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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements and were approved and authorised for issue by the Board of Directors on 6 November 2020.

**1 General information**

The principal activity of the Group is real estate development in Thailand.

**2** **Basis of preparation of the interim financial statements**

*(a) Statement of compliance*

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting,* guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended   
31 December 2019.

The Group has initially applied TFRS - Financial instruments standards and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

*(b) Use of judgements, estimates and accounting policies*

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2019, except for the new significant judgements and key sources of estimation uncertainty related to the application of new TFRS and the impact of COVID-19 outbreak as described in notes 3 and 5 respectively.

**3 Changes in accounting policies**

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16 as follows:

***A.   TFRS - Financial instruments standards***

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

1. Classification and measurement of financial assets and financial liabilities

TFRS 9 classified the Group’s financial assets into categories including financial assets measured at amortised cost and fair value to profit or loss (FVTPL). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract.

The Group intends to hold non-marketable equity securities amounted of Baht 105 million, for the long-term strategic purposes. The Group has designated them as measured at FVOCI. The accumulated gain on measurement of these investments will not be reclassified to profit or loss.

|  | **Consolidated financial statements** | | |
| --- | --- | --- | --- |
|  | Classification under previous standards at 31 December 2019 |  | Classification under TFRS 9  at 1 January 2020 |
|  | Carrying amounts |  | Fair value through other comprehensive income |
|  | *(in million Baht)* | | |
| Other financial assets |  |  |  |
| - Other non-marketable equity instruments | **105** |  | **572** |

1. Impairment – Financial assets

TFRS 9 introduces forward-looking ‘expected credit loss’ (ECL) model whereas previously the Group estimates allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at FVOCI, lease receivables, except for investments in equity instruments. The change of accounting policies has no material impact on the consolidated and separate financial statements.

***B.   TFRS 16 Leases***

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised gain (loss) from change in fair value of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the following practical expedients:

* do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
* use hindsight when determining the lease term;
* apply a single discount rate to a portfolio of leases with similar characteristics;
* rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
* exclude initial direct costs from measuring the right-of-use asset.

|  | Consolidated financial statements |  | Separate financial statements |
| --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| ***Impact from the adoption of TFRS 16*** |  | | |
| ***At 1 January 2020*** |  | | |
| Decrease in land leasehold right from related parties | (97,527) |  | - |
| Increase in investment properties | 230,200 |  | - |
| Increase in lease liabilities | (132,673) |  | - |

| ***Measurement of lease liability*** |  |  |  |
| --- | --- | --- | --- |
| Operating lease commitment at 31 December 2019 | 285,884 |  | - |
| *Less* recognition exemption for short-term lease | (3,659) |  | - |
|  | **282,225** |  | **-** |
| Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020 | 132,673 |  | - |
| Finance lease liability recognised as at 31 December 2019 | - |  | - |
| **Lease liabilities recognised at 1 January 2020** | **132,673** |  | **-** |
| Weighted-average incremental borrowing rate*(% per annum)* | **4.36** |  | **-** |

Right-of-use assets and lease liabilities shown above were presented as part of real estate for rental and service business segment.

*As a lessor*

The accounting policy under TFRS16 that the Group applied as a lessor are not different from those under TAS 17.

**4 Related parties**

Relationships with subsidiaries, associates and joint venture are described in notes 8 and 9.

Significant transactions for the three-month and nine-month periods ended 30 September with related parties were as follows:

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Three-month period ended 30 September*** | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | |
| **Ultimate parent company** |  |  |  |  |  |  |  |
| Management fee | 15,012 |  | 41,911 |  | 14,702 |  | 40,836 |
| Construction management fee | 782 |  | - |  | 782 |  | - |
|  |  |  |  |  |  |  |  |
| **Parent company** |  |  |  |  |  |  |  |
| Interest expense | 3,508 |  | - |  | 3,508 |  | - |
|  |  |  |  |  |  |  |  |
| **Subsidiaries** |  |  |  |  |  |  |  |
| Project management income | - |  | - |  | 12,265 |  | 9,266 |
| Selling management income | - |  | - |  | 451 |  | 667 |
| Construction management income | - |  | - |  | 550 |  | - |
| Interest income | - |  | - |  | 56,772 |  | 69,551 |
| Interest expense | - |  | - |  | 5,290 |  | 10,355 |
| Rental and service expenses | - |  | - |  | 993 |  | - |
|  |  |  |  |  |  |  |  |
| **Associates** |  |  |  |  |  |  |  |
| Rental income | - |  | 49,390 |  | - |  | 37,254 |
| Property management income | - |  | 10,091 |  | - |  | 7,542 |
| Trust management income | - |  | 2,935 |  | - |  | - |
| Interest income | 26,692 |  | - |  | - |  | - |
| Dividend income | - |  | - |  | - |  | 13,344 |
| Rental and service expenses | - |  | 3,280 |  | - |  | 3,280 |
|  |  |  |  |  |  |  |  |
| **Joint ventures** |  |  |  |  |  |  |  |
| Interest income | - |  | 33,231 |  | - |  | - |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Rental income | 50,451 |  | 7,719 |  | 37,763 |  | 18 |
| Project management income | 5,153 |  | - |  | 3,503 |  | - |
| Rental and service expenses | 3 |  | - |  | 3 |  | - |
| Other income | - |  | 6 |  | - |  | - |
|  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |
| Key management personnel compensation |  |  |  |  |  |  |  |
| Short-term employee benefit | 9,596 |  | 9,753 |  | 9,596 |  | 9,568 |

