

**Sansiri Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2019**

**1. Corporate information**

Sansiri Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development.

The Company’s top 5 major shareholders as at 28 August 2019 the latest closing date of the shares register book, are as following:

	Percentage of shareholding (based on paid-up capital)*
1. The Viriyah Insurance Public Company Limited	6.49
2. UBS AG SINGAPORE BRANCH	6.18
3. Mr. Srettha Thavisin	4.66
4. Mr. Wanchak Buranasiri	3.64
5. Thai NVDR Company Limited	3.30

\* Total paid-up shares of the Company in the number of 14,862,734,320 shares less the repurchased shares pursuant to the Company’s share repurchase scheme for financial management purpose in the number of 720,000,000 shares (as of 28 August 2019).

The registered office of the Company is at 475, Siripinyo Building, Sri Ayutthaya Road, Phayathai, Rajthevi, Bangkok.

**2. Basis of preparation**

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Profession Act B. E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Sansiri Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			Percent	Percent
<u>Directly owned</u>				
Chanachai Ltd.	Property development	Thailand	100	100
Plus Property Co., Ltd.	Property management	Thailand	100	100
Sansiri China Co., Ltd.	Dormant	Thailand	100	100
S.U.N. Management Co., Ltd.	Property development	Thailand	100	100
Arnawat Ltd.	Property development	Thailand	100	100
Piwattana Ltd.	Property development	Thailand	100	100
Red Lotus Properties Ltd.	Property development	Thailand	100	100
Sansiri Global Investment Pte. Ltd.	Holding Company	Singapore	100	100
Plus Property Space Co., Ltd.	Hotel	Thailand	100	100
Papanan Ltd.	Property development	Thailand	100	100
NED Management Co., Ltd.	Property development and holder of Satit Pattana School's license	Thailand	100	100
Satit Pattana Personnel Center Ltd.	Dormant	Thailand	100	100
Siriwattana Holding Ltd.	Property development	Thailand	100	100
Jirapas Realty Co., Ltd.	Property development	Thailand	100	100
Paranat Co., Ltd.	Property development	Thailand	100	100
Siri Smart One Co., Ltd.	Property development	Thailand	100	100
Siri Ventures Co., Ltd.	Holding Company	Thailand	97	97
Sansiri (US), Inc.	Holding Company	United States of America	100	100
Siri Smart Two Co., Ltd.	Property development	Thailand	100	100
Siri Smart Three Co., Ltd.	Property development	Thailand	100	100
Siri Smart Four Co., Ltd.	Property development	Thailand	100	100
Siripat Four Co., Ltd.	Property development	Thailand	-	100
Siripat Five Co., Ltd.	Property development	Thailand	100	100
Siri Smart Five Co., Ltd.	Property development	Thailand	100	-
Siripat Six Co., Ltd.	Property development	Thailand	100	-
Siripat Seven Co., Ltd.	Property development	Thailand	100	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			Percent	Percent
<u>Indirectly owned by Plus Property Co., Ltd.</u>				
QT Lifestyle Co., Ltd.	Event management	Thailand	100	100
Touch Property Co., Ltd.	Property development	Thailand	100	100
QEW (Thailand) Co., Ltd.	Dormant	Thailand	70	70
<u>Indirectly owned by NED Management Co., Ltd.</u>				
Satit Pattana School	Education business	Thailand	100	100
<u>Indirectly owned by Sansiri Global Investment Pte.Ltd.</u>				
Sansiri Guernsey (2009) Limited	Property development	Guernsey	100	100
Sansiri Guernsey (2015) Limited	Property development	Guernsey	100	100
Sansiri International Pte. Ltd.	Centralised administrative and subsidiary management offices in Singapore	Singapore	100	100
<u>Indirectly owned by Sansiri (US), Inc.</u>				
Standard International Holdings, LLC	Holding Company	United states of America	60	-
<u>Indirectly owned by Standard International Holding, LLC</u>				
Standard International, LLC	Holding Company	United states of America	96	-
Standard International Ventures, LLC	Holding Company	United states of America	100	-
Standard International Properties, LLC	Holding Company	United states of America	100	-
<u>Indirectly owned by Standard International, LLC</u>				
Standard Asia Co.,Ltd.	Hotel management	Thailand	100	-
Standard International Management, LLC	Hotel management	United states of America	100	-
Standard Miami Employer, LLC	Provision of administrative service	United states of America	100	-
Standard Downtown Employer, LLC	Provision of administrative service	United states of America	100	-
Standard Hollywood Employer, LLC	Provision of administrative service	United states of America	100	-
Standard High Line Employer, LLC	Provision of administrative service	United states of America	100	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			Percent	Percent
Standard East Village Employer, LLC	Provision of administrative service	United states of America	100	-
Standard Retail Employer, LLC	Provision of administrative service	United states of America	100	-
Standard International Chicago Management, LLC	Hotel management	United states of America	100	-
Standard UK Management, Limited	Hotel management	United Kingdom	100	-
Standard High Line Management, LLC	Provision of administrative service	United states of America	100	-
Standard International Lisbon Management, LLC	Provision of administrative service	United states of America	100	-
Standard International Bordeaux Management, LLC	Provision of administrative service	United states of America	100	-
<u>Indirectly owned by Standard International Ventures, LLC</u>				
Standard International BH Investor, LLC	Holding Company	United states of America	100	-
Bunkhouse Management, LLC	Hotel management	United states of America	51	-
House Fly, LLC	Restaurant Club Management	United states of America	100	-
Bunkhouse California Employer, LLC	Provision of administrative service	United states of America	100	-
Bunkhouse Motel Management, LLC	Hotel management	United states of America	100	-
Standard Retail, LLC	Holding Company	United states of America	100	-
SL Goods, LLC	Wholesale distributor of Standard branded products	United states of America	100	-
SL E-Commerce, LLC	E-Commerce	United states of America	100	-
SL Hollywood Shop, LLC	Retail Company	United states of America	100	-
SL DTLA Shop, LLC	Retail Company	United states of America	100	-
<u>Indirectly owned by Standard International Properties, LLC</u>				
Standard Mexico City Holdings, LLC	Holding Company	United states of America	100	-
Standard Mexico City S de RL de CV	Hotel management	Mexico	100	-
Standard Mexico City Optionee, LLC	Holding Company	United states of America	100	-
Standard Milan, SRL	Hotel management	Italy	100	-

Details of changes in the composition of the group of companies during the current year are presented in Notes 14, 15 and 16.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
  - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
  - e) The assets and liabilities in the financial statements of overseas subsidiaries companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statement of changes in shareholders’ equity.
  - f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
  - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associate under the cost method.

### **3. New financial reporting standards**

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

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s and its subsidiaries’ financial statements. However, the Group has early adopted TFRS 15 Revenue from contracts with customers in 2018 before this standard became effective in current year.

**(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

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

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

The management of the Group expects the adoption of these accounting standards to result in the following adjustments.

- Classification and measurement of investments in equity instruments of non-listed companies - The Group is to measure investments in equity instruments of non-listed companies at fair value and to classify the investments as financial assets at fair value, through either profit or loss or through other comprehensive income. If the Group elects to present subsequent changes in the fair value of the investment through other comprehensive income, the election is irrevocable.
- Recognition of credit losses - The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.
- Recognition of derivatives - The Group is to initially recognise derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

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

### **TFRS 16 Leases**

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

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

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when they are adopted.

#### **4. Significant accounting policies**

##### **4.1 Revenue recognition**

a) Revenue from sales of real estate

Revenues from sales of land and houses and residential condominium units is recognised at the point in time when control of the real estate is transferred to the customer, generally, upon delivery of the goods. Revenues from sales of real estate is measured at the amount of the consideration received after deducting discounts and considerations payable to the customer. The terms of payment are in accordance with the payment schedule specified in the customer contract. Considerations received before transferring control of the real estate to the customer are presented under the caption of “Unearned income” in the statement of financial position.

b) Revenue from sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts and price promotions to customers.

c) Rental income

Rental income is recognised in the statement of comprehensive income on an accrual basis over the term of the lease. Initial expenses are recorded as a part of total rental as lease agreement.

d) Revenue from hotel business

Revenue from hotel operations, mainly comprises room sales, food and beverage sales and revenue from auxiliary activities, is recognised at a point in time upon completion of the service. Sales are the invoiced value, excluding value added tax, of goods supplied and services rendered after deducting discounts.



e) School fees income

Tuition fees, transportation fees and canteen income are recognised as income of the school term to which they relate.

f) Service income

Service income is recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivables” in the statement of financial position. The amounts recognised as contract assets are reclassified to trade receivables when the Company’s and its subsidiaries’ right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Advance received from customers” in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

g) Revenue from hotel management services

Revenue from hotel management services is recognised over time when services have been rendered taking into account the stage of completion.

h) Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

i) Dividend income

Dividend income are recognised when the right to receive the dividends is established.

#### **4.2 Cost of real estate sales**

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

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

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

#### **4.3 Cash and cash equivalents**

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

#### **4.4 Trade accounts receivable and allowance for doubtful accounts**

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

#### **4.5 Real estate development for sales**

Real estate development for sales are stated at the lower of cost and net realisable value, cost consists of cost of land, land improvement costs, design fees, utilities, construction costs, capitalised borrowing costs and other related expense, as well as estimated project development costs.

Construction materials are valued at the lower of cost (under weighted average method) or net realisable value.

The Group recognises loss on diminution in value of projects (if any) in profit or loss.

#### **4.6 Cost to obtain contracts with customers**

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

#### **4.7 Investments**

- a) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- c) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method net of allowance for less diminution in value (if any).
- d) Investments in subsidiaries and joint ventures are accounted for in the separate financial statements using the cost method net of allowance for less diminution in value (if any).

The weighted average method is used for computation of the cost of investments.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

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

#### **4.8 Investment properties**

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10 - 30 years. Depreciation of the investment properties is included in determining income.

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

#### **4.9 Land, building and equipment/Depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Buildings and improvements	5 - 40 years
Buildings decoration and system	5 - 8 years
Fixtures and equipment	2 - 20 years
Motor vehicles	5 years
Temporary sales office	1 - 5 years

Depreciation of equipment (machinery operating in precast factory) is calculated by reference to their costs on a unit-of-production basis.

Depreciation is included in determining income.

No depreciation is provided for land and construction in progress.

An item of land, building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the profit or loss when the asset is derecognised.

#### **4.10 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset or development of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the costs of the respective assets. Capitalisation ceases when the projects are ready for their intended use or sale, when the physical construction of the projects is complete, or when construction is suspended and until active development resumes. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

To the extent that funds are borrowed specifically for the development of projects, interest costs are presented as the actual borrowing costs less any investment income from the temporary investment of those borrowings. To the extent that funds are borrowed and used for the general purposes, the interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year, other than borrowings made for specific purposes.

#### **4.11 Leasehold rights and amortisation**

Leasehold rights are stated at cost less accumulated amortisation. The Group amortises leasehold rights on a straight-line basis over the leasehold period.

The amortisation is included in determining income.

#### **4.12 Intangible assets and amortisation**

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

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

	<u>Useful lives</u>
Computer software	3 - 10 years
Franchise fee	5 years
Hotel brand and management agreements	remaining terms of management agreements

The amortisation is included in determining income.

#### **4.13 Land held for development**

Land held for development is stated at cost less allowance for loss on diminution in value of projects (if any). It is consisted of cost of land, land fulfill, public utilities cost, project development cost and borrowing cost which occurred during the developed period in the past.

#### **4.14 Related party transactions**

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

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

#### **4.15 Long-term leases**

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

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

#### **4.16 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.17 Impairment of assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the land, building and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

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

#### **4.18 Employee benefits**

##### *Short-term employee benefits*

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

##### *Post-employment benefits*

##### Defined contribution plans

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

### Defined benefit plans

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats 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 defined benefit plans are recognised immediately in other comprehensive income.

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

### **4.19 Provisions**

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

### **4.20 Income tax**

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

#### **Current tax**

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

#### **Deferred tax**

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

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



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

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

#### **4.21 Equity-settled share-based payment transactions**

The Company recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in "Capital reserve for share-based payment transactions" in shareholders' equity.

Estimating fair value for share-based payment transactions requires management to exercise judgement, and to apply assumptions, including as to the expected life of the share options, share price volatility and dividend yield.

#### **4.22 Derivatives**

##### **Cross currency and interest rate swap contracts**

Receivables and payables arising from cross currency swap agreements are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are recognised in profit or loss.

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

#### **4.23 Fair value measurement**

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

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

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

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

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

At the end of each reporting period, the Group determines 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.

#### **4.24 Treasury stocks**

Treasury stocks are stated at cost and presented as a deduction from shareholders' equity. If the selling price of treasury stocks is greater than the purchase price of treasury stocks, the Company recognise the difference under the caption of 'premium on treasury stocks'. If the selling price of treasury stocks is less than the purchase price of treasury stocks, the difference is initially deducted from premium on treasury stocks, with the remaining deducted against retained earnings.

### **5. Significant accounting judgments and estimates**

The preparation of financial statements in conformity with financial reporting statements 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:

#### **Impairment of real estate development for sales, investment properties and land held for development**

The Group treats real estate development for sales, investment properties and land held for development as impaired when the management judges that there has been a significant decline in the fair value. The management determines the devaluation of such properties and land held for development based on net realisable value. The determination of what is "significant" and such devaluation requires the management to exercise judgment.

**Real estate development costs estimation**

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

**Impairment of investments**

The Company treats investments in subsidiaries, investments in joint ventures, investment in associate and other investments as impaired when there has been a significant or prolonged decline in their fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

**Litigation**

The Group has contingent liabilities as a result of litigation. The management has exercised judgment to assess of the results of the litigation and recorded certain contingent liabilities as at the end of reporting period.

**Classification of long-term loans**

In classifying the current portion of long-term loans from banks, the management of the Group has used judgement to estimate collateral redemptions and loan settlements in accordance with the terms and conditions stipulated in the loan agreements.

## 6. Related party transactions

6.1 During the year, the Group had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Details of subsidiaries are presented in Note 2.2 a), details of joint ventures are presented in Note 15 and details of associates are presented in Note 16. Other related companies have common directors with the Company.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2019	2018	2019	2018	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Revenue from sales of real estate	-	-	42,424	87,470	Cost plus certain margin of 32% - 60% (2018: 40% - 61%)
Sales of precast concrete	-	-	87,493	58,601	Cost plus certain margin of 5%
Revenues from business management and project management	-	-	4,743	4,710	Based on agreement (1)
Interest income	-	-	286,756	413,135	3.50% p.a. (2018: 3.50% p.a.)
Commission income	-	-	13,512	33,842	Based on agreement (3)
Revenues from projects for rent	-	-	229	1,583	Rental rate given to general customers
Office rental and service income	-	-	992	-	Monthly average price of Baht 990 per sq.m.
Dividend income	-	-	-	802,000	As declared
Project management fee and other expenses	-	-	86,994	43,148	Based on agreement (2)
Commission expenses	-	-	56,512	63,013	Based on agreement (3)
Interest expenses	-	-	13,701	17,491	3.50% p.a. (2018: 3.50% p.a.)
Sales of investment in subsidiary	-	-	12,500	-	Based on agreement (Detail as described in Note 14)
Consulting fee and other expenses	-	-	20,422	15,351	Based on agreement (4)
<b><u>Transactions with joint ventures</u></b>					
Revenue from business management and project management	3,693,847	3,229,953	6,959,995	6,094,081	Based on agreement (1)
Revenue from sale of land and deposit for land	29,621	402,513	59,242	1,341,711	Cost plus certain margin
Interest income	345,385	274,254	345,835	274,254	3.85% - 5.19% p.a. (2018: 3.85% - 4.95% p.a.)
Commission income	111,738	160,800	-	-	Based on agreement (3)
Dividend income	-	270,000	380,000	270,000	As declared
Purchase of condominium units	4,835,596	710,046	4,835,596	691,081	Average price of Baht 65,000 - 485,000 per sq.m. (2018: Baht 183,000)

(Unit: Thousand Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer Pricing Policy
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
Sales of other long-term investments	-	91,818	-	91,818	Based on agreement
<b><u>Transactions with associates</u></b>					
Software service expenses	4,970	-	4,322	-	Based on agreement
Consulting fee and other expenses	5,934	-	4,590	-	Based on agreement (4)
<b><u>Transactions with related parties</u></b>					
Interest income	1,061	-	1,061	-	6% per annum
Office rental expense	6,226	-	6,226	-	Based on agreement (Detail as described in Note 40.2)
Invest in short-term debenture	339,670	-	339,670	-	Face value less discount
<b><u>Transaction with director</u></b>					
Revenue from sales of real estate	50,914	-	50,914	-	Average price per contract of Baht 210,000 per sq.m.

