

Eastern Star Real Estate Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2020

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Eastern Star Real Estate Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Eastern Star Real Estate Public Company Limited and its subsidiaries as at 31 March 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Eastern Star Real Estate Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matter

I draw attention to Note 1.5 to the interim consolidated financial statements. Due to the impact of the Coronavirus disease 2019 pandemic, in preparing the interim financial information for the three-month period ended 31 March 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

Other Matter

Due to the impact of the Coronavirus disease 2019 pandemic, the Company has postponed the annual general meeting of the Company's shareholders which results in no resolution for the appointment of the auditor of the Company for the accounting period of 2020 yet. However, the Board of Director of the Company has a resolution to propose to the annual general meeting of the Company's shareholders to appoint me as the auditor of the Group for the accounting period of 2020. I therefore have conducted my review on the interim financial information for first quarter of 2020 which is in compliance with the notification of the Capital Market Supervisory Board (CMSB) No. TorChor. 28/2563 dated 27 March 2020.

Gingkarn Atsawarangsarit
Certified Public Accountant (Thailand) No. 4496

EY Office Limited
Bangkok: 14 May 2020

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		133,529	101,721	124,879	95,798
Current investments	4	30,532	100,238	44	69,805
Trade and other receivables	5	9,336	8,743	14,592	12,551
Real estate development costs and inventories	6	4,363,089	4,194,521	4,359,979	4,191,399
Advance for construction work		28,932	39,030	28,932	39,030
Cost to obtain a contract	13	137,262	131,306	137,262	131,306
Other current assets		37,839	34,466	36,591	33,306
Total current assets		<u>4,740,519</u>	<u>4,610,025</u>	<u>4,702,279</u>	<u>4,573,195</u>
Non-current assets					
Finance lease contract receivables	7.1	25,393	27,289	25,393	27,289
Investments in subsidiaries	8	-	-	505,374	505,374
Investment properties	9	1,181,789	1,182,718	1,221,475	1,222,659
Property, plant and equipment	10	474,556	456,878	268,357	249,786
Intangible assets		7,057	6,634	7,057	6,629
Right-of-use assets	11	45,032	-	45,032	-
Deferred tax assets	17	29,258	24,196	29,610	24,620
Land and improvement awaiting development	12	1,416,090	1,400,054	1,266,523	1,250,488
Other non-current assets		73,626	72,210	68,924	67,607
Total non-current assets		<u>3,252,801</u>	<u>3,169,979</u>	<u>3,437,745</u>	<u>3,354,452</u>
Total assets		<u>7,993,320</u>	<u>7,780,004</u>	<u>8,140,024</u>	<u>7,927,647</u>

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 March 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
	Note	2020	2019	2020	2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	14	889,293	780,293	889,293	780,293
Trade and other payables	15	63,803	76,338	68,555	80,202
Current portion of long-term loans	16	838,763	729,473	838,763	729,473
Current portion of lease liabilities		7,899	-	7,899	-
Advance received from customers		391,014	361,234	387,806	357,072
Accrued expenses		49,385	106,292	48,501	105,401
Other current liabilities		52,539	49,535	51,459	48,533
Total current liabilities		2,292,696	2,103,165	2,292,276	2,100,974
Non-current liabilities					
Long-term loans - net of current portion	16	822,199	822,199	822,199	822,199
Lease liabilities, net of current portion		36,428	-	36,428	-
Provision for long-term employee benefits		31,050	31,290	23,650	24,246
Retention guarantees		61,917	52,342	61,917	52,342
Advance received from land lease	7.2	4,836	4,175	4,836	4,175
Deferred tax liabilities	17	32,672	31,719	32,672	31,719
Other non-current liabilities		12,359	13,561	12,333	13,519
Total non-current liabilities		1,001,461	955,286	994,035	948,200
Total liabilities		3,294,157	3,058,451	3,286,311	3,049,174