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Nine-month period ended 30 September*** | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | |
| **Ultimate parent company** |  |  |  |  |  |  |  |
| Management fee | 44,094 |  | 41,911 |  | 43,064 |  | 40,836 |
| Construction management fee | 782 |  | - |  | 782 |  | - |
| **Parent company** |  |  |  |  |  |  |  |
| Interest expense | 4,734 |  | - |  | 4,734 |  | - |
|  |  |  |  |  |  |  |  |
| **Subsidiaries** |  |  |  |  |  |  |  |
| Project management income | - |  | - |  | 50,569 |  | 31,032 |
| Selling management income | - |  | - |  | 9,424 |  | 5,790 |
| Construction management income | - |  | - |  | 1,754 |  | - |
| Interest income | - |  | - |  | 171,909 |  | 200,413 |
| Dividend income | - |  | - |  | 59,877 |  | - |
| Interest expense | - |  | - |  | 23,172 |  | 82,729 |
| Rental and service expenses | - |  | - |  | 2,300 |  | - |
|  |  |  |  |  |  |  |  |
| **Associates** |  |  |  |  |  |  |  |
| Rental income | 36,764 |  | 178,950 |  | 24,445 |  | 127,099 |
| Property management income | 5,484 |  | 24,428 |  | 3,744 |  | 16,756 |
| Income for proceed disposal of asset | 56,290 |  | - |  | - |  | - |
| Trust management income | 2,886 |  | 12,845 |  | - |  | - |
| Interest income | 36,089 |  | - |  | - |  | - |
| Dividend income | - |  | - |  | 308,242 |  | 39,499 |
| Rental and service expenses | 2,170 |  | 14,010 |  | 2,170 |  | 14,010 |
|  |  |  |  |  |  |  |  |
| **Joint ventures** |  |  |  |  |  |  |  |
| Interest income | 44,758 |  | 197,142 |  | - |  | - |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Rental income | 124,943 |  | 7,719 |  | 87,630 |  | 18 |
| Project management income | 12,197 |  | - |  | 8,395 |  | - |
| Other income | 167 |  | 6 |  | - |  | - |
| Rental and service expenses | 1,659 |  | - |  | 1,659 |  | - |
|  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |
| Key management personnel compensation |  |  |  |  |  |  |  |
| Short-term employee benefit | 29,583 |  | 24,479 |  | 29,273 |  | 23,259 |

Balances as at 30 September 2020 and 31 December 2019 with related parties were as follows:

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 30 September |  | 31 December |  | 30 September |  | 31 December |
|  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | |
| ***Trade accounts receivable*** |  | | | | | | |
| Subsidiaries | - |  | - |  | 6,174 |  | 49,745 |
| Associates | 50,741 |  | 30,993 |  | 29,838 |  | 17,246 |
| Other related parties | 25,394 |  | 21,832 |  | 6,923 |  | 20,706 |
| **Total** | **76,135** |  | **52,825** |  | **42,935** |  | **87,697** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Other receivables*** |  |  |  |  |  |  |  |
| Ultimate parent company | 739 |  | - |  | 739 |  | - |
| Subsidiaries | - |  | - |  | 41,538 |  | 54,340 |
| Associates | - |  | 42,216 |  | - |  | 27,300 |
| Other related parties | 3,160 |  | - |  | 2,110 |  | - |
| **Total** | **3,899** |  | **42,216** |  | **44,387** |  | **81,640** |
|  |  |  |  |  |  |  |  |
| ***Investment properties*** |  |  |  |  |  |  |  |
| Other related parties | **231,256** |  | **-** |  | **-** |  | **-** |
|  |  |  |  |  |  |  |  |
| ***Property, plant and equipment*** |  |  |  |  |  |  |  |
| Subsidiary |  |  | **-** |  | **10,456** |  | **-** |
|  |  |  |  |  |  |  |  |
| ***Land leasehold right*** |  |  |  |  |  |  |  |
| Other related parties | **-** |  | **97,527** |  | **-** |  | **-** |
|  |  |  |  |  |  |  |  |
| ***Rental and service retention (presents under other non-current assets)*** |  |  |  |  |  |  |  |
| Associates | - |  | 3,074 |  | - |  | 3,074 |
| Other related parties | 3,074 |  | - |  | 3,074 |  | - |
| **Total** | **3,074** |  | **3,074** |  | **3,074** |  | **3,074** |

Movements during the nine-month period ended 30 September 2020 of loans to related parties were as follows:

|  | **Interest rate** | | |  | **Consolidated financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 31  December 2019 |  | 30  September  2020 |  | 31  December 2019 |  | Increase |  | (Decrease) |  | 30  September  2020 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| ***Long-term loans*** |  |  |  |  |  |  |  |  |  |  |  |
| **- Joint venture** | MLR - 0.5 |  | - |  | 4,979,062 |  | 89,518 |  | (5,068,580) |  | - |
| *Less* The excess of | | | |  |  |  |  |  |  |  |  |
| accumulated  share of loss  from investment  in joint venture  over cost of | | | |  |  |  |  |  |  |  |  |
| investment | | | |  | (414,359) |  | (1,356) |  | 415,715 |  | - |
| *Less* The elimination of interest income | | | |  | (131,800) |  | (44,758) |  | 176,558 |  | - |
| **Net** |  |  |  |  | **4,432,903** |  |  |  |  |  | **-** |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Interest rate** | | |  | **Consolidated financial statements** | | | | | | |
|  | 31  December 2019 |  | 30  September  2020 |  | 31   December  2019 |  | Increase |  | (Decrease) |  | 30  September 2020 |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| **- Associates** | - |  | 4.63 |  | - |  | 5,149,757 |  | - |  | 5,149,757 |
| *Less* The excess of | | | |  |  |  |  |  |  |  |  |
| accumulated  share of loss  from investment  in associates  over cost of | | | |  |  |  |  |  |  |  |  |
| investment | | | |  | - |  | (411,610) |  | - |  | (411,610) |
| *Less* The elimination of interest income | | | |  | - |  | (212,648) |  | - |  | (212,648) |
| **Net** |  |  |  |  | **-** |  |  |  |  |  | **4,525,499** |

