

Amata VN Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2019

Independent Auditor's Report

To the Shareholders of Amata VN Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Amata VN Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Amata VN Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amata VN Public Company Limited and its subsidiaries and of Amata VN Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue recognition

Revenue from sales of real estate, revenue from rental and revenue from utility services are the Group's significant accounts because the amounts of the revenue recorded would directly affect the Group's profit or loss for the year. For this reason, I have paid particular attention to the Group's recognition of revenue from sales of real estate, revenue from rental and revenue from utility services in order to ensure that revenue from sales of real estate, revenue from rental and revenue from utility services are recognised in accordance with the relevant accounting standards.

I have collaborated with the overseas subsidiaries' auditors in auditing the Group's revenue recognition by gaining an understanding and evaluating the effectiveness of the Group's internal controls with respect to revenue cycle. On a sampling basis, I examined supporting documents for sales transactions occurring during the year and near the end of the accounting period. I also performed analytical review procedures on the sales account to identify possible irregularities in sales transactions throughout the year.

Prepayment for land-use rights

As described in Note 15 to the consolidated financial statements, the subsidiary has prepayment for land-use rights amounting to Baht 4,117 million. Major costs are advance payments for land-use rights made by an overseas subsidiary in Vietnam for industrial estate development which is in process of transferring the land-use rights to the subsidiary. In addition, the management had to exercise significant judgement with respect to cost which directly relates to project development. Thus, I have focused on related cost to ensure that the transactions are recognised in accordance with the relevant accounting standards.

I have collaborated with the overseas subsidiaries' auditors in assessing and testing the internal controls of the subsidiary relating to advance payment for land-use rights and development costs, and auditing the payment approval including selecting supporting documents and reviewing related contracts. Besides, I reviewed the proper classification of financial statements and disclosure in the notes to the financial statements.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Supanee Triyanantakul
Certified Public Accountant (Thailand) No. 4498

EY Office Limited
Bangkok: 19 February 2020

Amata VN Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Assets					
Current assets					
Cash and cash equivalents	7	498,068,158	664,150,297	84,674,514	136,837,635
Current investments - deposit with financial institutions	8	784,283,900	187,198,000	-	-
Trade and other receivables	9	142,613,277	115,135,492	1,784,906	3,150,931
Real estate development costs	10	407,319,880	346,612,357	-	-
Other current assets		<u>69,406,507</u>	<u>32,396,754</u>	<u>237,964</u>	<u>273,704</u>
Total current assets		<u>1,901,691,722</u>	<u>1,345,492,900</u>	<u>86,697,384</u>	<u>140,262,270</u>
Non-current assets					
Investments in subsidiaries	11	-	-	2,710,524,151	2,393,313,675
Investments in related company	12	71,758,862	71,758,862	-	-
Investment properties	13	637,923,826	760,264,184	-	-
Buildings and equipment	14	119,066,455	108,599,192	3,342,697	1,835,215
Real estate costs awaiting for development		363,295,768	-	-	-
Prepayment for land-use rights	15	4,117,154,440	4,252,427,500	-	-
Advance payment to Vietnamese government agency	16	181,283,851	194,585,893	-	-
Guarantee deposits for development of projects	17	136,928,082	-	-	-
Other non-current assets		<u>9,432,182</u>	<u>447,671</u>	<u>-</u>	<u>-</u>
Total non-current assets		<u>5,636,843,466</u>	<u>5,388,083,302</u>	<u>2,713,866,848</u>	<u>2,395,148,890</u>
Total assets		<u>7,538,535,188</u>	<u>6,733,576,202</u>	<u>2,800,564,232</u>	<u>2,535,411,160</u>

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

Amata VN Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	18	316,365,203	221,410,530	316,365,203	-
Trade and other payables	19	103,615,006	65,952,595	34,601,368	14,631,051
Current portion of long-term loans	20	441,629,248	621,818,638	170,000,000	60,000,000
Short-term loans from parent company	6	-	300,000,000	-	300,000,000
Current portion of revenue received in advance		11,785,567	8,266,298	-	-
Income tax payable		<u>39,312,742</u>	<u>1,376,275</u>	-	-
Total current liabilities		<u>912,707,766</u>	<u>1,218,824,336</u>	<u>520,966,571</u>	<u>374,631,051</u>
Non-current liabilities					
Long-term loans, net of current portion	20	2,970,726,938	1,772,891,496	100,000,000	270,000,000
Long-term loans from parent company	6	300,000,000	-	300,000,000	-
Rental deposits and advance received					
from customers		112,577,263	127,733,248	-	-
Revenue received in advance		23,021,602	25,203,287	-	-
Deferred tax liabilities	24	316,985,776	333,622,517	-	-
Other non-current liabilities		<u>12,852,212</u>	<u>11,238,082</u>	<u>6,354,143</u>	<u>4,378,634</u>
Total non-current liabilities		<u>3,736,163,791</u>	<u>2,270,688,630</u>	<u>406,354,143</u>	<u>274,378,634</u>
Total liabilities		<u>4,648,871,557</u>	<u>3,489,512,966</u>	<u>927,320,714</u>	<u>649,009,685</u>

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

Amata VN Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Shareholders' equity					
Share capital					
Registered					
935,000,000 ordinary shares of Baht 0.50 each		<u>467,500,000</u>	<u>467,500,000</u>	<u>467,500,000</u>	<u>467,500,000</u>
Issued and fully paid					
935,000,000 ordinary shares of Baht 0.50 each		467,500,000	467,500,000	467,500,000	467,500,000
Share premium		1,117,734,742	1,117,734,742	1,117,734,742	1,117,734,742
Other surplus		850,423,306	971,318,033	-	-
Retained earnings					
Appropriated - statutory reserve	22	35,282,300	31,727,300	35,282,300	31,727,300
Unappropriated		638,335,390	724,480,496	252,726,476	269,439,433
Other components of shareholders' equity		<u>(561,917,959)</u>	<u>(300,916,703)</u>	-	-
Equity attributable to owners of the Company		<u>2,547,357,779</u>	<u>3,011,843,868</u>	<u>1,873,243,518</u>	<u>1,886,401,475</u>
Non-controlling interests of the subsidiary		<u>342,305,852</u>	<u>232,219,368</u>	-	-
Total shareholders' equity		<u>2,889,663,631</u>	<u>3,244,063,236</u>	<u>1,873,243,518</u>	<u>1,886,401,475</u>
Total liabilities and shareholders' equity		<u>7,538,535,188</u>	<u>6,733,576,202</u>	<u>2,800,564,232</u>	<u>2,535,411,160</u>
		-	-	-	-

