

ANNUAL REPORT 2020

Eastern Star Real Estate Public Company Limited

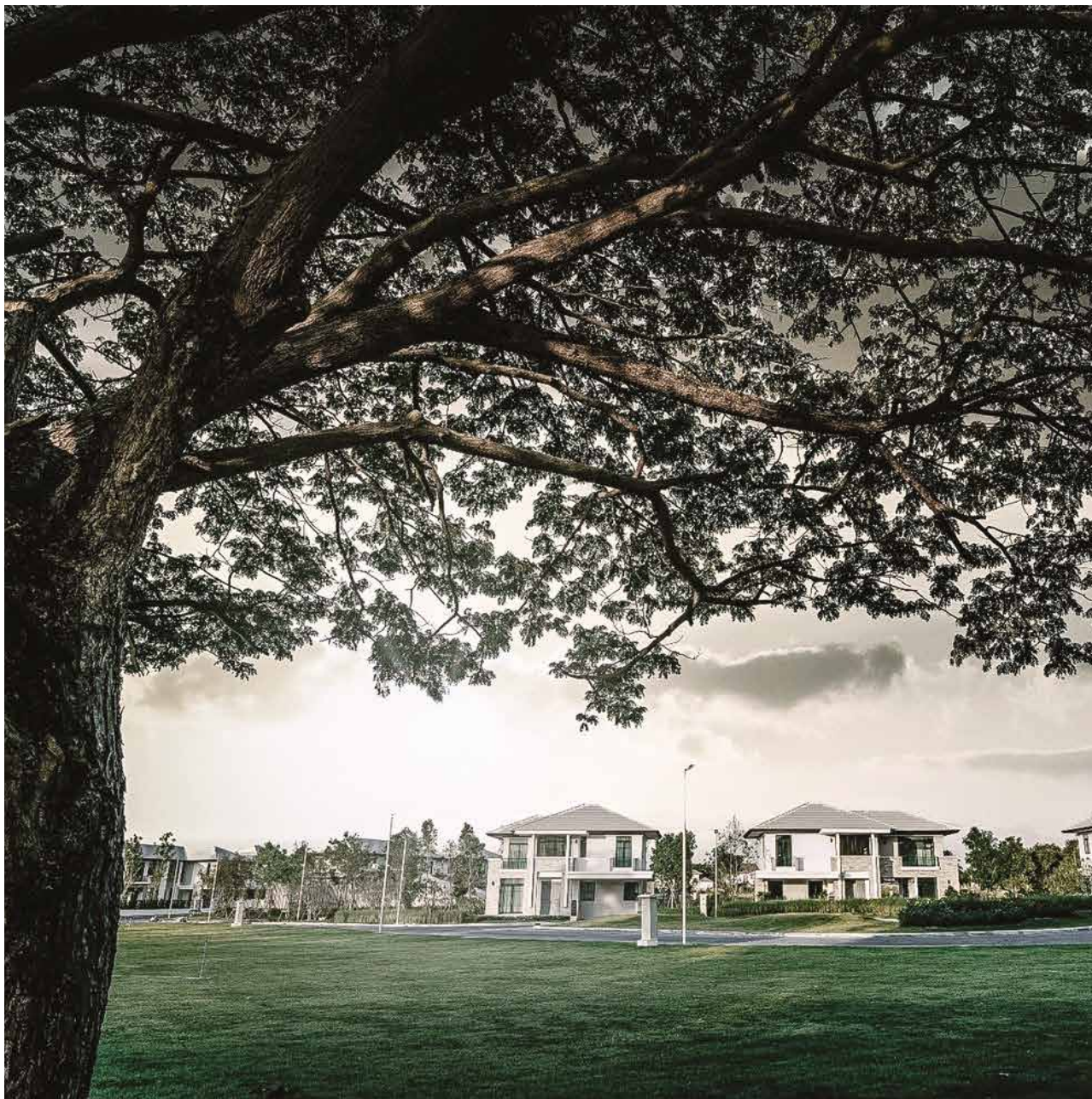


Table of Contents

	Page
Message from the Chairman of the Board	
Board of Director	
Audit Committee Report	
1. Policies and Business Overview	1
2. Business Characteristics	4
3. Risk Factors	15
4. Assets Used in Business Operations	18
5. Legal Disputes	20
6. General and Other Relevant Information	21
7. Stock and Shareholder Information	23
8. Management Structure	24
9. Business Governance	43
10. Corporate Social Responsibility	75
11. Internal Control and Risk Management	83
12. Connected Transactions	86
13. Relevant Financial Information	87
14. Management's Analysis and Explanations	92
15. Certified Public Accountant's Report	101



Message from the Chairman

Dear Shareholders,

From 2019 all the way through early 2020, the real estate business was greatly affected by the LTV measure, promulgated by the Bank of Thailand to set the loan limit granted to borrowers for buying property, resulting in less loan limit or more loan application rejection. Upon the emergence of the COVID-19 pandemic situation, which has had a great and wide impact on the economy, Thailand is now facing a higher rate of unemployment and high household debts, which strongly affect buying power. Therefore, operators have to adjust themselves to the situation. In other words, many operators have to postpone the project launch, and many need to reduce prices in order to sell out the property and keep cash flow as they are uncertain about the situation. Although the situation started to recover in mid-2020, a new wave of COVID-19 in late 2020 has affected domestic buyers' confidence all the way to early 2021. It is expected that the real estate market in 2021 will be similar to that of 2020. Even with the availability of vaccines in various countries, including Thailand, we still need to wait to see the vaccines' outcomes and distribution to everyone. However, in early 2021, the government has the measures to stimulate the real estate market by reducing transfer and mortgage registration fees for houses of lower than 3 million baht and extending the period of land and building tax reduction by 90% for another year. These measures and the seemingly continued low interest rate should serve as positive factors stimulating buying power to a certain degree.

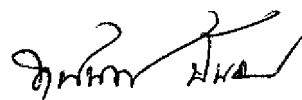
In 2020, the Company had revenues from ownership transfer in Quintara Tree Haus Sukhumvit 42 Project, Estara Haven Pattanakarn 20 Project, and projects at Ban Chang District, Rayong Province, with the operating results similar to the target set earlier that year. This is a proof that the Company's expansion of the property business in terms of low-rise housing in Bangkok and Rayong over the past 2-3 years has strengthened its business base to a certain extent. Nevertheless, in the past year, the Company postponed the launch of two condominium projects so as to reduce risks from investments in construction, delayed sales, and/or customers' loan application rejection under the fluctuating economic condition caused by the COVID-19 pandemic. Meanwhile, in late 2020, the Company sold 2 plots of land in Bangkok deemed as not ready for property development, so the Company has some cash reserves for this uncertain economic condition.

During the economic crisis in the past year, many operators reduced the number of employees and some even closed down their businesses. However, our Company has a policy to sustain our employees, reduce unnecessary expenses, and encourage our employees to try selling good-quality condominiums and houses, giving consultation, and solving problems of customers in order to draw revenues to the Company. As a result, the Company has had good performance and earned some profits.

In addition to our continued business expansion, the Company also recognized the importance of corporate governance for management. Therefore, we manage with efficiency and transparency by taking into account the interest of all the stakeholders concerned, and we will try to maintain and improve our good standard and corporate governance practice every year. Moreover, we don't just aim to achieve business projects, but we also think about giving back to the society and focus on upgrading children's quality of life by supporting UNICEF, whose missions are to promote health, hygiene, and nutrition of children and reduce inequality of children throughout the world so as to give those children opportunities to become quality adults in the future.

Last but not least, our Company also takes into consideration environmental protection. So we are determined to improve the area of Eastern Star Park, which is the big area around Eastern Star Country Club and Resort Golf Course in Ban Chang District, Rayong Province, to be surrounded by big and small trees and serve as a place for relaxation and exercise of the residents in the project and nearby communities. The landscape and environment in other projects where the Company business is involved have also been improved to promote better environment, such as Quintara Phume Sukhumvit 39.

Finally, I on behalf of the Board of Directors, would like to extend my sincere thanks to our shareholders, customers, and trading partners, who have continuously supported and trusted our Company, and I would like to thank all the executives and employees for their full dedication, resulting in our good performance, despite the 2020 economic crisis.



(Mr. Anand Panyarachun)

Chairman of the Board

24 February 2021

BOARD OF DIRECTOR



Mr. Anand Panyarachun
Chairman and Independent
Director



Mr. Pongpinit Tejagupta
Vice Chairman



Mr. Preecha Oonchitti
Independent Director, Chairman of
Audit Committee and Nomination
and Remuneration Director



Mrs. Sunantha Tiasuwan
Independent Director, Chairman
of Nomination and Remuneration
Committee and Audit Director



Mr. Somrit Srithongdee *
Independent Director,
Audit Director and Nomination
and Remuneration Director



Mr. Jessada Promjart **
Independent Director,
Audit Director and Nomination
and Remuneration Director

* Mr. Somrit Srithongdee remained in his office until 30 July 2020.

** Mr. Jessada Promjart was appointed on 30 July 2020



Mr. Chatchawin Charoen-Rajapark
Chairman of Executive Committee



Mr. Titiwut Soukpornchaikul
Executive Director



Mr. Tinnawat Mahatharadol
Executive Director



Mr. Nuttawit Boonyawat
Executive Director



Mr. Paiboon Wongjongjaiharn
Director



Mr. Torsak Lertsrisakulrat
Managing Director

Audit Committee Report

The Audit Committee is composed of three independent directors in compliance with the terms and conditions of the Stock Exchange of Thailand as follows:

- | | |
|---------------------------|---------------------------------|
| 1. Mr. Preecha Oonchitti | Chairman of the Audit Committee |
| 2. Mrs. Sunantha Tiasuwan | Audit Director |
| 3. Mr. Jessada Promjart | Audit Director |

Remarks: - Mr. Somrit Srithongdee, Audit Director remained in his office until 30 July 2020.
- Mr. Jessada Promjart was appointed Audit Director on 30 July 2020.

The Audit Committee's responsibilities are in compliance with the regulations of the Stock Exchange of Thailand and responsibilities assigned by the company's Board of Directors. In 2020, the Audit Committee held four meetings with the executive directors, accounting and finance directors, certified auditors and internal auditors. The Audit Committee meeting attendance was as follows:

- | | | | |
|---------------------------|----------|---|----------|
| 1. Mr. Preecha Oonchitti | attended | 4 | meetings |
| 2. Mr. Somrit Srithongdee | attended | 2 | meetings |
| 3. Mrs. Sunantha Tiasuwan | attended | 4 | meetings |
| 4. Mr. Jessada Promjart | attended | 2 | meetings |

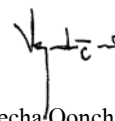
The summary of the Audit Committee's report is as follows:

1. The Audit Committee considered and examined the company's reports, consolidated financial statement and separate financial statements as well as disclosure of financial information to the shareholders and rendered the opinion that the information is correct and complete and in accordance with the financial reporting standards.

2. The Audit Committee considered and examined the disclosure of relevant information to ensure compliance with conflict-of-interest prevention principles and the complete disclosure of information.

3. The Audit Committee considered the internal auditor's report and the company's internal control adequacy evaluation report in compliance with the Securities and Exchange Commission and rendered the opinion that there are no major flaws in the company's overall internal control system.

The Audit Committee recommends that the company's Board of Directors make a recommendation at the shareholders' meeting to consider appointing Mrs. Kingkan Atsawarangsarit, Certified Public Accountant License No. 4496, or Miss Pimjai Manikajohnkit, Certified Public Accountant License No. 4521, or Miss Sumana Punpongsonon, Certified Public Accountant License No. 5872, or Mr. Chayapol Supposedtanon, Certified Public Accountant License No. 3972, of EY Office Co., Ltd. as the company's auditors for the 2021 accounting period with remuneration for auditing by Eastern Star Real Estate Public Co., Ltd. not exceeding 1,335,000 baht.



(Mr. Preecha Oonchitti)

Chairman of the Audit Committee

24 February 2021

1. Policies and Business Overview

1.1 Vision, Mission and Goals

Vision

We will create a unique style of living meeting the needs of all our customers in a welcoming social environment at the same time.

Mission

1. To meet needs beyond customer expectations.
2. To provide customer care as a corporate value.
3. To develop our personnel, processes and work systems for ongoing capacity building.
4. To ensure care and development of the community environments within the areas where the projects are located.
5. To operate business under the principles of good governance with consideration given to all stakeholders.

Corporate Values

- Teamwork.
- Serve with Care and Attention to Detail
- Trust and Transparency
- Adaptability and Creativity
- Aim for Success

Business Operational Goals and Strategies

To expand the core business foundation by introducing more product varieties in potential locations and developing new business formats while strengthening real estate for sale/rent businesses, including the company's subsidiaries such as golf courses and other businesses, for maximum business efficiency.

We also aim to continuously improve our product and service quality, while introducing new innovations for cozy living to provide our customers with the most trust and satisfaction in addition to making the Eastern Star a well-known and trusted brand. Furthermore, we aim to strengthen our roots in the organization in terms of personnel recruitment and development for stable, sustainable growth.

Key Performance Indicators

For our operations to yield results meeting our goals and strategies, the company has established key performance indicators (KPIs) at the organizational level and passed them down to the responsible sub-division levels. The KPIs include the following:

- Financial Indicators: Sales, income and profit assessments.
- Customer Satisfaction Indicators of Product and Service Quality: Customer satisfaction is assessed at every service stage from the project viewing date, the reservation/contract-making date and the ownership transfer date to the post-transfer repair notifications.

- Process Indicators: Operation efficiency is evaluated using the success of the project development plan compared to the established plan, the customer's home inspection period and the success of the project to develop each section's processes, etc.
- Personnel Indicators: These are evaluated based on the personnel recruitment time and quality, training according to the work plan, employee relationship-building activities and employee resignation rate.

In addition, the weight of each indicator depends on the importance of the indicator in each level of the organization. At the overall organizational level in the past few years, the company has focused on the business growth and project expansion, resulting in the company giving importance to the financial indicators which have about 50 to 60 percent of all the indicator weight. Meanwhile, at the department and division levels, there is an increase in the weight of the customer satisfaction and work process development indicators.

1.2 Major Changes and Development

Eastern Star Real Estate (Public) Co., Ltd. was founded by the Star Block Group, Saha-Union Group and other stockholders for the purpose of investing in land development businesses on the eastern seaboard in Ban Chang District, Rayong Province. Moreover, the company also established the Eastern Star Resort Co., Ltd. for the main purpose of managing the golf course business.

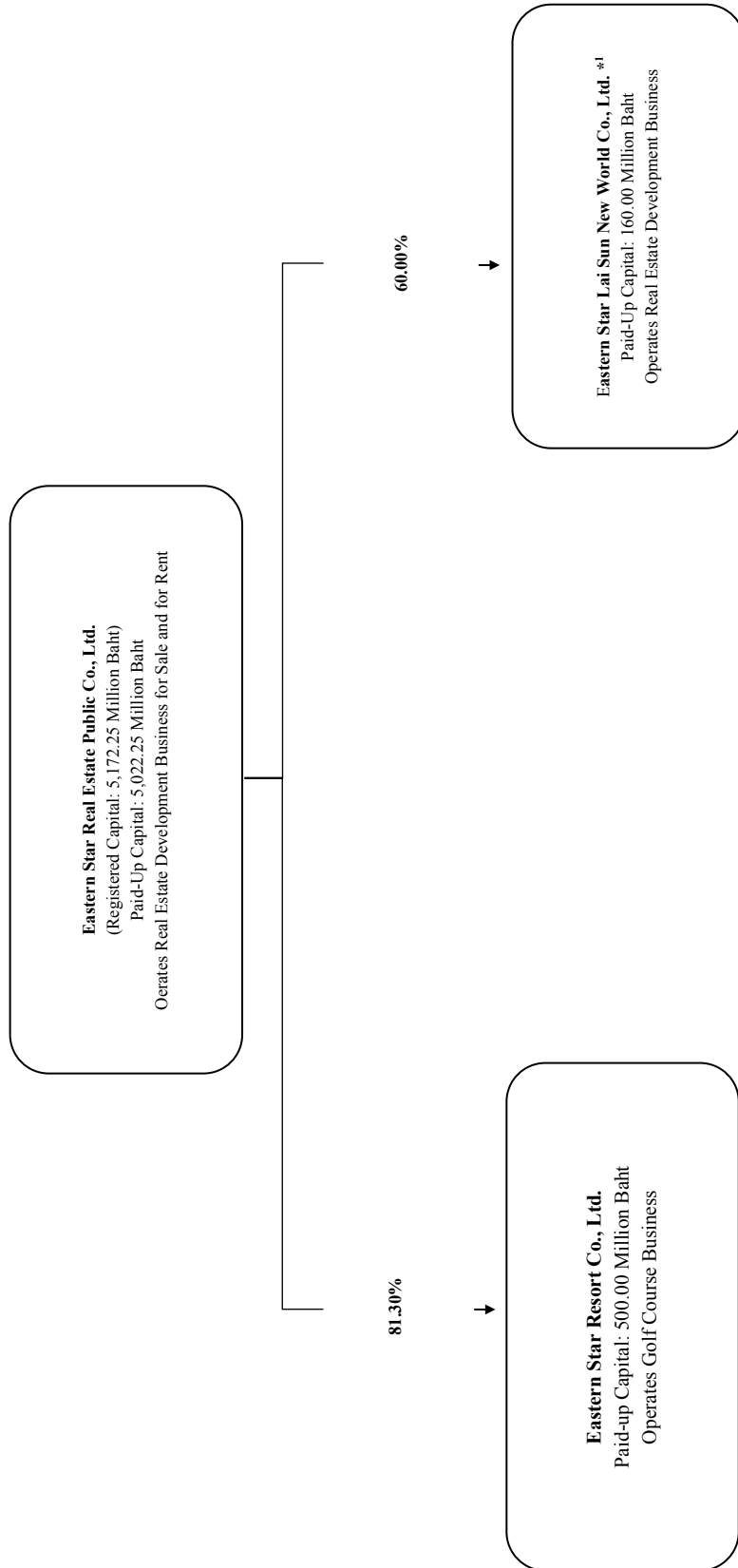
On 1 February 2017, the company transferred all of its businesses (by transferring its entire assets and liabilities) from the East Star Properties Co., Ltd., a subsidiary of the company which the company holds about 99.13 percent of the registered capital.

1.3 Group Shareholding Structure

Eastern Star Real Estate Public Co., Ltd. and its subsidiaries are engaged in the business of real estate development for sale, real estate development for rent and golf courses. The company group's operations are divided as follows:

1. Eastern Star Real Estate Public Co., Ltd. is engaged in the business of real estate development for sale and for rent in the Bangkok Metropolitan Region and in Rayong.
2. Eastern Star Resort Co., Ltd. is engaged in the golf course business in Ban Chang, Rayong.

Chart of the Group's Shareholding Structure as of 31 December 2020



Remarks: *1. Eastern Star Lai Sun New World Co., Ltd. is not yet operating Commercially.

1.4 Association with Major Shareholders' Business Groups

The core business operations of company and its subsidiaries do not significantly rely on and/or compete with other businesses in the major shareholders' business groups.

2. Business Characteristics

2.1 Product and Service Characteristics

Eastern Star Real Estate Public Co., Ltd. and its subsidiaries are engaged in the business of real estate development for sale and for rent and golf courses, with the main income coming from the business of real estate development for sale. Prior to 2004, the company focused on the real estate business in Ban Chang, Rayong to support the development of the eastern seaboard because the company recognized the Ban Chang, Rayong, area as a location with potential since it was only 10 kilometers to the east from the Map Ta Phut Industrial Estate and 5 kilometers to the west from the U-Tapao Airport. From 2004 onward, the company recognized an opportunity to develop its real estate business in the Bangkok Metropolitan Region and, therefore, expanded its project development in the Bangkok Metropolitan Region in another way. At the same time, the company kept on developing projects in Ban Chang, Rayong. The business operation characteristics of the company and its subsidiaries can be divided into the following three categories:

2.1.1 Real Estate Development for Sale

The company's core business structure separates its real estate development for sale into development areas, namely, projects in the Bangkok Metropolitan Region and projects in Rayong. The details are as follows:

Projects in the Bangkok Metropolitan Region

In expanding the development of projects in the Bangkok Metropolitan Region, the company has developed a project under the name The Star Estate for upper-class customers that includes high rise condominiums, namely, The Star Estate @ Narathiwat and The Star Estate @ Rama III, and a detached-house project, The Star Estate @ Pattanakarn 69, with the price range of 10 – 40 million baht. Later, the company developed condominium projects in locations with potential while still focusing on developing high rise condominiums such as The Breeze, Vantage, Starview, Nara 9 and Amber. Each project has an outstanding quality in the design of its buildings, useful space in their apartments and common areas which provide more conveniences compared to our competitors in the market.

Since 2018, the company has expanded its product variety by developing an eight-story condominium project under the name Quintara while still focusing on a project design that is outstanding and different from our competitors in addition to providing a common area and conveniences that are superior to our competitors at the same level. Furthermore, the company focuses on middle-class customers who make up the company's main customer group by opening the project Quintara Tree Haus Sukhumvit 42, which is an eight-story condominium and the company's first project in a location with potential in the Sukhumvit area. The project has been very well received by our customers.

In 2019, the company maintained the policy to expand projects into new locations. In the first quarter the company opened the Estara Haven Pattanakarn 20, a horizontal project consisting of semi-detached houses and townhomes in the price range of 8 – 14 million baht, and in the second quarter the company opened the Quintara Arte Sukhumvit 52,

154-unit low rise condominium. Both projects maintain the unique identities of their outstanding building designs and the importance of the utilization of the common areas to meet the needs of customers, resulting in interest from customers and a consistent sale rate.

In early 2020, the company introduced two projects under the Quintara Brand, namely, Quintara Kynett Ratchada 12 and Quintara Phume Sukhumvit 39. Both of the projects are low-rise condominium projects with unique, outstanding building designs. In addition, importance was given to designing the living and common area functions to meet customers' lifestyles. Consideration was given to the new normal way of living during the Covid-19 era and touchless functions were used for the projects. For example, face scans are used for entering the buildings to reduce physical contact. Moreover, customers can adapt spaces into work-from-home spaces, allowing them to work from home. The projects received a lot of feedback and interest from customers during the Covid-19 pandemic.

During the Covid-19 crisis, which significantly affected business, and the introduction of new projects, the Quintara Phume Sukhumvit 39 project, a 323-unit low-rise condominium project, received excellent feedback and has been selling continuously. Over 80% of the project has been sold. Meanwhile, the Quintara Kynett Ratchada 12 project, a 310-unit low-rise condominium project, has received a rather slow response due to a slowdown in the local market partially caused by the reduced number of foreigners in the area. This made the company reconsider other condominium projects in its development plan, the sales for some of which have already slowed. Moreover, the company will consider appropriate courses of action for future situations. The company maintains its focus on selling and delivering horizontal projects, such as the Estara Haven Pattanakarn 20 project, or constructing the foundation for horizontal projects in order to continually expand projects in the future.

Projects in Rayong

The company has developed real estate projects for sale in Rayong from the start in 1989 with a focus on the Ban Chang area, which is an area with a good environment suitable for living near the U-Tapao Airport. The projects are mainly detached houses (single homes). The company has developed projects for the middle- to upper-class customer groups in the Eastern Star Park area, which is the location of the Eastern Star Country Club and Resort, all the way to areas next to the Sukhumvit Road heading into the Map Ta Phut Industrial Estate.

Thus, in order to take advantage of the opportunity for expansion in Ban Chang as a result of the Eastern Economic Corridor development project, which is currently making progress with accomplishments such as the opening of the entire stretch of the Bangkok-Ban Chang motorway that makes travelling between the Eastern Star Park and Pattaya-Bangkok more convenient, the motorway exit ramp is only two kilometers from the project. Furthermore, a survey has been conducted for the High-Speed Rail Linking Three Airports Project in order to expropriate land for construction and deliver it to the CP Group and its business allies with a progress of over 80%. Furthermore, a joint venture agreement has been signed for the development of the U-Tapao International Airport and Eastern Airport City by the EEC and the BBS Joint Venture.

In the past, the company has researched the needs of customers and adapted its creativity in regards to project designs, house designs and useful space arrangement in addition to adapting its sales and marketing strategies and adding

new services to increase sales opportunities and competitive capacity. In 2020, the company continuously developed its projects, with a total value of up to 1,495 million baht for projects in the development phase, including projects at several price levels such as the Breeze @ Eastern Star Foresto project next to the Burapapat Road heading into the Map Ta Phut Industrial Estate, the Velana Golf House and the Grand Velana U-Tapao Ban Chang located in the Eastern Star Park area.

The Velana Golf House is a medium- to high-class detached house project with a total project value of 475 million baht located in the Eastern Star Park with shady surroundings and 96 modern contemporary-style houses. Presently, over 90% of the project have been transferred over to the customers. The sale of the entire project is expected to close and a new replacement project is expected to open in 2021.

The Breeze @ Eastern Star Foresto is located next to the Burapapat Road. This is considered a premium location for connecting to the main roads since the project has entrances/exits on both the main Sukhumvit Road and the Burapapat Road. In addition, the project is located in the large Eastern Star Foresto project with over 90 rai. There is a plan to continuously develop the project in the future in regards to real estates for commercial and residential purposes. The Breeze @ Eastern Star Foresto is a project with 118 detached houses (single homes) and semi-detached houses (duplexes) and a total project value of 410 million baht. The target market includes middle-income customers. Presently, the project has been well received and has closed sales on over 90% of the project in the first phase.

As for the Grand Velana U-Tapao Banchang, the project is located in the Eastern Star Park next to the Eastern Star Country Club and Resort with shady golf-course surroundings in a classy, quality society. In addition, the materials used for the project is premium-grade. The project includes 81 tropical contemporary-style detached houses (single homes) with a total project value of 610 million baht and a target market of upper-class customers. Up to the present, the project has had sales of up to 80% in the first phase.

Noticeably, the company has been consistently developing projects at every price level and target market to accommodate the expanding real estate market and meet the higher demand. The company has consistently supported becoming a leader in real estate development in Rayong.





2.1.2 Real Estate Development for Rent

Other than developing real estate for sale, the company has also developed real estate for rent which are separated into two categories: houses and apartments for rent and department stores for rent. The details are as follows:

1) The Seastar Project is located in the area of the Eastern Star Park in Ban Chang, Rayong, and provides monthly house and apartment rental services including six apartment buildings with a total of 98 rooms and 33 detached houses (single homes) in addition to the Seastar Hotel that provides a 16-room daily rental service in two buildings.

The Seastar Project has an outstanding feature in its location in the Eastern Star Park, which is a large green area with a shady and welcoming environment suitable for living completely equipped with conveniences such as a fitness center, clubhouse, swimming pool and tennis court. To strengthen the aforementioned strong point, since 2019 the company has renovated the surroundings, including the 4.2 km walkway around the golf course into a jogging and bicycle lane for health lovers to exercise. We have also developed the security system and surrounding landscape, including the entrance, to be attractive and secure.

In 2020, the fitness center and pool were renovated under the name “The Sphere”, which is considered a large sports club meant to accommodate and provide a full range of services to the customers of the Seastar Project and the residents of the Eastern Star Project as well as external customers.

2) The **Eastern Star Plaza Building** is located in Ban Chang, Rayong. The company registered the building and its parking garage as being rented by Ek-Chai Distribution System Co., Ltd. for the opening of the Ban Chang Tesco Lotus department store.

2.1.3 Golf Course Business

The company has a golf course business under the name Eastern Star Country Club and Resort operated by Eastern Star Resort Co., Ltd., a subsidiary of the company, in Ban Chang, Rayong. The golf course is an international standard 18-hole golf course designed by Mr. Robert Trent Jones, Jr. with a club house and a restaurant. In 2019, the club house was renovated to make it more attractive, modern and prepared for the closure of the course for a golf competition. Moreover, the golf cart paths were renovated and the number of golf carts increased to convenience and draw in more Thai and foreign customers to use the golf course services.

Income Structure of the Company and Subsidiaries (2018-2020)

Product Line	Operated By	Shareholder Equity	2020		2019		2018	
			Income (Million Baht)	%	Income (Million Baht)	%	Income (Million Baht)	%
Income from Real Estate Development Businesses for Sale	ESTAR		2,562.15	95.61	1,273.04	90.92	1,620.41	94.24
Income from Rental Businesses	ESTAR		40.56	1.51	44.41	3.17	34.09	1.98
Income from Golf Course Businesses	ESR	81.30	43.41	1.62	55.51	3.96	51.20	2.98
Other Income	ESTAR/ ESR		33.79	1.26	27.24	1.95	13.74	0.80
Total			2,679.91	100.00	1,400.20	100.00	1,719.44	100.00

ESTAR = Eastern Star Real Estate Public Co., Ltd.

ESR = Eastern Star Resort Co., Ltd.

2.2 Market and Competition

2.2.1 Major Product and Service Marketing

The company has put the following policies and strategies in place to boost sales:

Location Strategy: The company gives great importance to the selection of project development locations as the most important factor. The company studies and selects locations that have a real need for residences that meet the needs of each target market. Studies are conducted on transportation, access to the public utility system and conveniences around the projects mainly using original residences or workplaces and the status of each target market in the area as reference in order to ensure accessibility to a variety of conveniences and travel options and that the living needs in each location are supported. In addition, the company also studies the expansion of the city and its population in order to create a plan to support more diversified long-term business operations and locations.

Target Market: The company's main target market includes middle- and high-income customers who value conveniences in ways of commute from home to work and are looking for a place to live in an area conveniently connected to a communication system, whether it is a main road, highway, electric train or public transportation system, and located near conveniences such as department stores, hospitals, schools, office buildings or other important places.

Product and Design Strategy: The company gives importance to the design of our projects' image, useful space, safety and strength. The company gives time to the study and development of this part in particular, especially for the common areas which are outstanding features of each of the company's projects where their unique designs giving consideration to air circulation or natural light usage to reduce energy consumption, save on electrical costs and reduce pollution. The company also uses innovations to create living conveniences to be consistent with modern consumers' behavior. Furthermore, due to the different needs of consumers in each price range and product brand, the company gives importance to the continual proactive study of the behavior of each consumer group, including both customers living in a company project and customers coming to view the projects and regular customers looking to find a place to live. The customers' needs are used as a basis of the study in order to use the results to continually develop the company's projects and services to create consumer satisfaction. Moreover, the company has adapted to the Covid-19 situation and considered the safety of its customers, implementing touchless functions in order to reduce physical contact and designing the spaces inside the units to accommodate working from home and reduce gatherings outside of the residences.

Marketing and Distribution: The company aims to increase its online marketing in addition to with the traditional media channels. The company is also using an information technology system to help store and analyze customer data and is increasing its use of electronic communication channels to increase communication and budget usage efficiency. A number of electronic tools are used, namely, Google or social media such as Facebook, Instagram and Web Banner. Otherwise, the products are reviewed by bloggers. All of these people would register as the company's customers and every sales employee can access the customer data using their personal computer and the company's network at any time. Moreover, the company has an e-brochure system which sends news and information to the customers who have emails. This reduces the cost in reaching out to customers. At the same time, the company has policies and plans to continuously and consistently develop its sales personnel to be able to present products and create customer satisfaction. The company's channels of communication include both online and offline media, so each media is able to reach out to every target group

and create awareness in a broad area and create understanding of the contents so the budget for communication is used as efficiently as possible. This includes expanding communication channels through press releases. In the past year, the company held sales boosting activities as part of the company's overall campaign, for example, offering emergency promotions such as opening for online reservation during the Covid-19 situation, Promotion 8.8 and Lot Ching Mai Mee Kaeng to consumers. Projects from both Bangkok and Rayong participated in these campaigns in addition to the Khon La Khrueng campaign which involves customers recommending their friends to buy into the projects with a value of up to 400,000 baht at the end of the year. Furthermore, the company implemented the online sale and marketing system so that customers can reserve or purchase homes without having to travel to the sales office. At the same time, the company offered all-free expenses, low interest, low payment and low reservation prices to help reduce the customers' expenses. Moreover, the company considered cleanliness and the safety of the customers' hygiene and, therefore, provided an ozone generator and sterilizer for every unit before delivery. The company's CSR activities include improving the landscape around the project, taking into consideration the project and the local community's cohabitation.

Pricing: The company has set prices based on the type of product level and production cost to suit the purchasing power of the target market and facilitate competition. Furthermore, prices are adjusted according to the site and location of the sales unit within the project to reflect suitable values. The suitability of the prices is also continuously reviewed along with the sales support items in order to support changes in the market.

Main Services: Over the past year, the company increased its communication channels with customers, such as creating a central contact channel by using a single main telephone number, for the purpose of sending project news and information and services for all of the company's projects as well as give advice or living solutions. Most recently, the company started a new service through the Star Agent website that provides sale/rent consignment services. This helps to make buying, selling and renting easier for customers. The company uses the experience of representatives to provide these services which meet the needs of customers, resulting in increased buying, sale and rent opportunities and giving the company access to more customers even though the current market is highly competitive.

Product Quality: The company gives importance to the construction standard of houses, condominiums and the public utility system in the projects. The company has a clear policy stating that before each residential unit is delivered to the customer it must pass the quality control process and criteria established by the company. The unit must meet the standards, must be inspected and any problem found needs to be analyzed and resolved and new services must be consistently developed. This reflects our attentiveness to customer care in delivering good products to build long-term consumer trust and confidence in the company. Thus, we provide warm, friendly services, so customers receive residences that meet their needs for improved quality of life and lifestyle.

Other than the construction quality of these residences, the company also gives importance to the project operation conditions from the project planning process, selection of durable materials for public utilities within the project, amenities consistent with lifestyles and, most importantly, safety in living and maintenance of the project to make the project into a welcoming community. The company has laid a foundation in project management, maintenance and public utility system maintenance in order to maintain the project in good condition before handing the project over to the housing estate juristic person to be managed continuously.

As for administrative strategies for other businesses, such as golf course and hotel and apartment for rent, the company has the following management strategies:

Hotel and Apartments for Rent: This business fully serves customers in Ban Chang, Rayong which is only two kilometers from the U-Tapao Airport. The business has the potential to support daily and monthly customers, tourists, administrators working in nearby areas and customers who love golf activities and still want to relax in the hotel after the activities in the golf course, which is shady and located in the same area. In the past 2-3 years, the company reduced the sizes of some of the rooms from two bedrooms to one bedroom to meet the needs of the current customers and to create diversity and support the city expansion in accordance with the government's Eastern Economic Corridor development policies.

Golf Course: The course is designed to suit the geographical features, such as the lake or lines of large trees covering the area which is a main component in the course. In addition, there is a driving range in the same area to make it convenient for golfers to warm up before playing a game. The course can be played year-round. In the past two years, the club house and golf cart paths were renovated to support an increased number of golfers. The image was also renovated to be more modern.

