

AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**REVIEW REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders and Board of Directors of
Areeya Property Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Areeya Property Public Company Limited and its subsidiaries as at March 31, 2021 and the related consolidated statements of comprehensive income, changes in shareholders’ equity and cash flows for the three-month period then ended and selected explanatory notes, and I have also reviewed the statement of financial position of Areeya Property Public Company Limited as at March 31, 2021 and the related statement of comprehensive income changes in shareholders’ equity and cash flows for the three-month period then ended and selected explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with the accounting standards No. 34 “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

SCOPE OF REVIEW

I conducted my review in accordance with auditing standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the accounting standards No. 34 “Interim Financial Reporting”.

(Miss Chotima Kitsirakorn)
Certified Public Accountant
Registration No. 7318

Dharmniti Auditing Company Limited
Bangkok, Thailand
May 17, 2021

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

ASSETS

		In Thousand Baht				
		Consolidated		Separate		
		Financial Statements		Financial Statements		
		As at March	As at December	As at March	As at December	
Notes		31, 2021	31, 2020	31, 2021	31, 2020	
CURRENT ASSETS						
	Cash and cash equivalents	1,055,346	77,450	921,762	48,656	
	Trade and other current receivables	6	177,203	177,836	1,183,093	1,128,256
	Real estate projects under development	7	7,297,896	6,424,629	5,411,341	4,370,075
	Deposits for land	19	124,590	148,590	124,590	148,590
	Short-term loans to related parties	5	-	-	1,109,660	1,095,000
	Current tax assets		11,361	7,385	4,261	-
	Other current financial assets		85	85	85	85
	Other current assets		4,631	4,779	-	-
	Total current assets		8,671,112	6,840,754	8,754,792	6,790,662
NON-CURRENT ASSETS						
	Deposits at banks used as collateral	8	262,453	361,433	262,453	349,876
	Investments in subsidiaries	9	-	-	315,000	315,000
	Land held for development	7	1,737,774	2,899,938	865,082	2,027,691
	Investment properties	10	394,614	394,614	355,814	355,814
	Property, plant and equipment		346,578	352,805	330,672	334,717
	Right-of-use assets	11	474,065	482,167	467,795	475,226
	Prepaid rental expenses		108,575	110,682	108,575	110,682
	Leasehold rights	12	1,590,128	1,559,882	1,590,128	1,559,882
	Intangible assets		9,524	10,213	8,000	8,565
	Deferred tax assets		43,653	44,514	30,297	29,076
	Rental deposit	5	60,000	60,000	60,000	60,000
	Other non-current assets		46,031	27,023	10,885	10,653
	Total non-current assets		5,073,395	6,303,271	4,404,701	5,637,182
	TOTAL ASSETS		13,744,507	13,144,025	13,159,493	12,427,844

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2021

LIABILITIES AND SHAREHOLDER' EQUITY

		In Thousand Baht				
		Consolidated		Separate		
		Financial Statements		Financial Statements		
		As at March	As at December	As at March	As at December	
Notes		31, 2021	31, 2020	31, 2021	31, 2020	
CURRENT LIABILITIES						
	Bank overdrafts and short-term loans					
	from financial institutions	13	315,408	427,092	315,408	427,092
	Trade and other current payables		513,849	734,216	741,575	880,407
	Current portion of long-term loans					
	from financial institutions	13	578,223	592,029	452,687	335,041
	Current portion of long-term loans					
	from other company	13	370,938	360,938	370,938	360,938
	Current portion of debentures	14	4,384,611	2,838,655	4,384,611	2,838,655
	Current portion of lease liabilities	13	28,980	32,032	20,129	29,299
	Short-term loans from related parties	5	-	-	10,472	20,122
	Construction retentions		198,983	191,628	159,206	157,355
	Unearned revenue from construction		71,285	39,715	-	-
	Unrecognised income on installments due		116,604	204,326	104,579	184,154
	Income tax payable		9,871	5,161	4,030	4,030
	Other current liabilities		96,408	93,102	39,644	37,858
	Total current liabilities		<u>6,685,160</u>	<u>5,518,894</u>	<u>6,603,279</u>	<u>5,274,951</u>
NON-CURRENT LIABILITIES						
	Long-term loans from financial institutions	13	211,920	587,191	7,734	383,005
	Long-term loans from other company	13	202,812	112,812	202,812	112,812
	Long-term loans from related party	5	-	-	9,700	9,700
	Debentures	14	2,435,276	2,670,040	2,435,276	2,670,040
	Lease liabilities	13	473,714	477,151	469,922	472,650
	Utilities guarantees		1,011	2,006	1,011	2,006
	Provisions for employee benefit		115,658	116,140	105,243	106,188
	Other non-current provisions		15,000	15,000	15,000	15,000
	Other non-current liabilities		69,909	70,879	45,654	48,332
	Total non-current liabilities		<u>3,525,300</u>	<u>4,051,219</u>	<u>3,292,352</u>	<u>3,819,733</u>
	TOTAL LIABILITIES		<u>10,210,460</u>	<u>9,570,113</u>	<u>9,895,631</u>	<u>9,094,684</u>

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2021

LIABILITIES AND SHAREHOLDER' EQUITY (CONT.)

		In Thousand Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at March	As at December	As at March	As at December
Notes		31, 2021	31, 2020	31, 2021	31, 2020
SHAREHOLDERS' EQUITY					
Authorised share capital					
	1,200,000,000 ordinary shares of Baht 1 each	1,200,000	1,200,000	1,200,000	1,200,000
Issued and paid-up share capital					
	980,000,000 ordinary shares of Baht 1 each	980,000	980,000	980,000	980,000
PREMIUM ON ORDINARY SHARES					
		669,210	669,210	669,210	669,210
RETAINED EARNINGS					
Appropriated					
	Legal reserve	97,593	97,593	97,593	97,593
	Unappropriated	1,428,127	1,467,992	1,157,942	1,227,240
	Subordinated perpetual debentures	300,000	300,000	300,000	300,000
	Other components of shareholders' equity	59,117	59,117	59,117	59,117
TOTAL SHAREHOLDERS' EQUITY					
		3,534,047	3,573,912	3,263,862	3,333,160
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
		13,744,507	13,144,025	13,159,493	12,427,844