Transactions, pricing policies and related contracts are as follows: -

- (1) Revenue from business service and project management fees is charged based on costs plus certain margin. Those charges are allocated to subsidiaries and joint ventures based on revenue and project costs, respectively.
- (2) Project management fees are charged monthly, depended upon the size of the project and other management fees are charged based on agreement.
- (3) Commission from sales of projects are charged at a rate of 0.75% - 2.14% of selling price per the contract, with payments divided between the time the customer executes the agreement and when the properties are transferred.
- (4) Consulting fee is charged based on work progress at the rate stipulated in the agreement and other expenses are charged based on agreement

## 6.2 Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated / Separate	
	financial statements	
	<u>2019</u>	<u>2018</u>
Short-term employee benefits	213,858	214,680
Post-employment benefits	4,249	2,566
Total	<u>218,107</u>	<u>217,246</u>

6.3 The balances of the accounts as at 31 December 2019 and 2018 between the Company and those related companies are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
<b><u>Current investment - Short-term debenture</u></b>				
Related party	340,731	-	340,731	-
<b>Total</b>	<b>340,731</b>	<b>-</b>	<b>340,731</b>	<b>-</b>
<b><u>Trade accounts receivable and unbilled receivable</u></b>				
Subsidiaries	-	-	63,624	63,154
Joint ventures	1,725,711	785,779	1,672,742	767,599
Related party	7,321	-	7,321	-
<b>Total</b>	<b>1,733,032</b>	<b>785,779</b>	<b>1,743,687</b>	<b>830,753</b>
<b><u>Prepaid expenses</u></b>				
Subsidiaries	-	-	63	65
Related party	5,975	-	5,975	-
<b>Total</b>	<b>5,975</b>	<b>-</b>	<b>6,038</b>	<b>65</b>
<b><u>Other current asset - Other receivables</u></b>				
Subsidiaries	-	-	219	17,000
Joint ventures	11,580	-	11,580	-
<b>Total</b>	<b>11,580</b>	<b>-</b>	<b>11,799</b>	<b>17,000</b>
<b><u>Other current asset - Project management in progress</u></b>				
Joint ventures	318,651	276,099	318,651	276,099
<b>Total</b>	<b>318,651</b>	<b>276,099</b>	<b>318,651</b>	<b>276,099</b>
<b><u>Loans to related parties</u></b>				
Subsidiaries	-	-	7,146,932	9,127,594
Joint ventures	7,245,488	6,620,913	7,245,488	6,620,913
Related party	5,000	5,000	-	-
<b>Total</b>	<b>7,250,488</b>	<b>6,625,913</b>	<b>14,392,420</b>	<b>15,748,507</b>
Less: Allowance for doubtful accounts	(5,000)	(5,000)	-	-
<b>Net</b>	<b>7,245,488</b>	<b>6,620,913</b>	<b>14,392,420</b>	<b>15,748,507</b>
Current portion	1,706,400	1,837,140	1,706,400	1,837,140
Long-term portion	5,539,088	4,783,773	12,686,020	13,911,367
<b>Total</b>	<b>7,245,488</b>	<b>6,620,913</b>	<b>14,392,420</b>	<b>15,748,507</b>
<b><u>Interest receivables</u></b>				
Subsidiaries	-	-	25,393	53,205
Joint ventures	80,180	40,295	80,180	40,295
Related party	333	333	-	-
<b>Total</b>	<b>80,513</b>	<b>40,628</b>	<b>105,573</b>	<b>93,500</b>
Less: Allowance for doubtful accounts	(333)	(333)	-	-
<b>Net</b>	<b>80,180</b>	<b>40,295</b>	<b>105,573</b>	<b>93,500</b>
<b><u>Other non-current assets - Deposit for office rental</u></b>				
Related party	146,410	-	146,410	-
<b>Total</b>	<b>146,410</b>	<b>-</b>	<b>146,410</b>	<b>-</b>

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b><u>Trade accounts payable</u></b>				
Subsidiaries	-	-	42,854	8,735
Joint Ventures	23,132	21	23,132	21
<b>Total</b>	<b>23,132</b>	<b>21</b>	<b>65,986</b>	<b>8,756</b>
<b><u>Loans from related parties</u></b>				
Subsidiaries	-	-	347,663	468,402
<b>Total</b>	<b>-</b>	<b>-</b>	<b>347,663</b>	<b>468,402</b>
<b><u>Interest payable</u></b>				
Subsidiaries	-	-	943	1,290
<b>Total</b>	<b>-</b>	<b>-</b>	<b>943</b>	<b>1,290</b>
<b><u>Advance received from customers</u></b>				
Subsidiaries	-	-	20,321	-
Joint ventures	1,107,842	2,022,886	1,107,842	2,022,886
<b>Total</b>	<b>1,107,842</b>	<b>2,022,886</b>	<b>1,128,163</b>	<b>2,022,886</b>

6.4 During the year, movements of loans to and loan from related parties were as follow:

(Unit: Million Baht)				
Loans to	Consolidated financial statements			
	Balance as at	During the year		Balance as at
	1 January 2019	Increase	Decrease	31 December 2019
<b>Joint ventures</b>				
BTS Sansiri Holding Two Limited	173.19	19.00	-	192.19
BTS Sansiri Holding Three Limited	198.00	97.00	(39.00)	256.00
BTS Sansiri Holding Four Limited	29.00	262.00	(99.00)	192.00
BTS Sansiri Holding Five Limited	64.00	7.00	-	71.00
BTS Sansiri Holding Six Limited	83.00	700.00	-	783.00
BTS Sansiri Holding Seven Limited	196.00	-	(196.00)	-
BTS Sansiri Holding Eight Limited	180.00	-	(180.00)	-
BTS Sansiri Holding Nine Limited	214.00	-	(214.00)	-
Nuvo Line Agency Co., Ltd.	410.50	245.00	(130.00)	525.50
BTS Sansiri Holding Eleven Limited	408.00	219.00	(53.00)	574.00
BTS Sansiri Holding Twelve Limited	731.00	97.00	(315.00)	513.00
BTS Sansiri Holding Thirteen Limited	591.02	100.00	(148.02)	543.00
BTS Sansiri Holding Fourteen Limited	51.00	165.00	(75.00)	141.00
BTS Sansiri Holding Fifteen Limited	483.00	44.00	-	527.00
BTS Sansiri Holding Sixteen Limited	442.00	25.00	(200.00)	267.00
BTS Sansiri Holding Seventeen Limited	35.00	-	(2.00)	33.00
BTS Sansiri Holding Nineteen Limited	256.00	102.00	(50.00)	308.00
BTS Sansiri Holding Twenty Limited	106.00	117.00	(52.00)	171.00
BTS Sansiri Holding Twenty One Limited	426.00	28.00	-	454.00
BTS Sansiri Holding Twenty Two Limited	292.00	105.00	(135.00)	262.00
BTS Sansiri Holding Twenty Three Limited	43.00	73.00	(2.00)	114.00
BTS Sansiri Holding Twenty Four Limited	70.00	100.00	(85.00)	85.00

(Unit: Million Baht)

Loans to	Consolidated financial statements			
	Balance as at	During the year		Balance as at
	1 January 2019	Increase	Decrease	31 December 2019
<b>Joint ventures (continued)</b>				
BTS Sansiri Holding Twenty Five Limited	80.00	10.00	-	90.00
Siripat Three Co., Ltd.	127.50	64.50	(45.00)	147.00
Siri TK One Co., Ltd.	314.30	15.40	(140.00)	189.70
Siri TK Two Co., Ltd.	305.90	48.30	-	354.20
Siri TK Three Co., Ltd.	225.40	103.60	-	329.00
Siri TK Four Co., Ltd.	86.10	37.80	-	123.90
<b>Related party</b>				
Regency One Co., Ltd.	5.00	-	-	5.00
<b>Total</b>	<b>6,625.91</b>	<b>2,784.60</b>	<b>(2,160.02)</b>	<b>7,250.49</b>

(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at	During the year		Balance as at
	1 January 2019	Increase	Decrease	31 December 2019
<b>Subsidiaries</b>				
Arnawat Ltd.	1,453.31	359.07	(986.61)	825.77
Plus Property Co., Ltd.	-	234.36	(83.05)	151.31
Piwattana Ltd.	756.23	909.99	(440.88)	1,225.34
Plus Property Space Co., Ltd.	393.97	1,805.11	(1,879.67)	319.41
NED Management Co., Ltd.	297.28	337.41	(270.61)	364.08
Sansiri China Co., Ltd.	5.60	-	-	5.60
Papanan Co., Ltd.	-	4.54	(4.54)	-
Siriwattana Holding Ltd.	587.45	20.92	-	608.37
Jirapas Realty Co., Ltd.	2,192.01	592.36	(1,414.73)	1,369.64
Paranat Co., Ltd.	390.05	415.96	(19.82)	786.19
Siri Smart One Co., Ltd.	231.33	149.84	(373.06)	8.11
Siri Smart Two Co., Ltd.	482.37	40.21	(331.82)	190.76
Siri Smart Three Co., Ltd.	2,338.00	497.57	(1,881.65)	953.92
Siri Smart Five Co., Ltd.	-	183.43	(6.00)	177.43
Siripat Five Co., Ltd.	-	126.00	-	126.00
Siripat Six Co., Ltd.	-	35.00	-	35.00
<b>Joint ventures</b>				
BTS Sansiri Holding Two Limited	173.19	19.00	-	192.19
BTS Sansiri Holding Three Limited	198.00	97.00	(39.00)	256.00
BTS Sansiri Holding Four Limited	29.00	262.00	(99.00)	192.00
BTS Sansiri Holding Five Limited	64.00	7.00	-	71.00
BTS Sansiri Holding Six Limited	83.00	700.00	-	783.00
BTS Sansiri Holding Seven Limited	196.00	-	(196.00)	-
BTS Sansiri Holding Eight Limited	180.00	-	(180.00)	-
BTS Sansiri Holding Nine Limited	214.00	-	(214.00)	-
Nuvo Line Agency Co., Ltd.	410.50	245.00	(130.00)	525.50
BTS Sansiri Holding Eleven Limited	408.00	219.00	(53.00)	574.00
BTS Sansiri Holding Twelve Limited	731.00	97.00	(315.00)	513.00



(Unit: Million Baht)

	Separate financial statements			
	Balance as at	During the year		Balance as at
Loans to	1 January 2019	Increase	Decrease	31 December 2019
<b>Joint ventures (continued)</b>				
BTS Sansiri Holding Thirteen Limited	591.02	100.00	(148.02)	543.00
BTS Sansiri Holding Fourteen Limited	51.00	165.00	(75.00)	141.00
BTS Sansiri Holding Fifteen Limited	483.00	44.00	-	527.00
BTS Sansiri Holding Sixteen Limited	442.00	25.00	(200.00)	267.00
BTS Sansiri Holding Seventeen Limited	35.00	-	(2.00)	33.00
BTS Sansiri Holding Nineteen Limited	256.00	102.00	(50.00)	308.00
BTS Sansiri Holding Twenty Limited	106.00	117.00	(52.00)	171.00
BTS Sansiri Holding Twenty One Limited	426.00	28.00	-	454.00
BTS Sansiri Holding Twenty Two Limited	292.00	105.00	(135.00)	262.00
BTS Sansiri Holding Twenty Three Limited	43.00	73.00	(2.00)	114.00
BTS Sansiri Holding Twenty Four Limited	70.00	100.00	(85.00)	85.00
BTS Sansiri Holding Twenty Five Limited	80.00	10.00	-	90.00
Siripat Three Co., Ltd.	127.50	64.50	(45.00)	147.00
Siri TK One Co., Ltd.	314.30	15.40	(140.00)	189.70
Siri TK Two Co., Ltd.	305.90	48.30	-	354.20
Siri TK Three Co., Ltd.	225.40	103.60	-	329.00
Siri TK Four Co., Ltd.	86.10	37.80	-	123.90
Total	15,748.51	8,496.37	(9,852.46)	14,392.42

(Unit: Million Baht)

Loan from	Separate financial statements			
	Balance as at	During the year		Balance as at
	1 January 2019	Increase	Decrease	31 December 2019
<b>Subsidiaries</b>				
Papanan Ltd.	1.30	2.03	(2.20)	1.13
Chanachai Ltd.	217.70	67.61	(76.94)	208.37
Plus Property Co., Ltd.	92.05	2.84	(94.89)	-
Red Lotus Properties Co., Ltd.	157.35	72.36	(91.55)	138.16
Total	468.40	144.84	(265.58)	347.66

As at 31 December 2019, loans to and loans from related parties are clean loans, due for repayment at call, and carried interest at rates of 3.50 – 5.19 percent per annum (2018: 3.50 - 4.95 percent per annum).

## 7. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash	8.86	6.09	3.77	2.55
Bank deposits	2,122.97	3,926.52	917.90	2,533.41
Total	2,131.83	3,932.61	921.67	2,535.96

As at 31 December 2019, bank deposits in saving accounts and fixed deposits carried interests between 0.1 - 1.65 percent per annum (2018: 0.13 - 1.75 percent per annum).

## 8. Current investments

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	2019	2018
<u>Held-to-maturity investments</u>		
Bills of exchange - face value	-	2,000.00
Less: Discount	-	(37.61)
Bills of exchange - net	-	1,962.39
Investment in short-term fixed income fund	0.05	0.05
Investment in short-term debenture	350.00	406.13
Less: Discount	(9.27)	-
Investment in short term debenture - net	340.73	406.13
Total	340.78	2,368.57

## 9. Trade accounts receivable and unbilled receivable

Trade accounts receivable and unbilled receivable as at 31 December 2019 and 2018 presented as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
	2019	2018
<b>Trade accounts receivable and unbilled receivable - related parties</b>		
<u>Trade account receivable</u>		
Aged on the basis of due dates		
Not yet due	50.58	17.44
Past due		
Up to 3 months	826.43	121.83
3 - 6 months	-	-
6 - 12 months	1.94	-
Over 12 months	-	-
<u>Unbilled receivable - not yet due</u>	854.08	646.51
Total trade accounts receivable and unbilled receivable - related parties	1,733.03	785.78
<b>Trade accounts receivable - unrelated parties</b>		
Aged on the basis of due dates		
Not yet due	47.72	46.88
Past due		
Up to 3 months	181.20	44.76
3 - 6 months	6.88	5.05
6 - 12 months	18.35	9.95
Over 12 months	56.94	49.18
Total	311.09	155.82
Less: Allowance for doubtful debts	(74.15)	(52.32)
Total trade accounts receivable - unrelated parties, net	236.94	103.50
Total trade accounts receivable and unbilled receivable - net	1,969.97	889.28

## 10. Short-term loan receivable

As at 13 December 2019, a subsidiary (buyer) entered into an agreement to sell land with the right of redemption with an unrelated party (seller with the right of redemption), who has legal title in the land. Selling price as stipulated in the agreement is Baht 200 million. The land can be redeemed on 13 June 2020 with redemption amount of Baht 212 million. Upon the expiry of the agreement, if the seller fails to make a repayment (redemption), such land will legally belong to the subsidiary.

As at 31 December 2019, the amount paid by a subsidiary to an un related company under the agreement to sell of land with the right of redemption is presented as short-term loan to an unrelated party in the consolidated statements of financial position.

## 11. Real estate development for sales

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Land	15,428.40	17,001.45	10,016.45	13,422.55
Land and construction under development	41,209.74	34,750.38	27,650.96	23,203.05
Land and construction developed	7,068.08	5,057.54	5,438.82	2,561.08
Total	63,706.22	56,809.37	43,106.23	39,186.68
Less: Allowance for diminution in value of projects	(862.55)	(503.98)	(479.63)	(29.36)
Net	62,843.67	56,305.39	42,646.60	39,157.32

11.1 As at 31 December 2019 and 2018, land and construction thereon of projects of the Group with net book value Baht 48,831 million and Baht 44,481 million, respectively were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 30,843 million and Baht 30,097 million, respectively).

