

Eastern Star Real Estate Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2022

Independent Auditor's Report

To the Shareholders of Eastern Star Real Estate Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Eastern Star Real Estate Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Eastern Star Real Estate Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Eastern Star Real Estate Public Company Limited and its subsidiaries and of Eastern Star Real Estate Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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



Building a better
working world

Key Audit Matters

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

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

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

Recognition for revenue from sales of real estate

The Company's accounting policy on revenue recognition for revenue from sales of real estate, sales of land, sales of land with houses and sales of residential condominium units, are disclosed in Note 4.1 to the consolidated financial statements. Revenue from sales of real estate is a significant amount in the statement of comprehensive income, and the Company has significant numbers of property units for sale and property sales agreements. I have therefore identified revenue recognition as a key audit matter and focused on the amount and timing of the recognition for revenue from sales of real estate.

I performed the audit procedures on the revenue recognition of the Company including:

- a. Assessing and testing the Company's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- b. Applying a sampling method to select property sales agreements to assess whether revenue recognition was consistent with the conditions of the relevant property sales agreement, and whether it was in compliance with the Company's accounting policy.
- c. On a sampling basis, examining supporting documents for actual real estate sales transactions occurring during the year and near the end of the accounting period.
- d. Performing analytical procedures on disaggregated data of revenue from sales of real estate.



Building a better
working world

Impairment evaluation of investment properties

As discussed in Note 4.12 and Note 13 to the consolidated financial statements, in evaluating impairment of investment properties of the Group, management had to exercise significant judgement with respect to the analysis of the nature of the assets and asset use, and determination of key assumptions. I have therefore identified the provision for impairment of investment properties as a key audit matter and focused on the amount of provision for impairment of investment properties.

I assessed the internal controls of the Group relevant to the determination of provision for impairment of investment properties by making enquiry of responsible executives and gaining an understanding of the controls. In addition, I assessed the methods and the assumptions applied by management in determining such provision. The audit procedures included, among others, the following.

- a. A consideration of related internal and external information to assess whether there are any indicators of impairment of investment properties and an analysis of information related to the asset's fair value less costs to sell and its value in use.
- b. A review of the basis applied in determining impairment of investment properties, the consistency of the application of that basis, and the rationale for the recording of provision.
- c. A review of the reasonableness of the report on net realisable values prepared by the Company's management or the appraisal reports of independent appraisers.

In addition, I assessed the disclosure of information by the Group's management with respect to assessment of impairment of investment properties.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.



Building a better
working world

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



Building a better
working world

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.



Building a better
working world

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

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

Gingkarn Atsawarangsalit

Certified Public Accountant (Thailand) No. 4496

EY Office Limited

Bangkok: 24 February 2023

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	7	278,527,188	312,172,389	268,550,347	306,074,406
Other current financial assets	8	23,319,388	50,822,171	-	40,170,518
Trade and other receivables	6, 9	7,579,367	8,406,702	11,738,288	13,529,480
Real estate development costs and inventories	10	2,597,957,816	2,831,372,771	2,601,867,017	2,835,551,857
Advance for construction work		27,405,633	36,992,422	27,405,633	36,992,422
Cost to obtain a contract	17	54,352,560	68,744,204	54,352,560	68,744,204
Other current assets		10,838,308	31,867,789	9,605,782	30,780,830
Total current assets		2,999,980,260	3,340,378,448	2,973,519,627	3,331,843,717
Non-current assets					
Lease receivables	11.1	19,725,172	21,768,170	19,725,172	21,768,170
Investments in subsidiaries	12	-	-	505,374,400	505,374,400
Investment properties	13	1,454,092,934	922,532,586	1,490,961,237	960,424,308
Property, plant and equipment	14	421,414,723	413,912,340	260,979,758	251,106,157
Right-of-use assets	21	26,092,837	31,734,677	26,092,837	31,734,677
Intangible assets	15	5,553,147	7,216,641	5,517,916	7,206,785
Deferred tax assets	27	35,497,003	34,924,767	33,681,459	33,660,831
Land and improvement awaiting development	16	1,387,206,373	1,922,502,116	1,241,587,989	1,776,883,733
Other non-current assets		60,413,828	58,359,087	55,872,919	53,367,814
Total non-current assets		3,409,996,017	3,412,950,384	3,639,793,687	3,641,526,875
Total assets		6,409,976,277	6,753,328,832	6,613,313,314	6,973,370,592

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from related party	6	-	-	-	15,000,000
Trade and other payables	6, 19	52,349,482	60,691,568	50,809,414	59,781,924
Current portion of long-term loans	20	107,515,801	441,834,870	107,515,801	441,834,870
Current portion of lease liabilities	21	5,533,837	5,293,934	5,533,837	5,293,934
Advance received from customers		129,683,480	121,863,799	127,678,020	119,228,408
Accrued expenses		118,454,109	93,298,110	117,446,278	92,781,576
Income tax payable		8,933,295	1,678,444	8,933,295	1,678,444
Other current liabilities	22	68,549,232	71,172,622	67,154,010	70,009,122
Total current liabilities		491,019,236	795,833,347	485,070,655	805,608,278
Non-current liabilities					
Long-term loans, net of current portion	20	854,000,000	952,716,000	854,000,000	952,716,000
Lease liabilities, net of current portion	21	21,726,426	27,260,264	21,726,426	27,260,264
Provision for long-term employee benefits	23	39,353,998	32,659,280	29,314,110	23,997,635
Retention guarantees		20,344,112	14,412,213	20,344,112	14,412,213
Advance received from land lease	11.2	2,109,195	2,534,331	2,109,195	2,534,331
Deferred tax liabilities	27	15,366,268	18,738,627	15,366,268	18,738,627
Other non-current liabilities		30,844,528	25,062,201	30,836,763	25,054,435
Total non-current liabilities		983,744,527	1,073,382,916	973,696,874	1,064,713,505
Total liabilities		1,474,763,763	1,869,216,263	1,458,767,529	1,870,321,783

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
5,172,246,185 ordinary shares of Baht 1 each		5,172,246,185	5,172,246,185	5,172,246,185	5,172,246,185
Issued and paid up					
5,022,246,185 ordinary shares of Baht 1 each		5,022,246,185	5,022,246,185	5,022,246,185	5,022,246,185
Share discount		(429,264,886)	(429,264,886)	(429,264,886)	(429,264,886)
Capital reserve for share-based payment transactions		978,875	978,875	978,875	978,875
Retained earnings					
Appropriated - statutory reserve	24	84,204,224	81,604,224	84,204,224	81,604,224
Unappropriated		71,207,322	22,660,086	476,381,387	427,484,411
Other components of shareholders' equity		74,131,479	74,131,479	-	-
Total shareholders' equity		4,823,503,199	4,772,355,963	5,154,545,785	5,103,048,809
Non-controlling interest of the subsidiaries		111,709,315	111,756,606	-	-
Total shareholders' equity		4,935,212,514	4,884,112,569	5,154,545,785	5,103,048,809
Total liabilities and shareholders' equity		6,409,976,277	6,753,328,832	6,613,313,314	6,973,370,592