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

		In Thousand Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
	Notes	2021	2020	2021	2020
INCOME	5				
Revenue from sale of real estate		742,635	874,979	401,174	606,312
Revenue from construction service		171,632	3,506	-	-
Other income		15,557	32,555	41,077	52,072
Total income		929,824	911,040	442,251	658,384
EXPENSES	5				
Cost of sale of real estate		566,283	643,213	318,046	456,910
Cost of construction service		157,336	3,506	-	-
Distribution costs		59,175	89,075	42,628	66,133
Administrative expenses		88,929	99,160	83,816	72,048
Total expenses		871,723	834,954	444,490	595,091
Profit (loss) from operating activities		58,101	76,086	(2,239)	63,293
Finance income	5	-	-	19,267	18,989
Finance costs		85,193	71,860	83,110	68,959
Profit (loss) before income tax expense		(27,092)	4,226	(66,082)	13,323
Income tax (income) expense		8,335	3,292	(1,222)	2,533
PROFIT (LOSS) FOR THE PERIOD		(35,427)	934	(64,860)	10,790
Other comprehensive income (loss) for the period		-	-	-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		(35,427)	934	(64,860)	10,790
Profit (loss) attributable to					
Parent company		(35,427)	934	(64,860)	10,790
Non-controlling interests		-	-	-	-
		(35,427)	934	(64,860)	10,790
Total comprehensive income (loss) attributable to					
Parent company		(35,427)	934	(64,860)	10,790
Non-controlling interests		-	-	-	-
		(35,427)	934	(64,860)	10,790
Basic earning (loss) per share					
Earnings (loss) per share (Baht per share)	16	(0.0362)	0.0010	(0.0662)	0.0110

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht						Total Shareholders' Equity
	Consolidated Financial Statements						
	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Subordinated perpetual debentures	Retained Earnings Legal Reserve	Unappropriated	Other Components of shareholders' equity Surplus from asset revaluation-land, net	
Beginning balance as at January 1, 2021	980,000	669,210	300,000	97,593	1,467,992	59,117	3,573,912
Comprehensive income for the period							
Profit (loss) for the period	-	-	-	-	(35,427)	-	(35,427)
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(35,427)	-	(35,427)
Interest payment on subordinated perpetual debentures	-	-	-	-	(4,438)	-	(4,438)
Balance as at March 31, 2021	<u>980,000</u>	<u>669,210</u>	<u>300,000</u>	<u>97,593</u>	<u>1,428,127</u>	<u>59,117</u>	<u>3,534,047</u>
Beginning balance as at January 1, 2020	980,000	669,210	300,000	88,293	1,294,948	59,117	3,391,568
Comprehensive income for the period							
Profit (loss) for the period	-	-	-	-	934	-	934
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	934	-	934
Interest payment on subordinated perpetual debentures	-	-	-	-	(4,476)	-	(4,476)
Balance as at March 31, 2020	<u>980,000</u>	<u>669,210</u>	<u>300,000</u>	<u>88,293</u>	<u>1,291,406</u>	<u>59,117</u>	<u>3,388,026</u>

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht						
	Separate Financial Statements						
	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Subordinated perpetual debentures	Retained Earnings		Other Components of shareholders' equity	Total Shareholders' Equity
				Legal Reserve	Unappropriated	Surplus from asset revaluation-land, net	
Beginning balance as at January 1, 2021	980,000	669,210	300,000	97,593	1,227,240	59,117	3,333,160
Comprehensive income for the period							
Profit (loss) for the period	-	-	-	-	(64,860)	-	(64,860)
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(64,860)	-	(64,860)
Interest payment on subordinated perpetual debentures	-	-	-	-	(4,438)	-	(4,438)
Balance as at March 31, 2021	980,000	669,210	300,000	97,593	1,157,942	59,117	3,263,862
Beginning balance as at January 1, 2020	980,000	669,210	300,000	88,293	1,106,187	59,117	3,202,807
Comprehensive income for the period							
Profit (loss) for the period	-	-	-	-	10,790	-	10,790
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	10,790	-	10,790
Interest payment on subordinated perpetual debentures	-	-	-	-	(4,476)	-	(4,476)
Balance as at March 31, 2020	980,000	669,210	300,000	88,293	1,112,501	59,117	3,209,121

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the period	(35,427)	934	(64,860)	10,790
Adjustment to reconcile profit (loss) to be net cash received (paid)				
Adjusted income tax (income) expenses	8,335	3,292	(1,222)	2,533
Adjusted finance costs	85,193	71,860	83,110	68,959
Adjusted trade and other current receivables (increase) decrease	704	12,781	(35,514)	5,814
Adjusted real estate projects under development (increase) decrease	344,123	374,475	173,761	262,648
Adjusted deposits for land (increase) decrease	24,000	(4,000)	24,000	(4,000)
Adjusted other current assets (increase) decrease	148	(123)	-	-
Adjusted other non-current assets (increase) decrease	(11,623)	2,614	(232)	2,588
Adjusted trade and other current payables increase (decrease)	(194,985)	(36,923)	(123,797)	(47,894)
Adjusted construction retentions increase (decrease)	7,355	10,594	1,851	9,813
Adjusted unearned revenue from construction increase (decrease)	31,570	-	-	-
Adjusted unrecognised income on installments due				
increase (decrease)	(87,722)	72,087	(79,575)	20,702
Adjusted other current liabilities increase (decrease)	2,074	(21,931)	1,158	12,880
Adjusted utilities guarantee increase (decrease)	(995)	855	(995)	855
Adjusted other non-current liabilities increase (decrease)	(1,876)	(7,038)	(2,971)	495
Depreciation and amortization	11,258	12,775	9,225	10,771
Adjusted expected credit loss (reverse)	(71)	(4,752)	9,987	(4,483)
Adjusted loss from decline in value of real estate projects				
under development (reverse)	(1,804)	-	(1,804)	-
Adjusted on provisions for compensation for housing estate				
juristic persons (reverse)	2,138	2,163	921	1,257
Adjusted provisions for employee benefit obligations (reverse)	(482)	2,792	(945)	1,641