11.2 As at 31 December 2019 and 2018, the estimated expense of the Group for development and construction to complete launched projects (excluding the costs of land and construction already recorded) are Baht 69,924 million and Baht 64,488 million, respectively (Separate financial statements: Baht 48,434 million and Baht 42,238 million, respectively).

11.3 During the year 2019 and 2018, the Group included borrowing costs in the real estate development for sales amounting to Baht 1,164 million and Baht 910 million, respectively (Separate financial statements: Baht 713 million and Baht 611 million, respectively). Capitalisation rates for the years 2019 and 2018 were 3.58% and 3.40%, respectively (Separate financial statements: 3.54% and 3.36% respectively).

11.4 Loss on diminution in value of real estate development for sales and land held for development for the year 2019 and 2018 are as follow:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Real estate development for sales (Note 11)	364.20	97.52	450.27	15.10
Land held for development (Note 19)	33.50	32.50	-	-
Total	397.70	130.02	450.27	15.10

11.5 Additional information of the Group's projects are as follow:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Sales with signed agreements	161,430	165,612	81,682	86,147
Total estimated project value	235,364	224,197	134,585	123,821
The ratio of sales with signed agreements to total estimated project sales	68.59%	73.87%	60.69%	69.57%
Unearned income	4,563	3,894	1,210	1,199

## 12. Assets recognised in respect of cost to obtain contracts with customers

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	803,119	210,658	189,697	19,884
Increase during the year	265,192	665,152	166,304	186,437
Realise as selling expenses	-220,798	-72,691	-162,987	-16,624
Net book value at end of year	847,513	803,119	193,014	189,697

### **13. Note receivable and long-term loan receivable**

#### Note receivable

As at 31 December 2019, an indirect subsidiary has note receivable and interest receivable to a unrelated party amounting to USD 4.5 million which carries interest at the rate of 6% per annum.

#### Long-term loan receivable

As at 31 December 2019, the long-term loan receivable is an unsecured loan of a subsidiary to an overseas company amounting to USD 2 million which carries interest at the rate of 3.85 percent per annum and will be matured on 20 August 2020. This loan is guaranteed by such company's directors.

As at 31 December 2018, the long-term loan receivable is an unsecured loan of a subsidiary to an overseas company amounting to USD 0.30 million which carries interest at the rate of 4% per annum and will be matured on 24 March 2019. This loan can be convertible to preferred stocks within the maturity date under conditions as stipulated in the loan agreement.

On 13 February 2019, the subsidiary entered into an agreement with the overseas company to convert all outstanding balance of loan to and interest receivable as at 31 January 2019 of USD 0.31 million or equivalent to Baht 9.76 million to be preferred stocks of such overseas company, which is equivalent to 4.80% shareholding in that company. The subsidiary therefore classified its investment in the preferred stocks as other long-term investments as discussed in Note 17.

## 14. Investments in subsidiaries

14.1 Investments in subsidiaries as stated in the separate financial statements as at 31 December 2019 and 2018 are as follows: -

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
			(%)	(%)				
<b><u>Subsidiaries - Directly owned</u></b>								
Chanachai Ltd.	90.00	90.00	100	100	101.52	101.52	-	-
Plus Property Co., Ltd.	150.00	150.00	100	100	160.53	160.53	-	-
Sansiri China Co., Ltd.	3.00	3.00	100	100	4.52	4.52	-	-
S.U.N. Management Co., Ltd.	10.00	10.00	100	100	20.08	20.08	-	-
Arnawat Ltd.	2.50	2.50	100	100	2.50	2.50	-	-
Piwattana Ltd.	100.00	100.00	100	100	100.00	100.00	-	-
Red Lotus Properties Ltd.	20.00	20.00	100	100	20.00	20.00	-	590.00
Plus Property Space Co., Ltd.	2.50	2.50	100	100	4.06	4.06	-	-
Papanan Ltd.	20.00	20.00	100	100	20.00	20.00	-	212.00
Satit Pattana Personnel Center Ltd.*	1.00	1.00	100	100	1.00	1.00	-	-
NED Management Co., Ltd.	40.00	40.00	100	100	40.00	40.00	-	-
Sansiri Global Investment Pte. Ltd.	(a)	(a)	100	100	1,703.89	1,703.89	-	-
Siriwattana Holding Ltd.	100.00	100.00	100	100	100.00	100.00	-	-
Jirapas Realty Co., Ltd.	10.00	10.00	100	100	10.00	10.00	-	-
Paranat Co., Ltd.	10.00	10.00	100	100	10.00	10.00	-	-
Siri Ventures Co., Ltd.	300.00	300.00	97	97	290.00	290.00	-	-
Siri Smart One Co., Ltd.	10.00	10.00	100	100	10.00	10.00	-	-
Sansiri US, Inc.	(b)	(b)	100	100	3,807.95	1,189.87	-	-
Siri Smart Two Co., Ltd.	50.00	50.00	100	100	50.00	50.00	-	-
Siri Smart Three Co., Ltd.	50.00	50.00	100	100	50.00	50.00	-	-
Siri Smart Four Co., Ltd.	50.00	50.00	100	100	50.00	50.00	-	-
Siripat Four Co., Ltd.	-	12.50	-	100	-	12.50	-	-
Siripat Five Co., Ltd.	12.50	12.50	100	100	12.50	12.50	-	-
Siri Smart Five Co., Ltd.	12.50	-	100	-	12.50	-	-	-
Siripat Six Co., Ltd.	12.50	-	100	-	12.50	-	-	-
Siripat Seven Co., Ltd.	1.00	-	100	-	1.00	-	-	-
<b>Total investment in subsidiaries</b>					<b>6,594.55</b>	<b>3,962.97</b>	<b>-</b>	<b>802.00</b>
Allowance for diminution in value of Siri Ventures Co., Ltd.					(130.00)	-	-	-
<b>Investment in subsidiaries - net</b>					<b>6,464.55</b>	<b>3,962.97</b>	<b>-</b>	<b>802.00</b>

\* Dormant

(a) Paid-up capital as at 31 December 2019 and 2018 consists of GBP 0.02 million called up in year 2009, GBP 24.93 million called up in year 2015, USD 12 million called up in year 2017 and SGD 1.5 million called up in year 2018.

(b) Paid-up capital as at 31 December 2019 consist of USD 106.36 million and GBP 10 million (2018: USD 36.12 million).

Investments in subsidiaries indirectly owned by subsidiaries of the company are as follows:-

	Paid-up capital		Percentage of shareholding	
	2019	2018	2019	2018
			(%)	(%)
<u>Indirectly owned by Plus Property Co., Ltd</u>				
QT Lifestyle Co., Ltd.	Baht 2.00 million	Baht 2.00 million	100	100
Touch Property Co., Ltd.	Baht 5.00 million	Baht 5.00 million	100	100
QEW (Thailand) Co., Ltd.*	Baht 4.00 million	Baht 4.00 million	70	70
<u>Indirectly owned by Sansiri Global Investment Pte Ltd</u>				
Sansiri Guernsey (2009) Limited	GBP 0.01 million	GBP 0.01 million	100	100
Sansiri Guernsey (2015) Limited	GBP 0.01 million	GBP 0.01 million	100	100
Sansiri International Pte. Ltd.	GBP 1.50 million	GBP 1.50 million	100	100
<u>Indirectly own by NED Management Co., Ltd</u>				
Satit Pattana School	Baht 1.60 million	Baht 1.60 million	100	100
<u>Indirectly owned by Sansiri (US), Inc.</u>				
Standard International Holdings, LLC	USD 124.82 million	-	60	-
<u>Indirectly owned by Standard International Holdings, LLC</u>				
Standard International, LLC	USD 120.69 million	-	96	-
Standard International Ventures, LLC	USD 11.08 million	-	100	-
Standard International Properties, LLC	-	-	100	-
<u>Indirectly owned by Standard International, LLC</u>				
Standard Asia Co., Ltd.	Baht 4.00 million	-	100	-
Standard International Management, LLC	USD 42.26 million	-	100	-
Standard Miami Employer, LLC	-	-	100	-
Standard Downtown Employer, LLC	-	-	100	-
Standard Hollywood Employer, LLC	-	-	100	-
Standard High Line Employer, LLC	-	-	100	-
Standard East Village Employer, LLC	-	-	100	-
Standard Retail Employer, LLC	-	-	100	-
Standard International Chicago Management, LLC	-	-	100	-
Standard UK Management, Limited	USD 14.96 million	-	100	-
Standard High Line Management, LLC	-	-	100	-
Standard International Lisbon Management, LLC	-	-	100	-
Standard International Bordeaux Management, LLC	-	-	100	-
<u>Indirectly owned by Standard International Ventures, LLC</u>				
Standard International BH Investor, LLC	USD 3.98 million	-	100	-
Bunkhouse Management, LLC	USD 5.73 million	-	51	-
House Fly, LLC	-	-	100	-
Bunkhouse California Employer, LLC	-	-	100	-
Bunkhouse Motel Management, LLC	-	-	100	-
Standard Retail, LLC	-	-	100	-
SL Goods, LLC	USD 0.79 million	-	100	-
SL E-Commerce, LLC	USD 0.09 million	-	100	-
SL Hollywood Shop, LLC	USD 0.08 million	-	100	-
SL DTLA Shop, LLC	USD 0.17 million	-	100	-
<u>Indirectly owned by Standard International Properties, LLC</u>				
Standard Mexico City Holdings, LLC	-	-	100	-
Standard Mexico City S de RL de CV	-	-	100	-
Standard Mexico City Optionee, LLC	-	-	100	-
Standard Milan, SRL	-	-	100	-

\*Dormant

During the year, the Company recorded allowance for diminution in value of investment in subsidiary to Baht 130 million in the statement of comprehensive income (2018: Nil).



## 14.2 Details of investment in subsidiary that have material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
	(%)	(%)						
Standard International Holdings, LLC and its subsidiaries	40	-	931	-	(113)	-	-	-

## 14.3 Summarised financial information that based on amounts before inter- company elimination about subsidiary that have material non-controlling

### Summarised information about financial position

	(Unit: Million Baht)
	Standard International Holdings, LLC and its subsidiaries
	2019
Current assets	359
Non-current assets	1,777
Current liabilities	219
Non-current liabilities	126
Non-controlling interest	352

### Summarised information about comprehensive income

	(Unit: Million Baht)
	For the period as from 19 August 2019 to 31 December 2019
	Standard International Holdings, LLC and its subsidiaries
Revenue	138
Loss	(283)
Other comprehensive income	-
Total comprehensive income	(283)

## Summarised information about cash flow

(Unit: Million Baht)

For the period as  
from 19 August 2019  
to 31 December 2019

	Standard International Holdings, LLC and its subsidiaries
Cash flow from operating activities	(38)
Cash flow from investing activities	(324)
Cash flow from financing activities	322
Net decrease in cash and cash equivalents	(40)

### (1) Establishment of new subsidiaries held by the Company

During the year, the meeting of the Board of Directors approved the establishment of new subsidiaries in Thailand to engage in property development business as detailed below:

Company's name	Date of incorporation	Registered share capital (Million Baht)	Paid-up share capital (Million Baht)	Shareholding percentage (%)
Siri Smart Five Co., Ltd.	9 January 2019	50	12.5	100
Siripat Six Co., Ltd.	17 June 2019	50	12.5	100
Siripat Seven Co., Ltd.	16 December 2019	1	1.0	100

### (2) Additional investment in subsidiary

During the year, the Company invested in Sansiri (US), Inc. (a subsidiary) totalling USD 70.24 million and GBP 10 million or equivalent to Baht 2,618 million.

### (3) Sale of investment in subsidiary

On 20 May 2019, the Company sold its ordinary shares in Siripat Four Co., Ltd. (a subsidiary) to Plus Property Space Co., Ltd. (a subsidiary) amounting to Baht 12.5 million. As a result, its status was changed from subsidiaries which directly owned by the Company to be indirectly owned.

On 26 November 2019, the Extraordinary General Meeting of Shareholders of Siripat Four Co., Ltd. approved the increase in the registered capital of Baht 227.5 million, from the existing registered capital of Baht 50 million to the new registered capital of Baht 277.5 million, through the issuance of new 2,275,000 ordinary shares at a price of Baht 100 per share which were fully called up. The subsidiary registered the increase in the registered share capital with the Ministry of Commerce on 27 November 2019.

On 16 December 2019, Plus Property Space Co., Ltd. (a subsidiary) entered into an agreement to sell all ordinary shares of Siripat Four Co., Ltd. to unrelated person and unrelated company at a selling price of Baht 700 million. As a result of this transaction, the Group lost control over Siripat Four Co., Ltd. (an indirect subsidiary). Therefore, the Group decided to deconsolidate net assets of Siripat Four Co., Ltd. from the Group's consolidated financial statements and recorded the excess of the consideration received over net assets value of the indirect subsidiary Baht 423 million as gain on sale of investment in subsidiary in the consolidated comprehensive income statement for the year 2019.

The book value of net assets of Siripat Four Co., Ltd. as at disposal date, were detailed below:

	(Unit: Thousand Baht)
	<u>Net book value</u>
<b>Assets</b>	
Cash and cash equivalents	277,230
Other non-current assets	1,729,564
Total assets	<u>2,006,794</u>
<b>Liabilities</b>	
Current liabilities	273,327
Non-current liabilities	1,456,237
Total liabilities	<u>1,729,564</u>
Total net asset value	<u>277,230</u>
Consideration received	420,000
Receivable from sale of investment in subsidiary	280,000
Total gain on sale of investment in subsidiary	<u>422,770</u>
Consideration received	420,000
Cash and cash equivalents of disposed subsidiary	<u>(277,230)</u>
Net cash received from sale of investment in subsidiary	<u>142,770</u>

In December 2019, Plus Property Space Co., Ltd. received the first share payment of Baht 420 million (or accounting for 60% of the selling price) and already transferred 1,665,000 ordinary shares to the buyer. The remaining amount of Baht 280 million (or accounting for 40% of the selling price) will be settled and 1,110,000 ordinary shares will be transferred within June 2020. As at 31 December 2019, the outstanding balance is presented as “Receivable from sale of investment in subsidiary” in the consolidated statement of financial position.

(4) Dissolution of subsidiary

On 24 July 2019, the Board of Directors Meeting of the Company passed the resolution to approve the dissolution of QEW (Thailand) Limited (indirect subsidiary).

On 23 September 2019, the Board of Directors Meeting of the Company passed the resolution to approve the dissolution of Satit Pattana Personnel Center Limited.

(5) Additional investment in Standard International Holdings, LLC and its subsidiaries and change in status of investment

On 19 August 2019, Sansiri (US), Inc. (a subsidiary) entered into an ordinary share purchase agreement with existing shareholders of Standard International Holdings, LLC and its subsidiaries (an associate), with the total investment of the share acquisition accounting for approximately USD 40.46 million, or equivalent to Baht 1,251 million, or 22% of its total shares as approved by the Company’s Board of Directors meeting on 14 August 2019.

The ordinary share purchase agreement resulted in the increase in investment proportion in Standard International Holdings, LLC and its subsidiaries from 38% to 60% of its total issued shares. The Group is entitled to appoint additional 1 member of the board of directors / executive management. Management determined that it had control over the business of Standard International Holdings, LLC and its subsidiaries (indirectly owned through equity interest held by Sansiri (US), Inc. (a subsidiary)) and the status of this company therefore changed from “investments in associate” to “investments in subsidiary”.

