement		(480,356)	(449,875)	(480,356)	(449,875)
Finance cost paid		(8,803,734)	(8,067,198)	(8,803,734)	(8,067,198)
Front end fee paid		(737,500)	(1,898,750)	(737,500)	(1,898,750)
Interim dividend paid		(14,237,406)	-	(14,237,406)	-
Net cash provided by financing activities		<u>32,013,095</u>	<u>48,515,156</u>	<u>32,013,095</u>	<u>48,515,156</u>
Net increase (decrease) in cash and cash equivalents		(3,735,109)	6,310,679	(3,735,109)	6,310,679
Cash and cash equivalents as at January 1,		7,128,722	818,043	7,128,722	818,043
Cash and cash equivalents as at December 31,	6.3	<u>3,393,613</u>	<u>7,128,722</u>	<u>3,393,613</u>	<u>7,128,722</u>

Notes to the financial statements form an integral part of these statements

JAKPAISAN ESTATE PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND THE SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

1. GENERAL INFORMATION AND OPERATIONS OF THE COMPANY

Jakpaisan Estate Public Company Limited (the “Company”) was registered as a limited company under the Thai Civil and Commercial Code on April 4, 2003. The registered office is located at No. 153/3 Moo 6 Bangpoon sub-district, Muang Phatumthani district, Phatumthani province.

The principle business of the Company is real estate development.

On December 1, 2020, the Company has been approved by the Securities and Exchange Commission for offering its shares for initial public offering.

On January 18, 2021, the Company has been approved by the Market of Alternative investment (“MAI”) for offering its shares for initial public offering. The symbol is JAK (see Note 34.1).

The major shareholder of the Company is Mr. Weeraphan Jakpaisan who is Thai nationality, which as at December 31, 2020 and 2019 holds of 73.05% of the Company’s issued and paid-up share capital.

As at the date of these financial statements were approved for issue by the Board of directors of the Company, the major shareholder of the Company is Mr. Weeraphan Jakpaisan holds of 54.17% of the Company’s issued and paid-up share capital (see Note 34.2).

The financial statements in which the equity method is applied as at December 31, consist with the associate company as follow:

	2020	2019
	% holding	% holding
M.T.S. Assets Development Co., Ltd.	40.00	40.00

The Company has extensive transactions and relationships with related parties. Accordingly, the financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. Nevertheless, the Company’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. *BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND THE SEPARATE FINANCIAL STATEMENTS*

- 2.1 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards (“TFRSs”) and accounting practices generally accepted in Thailand.
- 2.2 The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (“TAS”) No. 1 (Revised 2019) “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2020 onward and the Regulation of The Stock Exchange of Thailand (“SET”) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement (No.3) B.E. 2562” dated December 26, 2019.
- 2.3 These financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 TFRSs affecting the presentation and disclosure in the current period financial statements

During the year, the Company has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements. However, the new standards which become effective for fiscal year and involve changes to key principles are summarized below:

Group of Financial Instruments Standards

TAS

TAS No.32 Financial Instruments: Presentation

TFRSs

TFRS No.7 Financial Instruments: Disclosures

TFRS No.9 Financial Instruments (“TFRS 9”)

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC No.16 Hedges of a Net Investment in a Foreign Operation

TFRIC No.19 Extinguishing Financial Liabilities with Equity Instruments

Group of Standards as aforementioned make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company’s business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

TFRS No. 16 “Leases” (“TFRS 16”)

TFRS No.16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. This TFRS superseded the following lease Standards and Interpretations, which are TAS No.17 “Leases” (“TAS 17”), TFRIC No.15 “Operating Lease - Incentives”, TFRIC No.27 “Evaluating the Substance of Transactions involving the Legal Form of a Lease” and TFRIC No.4 “Determining whether an Arrangement contains a Lease”.

For lessee accounting, there are significant changes to lease accounting in this TFRSs by removing the distinction between operating and finance leases under TAS 17 and requiring a lessee to recognize a right of use asset and a lease liability at commencement for all leases, except for short term leases and leases of low value assets. However, the lessor accounting treatment continues to require a lessor to classify a lease either as an operating lease or a finance lease, using the same concept as TAS 17.

2.5 TFRSs announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding TAS, TFRSs, TSIC and TFRIC, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2021 onwards. These financial reporting standards were

aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, except for the revisions of definitions and accounting requirements as follows:

Conceptual Framework for Financial Reporting

The revised Conceptual Framework for Financial Reporting consisted of the revised definitions and recognition criteria of asset and liability as well as new guidance on measurement, derecognition of asset and liability, presentation and disclosure. In addition, this Conceptual Framework for Financial Reporting clearly clarifies management's stewardship of the entity's economic resources, prudence, and measurement uncertainty of financial information.

Definition of Business

The revised TFRS No.3 "Business Combinations" clearly clarifies the definition of business and introduce an optional concentration test. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. This revised financial reporting standard requires prospective method for such amendment. Earlier application is permitted.

Definition of Materiality

The revised definition of materiality resulted in the amendment of TAS No.1 "Presentation of Financial Statements" and TAS No.8 "Accounting Policies, Changes in Accounting Estimates and Errors", including other financial reporting standards which refer to materiality. This amendment is intended to make the definition of material to comply with the Conceptual Framework which requires prospective method for such amendment. Earlier application is permitted.

The Interest Rate Reform

Due to the interest rate reform, there are the amendments of specific hedge accounting requirements in TFRS 9 and TFRS 7.

The Company's management will adopt such TFRSs in the preparation of the Company's financial statements when it becomes effective. The Company's management has assessed the impact of these TFRSs

and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company in the period of initial application.

3. *SIGNIFICANT ACCOUNTING POLICIES*

The financial statements in which the equity method is applied and the separate financial statements are prepared in English version from the Thai version of financial statements. In the event of any conflict or be interpreted in two different languages, the financial statements in which the equity method is applied and the separate financial statements in accordance with Thai version will be superseded.

The significant accounting policies are below:

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, all deposits at financial institutions with the original maturities of three months or less from the date of acquisition and highly liquid short-term investments, excluding cash at banks used as collateral

Trade and other current receivables

a) Policies applicable prior to January 1, 2020

Trade and other current receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

b) Policies applicable from January 1, 2020

Trade receivables and other current receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.5.

3.3 Finance lease receivables

Policies applicable prior to January 1, 2020

Finance lease receivables are stated at the outstanding contract amount after deducting unearned finance income and allowance for doubtful accounts, if any.

Policies applicable from January 1, 2020

Finance lease receivables are stated at the outstanding contract amount after deducting unearned finance income and allowance for expected credit losses, if any.

3.4 Inventories and land held for development

3.4.1 Inventories and land held for development are presented at lower of cost or net realizable value. Cost of inventories and land held for development comprises all costs of purchase deducted trade discounts, rebates and other similar items, costs of conversion and other costs incurred in bringing the inventories and land held for development to their present location and condition. The details of inventories and land held for development and cost calculation are as follows:

- Land consists of cost of land and land improvement cost based on the weighted average method, calculating it separately for each project.
- Cost of project under construction consists of the construction cost of buildings and condominiums, direct expenses of the project, utility costs and borrowing cost. The Company record construction cost of building and condominium and utilities cost based on the actual cost incurred.
- Properties intend for sale in the ordinary course of business such as finished buildings and condominiums based on the weighted average method, calculating it separately for each project.
- Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale. The Company will determine the net realizable value of long outstanding inventories based on the fair value valuation from an independent appraiser.
- Loss on devalue of inventories and land held for development is recognized as an expense in the statement of profit or loss, if any.
- 3.4.2 Borrowing costs directly attributable to the construction, acquisition or production of an asset that necessarily takes a substantial period of time to get ready for use or sale that have been included as capitalized until the assets are ready to be used an according to the purpose. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit or loss using the effective interest method.
- 3.4.3 In determining the cost of properties intend for sale in the ordinary course of business, the anticipated total development costs (taking into account actual costs incurred to date) are attributed on the basis of the salable area.

- **3.5 Financial instruments**

- Policies applicable from January 1, 2020

- Initial recognition and measurement of financial assets and financial liabilities
- Financial assets and financial liabilities are recognized in the Company's statement of financial position in which the equity method is applied and the separate of financial position, when the Company becomes a party to the contractual provisions of the instrument.
- Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit or loss are recognized immediately in the statement of profit or loss.
- **Financial assets**
- Subsequent measurement of financial assets
- Financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.
- Classification of financial assets
- Financial assets are measured subsequently at fair value through profit or loss ("FVTPL")
- Financial assets that do not meet the criteria for being measured at amortized cost or fair value through other comprehensive income ("FVTOCI") measured at FVTPL.
- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in statement of profit or loss to the extent they are not part of a designated hedging relationship.
- Impairment of financial assets
- For trade and current receivables and finance lease receivables, the Company recognizes the allowance for expected credit losses ("ECL") which will be remeasured at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.
- The ECL on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.
- For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial

instruments have not increased significantly since initial recognition, the Company measures the allowance for ECL for that financial instrument at an amount equal to 12-month ECL.

- Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.
- Measurement and recognition of ECL
- The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date. The Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.
- For finance lease receivables, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with TFRS 16.
- For other financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.
- The Company recognizes an impairment gain or loss in statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through the allowance of ECL.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in statement of profit or loss.