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2021	2020	2021	2020
Adjusted on amortisation of premium on debentures	11,762	7,836	11,762	7,836
Net cash provided by (used in) operating activities	193,675	500,291	3,860	363,205
Interest income	(97)	(212)	(19,364)	(19,201)
Income tax paid	(14,125)	(9,702)	(4,260)	(6,662)
Net cash provided by (used in) operating activities	179,453	490,377	(19,764)	337,342
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash paid for purchase of investment in subsidiaries	-	-	-	(2,998)
Cash paid for purchase of equipment	(72)	(24)	(66)	(24)
Cash paid for purchase of Investment properties	-	(14)	-	(14)
Proceed from short-term loans to related parties	-	-	(260,600)	(29,026)
Repayment of short-term loans from related parties	-	-	236,078	44,657
Interest received	97	212	97	212
(Increase) decrease in deposits at banks used as collateral	98,980	6,567	87,423	8,599
Increase in leasehold rights	(3,241)	(106,288)	(3,241)	(106,288)
Net cash provided by (used in) investing activities	95,764	(99,547)	59,691	(84,882)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received from proceeds from debentures	1,550,000	1,835,500	1,550,000	1,835,500
Cash paid for repayment of debentures	(221,642)	(654,500)	(221,642)	(654,500)
Cash paid for transaction cost from issue of debenture	(28,928)	(29,894)	(28,928)	(29,894)
Cash received from short-term loans from related parties	-	-	-	14,877
Cash paid for repayment of short-term loans from related parties	-	-	(9,650)	-
Cash received from long-term loans from financial institutions	30,040	453,110	6,487	399,425
Cash paid for repayment of long-term loans from financial institutions	(419,117)	(400,169)	(264,112)	(248,684)
Cash received from long-term loans from other company	100,000	-	100,000	-

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2021	2020	2021	2020
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(111,684)	80,879	(111,684)	80,879
Cash paid for repayment of lease liabilities	(16,826)	(5,856)	(12,467)	(5,113)
Finance costs paid	(174,726)	(167,806)	(170,387)	(158,372)
Interest paid of subordinated perpetual debentures	(4,438)	(4,476)	(4,438)	(4,476)
Net cash provided by (used in) financing activities	702,679	1,106,788	833,179	1,229,642
Net increase (decrease) in cash and cash equivalents	977,896	1,497,618	873,106	1,482,102
Cash and cash equivalents as at January 1,	77,450	65,928	48,656	42,486
Cash and cash equivalents as at March 31,	1,055,346	1,563,546	921,762	1,524,588
<u>Non-cash transactions</u>				
Depreciation expense which is include as a part of real estate				
project under development	1,483	1,875	344	769
Borrowing costs which is included as a part of real estate				
under development cost	50,132	85,932	49,472	78,404
Expenses under contracts which is included as a part of				
leasehold rights	4,598	3,857	4,598	3,857
Borrowing costs which is included as a part of construction				
in process of leasehold rights	22,407	22,262	22,407	22,262

Notes to interim financial statements form an integral part of these statements.

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AREEYA PROPERTY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2021

1. THE OPERATIONS AND OTHER INFORMATION OF THE COMPANY

Areeya Property Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 999 Praditmanutham Road, Kwaeng Saphansong, Khet Wangthonglang, Bangkok.

The Company was listed on the Stock Exchange of Thailand in April 2004.

The Company’s major shareholders during the financial period were Laohapoonrungee (46.22%) and Porncharoenchaisilp (19.58%) family shareholdings.

The principal business of the Company is the development of real estate projects. Details of the Company’s subsidiaries as at March 31, 2021 and December 31, 2020, are given in notes 5 and 9.

2. BASIS FOR PREPARATION OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2.1 The accompanying consolidated interim financial statements include the interim financial statements of Areeya Property Public Company Limited and the following subsidiaries which are owned directly and indirectly by the Company.

Name	Business type	Country of registration	Percentage of shareholdings (%)	
			As at March 31, 2021	As at December 31, 2020
Subsidiaries				
Areeya Service Co., Ltd.	After sales services for property	Thailand	99.99	99.99
One Up Co., Ltd.	Construction service	Thailand	99.99	99.99
Areeya Management Co., Ltd.	Development of real estate projects and property management	Thailand	99.99	99.99
Cool Space Co., Ltd.	Development of real estate projects	Thailand	99.99	99.99
White Living Co., Ltd.	Development of real estate projects	Thailand	99.99	99.99
Chill Space Co., Ltd.	Development of real estate projects	Thailand	99.99	99.99
Areeya Hospitality Co., Ltd.	Restaurant	Thailand	99.99	99.99
Soontareeya Residence Co., Ltd.	Development of real estate projects	Thailand	99.97	99.97
Soontareeya Leisure Co., Ltd.	Hotel	Thailand	99.97	99.97
NV property development Co., Ltd. (Formerly name Mega space 2 Co., Ltd.)	Development of real estate projects	Thailand	99.97	99.97
Morrow 1 Co., Ltd.	Development of real estate projects	Thailand	99.97	99.97

- 2.2 These consolidated interim financial statements included the financial statements of Areeya Property Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended December 31, 2020, without the change in structure related to its subsidiaries during the period.
- 2.3 Outstanding balances between the Company and the subsidiaries, significant intercompany transactions, investment balance in the Company’s books and share capital of the subsidiaries are eliminated from the consolidated interim financial statements.
- 2.4 Subsidiaries are fully consolidated in the consolidated interim financial statement as from the date of acquisition, being the date on which the Company obtains control in the subsidiary until the end of such control.
- 2.5 The accounting policies of the subsidiaries for similar accounting transactions are the same as the Company.
- 2.6 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately from the shareholders’ equity of the parent company.

3. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

3.1 Basis for The Preparation of Interim Financial Statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2020.

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

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

3.2 Financial reporting standards that became effective in the current period

During the period, the Group have adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

3.3 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has revised TFRS 16 leases and published in the Government Gazette on January 27, 2021. There is added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

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

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2020.