|  | **Interest rate** | | |  | **Separate financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 31 December 2019 |  | 30  September  2020 |  | 31  December 2019 |  | Increase |  | (Decrease) |  | 30  September  2020 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| ***Short-term loans*** |  |  |  |  |  |  |  |  |  |  |  |
| Subsidiaries | MLR - 0.5, |  | 4.63 |  | **1,502,336** |  | 126,172 |  | (52,230) |  | **1,576,278** |
|  | 5.25 |  |  |  |  |  |  |  |  |  |  |
| ***Long-term loans*** |  |  |  |  |  |  |  |  |  |  |  |
| Subsidiaries | MLR - 0.75 |  | 4.63 |  | **4,977,567** |  | 185,845 |  | (1,311) |  | **5,162,101** |

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 30 September |  | 31 December |  | 30 September |  | 31 December |
|  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | |
| ***Trade accounts payable*** |  | | | | | | |
| Ultimate parent company | 13,228 |  | - |  | 13,110 |  | - |
| Subsidiaries | - |  | - |  | 135,793 |  | 137,007 |
| Associates | - |  | 155 |  | - |  | 155 |
| Other related parties | 520 |  | 602 |  | 356 |  | 449 |
| **Total** | **13,748** |  | **757** |  | **149,259** |  | **137,611** |
|  |  |  |  |  |  |  |  |
| ***Other payables*** |  |  |  |  |  |  |  |
| Ultimate parent company | 3,616 |  | - |  | 3,412 |  | - |
| Subsidiaries | - |  | - |  | 22 |  | - |
| Associates | 4,500 |  | 33,753 |  | 4,500 |  | - |
| Other related parties | 1,022 |  | 11,445 |  | 572 |  | 11,372 |
| **Total** | **9,138** |  | **45,198** |  | **8,506** |  | **11,372** |
|  |  |  |  |  |  |  |  |
| ***Retention payable*** |  |  |  |  |  |  |  |
| Other related parties | **41,840** |  | **42,293** |  | **457** |  | **457** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| ***Advance rental and service income*** |  |  |  |  |  |  |  |
| Associates | - |  | 5,177,188 |  | - |  | 4,061,942 |
| Other related parties | 5,005,021 |  | - |  | 3,946,031 |  | - |
| **Total** | **5,005,021** |  | **5,177,188** |  | **3,946,031** |  | **4,061,942** |
|  |  |  |  |  |  |  |  |
| ***Lease liabilities*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | 10,551 |  | - |
| Other related parties | 133,728 |  | - |  | - |  | - |
| **Total** | **133,728** |  | **-** |  | **10,551** |  | **-** |
|  |  |  |  |  |  |  |  |
| ***Rental and service retention*** |  |  |  |  |  |  |  |
| Subsidiaries | - |  | - |  | - |  | 130 |
| Other related parties | 4,609 |  | - |  | - |  | - |
| **Total** | **4,609** |  | **-** |  | **-** |  | **130** |

Movements during the nine-month period ended 30 September of loans from related parties were as follows:

|  | **Interest rate** | | |  | **Consolidated financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 31 December 2019 |  | 30  September  2020 |  | 31 December 2019 |  | Increase |  | (Decrease) |  | 30  September  2020 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | |
| ***Short-term loan*** | | | |  |  | | | | | | |
| Parent company | MLR -0.75 |  | MLR - 0.75 |  | **170,745** |  | 1,574,734 |  | (462,912) |  | **1,282,567** |

|  | **Interest rate** | | |  | **Separate financial statements** | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 31 December 2019 |  | 30  September  2020 |  | 31 December 2019 |  | Increase |  | (Decrease) |  | 30  September  2020 |
|  | *(% per annum)* | | |  | *(in thousand Baht)* | | | | | | | |
| ***Short-term loan*** | | | |  |  | | | | | | | |
| Parent company | MLR - 0.75 |  | MLR - 0.75 |  | 170,745 |  | 1,574,734 |  | (462,912) |  | 1,282,567 |
| Subsidiaries | MLR - 0.5,  - 1.5, Fixed deposit rate 6M + 2,  + 0.25 |  | Fixed deposit  rate 6M, 6M+  2,+0.25 |  | 3,047,687 |  | 794,385 |  | (418,072) |  | 3,424,000 |
| **Total** |  |  |  |  | **3,218,432** |  |  |  |  |  | **4,706,567** |

**5 Impact of COVID-19 Outbreak**

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the outbreak, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has affected to the Group’s businesses as follows:

*Rental and services in office buildings and retail shop*

In March 2020, in an effort to contain the impact of COVID-19, provincial governments decided to temporarily shut down the Group’s retail shop in the enforced locations for specific periods of time .The retail shop remains to open the restaurants (take-away), and some businesses according to provincial government orders. During temporarily shut down, the Group considered to provide rental discounts to tenants that has affected. In May 2020, the Group’s retail shop had reopened according to governance announcement.