At any rate, the company has a policy of joining together to expand businesses and services to create the most satisfaction for customers. For example, the "Stay and Play" campaign is presented to people who come to stay at the Seastar Hotel to give them the privilege of playing golf in the Eastern Star golf course at a special price or customers are provided the full service regarding their rooms, seminar rooms, catering, restaurant and golfing to provide the customers the most convenience.

2.2.2 Competition

In 2020, the real estate market did not grow as much as anticipated due to the Covid-19 pandemic that caused an economic slowdown. The average price of residences in Bangkok has continued to decrease since the fourth quarter of 2019. This is caused by decreased buying power and real estate developers trying to clear their stocks, resulting in the prices of residences in Bangkok lowering in the past year and companies delaying the launch of new projects and switching to clearing their stocks instead, especially condominiums projects from several operators that have reduced their prices considerably. This made many people who buy for the purpose of investing or making profit have opted not to sell during this time, so they can wait and watch the situation and start selling at a later date.

As for the real estate business in 2021, the second Covid-19 outbreak has had some impact on housing and condominium projects, causing operators to adjust their marketing plans by introducing interesting marketing campaigns with attractive prices and promotions to help consumers in addition to adapting in order to access consumers in the new normal era. Thus, horizontal project development is expected to meet the needs of customers looking for more living space, because people preferred to stay home more after the first Covid-19 outbreak. This has affected operators' decisions on how to develop projects that also meet the needs of this consumer group. Furthermore, consumers' buying power has been affected by the pandemic crisis and the increased rate of loan rejection by banks, depending on how fast the economy recovers. Moreover, operators' launching of new projects will reflect their confidence that the economy will improve.

There are fewer products left over from the past year that has resulted in an increase of supply entering the market. If measures to help stimulate the real estate market are issued by the government, there could be an increase in investment.

However, there are still numerous factors in the past year causing the consistent slowdown in the real estate business. The direction of Thailand's economic-business recovery in 2021 will depend on the domestic and global Covid-19 situation. It may take a considerable amount of time before the economy recovers as it waits for the return of foreign tourists and consumer confidence. The overall real estate business picture in 2021 should be monitored in regards to changed business operation formats and the survival and generation of income, which is a reflection of the operators' adaptation. Nevertheless, since development is tied to income in the real estate business, in terms of investment and sale that will receive interest in the future: 1) Developers need to acquire pieces of land at reasonable prices, 2) The prices for projects under construction need to be reduced, 3) Office buildings and renting rates tend to be largely dependent on having an attractive location, 4) Factors contributing to the survival of hotel businesses include location and also a reduced price and 5) As for service apartments, people are clearly attracted to projects with an outstanding location and a reduced price along the BTS extension lines.

2.3 Product and Service Procurement

A) Product Procurement Characteristics

In the development of each real estate project the company starts by selecting land with suitable potential in order to establish the project's format, design the project and products and set a budget in order to find contractors and materials consistent with the type and class of the products followed by the construction control process, in which the quality, cost and time are controlled to ensure compliance with the established work plan, and the inspection of products before delivering to the customer. The details for each step are as follows:

1. Land Purchase

The company has real estate development policies in the Bangkok Metropolitan Region and Ban Chang, Rayong, for properties owned by the company and new properties in locations the company sees as having potential and that are suitable for the company's business operation policies. The company considers a property on its location, communication channels, land usage type according to the city plan and related municipal laws, physical and environmental characteristics of the property and nearby areas and future economic growth trend of the aforementioned property, etc. These details are used to thoroughly and correctly assess the supply, demand and the type of project and products to be developed on the property as well as the cost of the project before the company decides to buy the property for project development. The marketing feasibility is analyzed, including customer groups and competitiveness, in order to make the house and apartment style meet the market demand. In addition, the financial and investment feasibility is analyzed before the company moves forward to purchase the property.

2. Designer Recruitment

The company will recruit renowned designers with experience and work accepted in the market to work with the company's work team to acquire outstanding designs of buildings, common areas and useful space in the rooms that are different from and superior to competitors at the same price level as shown in previous work. In the designer recruitment

process, the company has established multi-dimensional criteria for considering designers such as past experience and existing personnel skills, etc.

3. Contractor Recruitment and Construction Control

For the development of projects, the company commissions external contractors to carry out the construction using contracts. In case of contractors for condominium projects, the contractors are responsible for construction planning and material and labor procurement. The commission rate includes the cost of the materials and labor. The standard materials for each project vary according to customer group and the project's cost. This process is controlled by an experienced construction management company to ensure that the products are delivered with quality as well as within the planned budget and schedule. Meanwhile, the horizontal project contractors are responsible for the construction, labor and some materials. The company will purchase some types of core materials and the construction operation will be controlled by the company's team of experts for flexibility in management and consistency with the volume and complexity of each work type. Currently, the company has increased the number of projects. Furthermore, in order to improve the efficiency of the contractor recruitment process, the company has used the concept of friendship-building with the contractors to help each other develop projects in the formats specified by the company and within the agreed budget. The aforementioned contractors must have high potential, have credibility in the market over a long period of time and be ready to support the continuous expansion of the company's projects in the future. As for construction methods, the company recognizes the present issue of the lack of labor, which has the potential to increase in the future. Thus, the company has studied and brought in new construction technologies, such as prefabricated walls and other prefabricated materials, for use in both horizontal and vertical projects. This will help improve quality control and shorten the construction time allowing the company to meet the needs of customers on time.

In considering the hiring of contractors, the company considers inviting contractors renowned for their construction who have experience, achievements, quality, technology and trustworthy personnel to propose construction quotations to the company. The company stipulates that there be no less than three contractors for proposing the construction quotations per project in a closed bid. The company has a purchasing and hiring committee which will establish the scope of the work and the qualities of the contractors and receive and open the bidding envelopes as well as negotiate the prices in order to obtain the contractor with the most suitable price and conditions.

Seasonal Impact on Business Operations

The company's operational characteristics do not involve seasons. However, the rainy season may pose as somewhat of an obstacle for project construction. Nevertheless, in scheduling the timeframe for the project's completion and delivery to the customer, the executive department has already considered this factor. Therefore, the rainy season has no significant impact on the company's project construction.

4. Materials and Material Distributors

As for condominium projects, the company uses the method of contracting. The main contractor will be responsible for procuring materials and labor and ensuring that the construction is according to the work plan and set budget. However, for horizontal projects, the company will hire out the construction, labor and some of the materials. The company will procure the established core materials for the purpose of quality control to ensure the same standards are met in every

project and aiding in cost control since buying bit lots of materials at the same time for several projects gives the company more negotiation power with the manufacturer.

B) Environmental Impact

For the development of condominium projects and application for land development permits, the company has to abide by the laws and regulations of organizations related to condominiums and land development in addition to the laws and regulations of the Office of Natural Resources and Environmental Policy and Planning which considers the impact of each project on the environment. In the past, the company has never had any legal issues concerning the environment. All of the company's condominium projects in Bangkok are permitted by the Office of Natural Resources and Environmental Policy and Planning regarding the project's environmental impact report. Moreover, the company gives importance to compliance with possible corrective and preventive environmental impact measures issued by the government and strictly controls the contractors hired by the company to ensure compliance with the environmental impact prevention regulations and consistently make reports according to regulation.

3. Risk Factors

3.1 Risks for the Company/Company Group's Business Operations

Since 2003 the company has expanded its real estate business operations in to Bangkok. However, the company continues its engagement in the real estate business in Ban Chang, Rayong. In Ban Chang, the company has expanded and developed the projects further. The area is still seen as having potential since the government sector has declared the area the Eastern Economic Corridor (EEC) and presently the construction of the communication infrastructure is gradually seeing progress and materialization. Furthermore, the company's development area is situated within ten kilometers of the U-Tapao Airport and currently the government has a policy to turn the U-Tapao Airport into the aerotropolis of the eastern region, developing a new city with the U-Tapao Airport as its center. Therefore, this is an opportunity for the company's real estate business operations in the Ban Chang area in the present and future and even though the company still owns some land waiting to be developed, in the past few years the company has been gathering additional pieces of land to wait for development at the right time.

For real estate business operations in the Bangkok area, which is an area with potential, the company has a policy to continuously expand its businesses. For projects in Bangkok, the company has a policy to expand the business carefully by choosing to develop projects at the heart of the city near the public transportation system with the main focus on groups of customers with real demand. In addition, other than high-rise buildings, the company has also developed horizontal residences such as town houses, town homes and semi-detached homes (duplexes). Other than increasing the company's realized income at a faster rate, this is also a way to increase the company's horizontal products to make them known to people who are looking to live there and to create business expansion opportunities in the future.

In 2020, the residential market had been showing signs of a slowdown since 2019 due to domestic economic conditions and the Bank of Thailand's loan-to-value (LTV) measures that impacted customers' ability to take out loans, particularly investors in the condominium customer group. The slowdown became more severe due to the effects of the Covid-19 pandemic in the first quarter of 2020, causing the government to implement lockdown and social distancing measures resulting in the majority of the population working from home. This caused people to postpone their visits to view the projects and most foreign customers to leave the system. In addition, due to the lockdown situation affecting many businesses, causing them to reduce salaries and numbers of employees, or even closing up their businesses altogether and affecting real estate customers' buying power overall in 2020, real estate operators had to change their business strategies, focusing on maintaining the market liquidity by clearing their stocks. Existing projects are sold at discounts, creating an intense real estate price war up to the third quarter of 2020. Meanwhile, the launching of a number of new projects, condominiums in particular, by real estate operators was delayed and many operators switch to launching more horizontal housing projects as a response to the changed customer living behaviors since the lockdown and working from home made people want more space for working and performing home activities. At the same time, having a condominium unit in the city as a place to live on workdays became less necessary. As a result, 2020 became a year when the real estate market saw a significant decrease in the launching and sale of new projects, especially for condominiums. On the other hand, although fewer horizontal projects were launched, their sales saw an increase. Due to the aforementioned conditions, the company adapted by trying to maintain liquidity by adjusting the price structure in order to compete and clear out the stock of existing

projects, establishing strict measures for controlling operational expenses while delaying the launching of condominium projects in the development plan. In order to open these projects for sale, careful consideration of all related situations is required.

In early 2021, there was a new Covid-19 outbreak from the start of the year that was even more severe than the first outbreak in 2020, causing a slowdown in the overall real estate market which was expected to improve somewhat in 2021. Many factors contributed to this situation such as customers' buying power, which has not recovered from the constantly halted economy or the strictness of financial institutions that are still controlling loans. At the same time, buying power has already been exhausted from the stock clearance of old existing projects in 2020. Consequently, buying power may not grow back in time. Nevertheless, there are some positive factors in 2021, which is that the low interest rates are still being maintained and that Covid-19 vaccines are expected to be implemented at the beginning of the year. If the vaccines are effective, more businesses will be able to return to operation and they may start to see some positive signs. In 2021, operators are likely to implement similar strategies to the ones used in 2020, which involve delaying the launching of new projects, waiting to see the situation and mainly focusing on the opening of horizontal projects while having to maintain market liquidity and consistently control expenses. However, the price competition in 2021 is expected to decrease since old project stocks have largely been sold. Meanwhile, projects that have recently opened for sale have new costs that are not as low as older projects. As for the company, it has been consistently adapting its operations since 2020 by modifying its strategies for maintaining market liquidity, managing assets that do not generate income and investing in new projects which the company must exercise extreme caution in considering the projects, choosing locations with selling points, targeting the right group of customers, surveying the customers' clear needs, developing new product and service styles that are consistent with the changed consumer behavior in addition to choosing the right time for the project development. Moreover, the company is still researching to find ways to invest in new related businesses to increase income for the company. In order to reduce financial and investment risks, the company established consideration criteria for before the start of each step of the project operation to ensure that when a project is starting to be developed, the sale and ownership transfer would be according to the goals and agreement with the customer.

3.2 Pre-Sale House Construction Risks and Sales and Condominiums Approved by the National Environment Board

To build consumer confidence, the company maintains its policy of building houses before selling them instead of starting the house construction after the customer's reservation, even though the company would have to use its own funds to build the houses. As a result, the company has the risk of not being able to sell the houses right away after the construction is complete and the longer it takes for the houses to be sold, the more it affects the company's ability to generate profit. Nonetheless, to reduce risks so the company does not have to carry the burden of too many unsold complete houses, the company will study and analyze the market in all aspects accurately before constructing the right number of houses to allow the company to build houses for sale and transfer the ownership over to the customers on time while not making the company lose opportunities to sell.

For condominium construction, the company will start selling after the project's environmental impact assessment (EIA) is approved by the National Environment Board or if the initial consideration of the project reveals no issue requiring significant alterations to the design of the buildings and apartments. This is to ensure that, after selling, the company will be able to fulfill its agreement with the customer in order to reduce the risk of having to compensate customers for damages.

3.3 Risk of Increased Land and Construction Costs

Property for project development currently has a higher price and the potential to consistently rise, especially property at the heart of the city and along the mass rapid transit network, causing the construction costs to inevitably rise. Nevertheless, the company has a stock of land in Bangkok pending development. The company will consider selecting the pieces of land to develop at the right time as soon as possible to reduce the burden of interest from financial institutions as well as to reduce taxes in accordance with the Land and Building Tax Act effective as of 2020. In addition, the company has established a management guideline for undeveloped pieces of land in order for the tax expenses to be suitable or for finding ways to create short-term income from pieces of land waiting to be developed at the right opportunity. The construction labor issues in the present and future due to the increased need for labor in the government sector's large-scale infrastructure construction projects and the private sector's project expansions have caused a shortage of labor in the market. Moreover, wages have been increased, resulting in an increase in construction cost. In order to reduce risks, several of the company's projects have commissioned construction contractors with contract prices, including the cost of construction materials and labor. The construction contracts stipulate a fixed price allowing the company to control the cost. In addition, to reduce the construction cost for several projects, the company exercises its right to purchase some of the construction materials on its own, such as air conditioners, kitchen sets, elevators, etc., and holds biddings to purchase materials for several projects at the same time. This allows the company to negotiate with suppliers for a better price than if the contractors were the buyers. Furthermore, the company recruits contractors who have the potential to be allies to work with the company from the design development process before the contractors accept the construction job at a suitable price. This reduces the issue of repair or unsuitable work regarding the design during the construction process and shortens the construction time to a degree, resulting in the construction being complete and delivered to the customer on time and reducing the risk of being fined due to the overdue delivery of houses/apartments or losing reputation due to delivery products not meeting quality standards.

4. Assets Used in Business Operations

4.1 The company and its subsidiaries have the following properties with buildings for real estate development for sale and for rent and golf courses as of 31 December 2020:

	Asset Type	Ownership	Location	Land Area (Rai- Ngan- Sq.Wa)	Land Value (Million Baht)	Obligations to Financial Institute (Registered Mortgage) Million Baht
	Projects in Bangkok					
1.	Empty Lot	Owned by the Company	Bangkok-Nonthaburi Rd., Bangkhen Sub-district, Mueang Nonthaburi District, Nonthaburi Province	7-3-50.00	819	500
2.	Yenakat Land	Owned by the Company	Chong Nonsi Sub-district, Yan Nawa District, Bangkok	3-2-14	537	879
3.	Three 3-Floor Townhouse Units	Owned by the Company	Soi Phatthanakan 20, Prawet Sub-district, Prawet District, Bangkok	0-0-61	8*	-
4.	Housing Development Project, Estara Haven Pattanakarn 20	Owned by the Company	Soi Phatthanakan 20, Prawet Sub-district, Prawet District, Bangkok	21-0-21	-	820
5.	Condominium Project, Treehouse Sukhumvit 42	Owned by the Company	Phra Khanong Sub-district (Phra Khanong Fang Nuea), Khlong Toei District, Bangkok	2-2-18	-	765
6.	Condominium Project, Quintara Arte Sukhumvit 52	Owned by the Company	Soi Sukhumvit 52, Phra Khanong Tai Sub-district, Phra Khanong District, Bangkok	1-1-4	-	305
7.	Condominium Project, Quintara Kynett Ratchada 12	Owned by the Company	Huai Khwang Sub-district, Huai Khwang, Bangkok	2-1-86.7	-	570
8.	Condominium Project, Sukhumvit 39	Owned by the Company	Soi Sukhumvit 39, Khlong Tan Nuea Sub-district, Watthana District, Bangkok	2-2-0	-	590
9.	Condominium Project, Pho Nimit	Owned by the Company	Ratchaphruek Rd., Bangkok	2-2-80	-	1,180
	Projects in Rayong					
10.	3-Floor Shopping Mall with 4-Floor Garage for Rent (12 Years Left on the Lease)	Owned by the Company	Sukhumvit Rd., Km.194, Phla Sub-district, Ban Chang District, Rayong Province	7-0-96.20	92	No Obligations
11.	Empty Lot, Mab Kha	Owned by the Company	Mab Kha Sub-district, Mueang District, Rayong Province	602-2- 78.20	482	No Obligations
12.	Empty Lot, Noen Krapok	Owned by the Company	Sukhumvit Rd., Km.198, Phla Sub-district, Ban Chang District, Rayong Province	48-3-25.90	317	100
13.	Empty Lot, Star Town	Owned by the Company	Sukhumvit Rd., Km.194, Phla Sub-district, Ban Chang District, Rayong Province	6-3-45.60	103	No Obligations

14.	Empty Lot, Marina	Owned by the Company	Km.16-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	9-3-33.70	98	210
15.	Empty Lot, Zone 2	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	29-3-52	96	Obligation in the Same Amount as Item 14
16.	Empty Lot, Country Home Project	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	147-1-34.9	483	Partial Obligation in the Same Amount as Item 4
17.	Empty Lot, B1	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	42-2-29	196	No Obligations
18.	Empty Lot, B1 Group 1	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	1-0-92	6	No Obligations
19.	Empty Lot, Zone 2 B2	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	2-3-74	11	No Obligations
20.	Housing Development Project, Velana Golf House	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	24-3-23.3	-	No Obligations
21.	Housing Development Project, Breeze at Eastern Star Foresto	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	93-3-43.50	-	219
22.	Housing Development Project, Grand Velana	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	47-0-79	-	330
23.	Land and Sports Club Building	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	30-2-29.3	160*	No Obligations
24.	“Seastar” Rooms and Houses for Rent	Owned by the Company	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	28-2-60.3	94*	No Obligations
25.	Empty Lot	Owned by Eastern Star Lai Sun Co., Ltd.	Sukhumvit Rd., Km.192, Phla Sub-district, Ban Chang District, Rayong	105-2-30.70	349	No Obligations
26.	Golf Club, Eastern Star Country Club and Resort	Owned by Eastern Star Resort Co., Ltd.	Ban Chang-Phla Rd., Phla Sub-district, Ban Chang District, Rayong Province	410-3-5	756*	No Obligations

Remarks: Property values are appraised by Grow Estimation Co., Ltd. in January 2021.

5. Legal Disputes

In 2020, the company had no significant legal issues affecting its business operations.

6. General and Other Relevant Information

6.1 General Information

A. Name, Business Type, Address, Telephone, Fax, Quantity and Type of Company Shares Sold

Name:	Eastern Star Real Estate Public Company Limited
Headquarters:	898 5th Floor, Ploenchit Tower, Ploenchit Road, Lumpini Sub-district, Pathumwan District, Bangkok 10330 Telephone: 0 2263 1010-5 Fax: 0 2263 1009
Branch Office:	65/14-15 Moo 3, Sukhumvit Road, Ban Chang Sub-district, Ban Chang District, Rayong Province 21130 Telephone: 0 3860 2500, 0 3860 2511 Fax: 0 3860 2754 Website: www.estarpcl.com E-mail: info@estarpcl.com
Business Type:	Real Estate Development
Registration No.:	PCL.0107536000307
Registered Capital:	5,172,246,185 baht (Valued at 1 Baht per Share)
Paid-up Registered Capital:	5,022,246,185 baht

B. Name, Business Type, Address, Telephone, Fax, Quantity and Type of Sold Shares Belonging to the Juristic Persons in Which the Company Holds 10 Percent of the Sold Shares and Over

Eastern Star Resort Company Limited

Engaged in the businesses of golf course, clubhouse, sports and seminar rooms and catering under the name Eastern Star Country Club and Resort located in Ban Chang District, Rayong Province.

Address:	241/5 Moo 3, Phla Sub-district, Ban Chang District, Rayong Province 21130 Telephone: 0 3863 0410-3 Fax: 0 3863 0418 Website: www.easternstargolfcourse.com E-mail: info@easternstargolfcourse.com
Business Type:	Golf Course
Registration No.:	0105532086493
Paid-up Registered Capital:	500,000,000 baht (Valued at 10 baht per Share)
Investment Ratio:	81.30%

Eastern Star Lai Sun New World Company Limited

Engaged in the real estate business.

Location: 65/14-15 Moo 3, Sukhumvit Road, Ban Chang Sub-district, Ban Chang District,
Rayong Province 21130
Telephone: 0 3860 2500
Fax: 0 3860 2754

Business Type: Real Estate Development (Not Yet Commercial)

Registration No.: 0105533137636

Paid-up Registered Capital: 160,000,000 baht (Valued at 10 baht per Share)

Investment Ratio: 60%

C. Name, Address of Headquarters, Business Type, Telephone and Fax Belonging to Other Referenced

Individuals

Registrar: Thailand Securities Depository Company Limited

Address: 93 14th Floor, Ratchadaphisek, Din Daeng Sub-district, Din Daeng District,
Bangkok 10400
Telephone: 0 2009 9000
Fax: 0 2009 9991
Website: <http://www.set.or.th/tsd>
E-mail: www.set.or.th/contactcenter

Auditor: Mrs. Kingkan Atsawarangsarit, Certified Auditor No. 4496

Address: EY Office Company Limited
193/136-137 33rd Floor, Lake Ratchada Office Complex, Ratchadaphisek Road,
Khlong Toei Sub-district, Khlong Toei District, Bangkok 10110
Telephone: 0 2264 9090
Fax: 0 2264 0789

7. Stock and Shareholder Information

7.1 Registered and Paid-up Capital

Ordinary Shares

As of 31 December 2020, the company's registered shares totaled 5,172,246,185.00 baht, of which 5,172,246,185 were ordinary shares at 1.00 baht par value, and the company's registered and paid-up capital amounted to 5,022,246,185.00 baht, with 5,022,246,185 ordinary shares at 1.00 baht par value.

7.2 Shareholders

The company's list of the top 10 shareholders (as of 30 June 2020) are as follows:

No.	Shareholder Name	Shares	% of Total Shares
1.	Bangkok Broadcasting and TV Co., Ltd.	2,192,260,984	43.65
2.	BBTV Equity Co., Ltd.	554,009,100	11.03
3.	Sunrise Equity Co., Ltd.	279,212,609	5.56
4.	Mr. Krit Rattanak	131,058,500	2.61
5.	Mr. Thawee Hankraiwilai	97,700,000	1.95
6.	Ms. Laksaneewan Mongkolrattanachart	44,356,300	0.88
7.	Cyber Ventures Co., Ltd.	42,923,612	0.86
8.	Thai NVDR Co., Ltd.	42,896,892	0.85
9.	Ms. Nuanchan Teerasongkran	39,091,400	0.78
10.	Mr. Suchart Wangsawangkul	32,614,800	0.65
	Total	<u>3,456,124,197</u>	<u>68.82</u>

7.3 Dividend Payment Policy

The company and subsidiaries do not pay dividends if the company's consolidated financial statements and separate financial statements of subsidiaries indicate accrued losses or if paying said dividends would cause accrued losses. However, if the company and subsidiaries are to pay dividends, the company has to allocate at least a portion of its net profits as reserve capital amounting to at least 5 percent of annual net profits less accrued losses (if any) until said reserve capital amount to at least 10 percent of registered capital.

In addition, the company has policy for dividend payments at no less than 50 percent of the net profit in the separate financial statements after deducting reserve capital in compliance with the law. In paying dividends, various factors such as financial status, market liquidity, business growth and other factors concerned with the the company's management are taken under consideration.

8. Management Structure

8.1 Board of Directors

As of 31 December 2020, the management structure of Eastern Star Real Estate (Public) Company Limited was composed of the company's board of directors and three sub-committees appointed by the board of directors, namely the Audit Committee, the Executive Committee and the Nomination and Remuneration Committee.

As of 31 December 2020, the company's board of directors was composed of the following 11 people:

No.	Name	Position
1.	Mr. Anand Panyarachun	Chairman and Independent Director
2.	Mr. Pongpinit Tejagupta	Vice Chairman
3.	Mr. Preecha Oonchitti	Independent Director, Chairman of Audit Committee and Nomination and Remuneration Director
4.	Mrs. Sunantha Tiasuwan	Independent Director, Chairman of Nomination and Remuneration Committee and Audit Director
5.	Mr. Jessada Promjart	Independent Director, Audit Director and Nomination and Remuneration Director
6.	Mr. Chatchawin Charoen-Rajapark ¹	Chairman of the Executive Committee
7.	Mr. Titiwut Soukpornchaikul ¹	Executive Director
8.	Mr. Tinnawat Mahatharadol ¹	Executive Director
9.	Mr. Nuttawit Boonyawat	Executive Director
10.	Mr. Paiboon Wongjongjaiharn	Director
11.	Mr. Torsak Lertsrisakulrat ¹	Managing Director

Remarks: - ¹ Authorized directors.

- Mr. Jessada Promjart was appointed Independent Director, Audit Director and Nomination and Remuneration Director on 30 July 2020.

Scope of Authority and Responsibilities of the Board of Directors

1. The board of directors has the authority and responsibility to operate the company in compliance with the laws, the company's objectives and regulations and shareholder meeting resolutions.

2. The board of directors has the responsibility of setting the company's policies and operational directions and supervising the company's business activities through the appointed Executive Committee.

3. Directors are required to notify the company without delay in cases where they hold stakes in contracts with the company or shares or increases or decreases in debentures in the company or other companies in the group.

4. The board of directors is required to hold at least three meetings per month. Thus, the Chairman will order meetings of the board of directors, and, in cases where the Chairman cannot perform that duty, the Vice Chairman will be the person who gives the order. Otherwise, if necessary, two or more directors may ask the Chairman or a person assigned by the Chairman to schedule a meeting within 14 days subsequent to receiving said request.

5. Directors are entitled to receive remuneration from the company in the form of meeting attendance fees, pension, bonuses or other forms of remuneration in line with regulations or as stipulated by shareholder meetings in fixed amounts or based on criteria and stipulated on an occasional or permanent basis until changes occur, and directors are also entitled to receive various per diem and benefits in line with the company's regulations.

The statements in the first paragraph do not affect the rights of employees or workers of the company appointed to become directors entitled to remuneration and compensation for being employees or workers of the company.

6. The board of directors is authorized to appoint the Executive Committee in addition to authorizing or delegating authority to the Executive Committee and the managing director for granting authorizations and giving instructions in order to ensure that the company's business management proceeds in line with the company's policies and objectives.

The number of company meetings attended by each director in 2020 is as follows:

Director Name	Number of Attendances/Total Number of Meetings			
	Board of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee
1. Mr. Anand Panyarachun	10/11	-	-	-
2. Mr. Pongpinit Tejagupta		-	-	-
3. Mr. Preecha Oonchitti	11/11	4/4	-	4/4
4. Mr. Somrit Srithongdee	7/7	2/2	-	2/2
5. Mrs. Sunantha Tiasuwan	11/11	4/4	-	4/4
6. Mr. Jessada Promjart	3/3	2/2	-	2/2
7. Mr. Chatchawin Charoen-Rajapark	10/11	-	4/5	-
8. Mr. Titiwut Soukpornchaikul	11/11	-	5/5	-
9. Mr. Tinnawat Mahatharadol	11/11	-	5/5	-
10. Mr. Nuttawit Boonyawat	11/11	-	5/5	-
11. Mr. Paiboon Wongjongjaiharn	11/11	-	-	-
12. Mr. Torsak Lertsrisakulrat	11/11	-	5/5	-

Remarks: - Mr. Somrit Srithongdee, Independent Director, Audit Director and Nomination and Remuneration Director remained in his office until 30 July 2020.

- Mr. Jessada Promjart was appointed Independent Director, Audit Director and Nomination and Remuneration Director on 30 July 2020.

Schedule of Board of Directors' Meetings and Ordinary Shareholder Meetings for 2021

No.	Meeting	Date	Time	Purpose	Remarks
1.	- Non-Executive Directors - Board of Directors	Friday 15 January 2021	3:00 p.m. 4:00 p.m.	Non-Executive Director Meeting Special Session	Held at the meeting room on the 5 th floor of the Ploenchit Tower.
2.	Board of Directors	Wednesday 24 February 2021	2:00 p.m.	Approval of the financial statements of 2020, scheduling of the general shareholder meeting date and approval of the 56-1 Form and annual report.	Held at the meeting room on the 5 th floor of the Ploenchit Tower.
3.	General Meeting of Shareholders	Thursday 29 April 2021	2:00 p.m.	Evaluation of performance and appointment of auditor, etc.	InterContinental Bangkok
4.	Board of Directors	Thursday 29 April 2021	4:00 p.m.	Approval of directors appointed by the shareholder meeting to assume office as company directors in sub-committees.	InterContinental Bangkok
5.	Board of Directors	Thursday 13 May 2021	2:00 p.m.	Approval of the financial statements for Quarter 1/2021	Held at the meeting room on the 5 th floor of the Ploenchit Tower.
6.	Board of Directors	Wednesday 11 August 2021	2:00 p.m.	Approval of the financial statements for Quarter 2/2021	Held at the meeting room on the 5 th floor of the Ploenchit Tower.
7.	Board of Directors	Thursday 11 November 2021	2:00 p.m.	Approval of the financial statements for Quarter 3/2021	Held at the meeting room on the 5 th floor of the Ploenchit Tower.

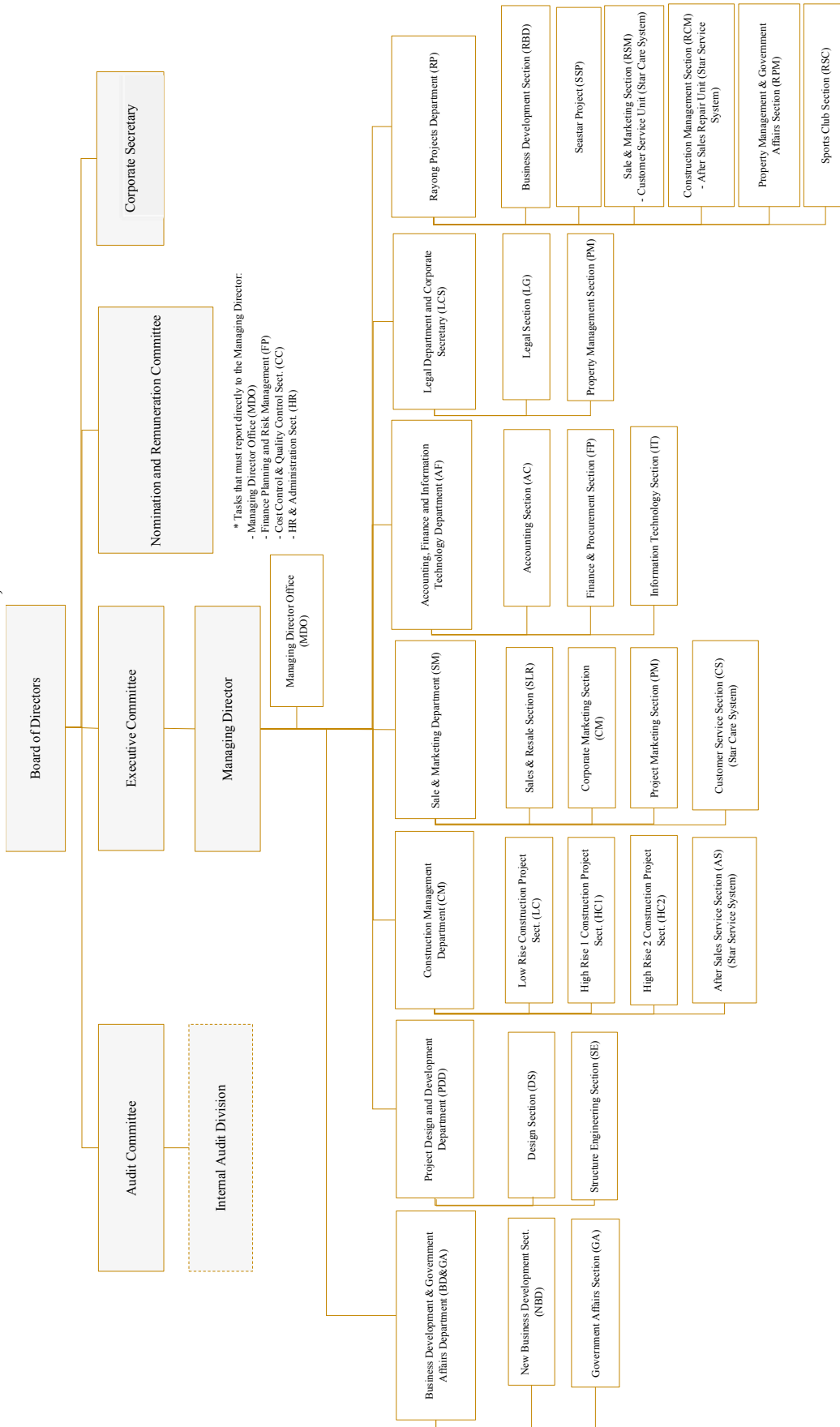
Accordingly, these meeting dates are subject to changes, or additional meetings might be scheduled for special agendas, which will be appointed on a case-per-case basis.

8.2 Executives

As of 31 December 2020, the company's executives included the following 13 individuals:

No.	Name	Position
1.	Mr. Torsak Lertsrisakulrat	Managing Director
2.	Mr. Pongsak Maison	Assistant Managing Director/Law and Secretary Director
3.	Mr. Supapong Aumrarong	Accounting, Financial and Information Director
4.	Ms. Chalinee Prachyasanti	Director at Managing Director Office
5.	Mr. Pichai Pichayentarayotin	Rayong Project Director
6.	Mr. Natthachai Sunthonphiphit	Construction Management Director
7.	Ms. Poonsri Pholpanitcharoen	Financial Planning and Risk Management Director
8.	Mrs. Pitchapas Powattanakul	Accounting, Financial and Information Assistant Director
9.	Mr. Rittichai Bunleulab	Sales and Marketing Assistant Director
10.	Mr. Nattawut Saeheng	Business Development Assistant Director
11.	Mr. Chitisan Thirachanidasap	Project Development and Design Assistant Director
12.	Mr. Disawa Sareewattana	Construction Management Assistant Director, High-Rise Projects
13.	Mr. Suwit Hemnoi	Construction Management Assistant Director, Low-Rise Projects

Organizational Structure of Eastern Star Real Estate Public Co., Ltd.