5. RELATED PARTY TRANSACTIONS

For the purposes of these interim financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group is subject to common control or common significant influence. Related parties may be individuals or other entities.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Cool Space Co., Ltd.	Thailand	Subsidiary
Chill Space Co., Ltd.	Thailand	Subsidiary
Areeya Management Co., Ltd.	Thailand	Subsidiary
One Up Co., Ltd.	Thailand	Subsidiary
White Living Co., Ltd.	Thailand	Subsidiary
Areeya Service Co., Ltd.	Thailand	Subsidiary
Areeya Hospitality Co., Ltd.	Thailand	Subsidiary
Soontareeya Residence Co., Ltd.	Thailand	Subsidiary
Soontareeya Leisure Co., Ltd.	Thailand	Subsidiary
NV property development Co., Ltd. (Formerly name Mega Space 2 Co., Ltd.)	Thailand	Subsidiary
Morrow 1 Co., Ltd.	Thailand	Subsidiary
Daily By Areeya Co., Ltd.	Thailand	Co-director
A Attitude Co., Ltd.	Thailand	Co-director
At Home Development Co., Ltd.	Thailand	Co-director
The Colors Co., Ltd.	Thailand	Co-director
W Solar & Power Co., Ltd.	Thailand	Co-director
W Power Co., Ltd.	Thailand	Co-director
Tavalamai Co., Ltd.	Thailand	Co-director
Progressive Opulent Holding (Singapore) Pte., Ltd.	Singapore	Co-director
Laohapoonrungsee and Porncharoenchaisilp groups	Thailand	The group of major shareholders
Mr. Wisit Laohapoonrungsee	Thailand	A Director of the Company / Group
Key management personnel	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 Group.

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The pricing policies for particular types of transactions are explained further below:

<u>Transactions</u>	<u>Pricing policies</u>
Revenue from sale of real estate	Market price
Purchase the land	At cost
Management income / Management fee	Agreed price
Interest received	Average MLR - fixed rate per annum
Amortized cost	Agreed price
Finance costs	Average MLR - fixed rate per annum
Land rental	Contractually agreed rates

Significant transactions for the three-month periods ended March 31, 2021 and 2020 with related parties were as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month period ended		For the three-month period ended	
	March 31,		March 31,	
	2021	2020	2021	2020
Subsidiaries:				
Interest income	-	-	19,267	18,989
Management income	-	-	34,216	25,755
Distribution Cost	-	-	72	3,460
Finance costs	-	-	209	215
Other related parties :				
Depreciation of right-of-use assets	249	249	249	249
Interest expenses from lease liabilities	130	137	130	137
Key management personnel compensation:				
Short-term benefits	16,774	16,395	16,774	13,827
Post-employment benefits	571	310	571	310
Total	<u>17,345</u>	<u>16,705</u>	<u>17,345</u>	<u>14,137</u>

From time to time directors of the Group, or their related entities, purchase real estate from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers.

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The significant outstanding balances with related parties as a March 31, 2021 and December 31, 2020, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Trade and other current receivables				
- related parties				
Subsidiaries	-	-	711,772	664,035
Key management	-	37	-	37
	<u>-</u>	<u>37</u>	<u>711,772</u>	<u>664,072</u>
Accrued interest receivable - related parties (included in trade and other current receivables)				
Subsidiaries	-	-	399,993	380,725
	<u>-</u>	<u>-</u>	<u>399,993</u>	<u>380,725</u>
Borrowing costs - related parties (included in real estate projects under development)				
Subsidiaries	-	-	1,135	907
	<u>-</u>	<u>-</u>	<u>1,135</u>	<u>907</u>
Rental deposit				
Key management	60,000	60,000	60,000	60,000
	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
Trade and other current payables				
- related parties				
Subsidiaries	-	-	365,070	369,583
	<u>-</u>	<u>-</u>	<u>365,070</u>	<u>369,583</u>
Accrued interest payable - related parties (included in trade and other current payables)				
Subsidiaries	-	-	25,076	24,638
	<u>-</u>	<u>-</u>	<u>25,076</u>	<u>24,638</u>
Construction retentions - related party				
Subsidiaries	-	-	5,012	5,012
	<u>-</u>	<u>-</u>	<u>5,012</u>	<u>5,012</u>

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	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Short-term loans to related parties				
Subsidiaries				
Chill Space Co., Ltd.	-	-	333,412	333,653
One Up Co., Ltd.	-	-	130,550	116,988
White Living Co., Ltd.	-	-	84,232	79,943
Areeya Management Co., Ltd.	-	-	-	554
Cool Space Co., Ltd.	-	-	552,421	544,521
Areeya Hospitality Co., Ltd.	-	-	18,907	19,341
Total	-	-	1,119,522	1,095,000
Less The expected credit loss allowance	-	-	(9,862)	-
Net	-	-	1,109,660	1,095,000

Short-term loans to related parties are due at call.

Movements during for the three-month period ended March 31, 2021 and for the year ended December 31, 2020 of short-term loans to related parties were as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Short-term loans to related parties				
Subsidiaries				
Beginning balance	-	-	1,095,000	1,228,245
Increase	-	-	260,600	353,501
Decrease	-	-	(236,078)	(486,746)
Ending balance	-	-	1,119,522	1,095,000
Short-term loans from related parties				
Subsidiaries				
Areeya Service Co.,Ltd.	-	-	10,472	20,122

Short-term loans from related parties are due at call.

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Movements during for the three-month period ended March 31, 2021 and for the year ended December 31, 2020 of short-term loans from related parties were as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
	(For the three-month)	(For the year)	(For the three-month)	(For the year)
Short-term loans from related parties				
Subsidiaries				
Beginning balance	-	-	20,122	19,545
Increase	-	-	-	14,877
Decrease	-	-	(9,650)	(14,300)
Ending balance	-	-	10,472	20,122

	In Thousand Baht					
	Interest rate		Consolidated		Separate	
	(% per annum)		Financial Statements		Financial Statements	
	As at	As at	As at	As at	As at	As at
	March	December	March	December	March	December
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
Long-term loans from related party						
Subsidiary						
Areeya Service Co.,Ltd.	4.75	4.75	-	-	9,700	9,700

Long-term loans from related parties are due at call. However, the subsidiary will not recall loan within 12 months since March 31, 2021.

Due to the requirements of the Land Development Act B.E. 2543, during 2003 to 2012 the Company transferred the title on certain parcels of land used for entrance ways, road and utilities with a cumulative value at March 31, 2021 of Baht 57.4 million (December 31, 2020 : Baht 57.4 million) to a director and its subsidiaries for nil consideration so that the director and its subsidiaries could hold the title of the land on behalf of the Company as a representative for the purposes of entering into any contract in relation to the land. As specified in the agreement, the director and its subsidiaries may not perform any activities on the land. In addition, the director and its subsidiaries have registered the land subject to servitudes and restrictions to the projects of the Company for construction of utilities for the projects without any compensation and with no time limit.