Details of the fair value and book value for net assets of Standard International, LLC and its subsidiaries as at acquisition date are as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	364,963
Trade accounts receivable	209,969
Other current assets	10,148
Investments in associates	225,796
Land, building and equipment	31,160
Other intangible assets	1,330,141
Other non-current assets	12,507
Trade accounts payable	(348,526)
Other current liabilities	
Accrued expenses	(87,009)
Others	(1,402)
Non-controlling interest of subsidiaries	(35,219)
<b>Net assets of Standard International Holdings, LLC and its subsidiaries</b>	<b>1,712,528</b>
The Company's investment portion (%)	60
Net asset attributable to Company's investment	1,024,439
Add: Unallocated of excess of acquisition cost overestimated value of interest acquired in net assets of a subsidiary	2,048,711
<b>Total</b>	<b>3,073,150</b>
Less: The carrying amount based on the equity method of Standard International Holdings, LLC and its subsidiaries as at the additional investment date	(1,821,779)
Cash payment for purchase of investments in subsidiary	1,251,371
Less: Cash and cash equivalents of subsidiary	(364,963)
<b>Net cash payment for purchase of investment in subsidiary</b>	<b>886,408</b>
Consideration for additional investments	1,251,371
The carrying amount based on the equity method of investment in Standard International Holdings, LLC as at the additional investment date	1,821,779
Non-controlling investments of subsidiary (40%)	688,089
Book value of net assets under interests acquired	(1,712,528)
Unallocated of excess of acquisition cost overestimated value of interest acquired in net assets of a subsidiary.	2,048,711
Translation adjustment	(30,487)
Unallocated of excess of acquisition cost overestimated value of interest acquired in net assets of a subsidiary as at 31 December 2019	2,018,224

At present, Sansiri (US), Inc. is in the process of assessing the fair value of the assets acquired and liabilities assumed at the acquisition date, in order to allocate costs of the business acquisition to the identifiable items. It is to be completed within the period of twelve months from the acquisition date allowed under TFRS 3 (revised 2018) Business Combinations. During the measurement period, if the subsidiary obtains additional information relating to facts and circumstances that existed as of the acquisition date, the subsidiary will adjust the provisional values recognised at the acquisition date, to reflect the new information. As at 31 December 2019, Sansiri (US), Inc. recorded the excess of the consideration transferred for the acquisition of Standard International Holdings, LLC over estimated value of interest acquired in net assets of a subsidiary, amounting to Baht 2,018.22 million, as a separate item in the consolidated statement of financial position under the caption of “Unallocated excess of acquisition cost over estimated value of interest acquired in net assets of a subsidiary”.

## 15. Investments in joint ventures

### 15.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other company. Details of these investments are as follows:

(Unit: Thousand Baht)

Joint ventures	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2019	2018	2019	2018	2019	2018
		(%)	(%)				
<u>Jointly controlled by the Company and U City Public Company Limited</u>							
BTS Sansiri Holding One Limited	Property development	50	50	5,000	50,000	19,404	33,770
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000	38,921	52,728
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Five Limited	Property development	50	50	25,000	25,000	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Seven Limited	Property development	50	50	5,000	50,000	34,116	109,841
BTS Sansiri Holding Eight Limited	Property development	50	50	5,000	50,000	15,615	85,396
BTS Sansiri Holding Nine Limited	Property development	50	50	5,000	50,000	31,446	158,315

(Unit: Thousand Baht)

Consolidated financial statements							
Joint ventures	Nature of business	Shareholding percentage		Cost		Carrying amounts based on equity method	
		2019	2018	2019	2018	2019	2018
		(%)	(%)				
Nuvo Line Agency Co., Ltd.	Property development	50	50	76,882	76,882	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000	16,257	— <sup>(1)</sup>
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000	62,475	— <sup>(1)</sup>
BTS Sansiri Holding Thirteen Limited	Property development	50	50	55,951	55,951	38,153	58,521
BTS Sansiri Holding Fourteen Limited	Property development	50	50	50,000	50,000	99,878	— <sup>(1)</sup>
BTS Sansiri Holding Fifteen Limited	Property development	50	50	50,000	50,000	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Sixteen Limited	Property development	50	50	50,000	50,000	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Seventeen Limited	Property development	50	50	50,000	50,000	38,224	44,103
BTS Sansiri Holding Eighteen Limited	Property development	50	50	25,000	25,000	17,229	20,080
BTS Sansiri Holding Nineteen Limited	Property development	50	50	50,000	50,000	— <sup>(1)</sup>	— <sup>(1)</sup>
BTS Sansiri Holding Twenty Limited	Property development	50	50	50,000	50,000	21,772	43,033
BTS Sansiri Holding Twenty One Limited	Property development	50	50	50,000	50,000	— <sup>(1)</sup>	14,135
BTS Sansiri Holding Twenty Two Limited	Property development	50	50	50,000	50,000	12,799	31,079
BTS Sansiri Holding Twenty Three Limited	Property development	50	50	25,000	25,000	10,200	22,118
BTS Sansiri Holding Twenty Four Limited	Property development	50	50	25,000	25,000	12,036	18,507
BTS Sansiri Holding Twenty Five Limited	Property development	50	50	25,000	25,000	7,532	17,686
Siripat Three Co., Ltd.	Property development	50	50	25,000	25,000	157	16,668
<u>Jointly controlled by the Company and Tokyo Corporation</u>							
Siri TK One Co., Ltd.	Property development	70	70	7,000	7,000	84,457	— <sup>(1)</sup>
Siri TK Two Co., Ltd.	Property development	70	70	35,000	35,000	— <sup>(1)</sup>	— <sup>(1)</sup>
Siri TK Three Co., Ltd.	Property development	70	70	35,000	35,000	— <sup>(1)</sup>	— <sup>(1)</sup>
Siri TK Four Co., Ltd.	Property development	70	70	35,000	35,000	— <sup>(1)</sup>	— <sup>(1)</sup>
Total				1,114,833	1,294,833	560,691	725,980

<sup>(1)</sup> Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures."

Investments under equity method presented under “Provision for transaction under equity method of investments in joint ventures” were detailed as follows:

Company's name	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	2018
BTS Sansiri Holding Two Limited	189,530	173,907
BTS Sansiri Holding Four Limited	389,910	311,021
BTS Sansiri Holding Five Limited	51,899	45,641
BTS Sansiri Holding Six Limited	55,914	89,895
Nuvo Line Agency Co., Ltd.	63,985	21,296
BTS Sansiri Holding Eleven Limited	-	49,002
BTS Sansiri Holding Twelve Limited	-	136,594
BTS Sansiri Holding Fourteen Limited	-	72
BTS Sansiri Holding Fifteen Limited	42,234	11,272
BTS Sansiri Holding Sixteen Limited	110,485	61,264
BTS Sansiri Holding Nineteen Limited	32,246	9,462
BTS Sansiri Holding Twenty One Limited	21,827	-
Siri TK One Co., Ltd.	-	106,220
Siri TK Two Co., Ltd.	125,257	110,629
Siri TK Three Co., Ltd.	3,124	25,949
Siri TK Four Co., Ltd.	77,057	78,791
Total	1,163,468	1,231,015

The Company presented the negative investment value based on equity method as “Provision for transaction under equity method of investments in joint ventures” in the consolidated statement of financial position. The negative investment value was resulted from elimination of gain on related party transactions in proportion to the Company's shareholding in joint ventures.



(Unit: Thousand Baht)

Joint ventures	Nature of business	Separate financial statements			
		Shareholding percentage		Cost Carrying amounts	
		based on cost method - net			
		2019	2018	2019	2018
		(%)	(%)		
<u>Jointly controlled by the Company and U City Public Company Limited</u>					
BTS Sansiri Holding One Limited	Property development	50	50	5,000	50,000
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Five Limited	Property development	50	50	25,000	25,000
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seven Limited	Property development	50	50	5,000	50,000
BTS Sansiri Holding Eight Limited	Property development	50	50	5,000	50,000
BTS Sansiri Holding Nine Limited	Property development	50	50	5,000	50,000
Nuvo Line Agency Co., Ltd.	Property development	50	50	76,882	76,882
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Thirteen Limited	Property development	50	50	55,951	55,951
BTS Sansiri Holding Fourteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Fifteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Sixteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seventeen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Eighteen Limited	Property development	50	50	25,000	25,000
BTS Sansiri Holding Nineteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty One Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Two Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Three Limited	Property development	50	50	25,000	25,000
BTS Sansiri Holding Twenty Four Limited	Property development	50	50	25,000	25,000
BTS Sansiri Holding Twenty Five Limited	Property development	50	50	25,000	25,000
Siripat Three Co., Ltd.	Property development	50	50	25,000	25,000
<u>Jointly controlled by the Company and Tokyo Corporation</u>					
Siri TK One Co., Ltd.	Property development	70	70	7,000	7,000
Siri TK Two Co., Ltd.	Property development	70	70	35,000	35,000
Siri TK Three Co., Ltd.	Property development	70	70	35,000	35,000
Siri TK Four Co., Ltd.	Property development	70	70	35,000	35,000
Total				1,114,833	1,294,833

## 15.2 Share of comprehensive income (loss)

During the years, the Company recognised its share of comprehensive income (loss) from investments in the joint ventures in the consolidated financial statements as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
			Share of other comprehensive income			
	Share of profit (loss) from investments in joint ventures during the years		(loss) from investments in joint ventures during the years		Separate financial statements	
Joint ventures	2019	2018	2019	2018	2019	2018
<u>Jointly controlled by the Company and U City Public Company Limited</u>						
BTS Sansiri Holding One Limited	30,635	127,076	-	-	-	270,000
BTS Sansiri Holding Two Limited	(15,464)	(9,443)	-	-	-	-
BTS Sansiri Holding Three Limited	(8,673)	(17,126)	-	-	-	-
BTS Sansiri Holding Four Limited	79,503	(11,145)	-	-	100,000	-
BTS Sansiri Holding Five Limited	(6,259)	(5,235)	-	-	-	-
BTS Sansiri Holding Six Limited	(5,717)	84,840	-	-	-	-
BTS Sansiri Holding Seven Limited	105,571	135,002	-	-	95,000	-
BTS Sansiri Holding Eight Limited	56,658	160,881	-	-	65,00	-
BTS Sansiri Holding Nine Limited	49,360	209,694	-	-	12,000	-
Nuvo Line Agency Co.,Ltd.	(28,806)	(31,624)	-	-	-	-
BTS Sansiri Holding Eleven Limited	162,432	(13,000)	-	-	-	-
BTS Sansiri Holding Twelve Limited	307,256	(8,857)	-	-	-	-
BTS Sansiri Holding Thirteen Limited	(5,206)	(168)	-	-	-	-
BTS Sansiri Holding Fourteen Limited	104,665	(11,419)	-	-	-	-
BTS Sansiri Holding Fifteen Limited	(30,829)	(188)	-	-	-	-
BTS Sansiri Holding Sixteen Limited	10,693	(2,626)	-	-	-	-
BTS Sansiri Holding Seventeen Limited	(5,859)	(5,670)	-	-	-	-
BTS Sansiri Holding Eighteen Limited	(2,851)	(4,066)	-	-	-	-
BTS Sansiri Holding Nineteen Limited	(17,003)	(19,722)	-	-	-	-
BTS Sansiri Holding Twenty Limited	(16,255)	(3,640)	-	-	-	-
BTS Sansiri Holding Twenty One Limited	(35,961)	(23,948)	-	-	-	-
BTS Sansiri Holding Twenty Two Limited	(8,146)	(16,203)	-	-	-	-
BTS Sansiri Holding Twenty Three Limited	(6,887)	(2,179)	-	-	-	-
BTS Sansiri Holding Twenty Four Limited	(5,913)	(5,651)	-	-	-	-
BTS Sansiri Holding Twenty Five Limited	(10,154)	(6,355)	-	-	-	-
Siripat Three Co., Ltd.	(12,647)	(6,382)	-	-	-	-
<u>Jointly controlled by the Company and Tokyo Corporation</u>						
Siri TK One Co., Ltd.	193,126	918	-	-	-	-
Siri TK Two Co., Ltd.	(9,927)	(47,095)	-	-	-	-
Siri TK Three Co., Ltd.	18,812	(20,712)	-	-	-	-
Siri TK Four Co., Ltd.	(4,731)	(2,364)	-	-	-	-
Total	881,423	443,593	-	-	380,000	270,000

### 15.3 Summarised financial information about material joint ventures

#### Summarised information about financial position

(Unit: Million Baht)

	BTS Sansiri Holding One Limited		BTS Sansiri Holding Four Limited		BTS Sansiri Holding Six Limited		BTS Sansiri Holding Seven Limited		BTS Sansiri Holding Eight Limited		BTS Sansiri Holding Nine Limited		BTS Sansiri Holding Eleven Limited	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Cash and cash equivalent	67	257	137	22	138	56	77	192	61	278	79	329	273	12
Other current assets	-	2	1,094	3,810	1,484	2,336	-	590	-	456	3	645	2,021	2,598
Non-current assets	4	5	8	30	29	6	-	4	-	1	1	4	14	36
Long-term loans from related parties	-	-	(384)	(58)	(486)	(85)	-	(392)	-	(360)	-	(428)	(1,148)	(816)
Long-term loans from bank	-	-	-	(2,092)	-	-	-	-	-	-	-	-	(462)	(1,029)
Other non-current assets	(32)	(172)	(527)	(1,690)	(1,139)	(2,211)	(9)	(144)	(29)	(111)	(21)	(199)	(498)	(805)
<b>Net assets</b>	39	92	328	(22)	26	102	68	250	32	264	63	351	200	(4)
Shareholding percentage	50	50	50	50	50	50	50	50	50	50	50	50	50	50
<b>Share of net assets</b>	19	46	164	(11)	13	51	34	125	16	132	31	175	100	(2)
Elimination entries	-	(12)	(554)	(300)	(69)	(141)	-	(15)	-	(47)	-	(17)	(84)	(47)
<b>Carrying amount of joint ventures based on equity method</b>	19	34	(390)	(311)	(56)	(90)	34	110	16	85	31	158	16	(49)

Summarised information about comprehensive income:

(Unit: Million Baht)

	BTS Sansiri Holding One Limited		BTS Sansiri Holding Four Limited		BTS Sansiri Holding Six Limited		BTS Sansiri Holding Seven Limited		BTS Sansiri Holding Eight Limited		BTS Sansiri Holding Nine Limited		BTS Sansiri Holding Eleven Limited	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue	48	1,830	4,795	1	943	1,518	799	1,549	508	2,345	858	2,174	1,801	1
Finance cost	-	(8)	(38)	-	(22)	136	(4)	(7)	(3)	(16)	(4)	(10)	(8)	-
Income tax expenses	(9)	(43)	(140)	-	23	(14)	(24)	(66)	(15)	(89)	(11)	(104)	(52)	9
Profit (loss) for the year	36	169	550	(27)	(76)	50	98	257	(13)	327	42	413	204	(34)
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss)	36	169	550	(27)	(76)	50	98	257	(13)	327	42	413	204	(34)

Summarised information about financial position (continued)

(Unit: Million Baht)

	BTS Sansiri Holding Twelve Limited		BTS Sansiri Holding Fourteen Limited		BTS Sansiri Holding Sixteen Limited		Siri TK One Co., Ltd.		Siri TK Two Co., Ltd.		Siri TK Three Co., Ltd.	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Cash and cash equivalent	290	31	63	39	232	104	89	83	59	239	79	51
Other current assets	2,156	3,059	619	881	2,808	2,156	448	1,162	1,682	1,135	880	660
Non-current assets	-	24	695	939	35	28	2	28	20	45	3	1
Long-term loans from related parties	(1,026)	(1,462)	(282)	(102)	(534)	(884)	(271)	(314)	(188)	(437)	(269)	(322)
Long-term loans from bank	(195)	(1,150)	(39)	(527)	(1,299)	(958)	-	(575)	-	(497)	-	(221)
Other non-current assets	(860)	(500)	(846)	(1,207)	(1,262)	(462)	(130)	(484)	(1,604)	(502)	(660)	(150)
<b>Net assets</b>	365	2	210	23	(20)	(16)	138	(100)	(31)	(17)	33	19
Shareholding percentage	50	50	50	50	50	50	70	70	70	70	70	70
<b>Share of net assets</b>	183	1	105	11	(10)	(8)	96	(70)	(22)	(12)	23	13
Elimination entries	(120)	(138)	(5)	(12)	(100)	(53)	(12)	(36)	(103)	(99)	(26)	39
<b>Carrying amount of joint ventures based on equity method</b>	62	(137)	100	(1)	(110)	(61)	84	(106)	(125)	(111)	(3)	(26)

Summarised information about comprehensive income (continued):

(Unit: Million Baht)

	BTS Sansiri Holding Twelve Limited		BTS Sansiri Holding Fourteen Limited		BTS Sansiri Holding Sixteen Limited		Siri TK One Co., Ltd.		Siri TK Two Co., Ltd.		Siri TK Three Co., Ltd.	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue	2,889	1	1,174	2	466	15	1,503	1	1	3	317	-
Finance cost	(10)	-	(9)	-	(8)	(7)	(10)	-	-	-	-	-
Income tax expenses	(91)	5	(47)	8	2	1	(47)	28	(2)	44	4	(7)
Profit (loss) for the year	363	(20)	187	(33)	(9)	(7)	176	23	(11)	(44)	13	(28)
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss)	363	(20)	187	(33)	(9)	(7)	176	23	(11)	(44)	13	(28)

15.4 Aggregate amount of share of comprehensive income (loss) from other joint ventures (exclude joint ventures named in 15.3).