Particulars of Company Directors, Executives and Secretaries as of 31 December 2020

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years		
						Period	Position	Company
1.	Mr. Anand Panyarachun Chairman and Independent Director	89	Bachelor of Laws (Honors), University of Cambridge	0.08	No	1992-Present 2019-Present	Chairman Chairman	Eastern Star Real Estate Public Company Limited C.S. Holding Group Co., Ltd.
2.	Mr. Pongpini Tejagupta Vice Chairman <i>Training programs attended:</i> - Anti - Corruption for Executive Program, Class 7/2013 (ACEP) - How to Develop a Risk Management Plan, Class 4/2013 (HRP) - Chartered Director Class, Class 7/2013 (CDC) - Role of the Compensation Committee Class 14/2012 (RCC) - Role of The Nomination and Governance Committee, Class 2/2012 - The Board's Roles in Merger & Acquisitions, Class 1/2011 (M&A) - Monitoring Fraud Risk Management, Class 2/2010 (MFM) - Monitoring of The Quality of Financial Reporting, Class 10/2010 (MFR) - Monitoring The Internal Audit Function, Class 7/2010 (MIA) - Monitoring The System of Internal Control and Risk Management Class 9/2010 (MIR)	66	Master of Business Administration, University of Detroit, Michigan, USA Bachelor of Accountancy, Chulalongkorn University	-	No	2014 – 2020 2014 – 2020 2019- Present 2015 – Present 2018 – Present 2003 – 2018 2016 - 2019 2015 - 2018 2014 - 2017	Chairman of the Corporate Governance and Risk Committee Director Vice Chairman Director Independent Director and Audit Committee Director Director Chairman Director	Siam City Cement Public Company Limited Eastern Star Real Estate Public Company Limited Allianz Ayudhya Assurance Public Company Limited Siam City Cement (Lanka) Co., Ltd. (subsidiary) (Registered in Sri Lanka) Media Studio Co., Ltd. Bangkok Broadcasting & T.V. Co., Ltd.

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years			
						Period	Position	Company	
	<ul style="list-style-type: none"> - Financial Institutions Governance Program, Class 1/2010 (FGP) - Successful Formulation & Execution of Strategy, Class 7/2010 (SFE) - Advanced Audit Committee Program, Class 30/2010 (ACP) - Director Certification Program, Class 126/2009 (DCP) - Directors Accreditation Program, Class 71/2008 (DAP) 								
3.	<p>Mr. Preecha Oonchitit</p> <p>Independent Director, Chairman of Audit Committee, and Recruitment and Compensation Committee</p> <p><i>Training programs attended:</i></p> <ul style="list-style-type: none"> -Director Certification Program (DCP) -Director Accreditation Program (DAP) 	75	Bachelor of Economics, Thammasat University	-	No	2003-Present	Independent Director and Chairman of the Audit Committee	Eastern Star Real Estate Public Company Limited Eastern Star Resort Co., Ltd.	
4.	<p>Mrs. Sunantha Tasuwan</p> <p>Independent Director, Chairman of Recruitment and Compensation Committee, Audit Committee</p> <p><i>Training programs attended:</i></p> <ul style="list-style-type: none"> - Director Certification Program (DCP), Class 22/2002 - Attended training by Capital Market Academy, Class 11 	70	Ordinary National Diploma in Business Studies and Administration, University of Westminster (U.K.).	0.03	No	2005-Present 2015-Present 1993-Present 1991-Present 2012-Present	Independent Director and Audit Committee Chairman of the Recruitment and Compensation Committee Director Director Independent Director and Audit Committee	Eastern Star Real Estate Public Company Limited Prandia Jewelry Public Company Limited Forward Free Land Co., Ltd. Asian Seafoods Coldstorage Co., Ltd.	

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years		
						Period	Position	Company
5.	Mr. Jessada Promjart Independent Director, Audit Committee, Recruitment and Compensation Committee <i>Training programs attended:</i> - Cyber Resilience Leadership Workshop of the Bank of Thailand (8 July 2019) -IIA International Conference in California 2019, The Institute of Internal Auditor - IIA International Conference in Dubai 2018, The Institute of Internal Auditor - IIA International Conference in Sydney 2017, The Institute of Internal Auditor - IIA International Conference in New York 2016, The Institute of Internal Auditor -Advance Audit Committee Program (AACP), Class 25/2017 -Ethical Leadership Program (ELP), Class 5/2000 -Governance for Top Executives and Public Organizations (PDI) Program, Class 14, King Prajadhipok's Institute -Strategic Management in Corruption Prevention and Suppression Program for Chief Executive Officers Program ,	58	Master of Accountancy, Thammasat University Bachelor of Accountancy, Thammasat University	-	No	2015-Present 2015-Present 2015-Present 2015-Present 2016-Present 2017-Present 2018-Present 2019-Present 2019-Present 2020-Present	Extension Construction Committee, Committee on Supervision of Utilization Rights Contract for the use of shopping malls in Phahon Yothin Triangle Committee on Supervision of Color TV Joint Operation Contract Director and Audit Committee Director and Audit Committee Audit Committee Director and Executive Committee Capital Market Competitiveness Development Subcommittee Director and Chairman of the Audit Committee Independent Director and Audit Committee	Chulabhorn Hospital and Chulabhorn Medical Center between State Railway of Thailand and Central International Development Co., Ltd. MCOT Public Company Limited and Bangkok Entertainment Co., Ltd. Government Savings Bank Expressway Authority of Thailand Chulabhorn Royal Academy Y.S.S. (Thailand) Co., Ltd. The Securities and Exchange Commission AMR Asia Co., Ltd. Eastern Star Real Estate Public Company Limited

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years		
						Period	Position	Company
	Class 1, Office of The National Anti-Corruption Commission -TCLA Executive Development Program (EDP), Class 9, Thai Listed Companies Association -Company Secretary Program (CSP), Class 7/2004 -Director Certification Program (DCP), Class 45/2002 -Telecommunication Management , Chulalongkorn University							
6.	Mr. Paiboon Wongjongsriharn Director <i>Training programs attended:</i> -Director Accreditation Program (DAP) Class 66/2007 - Building Energy Conservation (The Department of Alternative Energy Development and Efficiency under The Ministry of Energy) Class 18/1996 -Building Electrical Design and Installation Standard Code For Energy Conservation (The Department of Alternative Energy Development and Efficiency under The Ministry of Energy) Class 1/1997	56	- Bachelor of Engineering Program in Industrial Electrical Technology (Honors), King Mongkut's University of Technology North Bangkok -Senior Professional Electrical Engineer Engineering Institute of Thailand -Professional Electrical Engineer (Power), Council of Engineers -Associate Electrical Engineer (Telecommunication/Electronic), Council of Engineers	-	No	2007-2016 2015-2016 2017-Present 2007-Present 2003-Present 2018-Present	Executive Committee Acting Managing Director Director Director Executive Committee Executive Committee	Eastern Star Real Estate Public Company Limited Eastern Star Real Estate Public Company Limited Eastern Star Real Estate Public Company Limited Eastern Star-Lai Sun-New World Co., Ltd. Eastern Star Resort Co., Ltd. BBTV Equity Co., Ltd.

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years		
						Period	Position	Company
7.	Mr. Chatchawin Charoen-Rajapark Chairman of the Executive Committee <i>Training programs attended:</i> -Director Accreditation Program (DAP), Class 52/2006 - Director Certification Program (DCP), Class 88/2007 - Audit Committee Program (ACP), Class 19/2007 - Role of the Compensation Committee (RCC), Class 7/2008	60	Ph.D. in Management Massachusetts Institute of Technology M.S. in Management Massachusetts Institute of Technology B.S. in Electrical Engineering Massachusetts Institute of Technology	-	No	2014-Present 2005-Present 2020-Present 2018-Present 2018-Present 2010-Present 2006-Present 2008 - Present 2010-2018	Chairman of the Executive Committee Executive Committee Director Chairman Chairman Chairman Independent Director, Chairman of the Recruitment and Compensation Committee, and Audit Committee Managing Director Independent Director, Chairman of the Recruitment and Compensation Committee, and Policy and Strategy Committee	Eastern Star Real Estate Public Company Limited Nara Thai Cuisine Co., Ltd. Terra Venture Company Limited Terravest Co., Ltd. Rajapark Development Co., Ltd. Ocean Glass Public Company Limited President Hotel and Tower Co., Ltd. Thai Insurance Public Company Limited
8.	Mr. Tiitvut Soukporndhaikul Executive Committee <i>Training programs attended:</i> - Certified Investment and Securities Analyst Program, Level 3 ("CISA"), the Stock Exchange of Thailand -Director Accreditation Program, Class 72/2008, the Institute of Directors - Executive Development Program (EDP), Class 6, the Stock Exchange of Thailand - Company Secretary Program, Class 36/2010, Thai Institute of Directors	58	Master of Business Administration, Chulalongkorn University Bachelor of Economics, Thammasat University Bachelor of Accountancy, Sukhothai Thammathirat Open University	-	No	2007-Present 2006-Present 2006-Present 2006-Present 2005-2016 2003-Present 2005-2016	Director Executive Committee Executive Committee Director Executive Committee Accounting-Finance Manager Executive Committee	Eastern Star-Lai Star-New World Co., Ltd. Eastern Star Real Estate Public Company Limited Eastern Star Resort Co., Ltd. Super Assets Co., Ltd. Khao Kheow Country Club Co., Ltd. BBTV Equity Co., Ltd. Siam Purimongkol Co., Ltd.

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years			
						Period	Position	Company	
	<ul style="list-style-type: none"> - Advanced Audit Committee Program (AACP), Class 23/2016, Thai Institute of Directors - Corporate Governance for Capital Market Intermediaries Program, Class 15/2016 Thai Institute of Directors - Effective Minutes Taking (EMT) Program, Class 14/2009 Thai Institute of Directors - Financial Advisor Program, Investment Banking Club, Association of Thai Securities Companies, 2015 - Anti-Corruption the Practical Guide (ACPG) Program, Class 53/2020, Thai Institute of Directors - Director Certification Program, Class 298/2020, Thai Institute of Directors - Corruption Risk & Control: Technical Update (CRC) Program, Class 7/2020, Thai Institute of Directors - Risk Management Program for Corporate Leaders (RCL), Class 21/2020, Thai Institute of Directors 								
9.	<p>Mr. Timawat Mahatharadol</p> <p>Executive Committee</p> <p><i>Training programs attended:</i></p> <ul style="list-style-type: none"> - Director Certification Program (DCP), Class 205/2015 	62	<p>Master of Business Administration, Ball State University</p> <p>Bachelor of Laws, Thammasat University</p>	-	No	<p>2009-Present Managing Director Maha Tharadol Co., Ltd.</p> <p>2014-Present Director Srivichai Yojvivat Public Company Limited</p> <p>2015-Present Director BBTV Equity Co., Ltd.</p> <p>2015-Present Director Sunrise Equity Co., Ltd.</p> <p>2015-Present Director Eastern Star Real Estate Public Company Limited</p> <p>2017-Present Director Rattarak Co., Ltd.</p>			

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years		
						Period	Position	Company
	-Risk Management Program (RMP), Class 6/2015					2017-Present 2018-Present 2018-Present 2020-Present 2020-Present 2020-Present 2020-Present	Director Director Director Director Director Director Director	Siam City Cement (Vietnam) Co., Ltd. Villa Deva Resort & Hotel Co., Ltd. Nara 12 Co., Ltd. The Thai Tapioca Flour Produce Co., Ltd. C.K.R. Co., Ltd. The Bangkok Lighters Co., Ltd. Exclusive Senior Care Co., Ltd.
10.	Mr. Nattawit Boonyawat Executive Committee <i>Training programs attended:</i> Senior Executive Program (SEP 9) Sasin	59	Master of Science Abilene Christian University Texas, USA. Bachelor of Economics, University of the Thai Chamber of Commerce	-	No	2015-Present 2010-Present 2015-Present 2017-Present	Director Director Executive Committee Executive Committee	Home Sukhumvit Co., Ltd. Grand Lam Luang Co., Ltd. Eastern Star Real Estate Public Company Limited Eastern Star Resort Co., Ltd.
11.	Mr. Torsak Lertsrisakulrat Managing Director <i>Training programs attended:</i> -Director Certification Program (DCP), Class 252/2018	45	Doctor of Engineering, Tokyo Institute of Technology (TIT) Master of Engineering Asian Institute of Technology (AIT) Bachelor of Engineering (Honors), Chulalongkorn University	-	No	2016-Present 2017-Present 2013-2016	Managing Director Executive Committee Executive Vice President-Strategy And New Business Development	Eastern Star Real Estate Public Company Limited Eastern Star Resort Co., Ltd. Pruksa Real Estate Public Company Limited
12.	Mr. Pongsak Maison Legal Affairs Assistant Manager and Company Secretary <i>Training programs attended:</i> - Company Secretary Program (CSP) - Anti-Corruption: The Practical Guide (ACPG)	62	Bachelor of Laws, Thammasat University	-	No	2014-Present 2014-Present 2014-Present	Legal Affairs Assistant Manager and Company Secretary Executive Committee Executive Committee	Eastern Star Real Estate Public Company Limited Senstar Properties Co., Ltd. Eastern Star Resort Co., Ltd.

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years		
						Period	Position	Company
13.	Mr. Supphaphong Amrarong Accounting, Finance, and Information Director	53	MBA Kasetsart University Bachelor of Accountancy, Thammasat University Master of Business Administration, Chulalongkorn University Bachelor of Business Administration (Honors), Assumption University	-	No	2006-Present	Accounting, Finance, and Information Director	Eastern Star Real Estate Public Company Limited
14.	Ms. Chalinee Pratyasunti Director of the Managing Directors Office <i>Training programs attended:</i> -Mini MRE, Thammasat University	43	Master of Property and Construction Management, University of Denver Bachelor of Electrical Engineering, King Mongkut's Institute of Technology Ladkrabang	-	No	2016-Present 2006-2016	Director of the Managing Directors Office Business Strategies and Operation Strategies Senior Manager	Eastern Star Real Estate Public Company Limited Pruksa Real Estate Public Company Limited
15	Mr. Pichai Bjiayendrayodhin Rayong Projects Director	53	Master of Business Administration, Assumption University Bachelor of Engineering (Honors), Assumption University Bachelor of Civil Engineering, King Mongkut's University of Technology Thonburi Master of Civil Engineering, King Mongkut's University of Technology Thonburi	-	No	2017-Present 2002-2015	Rayong Projects Director Managing Director	Eastern Star Real Estate Public Company Limited Seri Premier Co., Ltd.
16.	Mr. Ritthichai Bunluelap Sales and Marketing Manager <i>Training program attended</i> -Mini MRE, Thammasat University	37	Master of Business Administration, Assumption University Bachelor of Engineering (Honors), Assumption University Bachelor of Civil Engineering, King Mongkut's University of Technology Thonburi Master of Civil Engineering, King Mongkut's University of Technology Thonburi	-	No	2018-Present 2016-2018 2014-2019	Sales and Marketing Manager Acting Property Business Director Business Strategies and Operation Strategies Manager	Eastern Star Real Estate Public Company Limited Ocean Property Co., Ltd. Pruksa Real Estate Public Company Limited
17.	Mr. Nattachai Soompornpipit Construction Management Director	46	Master of Business Administration, Assumption University Bachelor of Engineering (Honors), Assumption University Bachelor of Civil Engineering, King Mongkut's University of Technology Thonburi Master of Civil Engineering, King Mongkut's University of Technology Thonburi	-	No	2020-Present 2019-2020 2009-2019	Construction Management Director Construction Management Director Construction Management Director	Eastern Star Real Estate Public Company Limited All Inspire Development Public Company Limited Ananda Development Public Company Limited

No.	Name-Surname Position	Age (year)	Educational Qualification	Company shareholding ratio ¹	Family relationship Between executives	Work experience over the past five years		
						Period	Position	Company
18.	Ms. Poonsri Pholpanitcharoen Financial Planning and Risk Management Director	37	Bachelor of Accountancy, Chulalongkorn University Master of Business Administration, Chulalongkorn University	-	No	2020-Present 2019-2020 2017	Financial Planning and Risk Management Director Accounting, Finance, and Information Assistant Director Accounting and Finance Director	Eastern Star Real Estate Public Company Limited Ocean Property Co., Ltd. Eastern Star Real Estate Public Company Limited
19.	Mrs. Pichapas Phowattanakul Accounting, Finance, and Information Assistant Director	56	Bachelor of Finance and Banking, Ramkhamhaeng University	-	No	2006-Present	Accounting, Finance, and Information Assistant Director	Eastern Star Real Estate Public Company Limited
20.	Mr. Nattawoot Seaheng Business Development Assistant Director <i>Training program attended:</i> -The Next Tycoon, Class 3/2017	33	Master of Business Administration, Assumption University Bachelor of Business Administration, Assumption University	-	No	2016-Present 2010-2016	Business Development Assistant Director Business Development Senior Manager	Eastern Star Real Estate Public Company Limited Magnolia Quality Development Corporation Co., Ltd.
21.	Mr. Suwit Hemnoi Construction Management Assistant Director (Business Operation Section 2)	41	Bachelor of Civil Engineering, Kasem Bundit University	-	No	2018-Present 2016-2018	Construction Management Assistant Director (Business Operation Section 2) Construction Assistant Director	Eastern Star Real Estate Public Company Limited JSP Property Public Company Limited
22.	Mr. Dissawa Screwivattana Construction Management Assistant Director (Business Operation Section 2)	52	Bachelor of Civil Engineering, Chiang Mai University Bachelor of Economics (Continuing), Sukhothai Thammathirat Open University	-	No	2018-Present 2011-2018	Construction Management Assistant Director (Business Operation Section 2) Project Manager	Eastern Star Real Estate Public Company Limited Stonehenge Inter Public Company Limited

8.3 Company Secretary

The company's secretary currently is Mr. Pongsak Maison. The secretary's role is to advise on relevant laws and regulations and appropriate practices regarding the business governance and activities of the board of directors in line with legal requirements. The secretary is also responsible for organizing meetings of the board of directors, executive committee and shareholders; coordinating with agencies in the company to take actions in line with resolutions passed by the executive committee, board of directors and shareholder meetings; coordinating with supervisory agencies such as the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand; supervising the disclosure of information to supervisory agencies and the public correctly and fully in compliance with the laws; and performing other duties as assigned by the board of directors.

8.4 Remuneration for Directors and Executives

In setting remuneration for the board of directors and sub-committees, the Nomination and Remuneration Committee bases consideration on suitability and consistency with the duties and responsibilities of the board of directors and sub-committees along with other factors such as the company's business and performance, market and industrial standards, economic conditions, etc. and proposes remuneration to the board of directors and shareholder meetings for consideration of approval.

The payments of remuneration to the company's board of directors occur transparently in line with the principles approved by shareholder meetings, and shareholders authorized director remuneration for 2020 at General Meeting of Shareholders No. 1/2563 on 30 April 2020, by which remuneration within an amount not exceeding 9.5 million baht, equivalent to the amount for 2019, were authorized to be paid to the company's directors, and the board of directors was assigned to allocate remuneration to each director at the board's discretion.

Monthly Director Remuneration: The board of directors receives monthly remuneration within an amount not exceeding 9.5 million baht per year, which the board of directors has the authority to allocate at its discretion. The monthly remuneration for directors above are as follows:

1. Director Remuneration: The Chairman receives 120,000 baht per month, while directors receive 50,000 baht per month.
2. Committee Remuneration: Directors assigned to sub-committees are given additional remuneration based on their responsibilities as follows:
 - 2.1 Executive Committee: The Chairman of the Executive Committee receives 20,000 baht monthly remuneration, and executive directors receive 10,000 baht monthly remuneration.
 - 2.2 Audit Committee: The Chairman of the Audit Committee receives 20,000 baht, and audit directors receive 10,000 baht monthly.
 - 2.3 Nomination and Remuneration Committee: The Chairman of the Nomination and Remuneration Committee receives 20,000 baht monthly, and nomination and remuneration directors receive 10,000 baht monthly.

Monetary Remuneration for Members of the Board of Directors in 2020

Name	Board of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Total Remuneration (baht)
1. Mr. Anand Panyarachun	1,230,000	-	-	-	1,230,000
2. Mr. Pongpinit Tejagupta	512,500				512,500
3. Mr. Preecha Oonchitti	512,500	205,000	-	102,500	820,000
4. Mr. Somrit Srithongdee	325,000	65,000	-	65,000	455,000
5. Mrs. Sunantha Tiasuwan	512,500	102,500	-	205,000	820,000
6. Mr. Jessada Promjart	187,500	37,500		37,500	262,500
7. Mr. Chatchawin Charoen-Rajapark	512,500	-	205,000	-	717,500
8. Mr. Titiwut Soukpornchaikul	512,500	-	102,500	-	615,000
9. Mr. Tinnawat Mahatharadol	512,500	-	102,500	-	615,000
10. Mr. Nuttawit Boonyawat	512,500	-	102,500		615,000
11. Mr. Paiboon Wongjongjaiharn	512,500	-	-	-	512,500
12. Mr. Torsak Lertsrisakulrat	-	-	-	-	-
Total					7,175,000

- Remarks:
- Mr. Somrit Srithongdee, Independent Director, Nomination and Remuneration Committee Chairman and Audit Director remained in his office until 30 July 2020.
 - Mr. Jessada Promjart was appointed Independent Director, Nomination and Remuneration Committee Chairman and Audit Director on 30 July 2020.
 - The Meeting of the Board of Directors No. 5/2563 on 14 May 2020 was unanimous about reducing the remuneration of directors by 25 percent from June to December of 2020.

Other Director Remuneration: None.

Monetary Remuneration for Executives: A total of 31,043,582 baht for 13 people.

Remuneration for Executives: Matching provident fund payments amounting to 837,190 baht.

8.5 Personnel

The company and its subsidiaries' total number of employees as of 31 December 2020 is as follows:

Number of Employees Sorted by Level	Executive and Finance	Business Development and Marketing Management	Project Development and Construction Service	Business Development in Rayong	Total
Level: Department Assistant Director – Managing Director (Personnel)	6	3	4	1	14
Level: Employee – Department Manager (Personnel)	40	25	15	53	133
Total	46	28	19	54	147

Remarks: The company does not have any labor disputes.

Employee Compensation

The company's core policy for managing compensation is creating equality between the company and its operators. For this reason, it is important to create equality for all parties involved which will lead to them becoming shareholders. Regarding equality in compensation management, the company gives importance to three aspects as follows:

1. Internal Equality: Paying a suitable compensation for the value of the tasks in the position. Positions that are more valuable for the organization naturally receive a higher compensation than less valuable tasks.
2. External Equality: Paying the appropriate wages requires consideration of the labor market's wages and tasks that are similar in responsibilities should be paid for within a suitable range.
3. Individual Equality: Since every person's skills are not the same, although they may be at similar levels, they may be compensated differently. For example, a person with higher skills and better performance should receive more compensation. This will create equality in regards to skills at the individual level.

The company has a performance management system with the following four core objectives:

1. Creating a connection to and support for the organization's main objectives, meaning linking the main objectives to tasks at the individual level by creating a work plan or goals at the individual level.
2. Creating incentive and compensating individuals based on the success of their tasks as well as separating individuals with different levels of performance from one another so they can be appropriately compensated for their performance for the company throughout the year. Furthermore, this policy is an incentive that rewards individuals with good performance and encourages individuals with sub-par performance to improve themselves.
3. Developing Employees at the Individual Level: The company gives importance and pays attention to various issues and failure to execute work plans by analyzing the issues to find each individual's weak and strong points and points requiring improvement and creating an improvement plan for the employee so that they can use those goals to improve themselves in the following year. Once the employee has fulfill their skill requirements, they should naturally be able to overcome any obstacle.
4. Making a Succession Plan: The criteria for selecting and evaluating high-performance individuals and successors are as follows:

Promotion Adjustment

- Promotion adjustment means raising an employee's salary when the company appoints the employee to a higher position with clearly more duties and responsibilities. In addition, the employee must meet the minimum requirements in terms of work performance and years of experience based on their career path.
- The employee must have been working in the work level no less than one year, starting from the day the employee was appointed to the work level.
- The employee's average work performance must be above standard.

Capability Adjustment

- Capability adjustment means raising an employee's salary when there is a disparity in terms of salary when compared to the external labor market or internal employees or when the salary is unsuitable when compared to the employee's responsibilities or when the company needs to raise the salary as a special case.
- The proposal of capability adjustment should only be done in cases where it is deemed essential. For example, when an employee's salary is lower than that of a new employee with similar experience, when the salary is lower than the company's standards or when the salary is significantly lower than that of the external labor market.
- Capability adjustment in a period of twelve months, no matter how many times the salary is adjusted, the total cannot exceed 20 percent of the base wage. This does not include the raising of salaries based on performance capabilities (annual adjustment).

The recruitment of successors can be considered by using the following:

- List of high-potential employees.
- Succession plan.
- Career mapping.

In 2020, the company's total employee compensation was 113 million baht in the form of salaries, wages, stipends, fringe benefits, bonuses and other benefits. The company anticipates that the welfare and benefits it has established will be able to give its employees access to support and will truly benefit them as follows.

1. Health Insurance (Group) for Executives and Employees with Monthly and Daily Salaries
 - 1.1 Employee health insurance.
 - 1.2 Life insurance, receiving a maximum of 20 times employee's salary.
 - 1.3 Accident insurance.

2. Employee Benefits

The company offers benefits other than social security to its employees. For example, in case of ordination, marital allowances and gifts for patients are provided. In case of the death of an executive or employee, including the death of a family member, medical benefits are provided in compliance with the company's regulations.

3. Annual Health Check-ups

The company provides annual health check-ups to administrators and employees of all levels.

4. Social Security and Workmen's Compensation Funds

The company registers its employees for the Workmen's Compensation Fund and the Social Security Fund in accordance with the Social Security Act.

5. Other benefits include smart working time, working from home, annual vacation time with a maximum of 16 days for employees and 18 days for administrators, employee uniforms, professional compensation, discount when purchasing a residence, long service awards, access to the company's sports center, etc.

Personnel Development Policy

A major business growth factor for the company is recruiting "good, skilled people". That's why the company gives importance to "people" as the organization's most valuable resources by using human capital management principles to generate maximum benefit from "people" for the organization. Currently, talent management is an important task. This group of individuals are what the organization places its hopes of achieving its challenging goals on. This sets the organization apart and gives it an advantage over its competitors. Hence, it is an important mission to develop the organization's employees to have quality and be as efficient as possible.

Therefore, to allow the company to work toward the aforementioned goals, the company established a career mapping guideline for all levels to achieve functional competency in order to encourage professional performance, systematic and consistent personnel development to work toward achieving the organization's vision. This also helps the organization to create a succession plan for important positions in order to prepare for vacancies. Furthermore, in 2020, the company held town hall meeting activities under the theme "Estar Open House" to have open discussions. The main objective was to communicate to everyone the organization's business plan, starting by having executives explain about the direction of the company's operational goals for the second half of the year and giving the employees an opportunity to ask questions. At the same time, the executives received opinions and useful suggestions directly from the employees.

9. Business Governance

9.1 Corporate Governance Policy

Adherence to Good Corporate Governance Principles and Corporate Governance Policy

The board of directors recognizes the importance of good corporate governance which serves as an important factor supporting the company in having an effective work system, which is foundational to the company's success and sustainable business growth. Thus, the board of directors has created a corporate governance policy covering important aspects as follows:

- Equitable treatment and reliability to stakeholders – The board of directors is determined to perform its duties to the fullest of its capabilities for the greatest benefit of the organization and to demonstrate leadership and competence in effectively and efficiently directing the work of the management department while preventing conflicts of interest.
- The company has created ethics guidelines for adherence by directors and employees.
- The company operates transparently with verifiability through the presence of an internal control and audit system for dealing with risks. Thus, the company has an internal audit department for providing effective oversight of management's activities in line with the policy.

The company is firmly involved in the business interests of every stakeholder, including shareholders, creditors, employees, clients, trade partners, government agencies, competitors and public communities, without solely seeking profits. Thus, the company has drafted the corporate governance policy in writing and announced it as an important policy for adherence by the Board of Directors, management and employees on every level as of 13 January 2003, and every party concerned can read and examine it on the company's website.

9.2 Sub-committees

The company's management structure is composed of three sub-committees, namely, a executive committee, board of directors, and nomination and remuneration committee. The details are as follows:

A) Executive Committee

As of 31 December 2020, the company's Executive Committee consisted of the following:

No.	Name	Position
1.	Mr. Chatchawin Charoen-Rajapark	Chairman of the Executive Committee
2.	Mr. Torsak Lertsrisakulrat	Executive Director and Managing Director
3.	Mr. Tinnawat Mahatharadol	Executive Director
4.	Mr. Titiwut Soukpornchaikul	Executive Director
5.	Mr. Nuttawit Boonyawat	Executive Director

Responsibilities of the Executive Committee

1. Consider and decide on issues to propose to the board of directors and examine meeting reports of the board of directors before presenting them to meetings of the board of directors for approval.
2. Supervise the work management of the company in line with work plans, budgets and policies set or authorized by the board of directors and monitor work activities for issues the board of directors passed resolutions on.

3. Consider and approval other issues within the Executive Committee's authority.

Authority of the Executive Committee

1. Set criteria, conditions and regulations governing the activities of the company in various areas and assign work and grant authority to operators.
2. Authorize and/or make decisions on any issue not specified to require approval from the board of directors.
3. Authorize and/or make decisions on taking actions on behalf of the board of directors regarding urgent matters which cannot wait for a meeting of the board of directors. In doing so, consult the Chairman of the company or the Chairman of the Audit Committee and then make a proposal to the board of directors at a later date for confirmation.
4. The Executive Committee may appoint no more than two company executives who are not already executive directors to become supplementary members of the Executive Committee.

Scope of Topics Requiring Approval from the Board of Directors

1. The company's business guidelines and policies, work plans and annual budgets. Thus, annual budgets are to be composed of profit and loss statements, cash budgets, investment budgets, manpower and employee hiring budgets.
2. Creation of any real estate development project of the company.
3. Work management policies, company organizational chart, employee policies, benefits, bonus payments and annual salary raises.
4. Purchases of land and/or buildings outside the real estate development projects already approved in Item 2.
5. Sales of land and/or buildings not part of the company's regular commercial activities and/or not part of the company's real estate development projects.
6. Rent or renting out of land and/or buildings for periods longer than three years or with values exceeding 10 million baht.
7. Taking loans from financial institutes, shareholders or connected persons.
8. Increasing capital or decreasing capital in subsidiaries and associated companies, discontinuation or merger of said companies, sales of investment capital in subsidiaries and associated companies and participation in joint ventures with any company.
9. Lawsuits or legal disputes involving more than five million baht.
10. Legal issues that require the board of directors' approval.
11. Other issues the board of directors stipulates to require the board of directors' approval.

B) Audit Committee

As of 31 December 2020, the company's Audit Committee was composed of the following:

No.	Name	Position
1.	Mr. Preecha Oonchitti	Chairman of the Audit Committee
2.	Mrs. Sunantha Tiasuwan	Audit Director
3.	Mr. Jessada Promjart	Audit Director

An audit director who possesses knowledge and experience in financial audits is Mrs. Sunantha Tiasuwan.

Scope of Authority and Responsibilities of the Audit Committee

1. Audit the company to ensure that financial reports are correct and adequate and perform special audits on significant accounting policy changes and lists of auditor recommendations for improvements.
2. Audit the company to ensure the presence of an internal control system and perform internal audits as appropriate and effective.
3. Audit the company to ensure compliance with laws governing securities and the stock exchange, stock exchange regulations and all other laws related to the company's business activities.
4. Consider, select and nominate for the appointment of and propose remuneration for the company's auditors with considerations based on auditor independence such as in auditing other services with the auditors' companies and rotation of company auditors.
5. Audit with auditors concerning issues that might impact the reliability of financial reports such as significant complications or conflicts found by auditors during work, facts and differences of opinions between auditors and management, effectiveness of the internal control system, faults encountered in each accounting period, and those that might be found in subsequent accounting periods.
6. Hold meetings with auditors without the attendance of management and hold meetings with the people in charge of internal control without the attendance of management at least once annually.
7. Audit risks and risk assessment methods of internal auditors and audit to ensure that the board of directors and high-ranking executives recognize significant risks and operations risks.
8. Evaluate disclosures of company information whenever connected transactions or transactions with potential conflict of interest occur in order to ensure correctness and completeness, and give opinions to the board of directors regarding connected transactions or transactions with potential conflict of interest before the company conducts said transactions in line with the requirements of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
9. Audit and acknowledge the ethical and moral activities of executives and employees and corporate governance.
10. Create the business oversight reports of the Audit Committee and disclose them in the company's annual reports. These reports must be signed by the Chairman of the Audit Committee and contain at least the following information:
 - 10.1 Opinions about the correctness, completeness and reliability of the company's financial reports.
 - 10.2 Opinions about the adequacy of the company's internal control system.
 - 10.3 Opinions about compliance to laws governing securities and exchange, stock market requirements or other laws related to the company's business activities.
 - 10.4 Opinions deemed appropriate by auditors.
 - 10.5 Opinions about transactions with potential conflict of interest.
 - 10.6 Number of meetings held by the Audit Committee and attendances by each Audit Committee director.
 - 10.7 Overall opinions or observations of the Audit Committee based on performing its duties in accordance with its charter.
 - 10.8 Other transactions that the committee deems worthy of acknowledgement by shareholders and investors within the scope of duties and responsibilities defined by the board of directors.

11. Audit and approve the charter of the internal audit agency and ensure that the charter of the internal audit agency is reviewed at least once annually.

12. Consider and approval annual internal audit plans, prioritize importance based on risks, audit internal audit reports, and make joint considerations with management in significant faults that are encountered and management responses.

13. Give approvals in the appointments, transfers and dismissals of persons in charge of internal audit and judge the independence of said agency.

14. Consider the employment of or obtainment of assistance from specialists in performing audit and reviews as deemed fitting by the Audit Committee.

15. If the board of directors or management fails to apply corrections or does commit actions that might significantly impact financial position or performance of the company, the Audit Committee may report such instances to the Office of the Securities and Exchange Commission.

16. Take any other actions as assigned by the board of directors without hindering the independence of the Audit Committee.

C) Nomination and Remuneration Committee

As of 31 December 2020, the company's Nomination and Remuneration Committee consisted of the following:

No.	Name	Position
1.	Mrs. Sunanta Tiasuwan	Chairman of the Nomination and Remuneration Committee
2.	Mr. Preecha Oonchitti	Nomination and Remuneration Director
3.	Mr. Jessada Promjart	Nomination and Remuneration Director

Scope of Responsibilities of the Nomination and Remuneration Committee

1. Evaluate policies, criteria and practice guidelines for proposals to the board of directors:

1.1 Policies, criteria and practice guidelines in the nomination of company directors, sub-committee directors and high-ranking executives such as the chief executive officer and/or managing director, deputy managing director and assistant managing director.

1.2 Policies, criteria and practice guidelines in the nomination, selection and screening of appropriate persons to become directors, managing directors or persons holding equivalent positions in organizations or businesses in which the company holds at least 50 percent shares.