Financial liabilities

Subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Company, are measured in accordance with the specific accounting policies set out below.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Financial liabilities at measured subsequently FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if;

- It has been acquired principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

- Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss incorporates any interest paid on the financial liability recognized in profit or loss and is included in the “other gains and losses” line item.
- However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognized in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.
- Derecognition of financial liabilities
- The Company derecognizes financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.
- When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective date is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.
- **3.6 Investment in an associate**
- Investment in an associate in the separate financial statements of the Company is accounted for using the cost method. Investment in an associate in the financial statements in which the equity method is applied, is accounted for using the equity method.

- An associate is an entity which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.
- Under the equity method, an investment in an associate is initially recognized in the statement of financial position in which the equity method is applied, at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of an associate. When the Company's share of losses of an associate equals or exceeds the Company's interest in that an associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizes its share of further losses. For additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of an associate.
- An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. Any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee on acquisition of the investment in an associate, is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately as profit or loss in the statement of the profit or loss in the period in which the investment is acquired.
- The Company discontinues using the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held-for-sale, investment in subsidiary and loss of significant influence in the investment.
- The Company continues to use the equity method when an investment in an associate becomes an investment in a joint venture. No re-measurement upon such changes in ownership interests is required.
- When the Company reduces its ownership interest in an associate but the Company continues to use the equity method, the Company reclassifies to profit or loss for the proportion of the profit or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest in the statement of profit or loss if that profit or loss would be reclassified to profit or loss upon the disposal of the related assets or liabilities.
- When the Company has transactions with an associate, profits and losses resulting from such transactions are recognized in the Company's financial statements in which the equity method is applied only to the extent of interests in an associate that are not related to the Company.
- Disposal of investments

- On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as profit or loss in the statement of profit or loss.
- If the Company disposes of a partial of its holding investment, the deemed cost of the sold investment is determined using the weighted-average method applied to the carrying value of the total holding of the investment.

Investment properties

Investment properties are properties consist of land and buildings which are held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Recognition and measurement

Investment properties are measured at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed investment properties includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment properties to a working condition for its intended use and capitalized borrowing costs.

Depreciation

Depreciation is charged as an expense to the statement of profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Building	20 years
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Investment properties are derecognized upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits. Any gain or loss arising on derecognition of the investment property calculated as the difference between the net disposal proceeds and the carrying amount of the investment properties are included in profit or loss in the statement of profit or loss in the period in which the investment properties are derecognized.

When the Company changes the propose of using investment properties the Company uses the cost method to transfer between investment property and owner-occupied properties.

The Company will test impairment and will recognize allowance for impairment by comparing the fair value which is determined by an independent appraiser using comparative market price method to assess the value of investment properties.

3.8 Property, plant and equipment

Recognition and measurement

Property (land) is measured at cost less allowance for impairment losses, if any.

Plant and equipment are measured at cost less accumulated depreciation and allowance for impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use. The cost also includes the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for separately by major components.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net as profit or loss in the statement of profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized as an expense in statement of profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statement of profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings, and building improvement	10 - 20	years
Office equipment	3 - 5	years

Equipment	5 years
Vehicles	5 years

No depreciation is provided on land and construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.9 Other intangible assets other than goodwill

Recognition and measurement

Other intangible assets other than goodwill that are acquired by the Company which have finite useful lives are measured at cost less accumulated amortization and allowance for impairment losses, if any.

Amortization

Amortization is calculated over the cost of the assets, or other amount substituted for cost, less its residual value.

Amortization is recognized as an expense in the statement of profit or loss on a straight-line basis over the estimated useful lives of other intangible assets other than goodwill from the date that they are available for use. The estimated useful lives are as follows:

Software licenses	5 years
Rights for selling of beverage and bakery	3 - 6 years

Other intangible assets other than goodwill with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate

3.10 Impairment

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the Company will estimate the asset's recoverable amounts.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized as an expense in the statement of profit or loss unless it reverses a previous revaluation credited to equity and it subsequently impairs in which case it is charged to other comprehensive income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the higher of the asset's value in use or fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset are reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized as an expense in the statement of profit or loss.

An impairment loss recognized in prior periods in respect of an other non-financial asset are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

Interest-bearing liabilities

Interest-bearing liabilities are recognized initially at fair value less attributable transaction charges in relation to the liabilities. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized as an expense in the statement of profit or loss over the period of the borrowings.

3.12 Provision

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

3.13 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the statement of profit or loss on a straight-line basis until the benefits become vested. To the extent that the benefits is vested, the expense is recognized immediately in the statement of profit or loss.

The Company recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of profit or loss.

Past service cost related to the plan amendment is recognized as an expense in the statement of profit or loss when the plan amendment is effective.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.14 Revenue recognition

Revenues of the Company are from major sources as the following:

- Revenue from sale of properties
- Revenue from sale of beverage and bakery
- Rental income from investment properties lease
- Interest income and other income

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

3.14.1 Revenue from sales of properties

The Company sells properties consist of commercial buildings, house, twin house, townhouse and condominium, to customers through borrowing from financial institutions from and directly sell to customers through sale office of each project, by entering into sale property agreements which shall be assumed as the contracts with the customers.

The Company recognizes cash receiving from properties reservation, cash receiving from signing agreement and down payment (collectively as “Deposit from customers”) as specified in the contracts with the customers as “Current contract liabilities” (see Note 19) until the control of properties has been transferred to customers.

Warranties as specified in the contracts with the customers, associated with sales of properties, cannot be purchased separately from properties. They serve as an assurance that the properties comply with agreed-upon specifications. Accordingly, the Company recognizes “Provision for warranty claims” (see Note 18) and presents as a liability on the statement of financial position in accordance with TAS No. 37 “Provisions, Contingent Liabilities and Contingent Assets” consistent with its previous accounting treatment.

In case that the construction of common area has not been completed at the date that the control of properties has been transferred to customers through borrowings from financial institutions.

The Company will allocate portion of the sales price to such common area to recognize as “Deferred income from uncompleted common area” (see Note 18) and presented as a liability on the statement of financial position. The Company will reverse this liability and recognize as revenue from sales of properties in the statement of profit or loss when the most of construction of such common area is completed in line with the cost of the common area incurred according to the contracts with the customers.

The Company recognizes cash transfers when control of properties has been transferred customers through borrowings from financial institutions, together with revenue recognition at the point in time in the statement of profit or loss.

Mortgage fee and registration transfer fee for the transfer of properties or fund fee and common area fee to the juristic person of each projects on behalf of customers when the customers register the transfer of properties and others fee from sale promotion of each unit/project that the Company offers to customers under the contracts with the customers. The Company has considered that certain expenses are consideration paid to customers or expenses paid for customers. Therefore, such transactions should be recorded as net offsetting with revenue from sales of properties, instead of selling expenses in the statement of profit or loss.

Cost to obtain a contract is a commission paid to obtain a contract. In practice, the Company will pay commission paid to obtain a customer contract when the control of properties has been transferred to the customers and recognized to expenses in the statement of profit or loss on a basis that is consistent with the pattern of revenue recognition instead of selling expenses when the transaction occurred.

3.14.2 Revenue from sales of beverage and bakery

The Company sells beverage and bakery under franchise agreements directly to customers through retail shops in each project on cash basis without sale return policy.

The Company recognizes revenue from sale of beverage and bakery at the point in time in the statement of profit or loss when the control of goods has been transferred to customers by good delivering at retail shops.

3.14.3 Rental income from investment properties lease

The Company allocates a rental income from investment properties lease, on a straight-line method over the period of service in the statements of profit or loss.

- 3.14.4 Interest income and other income is recognized in the statement of comprehensive income on an accrual basis.

Expense recognition

Expenses are recognized on an accrued basis.

3.16 Finance costs

Finance costs comprise interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit or loss using the effective interest method.

3.17 Leases

The Company has applied TFRS 16 in preparation of the financial statements with no significant impact using the cumulative catch-up approach and therefore comparative information has not been restated and is presented under TAS 17.

For former leases that were classified as finance leases according to TAS 17 as at December 31, 2019, the carrying amount of the leased assets and obligations under finance leases measured applying TAS 17.

As at January 1, 2020, the Company reclassified former finance leased asset and its liability to be right-of-use asset and lease liability, respectively, according to TFRS 16, without any adjustments (see Note 33).

The details of accounting policies under both TAS 17 and TFRS 16 are as follows:

Policies applicable before January 1, 2020

Operating lease - the Company as lessee or lessor

Leases agreements to lease leased assets or to provide leased assets, which a significant portion of the risks and rewards of ownership belonged to the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) or cash received under operating leases will be charged as an expense or an income, respectively, to the statement of profit or loss on a straight-line basis over the period of the lease.

Finance leases - the Company as lessee

Leases of property, plant and equipment which substantially all the risks and rewards of ownership have been transferred to the lessee are classified as finance leases. Finance leases are capitalized 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 liabilities under a finance lease agreement, while the interest element is charged as an expense in the statements of profit or loss over the lease period. The

assets acquired under finance leases are depreciated over the shorter of the useful lives of the assets or the lease period.

Finance leases - the Company as lessor

Hire purchase agreements for purchasing of properties which all the risks and rewards of ownership have been transferred to customers after completion of the installation which shall be assumed as finance leases. As at the effective date of lease agreements, A manufacturer lessor will recognize revenue from sales of properties as an income with the lower of fair value of the asset and present value of the minimum lease payments that the customers will pay to the lessor and recognize cost of sales as an expense with costs of properties in the statements of profit or loss. Difference between revenue from sales of properties and costs of sale shall be assumed as profit or loss from outright sale. Interest income is charged as an income in the statements of profit or loss over the lease period.