In 2009, a subsidiary also transferred the title of certain parcels of land used as site entrance roads of development projects with a cumulative value at March 31, 2021 of Baht 0.4 million (December 31, 2020 : Baht 0.4 million) to a subsidiary, without any compensation for the subsidiary to hold title to such land on behalf of the subsidiary as a representative for the purposes of entering into any contract in relation to the land. In addition, the subsidiary has registered the land subject to servitudes and restrictions to the projects of the subsidiary for construction of the utilities of the projects without any compensation and with no time limit.

Contracts with related parties

The Company entered into a land lease agreement with two directors to build a head office building, for a period of 10 years. The lessor promises that upon the expiry of the lease term of 10 years, the lessor will allow an extension for another 10 years and negotiate the new rate at market price or other appropriate price. If the Company agrees to extend the agreement, the Company must submit written notice in advance as stipulated in the memorandum.

The Company paid rental deposit to the lessor amounting to Baht 60 million to guarantee that the leased asset would not be foreclosed by the financial institution since the lessor agreed to mortgage the leased asset under a credit facility agreement with the financial institution to finance the construction of the office building. The said deposit will be repaid to lessee at the end of the lease on December 31, 2023. Upon the expiration of the lease term of this agreement or expired lease to be extended, no matter how many times to renew or the lease agreement was terminated by the fault of the lessee, the lessee has to manage the leased asset condition as before the rental and demolish all the building on leased asset. If the expiration of the lease period, the Company agrees to obtain the right in building to the lessor’s part of land and leased asset without any charge. If lessor does not require the building, the lessee is responsible for any charge such as demolition of building as specified in the memorandum. The Company recognised the construction in prepaid rental expense.

Other

1. The Company has guaranteed liabilities of subsidiaries with local banks and the subsidiaries have guaranteed liabilities of the Company and subsidiaries with local banks.
2. The Company has made an agreement with several subsidiaries to provide back office management service. The service period and service fee are stated in the agreements.

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6. TRADE AND OTHER CURRENT RECEIVABLES

In Thousand Baht						
		Consolidated Financial Statements		Separate Financial Statements		
		As at March	As at December	As at March	As at December	
Note		31, 2021	31, 2020	31, 2021	31, 2020	
<u>Trade receivable</u>						
	Related parties	5	-	-	-	
	Other parties	68,957	64,299	7,407	7,325	
	Total	68,957	64,299	7,407	7,325	
	<u>Less</u> The expected credit loss allowance	(6,746)	(6,864)	(6,286)	(6,324)	
	Net	62,211	57,435	1,121	1,001	
<u>Other current receivables</u>						
	Related parties	5	-	37	1,111,765	1,044,797
	Short-term other receivables	47,004	46,600	41,526	41,055	
	Advance payment for goods	9,101	8,953	2,369	2,240	
	Advance payment to contractors	8,897	149	-	-	
	Cost to obtain contract	10,739	13,341	5,666	7,490	
	Other prepaid expenses	17,110	28,102	16,524	27,295	
	Retention receivable	30,000	30,000	30,000	30,000	
	Other	35,508	36,539	14,393	14,486	
	Total	158,359	163,721	1,222,243	1,167,363	
	<u>Less</u> The expected credit loss allowance - short-term other receivables	(43,367)	(43,320)	(40,271)	(40,108)	
	Net	114,992	120,401	1,181,972	1,127,255	
	Total trade and other current receivables - net	177,203	177,836	1,183,093	1,128,256	

Changes in the expected credit loss allowance trade and other current receivables as follows:

In Thousand Baht		
	Consolidated	Separate
	Financial	Financial
	Statements	Statements
Balance as at January 1, 2021	50,184	46,432
<u>Add</u> Increase during the period	49	162
<u>Less</u> Reversal during the period	(120)	(37)
Balance as at March 31, 2021	50,113	46,557

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	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month period ended		For the three-month period ended	
	March 31,		March 31,	
	2021	2020	2021	2020
The expected credit loss allowance increase during the period	49	363	162	338
The expected credit loss allowance (Reversal) during the period	(120)	(5,114)	(37)	(4,822)

Aging analyses for trade accounts receivable were as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
<u>Trade receivable</u>				
Related party:				
Overdue:				
Over 12 months	-	-	-	-
	-	-	-	-
Other parties:				
Within credit term	61,013	56,312	484	331
Overdue:				
Less than 3 months	1,159	949	539	555
3 - 6 months	202	357	149	212
6 - 12 months	8	82	8	-
Over 12 months	6,575	6,599	6,227	6,227
	68,957	64,299	7,407	7,325
<u>Less</u> the expected credit loss allowance	(6,746)	(6,864)	(6,286)	(6,324)
Trade receivable - net	62,211	57,435	1,121	1,001
Other current receivables - net	114,992	120,401	1,181,972	1,127,255
Total trade and other current receivables - net	177,203	177,836	1,183,093	1,128,256

The normal credit term granted by the Group ranges 30 days.

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7. REAL ESTATE PROJECTS UNDER DEVELOPMENT

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Cost of projects under development	38,413,992	36,689,410	29,448,552	27,912,517
Land held for development	1,737,774	2,899,938	865,082	2,027,691
Sample houses	234,825	232,369	173,220	171,026
House and condominium for sale	2,846,290	3,172,574	2,634,932	2,831,379
Construction materials	10,050	3,130	3,009	3,009
Total	43,242,931	42,997,421	33,124,795	32,945,622
<u>Less</u> Portion transferred to cost of sales	(34,137,107)	(33,600,896)	(26,788,842)	(26,486,521)
Portion transferred to property, plant and equipment	(34,104)	(34,104)	(34,104)	(34,104)
	9,071,720	9,362,421	6,301,849	6,424,997
<u>Less</u> Allowance for decline in value of house and condominium for sale	(36,050)	(37,854)	(25,427)	(27,231)
Net	9,035,670	9,324,567	6,276,422	6,397,766
<u>Less</u> Land held for development-non current	(1,737,774)	(2,899,938)	(865,081)	(2,027,691)
Total	7,297,896	6,424,629	5,411,341	4,370,075

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
	(For the three-month)	(For the year)	(For the three-month)	(For the year)
Finance costs capitalized during the period	50,132	229,873	49,472	206,703
Rates of interest capitalized (% per annum)	4.25 - 10.00	4.25 - 10.00	4.25 - 10.00	4.25 - 10.00

Land and construction thereon of the Group's and Company's projects have been mortgaged as collateral for loans and credit facilities from financial institutions.