1.3 Policies for the payment of remuneration and other benefits, including amounts of remuneration and other benefits, to company directors, sub-committee directors, and high-ranking executives, including the directors, managing directors or persons holding equivalent positions in organizations or businesses in which the company holds at least 50 percent shares.

2. Nomination, Selection, Consideration or Screening of People

Nominate, select, consider or screen persons for holding various positions below and propose them to the board of directors for consideration of approval:

2.1 Company directors.

2.2 Directors in sub-committees that report directly to the board of directors.

2.3 High-ranking executives of the company such as chief executive officers and/or managing directors, deputy managing directors and assistant managing directors.

2.4 Directors, managing directors and persons holding equivalent positions in organizations or businesses in which the company holds at least 50 percent shares.

3. Remuneration Considerations

Make considerations and propose them to the board of directors, so the board of directors, sub-committee directors and high-ranking executives of the company such as chief executive officers and/or managing directors, deputy managing directors, assistant managing directors, including directors, managing directors and persons holding equivalent positions in organizations or businesses in which the company holds at least 50 percent shares receive appropriate remuneration in line with their duties and responsibilities in accordance with the company's policies and criteria or organizations or businesses in which the company holds at least 50 percent shares, depending on the case, with reference to other companies in the same or similar industries. Accordingly, company directors with increasing responsibilities and duties should receive remuneration that are commensurate to their greater duties and responsibilities.

4 Other Duties and Responsibilities

4.1 Make considerations and proposals to the board of directors for ensuring the appropriate size and composition of the board of directors to the organization and make changes in line with changing circumstances. The board of directors has to be composed of knowledgeable, competent and experienced persons in different fields that benefit the governance and business activities of the company.

4.2 Make considerations and proposals to the board of directors concerning performance evaluation guidelines of directors and high-ranking executives, including chief executive officers and/or managing directors, deputy managing directors and assistant managing directors, for considerations of annual remuneration with consideration to related responsibilities and risks, and give importance to increasing the value of shareholders' equity in the long-term during considerations.

4.3 Evaluate the performance of company directors and chief executive officers and/or managing directors in order to make proposals to the board of directors.

4.4 Make considerations and proposals to the board of directors concerning the succession plans of chief executive officers and/or managing directors, deputy managing directors and assistant managing directors.

4.5 Disclose policies and reports summarizing the activities of the Nomination and Remuneration Committee in the company's annual reports.

4.6 Seek opinions from independent external consultants that possess special knowledge as necessary at the company's expenses such as in salary surveys and recruitments of directors and high-ranking executives for the company.

D) Independent Directors

As of 31 December 2020, the company's independent directors consisted of the following:

No.	Name	Position
1.	Mr. Anand Panyarachun	Chairman
2.	Mr. Preecha Oonchitti	Chairman of the Audit Committee and Nomination and Remuneration Director
3.	Mrs. Sunantha Tiasuwan	Audit Director and Chairman of the Nomination and Remuneration Committee
4.	Mr. Jessada Promjart	Audit Director and Nomination and Remuneration Director

9.3 Nomination and Appointment of Directors and High-ranking Executives**(1) Independent Directors**

The company has set in place the criteria for the nomination and appointment of independent directors based on the criteria governing the qualifications of independent directors announced by the Capital Market Supervisory Board as follows:

a) Shareholding not exceeding 1 percent of all shares eligible for voting in the applicant, parent company, subsidiary, associated company, major shareholder or persons with control authority of the applicant, including shares held by persons associated to the independent director.

b) No previous position as a director involved in work management or been a worker, employee or consultant paid a regular salary or been a person with control authority of the applicant, parent company, subsidiary, associated company, subsidiary on the same level, major shareholder or person with control authority of the applicant, unless the person stopped possessing said characteristics for at least two years prior to the date of submission of the application to the office. However, said prohibitions do not include cases where the independent director was a government official or consultant of a government agency holding major shares or with control authority of the applicant.

c) No blood or legal relationship as a parent, spouse, sibling or children, including spouses of children, with other directors, executives, major shareholders, persons with control authority or persons nominated to become directors, executives, or persons with control authority of the applicant or a subsidiary.

d) No current or previous business relations with the applicant, parent company, subsidiary, associated company, major shareholder or persons with control authority of the applicant in a manner that would hinder the independent exercising of judgment, and not be or have never been a significant shareholder or person with control authority with business relations with the applicant, parent company, subsidiary, associated company or major shareholder or person with control authority of the applicant, unless said person stopped possessing said characteristics for at least two years prior to the date of application to the office.

The business relations in the first paragraph include commercial transactions conducted as part of normal business activities and rent or renting out of real estate, transactions related to assets or services, and provision or receipt of financial assistance in the form of loans, guarantees, provision of assets as collateral for debts, including other similar circumstances such that the applicant or contract partner have debt obligations to the other party amounting to at least 3 percent of the net tangible assets of the applicant or at least 20 million baht, depending on whichever amount is lower. Accordingly, the calculation of said debts shall automatically follow the methods used to calculate the value of connected transactions announced by the Capital Market

Supervisory Board governing connected transactions, but the consideration of said debt obligations will also include debts created within 1 year prior to the creation of business relations with said individuals.

e) No current or previous position as an auditor of the applicant, parent company, subsidiary, associated company or major shareholder or person with control authority of the applicant, and not be a significant shareholder, person with control authority or a partner of an audit office in which an auditor of the applicant, parent company, subsidiary, associated company, major shareholder or person with control of the applicant resides, unless said person has stopped possessing said characteristics at least 2 years prior to the submission date of the application to the office.

f) No current or previous provision of any professional services, including services as legal consultant or financial advisor, receiving service fees in excess of two million baht per year from the applicant, parent company, subsidiary, associated company, major shareholder or person with control authority of the applicant, and not be a significant shareholder, person with control authority or partner of the providers of said professional services, unless the person stopped possessing said characteristics for at least two years prior to the submission date of the application to the office.

g) No status as a director appointed to be a representative of a director of the applicant or major shareholder or a shareholder associated with a major shareholder.

h) No history of operating a business of the same nature in significant competition with the business of the applicant or subsidiary, and not be a significant partner in a partnership nor be a director involved in work management, worker, employee or advisor with a regular salary or who holds shares in excess of 1 percent of the total shares with eligible voting rights of the other company operating the same nature of business in significant competition with the business of the applicant or subsidiary.

i) No other characteristics that prohibit independent expression of opinions regarding the business activities of the applicant.

Subsequent receipt of an appointment to become an independent director with the characteristics above consistent with (a) to (i), said independent director might be appointed by the board of directors to make decisions relating to the business activities of the applicant, parent company, subsidiary, associated company, subsidiary of the same level, major shareholder or person with control authority of the applicant with decisions made in the form of collective decisions.

In cases where a person the applicant appoints as an independent director has or had business relations or provides or has provided professional services in excess of the values stated in (d) or (f), the applicant shall receive exemption on prohibitions for the existence of or prior existence of business relations or provision of professional services in excess value provided that the applicant presents opinions of the board of directors demonstrating that considerations have been made in accordance with Section 89/7 and that the board deems the appointment of said person would not impact the performance of duties and independent expression of opinions of said person, and the company will disclose the following information in the meeting invitation letters for the meeting of shareholders in which the considerations for the appointment of the independent director would be made:

(a) The nature of the business relations or professional services that would prevent the person from meeting the required qualifications.

(b) The reasoning and necessities for retaining or appointing said person as an independent director.

(c) The opinions of the board of directors on the applicant in nominating for the appointment of said person as an independent director.

For the benefit of the first paragraph in (e) and (f), "partner" means a person assigned by an audit office or professional service provider to affix signatures in audit reports or professional service reports (depending on the case) on behalf of said juristic persons.

(2) Nomination of Directors and High-ranking Executives

The board of directors is composed of no more than 12 directors. The board of directors has appointed the Nomination and Remuneration Committee to select and screen people to be appointed as directors and high-ranking executives, and the company does not use cumulative voting in the selection of directors. Instead, the company relies on the majority of votes of all shareholders in attendance of meetings with eligible voting rights. In the nominating of directors, directors could be nominated individual or in groups or by any other means as deemed appropriate by shareholder meetings. However, in each voting session, shareholders are required to cast votes at a rate by which a single share equals one vote, and shareholders may not give their votes to any person or group by any amount, and the Nomination and Remuneration Committee is responsible for the nomination, selection, consideration and screening of executives to become high-ranking executives of the company such as managing directors and assistant managing directors.

9.4 Oversight of Subsidiaries

The company supervises and controls the management of and take responsibilities for the activities of subsidiaries. In doing so, the company has assigned senior and experienced persons who represent the company to become directors in subsidiaries. Persons appointed to become directors in subsidiaries are naturally required to take actions for the greatest interest of subsidiaries.

In addition, the company has set regulations for persons appointed by the company to ensure that subsidiaries have regulations concerning connected transactions and acquisition or disposal of assets or other significant transactions of said companies to ensure completeness and correctness and adherence to the same criteria concerning disclosures of information and the above transactions as those used by the company. In addition, they are required to supervise and ensure the collection of information and accounting records in subsidiaries to allow the company to audit and collect them for creating consolidated financial statements as scheduled.

9.5 Care in the Use of Internal Information

The company has set in place policy prohibiting directors, executives and employees/workers in work positions or lines with responsibilities relating to or access to internal information, including the spouses and minor children of said persons, from purchasing or selling company stocks within 15 days before the publication of financial statements and important financial information of the company and within 1 day after the publication of the company's financial statements and important financial information.

Reports of Shares Held by Directors and Directors' Spouses and Minor Children

Valued at 1 baht per share.

No.	Name	Ordinary Shares (shares)		Increase (decrease) in Shares over the Year (shares)
		As of 1 January 2020	As of 31 December 2020	
1	Mr. Anand Panyarachun	4,000,000	4,000,000	-
2	Mr. Pongpinit Tejagupta	-	-	-
3	Mr. Preecha Oonchitti	-	-	-
4	Mrs. Sunantha Tiasuwan	-	-	-
5	Mr. Preeda Tiasuwan (spouse of Mrs. Sunantha Tiasuwan)	1,400,000	1,400,000	-
6	Mr. Jessada Promjart	-	-	-
7	Mr. Chatchawin Charoen-Rajapark	-	-	-
8	Mr. Titiwut Soukpornchaikul	-	-	-
9	Mr. Tinnawat Mahatharadol	-	-	-
10	Mr. Nuttawit Boonyawat	-	-	-
11	Mr. Paiboon Wongjongjaiharn	-	-	-
12	Mr. Torsak Lertsrisakulrat	-	-	-

9.6 Auditor Remuneration

The company and subsidiaries paid audit fees and other service fees to EY Office Co., Ltd. in the 2020 accounting year as follows:

Company	Audit Fee	Fees for Other Services
Eastern Star Real Estate Public Co., Ltd.	1,335,000 baht	11,235 baht
Eastern Star Resort Co., Ltd.	200,000 baht	17,366 baht
Eastern Star Laisun New World Co., Ltd.	40,000 baht	-
Total	1,575,000 baht	28,601 baht

9.7 Understanding and Application of Good Corporate Governance Principles

The board of directors recognizes the importance of good corporate governance. Thus, the company has set forth policy governing the timely and transparent disclosures of significant information relating to the company such as financial and non-financial information in line with the specifications of the Office of the Securities and Exchange and the Stock Exchange of Thailand. Moreover, the company continuously adheres to the principles of good corporate governance in line with the survey criteria of the listed company corporate governance project, except some policies which the company deviates in line with different guidelines from said criteria with considerations made by the board of directors concerning the reasonability and appropriate environment of the business in order to accomplish the company's objectives and purpose with considerations to the greatest interest of shareholders. Accordingly, the good corporate governance areas from which the company deviated along with the reasons for their deviations in 2020 are as follows:

Deviations	Reasons
The company has not created cumulative voting procedures for the election of directors.	Because the company uses a one-share, one-vote system, and the use of cumulative voting might produce chosen representatives whose qualifications are not consistent with the director nomination policy in line with the company's overall strategies, which might also lead to conflicts in the business management of directors in favor of individual groups of shareholders.
The company has not created a separate sustainable development report in line with the Global Reporting Initiative (GRI) framework.	Because the company already reports on its corporate social responsibility as a topic in its annual report in compliance with the Securities and Exchange Commission's standard.
The company has independent directors who have held their positions for more than nine years.	Because the board of directors and the Nomination and Remuneration Committee recognizes the knowledge, competence and business experience of independent directors as well as the capabilities of independent directors in their performance and independent expression of opinions, it was deemed appropriate to have independent directors who remain in their positions for longer than nine years. Each independent director has proven himself to have truly performed their duties independently and without conflict of interest or stake in the company's business activities.
The company should consider appointing a CG committee (on the director level).	The company has assigned the Audit Committee to audit the ethics and morals of executives and corporate governance as defined in the scope of authority of the Audit Committee.

Accordingly, the board of directors will review corporate governance issues in which the company still has not fully resolved and has set in place policies and practice guidelines in the corporate governance manual and related business ethics available for download at www.estarpl.com, and the company strictly adheres to them as can be summarized into five sections as follows:

Section 1 – Shareholders’ Rights

The company gives importance to protecting the rights of and promoting the exercising of the fundamental rights of shareholders as investors in stock and owners of the company such as in receiving news and information from the company completely and sufficiently, receiving company dividends and participating in meetings to vote in the appointment or removal of directors, the appointment of auditors and other matters.

The company schedules ordinary shareholder meetings to take place within four months of the ends of the company's accounting periods in order to give opportunities for shareholders to learn about the company's activities and express opinions and participate in making decisions in various important company matters. Accordingly, the company's ordinary shareholder meeting preparations are as follows:

Date	Details
30 September 2019	The company announced shareholder meeting agendas and nominated persons to become directors and sent questions ahead of ordinary shareholder meetings with announcements made through the information dissemination system of the stock exchange and the agenda procedures published in the company's website. The board of directors included "Considerations on Other Matters (if any)" as part of the company's meeting agendas in line with Section 105 of the Public Limited Companies Act, B.E. 2535 (A.D. 1992).
27 February 2020	The board of directors passed a resolution in approval for the the company's General Meeting of Shareholders No. 1/2563 to take place on 30 April 2020.
13 April 2020	The board of directors passed a resolution to cancel the company’s General Meeting of Shareholders No.1/2563 due to the Covid-19 pandemic.
15 June 2020	The board of directors passed a resolution in approval for the the company's General Meeting of Shareholders No. 1/2563 to take place on 30 July 2020.
30 June 2020	The company created a list of shareholders eligible to attend the company's general meeting of shareholders.
30 June 2020	The company published completed meeting invitation letters, meeting agendas and accompanying documents in Thai and English on the company's website, www.estarpl.com, at least 30 days in advance of the meeting date.
15 July 2020	The company sent meeting invitation letters to meeting attendees in advance by registered postal service at least 7 days ahead of time. In doing so, the company relied on Thailand Securities Depository Co., Ltd.
1-3 July 2020	The company advertised a meeting invitation to the company's General Meeting of Shareholders No. 1/2563 in a stock newspaper (Thai version) continuously for three days ahead of the meeting date.
30 July 2020	The general meeting of shareholders took place at 2:00 p.m. at the Intercontinental Hotel, Bangkok, Platinum Room 1, Lobby Floor, 973 Ploenchit, Lumpini, Pathumwan, Bangkok.

The company has created its complete meeting invitation letters for 2020 and meeting agendas clearly along with accompanying documents in Thai and English for the benefit of Thai and international shareholders with consideration to completeness and sufficiency of information. In each agenda included in the meeting invitation letters, the company discussed facts and reasonings along with the opinions of the board of directors, and in other agendas important to shareholders and their decisions, the company also specified them in ordinary shareholder meeting invitation letters such as director appointments and auditor appointments, by which the names and backgrounds of the nominated persons were provided to help shareholders in evaluating their capabilities and suitability, along with important information as follows:

- Copy of the previous ordinary shareholder meeting for consideration of approval by shareholders.
- Annual report of the company containing significant information about the company and activities over the past year.
- Accompanying details for each agenda such as in the appointment of directors to replace vacating directors, by which the brief backgrounds of said directors such as age, education, past and present duties, shares held in the company, terms held in the company, positions in other listed companies and businesses that might create conflict of interest and legal disputes were included.
- Explanations on how to appoint proxies, register, present meeting attendance documents and vote.
- Complete background information about independent directors that shareholders can consider appointing as proxies.
- Meeting attendance procedures.
- Specific company regulations regarding shareholder meetings.
- Map to the meeting location.
- All three types of proxy letters stipulated by the Department of Business Development under the Ministry of Commerce. Form A is the general proxy appointment form, which is easy and uncomplicated. Form B is a form specifying various items in detail. And Form C is a proxy appointment letter used only for international investors and appointing custodians in Thailand to look after their shares.
- Business reply envelopes for sending proxy letters to the company (in cases where independent directors are appointed as proxies).
- The company has created practice guidelines for giving opportunities to shareholders in presenting shareholder meeting agendas and in nominating directors through the news system of the Stock Exchange of Thailand at least three months before the conclusion of each accounting period. Accordingly, the company announces its criteria and procedures clearly on the company's website, wee.estarpcl.com, from October to December, with said period unofficially lasting from October to December every year until written responses are received from shareholders, which the company's secretary considers preliminary before presenting to the board of directors for consideration of necessity and suitability to meeting agendas and whether or not they are appropriate to be included as meeting agendas. The board of directors' resolutions are final, and issues approved by the board of directors will become meeting agendas in shareholder meeting invitation letters accompanied by the opinions of the board of directors, and on matters which the board of directors refuses to include in line with set criteria have to be announced at shareholder meetings alongside reasonings for their refusals.

At Ordinary Shareholder Meeting No. 1/2563, which took place on 30 July 2020, no shareholder proposed any meeting agenda or nominated any director or sent any questions in advance. Additionally, the board of directors included an agenda for considering other issues (if any) so that shareholders could propose issues to be considered at the meeting in line with the legal stipulations of Section 105 of the Public Limited Companies Act, B.E. 2535 (A.D. 1992). That is, shareholders whose shares combine to at least one-third of all allocatable shares may ask the meeting to consider other topics from those specified in meeting invitation letters, and no shareholder proposed any additional issue for consideration or voting aside from the questions already included in the meeting report.

Meeting Date

In 2020, the company held one meeting, namely, Annual General Meeting of Shareholders No. 1/2563 on 30 July 2020 at 2:00 p.m. at the Intercontinental Hotel, Bangkok, Platinum Room 1, Lobby Floor, 973, Ploenchit Road, Lumpini, Pathumwan, Bangkok, and the following conveniences were offered to shareholders:

- meeting conveniences appropriately provided inside the meeting room to shareholders who attended the meeting, However, souvenirs were not given out to shareholders present at the meeting.
- Meeting registration occurred by barcode, in which registration commenced two hours ahead of the meeting, and shareholders intending to attend the meeting could still register even after said time elapsed and even until the meeting has concluded without losing their rights.

The company proceeded with the meeting according to the following procedures:

1. Prior to commencing the meeting, the chairman of the meeting or an assigned person introduced the board of directors and sub-committees along with the company's auditor to the meeting and asked the company's directors to explain the meeting and voting procedures while giving opportunities for shareholders to ask questions about the process and voting procedures.
2. The meeting proceeded according to the agendas already included in the ordinary shareholder meeting invitations, and representatives from the Thai Investors Association were present as observers.
3. The company allocated time appropriately without increasing meeting agendas to those announced to shareholders ahead of the meeting and did not suddenly distribute documents containing important information.
4. Votes were counting by voting ballots for each agenda requiring approval and for the appointment of directors, by which votes were counted on an individual basis.
5. Shareholders had the right to participate in the meeting after the meeting commenced and continued to have voting rights in agendas under consideration that had not yet been voted on.
6. Records were made in the meeting report, and the votes in each agenda were completely recorded.

The number of attendees to the company's Annual General Meeting of Shareholders No. 1/2563 on 30 July 2020 consisted of 55 shareholders present in person and by proxy for a total of 3,327,075,221 shares out of all 5,022,246,185 shares or 66.25 percent of total shares, thereby forming a meeting quorum in line with the company's regulations.

All 11 members of the board of directors, or 100 percent of all directors, along with the company's auditor attended General Meeting of Shareholders No. 1/2563.

After the meeting date, the company took the following actions:

1. The company announced the resolutions of Annual General Meeting of Shareholders No. 1/2563 along with the votes in each agenda by approvals, disapprovals and bad ballots along with the voting proportions of each type. These were sent online through the Set Community Portal electronic system to the Stock Exchange of Thailand and published on the company's website in Thai and English on the date of the meeting.
2. The company created the report for General Meeting of Shareholders No. 1/2563 in writing containing the important records of each agenda at the meeting and summaries of the significant questions made by shareholders along with the board of directors' explanations, recommendations and additional opinions, including meeting resolutions and votes in each category and voting

proportions by type. All were made available completely and clearly by the company's secretary and was signed in approval by the meeting chairman.

3. The company submitted the meeting report to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commissions within 14 days after the meeting date, including the Department of Business Development within 30 days after the meeting date, in line with the stipulations of the Stock Exchange of Thailand in order to provide documents for verification and reference, and the report was also published on the company's website, www.estarpcl.com, on 13 August 2020.

For these activities, the company was evaluated for its annual general meeting by the Thai Investors Association with a score of 98 out of 100, which is rated as "excellent".

Section 2 – Equitable Treatment of Shareholders

The company adheres to the principle of equitable treatment of all shareholders in line with the regulations and requirements of the Office of the Securities and Exchange Commission and gives importance to treating shareholders appropriately with protection of their fundamental rights through the following actions:

1. In order to respect the rights of shareholders, the company publishes the complete versions of the company's general shareholder meetings on the company's website and sends general shareholder meeting invitations by registered postal service to shareholders in advance in Thai and in English according to requirements. In addition, the company specifies proxy letters for shareholders who could not attend meetings by doing so at least 21 days in advance of meetings in line with the requirements of the Department of Business Development and describes the voting guidelines for other persons or independent directors as well as share custodians for shareholders who did not possess Thai nationality.

2. The company has created processes and channels for minority shareholders to participate in proposing meeting agendas and nominating persons to become directors as well as send questions in advance of meetings in the period from October to December every year, whereby individual or several shareholders with shares amounting to at least 5 percent of total shares with eligible for voting could do so, and proposals of meeting agendas and nominating of directors are required to comply with the the law and the company's regulations and other criteria set by the company, all of which are published on the company's website.

3. In order to ensure transparency and demonstrate reliability to shareholders, the company does not add meeting agendas or significantly alter information without notifying shareholders in advance. In addition, the company requires the use of voting ballots in every agenda, including the appointment of directors on an individual basis on shareholder meeting dates.

4. The company does not have a business structure in which connected transactions occur such that might produce conflicts of interest.

5. The company created a corporate governance manual (Volume 1/2546) on 13 January 2003. It specifies policies, criteria and good practice guidelines and has been published so that directors, executives and employees can adhere to it.

6. Directors, executives along with the spouses and minor children of directors and executives and the employees of the company and other companies in the group intending to purchase or sell company stock are required to state their intention to the company's secretary at least one day before making their purchases or sales.

7. Connected transactions require the approval of shareholders in line with the specifications of the Stock Exchange of Thailand. Before conducting such a transaction, the company will disclose the details and reasons for the transaction as well as the opinions of the board of directors relating to said transaction so that shareholders can clearly know about it before it is conducted.

8. The company does not have transactions that provide financial assistance to companies that are not subsidiaries, and the company's share structure does not include cross-holding in group.

Section 3 – Consideration for the Roles of Stakeholders

The company respects the rights of every stakeholder and has a policy to ensure that every group of stakeholders have full access to their rights, whether the stakeholders are internal stakeholders such as employees and executives of the company and subsidiaries or external stakeholders such as shareholders, clients, trade partners, creditors, competitors, the public or society as a whole. Thus, the company has created various policies in the corporate governance manual (Volume 1/2546) on 13 January 2003, which can be studied and downloaded at ww.estarpl.com. In addition, in 2019 the company treated stakeholders as follows:

1. Shareholders

The company strives to conduct business fairly and serve as a good representative of shareholders for the greatest benefit with transparency and long-term value-adding for shareholders with consideration to growth, security and good and sustainable returns. Thus, the company has set policy and practice guidelines regarding the treatment of shareholders. Thus, the company operates honestly with integrity and without any actions that would cause conflict of interest or diminishment of the rights of shareholders in parts relating to failure to respect the fundamental rights of shareholders or in regards to the inappropriate disclosure of internal information of employees on every level. In addition, the company promotes good relations and communicates with shareholders and investors and discloses information transparently and fairly through various activities and channels such as by disclosing information to the public through various media, to the Stock Exchange of Thailand and the Office of the Securities and Exchange of Commission in online format and by giving press releases to the media throughout the year without seeking personal gains or gains for other parties from work activities.

2. Clients

The company has made it a policy to treat every client fairly and has specified the roles and responsibilities regarding clients clearly in the company's corporate governance manual. The company strives to create client satisfaction covering care and attention to the development of products that meet client needs and provide the greatest living comforts to clients along with attention to services through the building of service standards for work roles under the company's responsibility and client services. Furthermore, the company organizes activities to promote good relations with clients such as film-watching invitations, miniconcerts, merit-making during religious festivities, and giveaways during important occasions.

In order to ensure that the company continuously develops its products and services, the company has created key performance indicators (KPIs) on the organizational level, department level and employee level with each indicator covering the following:

- Satisfaction with location, project format, design, materials and equipment, usage space and common areas.
- Satisfaction with the services of sales employees during visits to projects, reservations/contract signing.
- Satisfaction with services from maids and security staff during project visits, reservations/contract signing.
- Satisfaction for home quality and repairs during home/condominium delivery acceptance.
- Satisfaction for the services of client service employees in providing recommendations about loans and services during rights transfers.
- Satisfaction on post-transfer repair services, service usage, repair quality and speed of service.
- Satisfaction while living at the C-Star Project.

Key Performance Indicators on Client Satisfaction on the Organizational Level (Non-Monetary Indicators)

In measuring the KPIs on client satisfaction on the organizational level, it consists of evaluating scores on every aspect from the customers viewing the projects to placing reservations, creating contracts, transferring the ownership and post-transfer repair services as well as the renting service satisfaction of renting businesses. In 2019, the company received a satisfaction score of 4.35 out of 5.00 which is rated as “excellent”, a higher score than the previous year. The company tries to consistently maintain a service quality. As a result, in 2020, the satisfaction score is maintained at “excellent” with a score of 4.36. The parts that the customers were highly satisfied with was the viewing of the projects, reservations and the creation of contracts. Meanwhile, for the post-transfer repair service, the customers gave a higher satisfaction score in 2020.

3. Trade Partners and Creditors

The company has created a clear policy governing the treatment of trade partners and creditors and has a process in place for selecting trade partners fairly. Accordingly, the company has created an anti-corruption manual to provide guidelines concerning the transparent and equitable treatment of trade partners. The company specifies the qualifications of trade partners and judges the security and reliability of each organization by relying on at least three references and important company certification documents, secure financial status, history of on-time and effective delivery of quality and up-to-standard work and products, and appropriate prices. Furthermore, the company uses the information of trade partners in comparing with at least three different parties in order to ensure equality, and the company does not demand any benefits that might lead to injustice and strictly complies with its contracts and conditions. Moreover, the company treats trade partners and creditors fairly and pays debt obligations to creditors according to schedule and in line with set conditions, all the while strictly complying with all contractual conditions, specifications and obligations. In addition, in cases where appropriate reasons require changes to conditions or might cause significant impacts to financial status and might impact the debts which the company has to repay, the company will notify creditors and seek joint prevention or corrective guidelines without causing harm and will use loans granted by creditors or financial institutes in line with the company's objectives as stated to creditors and financial institutes.

4. Competitors

The company will conduct business with a policy to treat competitors fairly in line with the framework for transparent trade competition and in compliance with the law and business ethics governing treatment of trade competitors and will not mistreat or commit any violation that might lead to the seeking of secret information from competitors through fraudulent means and will not violate the intellectual property rights of competitors. In addition, the company refrains from making malicious and false accusations against competitors and does not harm the reputation of competitors or engage in monopoly regarding the allocation of revenue and market share.

5. Employees

The company recognizes the value of employees and believes that they are the most important factors in operating business. Therefore, the company gives importance to caring for employees and ensuring that they receive continuous promotion and improvement. Hence, the company has made it a policy to manage human resources and employee ethics concerning employee remuneration and benefits as follows:

As the company has already stated in its human resource management policy and employee ethics in the corporate governance manual, the company firmly adheres to the principle of treating employees equitably and fairly without exception or discrimination in terms of origin, race, religion, gender, marital status, language, or position, and the company does not support the use of child labor or

human trafficking, and the company is against corruption in every form. Moreover, the company pays remuneration to employees appropriately with short-term remuneration including minimum wages for unskilled or inexperienced employees pursuant to the law and raises based on annual employee performance and additional benefits beyond legal specifications such as overtime fees, bonuses, off-site work allowances, travel fees, annual health examinations, and New Year parties. In any case, the wages and benefits of each employee vary according to their positions, and in addition to tangible benefits the company provides long-term benefits that include provident fund subsidies.

6. Participatory Society

The company conducts business with consideration for communities, society and the environment and instills a sense of responsibility to society and environment in employees continuously and seriously on every level, and the company gives importance to and holds it to be a duty to participatory society and has set it as a policy on health, safety and environment and policy on support for public activities, whereby executives support activities that benefit communities and society and organizes activities beneficial to continuously instilling conscience in the company and employees on every level. These include giving scholarships to students, donating funds to UNICEF, organizing offering ceremonies of robes to monks at Sai Noi Temple, supporting a Sorapanya praying competition to preserve Thai Buddhist heritage and win a cup from the Supreme Patriarch of Thailand, donating funds to the Asian Institute of Technology for improving student dormitories, etc. In addition, the company develops the surrounding environment of the company's projects such as by planting trees on the path leading to Phala Beach.

7. Occupational Health and Safety and Work Environment

The company recognizes the tremendous importance of occupational health and safety and work environment and so has created a policy on occupational health and safety and work environment in the corporate governance manual in order to have employees on every level adhere to it. The purpose of this is to promote, care for and preserve safety to the life of employees and property under the company's responsibility. Thus, these practice guidelines are to be held for their own safety, the safety of their colleagues and the company's assets and with consideration to the importance of prevention measures for accidents that might occur in work and impact employees and other people such as annual fire prevention drills.

In 2020, the company did not commit violation of any laws governing labor, employment, consumers, trade competition, and the environment and did not receive any complaints from stakeholders.

Section 4 – Disclosure of Information and Transparency

The company gives importance to disclosing important information accurately and sufficiently in an up-to-date and transparent manner in line with the specifications of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand in order to ensure that shareholders and stakeholders receive extensive news and information. Thus, the company discloses the following information:

The company discloses information through the electronic system to report information about various situations in Thai and in English with information including financial statements, annual information report forms (56-1 Form), annual report forms (56-2 Form) and other information about various situations. In addition, the company publishes up-to-date information on the company's website in Thai and English such as under the “Investor Relations” title along with other significant information such as meeting invitation letters and reports of annual general meetings of shareholders. All of this information can be accessed through the company's website, www.estarpcl.com.

In addition to disseminating information through important agencies and on the company's website, the company regularly announces its performance and important activities through other public relations activities and communities information and activities in line with communication work plans consistent with the company's strategies and objectives, which are continuously reviewed, and business directions with primary consideration to disclosures of important information through key agencies involved in information disclosures as follows:

The Sale and Marketing Department serves to publicize and disseminate information about the movements and activities of the company as well as publish pictures, news and news statements through various media.

The company's Secretary Department serves to publicize information in line with the specifications of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission correctly, fully, transparently in line with consideration procedures for beneficial information to investors in order to ensure fair and equitable treatment of stakeholders and give opportunities to stakeholders in making inquiries through set channels such as email.

Accordingly, the company discloses information to shareholders, investors, stock analysts and the news media, and the managing director and high-ranking executives announce the company's activities in addition to giving additional information and answering inquiries made at shareholder meetings and meetings with stakeholders, in addition to information published through out the year on the company's website, with the following disclosures in 2020:

Activity	Number (times)
Special interviews	3
Newspaper publications	111
Stock market news announcements	26
Press releases	-

In 2020, the company did not encounter a situation in which it was subject to actions by a supervisory agency as a result of the company's failure to disclose or publish essential information according to schedule.

Furthermore, in order to communicate information disclosures from the company to every stakeholder involved such as shareholders, analysts, investors, business partners, supervisory agencies and the media to ensure understanding and effectiveness and hear about the opinions of every party involved in order to make improvements and/or benefits in the company's activities, the company has established an investor relations agency or "IR" to perform these tasks, and every party concerned can contact the investor relations agency as follows:

Investor Relations: Ms. Poonsri Pholpanitcharoen

Address: Eastern Star Real Estate Public Co., Ltd.

898, 5th Floor, Ploenchit Tower, Ploenchit Road,

Lumphini, Pathumwan, Bangkok 10330

Email: ir@estarpcl.com

Telephone: 0 2263 1010 to 890 Fax: 0 2263 1009

Preparation of Financial Reports

The board of directors is responsible for the creation of financial reports that are accurate, complete and transparent in order to prevent company assets from being lost or used by individuals who lack the authorization to do so, prevent corruption and irregular activities and to be consistent with the generally accepted accounting standards in Thailand and comply with relevant laws and announcements so that stakeholders can have confidence in the company's financial reports. Thus, the board of directors has assigned the Audit Committee the task of auditing financial reports by using appropriate accounting policies on a regular basis in line with relevant laws and announcements as well as audit the correctness and sufficiency of financial reports. In doing so, the Audit Committee schedules at least four joint meetings with the company's auditor without the attendance of management in order to obtain auditor opinions on various issues, and the company has assigned an auditor from EY Office Co., Ltd. to be the company's auditor with professional knowledge and without conflict of interest that might hinder the independence or neutrality and with all the required qualifications in line with specifications in order to ensure confidence in directors and shareholders that the company's financial reports reflect the company's actual financial position and performance while being correct and credible in every factual respect.

In 2019, the company disclosed its annual financial statements and quarter financial statements to shareholders and investors according to schedule, and the company does not have any history of being ordered to revise its financial statements by the Office of the Securities and Exchange Commission.

Disclosure of Directors' and Executives' Remuneration

The company has set performance indicators for each year to connect the criteria and policies set by the board of directors and pay remuneration in the form of salaries in monetary and other forms. Accordingly, the specification of the remuneration of the board of directors, executive directors and high-ranking executives occurs transparently and clearly, and remuneration are consistent with levels for the industry. Moreover, the company makes considerations based on the Nomination and Remuneration Committee and stipulates for the disclosure of remuneration for the company's directors and executives in the company's annual reports clearly in line with the disclosure requirements of the Office of the Securities and Exchange Commission. Remuneration are disclosed on an individual basis only for company directors not involved in management, while those for executives are disclosed in total amounts. The remuneration of directors and executives in 2020 are shown under "Management Structure".