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



Directors



Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Revenue from sales of real estate	29	1,706,476,070	1,182,466,445	1,706,476,070	1,182,608,945
Services revenue	29	52,955,573	32,248,872	5,912,132	3,247,794
Rental revenue	11, 29	37,226,381	38,904,860	37,325,830	38,862,860
Other income		23,748,212	72,760,755	28,937,953	75,038,652
Total revenues		1,820,406,236	1,326,380,932	1,778,651,985	1,299,758,251
Expenses					
Cost of real estate sold		1,221,808,140	860,393,241	1,221,826,140	861,117,806
Cost of services		28,920,130	27,074,705	2,978,087	2,708,762
Cost of rent		29,948,578	29,539,571	30,971,996	30,562,989
Selling and distribution expenses		213,530,834	135,160,343	212,309,936	133,466,996
Administrative expenses		244,920,709	244,883,136	229,645,109	229,180,437
Reversal of loss on diminution in value of assets	13, 14	(5,524,922)	(16,680,242)	(6,904,722)	(16,680,242)
Total expenses		1,733,603,469	1,280,370,754	1,690,826,546	1,240,356,748
Profit before finance cost and income tax expenses		86,802,767	46,010,178	87,825,439	59,401,503
Finance costs	25	(11,501,896)	(17,856,022)	(11,575,928)	(18,198,457)
Profit before income tax expenses		75,300,871	28,154,156	76,249,511	41,203,046
Income tax expenses	27	(24,200,926)	(9,366,784)	(24,752,535)	(9,618,446)
Profit for the year		51,099,945	18,787,372	51,496,976	31,584,600
Other comprehensive income:					
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		51,099,945	18,787,372	51,496,976	31,584,600

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit attributable to:					
Equity holders of the Company		51,147,236	21,639,050	51,496,976	31,584,600
Non-controlling interests of the subsidiaries		(47,291)	(2,851,678)		
		<u>51,099,945</u>	<u>18,787,372</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		51,147,236	21,639,050	51,496,976	31,584,600
Non-controlling interests of the subsidiaries		(47,291)	(2,851,678)		
		<u>51,099,945</u>	<u>18,787,372</u>		
Earnings per share					
28					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.010</u>	<u>0.004</u>	<u>0.010</u>	<u>0.006</u>

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

Eastern Star Real Estate Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2022

	Consolidated financial statements										(Unit: Baht)
	Equity attributable to the parent's shareholders					Other comprehensive of equity					
	Issued and paid-up share capital	Share discount	Capital reserve for share-based payment transactions	Retained earnings		Surplus from change in the ownership interests in subsidiaries	Total other attributable to owners of the Company	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
				Appropriated	Unappropriated						
Balance as at 1 January 2021	5,022,246,185	(429,264,886)	978,875	80,004,224	52,833,057	74,131,479	4,800,928,934	114,908,284	4,915,537,218		
Profit for the year	-	-	-	-	21,639,050	-	21,639,050	(2,851,678)	18,787,372		
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the year	-	-	-	-	21,639,050	-	21,639,050	(2,851,678)	18,787,372		
Dividend paid (Note 30)	-	-	-	-	(50,212,021)	-	(50,212,021)	-	(50,212,021)		
Transfer unappropriated retained earnings to statutory reserve (Note 24)	-	-	-	1,600,000	(1,600,000)	-	-	-	-		
Balance as at 31 December 2021	5,022,246,185	(429,264,886)	978,875	81,604,224	22,660,086	74,131,479	4,772,355,963	111,756,606	4,884,112,569		
Balance as at 1 January 2022	5,022,246,185	(429,264,886)	978,875	81,604,224	22,660,086	74,131,479	4,772,355,963	111,756,606	4,884,112,569		
Profit for the year	-	-	-	-	51,147,236	-	51,147,236	(47,291)	51,099,945		
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the year	-	-	-	-	51,147,236	-	51,147,236	(47,291)	51,099,945		
Transfer unappropriated retained earnings to statutory reserve (Note 24)	-	-	-	2,600,000	(2,600,000)	-	-	-	-		
Balance as at 31 December 2022	5,022,246,185	(429,264,886)	978,875	84,204,224	71,207,322	74,131,479	4,823,503,199	111,709,315	4,935,212,514		

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid-up share capital	Share discount	Capital reserve for share-based payment transactions	Retained earnings		
				Appropriated	Unappropriated	
Balance as at 1 January 2021	5,022,246,185	(429,264,886)	978,875	80,004,224	447,711,832	5,121,676,230
Profit for the year	-	-	-	-	31,584,600	31,584,600
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	31,584,600	31,584,600
Dividend paid (Note 30)	-	-	-	-	(50,212,021)	(50,212,021)
Transfer unappropriated retained earnings to statutory reserve (Note 24)	-	-	-	1,600,000	(1,600,000)	-
Balance as at 31 December 2021	<u>5,022,246,185</u>	<u>(429,264,886)</u>	<u>978,875</u>	<u>81,604,224</u>	<u>427,484,411</u>	<u>5,103,048,809</u>
Balance as at 1 January 2022	5,022,246,185	(429,264,886)	978,875	81,604,224	427,484,411	5,103,048,809
Profit for the year	-	-	-	-	51,496,976	51,496,976
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	51,496,976	51,496,976
Transfer unappropriated retained earnings to statutory reserve (Note 24)	-	-	-	2,600,000	(2,600,000)	-
Balance as at 31 December 2022	<u>5,022,246,185</u>	<u>(429,264,886)</u>	<u>978,875</u>	<u>84,204,224</u>	<u>476,381,387</u>	<u>5,154,545,785</u>

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Cash flows statement

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax expenses	75,300,871	28,154,156	76,249,511	41,203,046
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Decrease in real estate development costs as a result of transfer to cost of real estate sold	1,221,826,140	861,698,430	1,221,826,140	862,401,275
Reversal of loss on diminution in value of project	(377,557)	(1,283,469)	(377,557)	(1,283,469)
Allowance for expected credit losses	947	288,050	947	288,050
Depreciation and amortisation	49,396,355	64,636,001	45,710,067	60,429,143
Discount received from rental agreement	-	(900,000)	-	(900,000)
Provision for long-term employee benefits	6,694,718	5,858,615	5,316,475	4,600,306
Unearned revenues	(4,411,831)	(2,701,236)	-	-
Recognised income from lease	(1,384,603)	(1,390,124)	(1,384,603)	(1,390,124)
Gain on sales of financial assets	(42,612)	(124,768)	(6,911)	(116,256)
Unrealised gain on changes in value of financial assets	(32,034)	(76,040)	-	(64,813)
Reversal loss on diminution in value of investment properties	(5,147,365)	(16,680,242)	(5,147,365)	(16,680,242)
Reversal loss on diminution in value of property, plant and equipment	-	-	(1,379,800)	-
Loss on written off real estate development costs and inventories	13,348,243	-	13,348,243	-
Loss on written off assets	1,344,573	-	1,344,573	-
Loss on sales and written off of investment properties	372	3,086	372	3,086
Loss on disposal and written off of plant, equipment and intangible assets	44,699	329,640	26,971	257,974
Loss on sales and written off of land and improvement awaiting development	-	4,768,937	-	4,648,157
Finance cost	11,501,896	17,856,022	11,575,928	18,198,457
Profit from operating activities before changes in operating assets and liabilities	1,368,062,812	960,437,058	1,367,104,991	971,594,590
Decrease (increase) in operating assets				
Trade and other receivables	826,388	2,204,267	1,790,245	28,104,701
Real estate development costs and inventories	(919,078,969)	(572,516,401)	(918,809,084)	(572,792,622)
Advance for construction work	(38,115,018)	(87,547,367)	(38,115,018)	(87,547,367)
Other current assets	6,691,582	(16,195,412)	6,837,149	(16,419,519)
Lease receivables and advance received from land lease	3,927,098	2,904,000	3,927,098	2,904,000
Cost to obtain a contract	14,391,644	67,482,802	14,391,644	67,482,802
Other non-current assets	(2,505,103)	15,605,969	(2,505,105)	15,605,970
Increase (decrease) in operating liabilities				
Trade and other payables	(13,193,587)	18,930,768	(13,801,300)	(17,882,816)
Accrued expenses	25,024,162	(26,931,321)	24,532,865	(26,795,364)
Advance received from customers	12,231,512	(154,834,665)	8,449,611	(159,449,006)
Other current liabilities	(3,745,225)	7,089,691	(3,976,947)	6,704,155
Retention guarantees	5,931,899	(17,599,090)	5,931,899	(17,599,090)
Employee benefits paid	-	(3,063,443)	-	(3,063,443)
Other non-current liabilities	5,782,327	7,031,780	5,782,328	7,049,299
Cash flows from operating activities	466,231,522	202,998,636	461,540,376	197,896,290
Cash paid for finance cost	(46,673,953)	(51,551,973)	(46,747,984)	(51,635,754)
Corporate income tax paid	(20,905,284)	(76,027,438)	(20,890,671)	(76,014,903)
Tax refund	14,977,936	-	14,512,961	-
Net cash flows from operating activities	413,630,221	75,419,225	408,414,682	70,245,633