Policies applicable from January 1, 2020

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right of use asset and corresponding lease liability with respect to all lease arrangements in which it is the leases.

Initial recognition of lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position in which the equity method is applied and the separate statement of financial position.

Subsequent measurement of lease liability

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a yield interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the years presented.

Initial recognition of right of use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs.

Subsequent measurement of right of use assets

They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Company expects to exercise a purchase option, the related right of use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right of use assets are presented as a separate line in the consolidated statement of financial position.

The Company applies TAS No. 36 “Impairment of assets” to determine whether a right of use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right of use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in statement of profit or loss.

The Company as lessor

Leases for which the Company is a lessor are classified as finance leases or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

When a contract includes both lease and non-lease components, the Company applies TFRS 15 "Revenue from contract with customers" ("TFRS 15") to allocate the consideration under the contract to each component.

3.18 Income tax expense

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expenses in the statement of profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable derived from a computation of profit or loss using tax rates enacted and any adjustment to tax payable in respect of previous years.

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

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

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors,

including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period when such a determination is made.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the financial statements in which the equity method is applied and the separate financial statements.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company intend to settle its current tax assets and liabilities on a net basis.

3.19 Earnings per share

The calculations of basic earnings per share for the year are based on the profit for the year attributable to equity holders divided by the weighted-average number of ordinary shares held by outsiders outstanding during the year. The calculations of diluted earnings per share for the year are based on the weighted-average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.20 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements in which the equity method is applied and the separate financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

4. *CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY*

4.1 **Use of management's judgments**

The preparation of financial statements in conformity with TFRSs requires the Company's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Critical judgments in applying the Company's accounting policies are as follows:

4.1.1 Impairment

The Company's balance assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. The asset balances with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

4.1.2 Judgements in determining the timing of satisfaction of performance obligations

As specified in the contracts with customers, the Company shall be obliged for warranty to properties after deliver to customers to repair or rectify defects of such properties. The Company is responsible for repairing or rectifying expenditure. Management were required to consider whether it was appropriate to recognize the revenue from in the current year or defer revenue recognition until the rectification work is complete.

In making their judgment, management considered the detailed criteria for the recognition of revenue set out in TFRS 15 and, in particular, whether properties control transferring to the customers and the detailed of amount and possibility of liability in respect of rectification work as the conditions specified in the contracts with customers. Management determined based on historical data and considered that amount and possibility in respect of rectification work for properties is low. Therefore, management are satisfied that recognition of the revenue in the current year is appropriate regarding to the control of the properties has been transferred to customers. However, management considered provision for warranty claims for the rectification costs (see Note 18).

4.2 Key sources of estimation uncertainty

The Company have estimates with the assumptions concerning the future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4.2.1 Allowance for net realizable values of inventories and land held for development

The Company determines net realizable values of inventories based on management's best estimate of net realizable value of inventories and land held for development by using damage, obsolete or deteriorated properties and market price of properties.

The Company will determine the net realizable value of long outstanding inventories based on the fair value valuation from an independent appraiser.

4.2.2 Fair value of investment properties

The fair value of investment properties above has been determined based on market approach by independence appraiser. Key assumption used in the fair valuation include market prices of underlying assets.

4.2.3 Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Management of the Company determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company uses other observable information either directly or indirectly.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 31.

4.2.4 Non-current provisions for employee benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such obligations.

5. *TRANSACTIONS BETWEEN RELATED PARTIES*

Related person or parties of the Company are defined as persons or entities that control the Company or are controlled by the Company, whether directly or indirectly or are under the same control as the Company including holding companies. In addition, related person or parties also include individuals owning, directly or indirectly, and interest in the voting shares of the Company, and have significant influence over the Company, key management personnel, directors or officers of the Company. This also applies to the close members of the family of such individuals and companies associated with these individuals.

In considering each possible related person or parties relationship, attention is directed to the substance of the relationship, not merely the legal form

Related parties are as follows:

Name of entities	Nature of Business	Country of incorporation	Nature of relationships
Key management	-	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company
M.T.S. Assets Development Co., Ltd.	Real estate development	Thailand	Direct associate
Casta Import Export Co., Ltd.	Loan and credit granting	Thailand	Executive management of the Company is the shareholder
Jakpaisan Group Co., Ltd.	Selling of real estate	Thailand	Executive management of the Company is the shareholder

Name of entities	Nature of Business	Country of incorporation	Nature of relationships
Paisanpipat Co., Ltd.	Cleaning service and selling of cleaning equipment	Thailand	Executive management of the Company is the shareholder
Engtitude Co., Ltd.	English institution	Thailand	Executive management of the Company is the shareholder

Transactions with related person or parties are conducted at market prices or, where no market price exists, at contractually agreed prices.

The pricing policies for transactions are explained further below:

Transactions	Pricing policies
Purchase / sale of goods	Cost plus margin
Lease / rent	Market and contractually agreed prices
Rendering / receiving of services	Market price
Dividend income	Right to receive dividend
Interest income / expense	Rate as mutually agreed with reference interest rates quoted by financial institutions
Purchase / sale of assets	Book value plus margin

5.1 Balance with related party

Investment in an associate

Investment in an associate as at December 31, consists of:

Company's name	Paid-up share capital		Investment		Equity		Unit : Baht Cost	
			portion (%)		method		method	
	2020	2019	2020	2019	2020	2019	2020	2019

M.T.S. Assets

Development

Co., Ltd.	150,000,000	150,000,000	40.00	40.00	76,461,079	64,012,590	60,000,000	60,000,000
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For the years ended December 31, 2020 and 2019, there was no dividend income from an associate.

Aggregate information of an associate as at December 31, consists of the following:

	Unit : Baht	
	2020	2019
Cash and cash equivalents	21,428,421	1,335,363
Trade and other current receivables	187,565	1,550,197
Inventories	170,064,792	213,991,226
Other current assets	12,591	171,158
Property, plant and equipment	2,657,020	2,978,956
Other non-current assets	891,969	17,490
Trade and other current payables	11,247,278	9,550,845

Other current liabilities	5,102,841	577,050
Long-term borrowing from		
a financial institution	-	60,512,058
Other non-current liabilities	712,631	2,346,051

Unit : Baht

2020 2019

Net profit for the years ended December 31,	31,121,222	17,252,790
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Reconciliation of the above financial information as at December to the carrying amount of the interest in an associate as follows:

Unit: Baht

**Financial statement in which
the equity method is applied**

2020 2019

Net assets of associated	178,179,609	147,058,385
Proportion of the Company's ownership interest in associated (%)	40.00	40.00
	<u>71,271,843</u>	<u>58,823,354</u>
Difference from consideration payment and transferred net assets	5,189,236	5,189,236
	<u>76,461,079</u>	<u>64,012,590</u>
Carrying amount of an associate under equity method		

5.2 Significant transactions with related parties for the years ended December 31, consist of the following:

Unit : Baht

Account name/ Company's name	Relationships	Financial statements in which the equity method is applied	Separate financial statements
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		2020	2019	2020	2019
Share of profit from					
investment in an associate					
M.T.S. Assets					
Development Co., Ltd.	Associate	12,448,489	6,901,116	-	-
Management fee					
M.T.S. Assets					
Development Co., Ltd.	Associate	-	1,725,000	-	1,725,000
Rental income					
Paisanpipat Co., Ltd.	Related company				
		120,000	120,000	120,000	120,000
Managements' remuneration					
Managements	Key management				
		9,104,954	10,386,052	9,104,954	10,386,052

6. *SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION*

6.1 The unused credit facilities as at December 31, consist of:

Unit : Baht

	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Short-term credit facilities	180,878,371	240,330,894
Long-term credit facilities	302,000,000	157,000,000

**Financial statements in which
the equity method is applied and
separate financial statements**

2020	2019
482,878,371	397,330,894

As at December 31, 2020 and 2019, the Company has short-term and long-term credit facilities with domestic financial institutions which have bank accounts of the Company (see Note 6.3) and related company as collateral. The Company mortgaged certain inventories, land held for development (see Notes 9.1 and 9.2), land and buildings of the Company's director and a related company as collateral. In addition, such credit facilities were guaranteed by the Company's director.

The Company has to maintain the financial ratio and followed the terms restricted in the long-term borrowing agreements. However, during the year ended December 31, 2020, the Company was unable to comply with certain requirements as specified in a long-term borrowing agreement with a domestic financial institution (see Notes 17). Therefore, long-term unused credit facilities of Baht 157.00 Million as at June 30, 2020 was cancelled under the condition in such agreement.

On August 13, 2020, the Company has entered into an additional amendment to such borrowing agreement with a domestic financial institution to amend such requirements. Therefore, as at December 31, 2020, such unused credit facilities were able to withdraw.