Disclosures of Changes in Company Shares Held by Directors and High-ranking Executives

The company has created a policy concerning the company's secret information, preservation of credibility and information usage readiness, including the purchases and sales of stock, and requires that directors disclose and report company assets in their possession as follows:

Directors and executives are responsible to report any changes in the assets that they hold. Thus, they are to prepare and submit reports of the assets they hold and the purchases and sales of the company's stock to the company's secretary department for later submission to the Office of the Securities and Exchange Commission within a time period stipulated by the law and all other related regulations every time any change occurs. In addition, the company's secretary department is to report such changes in the assets held by directors and high-ranking executives to the board of directors every time.

Reports of Directors' Stakeholdings

The company has set a policy governing the reporting of directors' stakes. Directors and executives are required to report to the company about their stakes and those of persons related to them in accordance with Section 89/1 of the Securities and Exchange Act. In doing so, they are to make submissions to the company's secretary, who will then set a copy of the report of their stakes pursuant to Section 89/14 of the Securities and Exchange Act to the Chairman and Chairman of the Audit Committee within 7 days after the company receives the report.

Section 5 – Board of Directors' Responsibilities

As representatives of shareholders, the board of directors is responsible to shareholders concerning the operation of the company's business and has the duty to set policies and directions concerning the company's work activities. This includes supervising management in line with business objectives and for the benefit of shareholders within the framework or specifications of the law and business ethics principles, all the while considering the interests of all stakeholders. The board of directors recognizes and gives importance to good corporate governance policies aimed at securing the company's growth and security and adheres to the six principles as follows:

1. Responsibility
2. Recognition of duties
3. Justice and integrity
4. Transparency
5. Long-term value for stakeholders
6. Promotion of excellence of performance

1. Board of Directors Structure

The board of directors considers the suitability of its structure in line with the company's regulations and rules governing the board of directors, which the board of directors has set forth. The board of directors' composition, qualifications, and scope of authority and responsibilities are disclosed under "Management Structure".

The company's regulations stipulate that the board of directors is to be composed of no more than 12 directors.

As of 31 December 2020, the board of directors is composed of 11 directors. Of these, 6 are non-executive directors, which exceeds half of all directors, while 5 are executive directors. The structure of the board of directors is shown below:

- Non-executive and non-independent directors:	6 directors
- Executive directors	1 directors
- Independent directors	4 directors

The board of directors serves as the greatest example of adherence to and compliance with corporate governance principles as follows:

1) Every director is required to demonstrate leadership skills and the ability to effectively and efficiently control the work of management in order to achieve objectives at the heart of business and create and add investment value for shareholders and other stakeholders. The board of directors cooperates with management in specifying the company's vision, mission and values and instructs

everyone to adhere to them. In addition, company directors are required to be fully responsible individuals in line with ethics and laws related to the company and stakeholders and must perform their duties with caution while exercising skill and integrity and demonstrating independent expression of opinions.

2) Directors are required to always exercise independent judgment in running the company's business in order to earn shareholders' complete trust.

3) Directors are required to consider nominating suitable people to the board of directors or shareholder meetings for their appointments to become new directors and exercise meticulousness and transparency in doing so, and may establish a nomination sub-committee for this purpose.

4) Directors must fully devote time and attention to the company and always be ready to attend meetings, and every meeting absence should be accompanied by an explanation.

5) Directors are required to conduct themselves consistently with the practice guidelines for directors in listed companies.

6) Directors are required to perform their duties in compliance with the laws and the objectives and regulations of the company as well as shareholder meeting resolutions.

7) Directors are required to refrain from conducting business or becoming partners or shareholders in other juristic persons that share similar characteristics and competes with the company, unless said directors have reported their status to shareholder meetings ahead of their appointment resolutions.

8) Directors are required to inform the company without delay in the event that they hold any stakes in any contract with the company or become holders of shares or stocks or have increases or decreases thereof in the company or other companies in the group or engage in any action that might create conflicts of interest.

9) Directors should manage work while avoiding conflicts between personal interests and those of the organization. This is to ensure that work management takes place fully effectively. Personal stakes include the following:

- (1) Not seeking personal gains from directorships.
- (2) Not misusing the organization's secrets.
- (3) Not being directors in companies that compete with the organization.
- (4) Not holding stakes in contracts with the organization.

10) Directors are required to manage work cautiously and not create obligations that might conflict with their duties at a later date.

11) Directors are required to not seek any inappropriate gains, whether directly or indirectly, from their work, for example, by

- (1) Not using the company's money or secret information for personal gain.
- (2) Not placing personal gains above the company's interests.

12) Directors are required to perform their duties to the fullest extent of their capabilities for the greatest benefits to the organization.

Elections and Position Terms

Members of the board of directors have terms for their positions. Thus, one out of three members of the board of directors are to leave their positions at every annual general meeting of shareholders. If the number of directors cannot be divided evenly by three, then the closest number to three are to vacate their positions. The directors that leave their positions by this measure may be

reappointed at a later date, and, for directors who had to leave their positions in the first and second years after the company became a listed public company, they were required to pick a lottery to determine who left and stayed, while in later years, directors in their positions the longest would leave their positions.

Directorships in Other Companies

In order to ensure that directors can fully devote time and attention in performing their duties with the company, the company has stipulated that the total number of registered companies that each director may hold a position in does not exceed five, without exception, and no director current holds positions in more than five other registered companies.

In addition, the managing director is required to fully devote time to working with the company and so may not become a director or take work responsibilities on other registered companies, unless he holds a position in subsidiaries to supervise its activities based on his position in the parent company.

2. Responsibilities of Directors

1) The board of directors have roles and responsibilities primarily concerned with the specification and consideration of approval in important matters relating to the company's activities such as in setting the company's vision, mission, strategies, policies, business plans, budgets and fiscal responsibility reports and in supervising and monitoring activities in line with set strategic plans. Accordingly, management is assigned to carry out these decisions effectively, correctly and transparently while monitoring progress from activities as compared to objectives. Additional details concerning this are specified under "Management Structure".

2) The board of directors has the authority to grant approvals on various company issues as stipulated in Clause 6 in line with the scope of duties and responsibilities in compliance with the law, company regulations and shareholder meeting resolutions. Additional details are specified under "Management Structure".

3) The board of directors has appointed sub-committees. There are three of these in total, namely, the Executive Committee, the Audit Committee, and the Nomination and Remuneration Committee. They are composed of knowledgeable and skilled people who are capable of deciding on various matters in line with their assignments correctly, clearly, completely and preliminarily before making proposals to the board of directors for consideration of approval or certification, as the case may be, and they support the management work of the board of directors for greater thoroughness and effectiveness. The roles and responsibilities of each sub-committee are clearly provided under "sub-committees".

4) The board of directors established the company's good corporate governance principles in writing in 2003.

5) The board of directors has set forth policy governing conflicts of interest in the company's good corporate governance manual, in which clear details are provided, and has set in place procedures for dealing with transactions with potential conflict of interest and which might practice regulations concerning connected transactions. This complies with the stipulations of the Office of the Securities and Exchange Commission, and transactions that require approval from the board of directors and/or shareholder meetings will be considered by the Audit Committee first. The Audit Committee will render opinions regarding the conduction of these transactions, and in cases where the company holds a different opinion from the Audit Committee's opinions, the company also discloses said differences of opinions. In addition, in cases where a director holds a stake in any agenda, the director would lose the director's voting right in said agenda.

6) The company disclosed transactions with potential conflict of interest in 2018, and the board of directors gave the opinion that said transactions were appropriate and beneficial to the company's business and complied with the specifications of the Office of the Securities and Exchange Commission. Their details are shown under "Connected Transactions".

7) The company has in place an adequate and appropriate internal control system and allocates sufficient personnel in implementing the internal control system effectively and efficiently in the company's work activities. In addition, the company's financial reports are accurate and reliable in line with generally-accepted accounting standards, and the company's work activities are consistent with the system of good corporate governance and comply with the laws and all other obligations related to business activities. Their details are shown under "Internal Control Policy".

8) The board of directors has set in place a risk management policy with emphasis on taking actions in line with the risk management processes for the entire organization in order to support the company in completing its objectives and strategic plans. A risk management work committee evaluates and summarizes work activities in line with risk management processes, all of which are audited by the Audit Committee and reported to the board of directors on a quarterly basis. Their details are shown under "Internal Control and Risk Management".

3. Meetings of the Board of Directors

1) In holding meetings of the board of directors, at least one-half of all directors are to be present in order to form a meeting quorum. In cases where the chairman of the board of directors is absent from the meeting or cannot perform his duties, then if there is one vice chairman is present, the vice chairman will act as the meeting chairman, and if there are many vice chairmen, the directors are to appoint among themselves which vice chairman will chair the meeting. If there is no vice chairman or if he cannot perform his duties as well, the directors are to appoint among themselves a director to chair the meeting.

The company's policy on the minimum meeting quorum for when the board of directors cast votes is that at least two-thirds of all directors need to be present.

2) Final meeting decisions are based on majority votes.

3) One director has one vote to cast. However, if a director holds stake in any matter, that director will not be eligible to vote on that matter, and, in cases where votes are evenly split, the chairman shall have an additional deciding vote to cast.

4) The chairman of the board can convene meetings of the board of directors. In cases where the chairman cannot perform his duties, the vice chairman will be allowed to convene meetings. In convening meetings of the board of directors, the chairman of the board or a person designated by him will send meeting invitation letters to directors at least 7 days ahead of each meeting date. However, in urgent cases or in order to protect the rights or benefits of the company, meeting announcements can be made by other ways, and meetings can be scheduled to take place sooner. In addition, two or more directors can ask the chairman to convene meetings, and in cases where two or more directors make such a request, the chairman or a person designated by the chairman will schedule a meeting within 14 days of receiving a request to do so.

5) The chairman or director assigned by the chairman will have the responsibility of scheduling the date, time and place for each meeting of the board of directors, and meeting places can be different from the locality where the company's main office is located or nearby provinces.

6) In cases where directorships become so vacant that fewer directors exist than needed to form a meeting quorum, the remaining directors will perform their duties on behalf of the board of directors in organizing a shareholder meeting to appoint new

directors to only fill those vacant positions, and this has to be done within one month after the number of vacant directorships falls below the number required to form a meeting quorum. In addition, persons who become replacement directors may remain in their offices only for the remaining duration of the terms of the directors they replace.

7) The board of directors has the authority and responsibility to manage the company in compliance with the law, the company's objectives and regulations and shareholder meeting resolutions.

8) The board of directors has to hold at least three meetings per month on average.

9) Records of meetings of the board of directors, meeting summaries and opinions of the board of directors have to be clear such that they can be used for reference.

In 2020, the board of directors held a total of eleven meetings in order to closely control and manage the business during the economic crisis. The board of directors held ten regular meetings and one additional meeting without executives in order to give opportunities for non-executive directors to discuss various problems relating to the company's business activities in every topic, including various recommendations for executives for future improvements, and other matters in their interest, and meeting results are reported to the managing director, as the board of directors has a policy to support non-executive directors to hold their own meetings as appropriate without the attendance of executives or management.

1) Board of Directors Self-Evaluations

The board of directors organizes self-evaluation once annually in the form of self-evaluation of the entire board and self-evaluation of individual sub-committees. The evaluation criteria and scores are as follows:



The evaluation process is as follows:

- 1) The company arranges for self-evaluation to take place for the entire board of directors and by individual sub-committees. The company's secretary prepares the evaluation forms consistently with the guidelines of the Stock Exchange of Thailand and suitably with the nature of the company's business.
- 2) The company's secretary department sends the evaluation forms to each director, who then return them to the secretary department for compilation and presentation to the Nomination and Remuneration Committee.
- 3) The Nomination and Remuneration Committee evaluates the results and gathers the different opinions presented to the board of directors and uses the evaluation results to review work results and problems encountered throughout the year and to evaluate the supervisory effectiveness of the board of directors. Then the results are used to support and support improvements in the work of management.

Self-evaluation Results of the Board of Directors in 2020

They include 10 main topics, and the mean evaluation score is excellent at 96.53 percent. The details are as follows:

Topic	Evaluation Results (%)
1. Structure and qualifications of the board of directors	91.16
2. Board of directors' meetings	97.03
3. Readiness of directors	96.01
4. Roles, duties and responsibilities of the board of directors	95.18
5. Specification of strategies and business plans	99.65
6. Risk management and internal control	95.71
7. Prevention of conflicts of interest	99.15
8. Monitoring of financial reports and performance	95.67
9. Board of directors' meetings	96.81
10. Other (recruitment of directors and managing directors)	98.92

Summary of Self-Evaluation Results by Committee for 2020

These cover four main topics, and the mean evaluation score is excellent at 95.27 percent. The details are as follows:

Topic	Evaluation Results (%)
1. Structure and qualifications of sub-committees	92.68
2. Sub-committees' meetings	94.37
3. Roles, duties and responsibilities of the Audit Committee	96.92
4. Roles, duties and responsibilities of the Nomination and Remuneration Committee	97.11

Evaluation Process for the Managing Director's Performance

1) The board of directors has assigned the Nomination and Remuneration Committee to set the criteria for evaluating the performance of the managing director. The performance evaluation criteria should incentivize business management in line with the company's long-term objectives, business strategies and interests, and they are communicated in advance to the managing directors.

2) The Nomination and Remuneration Committee evaluates the performance of the managing director every year and communicates results along with improvement areas to the managing director.

3) Performance evaluation results are judged in the specification of the managing director's remuneration. Thus, the Nomination and Remuneration Committee would submit a proposal to a meeting of the board of directors for consideration of approval.

1) Development of Directors and Executives

The board of directors consistently supports every director to receive skill and knowledge development for performing their roles as directors and provides training and knowledge development as required to persons involved in the company's business management system in order to ensure continuous improvement.

Training Sessions Attended by the Board of Directors

Director Name	Class/Year of Course Training (IOD)	Course of the Thai Institute of Directors (IOD)	Course by Other Institutions
1. Mr. Anand Panyarachun	-	-	-
2. Mr. Pongpinit Tejagupta	Class 7/2013	ACEP	-
	Class 4/2013	HRP	-
	Class 7/2013	CDC	-
	Class 14/2012	RCC	-
	Class 2/2012	RNG	-
	Class 1/2011	M&A	-
	Class 2/2010	MFM	-
	Class 10/2010	MFR	-
	Class 7/2010	MIA	-
	Class 9/2010	MIR	-
	Class 1/2010	FGP	-
	Class 7/2010	SFE	-

Director Name	Class/Year of Course Training (IOD)	Course of the Thai Institute of Directors (IOD)	Course by Other Institutions
	Class 30/2010	ACP	-
	Class 126/2009	DCP	-
	Class 71/2008	DAP	-
3. Mr. Preecha Oonchitti	-	DCP	-
	-	DAP	-
4. Mrs. Sunantha Tiasuwan	Class 22/2002	DCP	-
	-	-	High-ranking Executive Program, Capital Market Academy, Class 11 (CMA 11)
5. Mr. Jessada Promjart	Class 25/2017	AACP	-
	Class 7/2004	CSP	-
	Class 45/2002	DCP	-
	Class 5/2000	ELP	-
	-	-	Public Director Certification Program (PDI), Class 14, King Prajadhipok's Institute
	-	-	Anti-Corruption Strategic Management for Senior Executives, Class 1, Office of the National Anti-Corruption Commission
	-	-	TCLA Executive Development Program, Class 9, Thai Listed Companies Association
	-	-	Telecommunication Management, Chulalongkorn University
	-	-	Cyber Resilience Leader Workshop, The Bank of Thailand, 2019
	-	-	IIA International Conference in California 2019, The Institute of Internal Auditor
	-	-	IIA International Conference in Dubai 2018, The Institute of Internal Auditor
	-	-	IIA International Conference in Sydney 2017, The Institute of Internal Auditor
	-	-	IIA International Conference in New York 2016, The Institute of Internal Auditor
6. Mr. Chatchawin Charoen-Rajapark	Class 88/2007	DCP	-
	Class 19/2007	ACP	-
	Class 7/2008	RCC	-
	Class 52/2006	DAP	-
7. Mr. Titiwut Soukpornchaikul	Class 21/2020	RCL	-
	Class 7/2020	CRC	-
	Class 298/2020	DCP	-
	Class 53/2020	ACPG	-

Director Name	Class/Year of Course Training (IOD)	Course of the Thai Institute of Directors (IOD)	Course by Other Institutions
	Class 23/2016	AACP	-
	Class 15/2016	CGI	-
	Class 36/2010	CSP	-
	Class 14/2009	EMT	-
	Class 72/2008	DAP	-
	-	-	Certified Investment and Securities Analyst Program, The Stock Exchange of Thailand
	-	-	Executive Development Program, Class 6, The Stock Exchange of Thailand
			Financial Advisor Course, The Investment Banking Club, Association of Thai Securities Companies, 2015
8. Mr. Tinnawat Mahatharadol	Class 205/2015	DCP	-
	Class 6/2015	RMP	-
9. Mr. Nuttawit Boonyawat	-	-	Senior Executive Program (SEP 9) Sasin
10. Mr. Paiboon Wongjongjaiharn	Class 66/2007	DAP	-
	-	-	Building Energy Conservation (The Department of Alternative Energy Development and Efficiency under The Ministry of Energy) Class 18/1996
	-	-	Building Electrical Design and Installation Standard Code for Energy Conservation (The Department of Alternative Energy Development and Efficiency under The Ministry of Energy) Class 1/1997
	-	-	Person Responsible for Energy in Building (The Department of Alternative Energy Development and Efficiency under The Ministry of Energy) Class 1/2003
11. Mr. Torsak Lertsrisakulrat	2018	DCP	-

Remarks:

AACP : Advanced Audit Committee Program

ACP : Audit Committee and Continuing Development Program

ACEP : Anti – Corruption for Executive Program

ACPG : Anti-Corruption: The Practical Guide

CDC : Chartered Director Class

CGI : Corporate Governance for Capital Market Intermediaries

CSP : Company Secretary Program

RCP : Role of the Chairman Program

DAP : Director Accreditation Program

DCP : Director Certification Program
EDP : Executive Development Program
FGP : Financial Institutions Governance Program
FSD : Financial Statements for Directors
HRP : How to Develop a Risk Management Plan
M&A : The Board's Roles in Merger & Acquisitions
MFM : Monitoring Fraud Risk Management
MFR : Monitoring of The Quality of Financial Reporting
MIA : Monitoring the Internal Audit Function
MIR : Monitoring the System of Internal Control and Risk Management
RCC : Role of the Compensation Committee
SFE : Successful Formulation & Execution of Strategy

3) Orientation of New Directors

Persons selected to become new directors receive training and/or communication so that they learn about issues important to the company's business, including the responsibilities of company directors. Information used during orientation for appointed directors include issues about legal compliance, the company's memorandum of association, company regulations, the scopes of duties and responsibilities of the board of directors and sub-committees, reports of meetings of the board of directors over the past year, manual for directors in listed companies and good corporate governance principles prepared by the Stock Exchange of Thailand, good corporate governance policy, relevant laws to the company's business activities and other important rules and regulations of the company and other information related to business activities. During such a training session, the Nomination and Remuneration Committee and/or the company's secretary will provide the above information above to the new director. The board of directors has a policy to encourage directors to continuously learn new knowledge and supports directors to attend course training and participate in seminar activities.

4) Succession Plans for High-ranking Executives

The board of directors has assigned the Nomination and Remuneration Committee to create work succession plans and review development plans for the managing director and high-ranking executives in order to prepare continuous plans for successors in cases where the managing director or other high-ranking executives retire or can no longer perform their duties or manage the company continuously. The managing director and high-ranking executives have their own successor plans in order to maintain confidence in stakeholders such as shareholders, clients and employees that the company's business activities will be continuously in line with the secure and sustainable growth guidelines with good corporate governance. Accordingly, the managing director is instructed to report succession plan activities to the Nomination and Remuneration Committee and the board of directors for acknowledgement at least once annually.

5) Anti-Corruption

The company recognizes the importance of operating business transparently based on the principles of good corporate governance in order to ensure effective business activities and fairness with responsibility for society and stakeholders. Thus, in order to prevent corruption in every form in the organization, the company has set in place business principles that do not support the businesses of groups or people that seek inappropriate gains. This is to ensure trust that the company operates business without

corruption. In addition, the company has set its anti-corruption policy for strict adherence by the board of directors, executives and every company employee on every level and in every work section, and the company instructs subsidiaries, associated companies and other companies in which the company holds control authority to conduct business and act in the same line as the anti-corruption policy as follows:

Practice Guidelines

1. This anti-corruption policy covers personnel management processes covering recruitment or selection of personnel, promotions, training, employee performance evaluations, and remuneration. Supervisors on every level are required to communicate with and build understanding in employees for business activities under their responsibilities and are assigned to supervise and ensure effective implementation of this policy.

2. For any action under this anti-corruption policy, the practice guidelines stated in the good corporate governance manual and business ethics and anti-corruption manual, as well as other related regulations and operation manuals of the company are to be used.

3. To ensure clarity concerning activities involving high risk for corruption, the company requires that the board of directors, executives and employees perform their duties with caution.

3.1 Political Neutrality and Assistance

The company has a policy to remain politically neutral and does not support or engages in any political action, whether directly or indirectly, and this includes the use of company resources in activities that might harm the company's political neutrality and/or harm from participation in said activities.

3.2 Charitable Donations and Financial Assistance

Charitable donations are part of the company's organizational culture in assisting under-privileged people in society and to alleviate suffering in people who suffer from natural disasters or in order to promote the overall quality of life in the present and in the future. However, these charitable donations must be approved in line with the process set in place by the company and must occur transparently. Thus, payments must clearly specify recipients, including the names of registered recipient organizations, and the purposes of each donation. In general, financial assistances are provided in order to promote the image or reputation of the organization and usually occurs through various social activities. Accordingly, financial assistances have to be provided based on transparent decision-making criteria and involve accurate and sufficient payment contracts or evidence and must be approved in line with the company's processes and approval authority, and no financial assistances are to be provided so as to conceal corruption or bribery.

3.3 Giving or Receiving Gifts, Assets or Other Benefits, Including Greeting Service Fees and Other Expenses

In the acceptance or giving of gifts, assets, other benefits, greeting service fees, and other expenses that might create risk for corruption, all directors and employees are required to not accept or give any gift, asset or benefits, including greeting service fees and other expenses as can generally be perceived that such acceptance or giving of gifts, assets or benefits, including greeting service fees and other expenses, might create obligations or burdens and a sense that something in return might be required or that doing so might lead to corruption. This specification also applies to the acceptance or giving of gifts or assets or other benefits to external parties. However, if said acceptance or giving of gifts or assets or other benefits, including greeting service fees and other expenses, do not cause obligations or burdens or feelings of repayment in a manner that constitutes corruption but which is consistent with normal traditional practices and custom, then they are permissible, provided that they are consistent with the company's business ethics and regulations.

3.4 Extortion, Fraud, Trickery, Conspiracy, Collusion, Abuse of Power, Embezzlement and Money Laundering

Abuse of power for these activities such as extortion, fraud, trickery, conspiracy, collusion, and money laundering are corrupt and forbidden acts as stipulated by the law and are explicitly prohibited by the anti-corruption measures manual and are direct breach of trust in the responsibilities and duties of directors or company employees, regardless of whether or not motives exist for such actions.

The high-risk acts for corruption stated above do not cover every situation, and directors and employees are required to exercise their discretion in order to ensure that business activities and transactions do not constitute corruption.

4. Directors, executives and employees are required to not demand or accept any benefits or inappropriate items or engage in dishonesty or acts that deviate from the normal circumstances involving people connected to the company's business.

5. Directors, executives and employees are prohibited from demanding or accepting money, benefits, things or other interests from any person or juristic person in business, whether they are demands or acceptances for the self or others such that they might create a motivation for performing or refraining from performing certain duties, for performing inappropriate activities or for engaging in illegal activity.

6. Giving, offering and receiving donations or support of money or items or any other benefits involving outside parties such that these parties are motivated to commit actions or refrain from committing actions that constitute legal or inappropriate violations in their duties or in order to create advantages or exchanges for inappropriate preferential treatments are strictly prohibited, whether these parties are government officials, brokers, representatives, trade partners, clients, persons with decision-making authority or others. In addition, givings and acceptances of donations or financial assistances must take place transparently and in compliance with the law with certainty that these donations and assistances will not be claimed later on as bribery.

7. In cases where juristic persons or external parties related to the company's business give items or benefits to executives or employees as a reward, executives and employees have to exercise appropriate discretion in whether or not it is appropriate and/or proper to accept them and must consider government regulations and laws. If refusal on the part of executives or employees might dishearten the other party and negatively impact business relations, then acceptance is permitted. However, the values of these items must not exceed those that officials are authorized to accept.

8. Acceptances of gifts and assets should be acceptance of assets or other benefits consistent with ethics. Such acceptances might be from connected persons, acquaintances and should be done in general and not specific and should not be of a value such that constitutes legal violations, and the gifts and assets themselves must not be illegal in nature.

9. Personnel of the company and subsidiaries, including their family members, are strictly prohibited from seeking or receiving gifts, assets or any other benefits from contractors, sub-contractors, clients, trade partners or other persons related to the company's business in any case potentially resulting in bias or distress or conflicts of interest.

10. Personnel of the company and subsidiaries are prohibited from giving bribes or any remuneration of a similar nature to other personnel of the company or external parties, especially government officials. In the giving of gifts, assets and other benefits to government officials domestically and international, the company's personnel must be certain that doing so will not violate any law or local tradition or custom.

11. It is not appropriate to give or receive gifts of a value greater than what reasonable supervisors or subordinates would give to each other, regardless of the occasion.

12. Directors, executives, employees and subsidiaries must avoid giving or accepting things or benefits from trade partners or people involved in the company's business activities except as part of normal business activities or popular occasions or traditions.

13. Collaborations involving agencies such as government agencies, state enterprises and private sector members domestically and internationally must occur transparently, fairly and correctly in accordance with Thai and the international laws governing where the company conducts business, and the company will comply with anti-corruption laws in every locality in which the company conducts business.

14. Directors, executives, employees and subsidiaries are required to provide knowledge and build understanding with clients, trade partners, contractors and individuals or juristic persons with whom the company conducts business that the company does not support any action that constitutes corruption and will not be involved in any form of corruption, whether such includes collection, acceptance or payment of bribery, and, if these actions occur, the company must be reported to immediately.

15. The company stipulates that this policy also applies to subsidiaries, associated companies and other companies in which the company has control authority, including persons related to business activities.

16. Directors, executives and employees who fail to comply with this policy will be considered to have committed disciplinary violation against the company's regulations, and failure or refusal to follow these regulations may constitute legal violations for which the company will report to law enforcement officials for legal action against violators.

17. Companies and Persons with Business Relations

17.1 Subsidiaries and other companies in the group, including companies in which the company has control authority, are required to adhere to these anti-corruption measures.

17.2 For representatives and business intermediaries (if any), directors, executives and every employee are prohibited from hiring representatives or business intermediaries for any action involving the giving or taking of bribe or corruption.

Implementation Measures

1. The board of directors, executives and employees are required to comply with the anti-corruption policy and measures and the good corporate governance and business ethics principles of the company without becoming involved in corruption, whether directly or indirectly.

2. Employees should not neglect or remain idle upon discovering or having questions about actions that might constitute corruption. Rather, employees should notify their supervisors or responsible persons through set reporting channels and cooperate in the investigation into facts in line with the company's regulations.

3. The company will give justice and protection and will not punish or be impacted in any manner by the refusal of directors, executives and employees in engaging in corruption related to the company's business activities, regardless of whether or not doing so would cause the company to lose business opportunities. In addition, the company will take actions strictly in line with the protection measures for complaint filers and people who cooperate in reporting corruption as prescribed in the company's policies, regulations and practice guidelines governing treatment of personnel and/or complaint and reporting measures.

4. People who engage in corruption will be held in violation of the company's business ethics principles and will be judged for disciplinary actions in line with the company's regulations and might suffer legal penalties as well, if their actions constitute legal violations.

5. The company communicates its anti-corruption policy and measures, including channels for making reports, filing complaints and submitting recommendations, to all directors, executives, employees, subsidiaries and every other party involved through various channels such as orientation for directors and employees, dissemination of information and news inside the organization and the company's group using various media to build knowledge and understanding in the implementation of this policy.

6. The company communicates its anti-corruption policies and measures as well as channels for making reports, filing complaints and submitting recommendations to the public and stakeholders through various means such as the company's website and annual reports.

7. The company arranges for corruption risk management, whereby risks are assessed and ordered in terms of importance, and appropriate measures are put in place along with monitoring of measures already being implemented. Accordingly, the work committee responsible for screening complaints about corruption and other matters coordinates with the Audit Committee about corruption risk in order to permit the internal audit office to perform audits.

8. The company has set in place a personnel management system that reflects the company's determination in adhering to the anti-corruption policy and measures covering recruitment, training, performance evaluation, remuneration, promotions and appropriate separation of duties in order to create checks and balances and create actions that ensure that resources are available and that personnel possess sufficient and suitable skills for the implementation of this policy.

9. The company has created clear, concise, effective, transparent and verifiable regulations governing approval authority.

10. The company has established an internal control system covering finance, accounting, data collection and other processes inside the company related to anti-corruption measures and communicates the effects of internal control to personnel with relevant responsibilities.

11. The company has established an internal audit system covering the important activities of the company such as commercial activities, procurement, etc. in order to ensure that the internal control system achieves its objectives; to audit work activities to ensure that they comply with practice regulations, specifications and rules; and to give recommendations for improving work systems for greater effectiveness in line with the policy.

12. The company has set in place measures for reporting and mechanisms for protecting informants as well as ways to communicate various anti-corruption measures through employee orientation, email, journals, internal and external communication and policy notification letters to trade partners and clients and the company's websites.

Monitoring and Ensuring Practice

The company has made it the duty and responsibility of directors, executives and all employees to know and follow the policies and specifications included in the company's manual governing good corporate governance. In addition, executives on every level are required to take responsibility for and hold it to be an important matter to encourage employees under their supervision to have knowledge about, understanding of and strict adherence to the good corporate governance manual.

The company does not engage in any unlawful activities or activities that contradict the principles of good governance. If a director, executive or employee is found to have committed violations against the set good corporate governance principles, said person will be subjected to strict disciplinary actions. In addition, if there is credible evidence to believe that such a person has committed violations against the laws, regulations, rules or requirements of the government, the company will submit the issue to government officials for further action.

If any employee on any level of the company struggles in making any decision or performing any task for which business ethics specifications do not exist in the company's business ethics, then said employee has to ask himself or herself the following questions concerning the action being considered:

1. Will the action violate the law?
2. Will the action violate any policy or ethics or harm the image of the company?
3. Will the action seriously and adversely impact the company's stakeholders?

Employees on every level can file complaints or submit any recommendations, suggestions or clues concerning legal violations and/or business ethics in line with the good corporate governance principles, including behaviors that might constitute corruption or inappropriate behaviors by any person within the company, and the company's stakeholders are to file reports by using the company's communication channels.

Measures for Filing Reports and Mechanisms for Protecting Informants

The company monitors and cares for employees on every level to ensure that they strictly comply with the policy and specifications in the anti-corruption manual. In addition, the company has set in place a process for handling complaints and filing reports with channels for filing reports for any complaint filers inside or outside the organization about any illegal activity, rights violation, breach of ethics, and behaviors that might constitute corruption or unlawful activities involving any person on any level in the organization, including company executives and employees and those in subsidiaries and other stakeholders. Accordingly, the company's investigation and corrective measures are clear, neutral, and transparent, and the company has in place measures for protecting relevant informants and witnesses in line with the company's complaint and reporting process. Thus, people can file complaints with the company via three channels as follows:

- 1) By the company's website: www.estarpcl.com
- 2) By email: anti-corruption@estarpcl.com
- 3) By registered postal service directly sent to the following:

Work Committee on Screening Complaints about Corruption and Other Matters,

Eastern Star Real Estate Public Co., Ltd.

898, 5th Floor, Ploenchit Tower, Ploenchit Road,

Lumphini, Pathumwan, Bangkok 10330

Complaint Handling Procedures

1. If a complaint is about a violation or failure to comply with policy or practice regulations concerning personnel, the complaint will be sent to the human resources department manager.
2. If the complaint is about a violation or failure to comply with government laws or regulations, or business governance policies or principles or the regulations of the company, the complaint will be sent to the company's secretary.
3. If the complaint is about an action that might constitute corruption, that is, any action that might constitute inappropriate or unlawful seeking of personal gains or gains for others, such as embezzlement, corruption, fraud, etc., the complaint will be sent to the Audit Committee.

4. In cases where a complaint in 1, 2 or 3 is complex or involves many agencies, the complaint will be sent to the managing director in order to establish a committee to conduct an investigation into facts and taking relevant actions.

5. Subsequently, persons who receive complaints are to register the complaint and record information with the company's secretary. In doing so, a summary of all recommendations and issues will be made for presentation according to the complaint and reporting process and will be submitted to the Audit Committee on a quarterly basis. This, however, excludes letters addressed to the Audit Committee, which will be sent directly to the Audit Committee. In addition, urgent cases can be directly reported to the managing director by email. Afterwards, the company will conduct an investigation according to procedures and record the investigation in writing without disclosing the names of informants and will maintain the confidentiality of reported information so as to prevent potential impacts to report filers.

Measures for Protecting the Rights of Complaint/Report Filers

In order to protect the rights of complaint/report filers and people who cooperate in investigations into facts, the company will not disclose the names of complaint filers and will keep information about complaints secret. The purpose of this is to prevent potential impacts to complaint filers and to provide protective measures in cases where said persons might perceive risks to their own safety or might be vulnerable to trouble or harm. Accordingly, the company will operate with fair and appropriate processes and provide alleviation for any damage in cases where the aforementioned occurs.

In 2020, the company received no complaints or reports of ethical violations, failures to comply with corporate governance principles, or any form of corruption.

10. Corporate Social Responsibility

10.1 Overall Business Policy of Eastern Star Real Estate Public Co., Ltd. and Subsidiaries Concerning Responsibility to Society, the Environment and Stakeholders

In the past several years of business operations, the company and its subsidiaries did not only work for profit, the company also took into consideration giving back to the society. It gave importance to raising the quality of life for underprivileged children who have to face humanitarian crises, social conflict, natural disasters and other crises because it recognizes that children are the most fragile group in society. At the same time, children are the future of the country. The company gave scholarships, supported UNICEF's activities that aim to eliminate inequality for children worldwide, including Thai children, in order to enhance quality of life and create social opportunities, so these children can grow into quality adults and give back to the society.

At the same time, the company and its subsidiaries believe in being an organization that shows responsibility toward the surrounding communities and environment and so the company focuses on operating its businesses along with developing the local communities and environment, for example, renovating roads and alleyways, renovating bridges over canals in communities and providing solar lights to communities where the company's projects are located to create a good environment and quality of living for the locals which is an extremely important part in creating long-term sustainability for the business and the organization.