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 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March <u>2020</u> (Unaudited but reviewed)	31 December <u>2019</u> (Audited)	31 March <u>2020</u> (Unaudited but reviewed)	31 December <u>2019</u> (Audited)
Shareholders' equity				
Share capital				
Registered				
5,172,246,185 ordinary shares of Baht 1 each	5,172,246	5,172,246	5,172,246	5,172,246
Issued and paid up				
5,022,246,185 ordinary shares of Baht 1 each	5,022,246	5,022,246	5,022,246	5,022,246
Share discount	(429,265)	(429,265)	(429,265)	(429,265)
Capital reserve for share-based payment transactions	979	979	979	979
Retained earnings				
Appropriated - statutory reserve	68,004	68,004	68,004	68,004
Unappropriated (deficits)	(148,957)	(126,163)	191,749	216,509
Other components of shareholders' equity	74,131	74,131	-	-
Total shareholders' equity	4,587,138	4,609,932	4,853,713	4,878,473
Non-controlling interest of the subsidiaries	112,025	111,621	-	-
Total shareholders' equity	4,699,163	4,721,553	4,853,713	4,878,473
Total liabilities and shareholders' equity	7,993,320	7,780,004	8,140,024	7,927,647
	-	-	-	-

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

Directors

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019 (Restated)	2020	2019 (Restated)
Profit or loss:					
Revenues					
Revenue from real estate sales		147,659	307,096	147,659	307,096
Revenue from services		19,072	19,010	524	707
Revenue from rental		11,804	12,446	11,788	12,446
Other income		6,227	9,894	7,551	10,767
Total revenues		184,762	348,446	167,522	331,016
Expenses					
Cost of real estate sold		103,736	210,933	103,736	211,226
Cost of services		10,468	10,438	752	899
Cost of rental		7,579	7,147	7,834	7,403
Selling expenses		23,042	28,216	22,523	27,714
Administrative expenses		64,587	60,369	59,626	54,876
Total expenses		209,412	317,103	194,471	302,118
Profit (loss) before finance cost and income tax expenses					
tax expenses		(24,650)	31,343	(26,949)	28,898
Finance cost		(1,849)	(145)	(1,849)	(145)
Profit (loss) before income tax expenses		(26,499)	31,198	(28,798)	28,753
Income tax income (expenses)	17	4,109	(6,135)	4,038	(6,171)
Profit (loss) for the period		(22,390)	25,063	(24,760)	22,582
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(22,390)	25,063	(24,760)	22,582

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

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
		(Restated)		(Restated)
Profit (loss) attributable to:				
Equity holders of the Company	(22,794)	24,653	(24,760)	22,582
Non-controlling interests of the subsidiaries	404	410	-	-
	<u>(22,390)</u>	<u>25,063</u>	<u>(24,760)</u>	<u>22,582</u>
Total comprehensive income attributable to:				
Equity holders of the Company	(22,794)	24,653	(24,760)	22,582
Non-controlling interests of the subsidiaries	404	410	-	-
	<u>(22,390)</u>	<u>25,063</u>	<u>(24,760)</u>	<u>22,582</u>

(Unit: Baht)

Earnings per share

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Basic earnings per share

Profit (loss) attributable to equity holders of the Company	<u>(0.005)</u>	<u>0.005</u>	<u>(0.005)</u>	<u>0.004</u>
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The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

Consolidated financial statements										
Equity attributable to the parent's shareholders										
						Other components of shareholders' equity				
	Issued and paid-up		Capital reserve for share-based 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
	share capital	Share discount		Appropriated	(deficit)					
Balance as at 1 January 2019	5,022,246	(429,265)	979	65,154	(75,544)	74,131	74,131	4,657,701	112,787	4,770,488
Total comprehensive income for the period	-	-	-	-	24,653	-	-	24,653	410	25,063
Balance as at 31 March 2019	5,022,246	(429,265)	979	65,154	(50,891)	74,131	74,131	4,682,354	113,197	4,795,551
Balance as at 1 January 2020	5,022,246	(429,265)	979	68,004	(126,163)	74,131	74,131	4,609,932	111,621	4,721,553
Total comprehensive income for the period	-	-	-	-	(22,794)	-	-	(22,794)	404	(22,390)
Balance as at 31 March 2020	5,022,246	(429,265)	979	68,004	(148,957)	74,131	74,131	4,587,138	112,025	4,699,163