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Increase in fixed deposits	44,693	(132)	44,693	(132)
Purchase of financial assets	(15,000,000)	(12,300,000)	-	-
Proceed from sales of financial assets	42,532,736	287,262,249	40,132,736	260,062,249
Acquisition of investment properties	(3,028,239)	(4,219,581)	(3,028,239)	(4,219,581)
Acquisition of building and equipment and intangible assets	(31,024,507)	(17,837,959)	(27,287,826)	(17,479,103)
Acquisition of land and improvement awaiting development	(27,143)	(140,059,200)	(27,143)	(140,059,200)
Acquisition of right-of-use assets	(1,200,000)	(1,235,096)	(1,200,000)	(1,235,096)
Proceed from disposal of investment properties	-	11,989	-	11,989
Proceed from disposal of assets	50,356	14,206	50,356	14,206
Proceed from disposal of land and improvement awaiting development	-	-	-	142,500
Net cash flows from (used in) investing activities	(7,652,104)	111,636,476	8,684,577	97,237,832
Cash flows from financing activities				
Cash receipt from short-term loans from financial institutions	80,000,000	180,000,000	80,000,000	180,000,000
Cash receipt from short-term loans from subsidiary	-	-	-	25,000,000
Cash receipt from long-term loans from financial institutions	459,366,000	538,681,229	459,366,000	538,681,229
Repayment of short-term loans from financial institutions	(80,000,000)	(180,000,000)	(80,000,000)	(180,000,000)
Repayment of short-term loans from subsidiary	-	-	(15,000,000)	(10,000,000)
Repayment of long-term loans from financial institutions	(892,401,069)	(718,249,340)	(892,401,069)	(718,249,340)
Repayment of lease liabilities	(6,588,249)	(7,708,527)	(6,588,249)	(7,708,527)
Dividend paid	-	(50,165,892)	-	(50,165,892)
Net cash flow used in financing activities	(439,623,318)	(237,442,530)	(454,623,318)	(222,442,530)
Net decrease in cash and cash equivalents	(33,645,201)	(50,386,829)	(37,524,059)	(54,959,065)
Cash and cash equivalents at beginning of year	312,172,389	362,559,218	306,074,406	361,033,471
Cash and cash equivalents at end of year	278,527,188	312,172,389	268,550,347	306,074,406

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Supplemental cash flows information				
Non-cash transactions				
Transfer real estate development costs to investment properties	-	32,265,000	-	32,265,000
Transfer real estate development costs to building and equipment	-	73,745	-	73,745
Transfer advance for construction work to real estate development costs	47,701,807	62,634,406	47,701,807	62,634,406
Transfer land awaiting development to real estate development costs	-	33,668,504	-	33,668,504
Transfer land awaiting development to land	-	6,156,917	-	17,248,286
Transfer land and improvement awaiting development to other non current assets	-	32,046,699	-	32,046,699
Transfer interest expenses to real estate development costs	36,598,209	34,967,271	36,598,209	34,967,271
Transfer land and improvement awaiting development to investment properties	537,320,000	-	537,320,000	-
Transfer real estate development cost to land awaiting development	1,997,114	-	1,997,114	-
Accounts payable for purchase of building equipment and intangible assets	4,902,948	120,572	4,880,237	97,508
Accounts payable for purchase of investment properties	232,188	649,694	232,188	649,694
Dividend payable	976,862	976,862	976,862	976,862

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

Eastern Star Real Estate Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2022

1. General information

1.1 General information of the Company

Eastern Star Real Estate Public Company Limited ("The Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the property development. Its major shareholder is Sunrise Group, which was incorporated in Thailand, and consists of:-

	Percentage of shareholding (base on paid-up capital) (as at 15 March 2022*)
1. Bangkok Broadcasting & Television Co., Ltd.	43.65
2. BBTV Equity Co., Ltd.	11.03
3. Sunrise Equity Co., Ltd.	5.56
4. Person	2.61
5. Person	1.36

*The latest closing date of the shares register book

The registered office of the Company is at 898 Ploenchit Tower Building, 5th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

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

Subsidiary companies	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u> Percent	<u>2021</u> Percent
Eastern Star Resort Co., Ltd. Eastern Star-Lai San	Golf course	Thailand	81.30	81.30
New World Co., Ltd.	Real estate	Thailand	60.00	60.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. 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, for some standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Revenue from sales of real estate

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

The Company allocates the revenues under the contract to the real estate and related furnishings in proportion to the relationship with the standalone selling prices and recognises income when the Company has transferred the ownership of the real estate and delivered the related furnishings to the customer by measuring at the amount of the consideration received or receivable, excluding value added tax.

Cost of real estate sales

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

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

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

Service income

Services income is recognised when the services have been rendered.

Revenue from golf course and sport membership

A subsidiary recognises revenue from golf course and sport memberships over the period of contracts.

Interest income

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

Finance cost

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

4.2 Cash and cash equivalents

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

4.3 Real estate development costs and inventories

Real estate development costs are stated at the lower of cost and net realisable value. Cost consists of the cost of land, land improvement costs, design fees, utilities, construction costs, capitalised borrowing costs and other related expenses, as well as estimated project development costs. The details of cost calculation are as follows:

- Land - Cost of land using the weighted average method, calculating it separately for each project.
- Construction in progress - Construction in progress consists of the cost of construction, public utility costs and interest capitalised (if any) to cost of projects by records cost of construction and public utilities based on the actual cost incurred.

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First-in First-out method.

4.4 Cost to obtain a contract

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

4.5 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method, net of allowance for impairment loss (if any).

4.6 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 2 - 5 years for fixtures and building infrastructure, 20 - 50 years for building and building improvement. Depreciation of the investment properties is included in determining income.

No depreciation is provided on investment properties - land.

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

4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation, and less allowance for impairment loss (if any).

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

Buildings and construction	-	2 - 50 years
Sales office	-	2 - 20 years
Machines and equipment	-	2 - 5 years
Furniture, fixtures and office equipment	-	2 - 10 years
Vehicles	-	3 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Capitalisation rates are calculated based on the weighted average of the interest expenses incurring during the year on loans for development of projects.

4.9 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

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

Computer software	-	5 - 10 years
-------------------	---	--------------

4.10 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

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

Right-of-use assets

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

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

Land and Land improvement	1 - 2 years
Buildings and construction	3 years

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

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

4.11 Related party transactions

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

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

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group perform impairment reviews in respect of the property, plant and equipment, right-of-use-assets, investment properties, land and improvement awaiting development and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

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

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treat these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely gold from long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

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

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

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

4.14 Provisions

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

4.15 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.16 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets at FVTPL

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

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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

Impairment of financial assets

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

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

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

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

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

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

Costs to obtain contracts

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortisation method should be used.

Leases

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

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

Estimating the incremental borrowing rate - The Group as a lessee

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

Lease classification - The Group as lessor

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

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Property, plant and equipment and investment properties and intangible assets / Depreciation

In determining depreciation of plant and equipment and investment properties and intangible assets, the management is required to make estimates of the useful lives and residual values and to review estimate useful lives and residual values when there are any changes.

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

Project development costs estimation

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

Deferred tax assets

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

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset.