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

Directors

Amata VN Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenues					
Revenue from real estate sales		61,710,053	608,118,656	-	-
Revenue from rental and utility services		469,549,232	448,489,392	-	-
Dividend income	11, 12	4,655,320	4,813,225	134,640,517	269,182,215
Gain on sales of investment properties		120,113,811	74,277,980	-	-
Gain on sale of investments in subsidiary	11	-	-	59,846,811	-
Interest income		43,797,040	14,436,824	178,647	496,658
Gain on exchange		-	-	-	6,017,440
Other income		9,972,751	20,395,965	18,395,265	90,846
Total revenues		709,798,207	1,170,532,042	213,061,240	275,787,159
Expenses					
Cost of real estate sales		13,462,949	198,986,799	-	-
Cost of rental and utility services		235,177,532	232,379,884	-	-
Selling expenses		9,118,558	10,604,650	-	-
Administrative expenses		145,961,410	148,502,102	61,934,067	55,189,830
Losses on exchange		141,707,455	35,418,476	16,635,633	-
Additional charges to Vietnamese government agency	21	-	222,421,683	-	-
Other expenses		11,904,071	50,958	-	-
Total expenses		557,331,975	848,364,552	78,569,700	55,189,830
Profit before finance cost and income tax expenses		152,466,232	322,167,490	134,491,540	220,597,329
Finance cost		(76,357,210)	(17,761,016)	(63,500,406)	(14,672,465)
Profit before income tax expenses		76,109,022	304,406,474	70,991,134	205,924,864
Income tax expenses	24	(54,868,254)	(96,157,130)	-	-
Profit for the year		21,240,768	208,249,344	70,991,134	205,924,864
Profit attributable to:					
Equity holders of the Company		1,558,985	176,064,324	70,991,134	205,924,864
Non-controlling interests of the subsidiary		19,681,783	32,185,020	-	-
		21,240,768	208,249,344		
Earnings per share					
Basic earnings per share	25				
Profit attributable to equity holders of the Company		0.00	0.19	0.08	0.22

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

Amata VN Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit for the year	<u>21,240,768</u>	<u>208,249,344</u>	<u>70,991,134</u>	<u>205,924,864</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Exchange differences on translation of				
financial statements in foreign currency - net of income tax	<u>(275,281,236)</u>	<u>(21,006,542)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified				
to profit or loss in subsequent periods - net of income tax	<u>(275,281,236)</u>	<u>(21,006,542)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the year	<u>(275,281,236)</u>	<u>(21,006,542)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(254,040,468)</u>	<u>187,242,802</u>	<u>70,991,134</u>	<u>205,924,864</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>(259,442,271)</u>	<u>153,614,036</u>	<u>70,991,134</u>	<u>205,924,864</u>
Non-controlling interests of the subsidiary	<u>5,401,803</u>	<u>33,628,766</u>		
	<u>(254,040,468)</u>	<u>187,242,802</u>		

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

Amata VN Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2019

(Unit: Baht)

Consolidated financial statements

Equity attributable to owners of the Company

	Other surplus						Retained earnings		Exchange differences on translation of financial statements in foreign currency	Other component of equity Other comprehensive income	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Surplus on share-based payment	Surplus on business combination under common control	Surplus (deficit) on changes in shareholding of subsidiary	Total other surplus	Appropriated	Unappropriated					
Balance as at 1 January 2018	467,500,000	1,117,734,742	22,442,281	846,330,720	102,545,032	971,318,033	21,431,000	586,762,169	(278,466,415)	2,886,279,529	231,377,069	3,117,656,598	
Profit for the year	-	-	-	-	-	-	-	176,064,324	-	176,064,324	32,185,020	208,249,344	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(22,450,288)	(22,450,288)	1,443,746	(21,006,542)	
Total comprehensive income for the year	-	-	-	-	-	-	-	176,064,324	(22,450,288)	153,614,036	33,628,766	187,242,802	
Transferred retained earnings to statutory reserve	-	-	-	-	-	-	10,296,300	(10,296,300)	-	-	-	-	
Dividend paid to the Company's shareholders (Note 28)	-	-	-	-	-	-	-	(28,049,697)	-	(28,049,697)	-	(28,049,697)	
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	(32,786,467)	(32,786,467)	
Balance as at 31 December 2018	467,500,000	1,117,734,742	22,442,281	846,330,720	102,545,032	971,318,033	31,727,300	724,480,496	(300,916,703)	3,011,843,868	232,219,368	3,244,063,236	
												-	
Balance as at 1 January 2019	467,500,000	1,117,734,742	22,442,281	846,330,720	102,545,032	971,318,033	31,727,300	724,480,496	(300,916,703)	3,011,843,868	232,219,368	3,244,063,236	
Profit for the year	-	-	-	-	-	-	-	1,558,985	-	1,558,985	19,681,783	21,240,768	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(261,001,256)	(261,001,256)	(14,279,980)	(275,281,236)	
Total comprehensive income for the year	-	-	-	-	-	-	-	1,558,985	(261,001,256)	(259,442,271)	5,401,803	(254,040,468)	
Sale of investment in subsidiary without loss of control (Note 11.4)	-	-	-	-	(120,894,727)	(120,894,727)	-	-	-	(120,894,727)	120,894,727	-	
Transferred retained earnings to statutory reserve	-	-	-	-	-	-	3,555,000	(3,555,000)	-	-	-	-	
Dividend paid to the Company's shareholders (Note 28)	-	-	-	-	-	-	-	(84,149,091)	-	(84,149,091)	-	(84,149,091)	
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	(16,210,046)	(16,210,046)	
Balance as at 31 December 2019	467,500,000	1,117,734,742	22,442,281	846,330,720	(18,349,695)	850,423,306	35,282,300	638,335,390	(561,917,959)	2,547,357,779	342,305,852	2,889,663,631	

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

Amata VN Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2019

(Unit: Baht)