8. ASSETS USED AS COLLATERAL

As at March 31, 2021, the Group had guaranteed the saving deposits and fixed deposits in the amount of Baht 262.45 million (the Company only : Baht 262.45 million) to secure for the letter of guarantee from bank and security for debenture. That was in accordance with the terms and conditions regarding the rights and duties of debenture issuers and debenture holders. The Group, as the guaranteed debenture issuer, had mortgaged the land and buildings and some parts of the Company’s empty land as the guarantee agreement for the issuance of debenture. It was under the condition that the Company can redeem or release the mortgage of such land and buildings and the empty land. If the value of the property that was insured under the guarantee agreement was lower than specified, the debenture issuer had to change the guarantee or seek for replacement assets to guarantee the repayment of additional debentures within the specified period in order to maintain the guarantee value under the rights of debenture holders.

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9. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at March 31, 2021 and December 31, 2020 and dividend income from those investments for the three-month periods ended March 31, 2021 and 2020, were as follows:

		In Thousand Baht											
		Separate Financial Statements											
Direct subsidiaries	Type of business	Ownership interest (%)		Paid-up capital		Cost method		Impairment		At cost-net		Dividend income	
		As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	For the three-month period ended March 31	
												2021	2020
Areeya Service Co., Ltd.	After sales services for property	99.99	99.99	10,000	10,000	10,000	10,000	-	-	10,000	10,000	-	-
One Up Co., Ltd.	Construction service	99.99	99.99	100,000	100,000	100,000	100,000	-	-	100,000	100,000	-	-
Areeya Management Co., Ltd.	Development of real estate projects and property management	99.99	99.99	65,000	65,000	65,000	65,000	-	-	65,000	65,000	-	-
Cool Space Co., Ltd.	Development of real estate projects	99.99	99.99	60,000	60,000	60,000	60,000	-	-	60,000	60,000	-	-
White Living Co., Ltd.	Development of real estate projects	99.99	99.99	65,000	65,000	65,000	65,000	-	-	65,000	65,000	-	-
Chill Space Co., Ltd.	Development of real estate projects	99.99	99.99	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Areeya Hospitality Co., Ltd.	Restaurant	99.99	99.99	10,000	10,000	10,000	10,000	-	-	10,000	10,000	-	-
Soontareeya Residence Co., Ltd.	Development of real estate projects	99.97	99.97	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Soontareeya Leisure Co., Ltd.	Hotel	99.97	99.97	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
NV property development Co., Ltd. (Formerly name Mega space 2 Co., Ltd.)	Development of real estate projects	99.97	99.97	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Morrow 1 Co., Ltd.	Development of real estate projects	99.97	99.97	1,000	1,000	1,000	1,000	-	-	1,000	1,000	-	-
Total				315,000	315,000	315,000	315,000	-	-	315,000	315,000	-	-

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10. INVESTMENT PROPERTIES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
	(For the three-month)	(For the three-month)	(For the year)	
Beginning balance	394,614	419,880	355,814	375,610
Additions	-	14	-	14
Transfer	-	-	-	-
<u>Less</u> Unrealised gain (loss) from				
a fair value adjustment	-	(25,280)	-	(19,810)
Ending balance	394,614	394,614	355,814	355,814

Revenue and expense related to investment property recognized in profit and loss consist of :

	In Thousand Baht	
	For the three-month period ended	
	March 31, 2021	
	Consolidated	Separate
	Financial Statements	Financial Statements
Rental income	2,527	1,760
Utilities	2,344	1,941

Investment properties were revalued as at December 31, 2020 by a firm of independent valuers, using the income approach.

Investment properties mainly comprise shopping malls, space for rent and construction in progress.

As at March 31, 2021 and December 31, 2020, the Company mortgaged certain investment properties as collateral to secure the loan and credit facilities granted by the financial institutions.

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11. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets account during the three-month period ended March 31, 2021 are summarized below.

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Cost		
As at January 1, 2021	547,432	537,257
Increase during for the period	-	-
Amortization for the period	-	-
As at March 31, 2021	547,432	537,257
Accumulated depreciation		
As at January 1, 2021	(65,265)	(62,031)
Depreciation for the period	(8,102)	(7,431)
Amortization for the period	-	-
As at March 31, 2021	(73,367)	(69,462)
Net book value		
As at January 1, 2021	482,167	475,226
As at March 31, 2021	474,065	467,795

	In Thousand Baht	
	For the three-month period ended March 31, 2021	
	Consolidated Financial Statements	Separate Financial Statements
Depreciation for the period		
- Administrative expenses	3,457	2,824
- Real estate development projects	166	128
- Leasehold rights	4,479	4,479
	8,102	7,431

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12. LEASEHOLD RIGHTS

Movements of the leasehold rights during the three-month period ended March 31, 2021 were as follows :

	<u>In Thousand Baht</u> Consolidated / Separate Financial Statements
Net book value as at January 1, 2021	1,559,882
<u>Add</u> Increase	30,246
<u>Less</u> Decrease	-
Net book value as at March 31, 2021	<u><u>1,590,128</u></u>

	<u>In Thousand Baht</u> Consolidated / Separate Financial Statements
	As at March 31, 2021
Leasehold rights consist of :	
Expense under contracts	474,316
Construction in process	1,115,812
Total	<u><u>1,590,128</u></u>

	<u>In Thousand Baht</u> Consolidated / Separate Financial Statements
	As at March 31, 2021 (For the three-month)
Depreciation and interest expense capitalized expense under contracts	4,598
Finance costs capitalized construction in process	22,407

Leasehold rights arise from the Company entered into the lease agreements with third parties for developing and constructing projects of residential.