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

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and paid-up share capital	Share discount	Capital reserve for share-based payment transactions	Retained earnings		Total shareholders' equity
				Appropriated	Unappropriated	
Balance as at 1 January 2019	5,022,246	(429,265)	979	65,154	262,822	4,921,936
Total comprehensive income for the period	-	-	-	-	22,582	22,582
Balance as at 31 March 2019	5,022,246	(429,265)	979	65,154	285,404	4,944,518
Balance as at 1 January 2020	5,022,246	(429,265)	979	68,004	216,509	4,878,473
Total comprehensive income for the period	-	-	-	-	(24,760)	(24,760)
Balance as at 31 March 2020	5,022,246	(429,265)	979	68,004	191,749	4,853,713

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

(Unaudited but reviewed)

Eastern Star Real Estate Public Company Limited and its subsidiaries**Cash flow statement****For the three-month period ended 31 March 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Profit (loss) before income tax expenses	(26,499)	31,198	(28,798)	28,753
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	104,068	211,836	104,068	211,836
Reversal of allowance for doubtful accounts	(332)	-	(332)	-
Depreciation and amortisation	14,922	9,232	13,702	7,637
Provision for long-term employee benefits	1,632	1,163	1,275	984
Recognised income from finance lease	(346)	(345)	(346)	(345)
Losses (gain) on sales of unit trust	(49)	303	(49)	303
Unrealised gain on changes in value of unit trust	(55)	(441)	-	(441)
Loss (gain) on sales and written off of investment properties	6	(806)	6	(775)
Loss on sales and written off of equipment	-	170	-	170
Finance cost	1,849	145	1,849	145
Profit from operating activities before changes in operating assets and liabilities	95,196	252,455	91,375	248,267
Decrease (increase) in operating assets				
Trade and other receivables	(593)	(116)	(2,041)	(1,672)
Real estate development costs and inventories	(233,434)	(122,636)	(233,446)	(122,389)
Advance for construction work	(6,007)	(38,744)	(6,007)	(38,744)
Other current assets	(4,549)	(5,357)	(4,461)	(5,793)
Finance lease receivables and advance received from land lease	2,903	2,904	2,903	2,904
Cost to obtain a contract	(5,956)	(23,607)	(5,956)	(23,607)
Other non-current assets	617	(352)	678	(185)
Increase (decrease) in operating liabilities				
Trade and other payables	(6,553)	109,911	(9,358)	110,684
Accrued expenses	(56,494)	(5,360)	(56,487)	(5,460)
Advance received from customers	29,780	19,112	30,734	19,236
Other current liabilities	3,004	(12,718)	2,926	(11,832)
Retention guarantees	9,575	(829)	9,575	(829)
Payment from provision for long-term employee benefits	(1,871)	(2,123)	(1,871)	(2,123)
Other non-current liabilities	(1,203)	(26)	(1,186)	(9)
Cash flows from (used in) operating activities	(175,585)	172,514	(182,622)	168,448
Cash paid for interest expenses	(25,286)	(8,499)	(25,286)	(8,499)
Cash paid for income tax	(2,033)	(3,536)	(1,994)	(3,512)
Net cash flows from (used in) operating activities	(202,904)	160,479	(209,902)	156,437