Post-employment benefits under defined benefit plans and other long-term employee benefits

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

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation. If for the cases that management believes that no loss will result, therefore, no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

During the years, the Group had significant business transactions with related person or its related parties. These transactions which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company related person and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Transactions with subsidiary companies</u>				
(eliminated from the consolidated financial statements)				
Income of central service management	-	-	1	1
Other income	-	-	5	3
<u>Transactions with related party</u>				
Office rental and service expenses	7	6	7	6

The pricing policies for the related parties transactions between the Company with related person or its related parties are as follows: -

- Central service management, office rental and service charges are set on a mutually agreed basis.
- Other income are based on the same basis that charge to outside parties.
- Service fee is based on the same basis that charge to outside parties.

Nature of relationship

Company's name	Relationship	Connection
Eastern Star Resort Co., Ltd.	Subsidiary company	Direct shareholding and common directors
Eastern Star-Lai San New World Co., Ltd.	Subsidiary company	Direct shareholding and common directors
Related person of Bangkok Broadcasting		
& Television Co., Ltd.	Related person and parties	Direct and indirect shareholding and some common directors

The balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Other receivables (Note 9)				
Subsidiaries	-	-	4,359	5,438
Other payables (Note 19)				
Subsidiaries	-	-	329	337
Related party	44	21	44	21
Total	44	21	373	358

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Accrued expense				
Subsidiary	-	-	63	322
Retentions				
Related party	1,555	1,555	1,555	1,555
Short-term loans from related party				
Short-term loans from subsidiary	-	-	-	15,000

As at 31 December 2021, the Company had short-term loan from subsidiary in the form of promissory note amounting to Baht 15 million which was loan for using as working capital in business operations. The loan carried interest at average rate between rate from fixed deposit and short-term loan. The Company made a repayment in full amount.

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	34,525	35,967	32,160	33,588
Post-employment benefits	2,831	2,412	2,736	2,328
Total	37,356	38,379	34,896	35,916

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cash	1,368	935	140	126
Bank deposits	277,159	311,237	268,410	305,948
Total	278,527	312,172	268,550	306,074

As at 31 December 2022, bank deposits in current accounts, saving accounts and fixed deposits with an original maturity of three months or less carried interests between 0.15 to 0.35 percent per annum (2021: 0.05 to 0.25 percent per annum).

8. Other current financial assets

(Unit: Thousand Baht)				
Consolidated financial statements				
2022		2021		
Amount	Interest rate	Amount	Interest rate	
(% per annum)		(% per annum)		
<u>Other current financial assets - Investment in debt instrument designated amortised cost</u>				
Fixed deposits 12 months	-	-	45	0.15
<u>Other current financial assets - Investment in debt instrument designated at fair value</u>				
<u>through profit or loss</u>				
Investments in mutual funds	23,287	50,692		
Add: Unrealised gain on changes in value of unit trust	32	85		
Total	<u>23,319</u>	<u>50,822</u>		
(Unit: Thousand Baht)				
Separated financial statements				
2022		2021		
Amount	Interest rate	Amount	Interest rate	
(% per annum)		(% per annum)		
<u>Other current financial assets - Investment in debt instrument designated amortised cost</u>				
Fixed deposits 12 months	-	-	45	0.15
<u>Other current financial assets - Investment in debt instrument designated at fair value</u>				
<u>through profit or loss</u>				
Investments in unit trust of mutual fund	-	40,054		
Add: Unrealised gain on changes in value of unit trust	-	72		
Total	<u>-</u>	<u>40,171</u>		

As at 31 December 2021, the Company and one subsidiary had investment in money market funds. The funds focus on investing in debt securities issued by the government, financial institutions, corporate and deposit with bank.

As at 31 December 2022, one subsidiary has investment in money market fund. The fund focus on investing in debt securities issued by the government, financial institutions, corporate and deposit with bank.

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Trade accounts receivable - third parties</u>				
Not yet due	1,811	848	1,795	848
Past due not over 3 months	284	349	283	36
Past due 3 - 6 months	-	5	-	-
Past due 6 - 12 months	3	-	1	-
Past due over 12 months	361	434	316	316
Total trade accounts receivable	<u>2,459</u>	<u>1,636</u>	<u>2,395</u>	<u>1,200</u>
<u>Other receivables</u>				
Other receivables - related parties				
(Note 6)	-	-	4,359	5,438
Other receivables - third parties	1,214	3,511	1,213	3,509
Accrued income	1,199	905	1,199	905
Advanced payment	3,308	3,031	3,127	3,031
Total other receivables	<u>5,721</u>	<u>7,447</u>	<u>9,898</u>	<u>12,883</u>
Less: Allowance for expected credit losses	<u>(601)</u>	<u>(676)</u>	<u>(555)</u>	<u>(554)</u>
Total other receivables - net	<u>5,120</u>	<u>6,771</u>	<u>9,343</u>	<u>12,329</u>
Total trade and other receivables - net	<u><u>7,579</u></u>	<u><u>8,407</u></u>	<u><u>11,738</u></u>	<u><u>13,529</u></u>

10. Real estate development costs and inventories

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Land	1,709,486	1,859,326	1,714,086	1,863,927
Construction under development	888,019	972,241	888,019	972,241
Total	<u>2,597,505</u>	<u>2,831,567</u>	<u>2,602,105</u>	<u>2,836,168</u>
Less: Provision for loss on diminution in value of projects	<u>(238)</u>	<u>(616)</u>	<u>(238)</u>	<u>(616)</u>
Real estate development costs - net	<u>2,597,267</u>	<u>2,830,951</u>	<u>2,601,867</u>	<u>2,835,552</u>
Other inventories	691	422	-	-
Total	<u><u>2,597,958</u></u>	<u><u>2,831,373</u></u>	<u><u>2,601,867</u></u>	<u><u>2,835,552</u></u>

The Company has mortgaged certain plots of land and structures thereon with total net book value as at 31 December 2022 of Baht 2,103 million (2021: Baht 2,559 million) as collateral for credit facilities granted by banks.

During the year ended 31 December 2022, the Company included borrowing costs in the cost of real estate development amounting to Baht 37 million (2021: Baht 35 million).

Additional information of the Company's projects.

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	2022	2021
Total estimated sales value of projects on hand		
of which contracts have been signed	11,337	8,182
Total value of contracts signed of land and structures thereon	5,726	4,603
Percentage of total estimated sales value of projects on hand	50.50	56.25
Total value of contracts signed of land and structures thereon not yet recognised as revenue*	1,282	1,392

* The revenue will be recognised in the future approximately 1 - 2 years.

11. Lease contract receivables / Advance received from land lease

On 23 August 2007, the Company entered into a contract to lease a land and plaza center building to a company. The lease tenor is for 25 years 5 months commencing from 23 August 2007 and the total contractual value of the lease is Baht 97.3 million, which the Company received the contractual lease fee on the lease registration date at Baht 24 million and for the remaining amount, the Company received the 1st lease fee for the total leasing period of 17 months at Baht 2.4 million. After which, the lease fee is payable annually. The lease fee for the 2nd - 5th year is Baht 2.4 million per year and afterwards the lease fee will be increased by 10% every 5 years. The Company recognises the land and building leasing fee by apportioning all leasing fee under the lease contract to the fair value of the land and the plaza center building as follows:-

11.1 From the total building lease fee of Baht 64.2 million, the advance of Baht 15.8 million was received on the lease registration date and the remaining amount will be receivable at 66 percent of annual lease fee as mentioned in above contract. The Company will gradually recognise as income from the building lease fee under financial lease contract. The remaining accounts receivable under the finance lease agreement are as follows:-

(Unit: Thousand Baht)

