

Independent Auditor's Report

To the Shareholders and the Board of Directors of Asia Capital Group Public Company Limited

Disclaimer of Opinion

I was engaged to audit the consolidated and separate financial statements of Asia Capital Group Public Company Limited and its subsidiaries, and of Asia Capital Group Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2020, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in shareholders' equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

I do not express an opinion on the accompanying financial statements referred to above because of the significance of the matter described in the Basis for Disclaimer of Opinion section of my report to the consolidated and separate financial statements of Asia Capital Group Public Company Limited and its subsidiaries, and of Asia Capital Group Public Company Limited, respectively, for the year ended December 31, 2020. I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

- 1) As disclosed in Note 10.3 to the Financial Statements, during the year ended December 31, 2018, a customer of a short-term loan receivable account discovered a fraud incident in its purchasing and inventory processes. The customer asked to defer its payment to suppliers and started an investigation. Since the loan receivable account assigned its right to claim payments from this customer to the Company, the Company was also deferred for the payment. On May 30, 2018, the Company issued a legal notice to the customer and the loan receivable account demanding payment. The Company didn't receive any responses to the notices, either to deny or accept the payments from both parties. On August 20, 2018, the Company filed a lawsuit against loan receivable account and the customer at the Civil Court. On June 10, 2020, the Civil Court has judged that the customer has to pay Baht 289.56 million to the Company with interest of 15% per annum until the completion of debt settlement. If the customer does not pay all of the said debt, the loan receivable shall pay the outstanding debt to the Company and the customer and the loan receivable shall jointly pay the court fee. The customer filed an appeal with the court. This case is currently being considered by the Appeal Court. In addition, I had sent confirmation letters to the loan receivable account and the customer, and received a reply from the loan receivable account and the customer which that the amount is not correct and the difference in debt balance amounts cannot be verified. Moreover, the legal case is not yet settled and cannot be concluded. As these

circumstances, I was unable to obtain sufficient appropriate audit evidence to assess the effect on the Company's loan collectability, which may be necessary when considering loss on credit of receivable and accrued interest receivable balance (net from provision loss on credit) totalling of Baht 235.97 million which are outstanding as at December 31, 2020 in the consolidated and separate financial statements. Consequently, I was unable to determine whether any adjustments to this amount was necessary.

- 2) As disclosed in Note 2 to the Financial Statements, the Group has current liabilities as at December 31, 2020 in the amount of Baht 3,150 million, which is significantly higher than current assets and these consist mostly the debentures amounting of Baht 2,490 million matured in one year. Debenture ACAP20NA defaulted on interest payment on May 23, 2020. In accordance with the resolution of the Debenture holders' meeting No. 1/2020 on June 18, 2020, the meeting resolved that the principal of said debentures, which will be redeemed on November 23, 2020, are due immediately and approved the Debenture holders' representative to exercise the rights to the issuer to repay the said principal and interest immediately. This make the said debentures to be defaulted. The total defaulted principal and interest of the debentures together with the debentures from the Debenture holder's meeting ACAP20NA amount over Baht 500 million. This circumstance has caused the default of the remaining outstanding debentures of the Company (cross default) in accordance with the terms and conditions of debentures issuer and debenture holder. Many debenture holders have sued the Company to the Civil Court for the Company to pay the principal together with defaulted interest. Currently, the cases are being considered by the Court of First Instance (Note 25).

The Company's plans for the debenture repayment are to receive cash from the possible lawsuit win and from selling of investment property on the enforcement of collateral to settle debt. It is expected to repay the principal amount of Baht 2,490 million with the planned interest rate within of 3 years until 2023. On February 23, 2021, the Company filed to the Central Bankruptcy Court for the rehabilitation. The ability to repay debentures depends on the Company's ability to execute such plan.

Lack of liquidity

As at December 31, 2020, the Company has cash and cash equivalents amount of Baht 8,897 in its separate financial statements. As disclosed in Note to financial statement 12, cash at bank of the Company amount of Baht 1.74 million was transferred to the Legal Execution Department 1 according to the Notification of Suspension dated November 12, 2020. The consolidated financial statements, show significant current liabilities in excess of current assets amount of Baht 2,844 million. In addition, the Company currently has no a core operating income.

The Company has defaulted loans to other companies having real estate as collateral and has investment properties which are the part that the Company forced the collateral to pay debts. Forcing the collateral and selling the investment property in order to get sufficient cash flow for operations and repayment of the liabilities will take times. In addition, the current general economic environment has been affected by the outbreak of Coronavirus disease 2019 (COVID-19) which is an obstacle to manage to get a sufficient cash flow.

The Company's operation is in high uncertain in the current situation, such as the success of the negotiation process to pay debentures, the sale of collateral assets and the findings additional source of fund. Therefore, the expected recoverable value of the asset may be uncertain depending on various factors and other future situation. All such above situations represent material uncertainties that may cast significant doubt on the Group's ability to continue operating.

Despite the above factors, the accompanying financial statements have been prepared under the going-concern basis assuming that the Company and the subsidiary companies will be able to continue their business operations as going concerns and that their assets will be realised and their liabilities discharged in the ordinary course of business without forcing actions, and excluding any adjustments that might be required to present assets at their saleable value, and liabilities in accordance with the amounts that would have to be repaid, and to reclassify accounts, in the event the Company and the subsidiary companies were unable to continue their businesses as going concerns.

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 TFRSs, 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 responsibility is to conduct an audit of the financial statements in accordance with Standards on Auditing (TSA) and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

I am independent of the Group within the meaning of Code of Ethics for Professional Accountants and have fulfilled my other responsibilities under those ethical requirements.

(Atipong Atipongsakul)

Certified Public Accountant

Registration No. 3500

ANS Audit Co., Ltd.

Bangkok, February 25, 2021

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit : Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2020	2019	2020	2019	
Assets						
Current assets						
	Cash and cash equivalents	7	200,530,523	143,690,977	8,897	137,725,672
	Accounts receivable - net	8	258,647	25,058,094	-	-
	Amounts due from related companies	6	-	-	10,241,199	10,251,703
	Factoring receivables - net	9	-	4,611,428	-	-
	Short-term loans to related company	6	-	-	52,211,048	-
	Current portion of loans to employees		-	10,471	-	-
	Short-term loans to other companies - net	10	-	337,204,720	-	337,204,720
	Other current financial asset	11 , 35	97,718,747	211,120,187	-	15,578,299
	Other current assets	12	7,630,832	18,602,489	2,175,061	11,120,897
	Total current assets		306,138,749	740,298,366	64,636,205	511,881,291
Non-current assets						
	Restricted deposits at bank		-	292,400	-	-
	Long-term loans to related company	6	-	-	222,832,899	446,500,000
	Non-current factoring receivables - net	9	3,589,113	-	-	-
	Defaulted loans to other companies - net	10	1,995,367,378	2,604,369,612	1,814,144,278	2,364,504,198
	Investment in subsidiaries - net	14	-	-	664,225,670	653,527,849
	Investment property - net	15	933,233,781	778,027,482	513,621,381	334,330,644
	Leasehold improvements and equipment - net	16	11,401,819	17,615,624	8,846,502	10,045,179
	Right-of-use assets - net	17	4,259,714	-	4,259,714	-
	Intangible assets - net	18	67,727	2,069,257	21,697	110,749
	Deferred tax assets	19	119,551,581	27,671,089	94,346,527	15,592,543
	Other non-current financial assets	20 , 35	111,187,620	121,070,964	111,187,620	121,070,964
	Other non-current assets	21	13,431,628	24,117,328	11,271,328	13,200,717
	Total non-current assets		3,192,090,361	3,575,233,756	3,444,757,616	3,958,882,843
	Total assets		3,498,229,110	4,315,532,122	3,509,393,821	4,470,764,134

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Liabilities and Shareholders' Equity					
Current liabilities					
Interest payables		283,170,581	32,840,295	283,170,581	32,840,295
Other payables		2,582,601	13,292,296	713,615	1,410,090
Amounts due to related companies	6	-	-	14,500	210,279
Short-term loans from related parties - net	6	-	20,000,000	-	276,469,600
Short-term loans from others - net	22	350,000,000	362,214,934	350,000,000	362,214,934
Current portion of lease liabilities	23	4,490,910	1,582,676	4,490,910	1,582,676
Current portion of debentures	25	2,490,405,000	2,367,039,348	2,490,405,000	2,367,039,348
Other current liabilities	24	19,328,364	23,035,258	19,251,312	20,263,199
Total current liabilities		3,149,977,456	2,820,004,807	3,148,045,918	3,062,030,421
Non-current liabilities					
Long-term loans from others - net	22	-	3,000,000	-	3,000,000
Lease liabilities - net	23	2,564,317	2,768,160	2,564,317	2,768,160
Debentures - net	25	-	302,489,612	-	302,489,612
Non-current provisions for employee benefits	26	5,053,233	8,489,198	4,697,782	3,636,158
Non-current liabilities		1,052,000	1,052,000	1,052,000	1,052,000
Total non-current liabilities		8,669,550	317,798,970	8,314,099	312,945,930
Total liabilities		3,158,647,006	3,137,803,777	3,156,360,017	3,374,976,351
Shareholders' Equity					
Share capital					
Authorized share capital					
316,411,160 ordinary shares, at Baht 0.5 each	27	158,205,580		158,205,580	
390,672,338 ordinary shares, at Baht 0.5 each	27		195,336,169		195,336,169
Issued and fully paid-up					
316,411,160 ordinary shares, at Baht 0.5 each		158,205,580	158,205,580	158,205,580	158,205,580
Premiums on ordinary shares		445,110,659	445,110,659	445,110,659	445,110,659
Gain on dilution of investment					
proportion in subsidiary	14	-	63,978,493	-	-
Retained earnings					
Appropriated					
Legal reserve	28	19,533,617	19,533,617	19,533,617	19,533,617
Unappropriated		(275,361,077)	407,364,866	(261,909,377)	472,937,927
Other component of shareholders' equity		(7,906,675)	-	(7,906,675)	-
Total shareholders' equity attributable to owners of parent		339,582,104	1,094,193,215	353,033,804	1,095,787,783
Non-controlling interests		-	83,535,130	-	-
Total shareholders' equity		339,582,104	1,177,728,345	353,033,804	1,095,787,783

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

Total liabilities and shareholders' equity	<u>3,498,229,110</u>	<u>4,315,532,122</u>	<u>3,509,393,821</u>	<u>4,470,764,134</u>
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ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
	5, 6, 29, 31				
Revenues					
		33,728,342	186,412,944	36,930,623	160,018,498
		(357,721,747)	(207,406,064)	(359,353,135)	(212,379,696)
		(323,993,405)	(20,993,120)	(322,422,512)	(52,361,198)
		-	27,477	-	-
		-	(1,848,806)	-	-
		-	(1,821,329)	-	-
		1,235,418	2,500,000	1,235,418	36,349,988
	13	73,302,038	-	79,460,730	-
		1,091,009	6,341,528	792,147	20,004,357
		(248,364,940)	(13,972,921)	(240,934,217)	3,993,147
Other operating expenses					
		83,261,104	66,361,638	50,886,328	54,903,890
		33,927,477	138,927,141	53,611,993	73,883,274
		-	-	106,081,750	-
		117,188,581	205,288,779	210,580,071	128,787,164
		(365,553,521)	(219,261,700)	(451,514,288)	(124,794,017)
		(1,064,947)	(236,561)	(1,076,442)	(236,561)
		(366,618,468)	(219,498,261)	(452,590,730)	(125,030,578)
	19	9,289,302	19,990,468	4,970,538	8,517,668
		(357,329,166)	(199,507,793)	(447,620,192)	(116,512,910)
	13	3,135,430	12,301,694	-	-
		(354,193,736)	(187,206,099)	(447,620,192)	(116,512,910)
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
		(7,906,675)	-	(7,906,675)	-
		(392,592)	(261,460)	96,932	(87,935)
		(8,299,267)	(261,460)	(7,809,743)	(87,935)
		(362,493,003)	(187,467,559)	(455,429,935)	(116,600,845)

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
Profit (loss) attributable to					
	Equity holders of the Company	(355,322,491)	(190,530,196)	(447,620,192)	(116,512,910)
	Non-controlling interests	1,128,755	3,324,097	-	-
		<u>(354,193,736)</u>	<u>(187,206,099)</u>	<u>(447,620,192)</u>	<u>(116,512,910)</u>
Total comprehensive income (loss) attributable to					
	Equity holders of the Company	(363,443,063)	(190,729,187)	(455,429,935)	(116,600,845)
	Non-controlling interests	950,060	3,261,628	-	-
		<u>(362,493,003)</u>	<u>(187,467,559)</u>	<u>(455,429,935)</u>	<u>(116,600,845)</u>
Loss per share (Baht per share)					
		30			
	Basic loss per share	<u>(1.123)</u>	<u>(0.602)</u>	<u>(1.415)</u>	<u>(0.368)</u>
	Basic loss per share - continuing operations	<u>(1.129)</u>	<u>(0.631)</u>	<u>(1.415)</u>	<u>(0.368)</u>

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht												
Consolidated financial statements												
	Retained earnings					Other component of shareholders' equity						
	Notes	Issued and Paid-Up Share Capital	Premiums on ordinary shares	Gain on dilution of investment proportion in subsidiary	Appropriated Legal Reserve	Unappropriated	Loss on investments in equity instruments designated at fair value through other			Total shareholders' equity attributable		Total
- net from tax							Actuarial loss - net from tax	Total other component of shareholders' equity	to owners of parent	Non-controlling interest		
Balance as at January 1, 2019		158,203,493	445,087,696	-	19,533,617	598,094,053	-	-	-	1,220,918,859	-	1,220,918,859
Issuance of ordinary shares		2,087	22,963	-	-	-	-	-	-	25,050	-	25,050
Gain on dilution of investment proportion in subsidiary		-	-	63,978,493	-	-	-	-	-	63,978,493	-	63,978,493
Non-controlling interests increased		-	-	-	-	-	-	-	-	-	83,513,507	83,513,507
Dividend		-	-	-	-	-	-	-	-	-	(3,240,005)	(3,240,005)
Total comprehensive income (loss) for the year		-	-	-	-	(190,530,196)	-	(261,460)	(261,460)	(190,791,656)	3,324,097	(187,467,559)
Transfer to retained earnings		-	-	-	-	(198,991)	-	261,460	261,460	62,469	(62,469)	-
Balance as at December 31, 2019		158,205,580	445,110,659	63,978,493	19,533,617	407,364,866	-	-	-	1,094,193,215	83,535,130	1,177,728,345
Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard (net from income tax)	4	-	-	-	-	(327,189,555)	-	-	-	(327,189,555)	(33,068)	(327,222,623)
Balance as at January 1, 2020 - after adjusted		158,205,580	445,110,659	63,978,493	19,533,617	80,175,311	-	-	-	767,003,660	83,502,062	850,505,722
Change of interest from control cease	13	-	-	(63,978,493)	-	-	-	-	-	(63,978,493)	(84,452,122)	(148,430,615)
Total comprehensive income (loss) for the year		-	-	-	-	(355,322,491)	(7,906,675)	(392,592)	(8,299,267)	(363,621,758)	1,128,755	(362,493,003)
Transfer to retained earnings		-	-	-	-	(213,897)	-	392,592	392,592	178,695	(178,695)	-
Balance as at December 31, 2020		158,205,580	445,110,659	-	19,533,617	(275,361,077)	(7,906,675)	-	(7,906,675)	339,582,104	-	339,582,104