13. INTEREST-BEARING LIABILITIES

13.1 Bank overdrafts and short-term loans from financial institutions

	Credit Facilities (Million Baht)				Interest rate (% per annum)				In Thousand Baht			
	Consolidated		Separate		As at March		As at December		Consolidated		Separate	
	Financial Statements		Financial Statements		31, 2021		31, 2020		Financial Statements		Financial Statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020					As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Bank overdrafts	39	39	39	39	MOR, saving bank account+ fixed number	MOR, saving bank account+ fixed number			-	36,438	-	36,438
Promissory notes	290	340	290	340	MLR-fixed number	MLR-fixed number			200,000	275,250	200,000	275,250
Bills of exchange	120	120	120	120	Fix interest rate	Fix interest rate			120,000	120,000	120,000	120,000
	449	499	449	499								
Less prepaid interest									(4,592)	(4,596)	(4,592)	(4,596)
Bills of exchange - net									115,408	115,404	115,408	115,404
Total									315,408	427,092	315,408	427,092

Bank overdrafts and short-term loans from financial institutions have been secured by certain directors and the mortgage of land of projects of the Group.

13.2 Long-term loans from financial institutions

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Current				
Current portion	578,223	592,029	452,687	335,041
Non-current				
Long-term loans from financial institutions	211,920	587,191	7,734	383,005
Total	790,143	1,179,220	460,421	718,046

Movements of long-term loans from financial institutions during the three-month period ended March 31, 2021 and for the years ended December 31, 2020, were as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
	(For the three-month)	(For the year)	(For the three-month)	(For the year)
Beginning balance	1,179,220	2,230,351	718,046	1,412,976
Increase	30,040	1,432,802	6,487	975,764
Decrease	(419,117)	(2,483,933)	(264,112)	(1,670,694)
Ending balance	790,143	1,179,220	460,421	718,046

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Long-term loans from financial institutions of the Group carry interest at the rate of MLR minus fixed number per annum. The loan agreements also stipulated that loan repayments are to be made proportionately when properties are sold and transferred the right to customers and full payment is to be made within 2024.

The loan agreements contain covenants pertaining to matters including the maintenance of certain financial ratios, such as debt-to-equity.

Long-term loans from financial institutions are secured by the mortgage of land and office buildings in each project. Some loans from financial institutions are also guaranteed by the subsidiaries, certain directors and the mortgage of land of certain directors.

13.3 Long-term loans from other company

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Current				
Current portion	370,938	360,938	370,938	360,938
Non - current				
Long-term loans from other company	202,812	112,812	202,812	112,812
Total	<u>573,750</u>	<u>473,750</u>	<u>573,750</u>	<u>473,750</u>

Movements of loans from other company during the three-month period ended March 31, 2021 and for the years ended December 31, 2020, were as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
	(For the three-month)	(For the year)	(For the three-month)	(For the year)
Beginning balance	473,750	480,000	473,750	480,000
Increase	100,000	-	100,000	-
Decrease	-	(6,250)	-	(6,250)
Ending balance	<u>573,750</u>	<u>473,750</u>	<u>573,750</u>	<u>473,750</u>

Long-term loans from other company carries interest at the fixed rate and the principal has to be fully repaid within 2024.

Long-term loans from other company is by the mortgage of the Group's land with construction that combined existing and future land construction.

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13.4 Lease liabilities

The carrying amounts of lease liabilities and the movement for the three-month period ended March 31, 2021, are presented below.

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
As at January 1, 2021	509,183	501,949
<u>Add</u> Increase during for the period	9,641	-
Accretion of interest	696	569
<u>Less</u> Payments	(16,826)	(12,467)
As at March 31, 2021	502,694	490,051
<u>Less</u> current portion	(28,980)	(20,129)
Lease liabilities net of current portion	<u>473,714</u>	<u>469,922</u>

The following are the amounts recognized in profit or loss:

	In Thousand Baht	
	For the three-month period ended March 31, 2021	
	Consolidated Financial Statements	Separate Financial Statements
Depreciation of right-of-use assets	8,102	7,431
Interest expense on lease liabilities	696	569
Expense relating to short-term lease	579	512
Total	<u>9,377</u>	<u>8,512</u>

The Group had total cash outflows for leases of Baht 16.83 million (the separate: Baht 12.47 million).

13.5 Unutilised credit facilities

As at March 31, 2021, the credit facilities of the Group and the Company which have not yet been drawn down amounted to Baht 1,294.67 million and Baht 322.12 million, respectively (December 31, 2020 : Baht 1,647.96 million and Baht 477.38 million, respectively).

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14. DEBENTURES

As at March 31, 2021 and December 31, 2020, the debentures of the Company were registered, unsubordinated, unsecured, secured without a debenture holders' representative, interest is payable quarterly, with the face value of Baht 1,000 per unit as follows :

Debenture	Units (Thousand units)	Issuance date	Term	Maturity date	Interest rate (% per annum)	In Thousand Baht					
						Consolidated/Separate Financial Statements					
						Current portion		Non-current		Total	
As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020						
No. 3/2017	779.87	31 October 2017	3 years 5 months 30 days	30 April 2021	5.95	748,655	748,655	-	-	748,655	748,655
No. 1/2018	250	18 October 2018	3 years	19 October 2021	6.05	250,000	250,000	-	-	250,000	250,000
No. 2/2018	166.6	22 November 2018	3 years 3 months	22 February 2022	6.05	166,600	-	-	166,600	166,600	166,600
No. 1/2019 *	2,000	1 April 2019	2 years 6 months 7 days	8 October 2021	6.75	1,746,000	1,840,000	-	-	1,746,000	1,840,000
No. 1/2020 *	1,835.5	31 January 2020	2 years	30 January 2022 or early redemption	6.80	1,473,356	-	-	1,550,998	1,473,356	1,550,998
No. 2/2020 *	1,000	11 September 2020	2 years 6 months	11 March 2023 or early redemption	7.00	-	-	950,000	1,000,000	950,000	1,000,000
No. 1/2021*	1,550	11 February 2021	2 years 6 months	11 August 2023 or early redemption	7.00	-	-	1,550,000	-	1,550,000	-
Total debentures, at face value						4,384,611	2,838,655	2,500,000	2,717,598	6,884,611	5,556,253
Less deferred transaction costs from issuing of debentures						-	-	(64,724)	(47,558)	(64,724)	(47,558)
Debentures - net						4,384,611	2,838,655	2,435,276	2,670,040	6,819,887	5,508,695

* Secured bond.