Consolidated and separate financial statements
as at 31 December 2022

	Less than		Over	
	1 year	1-5 years	5 years	Total
Original investment in lease agreement	2,108	8,433	11,596	22,137
Unearned financial income	(65)	(200)	(104)	(369)
Present value of the minimum payment debtor has to pay under lease agreement	2,043*	8,233	11,492	21,768

*Included in other current assets

(Unit: Thousand Baht)

Consolidated and separate financial statements
as at 31 December 2021

	Less than		Over	
	1 year	1-5 years	5 years	Total
Original investment in lease agreement	1,917	8,433	13,704	24,054
Unearned financial income	(71)	(224)	(145)	(440)
Present value of the minimum payment debtor has to pay under lease agreement	1,846*	8,209	13,559	23,614

*Included in other current assets

11.2 From total land lease fee of Baht 33.1 million, the advance of Baht 8.2 million was received on the lease registration date and the remaining amount will be receivable at 34 percent of annual lease fee as mentioned in above contract. The Company will gradually recognise as income from the land lease fee under the operating lease contract throughout the lease tenor. The outstanding balance is as follows:-

		(Unit: Thousand Baht)	
		Consolidated and separate financial statements	
		2022	2021
Total minimum amount which the debtor has to pay under the outstanding operating lease			
Within 1 year		1,086	987
1 - 5 years		4,344	4,344
Over 5 years		5,974	7,060
Total		11,404	12,291
Add: Advance received for land lease (net from recognised income)		3,195	3,522
Land lease income to be recognised in future		14,599	15,813

12. Investments in subsidiaries

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

Company's name	(Unit: Thousand Baht)									
	Separate financial statements									
	Paid-up capital		Shareholding percentage		Cost		Impairment loss on investments		Net	
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
		(%)	(%)							
Eastern Star Resort Co., Ltd.	500,000	500,000	81.30	81.30	409,374	409,374	-	-	409,374	409,374
Eastern Star-Lai San New World Co., Ltd.	160,000	160,000	60.00	60.00	96,000	96,000	-	-	96,000	96,000
					505,374	505,374	-	-	505,374	505,374

As at 31 December 2021, the Company possessed 264 remaining golf-membership rights, which were not included in the financial statements because the Company obtained such rights at no cost as a result of its investment in a subsidiary. During the year 2022, the Company had cancelled the such golf-membership rights in full amount.

13. Investment properties

The net book value of investment properties as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Land	Building and improvements	Total
31 December 2022:			
Cost	1,361,098	722,646	2,083,744
Less: Accumulated depreciation	-	(527,922)	(527,922)
Less: Allowance for impairment	(101,729)	-	(101,729)
Net book value	<u>1,259,369</u>	<u>194,724</u>	<u>1,454,093</u>
31 December 2021:			
Cost	736,922	719,459	1,456,381
Less: Accumulated depreciation	-	(513,828)	(513,828)
Less: Allowance for impairment	(14,873)	(5,147)	(20,020)
Net book value	<u>722,049</u>	<u>200,484</u>	<u>922,533</u>

(Unit: Thousand Baht)

	Separate financial statements		
	Land	Building and improvements	Total
31 December 2022:			
Cost	1,361,098	765,571	2,126,669
Less: Accumulated depreciation	-	(533,979)	(533,979)
Less: Allowance for impairment loss	(101,729)	-	(101,729)
Net book value	<u>1,259,369</u>	<u>231,592</u>	<u>1,490,961</u>
31 December 2021:			
Cost	736,922	762,384	1,499,306
Less: Accumulated depreciation	-	(518,862)	(518,862)
Less: Allowance for impairment loss	(14,873)	(5,147)	(20,020)
Net book value	<u>722,049</u>	<u>238,375</u>	<u>960,424</u>

A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	922,533	883,749	960,424	922,664
Acquisition of assets - at cost	1,845	1,379	1,845	1,379
Costs of asset improvement	1,415	3,017	1,415	3,017
Disposal and written off - net book value	-	(15)	-	(15)
Transfer of asset type - net book value at transfer date	624,177	32,265	624,177	32,265
Depreciation	(14,167)	(14,542)	(15,190)	(15,566)
Impairment losses recognised	(86,857)	-	(86,857)	-
Reversal of impairment loss	5,147	16,680	5,147	16,680
Net book value at end of year	<u>1,454,093</u>	<u>922,533</u>	<u>1,490,961</u>	<u>960,424</u>
Rental income arising from investment properties	33,305	34,534	33,305	34,534

Future minimum rental income to be generated under these investment properties is as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2022	2021
In up to 1 year	13,743	19,926
In over 1 and up to 2 years	2,879	3,040

Additional information of the investment properties as at 31 December 2022 and 2021 stated below:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2022	2021
The fair value	1,837,232	1,299,912

The fair values of the above investment properties have been determined based on valuations performed by an accredited independent valuer. The fair value of the land has been determined based on market price, land and building and improvement has been determined using the market value or force sale price, while that of the land and building for rent has been determined using the income approach.

Furniture and fixtures have carried at net book value of assets. The management believes that the fair value does not have any significant difference.

During the year 2022, the Company reversed Baht 5 million (2021: Baht 17 million) of the impairment losses of land and building previously recognised in profit or loss.

The Company has mortgaged certain plots of land with a net book value as at 31 December 2022 of Baht 277 million (2021: Baht 282 million) as collateral for credit facilities granted by banks.

14. Property, plant and equipment

(Unit: Thousand Baht)

		Consolidated financial statements							
		Land and land improvement	Buildings and construction	Machines and equipment	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	Total
<u>Cost</u>									
1 January 2021		166,346	505,281	48,199	21,710	30,617	37,229	23,699	833,081
Additions		44	5,807	723	553	1,177	2	8,341	16,647
Disposals and written off		-	(9,765)	(2,816)	(387)	(432)	(370)	-	(13,770)
Transfer in (out)		6,156	15,959	180	1,388	2	-	(17,695)	5,990
31 December 2021		172,546	517,282	46,286	23,264	31,364	36,861	14,345	841,948
Additions		49	9,669	624	578	1,234	3,014	19,807	34,975
Disposals and written off		-	(155)	(935)	(1,028)	(1,302)	(23)	(1,606)	(5,049)
Transfer in (out)		-	22,736	517	5,176	(205)	-	(28,224)	-
31 December 2022		172,595	549,532	46,492	27,990	31,091	39,852	4,322	871,874
<u>Accumulated depreciation</u>									
1 January 2021		787	284,369	42,387	14,269	22,731	29,379	-	393,922
Depreciation for the year		86	27,315	1,878	2,497	2,994	3,316	-	38,086
Accumulated depreciation on disposals and written off		-	(9,233)	(2,749)	(194)	(425)	(370)	-	(12,971)
31 December 2021		873	302,451	41,516	16,572	25,300	32,325	-	419,037
Depreciation for the year		87	16,360	1,630	2,787	2,716	2,191	-	25,771
Accumulated depreciation on disposals and written off		-	(117)	(911)	(1,010)	(1,287)	(23)	-	(3,348)
31 December 2022		960	318,694	42,235	18,349	26,729	34,493	-	441,460
<u>Allowance for impairment loss</u>									
1 January 2021		-	8,999	-	-	-	-	-	8,999
Allowance for impairment loss		-	-	-	-	-	-	-	-
31 December 2021		-	8,999	-	-	-	-	-	8,999
Allowance for impairment loss		-	-	-	-	-	-	-	-
31 December 2022		-	8,999	-	-	-	-	-	8,999
<u>Net book value</u>									
31 December 2021		171,673	205,832	4,770	6,692	6,064	4,536	14,345	413,912
31 December 2022		171,635	221,839	4,257	9,641	4,362	5,359	4,322	421,415
<u>Depreciation for the year</u>									
2021 (Baht 4 million included in cost of real estate sold and services, and the balance in administrative expenses)									38,086
2022 (Baht 4 million included in cost of real estate sold and services, and the balance in administrative expenses)									25,771