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht									
Separate financial statements									
	Notes	Retained earnings			Other component of shareholders' equity				
		Issued and Paid-Up Share Capital	Premiums on ordinary shares	Appropriated Legal Reserve	Unappropriated	Loss on investments in equity instruments designated at fair value through other comprehensive income - net from tax	Actuarial loss - net from tax	Total other component of shareholders' equity	Total
Balance as at January 1, 2019		158,203,493	445,087,696	19,533,617	589,538,772	-	-	-	1,212,363,578
Issuance of ordinary shares		2,087	22,963	-	-	-	-	-	25,050
Total comprehensive loss for the year		-	-	-	(116,512,910)	-	(87,935)	(87,935)	(116,600,845)
Transfer to retained earnings		-	-	-	(87,935)	-	87,935	87,935	-
Balance as at December 31, 2019		158,205,580	445,110,659	19,533,617	472,937,927	-	-	-	1,095,787,783
Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard (net from income tax)	4	-	-	-	(287,324,044)	-	-	-	(287,324,044)
Balance as at January 1, 2020 - after adjusted		158,205,580	445,110,659	19,533,617	185,613,883	-	-	-	808,463,739
Total comprehensive loss for the year		-	-	-	(447,620,192)	(7,906,675)	96,932	(7,809,743)	(455,429,935)
Transfer to retained earnings		-	-	-	96,932	-	(96,932)	(96,932)	-
Balance as at December 31, 2020		158,205,580	445,110,659	19,533,617	(261,909,377)	(7,906,675)	-	(7,906,675)	353,033,804

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash Flows from Operating Activities:				
Loss for the year	(354,193,736)	(187,206,099)	(447,620,192)	(116,512,910)
Adjustments to reconcile loss for the year to cash provided by (used in) operating activities				
Depreciation and amortization	29,632,712	8,957,603	6,386,703	2,069,846
Interest income	(33,728,342)	(186,412,944)	(36,930,623)	(160,018,498)
Interest expense	357,721,747	207,406,064	359,353,135	212,379,696
Interest expense from leases	1,064,947	247,578	1,076,442	236,561
Loss on credit of accounts receivable	524,605	-	-	-
Loss on credit of loans to related companies	-	-	30,428,554	-
Loss on credit of loans to other companies	33,402,871	138,927,141	23,183,439	73,883,274
Doubtful debt - revenue department receivable	9,951,738	-	9,951,738	-
Dividend income	(1,235,418)	(2,500,000)	(1,235,418)	(36,349,988)
Impairment loss on investment in subsidiaries	-	-	106,081,750	-
Impairment loss on investment property	3,977,139	-	-	-
Loss on written-off of withholding tax assets	1,102,691	-	947,284	-
(Gain) loss on disposal of fixed asset	(24,714)	393,761	325,745	459,767
Gain from lease termination	(81,440)	-	(81,440)	-
Gain from disposal of other current financial assets	(1,113,849)	(2,238,675)	(366,919)	(764,923)
Unrealized gain from changes in value of other current financial assets	(80,104)	(484,036)	-	(7,432)
Gain on disposal of investment in subsidiary	(73,302,038)	-	(79,460,730)	-
Loss on sales of other non-current financial assets	-	10,116,656	-	10,116,656
Non-current provisions for employee benefits	1,659,120	2,833,152	1,182,789	1,379,494
Income tax revenue	(9,289,302)	(18,356,417)	(4,970,538)	(8,517,668)
Loss from operating activities before changes in operating assets and liabilities	(34,011,373)	(28,316,216)	(31,748,281)	(21,646,125)
Changes in operating assets (increase) decrease				
Trade receivables	(1,460,148)	11,816,238	-	-
Amounts due from related companies	-	-	2,016	(10,141,391)
Loans to other companies	349,999,998	420,800,275	349,999,998	400,104,270
Factoring receivables	-	(178,210)	-	-
Other current assets	(4,073,523)	4,122,938	(1,732,147)	5,983,461
Loan to employees	10,471	99,915	-	-
Restricted deposits at bank	(200,000)	-	-	-
Other non-current assets	(1,800,010)	3,195,542	880,799	(714,403)

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Changes in operating liabilities increase (decrease)				
Other payable	(2,709,230)	(5,609,423)	(696,475)	(3,312,373)
Amount due to related companies	-	-	(195,779)	(65,263)
Other current payable	1,368,774	(1,391,402)	(1,011,886)	(178,731)
Cash provided by operating activities	307,124,959	404,539,657	315,498,245	370,029,445
Interest received	20,933,063	86,127,616	20,932,878	138,245,647
Interest paid	(84,900,302)	(221,656,697)	(86,543,185)	(226,619,312)
Income tax paid	(1,504,924)	(20,043,687)	(221,039)	(947,284)
Net cash from operating activities	241,652,796	248,966,889	249,666,899	280,708,496
Cash Flows from Investing Activities:				
Cash received from (paid for) other current financial assets	(71,476,781)	124,334	15,945,218	139,495,053
Cash received from disposal of investment in subsidiary	159,460,660	-	159,460,660	-
Dividend received	1,235,418	2,500,000	1,235,418	12,259,991
Cash received from short-term loans to related party	-	-	1,404,131	-
Cash payment from short-term loans to related party	-	-	(53,615,179)	-
Cash payment from long-term loans to related party	-	-	(330,000)	-
Cash paid for the transfer of investment properties from debt settlement	(11,716,984)	-	(11,716,984)	-
Cash payment from acquisition of leasehold improvement and equipment	(7,903,446)	(2,219,907)	(29,233)	-
Cash received from disposal of leasehold improvement and equipment	2,048,693	2,609,944	1,949,065	2,537,056
Cash paid for purchase of intangible assets	(9,834,400)	(1,634,835)	-	-
Cash received from sale of intangible assets	442,055	-	188,318	-
Net cash from investing activities	62,255,215	1,379,536	114,491,414	154,292,100
Cash Flows from Financing Activities:				
Cash received for short-term loans from others	-	598,812,380	-	598,812,380
Cash paid for short-term loans from others	(30,000,000)	-	(30,000,000)	-
Cash received from short-term loans from related parties	-	23,000,000	24,011,631	422,000,000
Cash paid for short-term loans from related parties	(20,000,000)	(528,000,000)	(300,481,231)	(970,440,403)
Cash paid for long-term loans from others	(3,000,000)	-	(3,000,000)	-
Cash received from long-term loans from others	-	3,000,000	-	3,000,000
Proceeds from issuance of debentures	-	298,928,960	-	298,928,960
Redemption of debentures	(184,895,000)	(694,700,000)	(184,895,000)	(694,700,000)
Cash paid for lease liabilities	(7,008,946)	(4,121,631)	(7,510,488)	(3,650,507)
Cash received from exercise of warrants	-	25,050	-	25,050
Cash received from share capital increase	-	147,492,000	-	-
Non-controlling interests decrease from dividend paid of subsidiary	-	(3,240,005)	-	-
Net cash used in financing activities	(244,903,946)	(158,803,246)	(501,875,088)	(346,024,520)

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net cash and cash equivalents increase (decrease)	59,004,065	91,543,179	(137,716,775)	88,976,076
Cash and cash equivalents at the beginning of the year	143,690,977	52,147,798	137,725,672	48,749,596
Cash and cash equivalents decrease from disposal of investment in subsidiary	(2,164,519)	-	-	-
Cash and cash equivalents at the end of the year	200,530,523	143,690,977	8,897	137,725,672
Supplemental Disclosures of Cash Flows Information				
Debt settlement from forcing collateral	168,021,427	446,500,000	168,021,427	-
Transfer deposits as equipment	1,967,400	-	-	-
Transfer deposits as intangible assets	5,457,600	-	-	-
Right-of-use assets increased from lease liabilities	32,183,954	-	7,575,755	-
Purchase of vehicle under finance lease	3,500,000	2,950,000	3,500,000	2,950,000
Tranfered long-term investment to repayment short-term borrowings from others	-	113,812,380	-	113,812,380
Dividend received offset by short-term borrowings from related party	-	-	-	24,089,997

ASIA CAPITAL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

1. GENERAL INFORMATION

Asia Capital Group Public Company Limited (the "Company") registered as a juristic person under the Civil and Commercial Code of Thailand and was established in 1998. In 2003 the Company became a Public Company Limited and the Company's shares are listed on the Market for Alternative Investment (MAI) on December 14, 2005.

The Company's registered address is 349 SJ Infinite I Business Complex, 24th floor, Room no. 2401 - 2405, Vibhavadi-Rangsit Road, Chompol, Chatuchak, Bangkok 10900.

The principal business operations of the Group are corporate and retail lending, non-performing assets management, customer service and factoring business.

2. GOING CONCERN

The Group has current liabilities as at December 31, 2020 in the amount of Baht 3,150 million, which is significantly higher than current assets and these consist mostly the debentures amounting of Baht 2,490 million matured in one year. Debenture ACAP20NA defaulted on interest payment on May 23, 2020. In accordance with the resolution of the Debenture holders' meeting No. 1/2020 on June 18, 2020, the meeting resolved that the principal of said debentures, which will be redeemed on November 23, 2020, are due immediately and approved the Debenture holders' representative to exercise the rights to the issuer to repay the said principal and interest immediately. This make the said debentures to be defaulted. The total defaulted principal and interest of the debentures together with the debentures from the Debenture holder's meeting ACAP20NA amount over Baht 500 million. This circumstance has caused the default of the remaining outstanding debentures of the Company (cross default) in accordance with the terms and conditions of debentures issuer and debenture holder. Many debenture holders have sued the Company to the Civil Court for the Company to pay the principal together with defaulted interest. Currently, the cases are being considered by the Court of First Instance (Note 25).

The Company's plans for the debenture repayment are to receive cash from the possible lawsuit win and from selling of investment property on the enforcement of collateral to settle debt. It is expected to repay the principal amount of Baht 2,490 million with the planned interest rate within of 3 years until 2023. On February 23, 2021, the Company filed to the Central Bankruptcy Court for the rehabilitation. The ability to repay debentures depends on the Company's ability to execute such plan.

Lack of liquidity

As at December 31, 2020, the Company has cash and cash equivalents amount of Baht 8,897 in its separate financial statements. As disclosed in Note to financial statement 12, cash at bank of the Company amount of Baht 1.74 million was transferred to the Legal Execution Department 1 according to the Notification of Suspension dated November 12, 2020. The consolidated financial statements, shows significant current liabilities in excess of current assets amount of Baht 2,844 million. In addition, the Company currently has no a core operating income.

The Company has defaulted loans to other companies having real estate as collateral and has investment properties which are the part that the Company forced the collateral to pay debts. Forcing the collateral and selling the investment property in order to get sufficient cash flow for operations and repayment of the liabilities will take times. In addition, the current general economic environment has been affected by the outbreak of Coronavirus disease 2019 (COVID-19) which is an obstacle to manage to get a sufficient cash flow.

The Company's operation is in high uncertain in the current situation, such as the success of the negotiation process to pay debentures, the sale of collateral assets and the findings additional source of fund. Therefore, the expected recoverable value of the asset may be uncertain depending on various factors and other future situation.

All such above situations represent material uncertainties that may cast significant doubt on the Group's ability to continue operating.

Despite the above factors, the accompanying financial statements have been prepared under the going-concern basis assuming that the Company and the subsidiary companies will be able to continue their business operations as going concerns and that their assets will be realised and their liabilities discharged in the ordinary course of business without forcing actions, and excluding any adjustments that might be required to present assets at their saleable value, and liabilities in accordance with the amounts that would have to be repaid, and to reclassify accounts, in the event the Company and the subsidiary companies were unable to continue their businesses as going concerns.

3. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and applicable rules and regulations of the Securities and Exchange Commission.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated December 26, 2019, issued under the Accounting Act B.E. 2543. The accompanying financial statements have been prepared in Thai language and are expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant in the Thai language, an English translation of the Thai version of the financial statements is provided.

The accompanying financial statements are prepared on the historical cost basis, except as disclosed in respective accounting policies.

The preparation of the financial statements in conformity with Thai Financial Reporting Standard requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of

making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Coronavirus Pandemic 2019 (COVID-19)

The COVID-19 pandemic has caused an economic slowdown adversely affecting most businesses and industries. This situation may bring uncertainties and affect the environment in which the Group operates. These uncertainties may have a financial impact on the valuation of assets, provisions and contingent liabilities.

Basis for preparation of the consolidated financial statements

- a) The consolidated financial statements included the financial statements of Asia Capital Group Public Company Limited and its subsidiaries that together referred to as the “Group”

The details of the subsidiaries are as follows:

Company's name	Nature of relationships	Incorporation	% Equity interest owned by the Company	
			December 31, 2020	December 31, 2019
Subsidiaries directly held by the Company				
Global Service Center PLC. (GSC)	Customer service	Thailand	-	99.99
ACAP Consulting Co., Ltd.	Legal advisory	Thailand	99.99	99.99
Capital OK Co., Ltd.	Consumers Finance	Thailand	99.99	99.99
OK Cash Co., Ltd.	Collection services	Thailand	99.99	99.99
C.Image Digital Co., Ltd	Sale of land with buildings and other real estate	Thailand	99.99	-
Aurum Capital Advisory Pte. Ltd.	Investment Banking	Singapore	63.97	63.97

Detailed of structure changes of the Group during the year presented in note 14.

- b) 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.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not belong to the Company and are presented separately in the consolidated statement of comprehensive income, and within equity in the consolidated statement of financial position.
- f) The separate financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

Change of significant subsidiaries during in 2020

On July 24, 2020, the Company sale of all ordinary shares held in Global Service Center Public Company Limited (GSC) 64% of GSC's total ordinary shares. After the sale of these shares, the Company lost control. Therefore, the Company has prepared the consolidated financial statements, included GSC's financial statements until July 23, 2020.

4. NEW FINANCIAL REPORTING STANDARDS AND ACCOUNTING TREATMENT GUIDANCE

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

During the year 2020, the Company and its subsidiaries adopted the revised (revised 2020) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2020. These financial reporting standards seek alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of either the Company or its subsidiaries, except the adoption of the financial reporting standards related to financial instruments and TFRS 16 Leases. The changes to key principles and impacts are summarized as follows:

Financial reporting standards related to financial instruments

TFRSs related to financial instruments consists of the following five accounting standards and interpretations:

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 related 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.

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 recognize 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 using similar principles to those used under TAS 17.

Impacts on the financial statements

The Group has adopted these two group of reporting standards from January 1, 2020 under the modified retrospective approach and the comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognised in the statement of financial position as at January 1, 2020.

The impact of first-time adoption of new accounting standards on the consolidated and separate statement of financial position as at January 1, 2020 are as follows:

	Unit: Thousand Baht			
	Consolidated financial statements			
	December 31, 2019	TFRS 9	TFRS 16	January 1, 2020
Statement of financial position				
Current assets				
Accounts receivable - net	25,058	(428)	-	24,630
Factoring receivables - net	4,611	(1,022)	-	3,589
Other current assets	18,603	-	(1,958)	16,645
Non-current assets				
Defaulted loans to other companies - net	2,604,370	(407,578)	-	2,196,792
Right-of-use assets - net	-	-	32,184	32,184
Deferred tax assets	27,671	81,805	-	109,476

	Unit: Thousand Baht			
	Consolidated financial statements			
	December 31, 2019	TFRS 9	TFRS 16	January 1, 2020
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities-net	1,583	-	4,898	6,481
Non-current liabilities				
Lease liabilities - net	2,768	-	25,328	28,096
Shareholders' equity				
Retained earnings	407,365	(327,223)	-	80,142

	Unit: Thousand Baht			
	Separate financial statements			
	December 31, 2019	TFRS 9	TFRS 16	January 1, 2020
Statement of financial position				
Non-current assets				
Long-term loans to related companies - net	446,500	(196,779)	-	249,721
Defaulted loans to other companies - net	2,364,504	(359,155)	-	2,005,349
Investment in subsidiaries - net	653,528	196,779	-	850,307
Right-of-use assets - net	-	-	7,576	7,576
Deferred tax assets	27,671	71,831	-	99,502
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities- net	1,583	-	3,792	5,375
Non-current liabilities				
Lease liabilities - net	2,768	-	3,784	6,552
Shareholders' equity				
Retained earnings	472,938	(287,324)	-	185,614

The total impact on the retained earnings as at January 1, 2020 is as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Unappropriated retained earnings as at December 31, 2019	407,365	472,938
Increase from loss allowance		
- Accounts receivable	(428)	-
- Factoring receivables	(1,022)	-
- Defaulted loans to other companies - net	(407,578)	(359,155)
Related income tax	81,805	71,831
Non-controlling interests	33	-
Unappropriated retained earnings as at January 1, 2020	80,175	185,614

Financial instruments

Classification and measurement

On January 1, 2020 (the date of initial application), the Group's management has assessed which business models applied to the financial assets and liabilities held by the Group and has classified the financial assets and financial liabilities as below.