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2020

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from investing activities				
Acquisition of unit trust	(7,775)	(167,660)	(7,775)	(167,660)
Proceed from sales of equipment	-	841	0	780
Proceed from sales of unit trust	77,585	89,038	77,585	89,038
Acquisition of investment properties	(3,340)	(8,880)	(3,340)	(8,880)
Acquisition of building and equipment and intangible assets	(31,552)	(9,720)	(27,281)	(8,143)
Acquisition of land and improvement awaiting development	(16,035)	(165,575)	(16,035)	(165,575)
Net cash flows from (used in) investing activities	18,883	(261,956)	23,154	(260,440)
Cash flows from financing activities				
Cash receipt from short-term loans	109,000	40,000	109,000	40,000
Cash receipt from long-term loans	154,804	163,000	154,804	163,000
Repayment of long-term loans	(45,514)	(130,655)	(45,514)	(130,655)
Payment of principal portion of lease liabilities	(2,460)	-	(2,460)	-
Dividend paid	(1)	-	(1)	-
Net cash flows from in financing activities	215,829	72,345	215,829	72,345
Net increase (decrease) in cash and cash equivalents	31,808	(29,132)	29,081	(31,658)
Cash and cash equivalents at beginning of period	101,721	198,713	95,798	153,177
Cash and cash equivalents at end of period	133,529	169,581	124,879	121,519
	-		-	
Supplemental cash flows information				
Non-cash transactions				
Transfer advance for construction work to real estate development costs	16,105	3,663	16,105	3,663
Transfer interest expenses to real estate development cost	23,515	6,356	23,515	6,356
Transfer investment properties to property, plant and equipment	750	-	750	-
Transfer other current assets to right-of-use assets	1,200	-	1,200	-
Transfer equipment to other non-current assets	24	-	24	-
Accounts payable for purchases of equipment	251	75	218	59
Accounts payable for purchase of investment properties	-	64	-	64
Dividend payable	933	581	933	581

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

Eastern Star Real Estate Public Company Limited and its subsidiaries

Notes to consolidated interim financial statements

For the three-month period ended 31 March 2020

1. General information

1.1 Corporate information

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 16 March 2020)
1. Bangkok Broadcasting & Television Co., Ltd.	43.65
2. BBTV Equity Co., Ltd.	10.21
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 continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the 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.

1.3 Basis for the preparation of interim financial information

These interim financial information are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statement of financial position, comprehensive income, changes in shareholders' equity and cash flow in the same format as that used for the annual financial statements.

The interim financial information are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial information should therefore be read in conjunction with the latest annual financial statements.

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

1.4 Basis of consolidation

These interim financial information are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2019, with there being no changes in the structure of shareholding in subsidiaries during the period.

1.5 New financial reporting standards

Financial reporting standards that became effective in the current period

During the period, 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
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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 adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated. The Group elects to apply TFRS 16 to leases previously classified as an operating leases by recognised lease liabilities as of 1 January 2020 at the present value of lease payment to be made over the remaining lease term which is discounted by the Incremental Borrowing Rate of the Group as of the initial application date and recognised net book value of right-of-use assets at an amount equal to the lease liabilities, adjusted

by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position before the date of initial application.

The cumulative effect of the change is described in Note 2 to the interim consolidated financial statements.

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.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to use information relating to the COVID-19 situation that may affect financial forecasts used in measuring the fair values of property, plant and equipment, and investment property.
- Not to use information relating to the COVID-19 situation in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, *Impairment of Assets*.

1.6 Significant accounting policies

The interim financial information are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

1.6.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial liabilities are classified and measured at amortised cost.

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

1.6.2 Leases

Right-of-use assets

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

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted 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 modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

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

As described in Note 1.5 to the financial statements, during the current period, the Group has adopted 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 from changes in accounting policies due to the adoption of these standards are presented as follows:

	(Unit: Million 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

Leases

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. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

(Unaudited but reviewed)

(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
Comprise of:		
Current lease liabilities	7,816	7,816
Non-current lease liabilities	38,481	38,481
	46,297	46,297

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Land and land improvement	6,889	6,889
Buildings and building improvement	40,608	40,608
Total right-of-use assets	47,497	47,497

3. Related party transactions

During the periods, the Company and its subsidiaries 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: Thousand Baht)				
For the three-month periods ended 31 March				
	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	-	-	212	227
Other income	-	-	1,221	797
<u>Transactions with related parties</u>				
Office rental and service expenses	1,692	1,663	1,692	1,663