At 30 September 2020, the situation of COVID-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak. The Group considered impairment of trade accounts receivables under simplified approach using historical loss rate and did not take forward-looking information into account and fair value under TFRS13. Non-financial assets and non-marketable equity securities : The Group can choose to exclude the factor of COVID-19 situation, which may affect future financial forecast, in fair value measurement technique.

**6 Other non-current financial asset - long term investment**

Other non-current financial asset - long term investments represent investment in ordinary shares of Central Pattana Nine Square Co., Ltd., in which Praram 9 Square Limited, a subsidiary, holds 3.27 % interest.

**7 Real estate projects under development**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated | | |  | **Separate** | | |
|  | financial statements | | |  | **financial statements** | | |
|  | 30 September |  | 31 December |  | 30 September |  | 31 December |
|  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | |
| Land and construction under |  |  |  |  |  |  |  |
| development | 852,134 |  | 817,974 |  | 623,563 |  | 623,563 |
| Land and construction developed | 89,965 |  | 136,076 |  | - |  | - |
| **Total** | **942,099** |  | **954,050** |  | **623,563** |  | **623,563** |

The Group has mortgaged its land and construction thereon with banks to secure loans from the banks.

# 8 Investments in associates and joint venture

During the period ended 30 September 2020 and 2019, there was no acquisitions or disposals of investments in associates and joint venture.

*Classification from investment in joint venture to be investment in associate*

During the year 2020, Central Pattana Public Company Limited obtained the control over Bayswater   
Co., Ltd. from purchase the ordinary shares of BTS Group Holding Public Company Limited. Investment in such company was classified from indirect joint venture to indirect associate

Investments in associates and joint venture as at 30 September 2020 and 31 December 2019, and dividend income from those investments for the nine-month period ended 30 September were as follows:

|  |  |  |  | | |  |  | | |  | Consolidated financial statements | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Type of business |  | Ownership  interest | | |  | Paid-up capital | | |  | Cost | | |  | Equity | | |  | Fair value of  listed securities | | |  | Dividend income | | |
|  |  |  | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 30 |
|  |  |  | September |  | December |  | September |  | December |  | September |  | December |  | September |  | December |  | September |  | December |  | September |  | September |
|  |  |  | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  |  |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| ***Associates*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| GLAND Office Leasehold  Real Estate Investment Trust  *(Under liquidation process)* | Investment  trust |  | 15 |  | 15 |  | 600 |  | 4,558,489 |  | 90 |  | 683,774 |  | 1,108 |  | 791,459 |  | - |  | 997,038 |  | 308,242 |  | 39,499 |
| Bayswater Co., Ltd*.*  *(Indirect   shareholding by*  *a subsidiary)* | Real estate development |  | 50 |  | - |  | 10,000 |  | - |  | - |  | - |  | - |  | - |  | - |  | - |  | - |  | - |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Joint venture - indirect shareholding by a subsidiary*** | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Bayswater Co., Ltd. | Real estate development |  | - |  | 50 |  | - |  | 10,000 |  | - |  | - |  | - |  | - |  | - |  | - |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  |  |  | **90** |  | **683,774** |  | **1,108** |  | **791,459** |  |  |  |  |  | **308,242** |  | **39,499** |

Investments in associates as at 30 September 2020 and 31 December 2019, and dividend income from those investments for the nine-month period ended   
30 September were as follows:

|  |  |  |  | | |  |  | | |  | Separate financial statements | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Type of business |  | Ownership  interest | | |  | Paid-up capital | | |  | Cost | | |  | Fair value of  listed securities | | |  | Dividend income | | |
|  |  |  | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 30 |
|  |  |  | September |  | December |  | September |  | December |  | September |  | December |  | September |  | December |  | September |  | September |
|  |  |  | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  |  |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| ***Associates*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| GLAND Office Leasehold  Real Estate Investment Trust | Investment trust |  | 15 |  | 15 |  | 600 |  | 4,558,489 |  | **90** |  | **683,774** |  | - |  | 997,038 |  | **308,242** |  | **39,499** |
| *(Under liquidation process)* |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

All associates and joint venture were incorporated and operated in Thailand.

At 30 September 2020, none of the Group’s and the Company’s associates and joint venture is publicly listed and consequently do not have published price quotations.

At 30 September 2020, the Group presented the excess of accumulated share of loss over cost of investment, amounting to Baht 624.3 million as a deduction from long-term loan to associates *(31 December 2019: Baht 546.1 million as a deduction from long-term loan to joint venture)* in the consolidated financial position.

On 22 November 2019, the shareholders approval for dissolution from successfully proceeded with the disposal of GLANDRT’s assets to CPNREIT, including delisting of GLANDRT from being listed securities on the Stock Exchange of Thailand. The Trust was liquidated on 3 March 2020.

In May 2019, the Board of Directors passed the resolution to approve Ratchada Asset Holding Company Limited (a subsidiary) to refuse the right to purchase ordinary shares from BTS Group Holding Public Company Limited holding in Bayswater Company Limited in a total amount of 50,000 shares or accounted for 50% of the total issued and paid-up shares, which is in accordance with the Right of First Refusal stated in the Shareholders’ Agreement. However, Central Pattana Public Company Limited, ultimate parent company, acquired the remaining shares. The share purchase agreement and all related liabilities will be completed when comply with the conditions according to share purchase agreement and related agreement.