	Unit: Thousand Baht			
	Consolidated financial statements			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at January 1, 2020				
Cash and cash equivalents	-	-	143,691	143,691
Accounts receivable	-	-	24,630	24,630
Factoring receivables	-	-	3,589	3,589
Loans to employees	-	-	10	10
Loans to other companies	-	-	337,205	337,205
Other current financial assets	211,120	-	-	211,120
Restricted deposits at bank	-	-	292	292
Defaulted loans to other companies	-	-	2,196,792	2,196,792
Other non-current financial assets	-	121,071	-	121,071
Total financial assets	211,120	121,071	2,706,209	3,038,400

	Unit: Thousand Baht			
	Consolidated financial statements			
	FVPL	FVOCI	Amortized cost	Total
Financial liabilities as at January 1, 2020				
Interest payables	-	-	32,840	32,840
Other payables	-	-	13,292	13,292
Term loans from related parties	-	-	20,000	20,000
Short-term loans from others	-	-	362,215	362,215
Current portion of lease liabilities	-	-	6,481	6,481
Current portion of debentures	-	-	2,367,039	2,367,039
Long-term loans from others	-	-	3,000	3,000
Lease liabilities	-	-	28,096	28,096
Debentures- net	-	-	302,490	302,490
Total financial liabilities	-	-	3,135,453	3,135,453

Financial assets mandatorily measured at FVPL as at January 1, 2020, include the following

	Unit: Thousand Baht
	Consolidated financial statements
Financial assets	
Open-end funds - debt securities	211,120
Total financial assets	211,120

Financial assets mandatorily measured at FVOCI as at January 1, 2020, include the following

	Unit: Thousand Baht
	Consolidated financial statements
Financial assets	
Investment in - non-marketable securities	121,071
Total financial assets	121,071

Unit: Thousand Baht

	Separate financial statements			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at January 1, 2020				
Cash and cash equivalents	-	-	137,726	137,726
Amounts due from related companies	-	-	10,252	10,252
Short-term loans to other companies	-	-	337,205	337,205
Other current financial assets	15,578	-	-	15,578
Long-term loans to related companies	-	-	249,720	249,720
Defaulted loans to other companies	-	-	2,005,349	2,005,349
Other non-current financial assets	-	121,071	-	121,071
Total financial assets	15,578	121,071	2,740,252	2,876,901
Financial liabilities as at January 1, 2020				
Interest payables	-	-	32,840	32,840
Other payables	-	-	1,410	1,410
Amounts due to related companies	-	-	210	210
Term loans from related parties	-	-	276,470	276,470
Short-term loans from others	-	-	362,215	362,215
Current portion of lease liabilities	-	-	5,375	5,375
Current portion of debentures	-	-	2,367,039	2,367,039
Long-term loans from others	-	-	3,000	3,000
Lease liabilities	-	-	6,552	6,552
Debentures	-	-	302,490	302,490
Total financial liabilities	-	-	3,357,601	3,357,601

Financial assets mandatorily measured at FVPL as at January 1, 2020, include the following

	Unit: Thousand Baht
	Separate financial statements
Financial assets	
Open-end funds - debt securities	15,578
Total financial assets	15,578

Financial assets mandatorily measured at FVOCI as at January 1, 2020, include the following

	Unit: Thousand Baht
	Separate financial statements
Financial assets	
Investment in - non-marketable securities	121,071
Total financial assets	121,071

Financial assets and liabilities measured at amortized cost approximate fair value.

Impairment of financial assets

The Group has accounts receivable, factoring receivables and loans to other companies that are subject to the expected credit loss model. The Company has loans to other companies and long-term loans to related parties that are subject to the expected credit loss model.

Accounts receivable

The Group applies the simplified approach to measuring expected credit losses, which use a lifetime expected loss allowance for all accounts receivable.

To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles and the corresponding historical credit losses experienced.

On that basis, the loss allowance for accounts receivable as at January 1, 2020 was as follows:

	Unit: Thousand Baht					
	Consolidated financial statements					
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	Over 12 months	Total
As at January 1, 2020						
Gross carrying amount	23,638	-	-	-	1,420	25,058
Loss allowance	(115)	-	-	-	(313)	(428)

The loss allowance for accounts receivable as at December 31, 2019 is reconciled to the opening loss allowance for trade receivables as at January 1, 2020 as follow:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Loss allowance		
As at December 31, 2019	-	-
Amounts adjusted to opening unappropriated retained earnings	428	-
Opening loss allowance as at January 1, 2020	428	-

Factoring receivables

The Group applies the General approach to measuring expected credit losses, which use a lifetime expected loss allowance for all factoring receivables.

On that basis, the loss allowance for factoring receivables as at January 1, 2020 was as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Loss allowance		
As at December 31, 2019	2,609	-
Amounts adjusted to opening unappropriated retained earnings	1,022	-
Opening loss allowance as at January 1, 2020	3,631	-

Loans to other companies

The Group applies the General approach to measuring expected credit losses, which use a lifetime expected loss allowance for all loans to other companies.

On that basis, the loss allowance for loans to other companies as at January 1, 2020 was as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Loss allowance		
As at December 31, 2019	136,318	73,883
Amounts adjusted to opening unappropriated retained earnings	407,578	359,155
Opening loss allowance as at January 1, 2020	543,896	433,038

Long-term loans to related companies

The Company has long-term loans to related companies measured at amortized cost. The allowance for loss is limited to the expected credit losses for the next 12 months.

The movement in long-term loans to related companies are as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Carrying amount as at December 31, 2019	-	446,500
Adjustment from the adoption of TFRS 9 as at January 1, 2020*	-	(196,779)
Carrying amount as at January 1, 2020	-	249,721

* Affecting the investment in subsidiary by increasing of Baht 196.78 million.

Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17 *Leases*. The right-of-use assets were measured at amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. The Group's incremental borrowing rates applied to the lease liabilities as at January 1, 2020 is 6.65% and 15%.

For leases previously classified as finance leases applying TAS 17, the Group recognized the carrying amount of the lease assets and lease liabilities immediately before adoption of TFRS 16 as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

The lease liabilities as at January 1, 2020, and operating lease commitments as at December 31, 2019 which is disclosed in accordance with TAS 17 are reconciled as follow:

	Unit: Thousand Baht	
	Consolidated financial statements	Separate financial statements
Obligation under the lease agreement disclosed as at		
December 31, 2019	12,081	9,066
<u>Add</u> Obligation from extended lease period	32,827	-
<u>Less</u> Leases of low-value assets	(199)	(167)
<u>Less</u> The agreement is considered as a service agreement	(2,718)	(147)
<u>Less</u> Deferred interest expenses	(11,765)	(1,176)
Additional lease liabilities from TFRS 16 adoption	30,226	7,576
Finance lease liabilities as at December 31, 2019	4,351	4,351
Lease liabilities as at January 1, 2020	<u>34,577</u>	<u>11,927</u>
Of which are:		
Current lease liabilities	6,481	5,375
Non-current lease liabilities	28,096	6,552
Lease liabilities as at January 1, 2020	<u>34,577</u>	<u>11,927</u>

The recognised right-of-use assets relate to the following types of assets:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	December 31, 2020	January 1, 2020	December 31, 2020	January 1, 2020
Building	4,260	32,184	4,260	7,576

b) Revised financial reporting standards

In January 2021, the Federation of Accounting Professions announced the new TFRS 16 Lease (revised 2020), which was amended to provide the following two practical forms of relief:

- 1) Rent concessions to lessees as a result of the COVID-19 pandemic:

A lessee may elect not to assess whether a COVID-19 related rent concession is a lease modification and shall account for those rent concessions as if they were not lease modifications.

This amendment is effective for fiscal periods beginning on or after June 1, 2020.

- 2) Lease modifications as a result of interest rate benchmark reform:

This will be effective for fiscal periods beginning on or after January 1, 2022.

The management of the Company has believed that the adoption of these financial reporting standards does not have any significant impact on the financial statements.

c) Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19”

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of COVID-19.”

The Accounting Treatment Guidance was published in the Royal Government Gazette on April 22, 2020, and is effective for financial statements prepared for reporting periods between January 1, 2020 and December 31, 2020.

Among the temporary relief measures on accounting alternatives, the Group has elected:

- Not to consider forward-looking information to measure the expected credit losses of trade receivable when using simplified approach.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

However, the management believes that there will have no significant effects to the financial statements after the relief.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenses recognition

Revenue from rendering services is recognised when service is rendered.

Interest income is recognised using effective interest method.

Placement fee income is recognised using effective interest method over the period of loan agreement which the Group is a lender.

Other revenues and expenses are recognised on accrual basis.

Cash and cash equivalents

Cash and cash equivalents represented cash on hand and at financial institute and short-term investment with high liquidity of less than 3 months due date and no restrictions on use.

Financial assets and financial liabilities

Accounting policies adopted since January 1, 2020.

Classification and measurement of financial assets and financial liabilities

Classification

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- Those to be measured at amortised cost.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

Measurement

At initial recognition, where a financial asset is not at FVPL, the Group measures the financial asset at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost*: A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- *FVOCI*: A financial asset will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- *FVPL*: An asset that does not meet the criteria for amortised cost or FVOCI is measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments shall be subsequently measured at fair value and the fair value change is to be recognised through profit or loss or other comprehensive income depending on the classification of such equity instrument.

Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Impairment

Expected credit losses associated with financial assets carried at amortized cost and FVOCI, and assets from loan commitments and financial guarantees, are assessed without the increases in credit risk. The Group applies the general approach to the measurement of expected credit losses. In the case of trade receivables, however, the Group applies the simplified approach to measure expected credit losses.

The Group measures expected credit losses using the following approaches.

1) General approach

At each reporting date, The Group applies general approach to measure expected credit losses on financial assets including factoring receivables, short-term loans to other companies, defaulted loan to other companies, long-term loans to related companies, debt instruments measured at amortised cost and debt instruments measured at fair value through other comprehensive income. The Group always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - when a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

Under the three-stage expected credit loss impairment model to customer, the impairment will be assessed by using collective approach model with forward looking information adjustment. The Company calculates the expected credit loss by referencing to the announcement of Bank of Thailand Sor.Nor.Sor. 23/2018 regarding the basis for classification and reserve of the financial institution announced on October 31, 2018.

2) Simplified approach

The Group applies simplified approach to measure expected credit losses on accounts receivable which uses a lifetime expected credit loss for purchased or originated credit-impaired financial asset.

Accounting policies adopted before January 1, 2020.

Short-term investments

The Company and its subsidiaries classified investment as trading investment. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Trading investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.

Trading investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Trading investments subsequently measured at fair value. The unrealized gains and losses of trading investments are recognised in the statement of profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

Trade receivables and allowance for doubtful accounts

Trade receivables are stated at net realizable value. Allowance for doubtful accounts is an estimate of those amounts which may prove to be uncollectible based on a review of the current status of existing accounts receivables and the local economy environment.

Factoring receivable and allowance for doubtful accounts

Factoring receivables are recognised on the transaction date.

Factoring receivables are initially recognised at the amount equal to e.g. 70% or 90% of bills and stated at the outstanding contract amount, net of unearned interest income less allowance for doubtful accounts. Unearned interest income is recognised over a period of contract using the effective interest method and is presented as interest income in the statements of comprehensive income.

Loan receivables and allowance for doubtful accounts

Loan receivables are comprised of receivables from loan agreement and bills of exchange. Loan receivables are recognised on the transaction date. Allowance for doubtful accounts is based on outstanding balances less collateral value, which is calculated by referencing to the announcement of Bank of Thailand Sor.Nor.Sor. 5/2559 regarding the basis for classification and reserve of the financial institution announced on June 10, 2016.

Loan receivables is generally stated at principal amounts outstanding, net of unearned interest income, deferred fee income and allowance for doubtful accounts. Unearned interest income is recognised over a period of contract using effective interest method and is presented as interest income in statement of comprehensive income. Deferred fee income is recognised over a period of contract using effective interest method and is presented net of interest income in statement of comprehensive income.

Long-term investment

General investment

Investments in non-marketable equity securities are classified as general investments, are carried at cost less impairment (if any).

The Company and its subsidiaries calculated cost of the disposed securities during the year by the weighted average method.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognized in profit or loss.

Investment in subsidiaries

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

Investment properties

Investment property is property held to earn rental income or for capital appreciation (or both). It is not intended to be sold in the normal course of business or for the production or supply of goods or services or for administrative tasks.

Investment property includes land and buildings.

Buildings are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciations of buildings are calculated by reference to their costs on a straight-line basis over their estimated useful life as follows:

	<u>Useful life (Years)</u>
Buildings	20

Land and building in construction are stated at historical cost and not depreciated.

Leasehold improvements and equipment

Leasehold improvements and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciations of leasehold improvement and equipment are calculated by reference to their costs on a straight-line basis over their estimated useful life as follows:

	<u>Useful life (Years)</u>
Leasehold improvements	5
Computers	3- 10
Furniture and fixture	5
Office equipment	5
Vehicles	5

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Expenditures for the addition, renewal or improvements that make the replacement value of assets substantially increase will be included in the cost of the asset. Repair and maintenance expenses are recognized as expenses in the period incurred.

Gains and losses on disposal of an item of property, plant and equipment are calculated with the carrying amount of property, plant and equipment, and are recognized within profit or loss from operating.

Depreciation method, useful life and the residual value will be reviewed at the end of the accounting period and are adjusted if appropriate.

Intangible assets

Computer software

Expenditure on acquired licenses and cost of computer software are capitalised and amortised using the straight-line method over their useful lives generally 5 years or over the contract period. Intangible assets are not revalued. The Company regularly reviews the carrying amount of intangible assets and adjusted if impairment is identified.

Expenditure which enhances or extends the performance computer software programmes beyond their original specifications is recognised as a capital improvement and added into the original cost of the software.

Impairment of non-financial assets

Land, buildings and equipment and other assets are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Related party transactions

Related parties comprise enterprises and individuals 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 which directly or indirectly own a voting interest in the entities 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.

Leases

Accounting policies adopted since January 1, 2020.

Leases - where the Group is the lessee

At inception of a contract, the Group assesses whether the 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 recognizes right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value by discounting lease payments that are not paid at the commencement date using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed payments including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- The exercise price, under a purchase option that the Group is reasonably certain to exercise, whereby the exercise price is considered as lease payments in an optional renewal period; and
- Payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and then makes adjustments for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following:

- A change in an index or a rate used to determine those payments
- A change in the Group's estimate of the amount expected to be payable under a residual value guarantee
- The Group changes its assessment of whether it will exercise a purchase, extension or termination option

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease substantially transfers all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in the initial measurement of the finance lease receivable and will be gradually reduced against the income over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Accounting policies adopted before January 1, 2020.

Long-term leases

Building and equipment leases which substantially transfer the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized 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 other long-term payables, while the interest element is charged to the profit or loss over the lease period. The property, plant or equipment acquired under finance leases are depreciated over the useful life of the asset.

Building and equipment leases where a significant portion of the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are recognized as expenses in the profit or loss over the period of the lease.

Borrowings and debenture

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date or it does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. If the borrowings do not meet the criteria as aforementioned, the borrowings are classified as non-current liabilities.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Employee benefits

Short-term employee benefits

The Company and its subsidiaries recognizes salaries, wages, bonuses and contributions to the social security fund as expenses on an accrual basis.

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan 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 recognized immediately in other comprehensive income.

Provisions

Provisions are recognized when the Company and its subsidiaries 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.