6.2 Non-cash transactions are as follows:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31,

Unit : Baht

Property, plant and equipment

	2020	2019
Payable from acquisition as at January 1,	-	-
<u>Add</u> Purchases during the years	2,989,833	1,239,895
<u>Less</u> Paid during the years	(2,989,833)	(1,239,895)
Payable from acquisition as at December 31,	-	-

Unit : Baht

Right-of-use asset

	2020	2019
Liability under a finance lease agreement*		
as at January 1,	1,172,146	1,622,021
<u>Less</u> Paid during the years	(480,356)	(449,875)
Liability under a finance lease agreement*		
as at December 31,	691,790	1,172,146

* Including current portion

Unit : Baht

Other intangible assets other than goodwill

	2020	2019
Payable from acquisition as at January 1,	-	-
<u>Add</u> Purchase during the years	743,179	-
<u>Less</u> Paid during the years	(743,179)	-
Payable from acquisition as at December 31,	-	-

Movements of interest-bearing liabilities arising from financing activities, are as follows:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31, 2020

				Unit : Baht
	Balance	Non-cash item	Net cash flows	Balance
	as at	Front-end fee	from financing	as at
	January 1,		activities	December 31,
	2020			2020
Bank overdrafts and short-term borrowing from financial institutions	103,223,696	-	62,453,002	165,676,698
Long-term borrowings from financial institutions*	107,499,797	(269,612)	(5,924,203)	101,305,982
Liability under a finance lease agreement *	1,172,146	-	(480,356)	691,790

For the year ended December 31, 2019

Unit : Baht

	Balance	Non-cash item	Net cash flows	Balance
	as at	Front-end fee	from financing	as at
	January 1,		activities	December 31,
	2019			2019
Bank overdrafts and short-term borrowing from financial institutions	53,692,617	-	49,531,079	103,223,696
Long-term borrowings from financial institutions*	93,481,360	(1,764,963)	15,783,400	107,499,797
Liability under a finance lease agreement *	1,622,021	-	(449,875)	1,172,146

* Including current portion

6.3 Cash and cash equivalents and deposits used as collateral as at December 31, consist of:

Unit : Baht

	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Cash on hand	126,577	60,000
Deposits at banks - savings accounts	2,574,299	1,492,998
Deposits at banks - current accounts	692,737	5,575,724
	<u>3,393,613</u>	<u>7,128,722</u>
Deposits used as collateral*	<u>454,700</u>	<u>454,700</u>

Bank deposits as above were pledged as collateral for credit facilities a from domestic financial institution.
(see Notes 6.1, 17 and 32.5).

7. *TRADE AND OTHER CURRENT RECEIVABLES*

Trade and other current receivables as at December 31, consist of:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Trade receivables - other companies	4,561,232	4,561,232
<u>Less</u> allowance for expected credit losses /		
allowance for doubtful debt	(4,561,232)	(4,561,232)
	<u>-</u>	<u>-</u>
Other current receivables - other companies	356,151	278,477
<u>Less</u> allowance for expected credit losses /		
allowance for doubtful debt	(268,061)	(268,061)
	<u>88,090</u>	<u>10,416</u>
Advances to employees	-	25,231
Prepaid expenses	1,218,124	644,632
	<u>1,306,214</u>	<u>680,279</u>

Aging analysis for trade receivables as at December 31, consisted of the following:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Overdue: More than 12 months	4,561,232	4,561,232

As at December 31, 2020 and 2019, trade receivables (third party) and other current receivables, totaling of Baht 4.83 million, are trade receivable and other current receivable from other business before the Company commenced its principle business which related to real estate development. Management considered that the Company has low

possibility to receive cash return from such group of receivables. Therefore, the Company provided loss allowance for expected credit losses fully.

8. *FINANCE LEASE RECEIVABLES*

The Company entered into hire purchase agreements with customers. The average term of finance leases entered into is around 4 - 17 years. Generally, these lease contracts do not include extension or early termination options.

The Company is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in Thai Baht. The Company's finance lease arrangements do not include variable payments. The average effective interest rate contracted approximates 8.70% per annum.

Finance lease receivables as at December 31, consist of:

	Unit: Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Amount per sale contracts	8,573,501	10,568,417
<u>Less</u> Accumulated cash receiving	(3,966,268)	(3,341,000)
Undiscounted finance lease receivables	<u>4,607,233</u>	<u>7,227,417</u>
 <u>Less</u> Current portion of undiscounted finance lease receivables	 (886,731)	 (1,109,808)
	<u>3,720,502</u>	<u>6,117,609</u>

As at December 31, 2020

	Unit: Baht			
	Repayment period			
	Within 1 year	2 - 5 years	Over 5 years	Total
Undiscounted finance lease receivables	1,261,649	2,888,507	2,358,023	6,508,179
<u>Less</u> Unearned finance income	(374,918)	(844,648)	(681,380)	(1,900,946)
Net finance lease receivables	<u>886,731</u>	<u>2,043,859</u>	<u>1,676,643</u>	<u>4,607,233</u>

As at December 31, 2019

Unit: Baht

	Repayment period			
	Within 1 year	2 - 5 years	Over 5 years	Total
Undiscounted finance lease				
receivables	1,701,649	4,664,271	4,317,344	10,683,264
<u>Less</u> Unearned finance income	(591,841)	(1,457,302)	(1,406,704)	(3,455,847)
Net finance lease receivables	<u>1,109,808</u>	<u>3,206,969</u>	<u>2,910,640</u>	<u>7,227,417</u>

Finance lease receivables as at December 31, are classified by aging as follows:

Unit: Baht

	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Not yet due	4,557,547	7,185,423
Over due but not later than 30 days	48,048	41,994
Over due 30 days but not later 60 days	1,638	-
	<u>4,607,233</u>	<u>7,227,417</u>

1. INVENTORIES AND LAND HELD FOR DEVELOPMENT

9.1 Inventories as at December 31, consist of land, cost of project under construction, finished buildings and condominium as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Inventories under real estate		
development business:		
Jakpaisan 18 project	7,772,210	21,153,301
Lazio project	-	2,097,698
Fern project	126,438,692	121,520,715
Rangsit project	91,753,128	87,347,820
Canna project*	66,058,435	-
	<u>292,022,465</u>	<u>232,119,534</u>
Furniture and supplies for projects	<u>224,160</u>	<u>-</u>
	<u>292,246,625</u>	<u>232,119,534</u>
Goods and supplies		
under beverage and bakery business	308,449	-
	<u>292,555,074</u>	<u>232,119,534</u>

* Formerly known as Rong Po project

Inventories under real estate development business consist of land, land improvement and utilities costs, construction in progress, finished building and condominium and borrowing costs. Movements of inventories consist of:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31, 2020

						Unit: Baht
	Jakpaisan 18	Lazio	Fern	Rangsit	Canna	Total
	project	project	project	project	project*	
Inventories (Before deduct accumulated amount transferred to cost of sales)						
as at January 1, 2020	281,321,168	117,644,783	121,520,715	87,347,820	-	607,834,486
<u>Increase</u> during the year:						
Land	-	-	-	-	65,379,000	65,379,000
Land improvement and utilities costs	5,600	-	4,428,055	4,036,158	431,882	8,901,695
Construction in progress	1,722,817	-	26,259,656	369,150	247,553	28,599,176
Borrowing costs	24,690	-	208,936	-	-	233,626
	<u>283,074,275</u>	<u>117,644,783</u>	<u>152,417,362</u>	<u>91,753,128</u>	<u>66,058,435</u>	<u>710,947,983</u>

<u>Decrease</u> Accumulated amount transferred to						
cost of buildings and condominium						
sold as at December 31, 2020	(275,302,065)	(117,644,783)	(23,077,466)	-	-	(416,024,314)
Transfer to property, plant						
and equipment (see Note 12)	-	-	(2,901,204)	-	-	(2,901,204)
Inventories as at December 31, 2020	7,772,210	-	126,438,692	91,753,128	66,058,435	292,022,465

* Formerly known as Rong Po project

For the year ended December 31, 2019

Unit: Baht

	Jakpaisan 18	Lazio	Fern	Rangsit	Total
	project	project	project*	project	
Inventories (Before deduct accumulated amount transferred to cost of sales) as at January 1, 2019	265,626,906	117,472,992	101,204,761	-	484,304,659
<u>Increase</u> during the year:					
Land	-	-	-	78,000,000	78,000,000
Land improvement and utilities costs	145,900	-	654,570	7,203,320	8,003,790
Construction in progress	15,455,736	171,791	19,399,172	2,144,500	37,171,199
Borrowing costs	92,626	-	262,212	-	354,838
	<u>281,321,168</u>	<u>117,644,783</u>	<u>121,520,715</u>	<u>87,347,820</u>	<u>607,834,486</u>
<u>Decrease</u> Accumulated amount transferred to cost of buildings and condominium sold as at December 31, 2019	(260,167,867)	(115,547,085)	-	-	(375,714,952)
Inventories as at December 31, 2019	<u>21,153,301</u>	<u>2,097,698</u>	<u>121,520,715</u>	<u>87,347,820</u>	<u>232,119,534</u>

* Formerly known as Kao lam (Sai 7) projec

Cost of inventories are recognized as an expense in cost of goods for the year ended December 31, consist of:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Cost of sales of properties	40,499,760	76,577,685
Cost of sales of beverage and bakery	1,393,007	-
	<u>41,892,767</u>	<u>76,577,685</u>

The Company recognized borrowing costs for the year ended December 31, that related to construction of each project as a part of cost of project in progress as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Borrowing cost (Unit : Baht)	233,626	354,838
Rate (Percentage)	3.33 – 5.22	4.78 – 5.28