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The debenture No. 1/2019 had the maturity date in 2021, the debenture No. 1/2020 had the maturity date in 2022, the debenture No.2/2020 had the maturity date in 2023 and the debenture No.1/2021 had the maturity date in 2023. The debenture issuer had the right to redeem the debenture before the maturity date. Such debenture had been guaranteed by the Company as the debenture issuer had mortgaged the land and buildings and some parts of the Company’s empty land. In addition, the Company had the right to sell the land and buildings and the empty land that was a mortgage property under the guarantee agreement and be able to redeem or release the mortgage of such land and buildings and the empty land. If the value of the property that was insured under the guarantee agreement was lower than specified, the debenture issuer had to change the guarantee or seek for replacement assets to guarantee the repayment of additional debentures within the specified period.

Under the debenture conditions, the Company has to maintain the net debt to equity ratio at not over 3 : 1 in accordance with the definition under the requirements of the rights and duties of the debenture issuer and debenture holders by calculating such ratio from the consolidated financial statements as at the end of the quarter or at the end of the accounting year. The Company also has to comply with the requirements relating to the rights and duties of the debenture issuer and debenture holders set forth.

15. SEGMENT INFORMATION

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

The Group is principally engaged in development of real estate projects and construction service. Their operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

The following tables present revenue and profit information regarding Group’s operating segments for the three - month period ended 31 March 2021 and 2020, respectively.

	(Unit : Thousand Baht)									
	Sale of real estate		Construction Service		Total		Eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues	750,964	902,954	171,632	3,506	922,596	906,460	(8,329)	(27,975)	914,267	878,485
Cost	(575,147)	(676,184)	(157,336)	(3,506)	(732,483)	(679,690)	8,864	32,971	(723,619)	(646,719)
Segment profit (loss)	<u>175,817</u>	<u>226,770</u>	<u>14,296</u>	<u>-</u>	<u>190,113</u>	<u>226,770</u>	<u>535</u>	<u>4,996</u>	<u>190,648</u>	<u>231,766</u>
Other income									15,557	32,555
Distribution costs									(59,175)	(89,075)
Administrative expenses									(88,929)	(99,160)
Finance costs									(85,193)	(71,860)
Income tax expense									(8,335)	(3,292)
Profit (loss) for the period									<u>(35,427)</u>	<u>934</u>

16. BASIC EARNINGS PER SHARE

The calculations of basic earnings per share for the three-month period ended March 31, 2021 and 2020 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows :

	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month period ended		For the three-month period ended	
	March 31,		March 31,	
	2021	2020	2021	2020
Profit (loss) attributable to ordinary shareholders of the Company (In thousand Baht)	(35,427)	934	(64,860)	10,790
Number of ordinary shares outstanding (Thousand shares)	980,000	980,000	980,000	980,000
Earnings (loss) per share (Baht per share)	(0.0362)	0.0010	(0.0662)	0.0110

17. FINANCIAL INSTRUMENTS

Financial instruments carried at fair value

Fair value hierarchy

The fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

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

For disclosure purpose, the Group determines Level 2 fair values for traded debentures have been determined based on quoted selling prices from the Thai Bond Market Association that were not difference with fair value at the year end.

For disclosure purposes, the Group determines Level 3 fair values for fair values of investment property is carried based on valuations by independent values. Fair value is measured by discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the property. The discount rate reflects current market assessments of the time value of money and risk adjusted.

The fair value of accounts receivable, trade accounts receivable and other current accounts receivable and accounts payable is taken to approximate to the carrying value.

The fair value of loans to related parties is taken to approximate the carrying value because most of these financial instruments bear interest at market rates.

The fair value of long-term borrowings and lease liabilities are taken to approximate the carrying value because most of these financial instruments bear interest at market rates.

18. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue to be recognised for the remaining performance obligations

As at March 31, 2021, revenue from construction service totaling Baht 1,228.85 million is expected to be recognised in the future relating to performance obligations under construction contracts with customers that are unsatisfied. The Group expects to satisfy these performance obligations within 3 years.

19. COMMITMENTS WITH NON-RELATED PARTIES

As at March 31, 2021, the Group had commitments as follows:

- 19.1 As at March 31, 2021, the Group has commitments relating to project development contracts amounting to Baht 884.91 million (As at December 31, 2020 : Baht 749.77 million).
- 19.2 In January 2016, the Company entered into a sale and purchase agreement of land amounting to Baht 228.00 million for a property development project. As at March 31, 2021, the Company had paid Baht 102.00 million for deposit. (As at December 31, 2020 : Baht 126.00 million) and transferred the ownership over the certain part of land in March 2021, Baht 60.00 million.
- 19.3 In December 2019, the Company entered into a sale and purchase agreement of land amounting to Baht 10.00 million for a property development project. As at March 31, 2021 the Company had Baht 2.00 million for deposit. (As at December 31, 2020 : Baht 2.00 million)
- 19.4 In September 2020, the Company entered into a sale and purchase agreement of land amounting to Baht 437.44 million for a property development project. As at March 31, 2021, the Company had Baht 20.59 million for deposit. (As at December 31, 2020 : Baht 10.59 million)
- 19.5 As at March 31, 2021, the Group and the Company have outstanding bank guarantees of Baht 621.90 million and Baht 307.35 million, respectively. (As at December 31, 2020, amount of Baht 605.82 million and Baht 297.85 million, respectively).

20. CONTINGENT LIABILITIES FROM LAWSUIT

As at March 31, 2021, the Group had contingent liabilities from the charges filed by other company and persons in total of 9 lawsuits on the breach of agreement. The capital amount sued for damage claim and others amounted to Baht 416.15 million. Presently, the cases are under consideration of the court. The Court of First Instance had ruled in 2 case for the Company to pay Baht 10.92 million. Now the Company is filing an appeal on the court's decision.

However, the Company's management expects that no significant damage will be incurred. Therefore, the Company did not record the provisions for contingent liabilities and damage from the cases mentioned in the financial statements.

21. EVENTS AFTER THE REPORTING PERIOD

- 21.1 On April 23, 2021, the Ordinary Shareholders’ Meeting had resolutions to approve the dividend payment from net profit for the year 2020 ended December 31, 2020 in cash at Baht 0.03 per share for 980,000,000 shares, totaled Baht 29,400,000 and scheduled to pay on May 24, 2021 and to approve the issue and offer debentures at the limit not over Baht 5,000 million.
- 21.2 On May 7, 2021, the Board of Directors’ of the Company No. 3/2021 had a resolution to approve the capital increase in NV Property Development Co., Ltd. amounted Bath 49 Million that had registered the capital increase with the Department of Business Development.

22. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company’s Directors on May 17, 2021.