Income tax

Income tax expenses comprise current tax 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 Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences while it recognizes deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Company and its subsidiaries 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 utilized.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Earnings (loss) per share and diluted earnings (loss) per share

Basic earnings (loss) 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.

Diluted earnings (loss) 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 plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

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 Company and its subsidiaries 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 Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximizes 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 categorized within the fair value hierarchy into three levels based on categorize 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 Company and its subsidiaries 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.

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:

Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgment regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgment regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Entity recognizes revenue over time in the following circumstances:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgment regarding measuring progress towards complete satisfaction of a performance obligation.

Allowances for expected credit losses of loans to other companies

The management is required to use judgement in estimating allowance for expected credit losses for loans to other companies. The Company's calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the development of a model, the risk that collateral value cannot be realised, collective and individual analyses of the status of receivables, the probability of debt collection and the selection of the forecasted macroeconomic data inputs used in the model. The use of different estimates and assumptions could affect the amount of the allowance for credit losses and, therefore, the allowance may need to be adjusted in the future.

Impairment of investment in subsidiary

The Company and its subsidiaries treats investment in its subsidiary as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Investment properties and depreciation assets

In determining depreciation of investment properties, Management is required to make estimates of the useful lives and residual values of leasehold improvements and equipment and to review estimate useful lives and residual values when there are any changes.

Management is required to review investment properties on for impairment on a periodic basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgment regarding forecast of future revenues and expenses relating to the assets subject to the review.

Leasehold improvements and equipment and depreciation assets

In determining depreciation of leasehold improvements and equipment, Management is required to make estimates of the useful lives and residual values of leasehold improvements and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, Management is required to review leasehold improvements and equipment for impairment on a periodic basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgment regarding forecast of future revenues and expenses relating to the assets subject to the review.

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 judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Lease classification - The Group as a 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.

Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilized. Significant judgment by Management is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rates, future salary increase rates, mortality rates and staff turnover rates.

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess the results of the litigation and believes that the provision made would be sufficient. However, actual results could differ from the estimates.

6. TRANSACTIONS WITH RELATED PARTIES

The following present relationships with enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or have influence over such companies, or have common directors or shareholders with the Company.

Name of entities	Nature of relationships
Global Service Center PLC. (GSC)	Subsidiary company until July 23, 2020
ACAP Consulting Co., Ltd.	Subsidiary company
Capital OK Co., Ltd.	Subsidiary company
OK Cash Co., Ltd.	Subsidiary company
C. Image Digital Co., Ltd.	Subsidiary company
Aurum Capital Advisory Pte. Ltd.	Subsidiary company
Sukjaroenkraisri family	The Company's major shareholder and authorized directors

The Company had business transactions with related parties. These parties are directly and indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the Company and the parties concerned. For the year ended December 31, the significant transactions with related parties can be summarized as follows:

	Unit: Baht				Pricing policy
	Consolidated financial statements		Separate financial statements		
	2020	2019	2020	2019	
Transactions between the Company and related parties for the year ended December 31,					
Subsidiaries					
Interest income	-	-	3,202,466	9,786	0.30 – 0.80 % per annum
Dividend income	-	-	-	33,849,988	As declared by a subsidiaries
Other income	-	-	115,399	10,793,542	Mutually agreed
Interest expense	-	-	1,631,388	4,973,413	0.30 - 2.00 % per annum
Administrative expenses	-	-	80,210	191,842	Mutually agreed
Director					
Interest expense	245,902	250,801	245,902	250,801	5.00 % per annum

Significant balances with related parties can be summarized as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivable - related parties				
Global Service Center PLC. (GSC)	-	-	-	2,017
Capital OK Co., Ltd.	-	-	1,299	-
OK Cash Co., Ltd.	-	-	10,239,900	10,239,900
C.Image Digital Co., Ltd.	-	-	-	9,786
Total trade receivable - related parties	-	-	10,241,199	10,251,703
Short-term loansto related party				
Capital OK Co., Ltd.	-	-	52,211,048	-
Total short-term loansto related party	-	-	52,211,048	-
Long-term loansto related party				
C.Image Digital Co., Ltd.	-	-	250,050,499	446,500,000
<u>Add</u> Interest receivable	-	-	3,210,954	-
Total	-	-	253,261,453	-
<u>Less</u> loss allowance	-	-	(30,428,554)	-
Total long-term loansto related party -net	-	-	222,832,899	446,500,000
Trade payable - related parties				
Global Service Center PLC. (GSC)	-	-	-	16,439
Capital OK Co., Ltd.	-	-	14,500	193,840
Total trade payable - related parties	-	-	14,500	210,279
Short-term loans from related parties				
Capital OK Co., Ltd.	-	-	-	256,469,600
Directors of the Company	-	20,000,000	-	20,000,000
Total short-term loans from related parties - net	-	20,000,000	-	276,469,600

The Company has movements on short-term loan to related party for the year ended December 31, as follows:

	Unit:Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term loans to related party				
Subsidiary				
Beginning balance at the years	-	-	-	-
Increase during the years	-	-	53,615,179	-
Decrease during the years	-	-	(1,404,131)	-
Ending balance at the years	-	-	52,211,048	-

The short-term loan to a related party is a promissory note due at call without collateral. The loan bears interest at 0.30% per annum.

The Company has movements on long-term loan to related party for the year ended December 31, as follows:

	Unit:Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Long-term loans to a related party				
Subsidiary				
Beginning balance at the years	-	-	446,500,000	-
Impact from TFRS 9	-	-	(196,779,501)	-
Increase during the years	-	-	330,000	446,500,000
Ending balance at the years	-	-	250,050,499	446,500,000
<u>Add</u> Interest receivable	-	-	3,210,954	-
Total long-term loans to a related party	-	-	253,261,453	-
<u>Less</u> loss allowance	-	-	(30,428,554)	-
Ending balance at the years	-	-	222,832,899	446,500,000

The long-term loan to a related party is a promissory note due at call without collateral. The loan bears interest at 0.30 - 0.80 % per annum.

The Company has movements on short-term loan from related parties for the year ended December 31, as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term loans from related parties				
Subsidiaries				
Beginning balance at the years	-	-	256,469,600	324,000,000
Increase during the years	-	-	24,011,631	399,000,000
Decrease during the years	-	-	(280,481,231)	(466,530,400)
Ending balance at the years	-	-	-	256,469,600
Directors				
Beginning balance at the years	20,000,000	-	20,000,000	-
Increase during the years	-	23,000,000	-	23,000,000
Decrease during the years	(20,000,000)	(3,000,000)	(20,000,000)	(3,000,000)
Ending balance at the years	-	20,000,000	-	20,000,000
Total Short-term loans from related parties	-	20,000,000	-	276,469,600

Short-term loans from related parties represent promissory note which are due at call without collateral. The loans bear interest at 0.30% - 5.00% per annum (2019: 0.80% - 5.00% per annum).

Management compensation

Management compensation for the year ended December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term benefits	15,596,862	18,328,587	9,592,200	9,686,050
Post-employment benefits	844,695	845,189	715,601	657,218
Total management compensation	16,441,557	19,173,776	10,307,801	10,343,268

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	9,662	12,158	6,380	7,020
Cash at banks - current accounts	302,488	212,190	-	-
Cash at banks - saving accounts	200,218,373	143,466,629	2,517	137,718,652
Total cash and cash equivalents	200,530,523	143,690,977	8,897	137,725,672

8. TRADE RECEIVABLES - NET

Trade receivables as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables				
Trade receivables	1,096,459	12,674,978	-	-
Accrued income	-	12,383,116	-	-
Total trade receivables	1,096,459	25,058,094	-	-
Less loss allowance				
Beginning	-	-	-	-
Impact from TFRS 9	(428,027)	-	-	-
Increase during the year	(524,605)	-	-	-
Disposal investment in a subsidiaries	114,820	-	-	-
Ending balance	(837,812)	-	-	-
Trade receivables - net	258,647	25,058,094	-	-

The Company has trade receivables classified by age analysis as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables				
Current	-	11,254,758	-	-
Over due				
Over 12 months	1,096,459	1,420,220	-	-
Total trade receivables	1,096,459	12,674,978	-	-

9. FACTORING RECEIVABLES – NET

Factoring receivables as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Factoring receivable	6,723,222	6,723,222	-	-
<u>Add</u> Interest receivable	497,335	497,335	-	-
Total factoring receivable	7,220,557	7,220,557	-	-
<u>Less</u> loss allowance				
Beginning balance	(2,609,129)	-	-	-
Impact from TFRS 9	(1,022,315)	-	-	-
Increase during the years	-	(2,609,129)	-	-
Ending balance	(3,631,444)	(2,609,129)	-	-
Total	3,589,113	4,611,428		
<u>Less non-current factoring receivables - net</u>	(3,589,113)	-	-	-
Factoring receivable - net	-	4,611,428	-	-

10. SHORT-TERM LOANS TO OTHER COMPANIES/DEFAULTED LOANS TO OTHER COMPANIES - NET

Short-term loans to other companies/Defaulted loans to other companies as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term loans to other companies				
Short-term loans to other companies	-	337,204,720	-	337,204,720
Total short-term loans to other companies - net	-	337,204,720	-	337,204,720
Defaulted loans to other companies				
Bills of exchange	653,891,041	653,891,041	583,891,041	583,891,041
Term loans to other companies	1,879,241,807	2,086,796,583	1,646,941,655	1,854,496,431
Total defaulted loans to other companies	2,533,132,848	2,740,687,624	2,230,832,696	2,438,387,472
<u>Less</u> loss allowance	(537,765,470)	(136,318,012)	(416,688,418)	(73,883,274)
Total defaulted loans to other companies - net	1,995,367,378	2,604,369,612	1,814,144,278	2,364,504,198
Total short-term loans / defaulted loans to other companies - net	1,995,367,378	2,941,574,332	1,814,144,278	2,701,708,918

Collateral value measurement

Unit: Baht				
Consolidated financial statements as at December 31, 2020				
	Loan amount	Collateral value	Loss allowance	Total
Defaulted loans to other companies				
Term loans with ordinary shares as collateral	162,464,110	51,096,487	(111,367,623)	51,096,487
Term loans with real estate as collateral for collateral values under loan amount	1,574,767,595	1,216,876,445	(357,891,150)	1,216,876,445
Term loans with leasehold rights as collateral and in the process of possession (Note 10.4)	491,426,932	597,900,000	-	491,426,932
Term loans under the execution of a court judgment (Note 10.3)	304,474,211	-	(68,506,697)	235,967,514
Total defaulted loans to other companies - net	2,533,132,848	1,865,872,932	(537,765,470)	1,995,367,378

Unit: Baht				
Separate financial statements as at December 31, 2020				
	Loan amount	Collateral value	Loss allowance	Total
Defaulted loans to other companies				
Term loans with ordinary shares as collateral	92,464,110	36,643,076	(55,821,034)	36,643,076
Term loans with real estate as collateral for collateral values under loan amount	1,342,467,443	1,050,106,756	(292,360,687)	1,050,106,756
Term loans with leasehold rights as collateral and in the process of possession (Note 10.4)	491,426,932	597,900,000	-	491,426,932
Term loans under the execution of a court judgment (Note 10.3)	304,474,211	-	(68,506,697)	235,967,514
Total defaulted loans to other companies - net	2,230,832,696	1,684,649,832	(416,688,418)	1,814,144,278

The value of collateral which is ordinary shares is calculated from 95% on the closing price of ordinary shares at the end of the year.

As at December 31, 2020, collateral value which is real estate, calculated from the present value of expected cash flow from selling of collateral. The discounted cash flow is equal to 90% of the appraised value and the expected period of disposal is approximately 5.5 years, discounted by the effective interest rate of the contract.

As at December 31, 2020, collateral value which is leasehold rights, calculated from the appraised value of the independent appraiser based on income approach over the period that the Company expects to get the benefits from the said asset.

Loss allowance for term loans under the execution of a court judgment as at December 31, 2020 is calculated based on the value of the money that is expected to be repaid in full, discounting with the effective interest rate of the contract in the period of about 2 years.

Classified by staging

As at December 31, 2020, the Company's loans to other companies were classified by staging as follows:

	Unit: Baht		
	Consolidated financial statements as at December 31, 2020		
	Loan amount	Loss allowance	Net book value
- Non-performing financial assets	2,533,132,848	(537,765,470)	1,995,367,378

	Unit: Baht		
	Separate financial statements as at December 31, 2020		
	Loan amount	Loss allowance	Net book value
- Non-performing financial assets	2,230,832,696	(416,688,418)	1,814,144,278

The movement in term loans to other companies are as at December 31, are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Beginning balance of the year	2,941,574,332	3,844,907,291	2,701,708,918	3,600,423,611
Additions during the year	-	218,680,000	-	129,000,000
Repayments during the year	(370,932,877)	(639,480,275)	(370,932,877)	(584,480,275)
Debt settlement by forcing investment property (Note 10.5 and 15)	(207,554,776)	(446,500,000)	(207,554,776)	-
Transfer to long-term loans to related companies (Note 10.5)	-	-	-	(446,500,000)
Loss allowance increase during the year	(33,402,871)	(136,318,012)	(23,183,439)	(73,883,274)
Loss allowance decrease during the year	39,533,350	-	39,533,350	-
Impact from TFRS 9	(407,577,937)	-	(359,155,055)	-
Interest income recognised during the year	27,175,382	88,625,009	27,175,382	60,587,056
Commission expense recognised during theyear	6,552,775	(21,580,504)	6,552,775	(16,679,023)
Deferred income commission	-	(6,552,775)	-	(6,552,775)
Interest receivable	-	39,793,598	-	39,793,598
Ending balance of the year	1,995,367,378	2,941,574,332	1,814,144,278	2,701,708,918

Bill of exchange have the interest rates of 6 - 8% per annum (December 31, 2019: 6 - 8% per annum). The loan is collateralized by a pledge of a company's shares in the stock market and leasehold rights.

Short-term loans to other companies/Defaulted loans to other companies have the interest rate of 12% per annum and 12-15% per annum respectively (December 31, 2019: 12% per annum and 12 -15% per annum respectively) with repayment due within 3 months to 1 year. The Group have received some interest at the first drawn down date and will receive some parts at the repayment date.

The short-term loans are secured by certain plots of land, shares of those borrowing companies and also guaranteed by some directors and shareholders of the borrowers.

As at December 31, 2020, rights of payment and rights on the mortgage in the collateral of a debtor, have been used as collateral for short-term loans from others (Note 22).

- 10.1 On April 30, 2004, the Institute of Certified Accountants and Auditors of Thailand, with the approval of the Office of the Securities and Exchange Commission, stipulated an accounting guideline, whereby recognition of interest income is to cease for receivable balance which are overdue by more than 3 installments. However, this accounting guideline provides an alternative whereby, in cases where a company believes that the guideline would not be appropriate, it is to disclose the method it uses. The Company has policy to cease recognizing interest income which are overdue more than 6 months for the loan receivables and cease recognizing interest income for defaulted bill of exchange receivables.

10.2 As at December 31, 2020, the Group had outstanding short-term loans to other companies which interest income isn't being recognised in the consolidated and separate financial statements amounting to Baht 2,533 million and Baht 2,231 million, respectively, (December 31, 2019: Baht 2,741 million and Baht 2,438 million, respectively.).

10.3 A loan receivable account has a short-term loan from Asia Capital Group PLC with a credit limit of Baht 800 million to be used for purchase of raw materials for delivery and distribution to a loan receivable's customer. The loan receivable assigned its right to claim over the payment from this customer to the Company under the tri-party memorandum to solely transfer the right to the Company for repayment under the loan agreement. The customer gave its consent and complied with the contract. However, when the payment was matured in the second quarter of 2018, the customer did not transfer the payment to the Company under the rights transfer agreement. On May 30, 2018, the Company issued a legal notice to the loan receivable as the borrower and the customer as the assignee to make the payments to the Company. Nevertheless, both parties has not responded and made no payment. The outstanding balance of loans and accrued interest receivable (before loss allowance) as at December 31, 2020, was Baht 304.47 million.