# 9 Investments in subsidiaries

During the period ended 30 September 2020 and 2019, there was no acquisitions or disposals of investments in subsidiaries.

At the annual general meeting of shareholders of GLAND REIT Management Co., Ltd. held on 24 June 2020, approved a resolution to dissolve the company. The company registered for the dissolution to the Ministry of Commerce on 29 June 2020. Moreover, the meeting has resolved to approve as follows;

* Dividend payment from operating result from 1 January - 29 June 2020 (the Dissolution date) and dividend from retained earnings of the company of Baht 59.9 million.
* Reduce capital of Baht 9.7 million.
* Payment for dividend and capital reduction on 23 July 2020.

Investments in subsidiaries as at 30 September 2020 and 31 December 2019, and dividend income from those investments for the nine-month period ended   
30 September were as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Separate financial statements | | | | | | | | | | | | | |
|  | Type of business |  | Ownership interest | | | Paid-up capital | | |  | Cost method | | |  | Dividend income | | |
|  |  |  | 30 |  | 31 | 30 |  | 31 |  | 30 |  | 31 |  | 30 |  | 30 |
|  |  |  | September |  | December | September |  | December |  | September |  | December |  | September |  | September |
|  |  |  | 2020 |  | 2019 | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  |  |  | *(%)* | | | *(in thousand Baht)* | | | | | | | | | | |
| ***Subsidiaries*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Direct*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Belle Development Ltd. | Real estate development |  | 79.57 |  | 79.57 | 2,064,261 |  | 2,064,261 |  | 1,920,104 |  | 1,920,104 |  | - |  | - |
| Praram 9 Square Ltd. | Real estate for rent and development |  | 93.09 |  | 93.09 | 1,900,000 |  | 1,900,000 |  | 1,771,016 |  | 1,771,016 |  | - |  | - |
| Sterling Equity Co., Ltd. | Real estate development |  | 100.00 |  | 100.00 | 1,800,000 |  | 1,800,000 |  | 1,765,464 |  | 1,765,464 |  | - |  | - |
| Belle Assets Co., Ltd. | Real estate development |  | 100.00 |  | 100.00 | 11,000 |  | 11,000 |  | 11,000 |  | 11,000 |  | - |  | - |
| G Land Property Management Co., Ltd | Real estate development |  | 100.00 |  | 100.00 | 1,300,000 |  | 1,300,000 |  | 1,333,791 |  | 1,333,791 |  | - |  | - |
| Ratchada Asset Holding Co., Ltd. | Investment |  | 100.00 |  | 100.00 | 6,000 |  | 6,000 |  | 6,000 |  | 6,000 |  | - |  | - |
| GLAND REIT   Management Co., Ltd. | Trust manager |  | 100.00 |  | 100.00 | 300 |  | 10,000 |  | 300 |  | 10,000 |  | 59,877 |  | - |
| *(Under liquidation process)* |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Indirect*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Praram 9 Square Hotel Ltd. | Hotel |  | 100.00 |  | 100.00 | 16,000 |  | 16,000 |  | - |  | - |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  |  | **6,807,675** |  | **6,817,375** |  | **59,877** |  | **-** |

All subsidiaries were incorporated and operated in Thailand.

None of the Company’s subsidiaries are publicly listed and consequently do not have published price quotations.

**10 Investment properties**

Movements of investment properties were as follows:

|  | Consolidated financial | | | | |  | Separate financial |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | statements | | | | |  | statements |
|  | Own |  | Right of |  |  |  | Own |
|  | assets |  | use assets |  | Total |  | assets |
|  | *(in thousand baht)* | | | | | | |
| At 1 January 2020 | 22,109,333 |  | - |  | 22,109,333 |  | 10,382,913 |
| Recognised right of use from |  |  |  |  |  |  |  |
| adoption of TFRS16 | - |  | 230,200 |  | 230,200 |  | - |
| At 1 January 2020 - adjusted | 22,109,333 |  | 230,200 |  | 22,339,533 |  | 10,382,913 |
| Additions | 81,717 |  | - |  | 81,717 |  | 25,524 |
| Disposals | (4,511) |  | - |  | (4,511) |  | (1,070) |
| Profit (Loss) on fair value adjustment | 47,200 |  | 1,056 |  | 48,256 |  | (32,902) |
| **At 30 September 2020** | **22,233,739** |  | **231,256** |  | 22,464,995 |  | **10,374,465** |

Investment properties as at 30 September 2020 amounting to Baht 10,541 million in consolidated financial statements *(31 December 2019: Baht 22,109 million)* andBaht 4,129 million in separate financial statements *(31 December 2019: Baht 10,383 million)* are used as collateral for credit facilities from financial institutions.