In addition, the company instills in its employees a volunteering spirit by encouraging them to participate in social activities, operating business using good governance practices and taking social responsibility by considering the following:

1. Giving respect and equality to all stakeholders.
2. Supporting activities that benefit the public, society and environment as well as support government or private organizations with missions that are beneficial to the society and environment.
3. Encouraging personnel at all levels to give importance to and participate in the company's activities with social responsibility and promoting and encouraging employees to participate in volunteer work and activities that benefit the public alongside the communities.
4. Not encouraging unethical businesses or businesses that have negative effects on the confidence and trust of the stakeholders such as shareholders, employees, communities where the company operates its businesses, customers and government agencies as well as the society and country, etc.

Corporate Social Responsibility Strategy

The company has policy to give importance to show corporate social responsibility (CSR) and environmental responsibility along with its real estate development business, and to deliver houses with value to create happiness and pride for the residences. In addition, the company creates sustainability for the real estate industry in order to lead to strong and sustainable growth.

10.2 Operations and Reporting

The company has a policy to operate the company and its subsidiaries' business by giving importance to CSR-in-Process and CSR-after-Process, creating corporate social and environmental responsibility integration which the company recognizes and encourages its employees to practice continuously for sustainable development and for the purpose of creating a balance between business profits and giving back to society as follows:

1. Fair Business Operation

1.1 The company has a policy to treat its trading partners equally and fairly and on the foundation that both parties will receive a fair compensation without demanding, receiving or paying out any benefits that are dishonest in trading with the company's partners.

1.2. The company has a policy to treat its competitors within a framework of rules for good competition without violating or revealing the competitors' trade secrets using deceptive means. The company does not seek secret information about its competitors through dishonest or inappropriate means and does not seek to defame its competitors by making negative accusations.

1.3. If there is any information concerning any dishonest demands, receiving or paying of benefits, the company is to reveal the details to its trading partners and help each other resolve the issue fairly and quickly.

1.4 The company will treat its customers and trading partners fairly without demanding or receiving any benefits that are unfair to the trading partners and if the company cannot comply with any trade agreement, the company will quickly notify the trading partners in advance in order to help each other find a solution without seeking any unlawful advantages over its business competitors and with emphasis on free and fair competition for the overall benefit of the society.

1.5 The company will reveal the correct and complete information about all of its products.

1.6 The company has a policy to strictly protect its customers' information which is acquired during its business operation. In this case, the information must be that which would normally be kept secret, unless it is information that must be revealed in order to comply with the law.

1.7 The executive and employees of all levels must cooperate with and routinely and extensively implement the company's good governance policy in managing all levels of the company's businesses until it becomes a good corporate culture for creating shared values that are adhered to and practiced as follows:

Fair and Extensive Business Competition: The company adheres to ethics and the law in operating its businesses honestly within the framework of free competition by encouraging its employees at all levels to recognize the importance of complying with fair business competition policies and avoiding monopolization and abuse of the company's higher market position.

Respect of Others' Intellectual Property Rights: The company adheres to the policy of not becoming involved with any activity that violates property rights, including intellectual property.

Responsible Supply Chain Promotion: The company creates a good relationship with its trading partners, which are part of the supply chain, by treating each other fairly, creating contracts that are appropriate for each business, encouraging participation and raising the level of importance given to its trading partners' social responsibilities.

2. Respect for Human Rights

The company gives importance to the basic human rights to encourage respect to rights and freedom by treating every employee equally, strictly treating every employee under the labor laws that cover human rights protection, not discriminating employees in the company's hiring process, not discriminating employees on ground of race, nationality, skin color, religion, gender or disability, not terminating contracts unfairly, creating opportunities for employees to express their suggestions, opinions or complaints to the company as well as not supporting or promoting material dealers that violate human rights in the company's process of acquiring materials.

3. Fair Treatment of Laborers

Giving every employee the opportunity to develop their own potential is a major factor that provides the company with high-potential, professional human resources and that allows the company to understand the true needs of its customers. Thus, the company

gives importance to the employee recruitment, employee potential development and leader development processes as well as suitable employee compensation.

4. Responsibility Toward Consumers

The company is determined to develop quality homes under a good society and environment, create homes that customers want and are most satisfied with and deliver valuable homes to create happiness and pride for their residents, use resources such as personnel, funds, materials, equipment, information, technology and methods as efficiently and effectively as possible.

5. Environment Conservation

The company gives importance to and takes into consideration the impact to nature and the environment in performing the organization's activities. The company creates a corporate culture by creating awareness for its employee at every level about resource, environment and energy conservation as well as supporting environment development and preservation activities in order to preserve and maintain the environment for communities for the future.

6. Innovation Creation

The company promotes innovation at the organizational operation level and at the inter-agency collaboration level which means performing tasks using new methods and possibly changing ways of thinking. Producing to increase the target value of innovations is a positive change that facilitates changes in a more positive direction, resulting in increased productivity in order to create as much benefit for the society as possible.

10.3 Social and Environment Responsibility

The company gives importance to Corporate Social Responsibility (CSR) activities that are regularly held in addition to the organization's normal business operations to benefit the public and local communities by providing capital support and having the company's employees participate in the activities as follows:

1. Providing Equal Educational Opportunities

Because Thai children are the future of the country, the company recognizes the importance of providing support to Thai youths to give them the opportunity to grow into quality adults in the society and country and use the knowledge and skills acquired from their education to help develop the country and so the company provides the Wai Sai School in Bang Kho Laem, Bangkok with an annual scholarship on the occasion of the 2020 Children's Day festival in the amount of 20,000 baht.

2. Helping to Reduce Social Disparity

Presently, there are underprivileged children worldwide due to conflict, natural disasters and life crises. In order to raise their quality of life to create social equality and for these children to grow into quality adults in society, the company became a sponsor in the televised fund-raising program, the Blue Carpet Show for UNICEF, providing a support of 500,000 baht for the third consecutive year in order to promote UNICEF's mission to end inequality and create a beautiful world for all underprivileged children in the world.

3. Good Health and Good Living

The company participates in helping to develop the communities and environment that surround its real estate projects by renovating bridges across canals in the communities, improving road surfaces, painting floors, installing rails to prevent falls and installing solar lights to promote good health and create a good environment for the local societies and communities.

Furthermore, Thailand is currently facing the Covid-19 pandemic. In order to prevent and stop the spread of the virus that will have impact on the country's economy as well as humanity and the environment, the company provided aid to communities by

distributing alcohol gel to the people or residents in the communities where the real estate projects are located as well as giving disinfectant sprayers for use against Covid-19 to the projects' residents.

4. Disclosing Operational Information Based on Facts

The company realizes the importance of transparent business operation with good governance and so reports on the company's data and activities based on facts in printed and online media and regularly follows up on the news and reports by mass media.

5. Determination to Proceed with Social Responsibility Activities in 2021

The company's business operations in the past are a testament to the consistent care given to the company and society in general. More importantly, business operations cannot be separated from the society. Businesses cannot operate only in the hopes of gaining profit while neglecting the society because when the society faces a problem, businesses also have to take a step back. However, the company expects to proceed with its social responsibility activities and lead to sustainability by establishing the importance of social responsibility activities so as to integrate them with the company's activities by introducing more products and services and emphasizing the report of the activities' results in accordance with the standards of the Stock Exchange of Thailand and international standards in order to develop an even more complete sustainability in the future.



10.4 Additional Anti-Corruption Practice Guidelines

The company and subsidiaries recognize the importance of operating business transparently on the principles of good corporate governance in order to ensure effective business activities and fairness with responsibility for society and stakeholders. Thus, in order to prevent corruption in every form in the organization, the company has set in place business principles that do not support the businesses of groups or people that seek inappropriate gains. This is to ensure trust that the company operates business without corruption. In addition, the company has set anti-corruption measures for strict adherence by the board of directors, executives and every company employee on every level and in every work section, and the company instructs subsidiaries, associated companies and other companies in which the company holds control authority to conduct business and act in the same line as the manual on anti-corruption measures, which contain specifications about understanding and application of good corporate governance principles.

11. Internal Control and Risk Management

11.1 Opinions of the Board of Directors about the Internal Control System

The company continuously gives importance to its internal control system. The board of directors has assigned the Audit Committee to evaluate and audit the internal control system with emphasis on the presence of an adequate and suitable internal control system for business activities along with work effectiveness and efficiency with effective resource utilization, cost-saving and worthwhileness. This includes maintaining the company's assets as well as preventing or minimizing mistakes, damage, leaks, waste and corruption. In addition, financial reports used inside and outside the company must be correct, reliable and available in a timely manner, and activities are to occur in line with the law and policies set by the company to govern them.

The company employs outside parties to serve as internal auditors of the company and audit the work activities inside the company to ensure compliance to regulations and company policies. Internal auditors will perform an audit in accordance with the annual audit plan for 2020 which was approved by the Audit Committee. The audit will take into consideration the evaluation results of possible risks and the adequacy evaluation results for the core work systems' internal control in accordance with the COSO framework and the Institute of Internal Auditors of Thailand's guidelines as well as the Stock Exchange of Thailand's guidelines in order to use the audit observations to make recommendations for improvements for management to apply. In addition, an internal auditor will compile faults encountered in various work activities and report them to the Audit Committee every quarter for acknowledgement and to supervise management to take corrective actions as appropriate.

In 2020, the Audit Committee assessed the company's internal control system by reviewing and inquiring for information from management and the company's internal auditor. The committee's opinion is that the company's internal control system in five parts, namely, the control environment, risk assessment, control activities, information and internal communication and monitoring and evaluation were exhibited adequate and appropriate internal control. The details are as follows:

1. Control Environment

The company's environmental factors promoted the presence of an adequate and appropriate internal control system. The management of various aspects that contributed to the efficiency of internal control is as follows:

1.1 The company has established in writing policies and regulations on good governance and standards for ethics and codes of conduct in business operations.

1.2 The company has established a vision, a mission and objectives clearly for each year, taking into consideration various factors such as the state of the economy, market and competitive environment. In addition, the company has established a clear performance evaluation standard for use as a guideline for operations and for monitoring to ensure that operations are in line with the goals.

1.3 The company has established an organizational structure, segregated the duties and responsibilities of each department, created clear operational manuals for tasks in the main agency and improved the minor work system to be efficient and consist with reduced task redundancy so that every department can operate under the same standard.

1.4 The company recognizes the importance of personal data for all of the company's stakeholders. Hence, in 2020, the company established a policy for protecting personal data in the process of storing and disclosing of personal data in addition to establishing rights to access personal data in order to comply with the Personal Data Protection Act (2019) and has appointed

a personal data control team to manage and secure personal data acquired by the company and to ensure that the company's personal data is stored, used and disclosed efficiently, adequately and appropriately for the purpose of protecting personal data.

1.5 The company has established a policy that makes the company participate in declaring its anti-corruption intentions, joining Thailand's Private Sector Collective Action Coalition Against Corruption, to show the company's tangible efforts to operate honest businesses.

2. Risk Assessment

In 2020, the board of directors authorized a risk management plan for the company's business activities created by the risk management work committee. Risk assessment took place covering internal and external factors influencing the company's business strategies and activities. The risk management components are consistent with the COSO-ERM framework and principles for risk management as generally practiced. That is, considerations have been made in regards to (1) corporate governance and organizational culture; (2) organizational strategies and objectives; (3) risk management; (4) risk review and improvements; (5) communication and reporting of risks. The company has considered risks from opportunities and possible impact to various aspects as follows: strategic risks, operational risks, financial risks and compliance risks as well as corruption risks in order to comply with the Collective Action Coalition Against Corruption. The company's risk assessment process includes specification and evaluation of severities, prioritization and risk responses. The company has established a control guideline for the prevention or reduction of risks to maintain them at an acceptable level. The company has reviewed the risk management plan at the Meetings of the Executive Committee, the Audit Committee and the Board of Directors in order to enhance capabilities and build sustainability for the organization.

3. Control Activities

The company has appropriate and sufficient internal control for each main activity. Each main activity is governed by practice guidelines necessary for internal control in the form of important policies described in the control environment component, along with regulations, rules, orders, procedural manuals and operations manuals. In addition, necessary practice guidelines for each activity have been set clearly, and the Audit Committee has been established to serve as an important tool of the board of directors in supervising work activities. The Audit Committee performs its duties according to the scope and responsibilities defined by the board of directors and reports to the board of directors whenever it encounters any activity which does not demonstrate the presence of an adequate and sufficient internal control system.

4. Information and Communication in the Organization

The company possesses information related to work activities, and financial reports and reports of work activities in line with policies and practice regulations as well as information obtained from outside the organization are communicated to executives and users inside the organization in formats that help give enough information to facilitate effective operation and decision-making in information recipients. Therefore, the company's information and communication are appropriate.

5. Monitoring and Evaluation

The company has in place a monitoring process that facilitates the completion of business objectives and exhibits the presence of sufficient and effective internal control. This includes monitoring while activities are ongoing and evaluation of internal control by the internal audit department. Furthermore, in 2020, the company held a total of five meetings of the board of directors along with four meetings of the Audit Committee, 12 meetings of the Executive Committee, and regular management meetings in order to evaluate work performance in line with set objectives.

5.1 Sufficiency and Adequacy of the Company's Internal Control System

The internal auditors will audit the internal control evaluation and report on the audit to the company's executive department and Audit Committee. If any step or control is discovered to be a weak point, the executive department will consider establishing measures for resolving the problem systematically and consistently.

The audited agency will receive recommendations on how to improve their operations or what additional control measures they need to improve control of operations. The internal auditors will perform follow-ups and evaluations as well as regularly report to the company's executive department and Audit Committee on the progress.

5.2 The Audit Committee reported to the board of directors that the Audit Committee already reviewed the internal auditor's report and report on the adequacy of the company's internal control system in line with the guidelines of the Office of the Securities and Exchange Commission and viewed that the company's internal control system contained no significant faults.

11.2 Differences in the Opinions of the Audit Committee and the Board of Directors

In 2020, the Audit Committee did not have any opinions that differed from those of the board of directors regarding internal control, and the company's auditor did not raise observations regarding the company's internal control system.

11.3 Internal Audit Supervisor

The company relies on the services of an external agency in performing internal audits. Accordingly, the company has employed Honor Audit and Advisory Co., Ltd. with Ms. Piyamat Rueangsaengrob appointed by said company to function as the person in charge of internal audit.

12. Connected Transactions

In 2020, the company and subsidiaries disclosed significant connected transactions and connected persons in the financial statements for 2020.

Policies and Guidelines for Future Connected Transactions

For the foreseeable future, the company does not have a policy to conduct connected transactions. However, in necessary cases and for the greatest interests of the company, the company will consider the reasonability of such transactions thoroughly and will consider conducting connected transactions with prices and conditions that are identical to those with external parties. Furthermore, the company will strictly comply with the procedures, specifications and announcements of the Office of the Securities and Exchange Commission and those of the Stock Exchange of Thailand concerning the criteria, procedures and disclosures of connected transactions for listed companies and the criteria and regulations set forth by the law with primary consideration to the interest of the company. Additionally, the Audit Committee will monitor and audit connected transactions of the company to ensure compliance with relevant regulations.

13. Relevant Financial Information

Summary of the Audit Report

The audit report by the company's certified auditors for the company's separate financial statement, the company's subsidiaries' financial statement and financial statements for three years (2018-2020) can be summarized as follows:

Year	Name of Auditor	Auditor	Summary of Auditor's Opinion
2018	Mr. Chayapol Suppasedtanon	EY Office Co., Ltd.	Unqualified opinion rendered.
2019	Mrs. Kingkan Atsawarangsarit	EY Office Co., Ltd.	Unqualified opinion rendered.
2020	Mrs. Kingkan Atsawarangsarit	EY Office Co., Ltd.	Unqualified opinion rendered.

Summary of Financial Information**Fiscal Year Ending 31 December 2020**

Unit: million baht

	2020	2019	2018
Total Assets	7,203.50	7,780.00	6,082.48
Total Liabilities	2,287.96	3,058.44	1,311.99
Total Shareholders' Equity	4,915.54	4,721.56	4,770.49
Real Estate Sales Income	2,562.15	1,273.04	1,620.41
Leasing and Service Income	83.97	99.92	85.29
Real Estate Sales Costs	(1,735.75)	(885.77)	(1,097.35)
Leasing and Service Costs	(61.78)	(67.40)	(65.37)
Other Income	33.79	27.24	13.74
Sales and Administrative Expenses	(521.09)	(398.81)	(409.60)
Losses from Asset Devaluation	(101.20)	-	(0.70)
Transferred Loss from Asset Devaluation	14.56	28.47	2.15
Financial Expenses	(11.30)	(4.47)	(3.85)
Income Tax Income (Expenses)	(71.84)	(20.73)	(31.80)
Profit (Loss) for the Year	191.51	51.49	112.92
Other Comprehensive Profits and Losses:			
Transactions Not Reported for Subsequent Profits or Losses			
Profits or Losses from Insurance Mathematic Estimates	3.31	-	-
Deduction: Income Tax Impact	(0.83)	-	-
Transactions Not Recorded for Subsequent Profits or Losses			
- Net Sum from Income Tax	2.48	-	-
Total Comprehensive Profit (Loss) for the Year	193.99	51.49	112.92
Dividend per Share (baht/share)	0.038	0.010	0.020

Financial Ratios			
Liquidity Ratio (times)	4.89	2.19	4.11
Quick Ratio (times)	0.88	0.10	0.39
Operating Cash Flow to Current Liabilities (times)	0.39	0.19	0.89
Receivables Turnover Ratio (times)	269.43	161.05	281.53
Average Collection Period (days)	1	2	1
Gross Profit Ratio (percent)	32.07	30.58	31.83
Net Profit Ratio (Shareholders' Equity of the Main Company (percent)	7.03	3.76	6.71
Return on Equity (percent)	4.07	1.11	2.44
Return on Assets (percent)	2.56	0.76	1.92
Debt to Equity Ratio (times)	0.48	0.66	0.28
EBITDA Coverage Ratio (times)	0.18	0.08	0.28

a) Table Summary of the Consolidated Financial Statement

Percent	2020		2019		2018	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Statement of Financial Status						
Cash and Cash Equivalents	362.56	5.03	101.72	1.31	198.71	3.26
Temporary Investments	-	-	100.24	1.29	67.97	1.12
Other Current Financial Assets	325.58	4.52	-	0.11	8.30	0.13
Trade Accounts Receivable and Other Accounts	10.89	0.15	8.74	-	-	-
Real Estate Development and Inventory Cost	3,020.34	41.93	4,194.52	53.91	2,587.82	42.55
Advance Payments for Construction	12.08	0.17	39.03	0.50	5.88	0.10
Costs in Acquiring Contracts Made with Customers	136.23	1.89	131.31	1.69	3.15	0.05
Other Current Assets	15.67	0.22	34.47	0.44	14.41	0.24
Total Current Assets	3,883.35	53.91	4,610.03	59.25	2,886.24	47.45
Net Accounts Receivable in Financial Loan Agreements	23.61	0.33	27.29	0.35	29.12	0.48
Net Real Estate for Investment	883.75	12.27	1,182.72	15.20	1,158.19	19.04
Net Land, Buildings and Equipment	430.16	5.97	456.88	5.87	404.44	6.65
Intangible Assets	10.48	0.15	6.63	0.09	5.00	0.08
Right of Use Assets	37.64	0.52	-	-	-	-
Deferred Tax Asset	33.52	0.47	24.20	0.31	37.61	0.62
Net Land and Modifications Awaiting Development	1,794.99	24.92	1,400.05	18.00	1,391.17	22.87
Security Deposits for Land Purchases	-	-	-	-	5.00	0.08
Costs in Acquiring Contracts Made with Customers	-	-	-	-	89.72	1.48
Other Non-current Assets	106.00	1.47	72.20	0.93	75.99	1.25
Total Assets	7,203.50	100.00	7,780.00	100.00	6,082.48	100.00
Short-term Loans from Financial Institutes	-	-	780.29	10.03	133.48	2.19
Trade Accounts Payable and Other Accounts	42.56	0.59	76.34	0.98	65.78	1.08
Long-term Loans Due to be Paid in One Year	226.92	3.15	729.47	9.38	111.05	1.83
Debts in Leases Due to be Paid in One Year	7.09	0.10	-	-	-	-
Advance Payments Received from Customers	279.40	3.88	361.23	4.64	291.86	4.80
Unpaid Juristic Person Income Tax	53.33	0.74	-	-	-	-
Unpaid Expenses	120.88	1.68	106.29	1.37	48.25	0.82
Other Current Liabilities	64.10	0.89	49.54	0.64	51.15	0.84
Total Current Liabilities	794.28	11.03	2,103.16	27.03	701.57	11.56
Net Long Term Loans Due to be Paid in One Year	1,347.20	18.70	822.20	10.57	463.81	7.63
Net Liabilities in Lease Agreements Due to be Paid in One Year	31.39	0.44	-	0.40	24.00	0.40
Allowance for Long Term Employee Benefits	29.86	0.41	31.29	-	-	-
Construction Cost Bond	32.01	0.44	52.34	0.67	81.25	1.34
Advance Payments Received from Land Leases	2.86	0.04	4.17	0.05	4.50	0.07
Deferred Income Tax Liabilities	32.34	0.45	31.72	0.41	24.40	0.40
Other Non-current Liabilities	18.02	0.25	13.56	0.17	12.46	0.20
Total Liabilities	2,287.96	31.76	3,058.44	39.31	1,311.99	21.60
Registered Capital	5,172.25	71.80	5,172.25	66.48	5,172.25	85.04
Issued and Paid Up Capital	5,022.25	69.72	5,022.25	64.55	5,022.25	82.57
Share Premium Discount	(429.26)	(5.96)	(429.26)	(5.51)	(429.26)	(7.06)
Equity from Payments Using Shares as Criteria	0.98	0.01	0.98	0.01	0.98	0.02
Allocated Accrued Profit – Legal Reserve	80.00	1.11	68.00	0.87	65.15	1.07
Unallocated Accrued Profit (Loss)	52.83	0.74	(126.16)	(1.62)	(75.54)	(1.27)
Other Shareholders' Equity Components	74.13	1.03	74.13	0.95	74.13	1.22
Equity Belonging to Non-controlling Interests in Subsidiaries	114.61	1.59	111.62	1.43	112.78	1.85
Total Shareholders' Equity	4,915.54	68.24	4,721.56	60.69	4,770.49	78.40
Total Liabilities and Shareholders' Equity	7,203.50	100.00	7,780.00	100.00	6,082.48	100.00

b) Table Summarizing the Consolidated Financial Statement (continued)

	2020		2019		2018	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Profit-Loss Statement						
Income from Real Estate Sales	2,562.15	95.61	1,273.04	90.92	1,620.41	94.24
Service Income	43.41	1.62	55.51	3.96	51.20	2.98
Leasing Fee Income	40.56	1.51	44.41	3.17	34.09	1.98
Other Income	33.79	1.26	27.24	1.95	13.74	0.80
Total Income	2,679.91	100.00	1,400.20	100.00	1,719.44	100.00
Real Estate Sale Costs	1,735.75	64.77	885.77	63.26	1,097.35	63.82
Service Costs	32.63	1.22	37.03	2.64	34.70	2.02
Leasing Fee Costs	29.15	1.09	30.37	2.17	30.67	1.78
Total Costs	1,797.53	67.07	953.17	68.07	1,162.72	67.62
Profit before Sales and Administrative Expenses	882.38	32.93	447.03	31.93	556.72	32.38
Expenses						
Sale Expenses	243.46	9.08	134.00	9.57	163.34	9.50
Administrative Expenses	277.63	10.36	264.81	18.91	246.26	14.33
Losses from Asset Devaluation	101.20	3.78	-	-	0.70	0.04
Transferred Loss from Asset Devaluation	(14.56)	(0.54)	(28.47)	(2.03)	(2.15)	(0.13)
Total Expenses	607.73	22.68	370.34	26.45	408.15	23.74
Profit before Financial and Income Tax Expenses	274.65	10.25	76.69	5.48	148.57	8.64
Financial Expenses	(11.30)	(0.42)	(4.47)	(0.32)	(3.85)	(0.22)
Profit (Loss) before Income Tax Expenses	263.35	9.83	72.22	5.16	144.72	8.42
Income Tax Income (Expenses)	(71.84)	(2.68)	(20.73)	(1.48)	(31.80)	(1.85)
Profit for the Year	191.51	7.15	51.49	3.68	112.92	6.57
Other Profits and Losses:						
<i>Transactions Not Later Recorded as Profits or Losses</i>						
Profits or Losses from Estimates Based on Insurance Mathematical Principles	3.31	0.13	-	-	-	-
Deduction: Income Tax Impact	(0.83)	(0.03)	-	-	-	-
<i>Transactions Not Later Recorded as Profits or Losses</i>						
- Net Income Tax	2.48	0.10	-	-	-	-
Total Profit/Loss for the Year	193.99	7.24	51.49	3.68	112.92	6.57
Profit/Loss Sharing						
Profit/Loss for the Company's Shareholders	188.52	7.04	52.65	3.76	115.45	6.71
Profit/Loss for Non-controlling Interests in Subsidiaries	2.99	0.11	(1.16)	(0.08)	(2.53)	(0.15)
	191.51	7.15	51.49	3.68	112.92	6.57
Total Profit/Loss Sharing						
Profit/Loss for the Company's Shareholders	191.00	7.13	52.65	3.76	115.45	6.71
Profit/Loss for Non-controlling Interests in Subsidiaries	2.99	0.11	(1.16)	(0.08)	(2.53)	(0.15)
	193.99	7.24	51.49	3.68	112.92	6.57
Earnings per Share						
Basic Earnings per Share						
Earnings for the Company's Shareholders	0.038		0.010		0.023	

Cash Flow Statement	2020	2019	2018
	<i>Million Baht</i>	<i>Million Baht</i>	<i>Million Baht</i>
Net Cash from Operating Activities	559.01	259.59	720.36
Net Cash from (Spent) in Investment Activities	469.18	(1,880.14)	(402.70)
Net Cash from (Spent) in Financing Activities	(767.35)	1,523.56	(256.72)
Net Increase (Decrease) in Cash and Cash Equivalents	260.84	(96.99)	60.94

Significant Financial Ratios Reflecting Financial Status and Performance in the Main Business of the Company and Subsidiaries

Items		Consolidated Financial Statement		
		2020	2019	2018
Liquidity Ratios				
Liquidity Ratio	(times)	4.89	2.19	4.11
Quick Ratio	(times)	0.88	0.10	0.39
Operating Cash Flow to Current Liabilities	(times)	0.39	0.19	0.89
Receivables Turnover Ratio	(times)	269.43	161.05	281.53
Average Collection Ratio	(days)	1	2	1
Inventory Turnover Ratio	(times)	0.49	0.27	0.43
Average Inventory Period	(days)	734	1,323	845
Payables Turnover Ratio	(times)	30.23	13.41	18.24
Average Payment Period	(days)	12	27	20
Cash Cycle	(days)	724	1,298	827
Profitability Ratios				
Gross Profit Ratio	Percent	32.07	30.58	31.83
Operating Profit Ratio	Percent	10.38	5.59	8.71
Other Profit Ratios	Percent	1.26	1.95	0.80
Cash to Profit Ratio	Percent	203.54	338.50	484.86
Net Profit Ratio (Shareholders' Equity of the Main Company)	Percent	7.03	3.76	6.71
Net Profit Ratio	Percent	7.15	3.83	6.77
Return on Equity	Percent	4.07	1.11	2.44
Operating Efficiency Ratio				
Return on Assets	Percent	2.56	0.76	1.92
Return on Fixed Assets	Percent	17.28	5.85	9.61
Asset Turnover	(times)	0.36	0.20	0.29
Financial Policy Analysis Ratios				
Debt on Equity Ratio	(times)	0.48	0.66	0.28
Interest Coverage Ratio	(times)	3.58	1.17	4.44
EBITDA Coverage Ratio	(times)	0.18	0.08	0.28
Dividend Payout Ratio	Percent	-	80.74	68.03
Per Share Data				
Book Value per Share	(baht)	0.96	0.94	0.95
Net Profit per Share	(bahi)	0.038	0.010	0.023
Dividend per Share	(baht)	0.010	-	0.020

14. Management Analysis and Explanations

A) Performance

Overall Performance

For the year ending 31 December 2020, the company and its subsidiaries had a total income of 2,679.91 million baht with 2,405.26 million baht in total expenses, a profit before financial expenses and income tax expenses of 274.65 million baht and 191.51 million baht in net income after tax, an increase of 140.02 million baht or 271.94 percent from 2019 when the net income after tax was 51.49 million baht. In addition, when combined with other comprehensive income generated by actuarial gains and losses in the amount of 2.48 million baht, the company had a comprehensive income of 193.99 million baht for the year.

- Income from sale of real estate, which is the company's main income, was 2,562.15 million baht or 95.61 percent of the total income. The cost of sale of real estate was 1,735.75 million baht with a gross profit of 826.40 million baht.

- Income from services was 43.41 million baht or 1.61 percent of the total income. The cost of services was 32.63 million baht.

- Income from rent was 40.56 million baht or 1.50 percent of the total income. The cost of rent was 29.15 million baht with a gross profit of 11.41 million baht.

In 2020, the company opened projects for sale, two in Bangkok, namely the Quintara Kynett Ratchada 12 and the Quintara Phume Sukhumvit 39 condominium projects, and one in Ban Chang, Rayong, namely, the Grand Velana project, as well as closed the sale for one project, namely, the Amber condominium project.

- In 2020, the cost of sale was 243.46 million baht, an increase of 109.46 million baht or 81.69 percent from 2019, mostly from commission fees, transfer fees and specific business taxes which increases in accordance with the increase in income from transfers.

- In 2020, the administration expenses were 277.63 million baht, an increase of 12.82 million baht or 4.84 percent from 2019, mostly due to the amortization of the sales offices as a result of the sales of properties with structure.

- In 2020, the company acknowledged asset devaluation losses in the amount of 101.20 million baht and had profit from reversal of losses from depreciation in the amount of 14.56 million baht, a decrease of 13.91 million baht from 2019 due to a new appraisal of the company's properties by independent appraisers which revealed that the majority of the company's property having higher values than the book values, except for some assets. Therefore, in order to reflect the current values, the company recognized losses from asset deviation and reversed losses from land depreciation previously acknowledged as losses.

As of 31 December 2020, the balance of the company's loans from financial institutions was 1,574 million baht (consisting of 226.92 million baht from net long-term loans due for payment in one year and 1,347.20 million baht from net long-term loans due for payment in one year), a decrease of 757.84 million baht from 2019, mainly due to the company consistently repaying mortgage loan debts for the Quintara Treehaus Sukhumvit 42 project, the transfer for which started in May 2020, and a project that was opened before 2020 as well as paying off all short-term loans from financial institutes during the year. As of 31 December 2020, the company had total unused short-term loans from financial institutions in the amount of 682 million baht and unused long-term loans in bank loan agreements in the amount of 3,043 million baht. In addition, at the end of 2020, the company had a debt-to-equity ratio of 0.47:1.

Income from the Sale of Real Estate, Rent and Service Fees

The company and its subsidiaries' main income comes from three business parts, namely, the business of real estate development for sale, real estate development for rent, golf courses and services, generating a total of 2,646.12 million baht which is an increase of 1,273.16 million baht or 92.73 percent from 2019. The income from all three businesses can be summarized as follows:

- The income from the business of real estate development for sale in 2020 was 2,562.15 million baht or 95.61 percent of the total income, an increase of 1,289.11 million baht, or 101.26 percent from 2019. This is due to the company transferring the ownership of and perceiving income from two new projects, namely, the Quintara Treehaus Sukhumvit 42, beginning in May 2020, and the Grand Velana in Rayong, beginning in September 2020. In addition, the company perceived income from existing housing projects and condominiums which had unsold units. Most of the perceived income from this is from the Estara Haven Pattanakarn 20 project, the Amber condominium project and the Velana Golf House project. Meanwhile, in 2019, the majority of project ownership transfers were from existing projects, generating income mainly from the Amber project and the Velana Golf House project. At the same time, the transfers for the Estara Haven Pattanakarn 20 project, which is a new project, started in the fourth quarter, which is the end of the year, increasing the overall income in 2020. The details for perceived income from the ownership transfer of projects in Bangkok and Rayong are sorted by the selling area as follows:

Summary of Sales Data Sorted by Selling Area	2020 (million baht)			2019 (million baht)		
	Bangkok	Rayong	Total	Bangkok	Rayong	Total
Income from Sales of Houses with Land	343.76	319.23	662.99	67.22	389.17	456.39
Income from Sales of Condominiums	1,140.70	-	1,140.70	801.58	-	801.58
Income from Sales of Empty Lots	758.46	-	758.46	-	15.07	15.07
Total Income	2,242.92	319.23	2,562.15	868.80	404.24	1,273.04

Moreover, the company perceived a total income from the sale of one piece of real estate for investment and one piece of property waiting to be developed in the amount of 758.46 million baht or 29.60 percent of the total income from sales of real estate.

As of 31 December 2020, the company had an expected future income of 1,909.98 million baht from sales of real estate in accordance with contracts for the sale of the company's properties with structure created in 2020.

- The income from the business of real estate development for rent in 2020 was 40.56 million baht or 1.51 percent of the total income, a decrease of 3.85 million baht or 8.67 percent from 2019, due to the impact of the Covid-19 pandemic reducing the number of customers.

- The income from golf courses and services in 2020 was 43.41 million baht or 1.61 percent of the total income, a decrease of 12.10 million baht or 21.80 percent from 2019, due to the impact of the Covid-19 pandemic causing fewer customers to use the golf course services. In addition, golf courses were ordered to close by the government at certain periods due to the risk of spreading the aforementioned Covid-19 virus.

Sale, Rent and Service Costs

In 2020, the company and its subsidiaries had the real estate sale costs, renting costs and service costs in the amount of 1,797.53 million baht, an increase of 844.36 million baht or 88.58 percent from 2019. This can be summarized as follows:

The real estate sale costs were 1,735.75 million baht, an increase of 849.98 million baht or 95.96 percent from 2019, due to the increased income from real estate sales. The percentage of the sale costs in 2020 was 67.75 percent of the income from sales of real estates, a decrease from 2019 which was 69.58 percent of the income from sales of real estates. This is due to sales of a portion of the real estates for investment and properties waiting to be developed. Meanwhile, the percentage of real estate sales costs which are the company's main income increased about 2.09 percent due to the discount of sale prices and promotions in order to be able to compete in the market during the Covid-19 pandemic situation.

- The renting costs were 29.15 million baht, a decrease of 1.22 million baht or 4.02 percent from 2019, and the service costs were 32.63 million baht, a decrease of 4.40 million baht or 11.88 percent from 2019. The costs fluctuate with the decreased income, however, at a lower percentage than the decreased income since the company has expenses that do not fluctuate with the income, for example, employee salaries, depreciation, etc.