In this case, the customer has appointed its agent who is their employee to purchase raw materials from the loan receivable and they also have their employee to accept the delivery of goods as well as to issue a goods receipt note to the loan receivable. Although the customer claimed that they did not receive the goods due to their internal fraud, they could not refuse their obligation to pay to the Company, who is an external innocent party, or even in the case where the customer has paid for the goods to other creditors, because the agreement states that the customer has to pay to the Company only. Therefore, they have no right under the consent to refuse the payment to the Company in anyway.

When the Company had not receive the payment from the loan receivable and the customer, the Company has followed up but both of them have ignored and have not made any payments in any way. The Company have not yet received any response either to deny or accept the payment from both parties. On August 20, 2018, the Company has already filed a lawsuit against loan receivable and the customer to the Civil Court.

On June 10, 2020, the Civil Court has judged that the customer has to pay Baht 289,563,527.50 to the Company with interest of 15% per annum until the completion of debts settlement. If the customer does not pay all of the said debt, the loan receivable shall pay the outstanding debt to the Company and the customer and the loan receivable shall jointly pay the court fees consisting the lawyer fee of Baht 1 million. On November 25, 2020, the customer filed an appeal with the court. This case is currently being considered by the Appeal Court.

10.4 During the year 2019, the Company has a defaulted debtor in amount of Baht 491.43 million. Such debtor has the leasehold right as collateral. On November 21, 2019, the Educational Institution (“the Educational Institution”) which is an owner of the land for leasehold right issued a letter to the Company to inform the result of consideration condition specified in the debt agreement with leasehold right as collateral which the Company assigns a subsidiary to enter an agreement with the Educational Institution whereby the subsidiary is able to comply with the term and condition in the lease agreement. Thus, the Educational Institution approved the subsidiary to be a contract party and operate Community Mall according to the debt agreement with leasehold right as collateral.

On November 15, 2019, such debtor sued the Company and the Educational Institution to the Southern Bangkok Civil Court as a disputed case, presently this case is under the Civil Court mediation.

On July 15, 2020, the subsidiary of the Company entered into the transfer of leasehold rights agreement to utilize the said land development project with the Educational Institution. However the subsidiary of the Company is unable to utilize the leasehold rights for the company’s business. On December 4, 2020, the Company and subsidiary’s sued such debtor for the eviction and file a claim for damages. Presently this case is under Civil Court for an appointment.

10.5 On September 18, 2019, C. Image Digital Co., Ltd. (long-term loan receivable to the Company outstanding balance of Baht 446.50 million) entered into a memorandum of consent to transfer its shares to settle the debt with the Company. The shareholders of C. Image Digital Co., Ltd. agreed to transfer all the shares of C. Image Digital Co., Ltd. to the Company to settle all its outstanding debts. In this regard, the list of shareholders and authorized directors has been changed with the Ministry of Commerce, on September 19, 2019.

Financial statement of C. Image Digital Co., Ltd. as at September 19, 2019, are as follows:

(Unit: Baht)

Asset	
Inventory (Land and building)	381,931,507
Total Asset	<u>381,931,507</u>
Liabilities and Shareholders' Equity	
Short-term borrowings - ACAP	446,500,000
Authorized share capital	50,000,000
Deficit	(114,568,493)
Total Liabilities and Shareholders' Equity	<u>381,931,507</u>

The agreement was deemed as a transfer of collateral for debt settlement from the short-term loan receivable. The Company, therefore, recognized investment in subsidiary at amount of Baht 196.78 million and recognized long-term loan receivable to subsidiaries amounting of Baht 249.72 million in the separate financial statements (after the adoption of TFRS 9) and recognised investment property at amount of Baht 446.50 million in the consolidated financial statements. The land and buildings in the financial statements of C. Image Digital

Co.,Ltd. have the fair values as at December 31, 2019, assessed by Bangkok Valuation & Consultant Co., Ltd. on December 27, 2019, in the amount of Baht 468.39 million.

The Company's lawyer has performed the legal due-diligence on C. Image Digital Co., Ltd. and found that the company does not have any liabilities on the date which the Company hold all the shares of this company.

In the consolidated financial statements, these land and buildings are recorded as investment properties (Note 15).

11. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements			
	2020		2019	
	Cost price	Fair value Level 2	Cost price	Fair value Level 2
Open-end fund - debt securities - at cost	97,638,643	97,718,747	210,636,151	211,120,187
<u>Add unrealized gain on change in</u>				
value of investment	80,104	-	484,036	-
Total other current financial assets	97,718,747	97,718,747	211,120,187	211,120,187

	Unit: Baht			
	Separate financial statements			
	2020		2019	
	Cost price	Fair value Level 2	Cost price	Fair value Level 2
Open-end fund - debt securities - at cost	-	-	15,570,867	15,578,299
<u>Add unrealized gain on change in</u>				
value of investment	-	-	7,432	-
Total other current financial assets	-	-	15,578,299	15,578,299

12. OTHER CURRENT ASSETS

Other current assets as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Input vat pending	688,595	810,964	18,627	18,846
Revenue department receivable	11,140,479	11,738,687	10,172,776	10,694,939
<u>Less</u> allowance doubtful accounts	(9,951,738)	-	(9,951,738)	-
Prepaid expenses	3,998,353	3,120,987	187,100	400,962
Deposit	-	2,836,001	-	-
Cash at banks transferred Legal Execution Department from seize	1,742,003	-	1,742,003	-
Others	13,140	95,850	6,293	6,150
Total	7,630,832	18,602,489	2,175,061	11,120,897

As at December 23, 2020, a bank has transferred cash at bank of the Company amount of Baht 1.74 million to the Legal Execution Department 1 according to the notification of suspension dated November 12, 2020.

13. DISCONTINUED OPERATION

On July, 24, 2020, the Company sale all investments in Global Service Center PLC., which is in the call center service segment of the Group. This segment was not a discontinued operation or classified as held for sale as at December 31, 2019. The comparative statement of comprehensive income has been re-presented to show the discontinued operations separately from continuing operations.

	Unit: Baht	
	Consolidated financial statements	
	For the period from January 1, 2020 to July 23, 2020	For the year ended December, 31, 2019
Results of discontinued operation		
Revenues	68,017,033	147,612,070
Expenses	(65,000,844)	(133,676,325)
Results of discontinued operation	3,016,189	13,935,745
Tax income (expenses)	119,241	(1,634,051)
Profit for the year	3,135,430	12,301,694

Unit: Baht

	Consolidated financial statements	
	For the period from January 1, 2020 to July 23, 2020	For the year ended December 31, 2019
Share loss		
Owners of the parent	2,006,675	8,977,597
Non-controlling interests	1,128,755	3,324,097
Profit for the year	3,135,430	12,301,694
Earnings per share (Baht)		
Basic earnings per share owners of the parent	0.006	0.029
Basic earnings per share of discontinued operation	0.010	0.039

Unit: Baht

	Consolidated financial statements	
	For the period from January 1, 2020 to July 23, 2020	For the year ended December 31, 2019
Cash flows from (used in) discontinued operation		
Net cash from operating activities	5,461,702	9,916,399
Net cash used in investing activities	(7,359,522)	(142,168,249)
Net cash used in financing activities	(316,400)	134,033,484
Net cash from (used in) discontinued operation	(2,214,220)	1,781,634

Unit: Baht

Effect of loss of control on the financial position of the Group

	Consolidated financial statements
Cash and cash equivalents	2,164,519
Trade receivables	25,306,963
Other current financial assets	186,072,174
Other current assets	2,631,196
Restricted deposits at bank	492,400
Leasehold improvements and equipment - net	13,252,725
Right-of-use assets - net	23,637,998
Intangible assets - net	16,637,079
Deferred tax assets	1,496,125

	Unit: Baht
	<u>Consolidated financial statements</u>
Effect of loss of control on the financial position of the Group	
Other non-current assets	5,067,763
Other payables	(8,000,465)
Lease liabilities	(23,507,742)
Other current liabilities	(5,075,668)
Non-current provisions for employee benefits	(5,585,825)
Net book value assets and liabilities	<u>234,589,242</u>
Less non-controlling interests	(84,452,122)
Book value of interests of the Company	<u><u>150,137,120</u></u>

	Unit: Baht
	<u>Consolidated financial statements</u>
Consideration received, satisfied in cash	159,999,860
Cash or cash equivalents paid	(539,200)
Net cash inflows	<u>159,460,660</u>
Difference in cash inflow over than book value of interests of the Company	9,323,545
Gain on dilution of investment proportion in subsidiary	63,978,493
Total gain on disposal of investment in subsidiary	<u><u>73,302,038</u></u>

14. INVESTMENTS IN SUBSIDIARIES - NET

Investments in subsidiaries as presented in separate financial statements can be summarized as follows:

	Separate financial statements							
	Unit: Baht							
	Paid-up capital (Baht)				Equity interest and voting right of the Company (%)		Dividend income	
	Paid-up capital (Baht)		Equity interest and voting right of the Company (%)		Cost Method		For the years ended December 31,	
2020	2019	2020	2019	2020	2019	2020	2019	
Global Service Center PLC. (GSC)*	-	125,000,000	-	64.00	-	79,999,930	-	9,759,991
ACAP Consulting Co., Ltd.	1,000,000	1,000,000	99.99	99.99	999,930	999,930	-	-
Capital OK Co., Ltd.	412,500,000	412,500,000	99.99	99.99	509,925,815	509,925,815	-	24,089,997
OK Cash Co., Ltd.	62,050,000	62,050,000	99.99	99.99	62,602,174	62,602,174	-	-
C.Image Digital Co., Ltd**(Note 10.5)	50,000,000	50,000,000	99.99	99.99	196,779,501	-	-	-
Aurum Capital Advisory Pte. Ltd.	14,274,000	14,274,000	63.97	63.97	10,893,125	10,893,125	-	-
Total					781,200,545	664,420,974	-	33,849,988
<u>Less allowance for loss on impairment</u> of investment					(116,974,875)	(10,893,125)	-	-
Total investment in subsidiaries - net					664,225,670	653,527,849	-	33,849,988

Investments in subsidiaries for the years ended December 31, 2020 and 2019 are changed as follows:

	Unit: Baht	
	Separate financial statements	
	2020	2019
Net book value at the beginning of the year	653,527,849	653,527,849
Additional investment in C.Image Digital Co., Ltd.** (Note 10.5)	196,779,501	-
Sale of investment in Global Service Center PLC.*	(79,999,930)	-
<u>Less allowance for loss on impairment during the year</u>	<u>(106,081,750)</u>	<u>-</u>
Net book value at the ending of the period	<u>664,225,670</u>	<u>653,527,849</u>

- The disposal of investments in subsidiaries

* During the year 2019, Global Service Center PLC. (GSC), a subsidiary of the Company has offered its new common shares to the benefactors and to the public by issuing 90 million shares at the price of Baht 1.70 per share. The subsidiary registered the increased share capital with the Ministry of Commerce on March 8, 2019. The shares of the subsidiary were trading on MAI on March 13, 2019, resulting the shareholding proportion of the Company decreasing from 99.99% to 64.00%.

The effect on changing the proportion of investments in Global Service Center PLC. (GSC) amount of Baht 63.98 million is shown in the shareholders' equity.

On July 24, 2020, the Company ordered the sale of all ordinary shares held in Global Service Center Public Company Limited. According to the resolution of the Board of Directors Meeting, No. 5/2020, held on July 17, 2020, the meeting resolved to sell 159,999,860 ordinary shares in Global Service Center Public Company Limited to Mr. Prayoon Asakan, representing 64 percent of total issued and paid up capital of Global Service Center Public Company Limited, at Baht 1 per share amounting Baht 159,999,860. The Company has already received payment from the sale on July 30, 2020. As of the disposal date, the net book value of GSC's net assets in the Group's financial statements amounted to Baht 234.59 million (Note 13). The Group recognised a decrease in non-controlling interests in the amount of Baht 84.45 million and recognised gain on disposal of investment in subsidiary of Baht 73.30 million (Included recognised gain on dilution of investment proportion in subsidiary of Baht 63.98 million) included in the consolidated statement of comprehensive income. The Company recognised gain on disposal of investment in subsidiary amounting to Baht 79.46 million, included in the separate comprehensive income statement.

- The Increase of investment in subsidiaries

** Impact from applying TFRS 9, on January 1, 2020, the Company recorded to reduce long-term loans to subsidiary of Baht 196.78 million and to increase investment in subsidiary of Baht 196.78 million.

- Dissolution of subsidiary

On October 30, 2020, the Extraordinary General Meeting of the Shareholders No. 1/2020 of ACAP Consulting Co., Ltd., which is a subsidiary, has approved the dissolution and liquidation of the subsidiary. On November 9, 2020, ACAP Consulting Co., Ltd., registered its dissolution with the Ministry of Commerce. Currently, the subsidiary is in liquidation process.

Non-controlling interests

The following table summarizes the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group elimination. Significant non-controlling interest consisted of

	Unit: Thousand Baht					
	Global Service center Co., Ltd.		Other individually immaterial subsidiaries		Total	
	2020	2019	2020	2019	2020	2019
Non-controlling interest percentage	0%	36.00%				
Current Asset	-	227,975				
Non-current assets	-	20,357				
Current liabilities	-	(11,739)				
Non-current liabilities	-	(4,551)				
Net assets	-	232,042				
Carrying amount of non-controlling interest	-	83,535	-	-	-	83,535
For the year ended December 31,						
Revenues	67,039	143,094				
Profit for the year	3,135	12,302				
Other comprehensive loss	(496)	(174)				
Total comprehensive income	2,639	12,128				
Profit allocated to non-controlling interest	1,128	3,324	-	-	1,128	3,324
Comprehensive income allocated to non-controlling interest	950	3,262	-	-	950	3,262
Cash flows from operating activities	5,461	9,916				
Cash flows used in investing activities	(7,359)	(142,168)				
Cash flows from (used in) financing activities	(316)	134,034				
Net increase in cash and cash equivalents	2,214	1,782				
Dividends paid to non-controlling interest	-	3,240	-	-	-	3,240

15. INVESTMENT PROPERTIES - NET

Investment properties as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cost				
Balance as at January 1,	780,830,644	334,330,644	334,330,644	334,330,644
Increase from forcing collateral on debt settlement(2020:net of allowance for loss on impairment amount of Baht 39.53 million)(Note 10.5)	168,021,427	446,500,000	168,021,427	-
Subsequent expenditure recognised as an asset	11,716,984	-	11,716,984	-
Balance as at December 31,	960,569,055	780,830,644	514,069,055	334,330,644
Accumulated depreciation:				
Balance as at January 1,	(2,803,162)	-	-	-
Depreciation during the year	(20,554,973)	(2,803,162)	(447,674)	-
Balance as at December 31,	(23,358,135)	(2,803,162)	(447,674)	-
Net book amount ending of year – net before allowance for loss on impairment	937,210,920	778,027,482	513,621,381	334,330,644
Allowance for loss on impairment during the year	(3,977,139)	-	-	-
Net book amount ending of year- net	933,233,781	778,027,482	513,621,381	334,330,644

Fair values of investment properties consisted of:

	Unit: Baht			
	As at December 31, 2020			
	Consolidated financial statements		Separate financial statements	
	Book values	Fair values	Book values	Fair values
The Company's land at Phuket province Condominium project that stopped construction at Phuket province	238,017,331	526,670,000	238,017,331	526,670,000
Land and buildings in Songkhla province Office building project at Samut Prakan province	419,612,400	466,236,000	-	-
Total	933,233,781	1,469,092,000	513,621,381	1,002,856,000

The Company received investment property from debt settlement by a default loan debtor in May 2020, to repay the loan with net book value of Baht 168.02 million, (The value of the loan before the less allowance for loss on impairment of Baht 207.55 million).

The fair value of investment property is determined by an independent appraiser. Fair value of land are based on market approach and cost approach, the fair value of buildings are based on cost approach. The fair values are within level 2 of the fair value hierarchy.