(Unit: Thousand Baht)		
For the years ended 31 December		
	2019	2018
Losses for the years	(433,968)	(589,606)
Other comprehensive income (loss)	-	-
Total comprehensive income (loss)	(433,968)	(589,606)

## 16. Investments in associates

### 16.1 Details of associates

(Unit: Thousand Baht)											
Company's name	Nature of business	Country of incorporation	Consolidated financial statements								
			Shareholding percentage		Cost		Carrying amounts based on equity method		Impairment		Carrying amounts based on equity method - net
			2019	2018	2019	2018	2019	2018	2019	2018	
			(%)	(%)							
<u>Held through Sansiri (US), Inc.</u>											
Standard International Holdings, LLC and its subsidiaries	Holding company	United States of America	-	-	-	-	-	-	-	-	-
Standard International, LLC and its subsidiaries	Hotel management	United States of America	-	22	-	986,760	-	830,468	-	-	830,468
One Night, LLC	Provide hotel reservation service on mobile application	United States of America	64	-	225,796	-	198,134	-	-	198,134	-
<u>Held through Siri Ventures Co., Ltd.</u>											
Appy Corporation (Thailand) Limited	Software Development	Thailand	-	25	-	10,000	-	10,000	-	-	10,000
Onionshock Company Limited	Software Development	Thailand	20	20	10,000	10,000	9,040	10,000	(7,840)	-	1,200
Total					235,796	1,006,760	207,174	850,468	(7,840)	-	199,334
											850,468

During the year, the Group recorded allowance for diminution in value of investment in associate of Baht 7.8 million in the statement of comprehensive income for the year 2019 (2018: Nil)

#### Standard International Holdings, LLC / Standard International, LLC

On 7 November 2017, the subsidiary entered into an agreement with Standard International, LLC (“The Standard”), a company incorporated under the laws of the United States, to purchase of the ordinary shares of Standard International, LLC (“The Standard”), with a total investment of the share acquisition of approximately USD 58 million, or 35.09% of its total shares. The investment will be made from time to time up to the total investment within 5 years. The Group also granted the right to appoint 4 members of the total 7 members of the board of directors.

During the first quarter of 2019, Sansiri (US), Inc. (a subsidiary) additionally purchased of Standard International, LLC's ordinary shares with a total investment of the share acquisition of approximately USD 6.94 million, or equivalent to Baht 219.71 million.

During the second quarter of 2019, Sansiri (US), Inc. (a subsidiary) additionally purchased of Standard International, LLC's ordinary shares with a total investment of the share acquisition of approximately USD 25.58 million, or equivalent to Baht 829.23 million.

On 31 May 2019, the Company (through an overseas subsidiary, Sansiri (US), Inc.) restructured its shareholding in Standard International, LLC (SI), an indirect associated company, in order to create clearer group structure and improve efficiency of management. Sansiri (US), Inc. and all other existing shareholders of SI are to transfer all their shares in SI in the current shareholding proportion to a newly incorporated company, namely Standard International Holdings LLC ("Holding Co."). Upon the completion of the share transfer, Holding Co. will hold 100% of the total shares in SI.

However, the shareholding proportion held by the Company and all other existing shareholders remains unchanged.

During the third quarter of 2019, Sansiri (US), Inc. (a subsidiary) additionally purchased Standard International, LLC's ordinary shares with a total investment of approximately USD 3.98 million, or equivalent to Baht 124.50 million, which resulted in the total investment amounting to USD 66.90 million, or equivalent to Baht 2,175.74 million, accounting for 38% of its total shares.

On 19 August 2019, Sansiri (US), Inc. (a subsidiary) entered into an ordinary share purchase agreement with existing shareholders of Standard International Holdings, LLC (an associate), with the total investment of the share acquisition accounting for approximately USD 40.46 million, or equivalent to Baht 1,251.37 million, or 22% of its total shares as approved by the Company's Board of Directors' meeting on 14 August 2019.

The ordinary shares purchase agreement resulted in the increase in the Group's shareholding in Standard International Holdings, LLC from 38% to 60% of its total issued and paid-up shares. The Group are entitled to appoint additional 1 member of the board of directors / executive management. Management determined that it had control over the business of Standard International Holdings, LLC (indirectly owned through equity interest held by Sansiri (US), Inc. (a subsidiary)) and the status of this company changed from "investments in associate" to "investments in subsidiary" as discussed in Note 14.



The Standard operates hotel management business by offering management contract and franchise under the brands “The Standard” and “Bunkhouse”, restaurant management business and hotel reservation business through mobile booking application named “One night” for The Standard Hotel and other boutique hotels.

One Night, LLC is a registered company incorporated in United States of America which is an indirect associate of Standard International Holdings, LLC.

One Night, LLC operates by providing hotel reservation service on the mobile application “One Night”. Standard International Holdings, LLC has held 64% interest in One Night, LLC. However, the Group is entitled to appoint 2 members of the total 5 members of board of director which are not key executive managements. Management determined that the Group had significant influence though no control over the business of One Night, LLC and therefore classified as “investments in associate”

#### APPY Corporation (Thailand) Limited

On 2 November 2019, Siri Ventures Co., Ltd. (a subsidiary) entered into an agreement with APPY Corporation (Thailand) (APPY) Limited to exchange 39,000 shares or 13% held by the subsidiary in APPY with APPY’s software source code. As a result of this transaction, the subsidiary’s shareholding percentage in APPY decreased from 25% to 12%. In addition, the subsidiary removed its 49 authorized directors of APPY in proportion to the shareholding percentage. The management of a subsidiary considered that the Group no longer has significant influence over APPY. Therefore, the Group reclassified this transaction item from investment in associate to other long-term investments.

## **16.2 Share of comprehensive income (loss)**

During the years, the Group has recognised their share of comprehensive loss from investments in associates in the consolidated financial statements as follows:

(Unit: Million Baht)

Company's name	Consolidated financial statements			
	Share of income (loss) from investments in associates		Share of other comprehensive income (loss) from investments in associates	
	2019	2018	2019	2018
<u>Held through Sansiri (US), Inc.</u>				
Standard International Holdings, LLC and its subsidiaries	(66)	-	-	-
Standard International, LLC and its subsidiaries	-	(139)	-	-
One Night, LLC	(24)	-	-	-
<u>Held through Siri Venture Co., Ltd.</u>				
Appy Corporation (Thailand) Limited	-	-	-	-
Onionshack Company Limited	(1)	-	-	-
Total	(91)	(139)	-	-

During the year ended 31 December 2019 and 2018, the subsidiaries did not receive dividend income from associated companies.

### 16.3 Summarised financial information about material associate

#### Summarised information about financial position

	(Unit: Million Baht)
	Standard International, LLC and its subsidiaries (“The Standard”)
	2018
Current assets	171
Non-current assets	1,543
Current liabilities	674
Non-current liabilities	226
Non-controlling interests	34
Net assets	780
Shareholding percentage (%)	22%
Share of net assets	172
Different in fair value of identifiable assets	166
Goodwill	492
Carrying amount of associate based an equity method	830

#### Summarised information about comprehensive income (loss).

	(Unit: Million Baht)	
	For the period as from 1 January 2019 to 19 August 2019	For the year ended 31 December 2018
	Standard International, Holdings, LLC and its subsidiaries	Standard International, LLC and its subsidiaries
Revenue	214	341
Loss	(147)	(536)
Other comprehensive income (loss)	-	-
Total comprehensive income (loss)	(147)	(536)

## 16.4 Summaries information about comprehensive income (not included in 16.3)

(Unit: Million Baht)

For the year ended  
31 December 2019

Other comprehensive income:	
Profit (loss)	(43,170)
Other comprehensive income	-
Total comprehensive income	(43,170)

## 17. Other long-term investments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Investments in other companies</b>				
JustCo Holding (Oversea) Pte. Ltd.	370.60	385.09	-	-
Flying Jamon Ltd	219.75	219.75	219.75	219.75
Winkontent AG	109.79	109.79	109.79	109.79
Artsy, Inc.	30.15	32.45	-	-
Hauxing Growth Capital III L.P.	41.13	41.13	-	-
Techmatic Solution Pte. Ltd.	12.08	12.08	-	-
ASPEN DIGITAL, Inc.	51.26	55.15	-	-
APPY Corporation (Thailand) Ltd.	10.00	-	-	-
Others	19.05	0.33	0.33	0.33
Total	863.81	855.77	329.87	329.87
Less: Allowance for diminution in value of other long-term investments				
Flying Jamon Ltd.	(12.50)	-	(12.50)	-
APPY Corporation (Thailand) Ltd.	(10.00)	-	-	-
Total allowance for diminution in value of other long-term investments	(22.50)	-	(12.50)	-
Total - net	841.31	855.77	317.37	329.87

During the year, the Group recorded allowance for diminution in value of other long-term investment of Baht 22.5 million in the statement of comprehensive income for the year 2019 (2018: Nil) (Separate financial statements: Baht 12.5 million, 2018: Nil).

## 18. Investment properties

The net book value of investment properties as at 31 December 2019 and 2018 are presented below.

	Consolidated financial statements				Separate financial statements			
	Condominium		Community		Condo		Community	
	House for rent	units for rent	mall for rent	Total	House for rent	for rent	mall for rent	Total
As at 31 December 2019:								
Cost	141.09	6.29	277.86	425.24	123.64	4.52	260.27	388.43
Less: Accumulated depreciation	(13.44)	(0.46)	(44.90)	(58.80)	(12.21)	(0.14)	(44.84)	(57.19)
Less: Allowance for diminution in value	-	-	(41.50)	(41.50)	-	-	(41.50)	(41.50)
Net book value	127.65	5.83	191.46	324.94	111.43	4.38	173.93	289.74

	Consolidated financial statements				Separate financial statements		
	Condominium		Community		Community		Total
	House for rent	units for rent	mall for rent	Total	House for rent	mall for rent	
As at 31 December 2018:							
Cost	99.13	6.82	286.43	392.38	81.68	286.43	368.11
Less: Accumulated depreciation	(3.10)	(0.67)	(38.31)	(42.08)	(2.25)	(38.31)	(40.56)
Less: Allowance for diminution in value	-	-	(61.50)	(61.50)	-	(61.50)	(61.50)
Net book value	96.03	6.15	186.62	288.80	79.43	186.62	266.05

A reconciliation of the net book value of investment properties for the year 2019 and 2018 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	288.80	272.52	266.05	228.89
Acquisition of assets	57.14	86.02	39.55	86.02
Transfer from Land, buildings and equipment	7.66	-	7.66	-
Transfer from (to) real estate development for sales	(4.17)	(30.98)	0.41	(12.44)
Disposals - net book value	(19.34)	(1.26)	(19.34)	-
Depreciation charged	(25.14)	(17.50)	(24.59)	(16.42)
Reversal of loss on diminution in value (addition)	20.00	(20.00)	20.00	(20.00)
Net book value at end of year	324.95	288.80	289.74	266.05

The depreciation of investment properties has been charged to cost of project for rent.

The fair value of the investment properties as at 31 December 2019 and 2018 stated below:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Houses for rent	164.62	102.14	149.92	82.04
Condominium units for rent	10.12	8.43	6.71	-
Community mall for rent	215.60	186.62	198.07	186.62
Total	<u>390.34</u>	<u>297.19</u>	<u>354.70</u>	<u>268.66</u>

The fair values of the above investment properties have been determined based on valuations performed by the management of the Group. The fair value of community mall for rent has been determined based on income approach. The main assumptions used in the valuation are yield rate, long-term vacancy rate and long-term growth in rental rates. The fair value of houses and condominium units for rent has been determined based on market price.

#### 19. Land held for development

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Land held for development	18,131.19	13,379.62	15,548.96	10,479.11
Less: Allowance for diminution in value of project	<u>(186.79)</u>	<u>(153.29)</u>	<u>-</u>	<u>-</u>
Net	<u>17,944.40</u>	<u>13,226.33</u>	<u>15,548.96</u>	<u>10,479.11</u>

As at 31 December 2019 and 2018, land held for development of the Group amounting to Baht 13,560 million and Baht 10,307 million were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 12,301 million and Baht 8,529 million).

## 20. Land, buildings and equipment

(Unit: Million Baht)

Consolidated financial statements							
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Temporary sales office	Construction in progress	Total
<b>Cost</b>							
As at 1 January 2018	403.79	1,977.32	1,172.66	58.77	5.30	27.81	3,645.65
Purchases	-	5.87	215.95	30.27	-	73.63	325.72
Disposals/Write off	-	-	(0.98)	-	-	(3.99)	(4.97)
Transfer from (to) real estate development for sale	(61.35)	28.05	-	-	-	(37.92)	(71.22)
As at 31 December 2018	342.44	2,011.24	1,387.63	89.04	5.30	59.53	3,895.18
Purchases	-	15.55	72.95	7.88	-	846.60	942.98
Disposals/Write off	-	-	(12.31)	(3.89)	-	-	(16.20)
Transfer in (out)	-	30.16	1.10	-	-	(31.26)	-
Transfer from (to) investment Properties	-	-	-	-	-	(7.66)	(7.66)
Increase from acquisition of business	-	28.42	29.50	-	-	-	57.92
Translation adjustment	-	(0.45)	(0.48)	-	-	-	(0.94)
As at 31 December 2019	342.44	2,084.92	1,478.38	93.03	5.30	867.21	4,871.28
<b>Accumulated depreciation</b>							
As at 1 January 2018	-	675.48	826.79	26.61	5.28	-	1,534.16
Depreciation for the year	-	91.03	101.49	11.55	0.02	-	204.09
Disposals/Write off	-	-	(0.47)	-	-	-	(0.47)
Transfer to real estate development for sale	-	(0.20)	-	-	-	-	(0.20)
As at 31 December 2018	-	766.31	927.81	38.16	5.30	-	1,737.58
Depreciation for the year	-	93.79	122.34	15.86	-	-	231.99
Disposals/Write off	-	-	(12.31)	(0.97)	-	-	(13.28)
Increase from acquisition of business	-	7.40	19.36	-	-	-	26.76
Translation adjustment	-	(0.13)	(0.32)	-	-	-	(0.45)
As at 31 December 2019	-	867.37	1,056.88	53.05	5.30	-	1,982.60
<b>Allowance for impairment loss</b>							
As at 1 January 2018	5.84	155.32	-	-	-	-	161.16
Increase	-	21.20	-	-	-	-	21.20
As at 31 December 2018	5.84	176.52	-	-	-	-	182.36
Increase	-	7.00	36.13	-	-	-	43.13
As at 31 December 2019	5.84	183.52	36.13	-	-	-	225.49
<b>Net book value</b>							
As at 31 December 2018	336.60	1,068.41	459.82	50.88	-	59.53	1,975.24
As at 31 December 2019	336.60	1,034.03	385.37	39.98	-	867.21	2,663.19
<b>Depreciation for the year</b>							
2018 (Baht 76.37 million included in cost of other services, Baht 48.03 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							204.09
2019 (Baht 118.79 million included in cost hotel business of other services, Baht 71.17 million included in manufacturing cost of construction materials, other than that included in administrative expenses)							231.99

(Unit: Million Baht)

	Separate financial statements					
	Land	Buildings and improvement	Fixtures and equipment	Motor vehicle	Construction in progress	Total
<b>Cost</b>						
As at 1 January 2018	152.82	688.97	859.41	52.30	-	1,753.50
Purchases	-	4.46	180.97	30.27	59.11	274.81
Disposals/Write off	-	-	(0.41)	-	-	(0.41)
As at 31 December 2018	152.82	693.43	1,039.97	82.57	59.11	2,027.90
Purchases	-	7.27	53.27	7.88	832.31	900.73
Transfer in (out)	-	29.81	1.03	-	(30.84)	-
Transfer to investment properties	-	-	-	-	(7.66)	(7.66)
Disposals/Write off	-	-	(12.31)	(3.89)	-	(16.20)
As at 31 December 2019	152.82	730.51	1,081.96	86.56	852.92	2,904.77
<b>Accumulated depreciation</b>						
As at 1 January 2018	-	241.32	567.93	20.15	-	829.40
Depreciation for the year	-	34.82	76.47	11.55	-	122.84
Disposals/write off	-	-	(0.07)	-	-	(0.07)
As at 31 December 2018	-	276.14	644.33	31.70	-	952.17
Depreciation for the year	-	36.73	97.84	15.86	-	150.43
Disposals/Write off	-	-	(12.31)	(0.97)	-	(13.28)
As at 31 December 2019	-	312.87	729.86	46.59	-	1,089.32
<b>Allowance for impairment loss</b>						
As at 1 January 2018 and 31 December 2018	1.42	-	-	-	-	1.42
Increase	-	-	36.13	-	-	36.13
As at 31 December 2019	1.42	-	36.13	-	-	37.55
<b>Net book value</b>						
As at 31 December 2018	151.40	417.29	395.64	50.87	59.11	1,074.31
As at 31 December 2019	151.40	417.64	315.97	39.97	852.92	1,777.90
<b>Depreciation for the year</b>						
2018 (Baht 9.25 million included in cost of other services, Baht 48.03 million included in manufacturing cost of construction materials, other than that included in administrative expenses)						122.84
2019 (Baht 7.98 million included in cost of other services, Baht 71.17 million included in manufacturing cost of construction materials, other than that included in administrative expenses)						150.43

As at 31 December 2019 and 2018, certain plant and equipment items of the Group has been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 866 million and Baht 801 million, respectively (Separate financial statements: Baht 521 million and Baht 497 million, respectively).