9.2 Land held for development as at December 31, as follows:

	Unit : Baht	
Location	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019

Muak Lek district, Saraburi province	79,703,558	79,461,000
<u>Less: Reclassification to investment properties</u>		
(see Note 11)	(79,703,558)	-
	-	79,461,000
Klong Kum sub-district, Bung Kum district, Bangkok		
	104,279,220	104,279,220
	104,279,220	183,740,220

As at December 31, the Company mortgaged certain inventories and land held for development (see Notes 9.1 and 9.2) as collateral to certain domestic financial institutions for credit facilities and long-term borrowings (see Notes 6.1 and 17) as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Fern project	126,438,692	121,520,715
Rangsit project	91,753,128	87,347,820
Canna project*	66,058,435	-
Land held for development	104,279,220	183,740,220
	388,529,475	392,608,755

* Formerly known as Rong Po project

9. *OTHER CURRENT ASSETS*

Other current assets as at December 31, consist of:

Unit : Baht

**Financial statements in which
the equity method is applied and separate
financial statements**

	2020	2019
Value added tax	190,969	68,320
Others	-	236,760
	<u>190,969</u>	<u>305,080</u>

10. INVESTMENT PROPERTIES

Movements of investment properties are as follows:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31, 2020

Unit: Baht

	Balance as at January 1, 2020	Increase	Reclassification (see Note 9.2)	Balance as at December 31, 2020
Cost:				
Land	4,343,717	-	79,703,558	84,047,275
Buildings and its improvement	8,443,091	(242,558)	-	8,200,533
Total Cost	<u>12,786,808</u>	<u>(242,558)</u>	<u>79,703,558</u>	<u>92,247,808</u>
Accumulated depreciation:				
Buildings and its improvement	(3,070,616)	(409,394)	-	(3,480,010)
Total Accumulated depreciation	<u>(3,070,616)</u>	<u>(409,394)</u>	<u>-</u>	<u>(3,480,010)</u>
Investment properties	<u>9,716,192</u>			<u>88,767,798</u>

For the year ended December 31, 2019

	Unit: Baht		
	Balance as at	Increase	Balance as at
	January 1,		December 31,
	2019		2019
Cost:			
Land	4,343,717	-	4,343,717
Buildings and its improvement	8,443,091	-	8,443,091
Total Cost	12,786,808	-	12,786,808
Accumulated depreciation:			
Buildings and its improvement	(2,648,463)	(422,153)	(3,070,616)
Total Accumulated depreciation	(2,648,463)	(422,153)	(3,070,616)
Investment properties	10,138,345		9,716,192
Depreciation for the years ended December 31,			
2020			409,394
2019			422,153
Rental income for the years ended December 31,			
2020			518,693
2019			594,000

Fair value of investment properties as at December 31, as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Land held for rent	114,190,000	-
Buildings held for rent	18,842,000	10,490,000
	<u>133,032,000</u>	<u>10,490,000</u>

As at December 31, 2020 and 2019, the Company mortgaged investment properties in net book value of Baht 84.16 million and Baht 5.16 million as collateral to domestic financial institutions for credit facilities (see Notes 6.1 and 17).

The Company entered into the operating leases agreements for lease investment properties. The future minimum receiving under the lease agreements as at December 31, are summarized as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Within 1 year	<u>450,316</u>	<u>320,316</u>

1. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment are as follows:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31, 2020

	Unit: Baht				
	Balance as at	Increase	Transfer in/	Reclassification	Balance as at
	January 1,		(out)	n	December 31,
	2020			(see Note 9.1)	2020
Cost:					
Land	6,104,633	-	-	575,824	6,680,457
Buildings and its improvement	10,600,047	-	1,655,535	2,325,380	14,580,962
Office equipment	2,477,692	1,093,970	-	-	3,571,662
Tools	595,095	1,116,328	-	-	1,711,423
Vehicles	9,600,938	-	-	-	9,600,938
Total Cost	29,378,405	2,210,298	1,655,535	2,901,204	36,145,442
Accumulated depreciation:					
Buildings and its improvement	(1,757,855)	(637,631)	-	-	(2,395,486)
Office equipment	(1,407,404)	(484,969)	-	-	(1,892,373)
Tools	(255,248)	(288,026)	-	-	(543,274)
Vehicles	(8,897,257)	(284,779)	-	-	(9,182,036)
Total Accumulated depreciation	(12,317,764)	(1,695,405)	-	-	(14,013,169)
Buildings and its improvement in process	876,000	779,535	(1,655,535)	-	-
Property, plant and equipment	17,936,641				22,132,273

For the year ended December 31, 2019

	Unit: Baht				
	Balance as at	Increase	Decrease	Reclassification	Balance as at
	January 1,			n	December 31,
	2019			(see Note 13	2019
				and 33)	
Cost:					
Land	6,104,633	-	-	-	6,104,633
Buildings and its improvement	10,600,047	-	-	-	10,600,047
Office equipment	2,231,127	246,565	-	-	2,477,692
Tools	516,665	78,430	-	-	595,095
Vehicles	12,227,169	38,900	(34,393)	(2,630,738)	9,600,938
Total Cost	31,679,641	363,895	(34,393)	(2,630,738)	29,378,405
Accumulated depreciation:					
Buildings and its improvement	(1,227,853)	(530,002)	-	-	(1,757,855)
Office equipment	(1,042,868)	(364,536)	-	-	(1,407,404)
Tools	(146,797)	(108,451)	-	-	(255,248)
Vehicles	(9,033,394)	(278,811)	34,392	380,556	(8,897,257)
Total Accumulated depreciation	(11,450,912)	(1,281,800)	34,392	380,556	(12,317,764)
Buildings and its improvement in process	-	876,000	-	-	876,000
Property, plant and equipment	20,228,729				17,936,641
Depreciation for the years ended December 31,					
2020					1,695,405
2019					1,281,800

As at December 31, 2020 and 2019, the cost of assets which are fully depreciated but still in used is Baht 8.85 million and Baht 8.76 million, respectively.

11. RIGHT OF USE ASSET

Movements of right of use asset is as follows:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31, 2020

	Unit: Baht		
	Balance as at	Increase	Balance as at
	January 1,		December 31,
	2020		2020
Cost:			
Vehicle	2,630,738	-	2,630,738
Total Cost	2,630,738	-	2,630,738
Accumulated amortization:			
Vehicle	(906,703)	(526,001)	(1,432,704)
Total Accumulated amortization	(906,703)	(526,001)	(1,432,704)
Right of use asset	1,724,035		1,198,034

For the year ended December 31, 2019

	Unit: Baht			
	Balance as at	Increase	Reclassification	Balance as at
	January 1,		(See Note 12	December 31,
	2019		and 33)	2019
Cost:				
Vehicle	-	-	2,630,738	2,630,738
Total Cost	-	-	2,630,738	2,630,738
Accumulated amortization:				
Vehicle	-	(526,147)	(380,556)	(906,703)
Total Accumulated amortization	-	(526,147)	(380,556)	(906,703)
Right of use asset	-			1,724,035
Amortization for the years ended December 31,				
2020				526,001
2019				526,147

12. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Movements of other intangible assets other than goodwill are as follows:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31, 2020

	Unit: Baht		
	Balance as at	Increase	Balance as at
	January 1,		December 31,
	2020		2020
Cost:			
Software computer	165,900	147,179	313,079
Rights for selling of beverage and bakery	-	596,000	596,000
Total Cost	165,900	743,179	909,079
Accumulated amortization:			
Software computer	(47,678)	(53,881)	(101,559)
Rights for selling of beverage and bakery	-	(65,988)	(65,988)
Total Accumulated amortization	(47,678)	(119,869)	(167,547)
Other intangible assets other than goodwill	118,222		741,532

For the year ended December 31, 2019

	Unit: Baht		
	Balance as at	Increase	Balance as at
	January 1,		December 31,
	2019		2019
Cost:			
Software computer	165,900	-	165,900

	Balance as at	Increase	Balance as at
	January 1,		December 31,
	2019		2019
Total Cost	165,900	-	165,900
Accumulated amortization:			
Software computer	(14,502)	(33,176)	(47,678)
Total Accumulated amortization	(14,502)	(33,176)	(47,678)
Other intangible asset other than goodwill	151,398		118,222
Amortization for the years ended December 31,			
2020			119,869
2019			33,176

13. DEFERRED TAX INCOME AND INCOME TAX EXPENSE

15.1 Deferred tax assets as at December 31, consist of:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Deferred tax assets - net	2,117,353	1,683,771

Movements of deferred tax assets and deferred tax liabilities are as follows:

Financial statements in which the equity method is applied and separate financial statements

For the year ended December 31, 2020

	Unit : Baht		
	Balances	Recognized in	Balances
	as at	profit or loss	as at
	January 1,		December 31,
	2020		2020
Deferred tax assets:			
Loss allowance for expected credit losses	965,859	-	965,859
Deferred income from uncompleted common area	-	460,594	460,594
Provision for warranty claims	-	20,583	20,583
Non-current provision for employee benefits	1,070,905	143,742	1,214,647
	<u>2,036,764</u>	<u>624,919</u>	<u>2,661,683</u>
Deferred tax liabilities:			
Deferred front-end fee	(352,993)	(83,922)	(436,915)
Deferred costs of uncompleted common area	-	(107,415)	(107,415)
	<u>(352,993)</u>	<u>(191,337)</u>	<u>(544,330)</u>
	<u>1,683,771</u>	<u>433,582</u>	<u>2,117,353</u>