As at December 31, 2020, a subsidiary's investment property are used as collateral for short-term loans from others (Note 22).

16. LEASEHOLD IMPROVEMENT AND EQUIPMENT - NET

Leasehold improvement and equipment as at December 31, 2020, consisted of:

Unit: Baht

	Consolidated financial statements					Total
	Leasehold improvements	Computers	Furniture and fixture	Office equipment	Vehicles	
Cost :						
Balance as at January 1, 2020	10,772,952	77,154,896	8,997,448	15,564,223	12,553,112	125,042,631
Add purchase during the year	-	8,540,878	-	29,968	4,800,000	13,370,846
Less disposal during the year	-	(18,717,107)	(2,140,340)	(6,903,454)	(3,050,000)	(30,810,901)
Transferred to right-of-use assets	(1,052,000)	-	-	-	-	(1,052,000)
Disposal investment in a subsidiary	(9,720,952)	(14,323,653)	(1,145,837)	(3,680,903)	(3,739,580)	(32,610,925)
Balance as at December 31, 2020	-	52,655,014	5,711,271	5,009,834	10,563,532	73,939,651
Accumulated depreciation :						
Balance as at January 1, 2020	9,071,014	74,808,866	6,658,705	14,903,248	1,985,174	107,427,007
Add depreciation during the year	273,608	759,271	458,272	128,595	1,637,448	3,257,194
Less disposal during the year	-	(18,692,154)	(2,140,157)	(6,901,909)	(610,668)	(28,344,888)
Transferred to right-of-use assets	(443,281)	-	-	-	-	(443,281)
Disposal investment in a subsidiary	(8,901,341)	(4,309,648)	(873,229)	(3,144,590)	(2,129,392)	(19,358,200)
Balance as at December 31, 2020	-	52,566,335	4,103,591	4,985,344	882,562	62,537,832
Net book value :						
Net book value - net Beginning of year	1,701,938	2,346,030	2,338,743	660,975	10,567,938	17,615,624
Net book value - net Ending of year	-	88,679	1,607,680	24,490	9,680,970	11,401,819

Unit: Baht

	Separate financial statements					Total
	Leasehold improvements	Computers	Furniture and fixture	Office equipment	Vehicles	
Cost :						
Balance as at January 1, 2020	1,052,000	8,687,971	6,012,533	2,962,716	9,179,000	27,894,220
Add purchase during the year	-	29,065	-	168	3,500,000	3,529,233
Less disposal during the year	-	(7,295,303)	(203,372)	(28,409)	(3,050,000)	(10,577,084)
Transferred to right-of-use assets	(1,052,000)	-	-	-	-	(1,052,000)
Balance as at December 31, 2020	-	1,421,733	5,809,161	2,934,475	9,629,000	19,794,369
Accumulated depreciation :						
Balance as at January 1, 2020	443,281	8,569,330	3,932,339	2,906,409	1,997,682	17,849,041
Add depreciation during the year	-	50,713	472,628	32,156	1,100,569	1,656,066
Less disposal during the year	-	(7,271,526)	(203,370)	(28,395)	(610,668)	(8,113,959)
Transferred to right-of-use assets	(443,281)	-	-	-	-	(443,281)
Balance as at December 31, 2020	-	1,348,517	4,201,597	2,910,170	2,487,583	10,947,867
Net book value :						
Net book value - net Beginning of year	608,719	118,641	2,080,194	56,307	7,181,318	10,045,179
Net book value - net Ending of year	-	73,216	1,607,564	24,305	7,141,417	8,846,502

Depreciation for the years ended December 31, 2020 and 2019 amounted to Baht 3.26 million and Baht 5.33 million, respectively for the consolidated financial statements, and amounted to Baht 1.66 million and Baht 1.80 million for the separate financial statements, respectively.

As at December 31, 2020 and 2019 the Group's leasehold improvement and equipment, which have been fully depreciated but still in use, amounted to Baht 61.87 million and Baht 94.32 million, respectively.

17. RIGHT-OF-USE ASSETS - NET

Right-of-use assets as at December 31, 2020, consisted of:

	Unit:Baht	
	Consolidated financial statements	Separate financial statements
Cost		
Balance as at January 1, 2020	-	-
Adjustments of right-of-use assets due to TFRS 16 adoption	32,183,954	7,575,755
Transferred from leasehold improvement and equipment	608,719	608,719
Transferred from other non-current assets	1,138,590	1,138,590
Transferred to other non-current assets	(90,000)	(90,000)
Transfer out due to lease termination	(1,120,001)	(1,120,001)
Disposal of investment in a subsidiary	(24,608,199)	-
Balance as at December 31, 2020	8,113,063	8,113,063
Accumulated depreciation :		
Balance as at January 1, 2020	-	-
Depreciation for the years	5,164,116	4,193,915
Transfer out due to lease termination	(340,566)	(340,566)
Disposal of investment in a subsidiary	(970,201)	-
Balance as at December 31, 2020	3,853,349	3,853,349
Net book value :		
Net book value - net Beginning of years	-	-
Net book value - net Ending of years	4,259,714	4,259,714

18. INTANGIBLE ASSETS - NET

Intangible assets as at December 31, 2020, consisted of:

Unit: Baht					
Consolidated financial statements					
	As at January 1, 2020	Movements during the year		As at December 31, 2020	
		Additions /Transfer	Decrease		Disposal of investment in a subsidiaries
Cost					
Computer program	224,959,424	15,292,000	(15,696,082)	(44,251,589)	180,303,753
Total	224,959,424	15,292,000	(15,696,082)	(44,251,589)	180,303,753
Accumulated amortization					
Computer program	222,890,167	656,429	(15,696,060)	(27,614,510)	180,236,026
Total	222,890,167	656,429	(15,696,060)	(27,614,510)	180,236,026
Intangible assets - net	2,069,257				67,727

Unit: Baht					
Separate financial statements					
	As at January 1, 2020	Movements during the year		As at December 31, 2020	
		Additions/Transfer	Decrease		
Cost					
Computer program	5,951,739	-	(2,455,424)		3,496,315
Total	5,951,739	-	(2,455,424)		3,496,315
Accumulated amortization					
Computer program	5,840,990	89,049	(2,455,421)		3,474,618
Total	5,840,990	89,049	(2,455,421)		3,474,618
Intangible assets - net	110,749				21,697

19. DEFERRED TAX ASSETS

Movements in deferred tax assets during the year were as follows:

	Unit: Baht					As at December 31, 2020
	Consolidated financial statements					
	As at	Movements increase (decrease)			Disposal of	
	January 1, 2020	Impact from TFRS 9	Profit or loss	Other comprehe nsive income	investment in a subsidiary	
Deferred tax assets						
Loss allowance - accounts receivable	-	85,605	110,471	-	(28,514)	167,562
Loss allowance - factoring receivables	521,826	204,463	-	-	-	726,289
Loss allowance - term loans to other companies	25,084,977	81,515,587	952,530	-	-	107,553,094
Allowance for impairment - investment property from debtsettlement	-	-	7,906,670	-	-	7,906,670
Lease	-	-	164,258	-	(122,304)	41,954
Loss allowance - other non-current financial assets	-	-	-	1,976,669	-	1,976,669
Provision for employee benefit	1,697,839	-	319,955	98,148	(1,105,295)	1,010,647
Other	366,447	-	42,261	-	(240,012)	168,696
Total deferred tax assets	27,671,089	81,805,655	9,496,145	2,074,817	(1,496,125)	119,551,581

Unit: Baht

	Separate financial statements				As at December 31, 2020
	As at January 1, 2020	Movements increase (decrease)		Othercompreh ensive income	
		Impact from TFRS 9	Profit or loss		
Deferred tax assets					
Loss allowance - term loans to other companies	14,776,654	71,831,011	(3,269,982)	-	83,337,683
Allowance for impairment –investment property from debt settlement	-	-	7,906,670	-	7,906,670
Lease	-	-	41,954	-	41,954
Loss allowance-other non-current financial assets	-	-	-	1,976,669	1,976,669
Provision foremployeebenefit	727,232	-	236,558	(24,234)	939,556
Other	88,657	-	55,338	-	143,995
Total deferred tax assets	15,592,543	71,831,011	4,970,538	1,952,435	94,346,527

Income tax expenses for the year ended December 31, were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loss before income tax	(366,618,468)	(219,498,261)	(452,590,730)	(125,030,578)
Income tax rate	20%	20%	20%	20%
Current income tax as tax rate	(73,323,694)	(43,899,652)	(90,518,146)	(25,006,116)
Non-taxable revenues by the revenue code	(247,084)	(500,000)	(247,084)	(7,269,996)
Taxable revenues by the revenue code	410,000	-	410,000	-
Non-taxable expenses by the revenue code	4,825,396	3,548,077	2,580,410	3,011,960
Temporary differences not recognised as				
deferred tax assets	-	-	27,302,061	-
Double expenses by the revenue code	-	(520)	-	(520)
Unutilized tax loss carry forward	59,046,080	20,861,627	55,502,221	20,747,004
Income tax revenue	(9,289,302)	(19,990,468)	(4,970,538)	(8,517,668)
The average effective tax rates	2.53%	9.11%	1.10%	6.81%

The Company and certain subsidiaries use the income tax rate of 20% for the calculation of corporate income tax for the year ended December 31, 2020 and 2019.

A subsidiary applied the progressive income tax rates according to the Royal Decree issued under the Revenue Code granting corporate income tax reductions and exemptions (No. 530) B.E. 2554 for small and medium enterprises.

20. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets as at December 31, consisted of:

	Unit: Baht	
	Consolidated and separate financial statements	
	2020	2019
Investment in - non-marketable securities		
Beginning balance of the year	121,070,964	245,000,000
Disposal during the year	-	(123,929,036)
Change in fair value through other comprehensive income	(9,883,344)	-
Ending balance of the year	111,187,620	121,070,964

As at December 31, 2020 and 2019, the Group holds investments in ordinary shares of a company in the proportion of 5% of the paid-up capital in order to be an investment in a company in the same business sector.

21. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Rental guarantee deposits	-	1,934,390	-	1,934,389
Withholding tax awaiting refund	11,266,328	14,303,650	11,266,328	11,266,328
Deposits	2,165,300	7,879,288	5,000	-
Total	13,431,628	24,117,328	11,271,328	13,200,717

22. SHORT-TERM LOANS/LONG-TERM LOANS FROM OTHERS - NET

Short-term loans /long-term loans from others as at December 31, consisted of:

	Unit: Baht	
	Consolidated and separate financial statements	
	2020	2019
Short-term loans		
Promissory note	100,000,000	100,000,000
Short-term loans	250,000,000	280,000,000
Less Deferred interest	-	(17,785,066)
Total short-term loans	350,000,000	362,214,934
Long-term loans		
Promissory note	-	3,000,000
Total long-term loans	-	3,000,000
Total short-term loans /long-term loans from others - net	350,000,000	365,214,934

Movements in the term borrowings during the year ended December 31, are summarized below:

	Unit: Baht	
	Consolidated and separate financial statements	
	2020	2019
Balance at beginning of the year	365,214,934	417,822,169
Increase during the year	-	601,812,380
Prepaid interest	(1,246,443)	(27,483,366)
Decrease during the year	(33,000,000)	(638,812,380)
Amortization of capitalized financial cost	19,031,509	11,876,131
Balance at end of the year	350,000,000	365,214,934

As at December 31, 2020 and 2019, the Company has short-term loans from promissory notes and loans agreement from a company bearing interest rate of 11% - 15% per annum. The Company paid some interest at the first drawn down date and will pay interest on a month the basis. Full settlement will be made within October to December 2020. The short-term loans are guaranteed by transfer of rights of payment and the rights on the mortgaged land of a debtor (Note 10) and investment property of a subsidiary (Note 15).

On December 9, 2020, the Company has entered into an agreement for the extension of the loan repayment. The new promissory notes are replaced the original promissory notes that were due on October 2020, and December 2020, and extended for periods of 6 months to 1 year. Maturity is on June 2021 to December 2021. The promissory notes bear the interest rate of 15% per annum.

As at December 31, 2019, the Company has long-term loans without the collateral in form of promissory note from 2 persons bearing interest rate of 6.75% per annum. The payment of interest is made every 3 months and repayment of all principal will be within June 2021.

23. LEASE LIABILITIES - NET

Lease liabilities as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Due within 1 year				
Minimum payments	4,844,656	1,758,648	4,844,656	1,758,648
Deferred interest	(353,746)	(175,972)	(353,746)	(175,972)
Present value of minimum payment	4,490,910	1,582,676	4,490,910	1,582,676
Due over 1 year not exceeding 5 years				
Minimum payments	2,701,216	2,912,134	2,701,216	2,912,134
Deferred interest	(136,899)	(143,974)	(136,899)	(143,974)
Present value of minimum payment	2,564,317	2,768,160	2,564,317	2,768,160

As at December 31, 2020 and 2019, the Group has vehicles with certain companies under financial lease agreements for periods of 4 - 5 years. These bear interest rate of 3.07 - 4.92% per annum.

As at December 31, 2020, the Group has entered into the lease of office building, storage room, and vehicle with other parties, the terms of the agreements are generally between 3 to 10 years.

24. OTHER CURRENT LIABILITIES

Other current liabilities as at December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Other payable	18,448,409	18,389,762	18,389,761	18,389,762
Revenue department payable	879,955	4,437,730	861,551	1,865,937
Others	-	207,766	-	7,500
Total	19,328,364	23,035,258	19,251,312	20,263,199

25. DEBENTURES- NET

As at December 31, 2020 and 2019, the Company's all debentures are name specified, unsubordinated, and unsecured debentures. The debentures were sold at the price of Baht 1,000 per unit, with a face value of Baht 1,000 each. Among other things, The Company is obliged to maintain its debt-to-equity ratio as specified in the terms and condition of the debentures. Significant details of the debentures are summarised below.

Debenture's name	Issue date	Number of units		Number of units		Interest rate	Agedeben ture	Due datedeem
		2020 (Million units)	2019 (Million units)	2020 (MillionBaht)	2019 (Million Baht)			
ACAP190A	6 Oct 2017	0.64	0.77	643.11	768.60	6.00 - 7.50%	3 Year	6 Oct 2020*
ACAP202A	9 Feb 2018	0.35	0.40	354.90	395.30	6.00%	2 Year	7 Feb 2020**
ACAP207A	6 Jul 2018	0.71	0.72	705.10	716.10	6.50%	2 Year	6 Jul2020
ACAP209A	14 Sep 2018	0.20	0.20	195.50	196.50	6.50%	2 Year	14 Sep2020
ACAP20NA	23 Nov 2018	0.29	0.29	293.10	294.10	6.50%	2 Year	23 Nov2020***
ACAP212A	15 Feb 2019	0.23	0.23	226.80	229.80	6.50%	2 Year	15 Feb2021
ACAP213A	29 Mar 2019	0.07	0.07	71.90	74.90	6.50%	2 Year	29 Mar2021
Total		2.49	2.68	2,490.41	2,675.30			
<u>Less</u> Deferred expenses for issuing debentures				-	(5.77)			
				2,490.41	2,669.53			

The movement and outstanding balance of the debentures as at December 31, 2020 and 2019 are as follows:

	Unit: Baht	
	Consolidated and Separate financial statements	
	2020	2019
Balance at the beginning of the year	2,675,300,000	3,065,300,000
Issuance of debentures during the year	-	304,700,000
Redemption during the year	(184,895,000)	(694,700,000)
	2,490,405,000	2,675,300,000
<u>Less</u> Deferred expenses for issuing debentures	-	(5,771,040)
	2,490,405,000	2,669,528,960
<u>Less</u> Current portion of debentures	(2,490,405,000)	(2,367,039,348)
Balance at the end of the years	-	302,489,612

Debentures were charged with interest rate of 6.00% - 7.50% per annum in accordance with condition of each debenture (2019: 5.50% - 7.50% per annum) and have been paid interest on a quarterly basis and paid principal at maturity date.