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

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

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

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019 (Audited)	31 March 2020	31 December 2019 (Audited)
Other receivables (Note 5)				
Subsidiaries	-	-	5,482	4,347
Other payables (Note 15)				
Subsidiaries	-	-	6,585	7,080
Related party	23	27	23	27
Total	23	27	6,608	7,107
Accrued interest expense				
Subsidiaries	-	-	63	63
Retentions				
Related party	1,555	1,555	1,555	1,555
Advance received				
Related parties	712	658	712	658

Directors and management's benefits

During the three-month periods ended 31 March 2020 and 2019, the Company and its subsidiaries 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	10,339	10,055	9,533	9,221
Post-employment benefits	3,830	1,710	3,747	1,658
Total	14,169	11,765	13,280	10,879

4. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 March 2020		31 December 2019	
	Amount	Interest rate	Amount	Interest rate
		(% per annum)		(% per annum)
Fixed deposits 12 months	44	1.10	44	1.10
Investments in unit trust of mutual fund	30,200		99,940	
Add: Unrealised gain on changes in value of unit trust	288		254	
Total	30,532		100,238	

	Separate financial statements			
	31 March 2020		31 December 2019	
	Amount	Interest rate	Amount	Interest rate
		(% per annum)		(% per annum)
Fixed deposits 12 months	44	1.10	44	1.10
Investments in unit trust of mutual fund	-		69,739	
Add: Unrealised gain on changes in value of unit trust	-		22	
Total	44		69,805	

As at 31 December 2019, the Company had an investments in TMB ThanaPlus Fund (TMBTHANAPLUS) which is 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 period, the Company disposed all of such investments.

As at 31 March 2020 and 31 December 2019, the subsidiary has investment in Krungsri Cash Management Fund (KFCASH) and Krungsri Cash Plus Fund (KFCASHPLUS) which are money market funds. The funds focus on investing in debt securities issued or guaranteed by the government, financial institution, corporate or domestic bank account.

5. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31	31	31	31
	March	December	March	December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade accounts receivable - third parties</u>				
Not yet due	490	438	476	435
Past due not over 3 months	557	952	557	749
Past due 3 - 6 months	441	366	273	285
Total trade accounts receivable	1,488	1,756	1,306	1,469
<u>Other receivables</u>				
Other receivables - related parties				
(Note 3)	-	-	5,482	4,347
Other receivables - third parties	2,287	2,287	2,286	2,286
Accrued income	10,057	9,830	10,057	9,830
Advanced payment	4,283	3,649	4,240	3,398
Interest receivable	1	1	1	1
Total other receivables	16,628	15,767	22,066	19,862
Less: Allowance for doubtful debts	(8,780)	(8,780)	(8,780)	(8,780)
Total other receivables - net	7,848	6,987	13,286	11,082
Total trade and other receivables - net	9,336	8,743	14,592	12,551

6. Real estate development costs and inventories

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Audited)		(Audited)
Land	3,242,220	3,273,143	3,240,049	3,270,973
Construction under development	1,123,091	923,919	1,123,091	923,919
Total	4,365,311	4,197,062	4,363,140	4,194,892
Less: Provision for loss on diminution in value of projects	(3,161)	(3,493)	(3,161)	(3,493)
Real estate development costs - net	4,362,150	4,193,569	4,359,979	4,191,399
Other inventories	939	952	-	-
Total	4,363,089	4,194,521	4,359,979	4,191,399

The Company has mortgaged certain plots of land and structures thereon with a net book value as at 31 March 2020 of Baht 3,992 million (31 December 2019: Baht 3,800 million) as collateral for credit facilities granted by banks.

During the three-month period ended 31 March 2020, the Company included borrowing costs in the cost of real estate development amounting to Baht 24 million (2019: Baht 6 million).

Additional information of the Company's projects.