As at 31 December 2019 and 2018, the Group had vehicles and equipment under finance lease agreements with net book values amounting to Baht 15 million and Baht 22 million, respectively (Separate financial statements: Baht 15 million and Baht 22 million, respectively).

As at 31 December 2019 and 2018, the Group's land and construction thereon which the net book value amounted Baht 873 million and Baht 902 million, respectively, were mortgaged to secure loans from banks (Separate financial statements: Baht 644 million and Baht 666 million, respectively).

## 21. Intangible assets

The net book value of intangible assets as at 31 December 2019 and 2018 is presented below.

(Unit: Million Baht)

	Consolidated financial statements					Separate financial statements		
	Franchise	Computer software	Software under installation	Management agreements, Brand	Total	Computer software	Software under installation	Total
As at 31 December 2019								
Cost	26.91	649.57	74.71	2,069.14	2,820.33	582.63	69.32	651.95
Less: Accumulated amortisation	(26.91)	(366.22)	-	(669.79)	(1,062.92)	(316.06)	-	(316.06)
Net book value	-	283.35	74.71	1,399.35	1,757.41	266.57	69.32	335.89
As at 31 December 2018								
Cost	26.91	492.86	103.77	-	623.54	430.22	103.77	533.99
Less: Accumulated amortisation	(26.36)	(264.31)	-	-	(290.67)	(220.85)	-	(220.85)
Net book value	0.55	228.55	103.77	-	332.87	209.37	103.77	313.14

A reconciliation of the net book value of intangible assets for the years 2019 and 2018 is presented below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	332.87	165.40	313.14	148.65
Acquisition of computer software	185.43	123.44	64.77	115.29
Software under installation	58.59	103.77	53.19	103.77
Increase from acquisition of investment in subsidiary - net book value at acquisition date	1,330.14	-	-	-
Amortisation	(142.91)	(59.74)	(95.21)	(54.57)
Translation adjustment	(6.71)	-	-	-
Net book value at end of year	1,757.41	332.87	335.89	313.14

As at 31 December 2019, certain franchise of the subsidiaries have been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation) of these assets amounted to approximately Baht 24 million (2018: Baht 24 million).



As at 31 December 2019 and 2018, certain computer software of the Group has been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation) of these assets amounted to approximately Baht 126 million and Baht 112 million, respectively (Separate financial statements: Baht 93 million and Baht 81 million, respectively).

## 22. Leasehold rights

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<u>Project</u>				
Land - Habito community mall	41.99	41.99	41.99	41.99
Baan Sansiri Condominium	609.98	609.98	-	-
Sun Square Silom	192.76	192.76	-	-
Total	844.73	844.73	41.99	41.99
Less: Accumulated amortisation	(648.79)	(620.02)	(13.40)	(11.30)
Leasehold rights - net	195.94	224.71	28.59	30.69
Amortisation expenses for the years	28.77	28.77	2.10	2.10

The amortisation of leasehold rights has been charged to cost of project for rent.

As at 31 December 2019 and 2018, the Company's leasehold rights which net book value amounted Baht 29 million and Baht 31 million were mortgaged to secure loans from banks (Separate financial statements: Baht 29 million and Baht 31 million).

## 23. Short-term loans from banks/Bills of exchange

(Unit: Million Baht)

	Consolidated / Separate financial statements	
	2019	2018
<u>Short-term loans from banks</u>		
Promissory notes	5,513.89	6,250.00
<u>Bills of exchange</u>		
Face value	1,390.00	5,890.00
Less: Prepaid interest expense	(6.65)	(15.31)
Bills of exchange - net	1,383.35	5,874.69

As at 31 December 2019, short-term loans from banks carry interest at rates of 2.47 to 3.90 percent per annum (2018: 2.27 to 2.90 percent per annum). Bills of exchange carry interest at rates of 2.30 to 2.50 percent per annum (2018: 2.15 to 2.31 percent per annum).

## 24. Trade accounts payable

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables - related parties	23.13	0.02	65.99	8.74
Trade payables - unrelated parties	2,169.53	1,675.63	1,359.69	1,253.80
Total	2,192.66	1,675.65	1,425.68	1,262.54

## 25. Long-term loans

As at 31 December 2019 and 2018, long-term loans presented below: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Loans from banks	19,705.12	11,613.87	13,259.18	8,876.76
Less: Current portion of long-term loans	(3,912.04)	(2,512.50)	(2,613.48)	(2,388.75)
Net	15,793.08	9,101.37	10,645.70	6,488.01

Movements in the long-term loans account during the years ended 31 December 2019.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2018	11,613.87	8,876.76
Additional borrowings	14,546.78	10,514.32
Repayment	(6,449.64)	(6,131.90)
Translation adjustment	(5.89)	-
Balance as at 31 December 2019	19,705.12	13,259.18

The details of long-term loans classified by the Group is presented below.

Company's name	Balance of long-term loans		Interest rate per agreement		Condition of payment
	2019	2018	2019	2018	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
Sansiri Plc.	13,259	8,877	MLR - 1.50% to MLR - 3.15% and BIBOR (3 months) +1.60%	MLR - 2.90% to MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2027
Piwattana Ltd.	688	693	MLR - 2.00%	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2027
Sansiri Global Investment Pte. Ltd.	125	156	LIBOR + 3.5%	LIBOR + 3.5%	Payments of principal to be made in installment and full payment is to be made within 2021
Jirapas Realty Co., Ltd.	1,413	-	MLR - 2.00%	-	Payments of principal to be made in installment and full payment is to be made within 2023
Paranat Co., Ltd.	1,195	1,195	MLR - 2.25%	MLR - 2.25%	Payments of principal to be made in installment and full payment is to be made within 2023
Siri Smart Two Co., Ltd.	316	-	MLR - 2.00%	-	Payments of principal to be made in installment and full payment is to be made within 2025
Siri Smart Three Co., Ltd.	1,904	-	MLR - 2.00%	-	Payments of principal to be made in installment and full payment is to be made within 2023
Red Lotus Properties Ltd.	-	30	-	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2019
Arnawat Ltd.	177	72	MLR - 2.00%	MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2020

Company's name	Balance of long-term loans		Interest rate per agreement		Condition of payment
	2019	2018	2019	2018	
	Million Baht	Million Baht	Percent per annum	Percent per annum	
Plus Property Space Co., Ltd.	-	71	-	MLR - 2.00% to MLR - 1.75%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2019
NED Management Co., Ltd.	161	53	MLR - 2.25%	MLR - 2.50% to MLR - 2.00%	Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2025
Touch Property Co., Ltd.	467	467	MLR - 2.00%	MLR - 2.00%	Payments of principal to be made in installment and full payment is to be made within 2021
Total	<u>19,705</u>	<u>11,614</u>			

As at 31 December 2019 and 2018, the long-term credit facilities of the Group which has not yet been drawn down amounted to Baht 61,171 million and Baht 73,982 million, respectively (Separate financial statements: Baht 41,201 million and Baht 49,525 million, respectively).

Land and constructions of projects of the Group, and investment properties of the subsidiary are mortgaged as collaterals for loan obtained from bank.

Most of loans agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loans guarantees, change in directors and maintenance of a debt to equity ratio.

**26. Liabilities from agreements to sell and purchase assets with right to buy back and sell back**

Liabilities from agreements to sell and purchase assets with right to buy back and sell back are related to cash received from customers (buyers) who enter into agreements to sell and purchase condominium units with the Company. As stipulated in the attached memorandum of the agreement, the parties agreed to amend the ownership transfer date by extending the period for another 3-5 years from agreement date (new ownership transfer date). The Company or its representative is to provide lessees and transfer the rental income to the buyers over the agreement periods.

In addition, the agreement stipulates conditions that the Company has a right to buy back the seller's right over condominium units within the period as from the agreement date to the date of registration of ownership transfer of the assets to the buyers. The buyback price is the price stipulated in the agreement plus certain margin and less actual rental income. On the due date of agreement, the buyers have a right to sell back their right at the price stipulated in the agreement, calculating from selling price plus margin for the extended period of new ownership transfer date less actual rental income.

However, the buyers are entitled to request that the ownership of condominium units be registered before the due date to exercise their right to sell back.

To seek new buyers to enter into the agreements to sell and purchase condominium units, the Company engaged a securities company to be a financial advisor to sell assets and source of fund by offering sales service and providing buyers of the Company's property. Service fee is charged at a fixed rate of the price of the property sold.

**27. Long-term promissory notes - purchase of land**

Long-term promissory notes - purchase of land are notes which the Company issued to land sellers. The notes mature in December 2020 to May 2022 are interest free, and are availed by a bank (2018: December 2020, February 2021, March 2021 and July 2021).

## 28. Unsecured debentures

The Company's debentures which are unsecured, issued with a registered certificate and unsubordinated are summarised below:

Debentures	Interest rate	Terms	Due date	(Unit: Million Baht)	
				Consolidated /	Separate
				financial statements	financial statements
				2019	2018
Debentures # 4.2013	5.20% p.a.	5 years, 6 months	4 April 2019	-	1,000.00
Debentures # 1.2015	4.75% p.a.	5 years	2 June 2020	2,000.00	2,000.00
Debentures # 2.2015	3.90% p.a.	3 years, 6 months	19 April 2019	-	1,000.00
Debentures # 1.2016	3.50% p.a.	3 years	21 July 2019	-	1,000.00
Debentures # 2.2016	3.25% p.a.	3 years	3 October 2019	-	1,000.00
Debentures # 1.2017	3.40% p.a.	3 years	27 April 2020	2,000.00	2,000.00
Debentures # 2.2017	3.25% p.a.	3 years	30 May 2020	1,000.00	1,000.00
Debentures # 3.2017	3.35% p.a.	5 years	22 September 2022	2,000.00	2,000.00
Debentures # 1.2018	3.35% p.a.	5 years	24 January 2023	4,000.00	4,000.00
Debentures # 2.2018	3.00% p.a.	3 years, 6 months	30 November 2021	2,000.00	2,000.00
Debentures # 3.2018	3.20% p.a.	3 years	23 August 2021	5,000.00	5,000.00
Debentures # 4.2018	3.60% p.a.	3 years, 9 months and 25 days	22 September 2022	2,500.00	2,500.00
Debentures # 1.2019	3.80% p.a.	3 years	27 February 2022	4,933.40	-
Debentures # 2.2019	3.50% p.a.	3 years	17 May 2022	450.00	-
Debentures # 3.2019	3.90% p.a.	3 years, 10 months	2 June 2023	4,000.00	-
Debentures # 4.2019	3.25% p.a.	3 years	16 August 2022	250.00	-
Debentures # 5.2019	3.10% p.a.	2 years	8 November 2021	1,203.50	-
Total debentures, at face value				31,336.90	24,500.00
Less: Unamortised portion of deferred transaction costs				(72.22)	(59.43)
Total debentures				31,264.68	24,440.57
Less: Debentures due within one year				(4,997.80)	(3,997.45)
Debentures - due over one year				26,266.88	20,443.12

Under rights and responsibilities of debenture issuer, the Company has to comply with certain covenants and restrictions including maintenance of a debt to equity ratio of consolidated financial statements with no excess of 2.5:1 along with debentures' periods (debts mean interest bearing loans).

## 29. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

	(Unit: Million Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2019	2018	2019	2018
<b>Balance at the beginning of the year</b>	196.29	145.18	136.13	101.77
Items were recognised in profit or loss:				
Current service cost	29.23	14.56	18.38	8.60
Interest cost	7.54	4.43	5.39	3.17
Past service costs and gains or losses				
on settlement	53.47	-	39.81	-
Items were recognised in other				
comprehensive income:				
Actuarial losses arising from				
Demographic assumptions changes	-	4.17	-	2.96
Financial assumptions changes	44.55	9.65	29.90	6.68
Experience adjustments	-	30.48	-	23.61
Benefits paid during the year	(16.86)	(12.18)	(14.94)	(10.66)
<b>Balance at the end of the year</b>	<b>314.22</b>	<b>196.29</b>	<b>214.67</b>	<b>136.13</b>

On 5 April 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 was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 53 million (The Company only: Baht 40 million) as a result. The Group recorded the effect of the change by recognising past service costs as expenses in the income statement for the second quarter of 2019.

The Group expects to pay Baht 9 million of long-term employee benefits during the next year (Separate financial statements: Baht 7 million) (2018: Baht 15 million, Separate financial statements: Baht 9 million).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 19 years (Separate financial statements: 19 years) (2018: 19 years, Separate financial statements: 19 years).

Significant actuarial assumptions are summarised below:

	(Unit: Percent per annum)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	1.9	3.2	1.9	3.2
Salary increase rate	5.0 - 10.0	5.0 - 10.0	5.0 - 10.0	5.0 - 10.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

	(Unit: Million Baht)			
	31 December 2019			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%
Discount rate	(32.3)	38.7	(22.2)	26.4
Salary increase rate	36.7	(31.5)	25.1	(21.6)

	(Unit: Million Baht)			
	31 December 2018			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	1%	1%	1%	1%
Discount rate	(19.8)	23.5	(13.6)	16.1
Salary increase rate	22.6	(19.5)	15.4	(13.4)



### 30. Provisions

Provisions for the years 2019 and 2018 had the following movements:

#### Short-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Provisions for lawsuits	Provisions for home care warranty	Total	Provisions for lawsuits	Provisions for home care warranty	Total
Balance as at 1 January 2018	1.15	107.15	108.30	1.15	75.01	76.16
Increase during the year	0.11	182.72	182.83	0.11	93.74	93.85
Paid during the year	(0.11)	(116.47)	(116.58)	(0.11)	(83.57)	(83.68)
Reversal	-	(6.05)	(6.05)	-	-	-
Balance as at 31 December 2018	1.15	167.35	168.50	1.15	85.18	86.33
Increase during the year	0.59	129.94	130.53	0.59	108.25	108.84
Paid during the year	-	(115.24)	(115.24)	-	(67.29)	(67.29)
Reversal	-	(26.00)	(26.00)	-	(17.88)	(17.88)
Balance as at 31 December 2019	1.74	156.05	157.79	1.74	108.26	110.00

#### Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Provision for project for rent maintenance	Total	Compensation for Housing Estate Juristic Persons	Provision for hotel maintenance	Provision for project for rent maintenance	Total
Balance as at 1 January 2018	178.14	4.82	-	182.96	135.18	1.49	-	136.67
Increase during the year	67.52	2.78	-	70.30	60.32	1.00	-	61.32
Paid during the year	(10.54)	(1.25)	-	(11.79)	(0.17)	(0.10)	-	(0.27)
Reversal	(1.17)	-	-	(1.17)	(0.94)	-	-	(0.94)
Balance as at 31 December 2018	233.95	6.35	-	240.30	194.39	2.39	-	196.78
Increase during the year	52.05	4.03	0.81	56.89	49.18	1.44	0.81	51.43
Paid during the year	(9.48)	(2.20)	-	(11.68)	(1.97)	(1.64)	-	(3.61)
Reversal	(2.16)	-	-	(2.16)	(2.03)	-	-	(2.03)
Balance as at 31 December 2019	274.36	8.18	0.81	283.35	239.57	2.19	0.81	242.57

### 31. Statutory reserve

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

### 32. Treasury stocks

On 23 November 2018, the Company's Board of Directors' Meeting has approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 3,000 million or approximately 1,486 million shares. The number of shares to be repurchased is approximately 10% of the total issued shares at the par value of Baht 1.07 per share. The repurchase period covers from 11 December 2018 to 10 June 2019.