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
			Appropriated	Unappropriated	
Balance as at 1 January 2018	467,500,000	1,117,734,742	21,431,000	101,860,566	1,708,526,308
Profit for the year	-	-	-	205,924,864	205,924,864
Total comprehensive income for the year	-	-	-	205,924,864	205,924,864
Transferred retained earnings to statutory reserve	-	-	10,296,300	(10,296,300)	-
Dividend paid to the Company's shareholders (Note 28)	-	-	-	(28,049,697)	(28,049,697)
Balance as at 31 December 2018	<u>467,500,000</u>	<u>1,117,734,742</u>	<u>31,727,300</u>	<u>269,439,433</u>	<u>1,886,401,475</u>
					-
Balance as at 1 January 2019	467,500,000	1,117,734,742	31,727,300	269,439,433	1,886,401,475
Profit for the year	-	-	-	70,991,134	70,991,134
Total comprehensive income for the year	-	-	-	70,991,134	70,991,134
Transferred retained earnings to statutory reserve	-	-	3,555,000	(3,555,000)	-
Dividend paid to the Company's shareholders (Note 28)	-	-	-	(84,149,091)	(84,149,091)
Balance as at 31 December 2019	<u>467,500,000</u>	<u>1,117,734,742</u>	<u>35,282,300</u>	<u>252,726,476</u>	<u>1,873,243,518</u>

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

Amata VN Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities				
Profit before income tax expenses	76,109,022	304,406,474	70,991,134	205,924,864
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation	77,756,628	81,911,415	32,398	58,457
Gains on sales of investment properties	(120,113,811)	(74,277,980)	-	-
Gains on sales of investments in subsidiary	-	-	(59,846,811)	-
Dividend income from investments in subsidiary and related company	(4,655,320)	(4,813,225)	(134,640,517)	(269,182,215)
Provision for long-term employee benefits	1,975,509	669,874	1,975,509	669,874
Unrealised losses (gains) on exchange	122,962,689	42,977,437	49,251	18,893
Interest income	(43,797,040)	(14,436,824)	(178,647)	(496,658)
Interest expenses	76,357,210	17,761,016	63,500,406	14,672,465
Profit (loss) from operating activities before changes in operating assets and liabilities	186,594,887	354,198,187	(58,117,277)	(48,334,320)
Operating assets (increase) decrease				
Trade and other receivables	(2,563,765)	50,064,026	1,366,025	(269,627)
Real estate development costs	(45,175,434)	48,823,257	-	-
Guarantee deposits for development of projects	(136,928,082)	-	-	-
Other current assets	(35,885,842)	9,520,719	35,740	(263,311)
Other non-current assets	(8,984,511)	44,412,290	-	59,482,887
Operating liabilities increase (decrease)				
Trade and other payables	5,233,370	(93,277,607)	2,046,482	(19,693,761)
Cash from (used in) operating activities	(37,709,377)	413,740,872	(54,669,030)	(9,078,132)
Cash paid for income tax	(10,595,517)	(60,266,327)	-	(2,897)
Net cash from (used in) operating activities	(48,304,894)	353,474,545	(54,669,030)	(9,081,029)

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

Amata VN Public Company Limited and its subsidiaries
Statement of cash flows (continued)
For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash flows from investing activities				
Interest income	18,883,019	14,883,275	178,647	496,658
Increase in current investment - deposits				
with financial institutions	(597,085,900)	(187,198,000)	-	-
Cash paid for investment in subsidiary	-	-	-	(326,086,745)
Dividend income from investments in subsidiary				
and related company	4,655,320	4,813,225	134,640,517	269,182,215
Acquisitions of investment properties	(1,869,604)	(138,867,696)	-	-
Proceeds from sales of investment properties	127,144,924	91,735,324	-	-
Acquisitions of buildings and equipment	(33,669,300)	(6,990,381)	(1,539,880)	(1,811,472)
Increase in prepayment for land-use rights	<u>(415,319,221)</u>	<u>(429,539,442)</u>	<u>-</u>	<u>-</u>
Net cash from (used in) investing activities	<u>(897,260,762)</u>	<u>(651,163,695)</u>	<u>133,279,284</u>	<u>(58,219,344)</u>
Cash flows from financing activities				
Interest expenses	(163,055,541)	(112,936,407)	(45,576,570)	(6,872,945)
Increase in short-term loans from financial institutions	94,954,673	221,410,530	316,365,202	-
Cash receipt from short-term loans from related companies	-	300,000,000	-	300,000,000
Cash receipt from long-term loans	1,368,571,273	200,000,000	-	200,000,000
Repayment of long-term loans	(334,565,221)	(199,598,872)	(60,000,000)	(60,000,000)
Cash paid for investments in subsidiaries	-	-	(1,577,707,063)	(278,882,898)
Cash receipt from sales of investment in subsidiary	-	-	1,320,343,398	-
Dividend paid to the Company's shareholder	(84,149,091)	(28,049,697)	(84,149,091)	(28,049,697)
Dividend paid for non-controlling interest of the subsidiary	<u>(16,210,046)</u>	<u>(32,786,467)</u>	<u>-</u>	<u>-</u>
Net cash from (used in) financing activities	<u>865,546,047</u>	<u>348,039,087</u>	<u>(130,724,124)</u>	<u>126,194,460</u>
Decrease in translation adjustments	<u>(69,210,947)</u>	<u>(12,808,183)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(149,230,556)</u>	<u>37,541,754</u>	<u>(52,113,870)</u>	<u>58,894,087</u>
Unrealised gains (losses) on exchange for cash				
and cash equivalents	(16,851,583)	416,872	(49,251)	(18,893)
Cash and cash equivalents at beginning of year	<u>664,150,297</u>	<u>626,191,671</u>	<u>136,837,635</u>	<u>77,962,441</u>
Cash and cash equivalents at end of year	<u>498,068,158</u>	<u>664,150,297</u>	<u>84,674,514</u>	<u>136,837,635</u>
	-	-	-	-

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

Amata VN Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2019

1. General information

Amata VN Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Amata Corporation Public Company Limited, which was incorporated in Thailand. The Company is a holding company with an investment focus in the industrial estate development companies and other related business in Vietnam. The registered office of the Company is at 2126, New Petchburi Road, Bangkapi, Huay Kwang, Bangkok.