	(Unit: Million Baht)	
	Consolidated and separate	
	financial statements	
	31 March 2020	31 December 2019
Total estimated sales value of projects on hand		
of which the contracts have been signed	8,297	13,101
Total value of contracts signed for sales of land and structures thereon	3,959	10,787
Percentage of total estimated sales value of projects on hand	47.72	82.33
Total value of contracts signed of land and structures thereon not yet recognised as revenue *	2,068	1,977

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

7. Finance lease contract receivables/Advance received from land lease

On 23 August 2007, the Company entered into a contract to lease a land and plaza centre 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 centre building as follows:

- 7.1 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 the 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 March 2020

	Less than 1 year	1-5 years	Over 5 years	Total
Original investment in lease agreement	1,917	8,242	15,812	25,971
Unearned financial income	(81)	(266)	(231)	(578)
Present value of the minimum payment debtor has to pay under lease agreement	1,836	7,976	15,581	25,393

(Unit: Thousand Baht)

Consolidated and separate financial statements
as at 31 December 2019

	Less than 1 year	1-5 years	Over 5 years	Total
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	1,835	7,778	17,676	27,289

(Unaudited but reviewed)

- 7.2 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 received at 34% of annual lease fee as mentioned in the 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	
		31 March 2020	31 December 2019
			(Audited)
Total minimum amount which the debtor has to pay under the outstanding operating lease			
Within 1 year		987	987
1 - 5 years		4,171	4,147
Over 5 years		8,964	9,232
Total		14,122	14,366
Add: Advance received for land lease (net from recognised income)		4,836	4,175
Land lease income to be recognised in future		18,958	18,541

8. Investments in subsidiaries

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

(Unit: Thousand Baht)										
Company's name	Separate financial statements									
	Paid-up capital		Shareholding percentage		Cost		Impairment loss on investments		Net	
	31	31	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December	March	December
	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
					505,374	505,374	-	-	505,374	505,374

As at 31 March 2020 and 31 December 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.

9. Investment properties

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

(Unit: Thousand Baht)

	Consolidated financial statements		
	Land	Building and improvements	Total
31 March 2020:			
Cost	1,000,467	711,901	1,712,368
Less: Accumulated depreciation	-	(488,344)	(488,344)
Less: Allowance for impairment	(41,584)	(651)	(42,235)
Net book value	958,883	222,906	1,181,789
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	958,883	223,835	1,182,718

(Unit: Thousand Baht)

	Separate financial statements		
	Land	Building and improvements	Total
31 March 2020:			
Cost	1,000,467	754,825	1,755,292
Less: Accumulated depreciation	-	(491,582)	(491,582)
Less: Allowance for impairment	(41,584)	(651)	(42,235)
Net book value	958,883	262,592	1,221,475
31 December 2019:			
Cost	1,000,467	752,090	1,752,557
Less: Accumulated depreciation	-	(487,663)	(487,663)
Less: Allowance for impairment	(41,584)	(651)	(42,235)
Net book value	958,883	263,776	1,222,659

(Unaudited but reviewed)

Movements of the investment properties account during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	1,182,718	1,222,659
Acquisitions - at cost	2,760	2,760
Written off - net book value		
at written off date	(6)	(6)
Depreciation for the period	(3,683)	(3,938)
Net book value as at 31 March 2020	1,181,789	1,221,475

As at 31 March 2020, the Company mortgaged certain plots of land with a net book value of Baht 364 million (31 December 2019: Baht 364 million) as collateral for credit facilities granted by a bank.

10. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	456,878	249,786
Acquisitions - at cost	25,414	24,837
Transferred in - net book value		
at transfer date	726	726
Depreciation for the period	(8,462)	(6,992)
Net book value as at 31 March 2020	474,556	268,357

As at 31 March 2020, the Company has mortgaged certain plots of land and construction thereon with a net book value of Baht 3 million (31 December 2019: Baht 3 million) as collateral for credit facilities granted by a bank.

11. Right-of-use assets

Movements of the right-of-use assets account during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Net book value as at 31 December 2019	-
Effects of the adoption of TFRS 16	47,497
Net book value as at 1 January 2020	47,497
Depreciation for the period	2,465
Net book value as at 31 March 2020	45,032

12. Land and improvement awaiting development

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	(Audited)		(Audited)	
Land	1,379,320	1,363,312	1,229,753	1,213,745
Improvement	36,770	36,742	36,770	36,742
Total	1,416,090	1,400,054	1,266,523	1,250,487

A reconciliation of the net book value of land and improvement awaiting development account during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2020	1,400,054	1,250,487
Acquisitions - at cost	16,036	16,036
Net book value as at 31 March 2020	1,416,090	1,266,523

As at 31 March 2020, land awaiting development of Baht 1 million (Separate financial statements: Baht 0.8 million) (31 December 2019: 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.