**11 Interest-bearing liabilities**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated | | |  | **Separate** | | |
|  | financial statements | | |  | **financial statements** | | |
|  | 30 September |  | 31  December |  | 30 September |  | 31  December |
|  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | |
| ***Current*** |  |  |  |  |  |  |  |
| Short-term loans from financial   institutions | 250,000 |  | 1,370,000 |  | 250,000 |  | 1,370,000 |
| Short-term loans from related parties | 1,282,567 |  | 170,745 |  | 4,706,567 |  | 3,218,432 |
| Current portion of debentures | 1,462,291 |  | 1,399,081 |  | 1,462,291 |  | 1,399,081 |
| **Total current interest-bearing   liabilities** | **2,994,858** |  | **2,939,826** |  | **6,418,858** |  | **5,987,513** |
|  |  |  |  |  |  |  |  |
| ***Non-current*** |  |  |  |  |  |  |  |
| Long-term loans from financial   institutions | 2,531,906 |  | 2,531,906 |  | - |  | - |
| Long-term debentures | 1,026,557 |  | 2,446,331 |  | 1,026,557 |  | 2,446,331 |
| **Total non-current interest-  bearing liabilities** | **3,558,463** |  | **4,978,237** |  | **1,026,557** |  | **2,446,331** |
| **Total** | **6,553,321** |  | **7,918,063** |  | **7,445,415** |  | **8,433,844** |

Short-term loans from financial institutions represent promissory notes which are secured by the Group’s project development costs.

Long-term loans from financial institutions of subsidiaries are secured by the land leasehold right and premises and deposit at bank of the subsidiaries.

As at 30 September 2020, the Group has unutilised credit facilities totalling Baht 940 million *(31 December 2019: Baht 738 million).*

***Long-term loans from financial institutions***

In September 2010, the Group entered into a loan agreement within credit line not exceeding Baht 3,100 million with financial institution. Such agreement stipulated the Group to repay the remaining principal within 3 years from 17 July 2019. As at 30 September 2020, the Group had utilised loan of Baht 2,532 million *(31 December 2019: Baht 2,532 million).*

***Debentures***

The conditions regarding loan agreements and the rights and obligations of the debenture issuer stipulate certain covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

**12 Segment information and disaggregation of revenue**

The Group’s operations and main revenue streams are described in the last annual financial statements The Group’s main revenue is derived from contracts with customers.

*Geographical segments*

The Group operates real estate for sale business and real estate for rental and service business principally in Thailand.

*Business segments*

The Group has two reportable segments, which are real estate for sale business, consisting of land and house development for sale projects and residential condominium projects, and real estate for rental and service business, consisting of office building for rent project.

Management considers that the Company operates in a single line of business, namely real estate for rental and service business, and has, therefore, only one reportable segment.

Management considers the Company’s timing of revenue recognition which is mainly recognised over time.

In the following table, revenue is disaggregated by business segments and timing of revenue recognition.

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***For the three-month*** | Real estate  **for sale business** | | |  | **Real estate for rental and service business** | | |  | **Total** | | |
| ***period ended 30 September*** | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | | | | | |
| ***Information about reportable segments*** |  | | | | | | | | | | |
| External revenue | - |  | 22,239 |  | 296,280 |  | 299,329 |  | 296,280 |  | 321,568 |
| Inter-segment revenue | - |  | - |  | 17,881 |  | 18,383 |  | 17,881 |  | 18,383 |
| **Total segment revenue** | **-** |  | **22,239** |  | **314,161** |  | **317,712** |  | **314,161** |  | **339,951** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Segment profit before income tax | - |  | 14,712 |  | 256,504 |  | 221,425 |  | 256,504 |  | 236,137 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Timing of revenue**  **recognition** |  |  |  |  |  |  |  |  |  |  |  |
| At a point in time | - |  | 22,239 |  | - |  | - |  | - |  | 22,239 |
| Over time | - |  | - |  | 296,280 |  | 299,329 |  | 296,280 |  | 299,329 |
| Total revenue | **-** |  | **22,239** |  | **296,280** |  | **299,329** |  | **296,280** |  | **321,568** |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***For the nine-month*** | Real estate  **for sale business** | | |  | **Real estate for rental and service business** | | |  | **Total** | | |
| ***period ended 30 September*** | 2020 |  | 2019 |  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  | *(in thousand Baht)* | | | | | | | | | | |
| ***Information about reportable segments*** |  | | | | | | | | | | |
| External revenue | 151,075 |  | 192,962 |  | 953,529 |  | 900,491 |  | 1,104,604 |  | 1,093,453 |
| Inter-segment revenue | - |  | - |  | 72,798 |  | 45,326 |  | 72,798 |  | 45,326 |
| **Total segment revenue** | **151,075** |  | **192,962** |  | **1,026,327** |  | **945,817** |  | **1,177,402** |  | **1,138,779** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| Segment profit before income tax | 102,092 |  | 135,415 |  | 856,569 |  | 671,833 |  | 958,661 |  | 807,248 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Timing of revenue**  **Recognition** |  |  |  |  |  |  |  |  |  |  |  |
| At a point in time | 151,075 |  | 192,962 |  | - |  | - |  | 151,075 |  | 192,962 |
| Over time | - |  | - |  | 953,529 |  | 900,491 |  | 953,529 |  | 900,491 |
| **Total** | **151,075** |  | **192,962** |  | **953,529** |  | **900,491** |  | **1,104,604** |  | **1,093,453** |