(Unit: Thousand Baht)

	Separate financial statements							Total
	Land and land improvement	Buildings and construction	Machines and equipment	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	
Cost								
1 January 2021	78,970	193,309	8,299	21,175	24,571	17,207	23,699	367,230
Additions	44	5,807	588	553	1,010	3	8,272	16,277
Disposals and written off	-	(9,765)	(133)	(388)	-	(370)	-	(10,656)
Transfer in (out)	17,248	15,890	180	1,388	2	-	(17,627)	17,081
31 December 2021	96,262	205,241	8,934	22,728	25,583	16,840	14,344	389,932
Additions	49	9,669	173	578	1,098	-	19,679	31,246
Disposals and written off	-	(155)	(521)	(1,028)	(1,042)	(17)	(1,606)	(4,369)
Transfer in (out)	-	22,608	9	5,176	303	-	(28,096)	-
31 December 2022	96,311	237,363	8,595	27,454	25,942	16,823	4,321	416,809
Accumulated depreciation								
1 January 2021	787	63,639	4,394	13,796	17,437	13,502	-	113,555
Depreciation for the year	85	24,889	1,082	2,497	2,688	1,616	-	32,857
Accumulated depreciation on disposals and written off	-	(9,233)	(131)	(194)	-	(370)	-	(9,928)
31 December 2021	872	79,295	5,345	16,099	20,125	14,748	-	136,484
Depreciation for the year	87	13,924	1,098	2,787	2,455	715	-	21,066
Accumulated depreciation on disposals and written off	-	(117)	(510)	(1,010)	(1,029)	(17)	-	(2,683)
31 December 2022	959	93,102	5,933	17,876	21,551	15,446	-	154,867
Allowance for impairment loss								
1 January 2021	-	2,342	-	-	-	-	-	2,342
Reversal of allowance for impairment loss (net)	-	-	-	-	-	-	-	-
31 December 2021	-	2,342	-	-	-	-	-	2,342
Reversal of allowance for impairment loss (net)	-	(1,380)	-	-	-	-	-	(1,380)
31 December 2022	-	962	-	-	-	-	-	962
Net book value								
31 December 2021	95,390	123,604	3,589	6,629	5,458	2,092	14,344	251,106
31 December 2022	95,352	143,299	2,662	9,578	4,391	1,377	4,321	260,980
Depreciation for the year								
2021 (Included in administrative expenses)								32,857
2022 (Included in administrative expenses)								21,066

As at 31 December 2022, certain building and equipment items of the Group have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment) of those assets amounted to approximately Baht 295 million (Separate financial statements: Baht 72 million) (2021: Baht 268 million (Separate financial statements: Baht 57 million)).

The Company has mortgaged certain plots of land and structures thereon with a net book value as at 31 December 2022 of Baht 6 million (2021: Baht 7 million) as collateral for credit facilities granted by banks.

15. Intangible assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Computer software - cost	21,586	20,649	20,507	19,600
Less: Accumulated amortisation	(16,033)	(13,432)	(14,989)	(12,393)
Net book value	<u>5,553</u>	<u>7,217</u>	<u>5,518</u>	<u>7,207</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value at beginning year	7,217	10,477	7,207	10,477
Additions	937	439	907	428
Amortisation	(2,601)	(3,699)	(2,596)	(3,698)
Net book value at end of year	<u>5,553</u>	<u>7,217</u>	<u>5,518</u>	<u>7,207</u>

16. Land and improvement awaiting development

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Land	1,361,150	1,955,003	1,215,532	1,809,385
Development costs	26,056	54,356	26,056	54,356
Less: allowance for impairment loss	-	(86,857)	-	(86,857)
Net book value	<u>1,387,206</u>	<u>1,922,502</u>	<u>1,241,588</u>	<u>1,776,884</u>

A reconciliation of the net book value of land and improvement awaiting development for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	1,922,502	1,794,991	1,776,884	1,660,485
Addition purchase - at cost	27	140,059	27	140,059
Sales / Write off - at cost	-	(4,769)	-	(4,791)
Transfer out - at cost (net)	(535,323)	(7,779)	(535,323)	(18,869)
Net book value at end of year	<u>1,387,206</u>	<u>1,922,502</u>	<u>1,241,588</u>	<u>1,776,884</u>

The Group arranged for an independent professional valuer to appraise the value of these land awaiting development using the Market Approach.

As at 31 December 2022 and 2021, land awaiting development of Baht 0.5 million (separate financial statements: Baht 0.3 million) was land of which ownership is jointly held by the Company and a subsidiary. The Company and the subsidiary recorded the cost of land based on their ownership, with half allocated to each party.

As at 31 December 2022, the Company mortgaged certain plots of land and improvement awaiting development with a net book value of Baht 860 million (2021: 1,397 million) as collateral for credit facilities granted by banks.

17. Cost to obtain a contract

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Balance as at 1 January 2021	136,227
Increase during the year	27,092
Recognised in profit or loss	(94,575)
Balance as at 31 December 2021	<u>68,744</u>
Increase during the year	67,052
Recognised in profit or loss	(81,443)
Balance as at 31 December 2022	<u><u>54,353</u></u>

18. Short-term loans from financial institutions

As at 31 December 2022 and 2021, the Group had no outstanding balance of short-term loans from financial institutions. The partial of short-term credit facilities are secured by the mortgages of the Company's land and structures there on.

19. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Trade accounts payable				
- unrelated parties	38,184	50,330	37,373	49,575
Other payables - related parties (Note 6)	44	21	373	358
Other payables - unrelated parties	14,121	10,341	13,063	9,849
Total	<u>52,349</u>	<u>60,692</u>	<u>50,809</u>	<u>59,782</u>

20. Long-term loans

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	financial statements
	2022	2021
Long-term loans from banks	961,516	1,394,551
Less: Current portion	(107,516)	(441,835)
Long-term loans - net of current portion	<u>854,000</u>	<u>952,716</u>

Movements in the long-term loans during the year ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	financial statements
Balance as at 1 January 2021		1,574,119
Add: Additional borrowings		538,681
Less: Repayments		(718,249)
Balance as at 31 December 2021		<u>1,394,551</u>
Add: Additional borrowings		459,366
Less: Repayments		(892,401)
Balance as at 31 December 2022		<u>961,516</u>

Long-term loans from local banks are summarised as follows:

Consolidated and Separate financial statements		Interest rate (percent per annum)	Interest Repayment schedules	Principal repayment schedules
Long-term loans balance				
2022	2021			
525	1,050	MLR - fixed rate	Monthly	Payments of principal are to be made at percentage of the value of secured real estates which transferred to customers, with full repayment to be made within 60 - 72 months after the date of the loan agreement or the first draw down of principal.
52	42	MLR - fixed rate	Monthly	Payments of principal are to be made at the specific rate by bank, by type of the secured real estates which transferred to customers, with full repayment to be made within 60 months after the date of the loan agreement.
273	273	MLR - fixed rate	Monthly	Payments of principal are to be made at price per square meters of the value of secured real estates which transferred to customers, with full repayment to be made within 90 months after the date of the loan agreement.
112	30	MLR - fixed rate	Monthly	Full repayment to be made within 48 months after the date of the loan agreement.
<u>962</u>	<u>1,395</u>			

On 13 January 2022, the Company has entered into long-term credit facilities agreement with a financial institute with total of facilities of Baht 439 million. The facilities are for the purchase of land in the amount of Baht 169 million, for construction costs and real estate development amount of Baht 220 million and bank guarantee amount of Baht 50 million, with interest at MLR - fixed percent per annum. The loans are secured by the mortgage of the Company's lands and construction thereon. The Company has drawdown such credit facilities amounting to Baht 169 million in January 2022.