#### Reconciliation of treasury stocks

	Number of shares (shares)	Average price per share (Baht)	Repurchase amount (Baht)
<u>Treasury stocks</u>			
Treasury stocks as at 1 January 2019	310,000,000	1.26	391,903,566
Repurchase during the year	410,000,000	1.32	543,106,735
Treasury stocks as at 31 December 2019	<u>720,000,000</u>	<u>1.30</u>	<u>935,010,301</u>

The Company set aside an amount from retained earnings equal to the cost of the treasury shares to a separate reserve account with such reserve to remain outstanding until either the shares are sold or paid-up capital is reduced by the cancellation of any remaining unsold shares. As at 31 December 2019, the Company has set aside approximately Baht 935 million (2018: Baht 392 million), with the Company recording the reserve as "Appropriated retained earnings - others" in the statement of financial position.

### 33. Warrants / Earnings per share

#### 33.1 Warrants

The Company's warrants are as follows:

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2019	Number of warrants issued and offered during the year	Number of warrants exercised during the year	Number of warrants outstanding as at 31 December 2019
ESOP#7	2,500	1:1,000	300,000,000	-	-	300,000,000

During the current year, the Company recorded expenses of the ESOP#7 amounting to Baht 1.97 million (2018: Baht 5.58 million) as employee related expenses, together with a corresponding increase in "capital reserve for share-based payment transactions" in shareholders' equity.

#### 33.2 Earnings per share

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

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

The following table sets forth the computation of basic earnings per share and diluted earnings per share:

Consolidated financial statements					
For the year ended 31 December 2019 and 2018					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2019	2018	2019	2018	2019	2018
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the parent		2,392,442	2,045,978	14,212,139	14,839,045
				0.17	0.14

Separate financial statements					
For the year ended 31 December 2019 and 2018					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2019	2018	2019	2018	2019	2018
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the parent					
2,286,765	2,694,003	14,212,139	14,839,045	0.16	0.18

There is no disclosure of diluted earnings per share from the effect of ESOP#7 warrant in the financial statements for the year ended 31 December 2019 and 2018 since the exercise aggregated amounts of price and the fair value of warrants exceeded the weighted fair value of the Company's ordinary shares.

### 34. Revenue from contracts with customers

#### 34.1 Disaggregated revenue information

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
<b>Revenue from contracts with customers</b>				
Revenues from sales of real estate	19,126,383	21,552,325	17,067,592	15,298,062
Revenues from business management	4,600,931	4,311,385	6,852,907	6,155,884
Revenues from hotel management service	145,342	-	-	-
Revenues from sales of construction materials	44,233	2,128	131,726	60,729
Revenues from other services	303,311	297,273	33,366	33,631
<b>Total revenue from contracts with customers</b>	24,220,200	26,163,111	24,085,591	21,548,306
Revenues from projects for rent	89,840	84,612	37,401	32,188
Other revenues				
Gain on sale of land	507,788	104,142	498,391	257,663
Gain on sale of investment in subsidiary	422,770	2,604	-	-
Interest income	431,552	365,237	696,570	770,506
Dividend income	122	66	380,123	1,072,066
Others	618,640	426,723	508,138	310,507
<b>Total revenues</b>	<u>26,290,912</u>	<u>27,146,495</u>	<u>26,206,214</u>	<u>23,991,236</u>

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2019	2018	2019	2018
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	19,261,569	21,645,531	17,232,684	15,392,422
Revenue recognised over time	4,958,631	4,517,580	6,852,907	6,155,884
Total revenue from contracts with customers	24,220,200	26,163,111	24,085,591	21,548,306

### 34.2 Revenue recognised in relation to contract balances

During the year 2019 and 2018, amounts of Baht 1,412 million and Baht 1,822 million, respectively (Separate financial statements: Baht 2,226 million and Baht 2,794 million) that were included in unearned income and advances received from customers at the beginning of the year were recognised as revenue.

### 34.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2019 and 2018, revenue totaling Baht 36,646 million and Baht 35,107 million, respectively (Separate financial statements: Baht 7,851 million and Baht 9,754 million, respectively) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied). The Group expects to satisfy these performance obligations within 2022.

## 35. Revenues from other services/Cost of other services

	Consolidated financial statements		(Unit: Million Baht) Separate financial statements	
	2019	2018	2019	2018
<u>Revenues from other services</u>				
Revenues from hotel business	90.95	91.08	33.37	33.63
Revenues from education business	212.36	206.19	-	-
Total	303.31	297.27	33.37	33.63
<u>Cost of other services</u>				
Cost of hotel business	95.67	96.53	34.87	34.70
Cost of education business	232.90	226.37	-	-
Total	328.57	322.90	34.87	34.70

### 36. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Purchase of land and payments of construction costs	22,338.72	26,485.63	22,334.28	20,090.77
Changes in real estate development for sales	(12,023.89)	(10,805.00)	(9,351.46)	(9,033.00)
Salary, wages and other employee benefits	2,488.61	2,587.96	1,405.97	1,716.65
Depreciation of investments properties	25.14	17.50	24.59	16.42
Depreciation of buildings and equipment	232.11	204.09	150.42	122.84
Amortisation of intangible assets	152.55	59.74	95.21	54.57
Amortisation of leasehold rights	28.97	28.77	2.10	2.10
Provisions for home care warrantee	130.53	176.67	108.84	93.73
Rental expenses from operating lease agreements	210.02	175.41	169.40	155.70
Bad debts and allowance for doubtful accounts (reversal)	23.52	1.68	6.78	(8.32)

### 37. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Current income tax:</b>				
Current income tax charge	875,186	659,398	730,518	435,042
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(253,456)	(126,288)	(218,136)	(8,818)
<b>Income tax expense reported in profit or loss</b>	<b>621,730</b>	<b>533,110</b>	<b>512,382</b>	<b>426,224</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax relating to actuarial loss arising from defined benefit plan of employees	(8,647)	(8,418)	(5,981)	(6,648)
	(8,647)	(8,418)	(5,981)	(6,648)

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2019 and 2018.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Accounting profit before tax	2,897,162	2,575,586	2,799,146	3,120,227
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	644,164	506,679	559,829	624,045
Effects of:				
Tax exempted income and non-deductible expenses	67,778	31,138	(47,447)	(197,821)
Income under revenue code	(106,862)	(12,257)	-	-
Unused tax losses	16,650	7,550	-	-
Total	(22,434)	26,431	(47,447)	(197,821)
Income tax expenses reported in the profit or loss	<b>621,730</b>	<b>533,110</b>	<b>512,382</b>	<b>426,224</b>

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	14,126	19,507	6,239	14,603
Property development for sale	978,153	806,332	410,784	227,673
Short-term provisions	31,558	33,700	21,998	17,265
Provision for hotel maintenance	1,798	1,270	600	479
Provision for long-term employee benefits	60,029	37,011	42,934	27,225
Unused tax loss	286,512	189,860	-	-
Allowance for diminution in value of investment properties	8,300	12,300	8,300	12,300
Allowance for diminution in value of property, plant and equipment	31,105	23,880	7,510	-
Allowance for diminution in value of investments in subsidiaries, associates and other long-term investment	2,500	-	28,500	-
Accrued commission expenses	30,552	11,433	17	-
Investment in associate	-	36,533	-	-
<b>Total</b>	<b>1,444,633</b>	<b>1,171,826</b>	<b>526,882</b>	<b>299,545</b>
<b>Deferred tax liabilities</b>				
Unamortised portion of deferred transaction costs	14,445	11,888	14,445	11,888
Land rental received in advance	16,010	14,148	-	-
Cost to obtain contracts with customers	169,503	160,624	38,602	37,939
<b>Total</b>	<b>199,958</b>	<b>186,660</b>	<b>53,047</b>	<b>49,827</b>
<b>Deferred tax assets - net</b>	<b>1,244,675</b>	<b>985,166</b>	<b>473,835</b>	<b>249,718</b>

As at 31 December 2019, the subsidiaries has unused tax losses totaling Baht 140 million (2018: Baht 64 million), on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 140 million will expire by 2024.

### 38. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and their employees contributed to the fund monthly at the rate of 5 to 12 percent of basic salary. The fund, which is managed by Siam Commercial Bank Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the years 2019 and 2018 amounting to approximately Baht 147 million and Baht 133 million, respectively (Separate financial statements: Baht 99 million and Baht 91 million, respectively).



### 39. Dividends

Dividends of the Company which were declared during the year ended 31 December 2019 and 2018 consist of the following:

Dividends	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)	Date of dividends payment
Interim dividend from earnings for the six-month period ended 30 June 2019	The Board of Directors meeting on 14 August 2019	282.80	0.02	10 September 2019
Final dividend from 2018 earnings	The Annual General Meeting of the Shareholders on 29 April 2019 <sup>(1)</sup>	1,149.01	0.08	14 May 2019
Total		<u>1,431.81</u>	<u>0.10</u>	
Interim dividend from earnings for the six-month period ended 30 June 2018	The Board of Directors meeting on 14 August 2018	594.51 <sup>(2)</sup>	0.04	12 September 2018
Final dividend from 2017 earnings	The Annual General Meeting of the Shareholders on 27 April 2018 <sup>(3)</sup>	1,040.39 <sup>(4)</sup>	0.07	11 May 2018
Total		<u>1,634.90</u>	<u>0.11</u>	

<sup>(1)</sup> On 29 April 2019, the Annual General Meeting of the Company's shareholders approved the dividend payment from the operating results for the year 2018. The dividend was paid by cash at the rate of Baht 0.12 per share. As the Company's Board of Directors Meeting held on 14 August 2018 approved interim dividend payment to the shareholders as cash dividend of Baht 0.04 per share. The interim dividend was paid on 12 September 2018. The Company therefore approved a final dividend payment of Baht 0.08 per share for total of 14,362.7 million shares (excluding the treasury stock totaling of 500.0 million shares).

<sup>(2)</sup> Actual dividend paid amounted to Baht 594.50 million because some shareholders were not entitled to receive dividend.

<sup>(3)</sup> On 27 April 2018, the Annual General Meeting of the Company's shareholders approved the dividend payment from the operating results for the year 2017. The dividend was paid by cash at the rate of Baht 0.12 per share. As the Company's Board of Directors Meeting held on 11 August 2017 approved interim dividend payment to the shareholders as cash dividend of Baht 0.05 per share. The interim dividend was paid on 8 September 2017. The Company therefore approved a final dividend payment of Baht 0.07 per share.

<sup>(4)</sup> Actual dividend paid amounted to Baht 1,039.47 million because some shareholders were not entitled to receive dividend.

## 40. Commitments and contingent liabilities

### 40.1 Capital commitments

As at 31 December 2019 and 2018, the Group has the following capital commitments:-

- a) The Group has commitments of Baht 14,939 million and Baht 17,290 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development and installation agreements (Separate financial statements: Baht 7,489 million and Baht 10,070 million, respectively).
- b) The Group has commitments of Baht 10,132 million and Baht 5,210 million, respectively, under land and condominium units purchase agreements (Separate financial statements: Baht 8,945 million and Baht 5,193 million, respectively).

### 40.2 Operating lease and service commitments

- a) The Group has entered into several lease agreements in respect of the lease of motor vehicles and equipment. The terms of the agreements are generally between 1 and 15 years.

As at 31 December 2019 and 2018, future minimum lease payments required under non-cancellable operating leases contracts are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Payable:				
In up to 1 year	109	120	77	103
In over 1 and up to 5 years	156	63	37	61
In over 5 years	39	-	-	-
Total	304	183	114	164

- b) As at 31 December 2019 and 2018, the Group has commitments of Baht 138 million and Baht 90 million, respectively in relation to advertising and public relations for the projects (Separate financial statements: Baht 121 million and Baht 71 million, respectively).
- c) As at 31 December 2019 and 2018, the Group has servitude over land of approximately 72 rai and 73 rai, respectively, of which the cost is included in the cost of projects.

- d) The significant long-term lease agreements are as follow:
- Sansiri Public Company Limited entered into a 12-year land and building rental agreement at Rim Khlong Phra Khanong alley to be a new headquarter known as SIRI CAMPUS, covering the period from 16 December 2019 to 15 December 2031. Total amounts of Baht 1,793 million are to be paid monthly by Bath 12.45 million over the period of 12 years of rental agreement. The commitments as at 31 December 2019 is Baht 1,781 million.
  - Sansiri Public Company Limited entered into a 30-year land rental agreement at Sukhumvit 77 alley for construction of a community mall which named the Habito Project, covering the period from 16 August 2013 to 15 August 2043. Total amounts of Baht 42 million are to be paid, divided into 3 installments. In August 2013, the Company made an initial payment of Baht 21 million and the remainder is to be paid Baht 10.5 million each over the period of 10 and 20 years of rental agreement. The commitments as at 31 December 2019 is Baht 21 million.
  - Chanachai Limited entered into a 30-year land rental agreement with the Office of the Privy Purse for construction of a condominium for rent which named the Baan Sansiri Project, covering the period from 1 November 1993 to 31 October 2023. Total amounts are Baht 118 million. On the agreement date, Chanachai Limited made an initial payment of Baht 30 million and the remainder is to be paid over the period of 30 years as stipulated in the agreement. The commitments as at 31 December 2019 is Baht 19 million.
  - S.U.N. Management Company Limited entered into a land rental agreement with the Crown Property Bureau in order to construct buildings and structures thereon. The agreement term is 30 years, starting from 16 September 2002, and the total rental payable is approximately Baht 88 million. The subsidiary paid the rental in the full amount in July 2004.
  - On 7 February 2019, Siripat Five Company Limited entered into a land rental agreement near Soi Huahin 65 for development of a hotel project. Total amounts to Baht 587 million are to be paid, divided into a remuneration for land use as an initial payment of Baht 120 million made on the agreement date and the remainder to be paid over 30 installments covering the period from 6 August 2022 to 5 August 2052 as stipulated in the agreement. The commitments as at 31 December 2019 is Baht 467 million.

### **40.3 Bank guarantees**

As at 31 December 2019, there were the outstanding bank guarantees for Baht 4,873 million and EUR 1.43 million (2018: Baht 3,525 million and EUR 0.07 million), issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee contractual performance regarding preparation and maintenance of public utilities, public services and land improvement, to guarantee electricity use and foreign creditors payment (Separate financial statements as at 31 December 2019: Baht 4,463 million and EUR 1.43 million, 2018: Baht 3,091 million and EUR 0.07 million).

### **40.4 Litigations**

As at 31 December 2019 and 2018, the Group has various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and torts, with total damages claimed amounting to Baht 1,490 million and Baht 1,124 million, respectively (Separate financial statements: Baht 154 million and Baht 147 million, respectively). Some cases are detailed below.

- a) In 2017, the Company was sued for tort and claim of compensation by an owner of land located nearby Sretthasiri Prachachuen project. The case is on the ground that the project main sewers was broken, resulting in waste water flowing from the project into nearby land. As a result, the nearby land was flooded causing the damage to the property and business interruption. The land owner requested that the Company pay for the compensation amounting to Baht 126 million. As the case is a tort case claiming the compensation, the complainant is responsible for proving that actual losses incurred as claimed. In case the complainant fails to do so, it is possible that the Court may order the case to be dismissed.
- b) During the year 2018, a subsidiary was sued to revoke a juristic act of sale and purchase of land and requested to revert the land ownership to the plaintiffs as an executor sold the land to a subsidiary without legal rights. If the juristic act cannot be revoked and the land ownership cannot be reverted to the plaintiffs, the subsidiary and other defendants involved in the case shall pay for the compensation of Baht 959 million together with the interest at a rate of 7.5% per annum to the plaintiffs. As at 31 December 2019, the value of land in dispute including development cost (book value) was amounting to Baht 2,121 million. The case is in the process of hearing of evidence from the plaintiffs. The legal advisor and management believe that a subsidiary is not exposed to risk that its juristic act of sale and purchase of land will be revoked and is not subject to the compensation as requested by the plaintiffs.