***Reconciliations of reportable segment profit or loss***

| ***For the three-month period ended 30 September*** | 2020 |  | 2019 |
| --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| **Profit or loss** |  |  |  |
| Total profit before income tax for reportable segments | 256,504 |  | 236,137 |
| Other profit | 29,702 |  | 102,816 |
|  | 286,206 |  | 338,953 |
| Elimination of inter-segment profits | (17,881) |  | (18,383) |
| Unallocated amounts:  - Gain on changes in fair value of investment properties | 73,675 |  | 2,070 |
| - Other corporate expenses | (102,730) |  | (157,150) |
| - Share of profit of investments in associates and joint venture | 4,215 |  | 14,321 |
| Consolidated profit before income tax | **243,485** |  | **179,811** |

| ***For the nine-month period ended 30 September*** | 2020 |  | 2019 |
| --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| **Profit or loss** |  |  |  |
| Total profit before income tax for reportable segments | 958,661 |  | 807,248 |
| Other profit | 85,809 |  | 210,633 |
|  | 1,044,470 |  | 1,017,881 |
| Elimination of inter-segment profits | (72,798) |  | (45,326) |
| Unallocated amounts:  - Gain on changes in fair value of investment properties | 48,256 |  | 615 |
| - Other corporate expenses | (332,714) |  | (462,655) |
| - Share of profit of investments in associates and joint venture | 204,322 |  | 45,618 |
| Consolidated profit before income tax | **891,536** |  | **556,133** |

**13 Leases**

|  | Consolidated  **financial statements** | | |  | Separate  **financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***For the period ended 30 September 2020*** | Three-month period |  | Nine-month period |  | Three-month period |  | Nine-month period |
|  | *(in thousand Baht)* | | | | | | |
| ***Recognition in profit or loss*** |  |  |  |  |  |  |  |
| Interest on lease liabilities | 1,446 |  | 4,340 |  | 94 |  | 220 |
| Expenses relating to short-term leases | - |  | 3,659 |  | 931 |  | 5,831 |
| Expenses relating to leases of low-value assets | 138 |  | 403 |  | 74 |  | 222 |

**14 Income tax expense**

Income tax expense is recognised based on management’s best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The Group’s consolidated effective tax rate in respect of continuing operations for the nine-month period ended 30 September 2020 was 21.44% *(30 September 2019*: *26.53%)*, for the consolidated financial statements and 19.15% *(30 September 2019: 15.37%)*, for the separate financial statements.

**15 Basic earnings per share**

The calculations of basic earnings per share for the three-month and nine-month periods ended 30 September 2020 and 2019 were based on the profit for the period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period as follows:

| ***For the three - month period ended*** |  | Consolidated financial  statements | | |  | **Separate financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***30 September*** |  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  |  | *(in thousand Baht / thousand shares)* | | | | | | |
| **Profit attributable to ordinary**  **shareholders of the Company (basic)** |  | **178,248** |  | **117,398** |  | **55,349** |  | **71,932** |
|  |  |  |  |  |  |  |  |  |
| **Number of ordinary shares  outstanding** |  | **6,499,830** |  | **6,499,830** |  | **6,499,830** |  | **6,499,830** |
|  |  |  |  |  |  |  |  |  |
| **Earnings per share (basic) *(in Baht)*** |  | **0.027** |  | **0.018** |  | **0.009** |  | **0.011** |

| ***For the nine - month period ended*** |  | Consolidated financial  statements | | |  | **Separate financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***30 September*** |  | 2020 |  | 2019 |  | 2020 |  | 2019 |
|  |  | *(in thousand Baht / thousand shares)* | | | | | | |
| **Profit attributable to ordinary**  **shareholders of the Company (basic)** |  | **658,887** |  | **366,835** |  | **380,115** |  | **119,532** |
|  |  |  |  |  |  |  |  |  |
| **Number of ordinary shares  outstanding** |  | **6,499,830** |  | **6,499,830** |  | **6,499,830** |  | **6,499,830** |
|  |  |  |  |  |  |  |  |  |
| **Earnings per share (basic) *(in Baht)*** |  | **0.101** |  | **0.056** |  | **0.058** |  | **0.018** |

# 16 Financial instruments

***Carrying amounts and fair values***

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

|  |  | **Consolidated financial statements** | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Carrying amount** | | | | |  | **Fair value** | | | | |
| ***At 30 September 2020*** |  | Fair value through profit or loss |  | Fair value through other comprehensive income |  | Amortised cost - net |  | Level 1 |  | Level 2 |  | Level 3 |
|  |  | *(in million Baht)* | | | | | | | | | | |
| ***Assets measured at fair value*** |  |  |  |  |  |  |  |  |  |  |  |  |
| Investment properties |  | 22,465 |  | - |  | - |  | - |  | - |  | 22,465 |
| Other current financial assets - investment in debt securities |  | 40 |  | - |  | - |  | - |  | 40 |  | - |
| Other non-current financial asset - long term investment |  | - |  | 572 |  | - |  | - |  | - |  | 572 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |
| Short - term loans  from financial  institutions |  | - |  | - |  | (250) |  | - |  | - |  | (249) |
| Long - term loans  from financial  institutions |  | - |  | - |  | (2,532) |  | - |  | - |  | (2,513) |
| Debentures |  | - |  | - |  | (2,489) |  | - |  | (2,518) |  | - |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Separate financial statements** | | | | | | | | |
|  |  | **Carrying amount** | | |  | **Fair value** | | | | |
| ***At 30 September 2020*** |  | Fair value through profit or loss |  | Amortised cost - net |  | Level 1 |  | Level 2 |  | Level 3 |
|  |  | *(in million Baht)* | | | | | | | | |
| ***Assets measured at fair value*** |  |  |  |  |  |  |  |  |  |  |
| Investment properties |  | 10,374 |  | - |  | - |  | - |  | 10,374 |
| Other current financial assets – investment in debt securities |  | 40 |  | - |  | - |  | 40 |  | - |
|  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |
| Short - term loans  from financial institutions |  | - |  | (250) |  | - |  | - |  | (249) |
| Debentures |  | - |  | (2,489) |  | - |  | (2,518) |  | - |