The Company listed its ordinary shares on the Stock Exchange of Thailand on 16 December 2015.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions 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 Amata VN 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 (%)
Amata City Bienhoa Joint Stock Company (ACBH)	Industrial estate development	Vietnam	90.0	90.0
Amata City Long Thanh Joint Stock Company (ACLT) (35% held by the Company and 65% held by ACBH)	Industrial estate development	Vietnam	93.5	93.5

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019 (%)	2018 (%)
Amata Township Long Thanh Company Limited (ATLT) (formerly known as "Amata Township Long Thanh Joint Stock Company")	Commercial development	Vietnam	93.4	100.0
Amata City Halong Joint Stock Company (ACHL)	Industrial estate development	Vietnam	100.0	100.0
Amata Service City Long Thanh Company Limited 1	Commercial development	Vietnam	93.5	-
Amata Service City Long Thanh Company Limited 2	Commercial development	Vietnam	93.5	-

- 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 subsidiary 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 statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group has 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 in shareholder's equity of the consolidated statement of financial position.

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

3. New financial reporting standards

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

During the period, 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 Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Group's financial statements.

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
--------	-------------------------------------

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 believes that adoption of these standards will not have any significant impact on the financial statements.

TFRS 16 Leases

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

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

Revenue from real estate sales

Revenue from sales of property interests under operating lease with infrastructure system is recognised as revenue in full when control of goods is transferred to the customer at a point in time, generally upon the registration of the right transfer/delivery of the goods. The payment conditions are according to the payment term specified in the contract made with the customer. The amount that the subsidiary received from the customer before the transfer of control of goods to the customer is presented under the caption of “Advance received from customers” in the statement of financial position.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Rental income

Rental income under operating lease agreement is recognised as an income on a straight-line basis over the lease term.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Interest income

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

4.2 Cash and cash equivalents

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

4.3 Trade and other receivables

Trade and other receivables 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.

4.4 Real estate development costs

Property interests under operating lease with infrastructure systems are valued at the lower of specific cost or net realisable value. Cost included expenses directly related to real estate development and infrastructure systems (presented under to caption of “real estate development costs” in the consolidated financial statements).

4.5 Investments

- a) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss.
- b) Investments in subsidiaries are presented in the separate financial statements using the cost method.

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

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for 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 - 47 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.

4.7 Buildings and equipment / Depreciation

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

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

Buildings and installations	-	3 - 40	years
Machinery and equipment	-	2 - 7	years
Office equipment	-	3 - 5	years
Others	-	3 - 15	years

Depreciation is included in determining income.

No depreciation is provided on assets under construction.

An item of buildings 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 profit or loss when the asset is derecognised.

4.8 Real estate costs awaiting for development and prepayment for land-use rights

Real estate costs awaiting for development and prepayment for land-use rights is valued at the lower of specific cost and net realisable value. Cost included costs of land-use rights.

4.9 Borrowing costs

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

4.10 Related party transactions

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

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

4.11 Long-term leases

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

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

4.12 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 of each entity are measured using that 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.

4.13 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the assets of the Group whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in the profit or loss.

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

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company 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 post-employment benefits are recognised immediately in the statement of other comprehensive income.

4.15 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.

4.16 Income tax

Income tax 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.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group 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 observable active market for such assets or liabilities

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

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

At the end of each reporting period, the Group 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.

5. Significant accounting judgements and estimates

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

Leases

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

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of investments

The Group treats investments as impaired where other objective evidence of impairment exists by using discounted expected future cash flow received from investments with the appropriate discount rate and related risks.

Buildings and equipment, investment properties and depreciation

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

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<u>Transactions with parent company</u>					
Other expenses	288	171	288	171	As agreed
Interest expenses	13,650	7,081	13,650	7,081	4.55% per annum
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Management fee	-	-	18,395	-	Contract price or as agreed
<u>Transactions with related party</u>					
Revenue from rental and utility service	9,180	4,224	-	-	Contract price or as agreed
Electricity expenses	4,260	4,041	-	-	Market price

The balances of the accounts as at 31 December 2019 and 2018 between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Trade receivables - related party (Note 9)</u>				
<u>Related Company</u>				
Amata Power (Bien Hoa) Limited	30	30	-	-
Total	30	30	-	-

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Other receivables - related parties (Note 9)</u>				
<u>Subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Amata Township Long Thanh Joint Stock Company	-	-	-	1,369
Amata City Halong Joint Stock Company	-	-	1,762	1,762
Total	-	-	1,762	3,131
<u>Trade payables - related party (Note 19)</u>				
<u>Related Company</u>				
Amata Power (Bien Hoa) Limited	424	367	-	-
Total	424	367	-	-
<u>Other payables - related parties (Note 19)</u>				
<u>Parent company</u>				
Amata Corporation Public Company Limited	20,801	7,118	20,801	7,118
Total	20,801	7,118	20,801	7,118

Loan from between the Company and parent company

As at 31 December 2019 and 2018, the balance of loan from between the Company and parent company, and the movement is as follows:

	(Unit: Thousand Baht)			
	Consolidated / Separate financial statements			
	Balance as at	During the year		Balance as at
	31 December	Increase	Decrease	31 December
	<u>2018</u>	<u>2019</u>	<u>2019</u>	<u>2018</u>
<u>Short-term loan from parent company</u>				
Amata Corporation Public Company Limited	300,000	-	(300,000)	-
Total	300,000	-	(300,000)	-
<u>Long-term loans from parent company</u>				
Amata Corporation Public Company Limited	-	300,000	-	300,000
Total	-	300,000	-	300,000

On 10 June 2019, the Company entered into the amendment to short-term loan agreement to extend the due date to 5 September 2021. The Company reclassified such short-term loans as “Long-term loans from parent company”.

Directors and management’s benefits

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	29,951	28,663	18,532	16,034
Post-employment benefits	1,732	1,596	1,732	1,596
Total	<u>31,683</u>	<u>30,259</u>	<u>20,264</u>	<u>17,630</u>

Guarantee obligations with related party

The Company has outstanding guarantee obligations with its related party, as disclosed in Note 20 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash	1,064	1,560	15	15
Bank deposits	497,004	662,590	84,660	136,823
Total	<u>498,068</u>	<u>664,150</u>	<u>84,675</u>	<u>136,838</u>

As at 31 December 2019, bank deposits carries interests between 0.4 percent and 6.5 percent per annum (2018: between 0.5 percent and 6.5 percent per annum) (the Company only: 0.4 percent per annum, and 2018: between 0.5 percent and 0.6 percent per annum).