Other Income

In 2020, the other income generated 33.79 million baht, an increase of 6.55 million baht or 24.05 percent from 2019, due to the seizure of collateral for breach of contract by customers.

Sale Costs

In 2020, the sale costs were 243.46 million baht, an increase of 109.46 million baht or 81.69 percent from 2019, mostly due to commission fees, specific business taxes and ownership transfer fees which fluctuate according to the increased income from sales of real estates. Meanwhile, there is a postponement in some advertisement fees. The company focused more on online advertisement and held appropriately fewer events so as to be consistent with the change in customer behaviors during the Covid-19 pandemic situation.

Administrative Costs

In 2020, the administrative costs were 277.63 million baht, an increase of 12.82 million baht or 4.84 percent from 2019, due to the amortization of sales offices as a result of the sales of properties with structure. However, due to the Covid-19 pandemic, the company issued measures to control or postpone some of the fixed expenses as well as had employees work from home. As a result, office expenses were reduced.

Losses from Asset Devaluation and Transferred Losses from Asset Devaluation

In 2020, independent appraisers re-appraised properties and real estates, the majority of which had a higher re-appraisal value than the current book values with the exception of some asset items. Furthermore, in order to reflect the current values, the company set losses from asset devaluation in the amount of 101.20 million baht and transferred losses from depreciation in assets previously recognized as losses in the amount of 14.56 million baht, a decrease of 13.91 million baht or 48.86 percent from 2019.

Financial Expenses

In 2020, the financial expenses were 11.30 million baht, an increase of 6.83 million baht or 152.80 percent from 2019. The expenses include loan interest from commercial banks for operations. Loans used for operating projects under construction are recorded as a real estate development cost in the amount of 51.73 million baht, a decrease of 8.40 million baht or 13.97 percent from 2019, due to the company using ownership transfers to gradually pay back loans for projects during the year, especially from the Quintara Treehaus Sukhumvit 42 project, starting in May 2020.

Income Tax Expenses

In 2020, the income tax expenses were 71.84 million baht, an increase of 51.11 million baht or 246.55 percent, due to the company having more taxable profits in 2020 than in 2019.

Net Profit

In 2020, the company and its subsidiaries generated 188.52 million baht in net profit including the company shareholders' equity, an increase of 135.87 million baht or 258.06 percent from 2019, due to the aforementioned reasons.

B) Financial Position**Asset Components**

As of 31 December 2020, the company and its subsidiaries have a total asset of 7,203.50 million baht, a decrease of 576.50 million baht or 7.41 percent from 31 December 2019, mostly due to a decrease of 726.68 million baht in current assets mainly caused by a reduction in real estate development and inventory costs. The details for significant changes in assets are as follows:

- As of 31 December 2020, the cash and cash equivalents, temporary investments and other current assets were a total of 688.14 million baht, an increase of 486.18 million baht or 240.73 percent from 31 December 2019, due to the company receiving additional payments from sales of properties waiting to be developed in Bangkok in December 2020 in addition to the company's normal operations. Moreover, there were additional low-risk investments in the bond fund.

- As of 31 December 2020, the real estate development and inventory costs were 3,020.34 million baht, a decrease of 1,174.18 million baht or 27.99 percent from 31 December 2019. In addition, as of 31 December 2020, the advance payments for construction were 12.08 million baht, a decrease of 26.95 million baht or 69.05 percent from 31 December 2020, mainly due to continual transfers of ownership to condominium projects and housing projects in 2020. This includes the Quintara Treehaus Sukhumvit 42 project, which began transferring in May 2020. Furthermore, the company re-categorized new land assets from inventory into land and parts awaiting development due to modification of construction models to be suitable for market needs. This was the main cause for net land and parts awaiting development to be at 1,794.99 million baht as of 31 December 2020, an increase from 394.94 million baht as of 31 December 2019 or a 28.21 percent increase.

- Other current assets as of 31 December 2020 were at 15.67 million baht, a decrease from 18.80 million baht as of 31 December 2019 or a 54.54 percent decrease. This was mostly caused by the company receiving tax refunds requested from the Revenue Department during the year.

- Net real estate for investment (accrued depreciation deducted) as of 31 December 2020 was at 883.75 million baht, a reduction from 298.97 million baht as of 31 December 2019 or a 25.28 percent reduction. This was mainly caused by the sale of one plot of land in Bangkok valued at 298.82 million baht with a depreciation of 14.74 million baht for 2020. Allowance for depreciation in assets was set at 9.02 million baht and transfer of losses from asset devaluation was at 14.56 million baht.

- Net land, buildings and equipment (accrued depreciation deducted) as of 31 December 2020 was at 430.16 million baht, a decline from 26.72 million baht as of 31 December 2019 or a 5.85 percent reduction. This was mainly caused by sales office amortization during the year with a net depreciation of 38.86 million baht for the year from modification of the new clubhouse building of the Siam golf business in Rayong, which launched services in August 2021, including the construction costs of the sales offices for new condominium and housing projects in Bangkok and Rayong.

- Deferred tax assets as of 31 December 2020 was 33.52 million baht, an increase from 9.32 million baht on 31 December 2020 or a 38.51 percent increase. This increase was mainly caused by losses from reductions in asset value, net accumulated tax losses brought forward from 2019 and the company's use of tax benefits in 2020 due to net profit.

- Other non-current assets as of 31 December 2020 was 106.00 million baht, an increase from 33.80 million baht as of 31 December 2019 or a 46.81 percent increase. Most of this increase was created by the company's payment of security deposits for land in contracts where the company has not transferred ownership rights for future project development.

Components of Liabilities and Shareholders' Equity

As of 31 December 2020, the company and subsidiaries had liabilities in the amount of 2,287.96 million baht, a reduction from 770.48 million baht as of 31 December 2019 or a 25.19 percent decrease. Total current liabilities amounted to 794.28 million baht, or a 1,308.88 million baht reduction or a 62.23 percent reduction, most of which was caused by reductions in short-term loans and long-term loans due for payment in one year repaid by the company from transfer of ownership rights in projects. Non-current liabilities were a sum of 1,493.68 million baht, a 538.40-million baht increase or a 56.36 percent increase. This was mostly caused by increases in net long-term loans due for payment in one year. Details on significant changes in liabilities are as follows:

- As of 31 December 2020, the company has no outstanding liabilities from short-term financial institution loans, causing liabilities to drop from 780.29 million baht as of 31 December 2019 or a 100.00 percent decrease from the company's repayment of some loans during the year and categorization of short-term bridging loans for additional land purchases for new project development as long-term loans in 2020.

- Trade accounts payable and other accounts as of 31 December 2020 amounted to 42.56 million baht, a reduction from 33.78 million baht on 31 December 2019 or a 44.25 percent reduction caused by completion of some condominium project construction work, resulting in lower disbursements for construction costs and causing most debt repayments to be on schedule.

- Long-term loans due for payment in one year as of 31 December 2020 amounted to 226.92 million baht, a reduction from 502.55 million baht on 31 December 2019 or a 68.89 percent reduction. Because the company repaid all loans for some projects in 2020, the company had no outstanding debts to repay when condominium or housing ownership rights are transferred in 2021, causing long-term loans due for payment in one year to drop.

- Liabilities in leases due for payment in one year as of 31 December 2020 amounted to 7.09 million baht, net liabilities in lease agreements due for payment in one year as of 31 December 2020 was at 31.39 million baht and right of use assets was at 37.64 million baht as of 31 December 2020. This was because the company applied Financial Reporting Standard (16th Edition) as of 1 January 2020. The company's group acknowledged debts in leasing agreements previously categorized as operating lease agreements with current value of money paid in remaining lease agreements and reduced liabilities with extra loan interest.

- Advance payments received from customers as of 31 December 2020 was at 279.40 million baht or a reduction from 81.83 million baht on 31 December 2019 or a 22.65 percent decrease. Most of this was due to reductions in advance payments from customers in the Quintara Treehouse Sukhumvit 42 Project because of ownership rights transfers since May 2020 while condominium projects that will begin to have ownership rights transfers in 2021 have less value, causing advance payments received from customers to decline.

Unpaid juristic person income tax as of 31 December 2020 amounted to 53.33 million baht, an increase from 31 December 2019 due to the company's net profit from taxes in 2020.

- Unpaid expenses as of 31 December 2020 was 120.88 million baht, a 14.59-million baht or 13.73 percent increase from 31 December 2019. This was mainly caused by increases in unpaid expenses from condominium construction in ongoing project developments, unpaid agent fees in contracts and estimated liabilities from housing and condominium repair costs insured by the company.

- Net long-term loans due for payment in one year was 1,347.20 million baht as of 31 December 2020, an increase from 525.00 million baht as of 31 December 2019 or a 63.85 percent increase. This was mainly caused by changing short-term bridging loans for purchasing additional land for new project developments to net long-term loans due for payment in one year in the amount of 530.29 million baht.

As of 31 December 2020, the company and subsidiaries had shareholders' equity totaling 4,915.53 million baht, an increase from 31 December 2019 by 193.97 million baht or 4.11 percent. This increase came from performance in 2020 divided into 188.52 million baht from equity belonging to the company's shareholders and 2.99 million baht from non-controlling interests in subsidiaries.

c) Liquidity

Cash Flow

In 2020, the company had lower cash and cash equivalents from operating activities, investment activities and financing activities in the amount of 260.84 million baht, an increase from 357.83 million baht. This increase had the following causes:

- In 2020, the company had net cash flow from operating activities in the amount of 559.01 million baht and had non-monetary adjustments mostly caused by depreciation and amortization in the amount of 65.16 million baht, losses from devaluation of land awaiting development, real estate for investment and buildings, a net sum of 86.64 million baht, profit from sale and amortization of land awaiting development, real estate for investment and equipment, a net sum of 297.53 million baht, and increases in cash flow from sale of housing, land and condominium projects in 2020 in the amount of 648.47 million baht. At the same time, advance payments from customers declined by 81.83 million baht with paid interest in the amount of 76.76 million baht and net income tax payments from income tax refunds in the amount of 8.82 million baht. Thus, in 2020, overall cash flow from operating activities increased from 2019.
- In 2020, net cash flow from investment activities was at 469.18 million baht. This was mostly caused by net income received from sale of real estate for investment, land awaiting development, buildings, equipment and intangible assets in the amount of 694.37 million baht while net investment unit purchases in the year was at 225.19 million baht.
- In 2020, net cash flow spent in financing activities was in the amount of 767.35 million baht, mostly from the company's repayment of short-term and long-term loans in the amount of 2,658.47 million baht and 1,900.63 million baht received from short-term and loan term loans.

Liquidity Ratios

Liquidity as of 31 December 2020 was 4.89 times, an increase from 2.7 times in 31 December 2019. This was mainly caused by a 62.23 percent reduction in current liabilities from categorizing bridging loans for purchasing more land for new project developments as long-term loans in 2020 in addition to loan repayments for projects with ownership rights transfers during the year. At the same time, current assets dropped by 15.76 percent due to reductions in inventory from transfer of ownership rights, net cash received from sale of some real estate for investment and land awaiting development, causing the company to have liquidity for repaying short-term loans such as trade accounts receivable and short-term loans from financial institutions.

Inventory turnover was 0.49 times, an increase from 0.27 times in 2019. This indicated the company was able to sell more quickly than in 2019 because the company began transferring ownership rights and acknowledging income in the Quintara Treehouse Sukhumvit 42 Project since May 2020. In addition, ownership rights transfers continued in other condominium and housing projects. Moreover, the Company is constructing several projects awaiting development, which will begin to acknowledged income in subsequent years.

Profitability Ratios

The company's total gross profit for 2020 was 882.38 million baht or 32.93 percent of sales value, a 435.35-million baht from 447.03 million baht in 2019 or 31.93 percent of net sales value. Of gross profit increases from 2019, 1.00 percent was mainly caused by real estate sales for investment and some land awaiting development while gross profit from real estate sales or

the company's main income declined by 2.09 percent due to reductions in sale prices and discount promotions to be able to compete during the COVID-19 pandemic.

Net profit for 2020 was 191.51 million baht or 7.15 percent of total income, a 140.02-million baht increase from the net profit of 51.49 million baht in 2019 or 3.68 percent of total income. This was caused by the company's increases in net profit from new project ownership right transfers in 2020 and sale of some real estate for investment and land awaiting development. Furthermore, the company enacted measures for controlling and slowing investment expenses, fluctuations in expenses and fixed expenses to create maximum efficiency as a result of the COVID-19 pandemic.

Return on equity for 2020 was 4.07 percent, an increase from 2.96 percent in 2019 due to the aforementioned increase in net profit in 2020.

Efficiency Ratios

Return on assets as of 31 December 2020 was 2.56 percent. This number rose from 0.76 percent on 31 December 2019 and was mainly caused by an increase in net profit for the year by 271.94 percent while average total assets declined by 7.41 percent from gradual transfer of condominium and housing projects in old and new projects during the year including real estate sales for investment and some lands awaiting development with long development time trends not cost-effective for investment.

Capital Structure

Total debt on equity as of 31 December 2020 was 0.48 times, an increase from 0.18 times as of 31 December 2019. This was mainly caused by the company's 25.19 percent reduction in total liabilities from loan repayments and ownership rights transfers during the year including a 276.75 percent increase in total profit for the year, indicating the company's ability to repay obligations and debts normally. Moreover, the company was able to maintain appropriate capital structure and financial ratios in line with specifications of loan agreements.

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 2020, 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 2020, their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

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 5.1 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.

Impairment evaluation of investment properties

As discussed in Note 5.11 and Note 14 to the consolidated financial statements, in evaluating impairment of investment properties of the Company and its subsidiary, 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.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

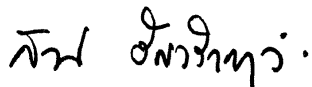
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting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

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

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

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

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



Gingkarn Atsawarangsalit

Certified Public Accountant (Thailand) No. 4496

EY Office Limited

Bangkok: 24 February 2021

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	362,559,218	101,720,939	361,033,471	95,798,265
Current investments	9	-	100,237,736	-	69,804,962
Other current financial assets	9	325,583,479	-	300,051,565	-
Trade and other receivables	7, 10	10,899,019	8,743,345	41,922,231	12,550,972
Real estate development costs and inventories	11	3,020,339,894	4,194,521,248	3,024,945,605	4,191,398,910
Advance for construction work		12,079,461	39,029,890	12,079,461	39,029,890
Cost to obtain a contract	18	136,227,006	131,306,267	136,227,006	131,306,267
Other current assets		15,666,857	34,465,822	14,355,790	33,305,968
Total current assets		3,883,354,934	4,610,025,247	3,890,615,129	4,573,195,234
Non-current assets					
Lease receivables	12.1	23,613,967	27,289,015	23,613,967	27,289,015
Investments in subsidiaries	13	-	-	505,374,400	505,374,400
Investment properties	14	883,748,673	1,182,717,778	922,663,814	1,222,659,141
Property, plant and equipment	15	430,160,150	456,877,614	251,332,729	249,785,771
Right-of-use assets	22	37,636,171	-	37,636,171	-
Intangible assets	16	10,477,132	6,634,352	10,477,123	6,628,968
Deferred tax assets	30	33,523,054	24,196,252	32,510,780	24,619,826
Land and improvement awaiting development	17	1,794,990,576	1,400,054,285	1,660,485,281	1,250,487,978
Other non-current assets		105,999,220	72,209,976	101,020,483	67,606,445
Total non-current assets		3,320,148,943	3,169,979,272	3,545,114,748	3,354,451,544
Total assets		7,203,503,877	7,780,004,519	7,435,729,877	7,927,646,778

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	19	-	780,293,400	-	780,293,400
Trade and other payables	7, 20	42,568,512	76,337,753	78,495,516	80,202,301
Current portion of long-term loans	21	226,919,981	729,473,000	226,919,981	729,473,000
Current portion of lease liabilities	22	7,087,824	-	7,087,824	-
Advance received from customers	23	279,399,700	361,233,810	278,677,414	357,072,335
Accrued expenses		120,877,863	106,291,822	119,966,718	105,400,821
Income tax payable		53,327,227	-	53,327,227	-
Other current liabilities	24	64,090,699	49,535,174	63,312,735	48,532,528
Total current liabilities		794,271,806	2,103,164,959	827,787,415	2,100,974,385
Non-current liabilities					
Long-term loans - net of current portion	21	1,347,199,000	822,199,000	1,347,199,000	822,199,000
Lease liabilities - net of current portion	22	31,393,040	-	31,393,040	-
Provision for long-term employee benefits	25	29,864,108	31,289,868	22,460,772	24,246,316
Retention guarantees		32,011,303	52,341,916	32,011,303	52,341,916
Advance received from land lease	12.2	2,860,731	4,174,491	2,860,731	4,174,491
Deferred tax liabilities	30	32,336,250	31,719,056	32,336,250	31,719,056
Other non-current liabilities		18,030,421	13,561,425	18,005,136	13,518,620
Total non-current liabilities		1,493,694,853	955,285,756	1,486,266,232	948,199,399
Total liabilities		2,287,966,659	3,058,450,715	2,314,053,647	3,049,173,784

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
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	26	978,875	978,875	978,875	978,875
Retained earnings					
Appropriated - statutory reserve	27	80,004,224	68,004,224	80,004,224	68,004,224
Unappropriated (deficits)		52,833,057	(126,162,718)	447,711,832	216,508,596
Other components of shareholders' equity		74,131,479	74,131,479	-	-
Total shareholders' equity		4,800,928,934	4,609,933,159	5,121,676,230	4,878,472,994
Non-controlling interest of the subsidiaries		114,608,284	111,620,645	-	-
Total shareholders' equity		4,915,537,218	4,721,553,804	5,121,676,230	4,878,472,994
Total liabilities and shareholders' equity		7,203,503,877	7,780,004,519	7,435,729,877	7,927,646,778
		-	-	-	-

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

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit or loss:					
Revenues					
Revenue from sales of real estate	32	2,562,154,715	1,273,043,228	2,582,690,467	1,273,043,228
Services revenue	32	43,411,207	55,508,838	2,475,907	2,054,415
Rental revenue	12,32	40,557,093	44,410,638	40,543,671	44,410,638
Other income		33,788,656	27,241,267	37,685,616	30,157,434
Total revenues		2,679,911,671	1,400,203,971	2,663,395,661	1,349,665,715
Expenses					
Cost of real estate sold		1,735,754,524	885,767,877	1,733,311,034	886,207,778
Cost of services		32,633,223	37,029,537	1,968,727	3,438,749
Cost of rent		29,145,727	30,373,057	30,171,949	31,411,727
Selling and distribution expenses		243,461,227	134,000,034	241,451,187	132,142,383
Administrative expenses		277,631,062	264,812,678	257,547,685	242,526,662
Loss on diminution in value of assets	14, 15, 17	101,199,473	-	95,880,452	-
Reversal of loss on diminution in value of assets	14, 15	(14,558,414)	(28,469,543)	(21,377,870)	(28,469,543)
Total expenses		2,405,266,822	1,323,513,640	2,338,953,164	1,267,257,756
Profit before finance cost and income tax expenses		274,644,849	76,690,331	324,442,497	82,407,959
Finance costs	28	(11,297,955)	(4,473,221)	(11,297,955)	(4,473,221)
Profit before income tax expenses		263,346,894	72,217,110	313,144,542	77,934,738
Income tax expenses	30	(71,843,279)	(20,731,964)	(73,279,127)	(20,977,994)
Profit for the year		191,503,615	51,485,146	239,865,415	56,956,744
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gain (loss)		3,314,254	-	4,172,276	-
Less: Income tax effect		(834,455)	-	(834,455)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		2,479,799	-	3,337,821	-
Other comprehensive income for the year		2,479,799	-	3,337,821	-
Total comprehensive income for the year		193,983,414	51,485,146	243,203,236	56,956,744

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit attributable to:					
Equity holders of the Company		188,515,976	52,651,760	239,865,415	56,956,744
Non-controlling interests of the subsidiaries		2,987,639	(1,166,614)		
		<u>191,503,615</u>	<u>51,485,146</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		190,995,775	52,651,760	243,203,236	56,956,744
Non-controlling interests of the subsidiaries		2,987,639	(1,166,614)		
		<u>193,983,414</u>	<u>51,485,146</u>		
Earnings per share					
31					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.038</u>	<u>0.010</u>	<u>0.048</u>	<u>0.011</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 2020

	Consolidated financial statements										(Unit: Baht)
	Equity attributable to the parent's shareholders										
	Equity attributable to the parent's shareholders			Other comprehensive of equity			Equity attributable to non-controlling interests of the subsidiaries				
	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	
Balance as at 1 January 2019	5,022,246,185	(429,264,886)	978,875	65,154,224	74,131,479	74,131,479	4,657,701,461	112,787,259	4,770,488,720		
Profit for the year	-	-	-	52,651,760	-	-	52,651,760	(1,166,614)	51,485,146		
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the year	-	-	-	52,651,760	-	-	52,651,760	(1,166,614)	51,485,146		
Dividend paid (Note 33)	-	-	-	(100,420,062)	-	-	(100,420,062)	-	(100,420,062)		
Transfer unappropriated retained earnings to statutory reserve (Note 27)	-	-	-	2,850,000	-	-	2,850,000	-	2,850,000		
Balance as at 31 December 2019	5,022,246,185	(429,264,886)	978,875	68,004,224	74,131,479	74,131,479	4,609,933,159	111,620,645	4,721,553,804		
Balance as at 1 January 2020	5,022,246,185	(429,264,886)	978,875	68,004,224	74,131,479	74,131,479	4,609,933,159	111,620,645	4,721,553,804		
Profit for the year	-	-	-	188,515,976	-	-	188,515,976	2,987,639	191,503,615		
Other comprehensive income for the year	-	-	-	2,479,799	-	-	2,479,799	-	2,479,799		
Total comprehensive income for the year	-	-	-	190,995,775	-	-	190,995,775	2,987,639	193,983,414		
Transfer unappropriated retained earnings to statutory reserve (Note 27)	-	-	-	12,000,000	-	-	12,000,000	-	12,000,000		
Balance as at 31 December 2020	5,022,246,185	(429,264,886)	978,875	80,004,224	74,131,479	74,131,479	4,800,928,934	114,608,284	4,915,537,218		

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 2020

(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 2019	5,022,246,185	(429,264,886)	978,875	65,154,224	262,821,914	4,921,936,312
Profit for the year	-	-	-	-	56,956,744	56,956,744
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	56,956,744	56,956,744
Dividend paid (Note 33)	-	-	-	-	(100,420,062)	(100,420,062)
Transfer unappropriated retained earnings to statutory reserve (Note 27)	-	-	-	2,850,000	(2,850,000)	-
Balance as at 31 December 2019	<u>5,022,246,185</u>	<u>(429,264,886)</u>	<u>978,875</u>	<u>68,004,224</u>	<u>216,508,596</u>	<u>4,878,472,994</u>
Balance as at 1 January 2020	5,022,246,185	(429,264,886)	978,875	68,004,224	216,508,596	4,878,472,994
Profit for the year	-	-	-	-	239,865,415	239,865,415
Other comprehensive income for the year	-	-	-	-	3,337,821	3,337,821
Total comprehensive income for the year	-	-	-	-	243,203,236	243,203,236
Transfer unappropriated retained earnings to statutory reserve (Note 27)	-	-	-	12,000,000	(12,000,000)	-
Balance as at 31 December 2020	<u>5,022,246,185</u>	<u>(429,264,886)</u>	<u>978,875</u>	<u>80,004,224</u>	<u>447,711,832</u>	<u>5,121,676,230</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 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before income tax expenses	263,346,894	72,217,110	313,144,542	77,934,738
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	1,737,347,938	888,778,718	1,734,904,448	888,778,718
Reversal of loss on diminution in value of project	(1,593,415)	(2,802,101)	(1,593,415)	(2,802,101)
Reversal allowance for expected credit losses	(8,513,566)	-	(8,513,566)	-
Depreciation and amortisation	65,160,496	41,405,350	60,285,201	35,231,432
Discount received from rental agreement	(160,000)	-	(160,000)	-
Provision for long-term employee benefits	8,008,516	10,958,682	6,331,736	8,274,332
Recognised income from lease	(1,395,629)	(1,401,116)	(1,395,629)	(1,401,116)
Gain on sales of financial assets	(48,993)	(440,699)	(48,993)	(437,597)
Unrealised gain on changes in value of financial assets	(106,227)	(251,429)	(7,004)	(21,757)
Loss on diminution in value of land and improvement awaiting development	86,856,714	-	86,856,714	-
Reversal of loss on diminution in value of investment properties	(5,534,676)	-	(5,534,676)	-
Loss (reversal) on diminution in value of assets	5,319,021	(28,469,543)	(6,819,457)	(28,469,543)
Loss (gain) on sales and written off of investment properties	(98,144,964)	246,851	(98,144,964)	246,851
Gain on sales and written off of land and improvement awaiting development	(217,187,344)	-	(217,187,344)	-
Loss (gain) on disposal and written off of equipment	17,800,629	9,680,560	17,771,394	9,650,576
Finance cost	9,467,123	4,473,221	9,467,123	4,473,221
Profit from operating activities before changes in operating assets and liabilities	1,860,622,517	994,395,604	1,889,356,110	991,457,754
Decrease (increase) in operating assets				
Trade and other receivables	6,357,892	(436,639)	(20,857,693)	5,418,931
Real estate development costs and inventories	(1,088,875,130)	(666,276,970)	(1,089,129,347)	(665,830,226)
Advance for construction work	(9,782,431)	(55,160,479)	(9,782,431)	(55,160,479)
Other current assets	(147,917)	(440,634)	3,298	(1,369,941)
Lease receivables and advance received from land lease	2,904,000	2,904,000	2,904,000	2,904,000
Commission paid to obtain a contract	(4,920,739)	(38,436,814)	(4,920,739)	(38,436,814)
Other non-current assets	(17,375,875)	(5,033,337)	(17,375,876)	(5,033,337)
Increase (decrease) in operating liabilities				
Trade and other payables	(28,925,307)	11,898,972	(588,787)	14,959,735
Accrued expenses	14,979,440	58,518,431	14,959,296	58,393,533
Advance received from customers	(81,834,110)	69,374,027	(78,394,921)	68,696,999
Other current liabilities	13,568,165	(1,611,597)	13,792,847	(723,677)
Retention guarantees	(20,330,613)	(28,906,843)	(20,330,613)	(28,906,843)
Employee benefits paid	(6,120,022)	(3,670,561)	(3,945,004)	(2,216,361)
Other non-current liabilities	4,468,997	1,100,273	4,486,516	1,117,790
Cash flows from operating activities	644,588,867	338,217,433	680,176,656	345,271,064
Cash paid for interest expenses	(76,757,695)	(65,424,415)	(76,757,695)	(65,424,415)
Cash paid for income tax	(28,435,324)	(14,012,246)	(28,060,116)	(14,535,098)
Tax refund	19,611,070	812,753	19,611,070	812,753
Net cash flows from operating activities	559,006,918	259,593,525	594,969,915	266,124,304

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 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Increase in fixed deposits	(956)	-	(956)	-
Purchase of financial instruments	(327,775,000)	(400,480,000)	(307,774,999)	(361,480,000)
Proceed from sales of financial instruments	102,585,433	368,904,542	77,585,349	360,104,542
Proceed from disposal of equipments	653,093	821,392	625,990	760,280
Proceed from disposal of investment properties	393,961,215	116,355	393,961,215	116,355
Proceed from disposal of land and improvement awaiting development	364,512,000	-	364,512,000	-
Acquisition of investment properties	(6,188,469)	(17,100,694)	(6,188,469)	(17,100,694)
Acquisition of building and equipment and intangible assets	(58,570,293)	(83,434,208)	(53,864,955)	(80,490,955)
Acquisition of land and improvement awaiting development	-	(1,753,970,825)	(31,244,221)	(1,753,970,825)
Decrease in deposits for purchase of land	-	5,000,000	-	5,000,000
Net cash flows from (used in) investing activities	469,177,023	(1,880,143,438)	437,610,954	(1,847,061,297)
Cash flows from financing activities				
Cash receipt from short-term loans	889,000,000	1,134,095,400	889,000,000	1,134,095,400
Repayment of short-term loans	(1,669,293,400)	(487,285,000)	(1,669,293,400)	(487,285,000)
Cash receipt from long-term loans	1,011,626,000	1,306,589,000	1,011,626,000	1,306,589,000
Repayment of long-term loans	(989,179,019)	(329,774,039)	(989,179,019)	(329,774,039)
Repayment of lease liabilities	(9,496,233)	-	(9,496,234)	-
Dividend paid	(3,010)	(100,067,446)	(3,010)	(100,067,446)
Net cash flow from (used in) financing activities	(767,345,662)	1,523,557,915	(767,345,663)	1,523,557,915
Net increase (decrease) in cash and cash equivalents	260,838,279	(96,991,998)	265,235,206	(57,379,078)
Cash and cash equivalents at beginning of year	101,720,939	198,712,937	95,798,265	153,177,343
Cash and cash equivalents at end of year	362,559,218	101,720,939	361,033,471	95,798,265
	-	-	-	-

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 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Supplemental cash flows information				
Non-cash transactions				
Transfer advance for construction work to real estate development costs	36,732,860	22,012,408	36,732,860	22,012,408
Transfer land awaiting development to real estate development costs	-	1,745,085,650	-	1,745,085,650
Transfer land and improvement awaiting development to other non current assets	16,011,200	-	16,011,199	-
Transfer interest expenses to real estate development costs	51,729,388	60,125,820	51,729,388	60,125,820
Transfer interest expenses to land and improvement awaiting development	17,010,831	-	17,010,831	-
Transfer real estate development cost to land and improvement awaiting development	611,934,820	-	611,934,820	-
Transfer building and equipment to other non-current assets	-	2,411,248	-	2,411,248
Transfer equipment to real estate development cost	1,200,953	818,463	1,200,953	818,463
Transfer equipment to other current assets	23,913	-	23,913	-
Transfer investment properties to other non-current assets	26,961	12,555	26,961	12,555
Transfer other non-current assets to building and equipment	-	-	-	-
Accounts payable for purchase of equipment	915,522	5,654,125	915,522	1,928,189
Accounts payable for purchase of investment properties	473,176	578,507	473,176	578,507
Dividend payable	930,732	933,742	930,732	933,742

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 2020

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 30 June 2020*)
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	1.95

*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.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

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 dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

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

<u>Subsidiary companies</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholding</u>	
			<u>2020</u>	<u>2019</u>
			%	%
Eastern Star Resort Co., Ltd.	Golf course	Thailand	81.30	81.30
Eastern Star-Lai San				
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

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

These standards do not have any significant impact on the Group's financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to retained earnings as at 1 January 2020 (if any), and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Treatment Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to measuring the fair values of property, plant and equipment, and investment property, and Impairment of assets.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provisions and contingent liabilities. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3 to the financial statements, during the current year, the Group has adopted set of financial reporting standards related to financial instruments and TFRS 16. There is no effect to retained earnings as at 1 January 2020, and the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	31 December		
	2019	TFRS 16	1 January 2020
Statement of financial position			
Current assets			
Other current assets	1,200	(1,200)	-
Non-current assets			
Right-of-use assets	-	47,497	47,497
Liabilities and shareholders' equity			
Current liabilities			
Current portion of lease liabilities	-	7,816	7,816
Non-current liabilities			
Lease liabilities, net of current portion	-	38,481	38,481

4.1 Financial instruments

As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

(Unit: Thousand Baht)

Consolidated financial statements					
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	101,721	-	-	101,721	101,721
Current investments	44	-	-	44	44
Other current financial assets	100,194	100,194	-	-	100,194
Trade and other receivables	8,743	-	-	8,743	8,743
Total financial assets	210,702	100,194	-	110,508	210,702

(Unit: Thousand Baht)

Separate financial statements					
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	95,798	-	-	95,798	95,798
Current investments	44	-	-	44	44
Other current financial assets	69,761	69,761	-	-	69,761
Trade and other receivables	12,551	-	-	12,551	12,551
Total financial assets	178,154	69,761	-	108,393	178,154

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	14,705	13,596
Less: Short-term leases and leases of low-value assets	(1,259)	(840)
Add: Option to extend lease term	41,223	41,223
Less: Contracts reassessed as service agreements	(895)	(205)
Less: Deferred interest expenses	(7,477)	(7,477)
Increase in lease liabilities due to TFRS 16 adoption	46,297	46,297
Liabilities under finance lease agreements as at 31 December 2019	-	-
Lease liabilities as at 1 January 2020	46,297	46,297
Weighted average incremental borrowing rate (<i>percent per annum</i>)	4.04 - 4.33	4.04 - 4.33
Comprise of:		
Current lease liabilities	7,816	7,816
Non-current lease liabilities	38,481	38,481
	<u>46,297</u>	<u>46,297</u>

5. Significant accounting policies

5.1 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 business 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.

Cost to obtain a contract

The Company recognises a commission paid to obtain a customer contract as an asset and recognises it as expenses in a manner 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 consideration that the entity expects to receive less direct costs.

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.

5.2 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.

5.3 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.

5.4 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).

5.5 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 years for building development and 40 - 50 years for building. 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.

5.6 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.

5.7 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.

5.8 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
-------------------	---	--------------

5.9 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

Accounting policies adopted since 1 January 2020

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.

Accounting policies adopted before 1 January 2020

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

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.

5.10 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 associated companies 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.

5.11 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-asset, 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.

5.12 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.

5.13 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.

5.14 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.

5.15 Financial instruments

Accounting policies adopted since 1 January 2020

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

Except for derivative 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 neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

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 in 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, 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. It is 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.

Accounting policies adopted before 1 January 2020**Trade accounts receivable**

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

Investments in unit trusts that are held for trading are stated at fair value based on their net asset.

The Group record changes in the carrying amounts of securities are recorded as gains or losses in the income statements.

The weighted average method is used for computation of the cost of unit trust for the Group.

5.16 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.

6. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times 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 asset 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, 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/Depreciation

In determining depreciation of plant and equipment and investment properties, 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 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.

7. Related party transactions

During the years, the Group had significant business transactions with 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 and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Transactions with subsidiary companies</u>				
(eliminated from the consolidated financial statements)				
Income of central service management	-	-	1	1
Other income	-	-	4	3
Purchase of assets (Note 17)	-	-	31	-
Sales of assets	-	-	21	-
<u>Transactions with related parties</u>				
Office rental and service expenses	7	6	7	6

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

- Central service management, office rental and service charges, and business transfer are set on a mutually agreed basis.
- Other income are based on the same basis that charge to outside parties.
- The purchase price of assets is based on the agreed price.
- The sales price of assets is based on the agreed price.