|  | **Consolidated financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Carrying amount |  | Fair value | | | | |
| ***31 December 2019*** |  |  | Level 1 |  | Level 2 |  | Level 3 |
|  | *(in million Baht)* | | | | | | |
| ***Assets measured at fair value*** |  |  |  |  |  |  |  |
| Investment properties | 22,109 |  | - |  | - |  | 22,109 |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Loans from financial institutions | (3,902) |  | - |  | - |  | (3,870) |
| Loans from related parties | (171) |  | - |  | - |  | (171) |
| Debentures | (3,845) |  | - |  | (3,903) |  | - |

|  | **Separate financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Carrying amount |  | Fair value | | | | |
| ***31 December 2019*** |  |  | Level 1 |  | Level 2 |  | Level 3 |
|  | *(in million Baht)* | | | | | | |
| ***Assets measured at fair value*** |  |  |  |  |  |  |  |
| Investment properties | 10,383 |  | - |  | - |  | 10,383 |
|  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |
| Loans from financial institutions | (1,370) |  | - |  | - |  | (1,367) |
| Loans from related parties | (3,218) |  | - |  | - |  | (3,218) |
| Debentures | (3,845) |  | - |  | (3,903) |  | - |

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

1. For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, accounts receivable and short-term loans to related parties, accounts payable and short-term loans from related parties, their carrying amounts in the statements of financial position approximate their fair value.
2. For fixed rate debentures, their fair value is determined by using the price as announced by the Thai Bond Market Association.
3. For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statements of financial position approximates their fair value.

# 17 Commitments with non-related parties

| ***As at 30 September 2020*** | **Consolidated financial statements** |  | **Separate financial statements** |
| --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| ***Capital commitments*** |  |  |  |
| Contracted but not provided for: |  |  |  |
| Buildings and other constructions | **88,853** |  | **3,177** |
|  |  |  |  |
| ***Other commitments*** |  |  |  |
| Investment properties agreement under development | 97,002 |  | - |
| Service agreements | 104,669 |  | 37,600 |
| Bank guarantees | 49,597 |  | 7,416 |
| **Total** | **251,268** |  | **45,016** |

# 18 Litigations

1. During 2017, Bayswater Company Limited was being sued in a civil lawsuit by an individual person who request joint venture to register use of the entrance as a prescriptive servitude or as the public road. In March 2018, the Civil Court dismissed such request and the Appeal Court affirmed the Civil Court decision in January 2020. However, such individual person has the right to make a final appeal to the Supreme Court. The Supreme Court made an appointment to listen of court decree in August 2020, the Supreme Court dismissed such request and did not accept the plaintiff’s petition, so the case was final.
2. During 2020, a subsidiary was being sued in a civil by a juristic person (“Complainant”) requesting the payment from breach of management and construction contract of approximately 1.1 million Baht. The court made an appointment to determine the guidelines for the trial and mediation in August 2020, so the case was final.

# 19 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2019 and the statement of comprehensive income for the nine-month period ended 30 September 2019, which are included in the 2020 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2020 interim financial statements.

|  | **2019** | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated  **financial statements** | | | | |  | Separate  **financial statements** | | | | |
|  | Before  reclass. |  | Reclass. |  | After  reclass. |  | Before  reclass. |  | Reclass. |  | After  reclass. |
|  | *(in thousand Baht)* | | | | | | | | | | |
| ***Statement of financial***  ***position*** | | | |  |  |  |  |  |  |  |  |
| Trade accounts receivable | 83,884 |  | (83,884) |  | - |  | 90,781 |  | (90,781) |  | - |
| Other receivables | 363,223 |  | (363,223) |  | - |  | 354,872 |  | (354,872) |  | - |
| Trade and other |  |  |  |  |  |  |  |  |  |  |  |
| receivables | - |  | 447,107 |  | 447,107 |  | - |  | 445,653 |  | 445,653 |
| Long-term loans to related |  |  |  |  |  |  |  |  |  |  |  |
| parties | 4,039,346 |  | 393,557 |  | 4,432,903 |  | 4,977,567 |  | - |  | 4,977,567 |
| Other non-current assets | 404,856 |  | (393,557) |  | 11,299 |  | 4,207 |  | - |  | 4,207 |
| Trade accounts payables | (255,763) |  | 255,763 |  | - |  | (161,464) |  | 161,464 |  | - |
| Other payables | (162,327) |  | 162,327 |  | - |  | (130,716) |  | 130,716 |  | - |
| Trade and other payables |  |  | (418,090) |  | (418,090) |  | - |  | (292,180) |  | (219,180) |
|  |  |  | **-** |  |  |  |  |  | **-** |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Statement of comprehensive income for three-month period ended*** |  |  |  |  |  |  |  |  |  |  |  |
| Dividend income | - |  | - |  | - |  | - |  | (13,344) |  | (13,344) |
| Other income | (69,542) |  | - |  | (69,542) |  | (75,674) |  | 13,344 |  | (62,330) |
|  |  |  | **-** |  |  |  |  |  | **-** |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Statement of comprehensive income for six-month period ended*** |  |  |  |  |  |  |  |  |  |  |  |
| Dividend income | - |  | - |  | - |  | - |  | (39,499) |  | (39,499) |
| Other income | (111,578) |  | - |  | (111,578) |  | (104,948) |  | 39,499 |  | (65,449) |
|  |  |  | **-** |  |  |  |  |  | **-** |  |  |

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group’s business.