8. Current investments - deposit with financial institutions

As at 31 December 2019, current investments represent the amount of short-term deposit at banks in Vietnam of the subsidiaries with term of 3 months to 1 year and earns interest at the rate 4.8 percent and 6.5 percent per annum for VND deposit (2018: between 6.0 percent and 7.0 percent per annum).

9. Trade and other receivables

The outstanding balances of trade and other receivables as at 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Trade receivables - related party (Note 6)	30	30	-	-
Trade receivables - unrelated parties	67,483	79,479	-	-
Other receivables - related party (Note 6)	-	-	1,762	3,131
Other receivables - unrelated parties	75,100	35,626	23	20
Total trade and other receivables	142,613	115,135	1,785	3,151

The outstanding balances of trade receivables as at 31 December 2019 and 2018, aged on the basis of due dates, are summarised below.

Age of receivables	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Related party</u>				
Not yet due	30	30	-	-
Total trade receivables - related party	30	30	-	-
<u>Unrelated parties</u>				
Not yet due	61,515	70,728	-	-
Past due				
Up to 3 months	5,924	8,238	-	-
3 - 9 months	44	513	-	-
Total trade receivables - unrelated parties	67,483	79,479	-	-
Total trade receivables	67,513	79,509	-	-

10. Real estate development costs

The balance represents the cost of real estate for development of the industrial estate, and other development cost such as land improvement cost and construction cost.

11. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year*	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Million VND)		(%)					
Amata City Bienhoa Joint								
Stock Company	365,996	365,996	90	90	745,019	745,019	134,641	269,182
Amata City Long Thanh Joint								
Stock Company	1,416,318	1,416,318	35	35	811,449	811,449	-	-
Amata Township Long Thanh								
Joint Stock Company	1,390,132	335,660	34	100	644,131	510,759	-	-
Amata City Halong Joint								
Stock Company	365,000	228,000	100	100	509,925	326,087	-	-
					<u>2,710,524</u>	<u>2,393,314</u>	<u>134,641</u>	<u>269,182</u>

* The subsidiaries pay dividend from profit reported in the official statutory financial statements under the Vietnamese laws.

11.2 Details of investments in subsidiaries that have material non-controlling interests.

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(%)							
Amata City Bienhoa Joint								
Stock Company	10	10	265	259	22	37	16	33

11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position as at 31 December 2019 and 2018.

	(Unit: Thousand Baht)	
	Amata City Bienhoa	Joint Stock Company
	<u>2019</u>	<u>2018</u>
Current assets	571,162	794,434
Non-current assets	3,771,237	2,579,934
Current liabilities	219,313	274,182
Non-current liabilities	1,452,947	490,233

Summarised information about comprehensive income for the year ended 31 December 2019 and 2018.

	(Unit: Thousand Baht)	
	Amata City Bienhoa Joint Stock Company	
	<u>2019</u>	<u>2018</u>
Revenue	676,257	1,171,189
Profit for the year	285,228	351,648
Other comprehensive income	(62,942)	16,143
Total comprehensive income	222,286	367,791

Summarised information about cash flow for the year ended 31 December 2019 and 2018.

	(Unit: Thousand Baht)	
	Amata City Bienhoa Joint Stock Company	
	<u>2019</u>	<u>2018</u>
Cash flow from operating activities	323,733	516,016
Cash flow used in investing activities	(1,141,036)	(334,429)
Cash flow from (used in) financing activities	768,290	(216,585)
Decrease in translation adjustments	(8,993)	(363)
Net decrease in cash and cash equivalents	<u>(58,006)</u>	<u>(35,361)</u>

11.4 During the fourth quarter of the current year, the Company had an additional investment in Amata City Halong Joint Stock Company of Baht 55 million. The Company shareholdings in this company has remained unchanged.

On 25 February 2019, the meeting of the Board of Directors of the Company passed a resolution to approve the disposal of ordinary shares of Amata Township Long Thanh Company Limited (“ATLT”) to Amata City Bienhoa Joint Stock Company (“ACBH”). Subsequently, on 28 December 2019, the Company sold 92 million ordinary shares at the price of VND 11,000 per share, totaling VND 1,012 billion or equivalent to Baht 1,320 million, representing a 66.18% interest, to ACBH and recorded “Gain on sale of investment in subsidiary” in the separate statement of income for the year ended 31 December 2019. The assessment of the management was that, as a result of the disposal of ordinary shares, the Company has an objective to restructure the Group whereby ATLT remains as a subsidiary of the Company. As a result of the sale of investments in ATLT, the Group’s shareholding in ATLT had been changed from 100% to 93.38% (held through ACBH). The Group recorded the effect of the changes in its shareholding in ATLT, amounting to Baht 121 million, under the heading of “Deficit from changes in the shareholding of subsidiaries” under shareholders’ equity in the consolidated statement of financial position.

- 11.5 During the third quarter of the current year, the Company had an additional investment in Amata Township Long Thanh Company Limited of Baht 1,394 million. The Company shareholdings in this company has remained unchanged. In addition, Amata City Long Thanh Joint Stock Company invested Baht 1 million each in the ordinary shares of Amata Service City Long Thanh 1 Company Limited and Amata Service City Long Thanh 2 Company Limited, which are established in Vietnam and engaged in commercial and residential area development business. The investment represented 100% of these companies called-up share capital. Therefore, the consolidated financial statements included the financial statements of Amata Service City Long Thanh 1 Company Limited and Amata Service City Long Thanh 2 Company Limited since the third quarter of the current year.
- 11.6 During the second quarter of the current year, the Company had an additional investment in Amata City Halong Joint Stock Company of Baht 74 million. The Company shareholdings in this company has remained unchanged.
- 11.7 During the first quarter of the current year, the Company had an additional investment in Amata City Halong Joint Stock Company of Baht 55 million. The Company shareholdings in this company has remained unchanged.
- 11.8 In 2018, The Company invested Baht 326 million in the ordinary shares of Amata City Halong Joint Stock Company, a company established in Vietnam and engaged in the industrial estate development, which represented 100% of its call-up share capital. Therefore, the consolidated financial statements included the financial statement of Amata City Halong Joint Stock Company since year 2018. In addition, the Company had additional investments in Amata City Long Thanh Joint Stock Company and Amata Township Long Thanh Company Limited of Baht 94 million and Baht 185 million, respectively. The Company shareholdings in these companies remain unchanged.