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

13. Cost to obtain a contract

(Unit: Thousand Baht)

	Consolidated and Separate financial statements
Balance as at 1 January 2020	131,306
Increase during the period	6,724
Recognised as expenses during the period	(768)
Balance as at 31 March 2020	137,262

14. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (Percent per annum)	Consolidated and Separate financial statements	
		31 March 2020	31 December 2019
			(Audited)
Short-term loans from financial institution	MLR - fixed rate	30,000	-
Short-term loans from financial institution	MLR - fixed rate	306,293	306,293
Short-term loans from financial institution	MLR - fixed rate	147,000	147,000
Short-term loans from financial institution	fixed rate	224,000	224,000
Short-term loans from financial institution	fixed rate	182,000	103,000
Total		889,293	780,293

Short-term loans from financial institutions consist of loans in form of bridge loans and promissory notes, and are secured by the mortgage of the Company's land and structures thereon as described in Note 6, 9, 10 and 12 to interim consolidated financial statements.

(Unaudited but reviewed)

15. Trade and other payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
			financial statements	
	31	31	31	31
	March	December	March	December
	2020	2019	2020	2019
		(Audited)		(Audited)
Trade accounts payable				
- unrelated parties	44,303	47,178	43,613	46,320
Other payables - related parties				
(Note 3)	23	27	6,608	7,107
Other payables - unrelated parties	19,477	29,133	18,334	26,775
Total	63,803	76,338	68,555	80,202

16. Long-term loans

	(Unit: Thousand Baht)	
	Consolidated and	
	Separate financial statements	
	31 March 2020	31 December 2019
		(Audited)
Long-term loans from bank	1,660,962	1,551,672
Less: Current portion of long-term loans	(838,763)	(729,473)
Long-term loans - net of current portion	822,199	822,199

Movements in the long-term loan accounts during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated and	
	Separate financial statements	
Balance as at 1 January 2020		1,551,672
Add: Additional borrowing		154,804
Less: Repayment		(45,514)
Balance as at 31 March 2020		1,660,962

As at 31 March 2020, the long-term credit facilities of the Company which have not yet been drawn down of Baht 2,130 million (31 December 2019: Baht 2,266 million).

The loans and credit facilities are secured by the mortgage of land with structures thereon as described in Note 6 to interim consolidated financial statements.

17. Income tax

Interim corporate income tax was calculated on profit before income tax expenses for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Current income tax:				
Interim corporate income tax charge	-	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,109)	6,135	(4,038)	6,171
Income tax expenses (income) reported in the statements of comprehensive income	(4,109)	6,135	(4,038)	6,171

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	(Audited)		(Audited)	
Deferred tax assets				
Allowance for doubtful accounts	1,487	1,487	1,487	1,487
Allowance for diminution in value of inventories	632	699	632	699
Allowance for diminution in value of assets	8,447	8,447	10,279	10,279
Deferred revenue for fixtures	411	528	411	528
Advance received for land rental income	832	849	832	849

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
Provision for long-term employee benefits	6,210	6,257	4,730	4,849
Tax losses carried forward	9,858	4,535	9,858	4,535
Others	1,381	1,394	1,381	1,394
Total	29,258	24,196	29,610	24,620
Deferred tax liabilities				
Finance lease contract receivables	5,079	5,458	5,079	5,458
Cost to obtain a contract	27,452	26,261	27,452	26,261
Right-of-use assets	141	-	141	-
Total	32,672	31,719	32,672	31,719

18. Earnings per share

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

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Profit (loss) attributable to equity holders of the Company (Thousand Baht)	(22,794)	24,653	(24,760)	22,582
Weighted average number of ordinary shares (Thousand shares)	5,022,246	5,022,246	5,022,246	5,022,246
Earnings (loss) per share (Baht/share)	(0.005)	0.005	(0.005)	0.004

19. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. The business operations involve 3 principal segments as below.