For the year ended December 31, 2019

	Unit : Baht		
Balances	Recognized in	Recognized in	Balances
as at	profit or loss	Other	as at
January 1,		comprehensive	December 31,
2019		income	2019

Deferred tax assets:

Allowance for doubtful debt	965,859	-	-	965,859
Non-current provision for				
employee benefits	802,415	202,942	65,548	1,070,905
	<u>1,768,274</u>	<u>202,942</u>	<u>65,548</u>	<u>2,036,764</u>

Deferred tax liabilities:

Deferred front-end fee	-	(352,993)	-	(352,993)
	<u>-</u>	<u>(352,993)</u>	<u>-</u>	<u>(352,993)</u>
	<u>1,768,274</u>	<u>(150,051)</u>	<u>65,548</u>	<u>1,683,771</u>

15.2 Income tax expense for the years ended December 31, consists of:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Income tax expense in respect of		
the current period	1,039,346	6,872,666
Deferred tax relating to temporary difference	(433,582)	150,051
Income tax expense	<u>605,764</u>	<u>7,022,717</u>
Income tax relating to transaction that will not be reclassified to profit or loss:		
- Losses on remeasurement of non-current provision for employee benefits	-	65,548

Reconciliation of effective tax rate for the years ended December 31, are as follows:

	Unit : Baht			
	Financial statements in which the equity method is applied		Separate financial statements	
	2020	2019	2020	2019
Profit before income tax expense	14,772,037	40,851,370	2,323,548	33,950,254
Income tax calculated at 20%	2,954,407	8,170,274	464,710	6,790,051
Effect of transactions that are not taxable (income) and expenses	(2,348,643)	(1,147,557)	141,054	232,666
Tax expense per the statement of profit or loss	605,764	7,022,717	605,764	7,022,717
Tax expense relating to the origination and reversal of temporary difference	433,582	(150,051)	433,582	(150,051)
Income tax per income tax return form	1,039,346	6,872,666	1,039,346	6,872,666
Effective tax rate (%)	4.10	17.19	26.07	20.69

14. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consist of:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Deposit for land development	-	10,000,000

Deposits	768,689	353,147
	<u>768,689</u>	<u>10,353,147</u>

15. BORROWINGS

Borrowings as at December 31, consist of:

Financial statements in which the equity method is applied and separate financial statements

Unit : Baht

	Agreement date	Payment period	Maturity date	Interest rate per annum (%)		Amount	
				2020	2019	2020	2019
17.1 Bank overdraft an and short-term borrowings from financial institutions							
(which are secured and measured at amortized cost)							
Bank overdrafts	-	Monthly	Monthly	1.80 - MOR	1.80 – MOR	93,676,698	71,223,696
Promissory note	Sep 8, 2019	6	Mar 5, 2021	MLR-2	MLR-2	32,000,000	32,000,000
Promissory note	Dec 25, 2019	6	Jun 22, 2021	S/A+0.9%	-	40,000,000	-
						<u>165,676,698</u>	<u>103,223,696</u>

17.2 Long-term borrowings from financial institutions

(which are secured and measured at amortized cost)

Long-term borrowing	Aug 23, 2018	Monthly	Aug 22, 2023	MLR	MLR	42,347,194	49,264,760
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Long-term borrowing	Sep 25, 2019	(1)	Sep 25, 2023	MLR+0.87 5	MLR+0.87 5	15,454,111	60,000,000
Long-term borrowing	May 5, 2020	Monthly	May 5, 2022	2.00	-	11,339,251	-
Long-term borrowing	Jun 18, 2020	Monthly	Jun 18, 2022	2.00	-	1,700,000	-
Long-term borrowing	Dec 22, 2020	(2)	Jun 21, 2024	MLR-1	-	32,500,000	-
<u>Less</u> Front-end-fee						(2,034,574)	(1,764,963)
						101,305,982	107,499,797
<u>Less</u> Current portion of long-term borrowings - net with front end fees						(18,712,604)	(16,439,933)
						82,593,378	91,059,864

(1) At an annually basis and repayment when selling of properties

(2) Repayment when selling of properties

As at December 31, 2020 and 2019, short - term borrowings and long - term borrowings from domestic financial institutions were collateralized by mortgage of certain inventories and land held for development (see Note 9.1, 9.2 and 11) and guaranteed by the Company's directors.

The Company has to maintain the financial ratio and followed the terms restricted in such long-term borrowing agreement

For the year ended December 31, 2020, the Company was unable to comply with certain requirements as specified in a long-term borrowing agreement with a domestic financial institution. Therefore, as at June 30, 2020, the Company reclassified the long-term borrowing of Baht 33.17 million to be presented as current liabilities.

However, on August 30, 2020, the company has entered into an additional amendment to such long-term borrowing agreement with a domestic financial institution to cancel and amend the conditions. Therefore, as at December 31, 2020, the Company classified such long-term borrowing as non-current liabilities.

16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, consist of:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Trade payables - other companies	5,298,065	1,661,252
Other current payables - other companies	554,187	639,459
Retention	1,511,282	1,112,147
Juristic person fund and common area payables	3,752,317	3,821,055
Accrued expenses	764,451	1,290,091
Provision for warranty claims	102,914	-
Deferred income from uncompleted common area	2,302,969	-
Deferred rental income	144,403	24,211
Deposits	-	9,000
	<u>14,430,588</u>	<u>8,557,215</u>

17. CURRENT CONTRACT LIABILITIES

Current contract liabilities as at December 31, 2020 and 2019 of Baht 0.24 million and Baht 0.29 million, respectively, are cash receiving from properties reservation, cash receiving from signing agreement and down payment (collectively as “Deposit from customers”) that will be received from customers as specified in the contracts with the customers. Such current contract liabilities will be decreased and will be recognized as revenue from sale of properties when the Company transfers the control of properties to customers (revenue recognition at the point in time).

The Company will reverse current contract liabilities when there is certainty of breach of the agreements by the customers as “Income from cancellation of deposit of sale agreements” in the statements of profit or loss and presents as other income.

Recognition of current contract liabilities for the years ended December 31, is as follows:

	Unit: Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Recognized as revenues from sales of properties	10,550,488	51,614,500
Reversal from breach of the agreements (see Note 26.1)	380,000	33,797

18. LIABILITY UNDER A FINANCE LEASE AGREEMENT

Liability under finance a lease agreement as at December 31, consists of:

Financial statements in which the equity method is applied and separate financial statements

	Unit : Baht			
	Minimum lease payments		Present value of minimum lease payments	
	2020	2019	2020	2019
Not later than 1 year	543,576	543,576	513,080	480,356
Later than 1 year and not later than 5 years	181,192	724,768	178,710	691,790
	724,768	1,268,344	691,790	1,172,146
<u>Less</u> Deferred interest	(32,978)	(96,198)	-	-
Present value of minimum lease payments	691,790	1,172,146	691,790	1,172,146

	Unit : Baht	
	2020	2019
Current portion of liability under a finance lease agreement	513,080	480,356
Liability under a finance lease agreement	178,710	691,790
	<u>691,790</u>	<u>1,172,146</u>

19. NON - CURRENT PROVISION FOR EMPLOYEE BENEFITS

The Company has post-employment benefit obligations due upon retirement under the Thai Labor Protection Act. The obligations in statement of financial position as at December 31, are as follow:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Present value of obligations	6,073,234	5,354,525

Movements in non-current provisions for employee benefits for the years ended December 31, are as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Balance as at January 1,	5,354,525	4,012,078
<u>Increase Recognized as expenses during the years</u>		
Past service costs	-	492,971
Current service costs	645,292	423,697
Interest costs	73,417	98,041
	<u>718,709</u>	<u>1,014,709</u>

Losses from remeasurement of non-current		
provisions for employee benefits	-	327,738
Balance as at December 31,	6,073,234	5,354,525

The Labor Protection Act. (No. 7) B.E. 2562 has been announced in the Royal Gazette on April 5, 2019 which will be effective within 30 days since the announced date in the Royal Gazette. This Labor Protection Act. stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than 400 days at the employees' latest wage rate. This change is considered an amendment to post-employment benefits plan. The Company reflected the effect of such change by recognizing past service cost as an expense in the statement of profit or loss in period the law is effective of Baht 0.49 million.

Employee benefit expense recognized in financial statements for year ended December 31, are as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Amount recognized as an administrative		
expense in statement of profit or loss	718,709	1,014,709
Amount recognized as an expense in		
the statement of other comprehensive income	-	327,738

The principal actuarial assumptions used to calculate non-current provision for employee benefits as at December 31, are as follows:

Unit : Baht

**Financial statements in which
the equity method is applied and separate
financial statements**

	2020	2019
	(% p.a.)	(% p.a.)
Discount rate	1.37	1.37
Salary increasing rate	5.00	5.00
Turnover rate	0 - 20	0 - 20
Retirement age	60 years	60 years
Mortality rate	TMO2017	TMO2017

Significant actuarial assumptions for the determination of the defined employee benefit obligations were discount rate and expected salary increase rate. The sensitivity analysis below was determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact to non-current provision for employee benefits increase / (decrease) as at December 31, are as follows:

Unit : Baht

**Financial statements in which
the equity method is applied and separate
financial statements**

Discount rate - decrease of 0.5 percent	186,034
Discount rate - increase of 0.5 percent	(175,654)
Salary growth rate - decrease of 0.5 percent	(196,905)
Salary growth rate - increase of 0.5 percent	206,523
Turnover rates - decrease of 10 percent	85,249

Turnover rates - increase of 10 percent	(74,879)
Mortality rate - decrease of 0.5 percent	1,552
Mortality rate - increase of 0.5 percent	(1,551)

The sensitivity analysis presented above might not be representative of the actual change in the defined employee benefit obligations as it was unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions might be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation was calculated using the Projected Unit Credit Method at the end of the report period, which was the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

20. *SHARE CAPITAL AND SHARE PREMIUM ON ORDINARY SHARES*

On November 30, 2018, the Extraordinary General Meeting of Shareholders No.4/2018, approved the increase of the Company's registered ordinary share capital from Baht 200 million to Baht 237.29 million by issuance of 372,901 ordinary shares with par value of Baht 100 per share, totaling Baht 37.29 million. The Company received share subscription by receiving the transferred net assets from a related company which having the fair value of Baht 73.08 million.