12. Investments in related company

This amounts represents investment in Amata Power (Bien Hoa) Limited, a company engaged in the power plant in the industrial estate of Amata City Bienhoa Joint Stock Company which holds 10% of its registered share capital. Details of these investments are as follows:

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>2019</u>	<u>2018</u>
Investments in related company	91,759	91,759
Less: provision for impairment	(20,000)	(20,000)
Investments in related company - net	<u>71,759</u>	<u>71,759</u>

During the current year, the subsidiary had recorded dividend income from related company totaling Baht 5 million (2018: 5 million).

13. Investment properties

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

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2019</u>	<u>2018</u>
Industrial zone	194,033	213,151
Ready built factories for lease	440,097	543,076
Telecommunication system	2,629	3,161
Construction in progress	1,165	876
Total	<u>637,924</u>	<u>760,264</u>

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

13.1 Industrial zone

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2019</u>	<u>2018</u>
Net book value at beginning of year	213,151	219,217
Acquisitions of assets	651	-
Depreciation for the year	(5,198)	(5,621)
Translation adjustments	(14,571)	(445)
Net book value at end of year	<u>194,033</u>	<u>213,151</u>

13.2 Ready built factories for lease

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2019</u>	<u>2018</u>
Net book value at beginning of year	543,076	412,244
Acquisitions of assets	870	31,032
Transfers from construction in progress	-	171,180
Transfers from (to) real estate development cost	(2,230)	4,637
Disposals - net book value	(7,031)	(17,457)
Depreciation for the year	(57,463)	(57,940)
Translation adjustments	(37,125)	(620)
Net book value at end of year	<u>440,097</u>	<u>543,076</u>

13.3 Telecommunication system

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2019</u>	<u>2018</u>
Net book value at beginning of year	3,161	-
Acquisitions of assets	-	1,148
Transfers from other assets	-	2,244
Depreciation for the year	(316)	(231)
Translation adjustments	(216)	-
Net book value at end of year	<u>2,629</u>	<u>3,161</u>

13.4 Construction in progress

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2019</u>	<u>2018</u>
Net book value at beginning of year	876	65,508
Acquisitions of assets	349	106,688
Transfers to real estate development cost	-	(171,180)
Translation adjustments	(60)	(140)
Net book value at end of year	<u>1,165</u>	<u>876</u>

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

(Unit: Million Baht)

	Consolidated financial statements	
	<u>2019</u>	<u>2018</u>
Industrial zone and ready built factories for lease	2,477	2,659

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of property is not determined on the basis of market price due to the particular nature of the property and a lack of comparative information. The independent appraisers therefore used standard models to estimate the value of investment properties, such as the direct comparison method, discounted cash flow approach and the direct return estimation method, etc., which is the fair value measurement level 3 based on the fair value hierarchy. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in rental rate.

14. Buildings and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Buildings and installations	Machinery and equipment	Office equipment	Others	Assets under construction	
Cost:						
1 January 2018	211,428	30,133	6,943	18,268	-	266,772
Additions	2,572	855	180	606	2,777	6,990
Write-off	-	-	-	(393)	-	(393)
Transfers from other assets	-	-	44	-	-	44
Translation adjustments	(452)	(63)	(11)	(39)	-	(565)
31 December 2018	213,548	30,925	7,156	18,442	2,777	272,848
Additions	5,920	4,853	1,757	1,102	20,037	33,669
Write-off	-	-	-	(771)	-	(771)
Transfers to other assets	-	-	-	-	(1,124)	(1,124)
Translation adjustments	(14,563)	(2,082)	(365)	(1,247)	(70)	(18,327)
31 December 2019	204,905	33,696	8,548	17,526	21,620	286,295
Accumulated depreciation:						
1 January 2018	111,450	20,915	6,362	8,186	-	146,913
Depreciation for the year	12,466	3,138	512	2,003	-	18,119
Depreciation on write-off	-	-	-	(393)	-	(393)
Translation adjustments	(294)	(58)	(12)	(26)	-	(390)
31 December 2018	123,622	23,995	6,862	9,770	-	164,249
Depreciation for the year	9,809	3,018	213	1,740	-	14,780
Depreciation on write-off	-	-	-	(771)	-	(771)
Translation adjustments	(8,416)	(1,608)	(351)	(654)	-	(11,029)
31 December 2019	125,015	25,405	6,724	10,085	-	167,229
Net book value:						
31 December 2018	89,926	6,930	294	8,672	2,777	108,599
31 December 2019	79,890	8,291	1,824	7,441	21,620	119,066
Depreciation for the year						
2018 (Baht 18 million included in cost of rental and utility service, and the balance in selling and administrative expenses)						18,119
2019 (Baht 15 million included in cost of rental and utility service, and the balance in selling and administrative expenses)						14,780

(Unit: Thousand Baht)

	Separate financial statements		
	Office equipment	Assets under installation	Total
Cost:			
1 January 2018	139	-	139
Additions	63	1,748	1,811
Transfers from other assets	44	-	44
31 December 2018	246	1,748	1,994
Additions	6	1,534	1,540
31 December 2019	252	3,282	3,534
Accumulated depreciation:			
1 January 2018	101	-	101
Depreciation for the year	58	-	58
31 December 2018	159	-	159
Depreciation for the year	32	-	32
31 December 2019	191	-	191
Net book value:			
31 December 2018	87	1,748	1,835
31 December 2019	61	3,282	3,343
Depreciation for the year			
2018 (included in administrative expenses)			58
2019 (included in administrative expenses)			32

As at 31 December 2019, certain building and equipment items of the subsidiary were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 60 million (2018: Baht 68 million).

15. Prepayment for land-use rights

This amount represents the payment for land-use rights of the subsidiary in Vietnam, to develop its industrial estate in the future. Currently, it is in the process of transferring the land-use rights to the subsidiary. In this amount, a total Baht 2,142 million (2018: Baht 2,290 million) are paid for land which the government has completed land expropriation process.

16. Advance payment to Vietnamese government agency

This amount represents the advance that a subsidiary in Vietnam paid to a Vietnamese government agency. The amount can be offset against the land rental that the government will charge the subsidiary in the future. The subsidiary is currently exempt from land rental until 2026.