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

During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

(Unaudited but reviewed)

Below is the revenue and gross profit of the Company and its subsidiaries for the three-month periods ended 31 March 2020 and 2019 by segments.

(Unit: Million Baht)

	For the three-month periods ended 31 March									
	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	148	307	19	19	12	12	-	-	179	338
Inter- segment	-	-	-	-	-	-	-	-	-	-
Total revenues	148	307	19	19	12	12	-	-	179	338
Results										
Gross profit of segments	44	96	9	9	4	5	-	-	57	110
Other income									6	10
Selling and distribution expenses									(23)	(28)
Administrative expenses									(64)	(61)
Finance cost									(2)	-
Income tax income (expenses)									4	(6)
Profit (loss) for the period attributable to equity holders of the Company									(22)	25

The following table presents segment assets of the Company and its subsidiaries as at 31 March 2020 and 31 December 2019.

(Unit: Million Baht)

	Real estate business		Golf course business		Rental business		Total	
	31	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December
	2020	2019	2020	2019	2020	2019	2020	2019
Real estate development cost and inventories	4,362	4,194	1	1	-	-	4,363	4,195
Investment properties	855	855	-	-	327	327	1,182	1,182
Property, plant and equipment	220	168	253	288	2	1	475	457
Land and improvement awaiting development	1,416	1,400	-	-	-	-	1,416	1,400
Unallocated assets							566	546
Total segment assets							8,002	7,780

20. Commitments and contingent liabilities

As at 31 March 2020, the Company and its subsidiaries had the following outstanding commitments and contingent liabilities:

20.1 The Company had the outstanding commitments in respect of agreements to construction projects and interior design of projects amounting to Baht 362 million (31 December 2019: Baht 257 million).

20.2 As at 31 March 2020, the Company had the outstanding commitments in respect of land purchase agreements to develop project for sale amounting to Baht 128 million (31 December 2019: Baht 144 million).

20.3 The Company and its subsidiaries have entered into several lease agreements to lease building space and equipment and services, with the terms of agreements generally between 1 and 3 years.

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

		(Unit: Million Baht)
Payable	Consolidated financial statement	Separate financial statements
In up to 1 year	7	6

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

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

20.4 Bank guarantees

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

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	31 March 2020	31 December 2019
Letters of guarantee for arrangement and maintenance of public utilities	106	102
Letters of guarantee for electricity usage	9	9
Letters of guarantee for elevators	19	20
Total	134	131

Bank guarantees are secured by the Company's lands and construction thereon as described in Notes 9 and 10 to interim consolidated financial statement.

20.5 Litigation

As at 31 March 2020, civil lawsuits were filed against the Company by customers and amount in disputes totalling Baht 14 million (31 December 2019: Baht 14 million). At present, the cases are under the court proceeding. The Company's management believes that there will have no significant impact on the financial position of the Company.

However, the Company has set aside provision for cost that may arise from the final of judicial processes in its financial statements as it considers appropriate.

21. Fair value hierarchy

As at 31 March 2020 and 31 December 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 March 2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments	31	-	-	31
Assets for which fair value are disclosed				
Investment properties	-	1,248	316	1,564

(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 March 2020				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	1,248	316	1,564

(Unaudited but reviewed)

(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

22. Fair values of financial instruments

Since the majority of Group's financial instruments are short-term or bearing the market interest rate, their fair value is not materially differ from the amounts presented in statement of financial position.

23. Event after the reporting period

At the Company's Board of Directors' meeting No. 3/2563, held on 13 April 2020, the Board passed a resolution for postponement of the Annual General Meeting of Shareholders of the Company No. 1/2563, which was fixed on 30 April 2020, until the situation of the outbreak of the Coronavirus Disease 2019 is resolved, resolved for cancellation of the submission to the Annual General Meeting of Shareholders to consider the payment of dividends, and resolved for non-payment of dividends.

24. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 14 May 2020.