In addition, during the year 2018, BTS Sansiri Holding Nine Ltd. (a joint venture), a developer of The Line Sathorn project, was sued by a juristic person of a condominium located nearby the project. The juristic person requested that the joint venture revoke the Environmental Impact Assessment (EIA) report and undertake public hearing on this matter for neighbouring stakeholders by using independent entities as accepted by the Court. On 18 March 2019, the joint venture, which is a third defendant, submitted a statement to the Administrative Court. On 28 August 2019, the Central Administrative Court prescribed provisional remedial measures before delivering the judgement by ordering the joint venture to suspend this project temporarily. On 11 October 2019, the joint venture filed an appeal against the Central Administrative Court's judgement and requested that the Supreme Administrative Court withhold an injunction of the Central Administrative Court for the temporary stay of execution before the judgement of the Appeal Court is rendered.

As at 31 December 2019, the project costs (book value) of Baht 1,761 million comprise land cost of Baht 793 million and construction cost and interest totaling Baht 968 million. The legal advisors and management of the joint venture believe that the Administrative Court will not render judgement or give the order to revoke the approval for environmental impact analysis (EIA) report and the permit for building construction, modification, and demolition issued to BTS Sansiri Holding Nineteen Limited, and terminate the construction of The Line Sathorn project as requested by the plaintiff.

The Company, its subsidiaries and a joint venture (the Group) are defending the lawsuits. Since the Group's lawyers and the management believe that the Group will not incur any losses from the litigation, no additional provisions have been made in respect of these cases other than the provision previously recorded (Note 30).

#### **40.5 Cross Currency and Interest Rate Swap agreement**

The details of the Cross Currency and Interest Rate Swap agreement outstanding as at 31 December 2018 are as follows:

	Currency and Interest Revenue Rate Swap agreement		Currency and Interest Expense Rate Swap agreement		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 651 million	Fixed rate at 4.80% per annum	GBP 15 million	Fixed rate at 4.40% per annum	December 2019

On 11 June 2019, the Company terminated the agreement.

#### 40.6 Foreign exchange contract

The Company's exposure to foreign currency risk arises mainly from trading transactions and borrowings that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate.

As at 31 December 2019 and 2018, foreign exchange contracts outstanding are summarised below.

2019			
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought (Baht per 1 foreign currency unit)	Contractual maturity date
US dollar	8.61	32.87	31 March 2020 - 30 December 2021

  

2018			
Foreign currency	Bought amount (Million)	Contractual exchange rate of bought (Baht per 1 foreign currency unit)	Contractual maturity date
US dollar	19.32	32.87	29 March 2019 - 30 December 2021

#### 40.7 Investment commitment

As at 31 December 2019, the subsidiary has investment commitment of USD 4.5 million under investment agreement in respect of investing in overseas company.

#### 40.8 Other commitments

The Group has commitments regarding contribution to the United Nations Children's Fund (UNICEF) at a minimum of USD 1 million per year for the three-year period from 2014 to 2016. This is in accordance with memorandum of understanding between the Company and UNICEF dated 29 January 2014. However, the Company's Board of Directors' meeting No. 3/2017 approved the extension of the contribution period for another 3 years from 2017 to 2019. Furthermore, the Company's Board of Directors' meeting No. 15/2019 approved the extension of the contribution period for another 1 years from 2019 to 2020.

#### **41. Segment information**

Operating segment information is reported in a manner consistent with the internal reporting the chief operating decision maker has received and regularly reviewed to make decisions about the allocation of resources to the segment and assess its performance.

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

- ☐ Property development business segment consists of land and housing projects, residential condominium projects, serviced apartments for rent, and office buildings for rent.
- ☐ Building management, project management and real estate brokerage business segment consists of the provision of building management service, property project management and real estate brokerage.
- ☐ Hotel management segment.
- ☐ Other business segment consists of hotel and education business.

No operating segments have been aggregated to form the above reportable operating segments.

Chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2019 and 2018, respectively.

(Unit: Million Baht)

		Building management, project management and real estate brokerage	Hotel management	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
<b>Year ended 31 December 2019</b>	<b>Real estate</b>						
Revenue from sales of real estate							
- Houses	13,756						
- Condominium	5,370						
Total	19,126						
Revenue from sales of construction materials	44						
Revenue from project for rent	90						
Total revenue from external customers	19,260	4,601	145	303	24,309	-	24,309
Inter-segment revenue	141	3,604	-	43	3,788	(3,788)	-
Interest revenue	712	16	-	30	758	(326)	432
Interest expense	(1,274)	(31)	(16)	(45)	(1,366)	431	(935)
Depreciation and amortisation	(168)	(18)	-	(2)	(188)	-	(188)
Loss on diminution in value of property development for sale and land held for development	(398)	-	-	-	(398)	-	(398)
Reversal of loss on diminution in value of investment properties	20	-	-	-	20	-	20
Loss on diminution in value of land, building and equipment	(116)	-	-	-	(116)	73	(43)
Loss on diminution in value of investment in associate	-	-	-	(8)	(8)	-	(8)
Loss on diminution in value of other long-term investments	-	-	-	(23)	(23)	-	(23)
<b>Segment profit (loss)</b>	<b>2,939</b>	<b>4,442</b>	<b>(269)</b>	<b>(31)</b>	<b>7,081</b>	<b>(3,610)</b>	<b>3,471</b>
Other income							1,549
Common expense							(2,913)
Share of profit from investments in joint ventures							881
Share of loss from investment in associate							(91)
Income tax expense							(622)
Profit for the year							2,275

(Unit: Million Baht)

		Building management, project management and real estate brokerage	Other business	Total reportable segments	Adjustments and eliminations	Consolidated
<b>Year ended 31 December 2018</b>	<b>Real estate</b>					
Revenue from sales of real estate						
- Houses	14,948					
- Condominium	6,604					
Total	21,552					
Revenue from sales of construction materials	2					
Revenue from project for rent	85					
Total revenue from external customers	21,639	4,311	297	26,247	-	26,247
Inter-segment revenue	308	3,183	44	3,535	(3,535)	-
Interest revenue	790	16	8	814	(449)	365
Interest expense	(1,014)	(7)	(35)	(1,056)	486	(570)
Depreciation and amortisation	(122)	(14)	(2)	(138)	-	(138)
Loss on diminution in value of property development for sale and land held for development	(130)	-	-	(130)	-	(130)
Loss on diminution in value of investment properties	(20)	-	-	(20)	-	(20)
Loss on diminution in value of land, building and equipment	(73)	-	-	(73)	52	(21)
<b>Segment profit (loss)</b>	<b>4,830</b>	<b>3,940</b>	<b>(11)</b>	<b>8,759</b>	<b>(3,446)</b>	<b>5,313</b>
Other income						534
Common expense						(3,577)
Share of profit from investments in joint ventures						444
Share of loss from investment in associate						(139)
Income tax expense						(533)
Profit for the year						2,042



## Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	2019	2018
Revenue from external customers		
Thailand	24,172	26,248
United States of America	130	-
United Kingdom	7	-
Total	24,309	26,248

## Major customers

For the years 2019 and 2018, the Group has no major customer with revenue of 10% or more of an entity's revenues.

## 42. Fair value hierarchy

As at 31 December 2019 and 2018, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	31 December 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	390	390
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	31,643	-	31,643

  

	(Unit: Million Baht)			
	Consolidated financial statements			
	31 December 2018			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	298	298
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	24,217	-	24,217

(Unit: Million Baht)

Separate financial statements				
31 December 2019				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	355	355
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	31,643	-	31,643

(Unit: Million Baht)

Separate financial statements				
31 December 2018				
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	269	269
<b>Liabilities for which fair value are disclosed</b>				
Unsecured debentures	-	24,217	-	24,217

## 43. Financial instruments

### 43.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, trade accounts payable and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable and loans as stated in the statement of financial position.

## Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, short-term loans, debentures and long-term borrowings. However, since most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

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

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2019							
	Fixed interest rate				Floating interest rate	Non-interest bearing	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call			
						Total	(% p.a.)
<b>Financial Assets</b>							
- Cash and cash equivalents	-	-	-	-	2,027	96	0.13 - 1.65
- Current investments	-	-	-	-	341	-	6.09
- Trade accounts receivable	-	-	-	-	-	1,970	-
- Short-term loan receivable	200	-	-	-	-	200	12.00
- Loans to related parties	-	-	-	7,245	-	7,245	3.85 - 5.19
- Note receivable and long-term loan receivable	2	-	136	-	-	138	3.85, 6.00
- Other non-current asset - Deposit for rent	-	-	-	-	-	146	-
	202	-	136	7,245	2,368	2,212	12,163
<b>Financial liabilities</b>							
- Short-term loans from banks	5,514	-	-	-	-	5,514	Note 23
- Bills of exchange	1,383	-	-	-	-	1,383	Note 23
- Trade accounts payable	-	-	-	-	-	2,193	-
- Long-term loans	-	-	-	-	19,705	-	Note 25
- Sale of asset with condition contract liabilities	-	552	-	-	-	552	Note 26
- Long-term promissory note - purchase of land	-	-	-	-	-	4,744	Note 27
- Unsecured debentures	4,998	26,267	-	-	-	31,265	Note 28
	11,895	26,819	-	-	19,705	6,937	65,356

(Unit Million Baht)

Consolidated financial statements								
As at 31 December 2018								
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate
	Within one year	1 - 5 years	Over 5 years	At call				
(€ p.a.)								
<b>Financial Assets</b>								
- Cash and cash equivalents	-	-	-	-	3,307	619	3,926	0.13 - 1.75
- Current investments	-	-	-	-	406	1,963	2,369	3.88
- Trade accounts receivable	-	-	-	-	-	122	122	-
- Loans to related parties	-	-	-	6,621	-	-	6,621	3.50 - 4.88
- Long-term loan receivable	-	10	-	-	-	-	10	4.00
	-	10	-	6,621	3,713	2,704	13,048	
<b>Financial liabilities</b>								
- Short-term loans from banks	6,250	-	-	-	-	-	6,250	2.50 - 2.90
- Bills of exchange	5,875	-	-	-	-	-	5,875	2.15 - 2.31
- Trade accounts payable	-	-	-	-	-	1,676	1,676	-
- Long-term loans	-	-	-	-	11,614	-	11,614	Note 25
- Long-term promissory note - purchase of land	-	-	-	-	-	3,728	3,728	Note 27
- Unsecured debentures	3,997	20,443	-	-	-	-	24,440	Note 28
	16,122	20,443	-	-	11,614	5,404	53,583	

(Unit Million Baht)

Separate financial statements								
As at 31 December 2019								
Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)	
Within one year	1 - 5 years	Over 5 years	At call					
<b>Financial Assets</b>								
- Cash and cash equivalents	-	-	-	-	905	17	922	0.13 - 1.65
- Current investment	-	-	-	-	341	-	341	6.09
- Trade accounts receivable	-	-	-	-	-	1,823	1,823	-
- Loans to related parties	-	-	-	14,392	-	-	14,392	3.50 - 5.19
- Long-term loan receivable	2	-	-	-	-	-	2	3.85
- Other non-current asset - Deposit for rent	-	-	-	-	-	146	146	-
	2	-	-	14,392	1,246	1,986	17,626	
<b>Financial liabilities</b>								
- Short-term loans from banks	5,514	-	-	-	-	-	5,514	Note 23
- Bills of exchange	1,383	-	-	-	-	-	1,383	Note 23
- Trade accounts payable	-	-	-	-	-	1,426	1,426	-
- Loans from related parties	-	-	-	348	-	-	348	3.5
- Long-term loans	-	-	-	-	13,259	-	13,259	Note 25
- Sale of asset with condition contract liabilities	-	552	-	-	-	-	552	Note 26
- Long-term promissory note - purchase of land	-	-	-	-	-	2,849	2,849	Note 27
- Unsecured debentures	4,998	26,267	-	-	-	-	31,265	Note 28
	11,895	26,819	-	348	13,259	4,275	56,596	

Separate financial statements								
As at 31 December 2018								
	Fixed interest rate				Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
	Within one year	1 - 5 years	Over 5 years	At call				
<b>Financial Assets</b>								
- Cash and cash equivalents	-	-	-	-	2,336	198	2,534	0.13 - 1.75
- Current investment	-	-	-	-	406	1,963	2,369	3.88
- Trade accounts receivable	-	-	-	-	-	77	77	-
- Loans to related parties	-	-	-	15,749	-	-	15,749	3.50 - 4.88
	-	-	-	15,749	2,742	2,238	20,729	
<b>Financial liabilities</b>								
- Short-term loans from banks	6,250	-	-	-	-	-	6,250	2.52 - 2.90
- Bills of exchange	5,875	-	-	-	-	-	5,875	2.15 - 2.31
- Trade accounts payable	-	-	-	-	-	1,263	1,263	-
- Loans from related parties	-	-	-	468	-	-	468	3.5 - 4.88
- Long-term loans	-	-	-	-	8,877	-	8,877	Note 25
- Long-term promissory note								
- purchase of land	-	-	-	-	-	2,503	2,503	Note 27
- Unsecured debentures	3,997	20,443	-	-	-	-	24,440	Note 28
	16,122	20,443	-	468	8,877	3,766	49,676	

### Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from purchase of goods and services denominated in foreign currencies. Since liabilities denominated in foreign currencies are not significant and due in short period, the Group does not use any derivatives to manage such risk, except the transactions of overseas investments, that the Group entered into Cross Currency and Interest Rate Swap agreement and Foreign exchange contract as described in Notes 40.5 and 40.6.

### 43.2 Fair values of financial instruments

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash at banks, trade accounts receivable and trade accounts payable, their carrying amounts in the statement of financial position approximate their fair value.
- For fixed rate debentures, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- For short-term and long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.

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

The fair values of the Group's financial instruments are estimated to approximately the amounts presented in the statements of financial position, except for the following:

(Unit: Million Baht)

	Consolidated / Separate financial statements			
	Carrying amount		Fair value	
	2019	2018	2019	2018
<u>Financial liabilities</u>				
Unsecured debentures	31,265	24,440	31,643	24,217

#### 44. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

The Group manages its capital position with reference to its debt-to-equity ratio in order to comply with a condition in loan agreements and a covenant of debentures, which requires the Group to maintain a debt-to-equity ratio of not more than 2.5:1 (2018: 2.5:1). Debt means to interest bearing debts.

No changes were made in the objectives, policies or processes during the years ended 31 December 2019 and 2018.

#### 45. Events after the reporting period

- 45.1 On 16 January 2020, the Company entered into an ordinary share sale agreement of BTS Sansiri Holding Eighteen Limited, registered by changing of its name to "Ratchada Alliance Co., Ltd." with the Ministry of Commerce in the same day, which is joint ventures that the Company held 50 percent of shareholding in the number of 250,000 shares with the par value of Baht 100 to Noble Development Public Co., Ltd. totaling Baht 41 million.
- 45.2 During 24 February to 26 February 2020, the Company issued and offered of Baht 4,000 million of unsecured and unsubordinated debentures number 1/2020. The debentures will be redeemed in 2023 and carried interest at a rate of 3.75 percent per annum as approved by the Company's Board of Directors' meeting on 14 February 2020.

45.3 On 28 February 2020, the Company's Board of Directors meeting approved the following resolutions:

- (a) To propose to Annual General Meeting of the Company's shareholders for approval of dividend payment from the operating results from 1 January 2019 to 31 December 2019. The dividend will be paid by cash at the rate of Baht 0.08 per share. As the Company's Board of Directors Meeting held on 14 August 2019 has the resolution to approve interim dividend payment to the shareholders as cash dividend of Baht 0.02 per share. The interim dividend was paid on 10 September 2019. The Company will pay a final dividend of Baht 0.06 per share within May 2020. The payment of the final dividend is dependent on approval being granted by the Company's shareholders.
- (b) To approve additional issue size for issuance and offering of debentures to be Baht 10,000 million. Total issue size of the Company's debentures, for the debentures to be issued and offered and for those issued from 2013 - 2019 as approved by the Annual General meeting of the Company's shareholders, is not over Baht 50,000 million. The debentures to be issued may be of any type, depending on prevailing market conditions at the time the debentures are issued and offered. This resolution will be proposed for approval at the 2020 Annual General Meeting of the Company's shareholders.

**46. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2020.