17. Guarantee deposits for development of projects

This amount represents the deposits that a Vietnamese government agency required from the subsidiaries to guarantee the development of its industrial estate. The deposits will be returned by the progress of the projects.

18. Short-term loans from financial institutions

This amount represents short-term loans from financial institutions of the subsidiary in Vietnam. The loans are unsecured, due on December 2019, and subject to the interest at 6.10% per annum.

19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Trade payables - related parties (Note 6)	424	367	-	-
Trade payables - unrelated parties	40,869	33,361	-	-
Other payables - related parties (Note 6)	20,801	7,118	20,801	7,118
Other payables - unrelated parties	30,729	18,931	8,653	6,640
Accrued interest expenses	10,792	6,176	5,147	873
Total	<u>103,615</u>	<u>65,953</u>	<u>34,601</u>	<u>14,631</u>

20. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Amata VN Public Company Limited	270,000	330,000	270,000	330,000
Amata City Bienhoa Joint Stock Company	1,052,393	-	-	-
Amata City Long Thanh Joint Stock Company	2,089,963	2,064,710	-	-
Total	<u>3,412,356</u>	<u>2,394,710</u>	<u>270,000</u>	<u>330,000</u>
Less: Current portion	<u>(441,629)</u>	<u>(621,819)</u>	<u>(170,000)</u>	<u>(60,000)</u>
Long-term loans - net of current portion	<u>2,970,727</u>	<u>1,772,891</u>	<u>100,000</u>	<u>270,000</u>

Movements in the long-term loans account for the year ended 31 December 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2019	2,394,710	330,000
Add: Additional borrowings	1,368,571	-
Translation adjustments/ unrealised losses on exchange	(16,360)	-
Less: Repayments	(334,565)	(60,000)
Balance as at 31 December 2019	3,412,356	270,000

The Company

As at 31 December 2019, the Company's long-term loans from banks comprise credit facilities totaling Baht 550 million (2018: Baht 550 million). The loans carried interest at MLR minus certain rate, as stipulated in the agreement, payable every month. The loan principle is to be paid on annually and semi-annually. Full settlement of these loans is to be made within March 2020 and November 2021 (2018: March 2020 and November 2021).

Subsidiaries

As at 31 December 2019, the subsidiary's long-term loan from bank comprise credit facility totaling USD 20 million, VND 920 billion and Baht 2,275 million (2018: USD 20 million, VND 746 billion and Baht 2,275 million). Most of these loans carries interest at MLR minus certain rate, as stipulated in the agreement, payable every month. The loan principle is to be repaid in every quarter. Full settlement of these loans is to be made with July 2023 and December 2025 (2018: May and July 2023).

The loan agreement contains several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreement, as well as the Company agreed not to mortgage or otherwise encumbers the Company's property and shares issued by a subsidiary in the ownership of the Company with any other parties throughout the loan periods, and dividend payments have to pre-approval by the bank. Loan of Amata City long Thanh Joint Stock Company are guaranteed by the Company and Amata City Bienhoa Joint Stock Company. Loan of Amata City Bienhoa Joint Stock Company are guaranteed by the Company.

As at 31 December 2019, the long-term credit facilities of its subsidiary which have not yet been drawn down amounted to USD 3 million, VND 111 billion and Baht 464 million (2018: USD 7 million, VND 652 billion and Baht 641 million).

21. Additional charges to Vietnamese government agency

During the year 2016, the Vietnamese government agency promulgated a new law. In addition to the changes in conditions of payment of existing outstanding land rental, this new law also requires the subsidiary to pay additional land rental fees for land that has been sold and for which rental fees have been fully collected from the buyers.

During the year 2017, the subsidiary received a letter from the local Vietnamese government agency for collecting penalties with respect to late payment of land rental fees amounting to Baht 319 million or VND 227 billion, which calculated since the new law was imposed retrospectively after the period in which the subsidiary collected the lump sum land rental payments from the buyers. During such period, the fee collection was not prohibited by law, and there were no regulations requiring the subsidiary to remit the lump sum rental to the Vietnamese government agency immediately after collection. The management of the Company and its subsidiary are of the opinion that the penalties demanded by the local Vietnamese government agency should be applied from the date that the relevant laws regarding the remittance of total rental became effective. The subsidiary paid penalties for such period amounting to Baht 97 million or VND 69 billion and has not recognised the difference of approximately Baht 222 million or VND 158 billion in its accounts. The management of the Company and its subsidiary have sought clarification by submitting an enquiry letter to the relevant central Vietnamese government agency with respect to the remittance of land rental, requesting clarification on the effective period applied in the calculation of the penalties and a waiver from any additional penalties during the period awaiting clarification. Up to the date of financial statements, the subsidiary has not received the response letters from the central Vietnamese government agency regarding the clarification and the waiver of additional penalties.

During the year 2018, the subsidiary received the second letter from the local Vietnamese government agency, demanding an immediate payment for the outstanding penalties of Baht 222 million or VND 158 billion, otherwise the local Vietnamese government agency will charge additional penalties on this late payment. Therefore, to avoid the additional penalties and further legal actions imposed by the local Vietnamese government agency, the management of the Company and its subsidiary decided to pay such penalties to the local Vietnamese government agency and recorded such penalties under the caption of "Additional charges to Vietnamese government agency" in the statement of income of the year 2018. However, the management of the Company and its subsidiary has yet to agree with such penalties which were applied retrospectively, and therefore continued to pursue and request clarification from the relevant central Vietnamese government agency.

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital.