The Company is required to comply with the specific covenants which are to maintain debt to equity ratio not over 6:1 on the date on each quarterly consolidated financial information and dividend pay-out ratio not over 60% of net profit from financial statements. As at December 31, 2020, the Company maintains debt to equity ratio at 9.30 times (December 31, 2019: 2.66 times), which exceeds the conditions and duties of the debenture issuer that the Company has to maintain the ratio in accordance with the provisions on rights and obligations of issuer and debenture holder.

Distribution of Company's debenture is offered to institution and/or major investor.

Debenture litigation case

Debentures No.ACAP19OA

*In accordance with the resolution of the debenture holders' meeting No. 1/2019, on October 4, 2019, the debenture holders approved to change the terms and conditions governing the rights and obligations of the issuer and debenture holder by extending the due date of the ACAP19OA amounting of Baht 768.60 million for 366 days from October 6, 2019 to October 6, 2020, with the increase interest rate from 6.00 % per annum to 7.50 % per annum and approved the debenture issuers to early redeem in full or partial amount before October 6, 2020. On January 6, 2020, the Company has exercised the right to redeem some of the debentures before the maturity of the ACAP19OA with a repayment of Baht 130 per unit in the amount of Baht 99.92 million.

Many debenture holders have sued the Company to the Civil Court, requiring the Company to pay the principal and interest from the date of default until the date of filing with the default interest payment from the date of filing onwards until the Company has completed the payment. The progress of the cases are as follows:

Month of filing	Number of case	Amount in dispute (Million Baht)	Default interest rate (% per annum)	Case progress
October, 2019	1 case	20.08	7.50	During the payment of debt under the compromise agreement
May, 2020	8 cases	311.90	15.00	During of filing an appeal of the judgment
June, 2020 - August, 2020	5 cases	214.50	15.00	During the witness hearing in February, 2021 - March, 2021
August, 2020 - November, 2020	6 cases	91.10	15.00	During the mediation in January, 2021 - February, 2021
	<u>20 cases</u>	<u>637.58</u>		

During the year 2020, the Company redeem some of the debentures from certain debenture holder amounting to Baht 25.58 million.

Debentures No.ACAP202A

**In accordance with the resolution of the Debenture holders' meeting No. 2/2020 on February 13, 2020, the debenture holders did not approve to change rights and obligations of the debenture issuer and the debenture holders to extend a due date of debentures ACAP202A for another 366 days starting from February 7, 2020 to February 7, 2021 and to increase an interest from 6.00 % per annum to 7.50% per annum. This causes the debenture ACAP202A to be defaulted debentures.

Many debenture holders have sued the Company to the Civil Court, requiring the Company to pay the principal and interest from the date of default until the date of filing with the default interest payment from the date of filing onwards until the Company has completed the payment. The progress of the cases are as follows:

<u>Month of filing</u>	<u>Number of case</u>	<u>Amount in dispute (Million Baht)</u>	<u>Default interest rate (% per annum)</u>	<u>Case progress</u>
February, 2020- March, 2020	7cases	215.21	7.5 - 13.50	During of filing an appeal of the judgment
March, 2020	1case	8.96	13.50	During the witness hearing in February, 2021
March, 2020 – July, 2020	8cases	116.09	13.50	During of pronouncement of the judgment in February, 2021– March, 2021
May, 2020 - October, 2020	2cases	12.44	13.50	During the mediation in January, 2021 - February, 2021
	<u>18cases</u>	<u>352.70</u>		

During the year 2020, the Company redeem some of the debentures from certain debenture holder amounting to Baht 40.40million.

Debenture No.ACAP207A

Many debenture holders have sued the Company to the Civil Court, requiring the Company to pay the principal and interest from the date of default until the date of filing with the default interest payment from the date of filing onwards until the Company has completed the payment. The progress of the cases are as follows:

<u>Month of filing</u>	<u>Number of case</u>	<u>Amount in dispute (Million Baht)</u>	<u>Default interest rate (% per annum)</u>	<u>Case progress</u>
May, 2020	8cases	365.60	14.00	During of filing an appeal of the judgment
May, 2020 - July, 2020	3 cases	73.96	14.00	During of pronouncement of the judgment in January, 2021 –February, 2021
May, 2020 - October, 2020	11 cases	289.82	14.00	During the witness hearing in January, 2021 -February, 2021
	<u>22cases</u>	<u>729.38</u>		

During the year 2020, the Company redeem some of the debentures from certain debenture holder amounting to Baht 11.00million.

Debenture No.ACAP209A

Many debenture holders have sued the Company to the Civil Court, requiring the Company to pay the principal and interest from the date of default until the date of filing with the default interest payment from the date of filing onwards until the Company has completed the payment. The progress of the cases are as follows:

Month of filing	Number of case	Amount in dispute (Million Baht)	Default interest rate (% per annum)	Case progress
August, 2020 - October, 2020	12 cases	209.21	14.00	During the witness hearing in February, 2021 –April, 2021
	<u>12 cases</u>	<u>209.21</u>		

During the year 2020, the Company redeem some of the debentures from certain debenture holder amounting to Baht 1.00million.

Debenture No.ACAP20NA

***Debenture ACAP20NA defaulted on interest payment on May 23, 2020. In accordance with the resolution of the Debenture holders' meeting No. 1/2020 on June 18, 2020, the meeting resolved that the principal of said debenture, which will be redeemed on November 23, 2020, to be due immediately and approved the Debenture holders' representative to exercise the rights to the issuer to repay the said principal and interest immediately. This make the said debentures to be defaulted. The total defaulted principal and interest of the debentures together with the Debentures from the debenture holder's meeting ACAP20NA amount over Baht 500 million. This circumstance has caused the default of the remaining outstanding debentures of the Company (cross default) in accordance with the terms and conditions of debenture issuer and debenture holder.

Many debenture holders have sued the Company to the Civil Court, requiring the Company to pay the principal and interest from the date of default until the date of filing with the default interest payment from the date of filing onwards until the Company has completed the payment. The progress of the cases are as follows:

Month of filing	Number of case	Amount in dispute (Million Baht)	Default interest rate (% per annum)	Case progress
August, 2020	3 cases	52.70	14.00	During the witness hearing in March 2021 - June, 2021
August, 2020 - November, 2020	36 cases	198.90	14.00	During the mediation /appointment in January, 2021–March, 2021
	<u>39cases</u>	<u>251.60</u>		

During the year 2020, the Company redeem some of the debentures from certain debenture holder amounting to Baht 1.00million.

Debenture No.ACAP212A

Many debenture holders have sued the Company to the Civil Court, requiring the Company to pay the principal and interest from the date of default until the date of filing with the default interest payment from the date of filing onwards until the Company has completed the payment. The progress of the cases are as follows:

<u>Month of filing</u>	<u>Number of case</u>	<u>Amount in dispute (Million Baht)</u>	<u>Default interest rate (% per annum)</u>	<u>Case progress</u>
August, 2020 - September, 2020	28cases	125.56	14.00	During the appointment in February, 2021
August, 2020 - November, 2020	8cases	110.87	14.00	During the witness hearing in January, 2021 -April, 2021
September, 2020	1 case	5.31	14.00	During of pronouncement of the judgment in February24, 2021
	<u>37 cases</u>	<u>241.74</u>		

During the year 2020, the Company redeem some of the debentures from certain debenture holder amounting to Baht 3.00million.

Debenture No.ACAP213A

Many debenture holders have sued the Company to the Civil Court, requiring the Company to pay the principal and interest from the date of default until the date of filing with the default interest payment from the date of filing onwards until the Company has completed the payment. The progress of the cases are as follows:

<u>Month of filing</u>	<u>Number of case</u>	<u>Amount in dispute (Million Baht)</u>	<u>Default interest rate (% per annum)</u>	<u>Case progress</u>
September, 2020 - October, 2020	7 cases	26.30	14.00	During the appointment in February, 2021
September, 2020 - October, 2020	9 cases	51.86	14.00	During the witness hearing in January - March, 2021
	<u>16 cases</u>	<u>78.16</u>		

During the year 2020, the Company redeem some of the debentures from certain debenture holder amounting to Baht 3.00million.

The Company recorded the interest payables on the above debentures by using the default interest rate as the indictment and included as part of "Interest payables" in the statement of financial position.

26. NON-CURRENT PROVISION FOR EMPLOYEE BENEFITS

Movement of the present value of non-current provision for employee benefits for the years ended December 31, is as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Provision for long-term employee benefits at the beginning of the year	8,489,198	5,329,222	3,636,158	2,146,746
Included in profit or loss:				
Current service costs	1,534,533	1,648,598	1,119,755	1,032,639
Cost of interest	124,587	179,595	63,034	70,913
Past service costs	-	1,004,959	-	275,942
Included in other comprehensive income:				
Actuarial (gains) losses arising from;				
Changes in demographic assumptions	(294,031)	(79,264)	3,404	-
Financial assumptions changes	1,365,572	63,184	551,735	-
Experience adjustments	(580,801)	342,904	(676,304)	109,918
Disposal of investment in a subsidiary	(5,585,825)	-	-	-
Provision for long-term employee benefits at the end of the year	5,053,233	8,489,198	4,697,782	3,636,158

Employee benefit expenses in the statements of profit or loss for the years ended December 31, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current service costs	1,534,533	1,648,598	1,119,755	1,032,639
Past service costs	-	1,004,959	-	275,942
Actuarial defined employee benefit plans	124,587	179,595	63,034	70,913
Total employee benefits expenses	1,659,120	2,833,152	1,182,789	1,379,494

Long-term employee benefit expenses for the years ended December 31, as shown in the statements of profit or loss are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Costs of sales	414,125	1,355,119	-	-
Administrative expenses	1,244,995	1,478,033	1,182,789	1,379,494
Total employee benefits expenses	1,659,120	2,833,152	1,182,789	1,379,494

Principal actuarial assumptions at the valuation date are as follow:

	Percentage			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.36 - 1.50	2.80 - 3.17	1.36	2.80
Salary increase rate	5 - 6	5 - 6	6	6
Average turnover rate	1.91 - 34.38	0 - 34.38	2.87-34.38	2.87-34.38
	100% of Thai	100% of Thai	100% of Thai	100% of Thai
Mortality rate	Mortality	Mortality	Mortality	Mortality
	Ordinary Tables of	Ordinary Tables of	Ordinary Tables of	Ordinary Tables of
	2017	2017	2017	2017
	5% of Thai	5% of Thai	5% of Thai	5% of Thai
Pre-retirement disability	Mortality	Mortality	Mortality	Mortality
	Ordinary Tables of	Ordinary Tables of	Ordinary Tables of	Ordinary Tables of
	2017	2017	2017	2017

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 are summarized below:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(408,973)	465,785	(390,424)	443,260
Salary increase rate	439,910	(395,829)	418,435	(377,685)
Turnover rate	(312,307)	349,365	(299,242)	334,263

As at December 31, the maturity analysis of undiscounted cash flows of benefit payments was as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Over 1 and up to 5 years	4,097,259	3,365,148	3,863,259	3,123,047
Over 5 and up to 10 years	4,057,592	6,851,878	4,057,592	3,620,710
Over 10 years	7,814,430	32,116,205	7,111,123	10,642,820

On April 5, 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from May 5, 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 1.00 million. The Company and its subsidiaries reflected the effect of the change by recognizing past service costs as expenses in the statement of profit or loss of the year the law came into effective.

27. SHARE CAPITAL

	Authorised shares		Issued and paid-up shares		Premium
	Par values				
	Number of share	Baht	Baht	Baht	Baht
As at January 1, 2019	390,672,338	0.5	195,336,169	158,203,493	445,087,696
Warrants	-	-	-	2,087	22,963
As at December 31, 2019	390,672,338		195,336,169	158,205,580	445,110,659
As at January 1, 2020	390,672,338	0.5	195,336,169	158,205,580	445,110,659
Reducing the share capital	(74,261,178)	0.5	(37,130,589)	-	-
As at December 31, 2020	316,411,160		158,205,580	158,205,580	445,110,659

According to the year 2020 Annual General Meeting of Shareholders held on May 8, 2020, the meeting had resolution to approve reducing the share capital by 74,261,178 shares with par value of Baht 0.5 per share from the registered capital of Baht 195,336,169 to Baht 158,205,580 by cutting the ordinary shares from the exercise of warrants balance of warrants (ACAP-W2) which were expired. The Company registered the reduction in registered capital with the Department of Business Development, the Ministry of Commerce on May 22, 2020.

On May 28, 2019, a person who has rights on warrant of the Company (ACAP-W2) exercised the rights to purchase ordinary shares of 4,175 shares at the price of Baht 6 per share. The total amount of exercised rights were Baht 25,050 which consisted of Baht 2,087 par value and Baht 22,963 premium on share capital. There is no exercise of warrant (ACAP-W2) for 73,544,382 shares, the warrant is delisting on May 29, 2019.

28. LEGAL RESERVE

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered share capital. The legal reserve is non-distributable.

29. EXPENSES BY NATURE

Expenses by nature are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Employees benefit expenses	23,400,445	29,338,731	21,265,728	20,647,336
Interest expense	357,721,747	207,406,064	359,353,135	212,379,696
Depreciation and amortization	26,739,339	5,158,700	6,386,703	2,069,846
Impairment of investment property	3,977,139	-	-	-
Rental	83,312	4,964,917	83,312	4,964,417
Repair and maintenance expenses	253,284	449,946	218,512	273,577
Tax expense	1,990,880	2,835,277	1,887,650	2,538,001
Other operating expenses	16,864,968	15,346,217	11,092,685	14,294,056
Impairment loss from investment in subsidiaries	-	-	106,081,750	-
Loss on credit of loans to other companies	33,927,476	138,927,141	23,183,439	73,883,274
Loss on credit of loans to related companies	-	-	30,428,554	-
Doubtful debt - revenue department receivable	9,951,738	-	9,951,738	-
Loss on sales of investments	-	10,116,656	-	10,116,656

30. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share for the year ended December 31, are calculated as follows:

	Consolidated financial statements						Separate financial statements	
	2020			2019			2020	2019
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total		
For the year ended December 31								
Net Profit (loss) attributable to shareholders of the parent (Baht)	(357,329,166)	2,006,675	(355,322,491)	(199,507,793)	8,977,597	(190,530,196)	(447,620,192)	(116,512,910)
Number of ordinary shares outstanding at beginning of year (shares)	316,411,160	316,411,160	316,411,160	316,406,985	316,406,985	316,406,985	316,411,160	316,406,985
Effect of conversion warrants to shares capital	-	-	-	2,494	-	2,494	-	2,494
Weighted average number of ordinary shares outstanding during the year (basic shares)	316,411,160	316,411,160	316,411,160	316,409,479	316,409,479	316,409,479	316,411,160	316,409,479
Basic earnings (loss) per share (Baht)	(1.129)	0.006	(1.123)	(0.631)	0.029	(0.602)	(1.415)	(0.368)

31. BUSINESS SEGMENTS INFORMATION

The Group's business segment information are divided into lending and factoring, financial information service, and others. The Group's business segment information for the year ended December 31, are as follows:

Unit: Thousand Baht

Consolidated financial statements

For the year ended December 31

	financial information											
	Lending and factoring		service		Others		Total		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues	39,624	182,283	-	-	-	-	39,624	182,283	(5,896)	4,157	33,728	186,440
Segment loss	(319,728)	(33,202)	-	(334)	-	-	(319,728)	(33,536)	(4,265)	10,722	(323,993)	(22,814)
Dividend income	1,235	36,350	-	-	-	-	1,235	36,350	-	(33,850)	1,235	2,500
Other income	1,327	20,193	8	31	-	-	1,335	20,224	(244)	(13,882)	1,091	6,342
Gain on disposal of investment in subsidiary	79,461	-	-	-	-	-	79,461	-	(6,159)	-	73,302	-
Administrative expenses	(58,971)	(74,296)	(186)	(241)	(20,470)	-	(79,627)	(74,537)	(3,633)	8,175	(83,260)	(66,362)
Loss on credit	(113,277)	(138,927)	(838)	-	-	-	(114,115)	(138,927)	80,187	-	(33,928)	(138,927)
Impairment loss from investment in subsidiaries	(106,082)	-	-	-	-	-	(106,082)	-	106,082	-	-	-
Finance costs	(2,140)	(237)	-	-	(3,201)	(10)	(5,341)	(247)	4,276	10	(1,065)	(237)
Tax income	7,478	17,863	-	-	-	-	7,478	17,863	1,811	2,127	9,289	19,990
Loss for the year from continuing operations	<u>(510,697)</u>	<u>(172,256)</u>	<u>(1,016)</u>	<u>(544)</u>	<u>(23,671)</u>	<u>(10)</u>	<u>(535,384)</u>	<u>(172,810)</u>	<u>178,055</u>	<u>(26,698)</u>	<u>(357,329)</u>	<u>(199,508)</u>
Profit for the year from discontinued operation											3,135	12,302
Loss for the year											<u>(354,194)</u>	<u>(187,206)</u>
Operating assets as at December 31, consisted of:												
Leasehold improvement and equipment - net	11,402	11,598	-	6,134	-	-	11,402	17,732	-	(116)	11,402	17,616
Other	4,156,400	5,117,909	1,626	244,919	362,109	381,932	4,520,135	5,744,760	(1,033,308)	(1,446,844)	3,486,827	4,297,916
Total operating assets	<u>4,167,802</u>	<u>5,129,507</u>	<u>1,626</u>	<u>251,053</u>	<u>362,109</u>	<u>381,932</u>	<u>4,531,537</u>	<u>5,762,492</u>	<u>(1,033,308)</u>	<u>(1,446,960)</u>	<u>3,498,229</u>	<u>4,315,532</u>

32. PRESENTATION AND DISCLOSURE OF FINANCIAL INSTRUMENT

The Company and its subsidiaries financial instruments, principally comprise cash and cash equivalents, accounts receivables, amounts due from related companies, factoring receivables, loans to employees, short-term loans to related party, short-term loans to other companies, other current financial assets, defaulted loans to other companies, other non-current financial assets, interest payables, other payables, amounts due to related companies, short-term loans from related parties, short-term loans from others, liabilities under financial lease agreements, debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has interest-bearing assets and liabilities. The Group policy is to maintain approximately loan to other companies and loan from other companies in fixed rate instruments. At the year end, interest rate of loans to other companies is fixed at 12 - 15% and interest rate of loans from other companies is fixed at 5-15% per annum.

Significant financial assets and liabilities classified by type of interest rate are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the reprising date if this occurs before the maturity date.

Unit: Thousand Baht							
Consolidated financial statements as at December 31, 2020							
	Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest
	Within 1year	Over 1year	Within 1year	Over 1year			
Financial assets							
Cash and cash equivalents	-	-	200,219	-	312	200,531	0.050%-0.125%
Account receivables	-	-	-	-	259	259	-
Factoring receivables	3,589	-	-	-	-	3,589	15%
Other current financial assets	-	-	-	-	97,719	97,719	-
Defaulted loans to other companies	-	1,995,367	-	-	-	1,995,367	6-15%
Other non-current financial assets	-	-	-	-	111,188	111,188	-
Total financial assets	3,589	1,995,367	200,219	-	209,478	2,408,653	

Unit: Thousand Baht

Consolidated financial statements as at December 31, 2020							
Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest	
Within 1year	Over 1year	Within 1year	Over 1year				
Financial liabilities							
Interest payables	-	-	-	-	283,170	283,170	-
Other payable	-	-	-	-	2,583	2,583	-
Loans from others	350,000	-	-	-	-	350,000	15%
Lease liabilities	4,491	2,564	-	-	-	7,055	4.36%-15.00%
Debentures	2,490,405	-	-	-	-	2,490,405	6.00% -7.50%
Total financial liabilities	2,844,896	2,564	-	-	285,753	3,133,213	

Unit: Thousand Baht

Consolidated financial statements as at December 31, 2019							
Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest	
Within 1year	Over 1year	Within 1year	Over 1year				
Financial assets							
Cash and cash equivalents	-	-	143,467	-	224	143,691	0.125%-0.50%
Account receivables	-	-	-	-	25,058	25,058	-
Factoring receivables	4,611	-	-	-	-	4,611	15%
Other current financial assets	-	-	-	-	211,120	211,120	-
Restricted deposits at bank	-	292	-	-	-	292	0.375%
Loans to employees	10	-	-	-	-	10	8.28%-15%
Loans to other companies	337,205	-	-	-	-	337,205	12%
Defaulted loans to other companies	-	2,604,370	-	-	-	2,604,370	6-15%
Other non-current financial assets	-	-	-	-	121,071	121,071	-
Total financial assets	341,826	2,604,662	143,467	-	357,473	3,447,428	

Unit: Thousand Baht

Consolidated financial statements as at December 31, 2019

	Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest
	Within	Over	Within	Over			
	1year	1year	1year	1year			
Financial liabilities							
Interest payables	-	-	-	-	32,840	32,840	-
Other payable	-	-	-	-	13,292	13,292	-
Loans from related parties	20,000	-	-	-	-	20,000	5%
Loans from others	362,215	3,000	-	-	-	365,215	6.75% – 15%
Lease liabilities	1,583	2,768	-	-	-	4,351	4.64% -4.92%
Debentures	2,367,039	302,490	-	-	-	2,669,529	6.00% -7.50%
Total financial liabilities	2,750,837	308,258	-	-	46,132	3,105,227	

Unit: Thousand Baht

Separated financial statements as at December 31, 2020

	Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest
	Within	Over	Within	Over			
	1year	1year	1year	1year			
Financial assets							
Cash and cash equivalents	-	-	3	-	6	9	0.050%-0.125%
Amounts due from related companies	-	-	-	-	10,241	10,241	-
Loans to related parties	52,211	222,833	-	-	-	275,044	0.30% - 0.80%
Defaulted loans to other companies	-	1,814,144	-	-	-	1,814,144	6.00%-15.00%
Other non-current financial assets	-	-	-	-	111,188	111,188	-
Total financial assets	52,211	2,036,977	3	-	121,435	2,210,626	

Unit: Thousand Baht

Separated financial statements as at December 31, 2020

	Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest
	Within	Over	Within	Over			
	1year	1year	1year	1year			
Financial liabilities							
Interest payables	-	-	-	-	283,170	283,170	-
Other payable	-	-	-	-	714	714	-
Amount due to related parties	-	-	-	-	15	15	-
Loans from others	350,000	-	-	-	-	350,000	15.00%
Lease liabilities	4,491	2,564	-	-	-	7,055	4.36%-15.00%
Debentures	2,490,405	-	-	-	-	2,490,405	6.00%-7.50%
Total financial liabilities	2,844,896	2,564	-	-	283,899	3,131,359	

Unit: Thousand Baht

Separated financial statements as at December 31, 2019

	Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest
	Within	Over	Within	Over			
	1year	1year	1year	1year			
Financial assets							
Cash and cash equivalents	-	-	137,719	-	7	137,726	0.125%-0.375%
Amounts due from related companies	-	-	-	-	10,252	10,252	-
Other current financial assets	-	-	-	-	15,578	15,578	-
Loans to related parties	-	446,500	-	-	-	446,500	0.80%
Loans to other companies	337,205	-	-	-	-	337,205	6.00%-15.00%
Defaulted loans to other companies	-	2,364,504	-	-	-	2,364,504	6.00%-15.00%
Other non-current financial assets	-	-	-	-	121,071	121,071	-
Total financial assets	337,205	2,811,004	137,719	-	146,908	3,432,836	

Unit: Thousand Baht

Separated financial statements as at December 31, 2019							
Fixed interest rate		Floating interest rate		Non-interest bearing	Total	Average Interest	
Within 1year	Over 1year	Within 1year	Over 1year				
Financial liabilities							
Interest payables	-	-	-	-	32,840	32,840	-
Other payable	-	-	-	-	1,410	1,410	-
Amount due to related parties	-	-	-	-	210	210	-
Loans from related parties	276,470	-	-	-	-	276,470	0.80%-1.00%
Loans from others	362,215	3,000	-	-	-	365,215	6.75% – 15%
Lease liabilities	1,583	2,768	-	-	-	4,351	4.64%-4.92%
Debentures	2,367,039	302,490	-	-	-	2,669,529	6.00%-7.50%
Total financial liabilities	3,007,307	308,258	-	-	34,460	3,350,025	

Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that services are made to customers with an appropriate credit history. However, the Company is exposed to credit risk as shown in Note 10.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group treasury aims at maintaining flexibility in funding by keeping committed credit lines available. However, the company is exposed to liquidity risk as mentioned in Note 2.

Price risk

The Group is exposed to market price risk as the investor of financial instruments in short-term investments. The Group invests in high credit financial institutions and low risk.

Exchange rate risk

The Company has no materiality transactions in foreign currencies. Therefore, there is no exchange rate risk.

Fair value of financial assets and financial liabilities

Given that part of financial assets and financial liabilities are short-term or bearing interest rate closely to market rate, and loans denominated in Thai Baht bearing the market interest rates, the Company's management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying value.

The carrying value and fair value of financial assets and financial liabilities as at December 31, 2020 are as follows:

	Unit:Thousand Baht				
	Consolidated financial statements as atDecember 31, 2020				
	Book value				
	FVPL	FVOCI	Amortized cost	Total	Fair value
Financial assets					
Cash and cash equivalents	-	-	200,531	200,531	200,531
Account receivables	-	-	258	258	258
Factoring receivables	-	-	3,589	3,589	3,589
Other current financial assets	97,719	-	-	97,719	97,719
Defaulted loans to other companies	-	-	1,995,367	1,995,367	1,995,367
Other non-current financial assets	-	111,188	-	111,188	111,188
Total financial assets	97,719	111,188	2,199,745	2,408,652	2,408,652
Financial liabilities					
Interest payables	-	-	283,170	283,170	283,170
Other payable	-	-	2,583	2,583	2,583
Short-term loan from others	-	-	350,000	350,000	350,000
Current portion of lease liabilities	-	-	4,491	4,491	4,491
Debentures	-	-	2,490,405	2,490,405	2,490,405
Lease liabilities	-	-	2,564	2,564	2,564
Total financial liabilities	-	-	3,133,213	3,133,213	3,133,213

Unit: Thousand Baht

Separate financial statements as at December 31, 2020

	Book value			Total	Fair value
	FVPL	FVOCI	Amortized cost		
Financial assets					
Cash and cash equivalents	-	-	9	9	9
Trade receivable from related parties	-	-	10,241	10,241	10,241
Term loan to related companies	-	-	52,211	52,211	52,211
Long-term loans to related companies	-	-	222,833	222,833	222,833
Defaulted loans to other companies	-	-	1,814,144	1,814,144	1,814,144
Other non-current financial assets	-	111,118	-	111,118	111,118
Total financial assets	-	111,118	2,099,438	2,210,556	2,210,556
Financial liabilities					
Interest payables	-	-	283,170	283,170	283,170
Other payables	-	-	714	714	714
Trade payables to related parties	-	-	15	15	15
Term loans from others	-	-	350,000	350,000	350,000
Current portion of lease liabilities	-	-	4,491	4,491	4,491
Debentures	-	-	2,490,405	2,490,405	2,490,405
Lease liabilities	-	-	2,564	2,564	2,564
Total financial liabilities	-	-	3,131,359	3,131,359	3,131,359

Fairvaluehierarchy

As at December 31, 2020, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	Unit: Thousand Baht							
	Consolidated financial statements				Separate financial statements			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets for which fair value are measured								
Financial assets of FVPL								
Other current financial asset	-	97,719	-	97,719	-	-	-	-
Financial assets of FVOCI								
Other non-current financial asset	-	-	111,188	111,188	-	-	111,188	111,188
Liabilities for which fair value are measured								
Debentures	-	-	2,490,405	2,490,405	-	-	2,490,405	2,490,405

33. EMPLOYEES PROVIDENT FUND

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees contribute to the fund monthly at the rate of 3-5% depending on the age of the work and the Company contributed to the fund monthly at the referred rate. The Company will pay to employees upon termination in accordance with the fund rules. For the year ended December 31, 2020 and 2019, the Group contributed to the fund amounting of Baht 0.99 million and Baht 1.07 million respectively in the consolidated financial statements, and amounting of Baht 0.46 million and Baht 0.40 million respectively in the separate financial statements.

34. COMMITMENTS AND CONTINGENCIES LIABILITIES

34.1 As at December 31, 2020 and 2019, the Group have obligations under leased office space, storage room, and service charges. The remaining rental and service charges of existing contracts to be paid in the future are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Due within 1 year	301,150	7,480,597	151,150	4,886,160
Due over 1 year not exceeding 5 years	168,900	4,600,078	18,900	4,180,078
Total	470,050	12,080,675	170,050	9,066,238

As at December 31, 2020, the Group had no obligations under lease agreements for commercial spaces and related service agreements as a result of the adoption of the TFRS 16as at January 1, 2020. The Group recognised the lease liabilities previously classified as operating lease at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate, as described in Note 4to the financial statements.

- 34.2 As at December 31, 2020, the Group has commitment from rights agreement to utilize the land development project amounting to Baht 339.60million, the terms of the agreements are 23year (from March 1, 2015to June 30, 2038). The Group has started to pay an annual rental fee in July 2020, the conditions in the agreement require payment of rental fee by July 31of each year, and payment a deposit from agreement amount of Baht 2.16million.
- 34.3 As at December 31, 2020, the Group has commitment from legal services to submit a petition to enter into a business rehabilitation to the Central Bankruptcy Court amount of Baht 4.70million.
- 34.4 As at December 31, 2019, the Group has commitment under the information technology development agreement amounting of Baht 17.33 million.
- 34.5 On November 1, 2019,the Company together with a defendant were jointly sued for a claim from non-compliance of a service agreement. The claim amount which is shared or is absorbed by any parties was Baht 0.30 million including an interest7.5% per annum from the date of filing until the defendant has completed the payment to the plaintiff. On September 21, 2020, the court ruled that the Company made payment to the plaintiff.On November 30, 2020, the Company filed an appeal against the judgment with the court.This case is currently being considered by the Appeal Court.
- 34.6 On August 23, 2019, the Company and a subsidiary were sued together with 4 defendants for revoking the juristic act of buying and registration of a property from a third party who has entered into the land purchase and sale agreement before the land is sold and mortgaged with the Company, The court is scheduled for hearing the progress of 1st defendant to 4th defendant On May 12, 2021.

35. RECLASSIFICATION

The Group has reclassified certain accounts in the financial statements for the year ended December 31, 2019 to conform to the presentation in the current year as follows:

	Unit: Baht		
	Consolidated financial statements		
	Before reclassification	Reclassification	Afterreclassification
Statement of financial position			
Current assets			
Short-term investments - net	211,120,187	(211,120,187)	-
Other current financial asset	-	211,120,187	211,120,187
Non-current assets			
Long-term investment	121,070,964	(121,070,964)	-
Other non-current financial asset	-	121,070,964	121,070,964

	Unit: Baht		
	Separate financial statements		
	Before reclassification	Reclassification	After reclassification
Statement of financial position			
Current assets			
Short-term investments - net	15,578,299	(15,578,299)	-
Other current financial asset	-	15,578,299	15,578,299
Non-current assets			
Long-term investment	121,070,964	(121,070,964)	-
Other non-current financial asset	-	121,070,964	121,070,964

36. EVENTS AFTER THE REPORTING PERIOD

According to the resolution of the Board of Directors' Meeting No. 1/2021 held on January 8, 2021, the meeting passed a resolution for the Company to submit a petition to enter into a business rehabilitation by allowing the Company as a planner and plan administrator. On February 23, 2021, the Company submitted the filing for the business rehabilitation to the Central Bankruptcy Court and the Central Bankruptcy Court has issued an ordinary accepting the business rehabilitation petition for consideration on the same day.

37. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on February 25, 2021.