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	
	2020	2019	2020	2019
Other receivables (Note 10)				
Subsidiaries	-	-	31,159	4,347
Other payables (Note 20)				
Subsidiaries	-	-	37,279	7,080
Related parties	952	27	952	27
Total	952	27	38,231	7,107
Accrued expense				
Related parties	-	-	63	63
Retentions				
Related party	1,555	1,555	1,555	1,555
Advance received				
Related parties	-	658	-	658

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Short-term employee benefits	35,797	37,876	33,277	34,874
Post-employment benefits	11,390	13,498	10,895	13,224
Total	47,187	51,374	44,172	48,098

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash	586	1,166	181	435
Bank deposits	361,973	100,555	360,852	95,363
Total	362,559	101,721	361,033	95,798

As at 31 December 2020 and 2019, bank deposits in current accounts, saving accounts and fixed deposits with an original maturity of three months or less carried interests between 0.05 and 0.25 percent per annum.

9. Current investments/Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	2020		2019	
	Amount	Interest rate	Amount	Interest rate
	(% per annum)		(% per annum)	
<u>Current investments</u>				
Fixed deposits 12 months	-	-	44	1.10
Investments in mutual funds	-	-	99,940	-
Add: Unrealised gain (loss) on changes in value of unit trust	-	-	254	-
Total	-	-	100,238	-
<u>Other current financial assets - Investment in debt instrument designated amortised cost</u>				
Fixed deposits 12 months	44	0.25	-	-
<u>Other current financial assets - Investment in debt instrument designated at fair value through profit or loss</u>				
Investments in mutual funds	325,200	-	-	-
Add: Unrealised gain on changes in value of unit trust	339	-	-	-
Total	325,539	-	-	-

(Unit: Thousand Baht)

	Separated financial statements			
	2020		2019	
	Amount	Interest rate	Amount	Interest rate
	(% per annum)		(% per annum)	
<u>Current investments</u>				
Fixed deposits 12 months	-		44	1.10
Investments in unit trust of mutual fund	-		69,739	
Add: Unrealised gain (loss) on changes in value of unit trust	-		22	
Total	-		69,805	

Other current financial assets - Investment in debt instrument designated amortised cost

Fixed deposits 12 months	44	0.25	-	-
--------------------------	----	------	---	---

Other current financial assets - Investment in debt instrument designated at fair value through profit or loss

Investments in unit trust of mutual fund	300,000		-	
Add: Unrealised gain on changes in value of unit trust	7		-	
Total	300,007		-	

As at 31 December 2019, the Company had investment in a debt mutual fund. The fund focuses on investing in debt securities issued or guaranteed by the government, financial institution or corporate both domestic and international. During the year, the Company has sold all unit trust of this mutual fund in March 2020.

As at 31 December 2020 and 2019, the Company and a subsidiary have investments in money market mutual funds and fixed income mutual fund. The funds focus on investing in debt securities issued by the government, debt securities issued by financial institution and corporate, and deposit with bank.

10. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Trade accounts receivable - third parties</u>				
Not yet due	1,568	438	1,463	435
Past due not over 3 months	219	952	198	749
Past due 3 - 6 months	426	366	296	285
Total trade accounts receivable	<u>2,213</u>	<u>1,756</u>	<u>1,957</u>	<u>1,469</u>
<u>Other receivables</u>				
Other receivables - related parties (Note 7)	-	-	31,159	4,347
Other receivables - third parties	4,970	2,287	4,968	2,286
Accrued income	1,148	9,830	1,148	9,830
Advanced payment	2,955	3,649	2,955	3,398
Interest receivable	1	1	1	1
Total other receivables	<u>9,074</u>	<u>15,767</u>	<u>40,231</u>	<u>19,862</u>
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	<u>(388)</u>	<u>(8,780)</u>	<u>(266)</u>	<u>(8,780)</u>
Total other receivables - net	<u>8,686</u>	<u>6,987</u>	<u>39,965</u>	<u>11,082</u>
Total trade and other receivables - net	<u>10,899</u>	<u>8,743</u>	<u>41,922</u>	<u>12,551</u>

11. Real estate development costs and inventories

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Land	2,179,781	3,273,143	2,185,084	3,270,973
Construction under development	841,761	923,919	841,761	923,919
Total	<u>3,021,542</u>	<u>4,197,062</u>	<u>3,026,845</u>	<u>4,194,892</u>
Less: Provision for loss on diminution in value of projects	<u>(1,899)</u>	<u>(3,493)</u>	<u>(1,899)</u>	<u>(3,493)</u>
Real estate development costs - net	<u>3,019,643</u>	<u>4,193,569</u>	<u>3,024,946</u>	<u>4,191,399</u>
Other inventories	697	952	-	-
Total	<u>3,020,340</u>	<u>4,194,521</u>	<u>3,024,946</u>	<u>4,191,399</u>

The Company has mortgaged certain plots of land and structures thereon with total net book value as at 31 December 2020 of Baht 2,825 million (2019: Baht 3,800 million) as collateral for credit facilities granted by banks.

During the year ended 31 December 2020, the Company included borrowing costs in the cost of real estate development amounting to Baht 52 million (2019: Baht 60 million).

Additional information of the Company's projects.

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	2020	2019
Total estimated sales value of projects on hand		
of which contracts have been signed	9,462	13,101
Total value of contracts signed of land and structures thereon	5,690	10,787
Percentage of total estimated sales value of projects on hand	60.13	82.33
Total value of contracts signed of land and structures thereon not yet recognised as revenue*	2,144	1,977

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

12. 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:-

12.1 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% 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 2020			
	Less than	Over		Total
	1 year	1-5 years	5 years	
Original investment in lease agreement	1,917	8,241	15,812	25,970
Unearned financial income	(76)	(248)	(192)	(516)
Present value of the minimum payment debtor has to pay under lease agreement	<u>1,841*</u>	<u>7,993</u>	<u>15,620</u>	<u>25,454</u>

*Included in other current assets

(Unit: Thousand Baht)

	Consolidated and separate financial statements as at 31 December 2019			
	Less than	Over		Total
	1 year	1-5 years	5 years	
Original investment in lease agreement	1,917	8,050	17,920	27,887
Unearned financial income	(82)	(272)	(244)	(598)
Present value of the minimum payment debtor has to pay under lease agreement	<u>1,835*</u>	<u>7,778</u>	<u>17,676</u>	<u>27,289</u>

*Included in other current assets

12.2 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% 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

	2020	2019
Total minimum amount which the debtor has to pay under the outstanding operating lease		
Within 1 year	987	987
1 - 5 years	4,246	4,147
Over 5 years	8,146	9,232
Total	13,379	14,366
Add: Advance received for land lease (net from recognised income)	2,861	4,174
Land lease income to be recognised in future	16,240	18,540

13. 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	
2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	
		(%)	(%)							
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
					<u>505,374</u>	<u>505,374</u>	<u>-</u>	<u>-</u>	<u>505,374</u>	<u>505,374</u>

As at 31 December 2020 and 2019, the Company possessed 326 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.

14. Investment properties

The net book value of investment properties as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Land	Building and improvements	Total
31 December 2020:			
Cost	704,657	715,133	1,419,790
Less: Accumulated depreciation	-	(499,341)	(499,341)
Less: Allowance for impairment	(27,676)	(9,024)	(36,700)
Net book value	<u>676,981</u>	<u>206,768</u>	<u>883,749</u>
31 December 2019:			
Cost	1,000,467	709,165	1,709,632
Less: Accumulated depreciation	-	(484,679)	(484,679)
Less: Allowance for impairment	(41,584)	(651)	(42,235)
Net book value	<u>958,883</u>	<u>223,835</u>	<u>1,182,718</u>

(Unit: Thousand Baht)

	Separate financial statements		
	Land	Building and improvements	Total
31 December 2020:			
Cost	704,657	758,057	1,462,714
Less: Accumulated depreciation	-	(503,350)	(503,350)
Less: Allowance for impairment loss	(27,676)	(9,024)	(36,700)
Net book value	<u>676,981</u>	<u>245,683</u>	<u>922,664</u>
31 December 2019:			
Cost	1,000,467	752,090	1,752,557
Less: Accumulated depreciation	-	(487,663)	(487,663)
Less: Allowance for impairment loss	(41,584)	(651)	(42,235)
Net book value	<u>958,883</u>	<u>263,776</u>	<u>1,222,659</u>

A reconciliation of the net book value of investment properties for the years 2020 and 2019 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	1,182,718	1,158,187	1,222,659	1,199,151
Addition - at cost	6,083	10,784	6,083	10,784
Transfer out - net book value at transfer date	(27)	(13)	(27)	(13)
Disposal and written off - net book value at disposal and written off date	(295,816)	(363)	(295,816)	(363)
Impairment loss	(9,024)	-	(9,024)	-
Reversal of impairment loss	14,558	28,470	14,558	28,470
Depreciation	(14,743)	(14,347)	(15,769)	(15,370)
Net book value at end of year	<u>883,749</u>	<u>1,182,718</u>	<u>922,664</u>	<u>1,222,659</u>
Rental income arising from investment properties	35,685	39,126	35,685	39,126

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

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2020	2019
In up to 1 year	21,532	24,636
In over 1 and up to 2 years	3,586	4,818

The fair values of the investment properties as at 31 December 2020 and 2019 stated below:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2020	2019
Land	1,021,853	1,358,501
Building and improvement	182,836	205,268

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, while that of the land and building and improvement has been determined using the market price and force sale price.

As a result of the impairment assessment in 2020, the Company recorded allowance for impairment loss of land and building of Baht 9 million, and reversed Baht 15 million (2019: Baht 28 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 2020 of Baht 82 million (2019: Baht 364 million) as collateral for credit facilities granted by banks.

On 24 July 2020, the Company entered into a sales agreement of land with the sale price of Baht 394 million. On 14 August 2020, the Company fully received the amount of land and transferred the registration of land ownership. The Company presented this transaction as revenue from sales of real estate. In addition, the Company also reversed the total amount of allowance for impairment loss of this plot of land of Baht 9.6 million.

15. 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 2019	159,479	457,292	44,586	15,967	25,919	35,668	26,257	765,168
Additions	17,629	21,243	1,282	2,917	3,469	3,572	35,589	85,701
Disposals and written off	-	(14,214)	(1,088)	(164)	(1,167)	(2,587)	-	(19,220)
Transfer in (out)	-	32,313	60	1,476	400	948	(31,967)	3,230
31 December 2019	177,108	496,634	44,840	20,196	28,621	37,601	29,879	834,879
Additions	391	4,928	961	1,714	2,303	-	37,991	48,288
Disposals and written off	-	(31,540)	(895)	(1,406)	(307)	(1,467)	(2,092)	(37,707)
Transfer in (out)	(11,153)	35,259	3,293	1,206	-	1,095	(42,079)	(12,379)
31 December 2020	166,346	505,281	48,199	21,710	30,617	37,229	23,699	833,081
<u>Accumulated depreciation</u>								
1 January 2019	737	260,208	40,614	11,869	18,657	24,966	-	357,051
Depreciation for the year	-	15,422	1,857	1,560	2,544	4,605	-	25,988
Accumulated depreciation on disposals and written off	-	(3,807)	(1,060)	(123)	(1,146)	(2,582)	-	(8,718)
31 December 2019	737	271,823	41,411	13,306	20,055	26,989	-	374,321
Depreciation for the year	50	27,933	1,799	2,252	2,968	3,855	-	38,857
Accumulated depreciation on disposals and written off	-	(15,387)	(823)	(1,289)	(292)	(1,465)	-	(19,256)
31 December 2020	787	284,369	42,387	14,269	22,731	29,379	-	393,922
<u>Allowance for impairment loss</u>								
1 January 2019	-	3,680	-	-	-	-	-	3,680
31 December 2019	-	3,680	-	-	-	-	-	3,680
Allowance for impairment loss	-	5,319	-	-	-	-	-	5,319
31 December 2020	-	8,999	-	-	-	-	-	8,999
<u>Net book value</u>								
31 December 2019	176,371	221,131	3,429	6,890	8,566	10,612	29,879	456,878
31 December 2020	165,559	211,913	5,812	7,441	7,886	7,850	23,699	430,160
Depreciation for the year								
2019 (Baht 4 million included in cost of real estate sold and services, and the balance in administrative expenses)								25,988
2020 (Baht 4 million included in cost of real estate sold and services, and the balance in administrative expenses)								38,857

(Unit: Thousand Baht)

Separate financial statements								
	Land and land improvement	Buildings and construction	Machines and equipment	Furniture and fixtures	Office equipment	Vehicles	Construction in progress	Total
Cost								
1 January 2019	60,951	166,653	5,059	15,430	19,188	19,046	6,818	293,145
Additions	17,629	20,552	370	2,917	3,158	172	34,291	79,089
Disposals and written off	-	(13,996)	(70)	(163)	(103)	(2,587)	-	(16,919)
Transfer in (out)	-	11,635	-	1,477	400	948	(11,230)	3,230
31 December 2019	78,580	184,844	5,359	19,661	22,643	17,579	29,879	358,545
Additions	390	4,827	328	1,714	2,140	-	37,910	47,309
Disposals and written off	-	(31,540)	(681)	(1,406)	(212)	(1,467)	(2,092)	(37,398)
Transfer in (out)	-	35,178	3,293	1,206	-	1,095	(41,998)	(1,226)
31 December 2020	78,970	193,309	8,299	21,175	24,571	17,207	23,699	367,230
Accumulated depreciation								
1 January 2019	737	44,405	4,063	11,396	12,936	13,644	-	87,181
Depreciation for the year	-	12,951	387	1,560	2,168	1,860	-	18,926
Accumulated depreciation on disposals and written off	-	(3,639)	(62)	(123)	(103)	(2,582)	-	(6,509)
31 December 2019	737	53,717	4,388	12,833	15,001	12,922	-	99,598
Depreciation for the year	50	25,309	665	2,252	2,638	2,045	-	32,959
Accumulated depreciation on disposals and written off	-	(15,387)	(659)	(1,289)	(202)	(1,465)	-	(19,002)
31 December 2020	787	63,639	4,394	13,796	17,437	13,502	-	113,555
Allowance for impairment loss								
1 January 2019	-	9,161	-	-	-	-	-	9,161
31 December 2019	-	9,161	-	-	-	-	-	9,161
Reversal of allowance for impairment loss (net)	-	(6,819)	-	-	-	-	-	(6,819)
31 December 2020	-	2,342	-	-	-	-	-	2,342
Net book value								
31 December 2019	77,843	121,966	971	6,828	7,642	4,657	29,879	249,786
31 December 2020	78,183	127,328	3,905	7,379	7,134	3,705	23,699	251,333
Depreciation for the year								
2019 (Included in administrative expenses)								18,926
2020 (Included in administrative expenses)								32,959

As at 31 December 2020, 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 149 million (Separate financial statements: Baht 50 million) (2019: Baht 145 million (Separate financial statements: Baht 51 million)).

The Company has mortgaged certain plots of land and structures thereon with a net book value as at 31 December 2020 and 2019 of Baht 2 million as collateral for credit facilities granted by a bank.

16. Intangible assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Computer software - cost	20,211	14,678	19,173	13,641
Less: Accumulated amortisation	(9,734)	(8,044)	(8,696)	(7,012)
Net book value	<u>10,477</u>	<u>6,634</u>	<u>10,477</u>	<u>6,629</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Net book value at beginning year	6,634	5,002	6,629	4,861
Additions	5,542	2,703	5,542	2,703
Amortisation	(1,699)	(1,071)	(1,694)	(935)
Net book value at end of year	<u>10,477</u>	<u>6,634</u>	<u>10,477</u>	<u>6,629</u>

17. Land and improvement awaiting development

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Land	1,834,745	1,363,312	1,700,239	1,213,746
Development costs	47,103	36,742	47,103	36,742
Less: allowance for impairment loss	(86,857)	-	(86,857)	-
Net book value	<u>1,794,991</u>	<u>1,400,054</u>	<u>1,660,485</u>	<u>1,250,488</u>

A reconciliation of the net book value of land and improvement awaiting development for the years 2020 and 2019 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	1,400,054	1,391,169	1,250,488	1,241,603
Addition purchase - at cost	-	1,753,971	31,244	1,753,971
Sales - at cost	(147,325)	-	(147,325)	-
Transfer in (out) - at cost	640,099	(1,745,086)	628,946	(1,745,086)
Allowance for impairment loss	(86,857)	-	(86,857)	-
Adjust	(10,980)	-	(16,011)	-
Net book value at end of year	<u>1,794,991</u>	<u>1,400,054</u>	<u>1,660,485</u>	<u>1,250,488</u>

Movement of allowance for impairment loss of land and improvement awaiting development for the year ended 31 December 2020 and 2019 are as follow:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2020	2019
Balance at beginning year	-	-
Increase during the year	<u>86,857</u>	-
Balance at end of year	<u>86,857</u>	-

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

As a result of the impairment assessment in 2020, the Company recorded allowance for impairment loss on diminution in value of land of Baht 87 million.

On 16 December 2020, the Company entered in to a land sales agreement with sales price of Baht 365 million and the Company has fully received the amount of land and transferred the registration of land ownership on the same day. The Company presented this transaction as revenue from sales of real estate.

As at 31 December 2019, land awaiting development of Baht 1 million (separate financial statements: Baht 0.8 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.

In December 2020, the Company and the subsidiary have sold and allotment of the land awaiting development previously jointly hold, by allocating such land according to the use of each party. The Company and the subsidiary have registered the transfer of ownership of the land on 23 December 2020 and fully paid the amount of land in January 2021.

As at 31 December 2020, the Company mortgaged certain plots of land and improvement awaiting development with a net book value of Baht 1,390 million (2019: 762 million) as collateral for credit facilities granted by a bank.

18. Cost to obtain a contract

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Balance as at 1 January 2020	131,306
Increase during the year	97,888
Recognised as expenses during the year	(92,967)
Balance as at 31 December 2020	<u>136,227</u>

19. Short-term loans from financial institutions

		(Unit: Thousand Baht)	
	Interest rate (Percent per annum)	Consolidated and Separate financial statements	
		2020	2019
Short-term loans from financial institutions	MLR - fixed rate	-	453,293
Short-term loans from financial institutions	fixed rate	-	327,000
Total		<u>-</u>	<u>780,293</u>

Short-term loans from financial institutions were consisted of short-term loans from agreement and short-term loans from the promissory note of several financial institutions. The partial of short-term credit facilities are secured by the mortgages of the Company's land and structures there on.

20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Trade accounts payable				
- unrelated parties	17,544	47,178	16,955	46,320
Other payables - related parties (Note 7)	952	27	38,231	7,107
Other payables - unrelated parties	24,072	29,133	23,309	26,775
Total	42,568	76,338	78,495	80,202

21. Long-term loans

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2020	2019
Long-term loans from banks	1,574,119	1,551,672
Less: Current portion	(226,920)	(729,473)
Long-term loans - net of current portion	1,347,199	822,199

Movements in the long-term loans during the year ended 31 December 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated and Separate
	financial statements
Balance as at 1 January 2020	1,551,672
Add: Additional borrowings	1,011,626
Less: Repayments	(989,179)
Balance as at 31 December 2020	1,574,119

Long-term loans from local banks had the principal terms of the credit facilities as follows:

Consolidated and Separate financial statements		Interest rate (per annum)	Interest period	Principal repayment schedules
Total loan facilities				
2020	2019			
4,539	2,769	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 48 months after the date of the loan agreement or the first draw down of principal.
1,119	570	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 60 months after the date of the loan agreement or the first draw down of principal.
Total	5,658			
	3,339			

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 2020, the long-term credit facilities of the Company which have not yet been drawn down totaling Baht 3,043 million (2019: Baht 2,266 million).

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

22. Leases

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

	(Unit: Thousand Baht)		
	Consolidated and Separate financial statements		
	Land and land improvement	Buildings space	Total
Cost:			
As at 31 December 2019			
Adjustments of right-of-use assets due to TFRS 16 adoption	6,889	40,608	47,497
As at 1 January 2020	6,889	40,608	47,497
Increase (Decrease) during the year	-	-	-
As at 31 December 2020	6,889	40,608	47,497

(Unit: Thousand Baht)

	Consolidated and Separate financial statements		
	Land and land		
	improvement	Buildings space	Total
Accumulated depreciation:			
As at 1 January 2020	-	-	-
Depreciation for the year	4,621	5,240	9,861
As at 31 December 2020	4,621	5,240	9,861
Net book value:			
1 January 2020	6,889	40,608	47,497
31 December 2020	2,268	35,368	37,636

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Lease payments	44,118	-	44,118	-
Less: Deferred interest expenses	(5,637)	-	(5,637)	-
Total	38,481	-	38,481	-
Less: Portion due within one year	(7,088)	-	(7,088)	-
Lease liabilities - net of current portion	(31,393)	-	(31,393)	-

A maturity analysis of lease payments is disclosed in Note 37.1 under the liquidity risk.

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

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	9,861	9,861
Interest expense on lease liabilities	1,831	1,831
Expense relating to short-term leases	300	300
Expense relating to leases of low-value assets	936	516

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 11 million, including the cash outflow related to short-term lease and leases of low-value assets.

23. Advance received from customers

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Advance received for real estate	279,120	358,594	278,397	354,432
Deferred revenue for fixtures	280	2,640	280	2,640
Total	279,400	361,234	278,677	357,072

Movements in the deferred revenue for fixtures account during the year ended 31 December 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
Balance as at 1 January 2020	2,640	
Increase during the year	6,020	
Recognised as revenues during the year	(8,380)	
Balance as at 31 December 2020	280	

24. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Retention payable	30,328	23,054	30,328	23,054
Other current liabilities	33,763	26,481	32,985	25,479
Total	64,091	49,535	63,313	48,533

25. 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	
	2020	2019	2020	2019
Provision for long-term employee				
benefits at beginning of year	31,290	24,002	24,246	18,188
Included in profit or loss:				
Current service cost	5,696	5,222	4,471	4,092
Interest cost	831	698	629	517
Past service costs and gains or losses on settlement	1,481	-	1,232	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	2,191	-	936	-
Financial assumptions changes	935	5,039	597	3,665
Experience adjustments	(6,440)	-	(5,705)	-
Benefits paid during the year	(6,120)	(3,671)	(3,945)	(2,216)
Provision for long-term employee				
benefits at end of year	<u>29,864</u>	<u>31,290</u>	<u>22,461</u>	<u>24,246</u>

The Group expected no employee benefit to be paid during the next year. (2019: Baht 2 million, separate financial statements: Baht 1 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 13 years (Separate financial statements: 13 years) (2019: 10 - 11 years, separate financial statements: 11 years).

Significant actuarial assumptions are summarised below:

	Consolidated and separate financial statements	
	2020	2019
Discount rate	1.50%	2.65% - 2.71%
Average future salary increase rate	4.0% - 5.5%	4.0% - 6.0%
Staff turnover rate (depending on age)	0% - 35%	0% - 35%
Gold price for 1 Baht gold	26,800	-
Gold increase rate	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 2020 and 2019 are summarised below:

(Unit: million Baht)

	2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3)	3	(2)	2
Salary increase rate	3	(2)	2	(2)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(1)	1	(1)	1

(Unit: million Baht)

	2019			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(2)	3	(2)	2
Salary increase rate	3	(3)	3	(2)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(1)	1	(1)	1

26. Warrants

In 2016, the Company allotted warrants under Employee Stock Option Plan No. 1 (ESOP No. 1) to the directors, management and/or employees of the Company for 150,000,000 units at no offering price with a term of not exceeding 3 years from the issuance date of warrants at the exercise ratio of 1 unit of warrant per 1 ordinary share at the exercise price of Baht 1.05 baht per one ordinary share. The Company recorded capital reserve for share-based payment of Baht 1 million.

As at 30 June 2018, the term of the warrant was expired. There are no holders exercise these warrants.

27. 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% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

During the year 2020, the Company transferred unappropriated retained earnings to statutory reserve amounting to Baht 12 million (2019: Baht 3 million).

28. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Interest expenses on borrowings	9,467	4,473	9,467	4,473
Interest expenses on lease liabilities	1,831	-	1,831	-
Total	11,298	4,473	11,298	4,473

29. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Payment of land and construction during the year	679,626	693,799	679,626	693,799
Changes in real estate development costs and inventories	578,654	160,014	578,400	160,021
Loss from impairment of property, plant and equipment, investment properties and land awaiting for development	101,199	-	95,880	-
Salaries and wages and other employee benefits	159,644	168,610	130,704	137,586
Depreciation and amortisation	65,010	41,418	60,135	35,231
Marketing expenses	243,461	134,000	241,451	132,142
Cost of other goods incurred and recognised during the year	6,122	7,420	-	-

30. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2020	2019	2020	2019
Current income tax:				
Current income tax charge	81,387	-	81,387	-
Adjustment in respect of income tax of previous year	-	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(9,544)	20,732	(8,108)	20,978
Income tax expenses reported in the statement of comprehensive income	71,843	20,732	73,279	20,978

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

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit before tax	263,347	72,217	313,144	77,934
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	52,669	14,443	62,629	15,587
Tax effects of:				
Non-deductible expenses	3,793	3,150	3,470	2,659
Additional taxable revenues	4,049	2,786	4,049	2,786
Additional capital expenditure deductions allowed	(129)	(131)	(129)	(131)
Additional expense deductions allowed	(629)	(1,692)	(121)	(116)
Tax exempted expense (revenue)	1	(4)	1	(4)
Tax losses	8,709	1,983	-	-
Others	3,380	197	3,380	197
Income tax expenses reported in the statement of comprehensive income	71,843	20,732	73,279	20,978

The components of deferred tax assets and deferred tax liabilities as at 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for expected credit losses (2019: Allowance for doubtful accounts)	-	1,487	-	1,487
Allowance for diminution in value of inventories	380	699	380	699
Allowance for diminution in value of assets	24,711	8,447	25,180	10,279
Deferred revenue for fixtures	56	528	56	528
Advance received for land rental income	783	849	783	849
Provision for long-term employee benefits	5,973	6,257	4,492	4,849
Right-of-use assets	169	-	169	-
Tax loss carried forward	-	4,535	-	4,535
Others	1,451	1,394	1,451	1,394
Total	33,523	24,196	32,511	24,620

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2020	2019	2020	2019
Deferred tax liabilities				
Lease contract receivables	5,091	5,458	5,091	5,458
Cost to obtain a contract	27,245	26,261	27,245	26,261
Total	32,336	31,719	32,336	31,719

As at 31 December 2020 the subsidiaries has unused tax losses totaling Baht 41 million (2019: Baht 38 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		Separate financial	
	statements		statements	
	2020	2019	2020	2019
31 December 2021	7	7	-	-
31 December 2022	19	19	-	-
31 December 2023	-	-	-	-
31 December 2024	13	13	-	-
31 December 2025	2	-	-	-
	41	39	-	-

31. 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	
	2020	2019	2020	2019
Profit attributable to equity holders of the Company (Thousand Baht)	188,516	52,652	239,865	56,957
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)	0.038	0.010	0.048	0.011

32. Segment information

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

For management purposes, the 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 7 to the consolidated financial statements.

Below is the revenue and gross profit of the Group for the year ended 31 December 2020 and 2019 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	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues										
External customers	2,562	1,273	43	56	41	44	-	-	2,646	1,373
Inter- segment	21	-	-	-	-	-	(21)	-	-	-
Total revenues	2,583	1,273	43	56	41	44	(21)	-	2,646	1,373
Operating results										
Gross profit of segments	826	387	11	19	12	14	-	-	849	420
Other income									34	27
Selling and distribution expenses									(243)	(134)
Administrative expenses									(278)	(265)
Loss on diminution in value of assets									(101)	-
Reversal of loss on diminution in value of assets									14	29
Finance cost									(11)	(4)
Income tax expenses									(72)	(21)
Non-controlling interests of the subsidiaries									(3)	1
Profit for the year attributable to equity holders of the Company									189	53

The following table presents segment assets of the Group as at 31 December 2020 and 2019.

(Unit: Million Baht)

	Consolidated financial statements as at 31 December							
	Real estate business		Golf course business		Rental business		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Real estate development cost and inventories	3,019	4,194	1	1	-	-	3,020	4,195
Investment properties	570	855	-	-	314	327	884	1,182
Property, plant and equipment	177	168	251	288	2	1	430	457
Land and improvement awaiting development	1,795	1,400	-	-	-	-	1,795	1,400
Unallocated assets							1,075	546
Total segment assets							7,204	7,780
Additions to non-current assets other than financial instruments, deferred tax assets and other non-current assets*	52	111	1	6	7	12	60	129

*Excluded the classification of real estate development costs and inventories to land and improvement awaiting development.

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 2020 and 2019, the Group have no major customer, with revenue of 10% or more of an entity's revenue.

33. Dividend payment

Dividend	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
Dividend announced from operating result for the year 2018	Annual General Meeting of the shareholders on 30 April 2019	100	0.020
		<u>100</u>	

On 30 July 2020, the Annual General Meeting of the Company's shareholders no.1/2020 approved the non-dividend payment.

34. 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 2020 amounting to approximately Baht 3 million were recognised as expenses (Separate financial statements: Baht 3 million) (2019: Baht 3 million (Separate financial statements: Baht 3 million)).

35. Commitments and contingent liabilities

As at 31 December 2020 and 2019, the Group have the following outstanding commitments and contingent liabilities:

- 35.1 The Company had the outstanding commitments in respect of agreements to construction including project and interior design of projects amounting to Baht 211 million (2019: Baht 257 million).
- 35.2 The Company had the outstanding commitments in respect of land purchase agreements to develop project for sale amounting to Baht 128 million (2019: 144 million).
- 35.3 The Company had capital commitments of Baht 2 million (2019: 1 million) in respect of the acquisition of software for the Company's operations.
- 35.4 The Group have entered into several lease agreements to lease buildings and equipment and services, with terms of generally between 1 and 3 years.

In 2020, as described in Note 4.2 to the financial statements, upon initial application of TFRS 16, the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020.

Future minimum payments required under service agreements as at 31 December 2020 are as follows:

Payable	(Unit: Million Baht)	
	Consolidated financial statement	Separate financial statements
In up to 1 year	4	3
In over 1 and up to 3 year	3	3

Future minimum payments required under these operating leases contracts as at 31 December 2019 are as follows:

Payable	(Unit: Million Baht)	
	Consolidated financial statement	Separate financial statements
In up to 1 year	10	9
In over 1 and up to 3 years	5	5

35.5 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	
	2020	2019
Letters of guarantee for arrangement and maintenance of public utilities	69	102
Letters of guarantee for electricity usage	7	9
Letters of guarantee for elevators	21	20
Total	97	131

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

35.6 Litigation

As at 31 December 2020, civil lawsuits were filed against the Company by customers, and consumer lawsuit related to the default of the condominium Act (No.4) B.E. 2551 were filed against the Company by the condominium juristic person, with the claim amounts totaling Baht 124 million (2019: Baht 14 million). These cases are currently under the court proceedings. Based on the Company's 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 a provision for claim from customers that may arise from the final of judicial processes in its financial statements as considers appropriate. The Company has not accrued the provision for claims from the condominium juristic person as per the reason mentioned above.

36. Fair value hierarchy

As at 31 December 2020 and 2019, 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 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	326	-	326
Assets for which fair value are disclosed				
Investment properties	-	896	309	1,205
				(Unit: Million Baht)
	Consolidated Financial Statements			
	31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments	-	100	-	100
Assets for which fair value are disclosed				
Investment properties	-	1,248	316	1,564
				(Unit: Million Baht)
	Separate Financial Statements			
	31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	300	-	300
Assets for which fair value are disclosed				
Investment properties	-	896	309	1,205
				(Unit: Million Baht)
	Separate Financial Statements			
	31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments	-	70	-	70
Assets for which fair value are disclosed				
Investment properties	-	1,248	316	1,564

37. Financial instruments

37.1 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 a financial institution and long-term loans. 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 and within credit limits assigned to each counterparty. 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 a financial institution and long-term loans 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.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowing. The Group's policy is to maintain borrowings at the appropriate level.

As at 31 December 2020 and 2019, 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 2020

	Fixed interest rates						Interest rate (% p.a.)
	Within	1-5	Over	Floating	Non-interest	Total	
	1 year	years	5 years	interest rate	bearing		
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	363	-	363	0.05 - 0.25
Other current financial assets	-	-	-	-	326	326	-
Trade and other receivables	-	-	-	-	11	11	-
Finance lease contract receivables	2	7	16	-	-	25	0.30
<u>Financial liabilities</u>							
Long-term loans from financial institutions	-	-	-	1,574	-	1,574	MLR - fixed rate
Trade and other payables	-	-	-	-	43	43	-
Lease liabilities	7	27	4	-	-	38	4.04 - 4.33

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2019

	Fixed interest rates						Interest rate (% p.a.)
	Within	1-5	Over	Floating	Non-interest	Total	
	1 year	years	5 years	interest rate	bearing		
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	102	-	102	0.10 - 1.10
Current investments	-	-	-	-	100	100	-
Trade and other receivables	-	-	-	-	9	9	-
Finance lease contract receivables	2	7	18	-	-	27	0.30
<u>Financial liabilities</u>							
Short-term loans from financial institution	327	-	-	453	-	780	MLR - fixed rate, fixed rate
Long-term loans from financial institutions	-	-	-	1,552	-	1,552	MLR - fixed rate
Trade and other payables	-	-	-	-	77	77	-

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 loans from affected as at 31 December 2020, with all other variables held constant.

Currency	Increase/decrease	Effect on profit before tax
	(%)	(Thousand Baht)
Baht	+0.25	3,935
	-0.25	(3,935)

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 and should be used with care.)

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank loans and lease contracts. Approximately 17% of the Group's debt will mature in less than one year at 31 December 2020 (2019: 66%) (the Company only: 18%, 2019: 66%) 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 2020 based on contractual undiscounted cash flows:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	42,569	-	-	42,569
Lease liabilities	-	8,598	24,709	10,811	44,118
Long-term loans	-	397,240	1,490,934	-	1,888,174
Total non-derivatives	-	448,407	1,515,643	10,811	1,974,861

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	78,496	-	-	78,496
Lease liabilities	-	8,598	24,709	10,811	44,118
Long-term loans	-	397,240	1,490,934	-	1,888,174
Total non-derivatives	-	484,334	1,515,643	10,811	2,010,788

37.2 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.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

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

38. 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. As at 31 December 2020, the Group's total debt-to-equity ratio was 0.47:1 (2019: 0.65:1).

39. Event after the reporting period

Dividend payment

At the Company's Board of Directors' meeting held on 24 February 2021, the Board passed a resolution proposing the payment of a dividend of Baht 0.01 per share, or a total sum of approximately Baht 50 million, from the Company's operating result for the year 2020. The dividend will be paid to the shareholders within 27 May 2021. The dividend payment is subject to approval of the Annual General Meeting of the Company's shareholders.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2021.



www.estarpcl.com



EASTERN STAR

898, 5th Floor Ploenchit Tower Ploenchit Road
Lumpini, Pathumwan, Bangkok 10330

Tel : 02 263 1010 Fax : 02 263 1009

E-mail : info@estarpcl.com