The above credit facilities agreements contain covenants relating to various matters, such as the maintenance of financial ratio and restrictions on creating or permitting the subsistence of security interest on property and assets.

As at 31 December 2022, the long-term credit facilities of the Company which have not yet been drawn down totaling Baht 1,845 million (2021: Baht 2,700 million).

The loans and credit facilities are secured by mortgages of land with structures of the Company.

21. Leases

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	Land and land improvement	Buildings space	Vehicles	Total
As at 1 January 2021	2,268	35,368	-	37,636
Addition during the year	1,200	-	1,207	2,407
Depreciation for the year	(3,068)	(5,240)	-	(8,308)
As at 31 December 2021	400	30,128	1,207	31,735
Addition during the year	1,200	-	-	1,200
Depreciation for the year	(1,200)	(5,240)	(402)	(6,842)
As at 31 December 2022	400	24,888	805	26,093

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2022	2021
Lease payments	30,149	36,737
Less: Deferred interest expenses	(2,889)	(4,183)
Total	27,260	32,554
Less: Portion due within one year	(5,534)	(5,294)
Lease liabilities - net	21,726	27,260

A maturity analysis of lease payments is disclosed in Notes to the consolidated financial statements No.34.1 under the liquidity risk.

The movement of lease liabilities for the year ended 31 December 2022 are as follows:

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Balance at beginning of year	32,554
Increase from interest	1,294
Repayment	(6,588)
Balance at end of year	<u>27,260</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	6,842	8,308	6,842	8,308
Interest expense on lease liabilities	1,294	1,511	1,294	1,511
Expense relating to short-term leases	5,326	2,799	5,326	2,799
Expense relating to leases of low-value assets	440	404	411	375

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 10 million (2021: Baht 11 million), including the cash outflow related to short-term lease and leases of low-value assets.

22. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Retention payable	52,015	54,427	52,015	54,427
Other current liabilities	16,534	16,746	15,139	15,582
Total	<u>68,549</u>	<u>71,173</u>	<u>67,154</u>	<u>70,009</u>

23. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensations payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Provision for long-term employee benefits at beginning of year	32,659	29,864	23,998	22,461
Included in profit or loss:				
Current service cost	6,158	5,410	4,910	4,263
Interest cost	537	448	406	337
Benefits paid during the year	-	(3,063)	-	(3,063)
Provision for long-term employee benefits at end of year	39,354	32,659	29,314	23,998

As at 31 December 2022 and 2021, the Group expected no employee benefit to be paid during the next year.

As at 31 December 2022 and 2021, the weighted average duration of the liabilities for long-term employee benefit is 13 years (Separate financial statements: 13 years)

Significant actuarial assumptions are summarised below:

	Consolidated and separate financial statements	
	2022	2021
Discount rate	1.50%	1.50%
Average future salary increase rate	4.0% - 5.5%	4.0% - 5.5%
Staff turnover rate (depending on age)	0% - 35%	0% - 35%
Gold price for 1 Baht gold	26,800	26,800
Gold increase rate	2.50%	2.50%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

	2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(4)	3	(2)	3
Salary increase rate	4	(4)	3	(3)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(2)	1	(1)	1

(Unit: Million Baht)

	2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3)	3	(2)	3
Salary increase rate	3	(3)	2	(2)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(2)	1	(1)	1

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. During the year 2022, the Company has set aside a statutory reserve of Baht 2.6 million.

25. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Interest expenses on borrowings	10,208	16,345	10,282	16,687
Interest expenses on lease liabilities	1,294	1,511	1,294	1,511
Total	11,502	17,856	11,576	18,198

26. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Payment of land and construction during the year	976,400	661,042	976,417	661,042
Changes in real estate development costs and inventories	233,684	289,182	233,685	289,609
Salaries and wages and other employee benefits	135,004	132,679	124,776	120,682
Depreciation and amortisation	49,396	64,636	45,710	60,429
Marketing expenses	213,531	135,160	212,310	133,467
Cost of other goods incurred and recognised during the year	6,997	5,125	-	-

27. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Current income tax:				
Current income tax charge	28,270	26,215	28,270	26,215
Adjustment in respect of income tax of previous year	(125)	(1,849)	(125)	(1,849)
Deferred tax:				
Relating to origination and reversal of temporary differences	(3,944)	(14,999)	(3,392)	(14,748)
Income tax expenses reported in the statement of comprehensive income	24,201	9,367	24,753	9,618

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

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements	statements	statements	statements
	2022	2021	2022	2021
Accounting profit before tax	75,301	28,154	76,250	41,203
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	15,060	5,631	15,250	8,241
Adjustment in respect of income tax of previous year	(125)	(1,849)	(125)	(1,849)
Tax effects of:				
Non-deductible expenses	930	1,270	489	992
Additional taxable revenues	6,399	1,768	6,399	1,768
Additional expense deductions allowed	(1,774)	(1,590)	(208)	(24)
Tax exempted revenue	-	(13)	-	(13)
Tax losses	1,039	3,899	-	-
Others	2,672	251	2,948	503
Income tax expenses reported in the statement of comprehensive income	24,201	9,367	24,753	9,618

The components of deferred tax assets and deferred tax liabilities as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets				
Allowance for expected credit losses	89	88	89	88
Allowance for diminution in value of inventories	48	123	48	123
Allowance for diminution in value of assets	20,345	21,375	20,538	21,844
Advance received for land rental income	653	718	653	718
Provision for long-term employee benefits	7,871	6,533	5,863	4,800
Right-of-use assets	233	164	233	164
Others	6,258	5,924	6,258	5,924
Total	35,497	34,925	33,682	33,661
Deferred tax liabilities				
Lease contract receivables	4,354	4,723	4,354	4,723
Cost to obtain a contract	10,870	13,749	10,870	13,749
Others	142	267	142	267
Total	15,366	18,739	15,366	18,739

As at 31 December 2022, the subsidiaries has unused tax losses totaling Baht 41 million (2021: Baht 55 million). No deferred tax assets have been recognised on these amounts as the subsidiaries believes future taxable profits may not be sufficient to allow utilisation of unused tax losses.

Details of expiry date of the subsidiaries' unused tax losses are summarised as below:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
31 December 2022	-	19	-	-
31 December 2023	-	-	-	-
31 December 2024	13	13	-	-
31 December 2025	2	2	-	-
31 December 2026	21	21	-	-
31 December 2027	5	-	-	-
	41	55	-	-

28. Earnings per share

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

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Profit attributable to equity holders of the Company (Thousand Baht)	51,147	21,639	51,497	31,585
Weighted average number of ordinary shares (Thousand shares)	5,022,246	5,022,246	5,022,246	5,022,246
Earnings per share (Baht/Share)	0.010	0.004	0.010	0.006

29. Segment information

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

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

- (1) Real estate business
- (2) Golf course business
- (3) Rental business

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

Transfer prices between business segments are set out in Note 6 to the consolidated financial statements.

Below is the revenue and gross profit of the Group for the year ended 31 December 2022 and 2021 by segments.

(Unit: Million Baht)

Consolidated financial statements for the year ended 31 December										
Revenue from Contracts with Customers										
	Real estate business		Golf course business		Rental business		Adjustments and eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues										
External customers	1,707	1,183	53	32	37	39	-	-	1,797	1,254
Inter-segment	-	-	-	-	-	-	-	-	-	-
Total revenues	1,707	1,183	53	32	37	39	-	-	1,797	1,254
Operating results										
Gross profit of segments	485	322	24	5	7	9	-	-	516	336
Other income									24	73
Selling and distribution expenses									(214)	(135)
Administrative expenses									(245)	(245)
Reversal of loss on diminution in value of assets									6	17
Finance cost									(12)	(18)
Income tax expenses									(24)	(9)
Non-controlling interests of the subsidiaries									-	3
Profit for the year attributable to equity holders of the Company									51	22

The following table presents segment assets of the Group as at 31 December 2022 and 2021.