The Company recognized a difference between par value and fair value of the ordinary share on the date of the transferred net assets of Baht 195.97 per share as the share premium of Baht 35.79 million. The Company registered the increase of capital the Ministry of Commerce on December 28, 2018.

On March 20, 2019, the Annual Ordinary Shareholder's Meeting had passed a resolution to convert the status to be a public limited company in accordance with the Public Limited Companies Act. and change par value per ordinary share of the Company from Baht 100 to Baht 1 which made the increase in the Company's authorized share capital from 2,372,901 shares to 237,290,100 shares, totaling of Baht 237.29 million. In addition, the Annual Ordinary Shareholders' Meeting passed a resolution to increase the Company's authorized share capital from 237,290,100 shares to 320,000,000 shares.

The Company registered the increase in share capital and the change in par value per ordinary share of the Company, and the Company also registered the conversion to

a public limited company and the change of its name from Jakpaisan Estate Co., Ltd., to Jakpaisan Estate Public Company Limited with the Department of Business Development on April 9, 2019.

On January 8, 2021 and January 11 to 12, 2021, the Company had offered 82,709,900 ordinary shares at an offering price of Baht 1.45 per share to the initial public offering, directors, the Company's management and/or employees with a par value of Baht 1.00 per share. This resulted in share premium on ordinary shares amounting to Baht 32.32 million, net of costs of issuing new ordinary shares of Baht 4.90 million. The Company received share subscription of Baht 119.93 million and registered the increase in such paid-up share capital with the Department of Business Development on January 13, 2021 (see Note 34.1).

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("Share premium"). Share premium is not available for dividend distribution.

21. *LEGAL RESERVE*

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any) to a reserve account ("Legal reserve") until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

For year ended December 31, 2020 and 2019, the Company considered to appropriate the legal reserve from the profit of the year 2020 and 2019 of Baht 0.09 million and Baht 1.35 million, respectively.

22. *DIVIDENDS PAID*

On August 14, 2020, the Board of Directors' Meeting of the Company passed a resolution to approve the interim dividend payment to shareholders at rate of Baht 0.06 per share, with totaling of Baht 14.24 million. Such interim dividend was paid in September 11, 2020.

23. *REVENUE AND SEGMENT*

Disaggregation of revenue

Revenue for year ended December 31, are as follows:

Unit : Baht

Recognized revenue		Financial statements in which the equity method is applied and separate financial statements	
		2020	2019
Revenue from sales of properties	At point in time	82,960,546	154,475,152
Revenue from sales of beverage and bakery	At point in time	2,942,567	-
		<u>85,903,113</u>	<u>154,475,152</u>
Other income - except from rental income	At point in time	4,471,207	4,420,977
Other income – Rental income	Overtime	518,693	594,000
		<u>4,989,900</u>	<u>5,014,977</u>
		<u>90,893,013</u>	<u>159,490,129</u>

Segment Information

The Company presents segment information in respect of the Company's business segments. The primary format in segment information report is based on the Company's management and internal reporting structure consist of:

Segment 1 - Real estate development consist of twin house, single house, commercial building, townhouse and condominium.

Other segment - Selling beverage and bakery under franchise agreements and renting of investment properties.

Geographic information

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

Major customers' information

For the year 2020 and 2019, the Company has no major customer with revenue of 10 % or more of the Company's revenues.

Operating segment by business in the financial statements in which the equity method is applied for the years ended December 31, were as follows:

	Unit : Baht					
	Segment 1		Other segment		Total	
	2020	2019	2020	2019	2020	2019
Revenues from sales	82,960,546	154,475,152	2,942,567	-	85,903,113	154,475,152
Cost of sales	(40,499,760)	(76,577,685)	(1,393,007)	-	(41,892,767)	(76,577,685)
Gross profit	42,460,786	77,897,467	1,549,560	-	44,010,346	77,897,467
Unallocated income (expenses):						
Other income	3,214,705	2,687,567	1,775,195	2,327,410	4,989,900	5,014,977
Distribution expenses	(4,127,374)	(6,704,231)	-	-	(4,127,374)	(6,704,231)
Administrative expenses	(22,099,462)	(23,910,657)	(2,350,428)	(423,063)	(24,449,890)	(24,333,720)
Managements' remuneration	(9,104,954)	(10,386,052)	-	-	(9,104,954)	(10,386,052)
Profit before finance income, finance costs, share of profit from investment						
in an associate and income tax expense	10,343,701	39,584,094	974,327	1,904,347	11,318,028	41,488,441
Finance income	538,236	801,938	-	-	538,236	801,938
Finance costs	(9,532,716)	(8,340,125)	-	-	(9,532,716)	(8,340,125)
Share of profit from investment in an associate	12,448,489	6,901,116	-	-	12,448,489	6,901,116
Profit before income tax expense	13,797,710	38,947,023	974,327	1,904,347	14,772,037	40,851,370
Income tax expense	(410,899)	(6,641,848)	(194,865)	(380,869)	(605,764)	(7,022,717)
Net profit for the years	13,386,811	32,305,175	779,462	1,523,478	14,166,273	33,828,653

Other comprehensive loss for the years - net of income tax	-	(262,190)	-	-	-	(262,190)
Total comprehensive income for the years	<u>13,386,811</u>	<u>32,042,985</u>	<u>779,462</u>	<u>1,523,478</u>	<u>14,166,273</u>	<u>33,566,463</u>
As at December 31,						
Total assets for reportable segments	502,996,308	526,608,358	96,199,360	10,592,192	599,195,668	537,200,550
Total liabilities for reportable segments	288,843,091	226,965,065	188,225	-	289,031,316	226,965,065

24. OTHER INCOME AND FINANCE INCOME

26.1 Other income for the years ended December 31, consists of:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Rental income	518,693	594,000
Gain from sale of property, plant and equipment	-	8,410
Penalty income from contractors from breaching of condition construction agreements	2,420,048	1,191,495
Penalty income from late payment of lease receivables	7,470	89,981
Income from cancellation of deposit of selling agreements	380,000	33,797
Management fee	-	1,725,000
Bad debt recoverable	1,256,502	-
Income charged for amendment of selling agreements	-	150,000
Others	407,187	1,222,294
	4,989,900	5,014,977

26.2 Finance income for the years ended December 31, consists of:

Unit : Baht

**Financial statements in which
the equity method is applied and separate
financial statements**

	2020	2019
Finance income - Bank deposits	2,089	4,228
Finance income - Lease receivables	536,147	797,710
	<u>538,236</u>	<u>801,938</u>

1. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, have been arrived at the following significant expenses:

Unit : Baht

**Financial statements in which
the equity method is applied and separate
financial statements**

	2020	2019
Changes in inventories	41,892,767	76,577,685
Salary, wages and other employee benefits	18,585,905	19,571,690
Depreciation and amortization	2,750,669	2,263,278
Audit fee and advisory fee	5,557,071	5,445,146
Specific business tax and transfer fees	3,200,995	5,525,958
Maintenance expenses	735,475	1,712,820
Other	6,852,103	6,905,111
	<u>79,574,985</u>	<u>118,001,688</u>

2. *FINANCE COSTS*

Finance costs for the years ended December 31, were as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and separate financial statements	
	2020	2019
Interest on bank overdrafts and borrowings	9,703,122	8,601,262
<u>Less</u> amounts included in the cost of qualifying assets (see Note 9.1)	(233,626)	(354,838)
	<u>9,469,496</u>	<u>8,246,424</u>
Interest on a lease liability	63,220	93,701
	<u>9,532,716</u>	<u>8,340,125</u>

3. *PROVIDENT FUND*

The Company has a provident fund for those employees who have elected to participate. The contributions from the employees are deducted from their monthly salaries at 3% of monthly salary, and the Company matches the individuals' contributions. The provident fund is managed by a licensed fund manager. in accordance with the Provident Fund Act B.E. 2530 (1987). For the years ended December 31, 2020 and 2019, the Company's contributions recognized in the financial statements in which the equity method is applied and the separate financial statements were Baht 0.19 million and Baht 0.13 million, respectively.

25. *FINANCIAL INSTRUMENTS*

30.1 Interest rate risk management

The Company is exposed to interest rate risk because the Company borrows borrowings at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. The Company applies rate at 0.25% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 0.25% higher/lower and all other variables were held constant, the Company's profit and other comprehensive income for the year ended December 31, 2020 and 2019 would increase and decrease by Baht 0.67 million and Baht 0.53 million, respectively. This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

30.2 Capital risk management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings disclosed in Notes 17 after deducting cash and cash equivalents in Note 6.3) and equity of the Company (comprising share capital, share premium on ordinary shares, legal reserves, as disclosed in Notes 22 to 23 and retained earnings as disclosed in the statement of changes in shareholders' equity). The Company is not subject to any externally imposed capital requirements.