(Unit: Million Baht)

Consolidated financial statements as at 31 December										
	Real estate business		Golf course business		Rental business		Total			
	2022	2021	2022	2021	2022	2021	2022	2021		
Real estate development cost and inventories	2,597	2,831	1	-	-	-	2,598	2,831		
Investment properties	1,152	615	-	-	302	307	1,454	922		
Property, plant and equipment	195	185	225	227	1	2	421	414		
Land and improvement awaiting development	1,387	1,923	-	-	-	-	1,387	1,923		
Unallocated assets							550	663		
Total segment assets							6,410	6,753		
Additions to non-current assets other than financial instruments, deferred tax assets and other non-current assets*	32	157	4	1	3	4	39	162		

*Excluded the classification of assets.

Geographic information

The Group operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the years 2022 and 2021, the Group have no major customer, with revenue of 10% or more of an entity's revenue.

30. Dividend payment

Dividend	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
Interim dividend announced from operating result of 2020	Board of Directors' meeting on 26 April 2021 (Acknowledged by Annual General Meeting of the shareholders on 17 June 2021)	50	0.01
		<u>50</u>	

31. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees, and the Group contributed to the fund monthly at the rates of 3 - 5% of basic salary. The fund, which is managed by Ayudhya Fund Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 3 million were recognised as expenses (Separate financial statements: Baht 3 million) (2021: Baht 3 million (Separate financial statements: Baht 3 million)).

32. Commitments and contingent liabilities

As at 31 December 2022 and 2021, the Group have the following outstanding commitments and contingent liabilities:

- 32.1 The Company had the outstanding commitments in respect of agreements to construction including project and interior design of projects amounting to Baht 278 million (2021: Baht 358 million).
- 32.2 As at 31 December 2022, the Company had capital commitments in respect of the construction of land improvement, buildings and equipment for the Company's operations and investment properties amounting to Baht 13 million. (2021: Baht 2 million).

32.3 The Group have entered into several lease agreements to lease building space and equipment and services, with terms of agreements generally between 1 and 4 years.

Future minimum payments required under service agreements as at 31 December 2022 are as follows:

Payable	(Unit: Million Baht)	
	Consolidated financial statement	Separate financial statements
In up to 1 year	15	14
In over 1 and up to 3 year	-	-

Future minimum payments required under these operating leases contracts as at 31 December 2021 are as follows:

Payable	(Unit: Million Baht)	
	Consolidated financial statement	Separate financial statements
In up to 1 year	19	18
In over 1 and up to 3 years	-	-

32.4 Bank guarantees

There were the following outstanding bank guarantees issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business of the Company.

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	2022	2021
Letters of guarantee for arrangement and maintenance of public utilities	119	104
Letters of guarantee for electricity usage	7	7
Total	126	111

Bank guarantees facilities are secured by the Company's land and structures.

32.5 Litigation

As at 31 December 2022, civil lawsuits were filed against the Company by customers, and consumer lawsuits were filed against the Company by the condominium juristic persons, and other litigation cases, with the claim amounts totaling Baht 184 million (2021: Baht 202 million). These cases are currently under the court proceedings. Based on the Company's internal and external legal counsel opinion, the Company's management believes that the result of these cases will have no significant impact on the financial position of the Company.

The Company has set aside provisions for claim that may arise from the final of judicial processes in its financial statements as considers appropriate.

33. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated Financial Statements			
	31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	23	-	23
Assets for which fair value are disclosed				
Investment properties	-	1,530	307	1,837

	(Unit: Million Baht)			
	Consolidated Financial Statements			
	31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	51	-	51
Assets for which fair value are disclosed				
Investment properties	-	993	307	1,300

	(Unit: Million Baht)			
	Separate Financial Statements			
	31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	1,530	307	1,837

(Unit: Million Baht)

	Separate Financial Statements			
	31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	40	-	40
Assets for which fair value are disclosed				
Investment properties	-	993	307	1,300

34. Financial instruments

34.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, other current financial asset, trade and other receivables, lease contract receivables, trade and other payables, short-term loans from related party, short-term loans from financial institutions and long-term loans from financial institutions and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group are exposed to credit risk primarily with respect to trade and other receivables. The Group manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of receivables and other receivables as stated in the statement of financial position.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Interest rate risk

The Group exposure to interest rate risk relates primarily to their cash at financial institutions, other current financial asset, lease contract receivables, short-term loans from related party, short-term loans from financial institutions, long-term loans from financial institutions and lease liabilities with interest bearing. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2022							
Fixed interest rates							
Within	1-5	Over	Floating	Non-interest			
1 year	years	5 years	interest rate	bearing	Total	Interest rate	
							(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	279	-	279	0.15 - 0.35
Other current financial assets	-	-	-	-	23	23	-
Trade and other receivables	-	-	-	-	8	8	-
Finance lease contract receivables	2	8	12	-	-	22	0.30
Financial liabilities							
Long-term loans from financial institutions	-	-	-	962	-	962	MLR - fixed rate
Trade and other payables	-	-	-	-	52	52	-
Lease liabilities	5	22	-	-	-	27	3.20 - 4.33

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2021							
Fixed interest rates							
Within	1-5	Over	Floating	Non-interest			
1 year	years	5 years	interest rate	bearing	Total	Interest rate	
							(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	312	-	312	0.05 - 0.25
Other current financial assets	-	-	-	-	51	51	-
Trade and other receivables	-	-	-	-	8	8	-
Finance lease contract receivables	2	8	14	-	-	24	0.30
Financial liabilities							
Long-term loans from financial institutions	-	-	-	1,395	-	1,395	MLR - fixed rate
Trade and other payables	-	-	-	-	61	61	-
Lease liabilities	5	23	5	-	-	33	3.20 - 4.33

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of long-term loans from financial institution affected as at 31 December 2022 and 2021, with all other variables held constant.

Currency	2022		2021	
	Increase/ decrease (%)	Effect on profit before tax (Thousand Baht)	Increase/ decrease (%)	Effect on profit before tax (Thousand Baht)
Baht	+0.25	280	+0.25	1,031
	-0.25	(280)	-0.25	(1,031)

The above analysis has been prepared assuming that the amounts of loans from and all other variables remain constant over one year. Moreover, the floating legs of loans from are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation. (This information is not a forecast or prediction of future market conditions.)

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank loans and lease contracts. Approximately 16% of the Group's debt will mature in less than one year at 31 December 2022 (2021: 34%) (the Company only: 16%, 2021: 34%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	52,349	-	-	52,349
Lease liabilities	-	6,598	23,551	-	30,149
Long-term loans	-	146,886	905,948	-	1,052,834
Total non-derivatives	-	205,833	929,499	-	1,135,332

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	50,809	-	-	50,809
Lease liabilities	-	6,598	23,551	-	30,149
Long-term loans	-	146,886	905,948	-	1,052,834
Total non-derivatives	-	204,293	929,499	-	1,133,792

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2021

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	60,692	-	-	60,692
Lease liabilities	-	6,588	25,517	4,633	36,738
Long-term loans	-	489,341	1,026,330	-	1,515,671
Total non-derivatives	-	556,621	1,051,847	4,633	1,613,101

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2021

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	59,782	-	-	59,782
Lease liabilities	-	6,588	25,517	4,633	36,738
Long-term loans	-	489,341	1,026,330	-	1,515,671
Total non-derivatives	-	555,711	1,051,847	4,633	1,612,191

34.2 Fair values of financial instruments

Since the majority of Group's financial instruments are short-term and loans denominated in Thai Baht bearing the market interest rate, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

During the year, there were no transfers within the fair value hierarchy.

35. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2022, the Group's total debt-to-equity ratio was 0.30:1 (2021: 0.38:1).

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2023.