The Company does not use any financial ratio to maintain its capital whilst manages its capital to be sufficient for its working capital.

30.3 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Company's management, which has established an appropriate liquidity risk management framework for management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, credit facilities from domestic financial institutions (see Note 6.1) and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities during the year.

30.3.1 Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

Financial statements in which the equity method is applied and separate financial statements

As at December 31, 2020

	Unit : Baht						
	Weighted average effective interest rate	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 2 years	2 - 5 years	Carrying amount
	%						
Trade payables	-	2,550,506	891,399	1,856,160	-	-	5,298,065

Other current payables	-	264,066	-	97,300	136,800	56,021	554,187
Accrued expenses	-	534,865	229,586	-	-	-	764,451
Lease liability*	7.12	41,475	83,637	387,969	178,709	-	691,790
		<u>3,390,912</u>	<u>1,204,622</u>	<u>2,341,429</u>	<u>315,509</u>	<u>56,021</u>	<u>7,308,493</u>

As at December 31, 2019

Unit : Baht

	Weighted average effective interest rate %	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 2 years	2 - 5 years	Carrying amount
Trade payables	-	1,119,613	152,639	389,000	-	-	1,661,252
Other current payables	-	466,402	-	97,300	60,800	14,957	639,459
Accrued expenses	-	631,991	-	658,100	-	-	1,290,091
Lease liability*	7.12	38,836	78,311	363,209	513,080	178,710	1,172,146
		<u>2,256,842</u>	<u>230,950</u>	<u>1,507,609</u>	<u>573,880</u>	<u>193,667</u>	<u>4,762,948</u>

****Including current portion***

30.3.2 Financing facilities

The Company is using combination of the cash inflows from the financial assets and The Company has access to financing facilities as credit facilities were unused at December 31, 2020

(see Note 6.1). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets. The table below presents the cash inflows from financial assets:

Financial statements in which the equity method is applied and separate financial statements

As at December 31, 2020

							Unit : Baht	
		Less than 1 month	1 - 3 months	3 months - 1 year	1 - 2 years	2 - 5 years	More than 5 years	Carrying amount
Trade receivables		-	-	-	-	-	4,561,232	4,561,232
Other current receivables		22,360	2,730	14,000	-	49,000	268,061	356,151
Finance lease receivables*		115,977	137,264		1,418,694	625,166	1,676,643	4,607,233
				633,489				
		138,337	139,994	647,489	1,418,694	674,166	6,505,936	9,524,616

As at December 31, 2019

							Unit : Baht
	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 2 years	2 - 5 years	More than 5 years	Carrying amount
Trade receivables	-	-	-	-	-	4,561,232	4,561,232
Other current receivables	10,416	-	-	-	-	268,061	278,477

Finance lease receivables*	129,725	180,696	799,387	1,976,257	1,587,919	2,553,433	7,227,417
	140,141	180,696	799,387	1,976,257	1,587,919	7,382,726	12,067,126

**Including current portion*

26. DETERMINATION OF FAIR VALUES

The Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset and liability.

Financial assets and financial liabilities are not measured at fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy. However, it does not include fair value information for financial assets and financial liabilities, that is not measured at fair value if the carrying amount is a reasonable approximation of fair value as follows:

Unit : Baht

Financial statements in which the equity method is applied and the separate financial statements

	Carrying	Fair Value			
	amount	Level 1	Level 2	Level 3	Total
As at December 31, 2020					
Financial assets					
Finance lease receivables*		-	-		
	4,607,233			5,188,751	5,188,751
Financial liabilities					
Long-term borrowings					
from financial institutions*		-	-		
	101,305,982			103,118,578	103,118,578
Lease liability*		-	-		
	691,790			651,312	651,312

**Financial statements in which the equity method is applied
and the separate financial statements**

	Carrying	Fair Value			
	amount	Level 1	Level 2	Level 3	Total
As at December 31, 2019					
Financial assets					
Finance lease receivables*		-	-		
	7,227,417			7,743,580	7,743,580
Financial assets					
Long-term borrowings					
from financial institutions*		-	-		
	107,499,797			108,958,759	108,958,759
Lease liability*		-	-		
	1,172,146			1,091,640	1,091,640

*** Including current portion**

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, deposits used as collateral, other receivables, deposits that are presented in other current assets, trade payables, other current payables, current contract liabilities, bank overdraft and short-term borrowings from financial institutions and deposits that are presented in other current liabilities, their carrying amounts in the statement of financial position approximate their fair value.
- b) For long-term borrowings from financial institutions with carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

27. SIGNIFICANT AGREEMENTS, COMMITMENTS AND CONTINGENT LIABILITIES

32.1 Construction agreements

As at December 31, 2020 and 2019, the Company entered into construction agreements with domestic various contractors. The Company has had commitments for such construction agreements with the remaining amount of Baht 10.44 million and Baht 6.63 million, respectively.

32.2 Properties sales agreements

As at December 31, 2020 and 2019, the Company has entered into properties sales agreements with customers amount of Baht 12.32 million and Baht 9.73 million, respectively. Therefore, the Company has had commitments to finish and deliver houses and condominium to the customers under the contracts with customers.

32.3 Land purchase agreements

As at December 31, 2019, the Company had commitments from entering into purchase land agreements for 1 piece of land for development from individual person totalling of Baht 57.50 million (as at December 31, 2020: nil).

32.4 Non-cancellable service commitments

The Company has had future minimum service payments required under non-cancellable service commitments as at December 31, are as follows:

	Unit : Baht	
	Financial statements in which the equity method is applied and the separate financial statements	
	2020	2019
Within one year	192,000	168,000
Over than one year but not later than five years	138,000	210,000
	<u>330,000</u>	<u>378,000</u>

Expense according to the non-cancellable operating lease for year ended December 31, are as follow:

Unit : Baht

Financial statements in which the equity method is applied and the separate financial statements

2020 2019

Amount recognized as expenses in the statement of profit
or loss

403,174 76,667

32.5 Contingent liabilities

As at December 31, 2020 and 2019, the Company has had letters of guarantee for facilities usage issued by a domestic financial institution of Baht 1.76 million.

The above letters of guarantee were guaranteed by saving accounts (see Notes 6.3) and certain inventories (see Notes 9.1).

28. RECLASSIFICATIONS

Certain reclassifications have been made to the following financial statements to conform to the classification used for the financial statements in which the equity method is applied and the separate financial statements the year ended December 31, 2020. Such reclassifications have no effect to previously reported net profit, other comprehensive income and shareholders' equity. The reclassifications are as follows:

Financial statements in which the equity method is applied and separate financial statements

Unit: Baht

Transactions	Previous classification	Current classification	Amount
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Statement of financial position as at December 31, 2019

Former finance leased asset	Property, plant and equipment	Right of use asset	1,724,035
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Cash receiving from properties reservation, cash receiving from signing agreements and down payment	Trade and other current payables	Current contract liabilities	290,000
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Statement of profit or loss for the year ended December 31, 2019

Interest income	Other income	Finance income	801,938
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29. EVENTS AFTER THE REPORTING PERIOD

34.1 The Company arrange the share subscription date on January 8, 2021 and January 11 to 12, 2021, the Company had offered 82,709,900 ordinary shares at an offering price of Baht 1.45 per share to the initial public offering, directors, the Company's management and/or employees with a par value of Baht 1.00 per share. This resulted in share premium on ordinary shares amounting to Baht 32.32 million, net of costs of issuing new ordinary shares of Baht 4.90 million. The Company received share subscription of Baht 119.93 million (see Note 22) and registered the increase in such paid-up share capital with the Department of Business Development on January 13, 2021.

On January 18, 2021, the Company has been approved by the MAI for offering its shares for initial public offering. The symbol is JAK.

34.2 On January 13, 2021, the Company did not comply with a covenant as specified in long-term borrowings agreement dated December 22, 2020, with total credit facilities in amount of Baht 180.50 million from a domestic financial institution. As mentioned in such long-borrowing agreement, the Company must maintain the shareholding proportion of the Company's shareholders not to change from the shareholding proportion of the Company's shareholders at the date of this long-term borrowing agreement unless the Company obtains a written consent form in advance from such financial institution.

The initial public offering as mentioned in the Note 34.1 in the financial statements, resulted in the changed of the shareholding proportion of the Company's shareholders from the date of this long-term borrowings agreement (see Note 1).

As a result of the breach of covenant of long-term borrowing agreement as above. Unused credit facilities of such long-term borrowing agreement will be cancelled. Moreover, the Company has no unconditional right to defer settlement of the liabilities for at least 12-month from the date of incompliance. All liabilities

from such agreement will be become at call liabilities. In addition, the Company shall be obliged to pay interest to such financial institution at the interest rate as agreed in the long-term borrowing agreement.

As at the date of these financial statements were approved for issue by the Board of directors of the Company, the Company is in process of amending such covenant with the financial institution.

34.3 On February 25, 2021, the Company's Board of Directors' meeting approved annual dividend payment for the operating result of 2020 at Baht 0.04 per share, totalling Baht 12.80 million. However, the approval for the dividend shall be proposed to the Annual General Meeting of shareholders of the Company for the year 2021 for further consideration and approval.

30. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of directors of the Company on February 25, 2021.