23. Selling and administrative expenses

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salaries and wages and other employee benefits	71,738	68,300	23,413	21,438
Utility expenses	3,029	2,719	-	-
Rental expenses	7,988	8,561	731	789
Depreciation	3,709	4,897	32	58
Professional fees	6,362	6,851	3,532	4,555
Consulting fees	21,177	39,196	-	21,488
Others	39,590	28,583	14,025	6,862

24. Income tax

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current income tax:				
Current income tax charge	48,532	57,580	-	-
Adjustment in respect of income tax of previous year	-	1,325	-	-
Deferred tax:				
Related to origination and reversal of temporary differences	(16,637)	36,446	-	-
Translation adjustments	22,973	806	-	-
Income tax expenses reported in the income statement	<u>54,868</u>	<u>96,157</u>	<u>-</u>	<u>-</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Accounting profit before tax	76,109	304,406	70,991	205,925
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	15,222	60,881	14,198	41,185
Adjustment in respect of income tax of previous year	-	1,325	-	-
Effects of non-deductible expenses	4,088	2,990	532	4,589
Effects of promotion privileges	(11,288)	3,246	-	-
Effects of additional expense deductions allowed	-	-	(26,928)	(53,836)
Effects of losses for the year	45,030	23,195	12,198	8,062
Others	1,816	4,520	-	-
Income tax expenses reported in the income statement	54,868	96,157	-	-

The components of deferred tax assets and deferred tax liabilities as at 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax assets (liabilities)				
Accrual for interest income	(5,319)	(384)	-	-
Revenue received in advance	(357,602)	(381,342)	-	-
Real estate development costs	2,280	2,075	-	-
Land rental payables	19,287	21,533	-	-
Others	24,368	24,495	-	-
Total deferred tax liabilities	(316,986)	(333,623)	-	-

As at 31 December 2019, the Company has unused tax losses totaling Baht 299 million (2018: amounting to Baht 256 million). No deferred tax assets have been recognised on these amounts the Company believes future taxable profits may not be sufficient to allow utilisation of unused tax losses, which gradually expire by 2024.

25. Basic 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.

26. Segment information

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

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

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

(Unit: Thousand Baht)

	Industrial estate							
	development segment		Rental segment		Utility services segment		Consolidation	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues	61,710	608,119	246,917	234,471	222,632	214,018	531,259	1,056,608
Segment income	48,247	409,132	169,512	160,310	64,860	55,800	282,619	625,242
Unallocated income and expense:								
Dividend income							4,655	4,813
Gain on sales of investment properties							120,114	74,278
Interest income							43,797	14,437
Other income							9,973	20,396
Selling expenses							(9,119)	(10,605)
Administrative expenses							(145,961)	(148,502)
Losses on exchange							(141,708)	(35,419)
Additional penalties to Vietnamese government agency							-	(222,422)
Other expenses							(11,904)	(51)
Finance cost							(76,357)	(17,761)
Income tax expenses							(54,868)	(96,157)
Profit for the year							21,241	208,249

(Unit: Thousand Baht)

	Industrial estate		Rental segment		Utility services segment		Consolidation	
	development segment							
	2019	2018	2019	2018	2019	2018	2019	2018
Real estate development costs	407,320	346,612	-	-	-	-	407,320	346,612
Investment properties	-	-	637,924	760,264	-	-	637,924	760,264
Buildings and equipment	79,888	89,926	-	-	39,178	18,673	119,066	108,599
Real estate costs awaiting for development	363,296	-	-	-	-	-	363,296	-
Prepayment for land-use rights	4,117,154	4,245,428	-	-	-	-	4,117,154	4,252,428
Advance payment to Vietnamese government agency	181,284	194,586	-	-	-	-	181,284	194,586
Guarantee deposits for development of projects	136,928	-	-	-	-	-	136,928	-
Unallocated assets							1,575,563	1,071,087
Total assets							7,538,535	6,733,576

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

During the current year, the Group recognised revenue of Baht 6 million that was previously included in advance received from customers at the beginning of the year.

27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5 percent to 15 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Co., Ltd., will be paid to employees upon termination with the fund rules. The contributions for the year 2018 amounting to approximately Baht 1 million (2018: Baht 1 million) were recognized as expenses.

28. Dividends

Dividends declared for the year ended 31 December 2019 and 2018 consisted of the following:

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2018	Annual General Meeting of the shareholders on 23 April 2019	84,149	0.09
Total dividends for 2019		84,149	0.09
Final dividends for 2017	Annual General Meeting of the shareholders on 23 April 2018	28,050	0.03
Total dividends for 2018		28,050	0.03

29. Commitments and contingent liabilities

29.1 Capital commitments

As at 31 December 2019, the subsidiary had capital commitments of approximately VND 38 billion (2018: VND 27 billion), relating to the construction of ready built factories and drainage system.

29.2 Long-term commitments

The subsidiary had outstanding commitments to pay remuneration to the Vietnamese government agency pursuant to the agreement as follows.

- To lease land area of 29.18 hectare at the rate of USD 1,000 per hectare per annum which is to increase by 15 percent in every 5 years commencing on 1 January 2006.
- To lease land area of 30.76 hectare at the current rate of VND 131 million per hectare per annum until 31 December 2020, after that it will be adjusted in accordance with approval of the Vietnamese government.
- To lease land area of 1.78 hectare at the rate of VND 170 million per hectare per annum until April 2023, after that it will be adjusted in accordance with approval of the Vietnamese government agency.
- To lease land area of 97.80 hectare which have enjoyed exemption in 2019, after that it will be adjusted in accordance with approval of the Vietnamese government agency.
- To lease land area of 61.19 hectare which have enjoyed exemption until January 2031, after that it will be adjusted in accordance with approval of the Vietnamese government agency.
- To lease commercial land area of 2.09 hectare at the current rate of VND 750 million per hectare per annum for the first five years, after that it will be adjusted in accordance with approval of the Vietnamese government agency.

30. Operating lease for which the subsidiary company acts as a lessor

The subsidiary company has entered into several operating lease agreements in respect of the lease of land, ready built factory and office building. As at 31 December 2019 and 2018, future minimum rental income to be generated under these operating leases were as follows.

	(Unit: Thousand Baht)	
	<u>2019</u>	<u>2018</u>
Less than 1 year	189,191	233,173
1 to 5 years	335,376	474,282
More than 5 years	50,315	42,917

31. Financial instruments

31.1 Financial risk management

The financial instruments of the Group, as defined under Thai Accounting Standard No.107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, trade and other receivables, current investments, trade and other payables, and 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 and other receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, The Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and notes receivable as stated in the statement of financial position.

Interest rate risk

The Group exposures to interest rate risk relates primarily to their cash at bank and loans. However, since most of financial assets and liabilities of the Group bears floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk is expected to be minimal.

Foreign currency risk

The Company’s and its subsidiaries exposure to foreign currency risk arises mainly from bank deposits in foreign currency.

As at 31 December 2019, the Group had deposit balance in foreign currency amounting to USD 1 million (2018: USD 1 million), and of the Company only amounting to VND 606 million (2018: amounting to VND 449 million).

31.2 Fair values of financial instruments

Since the majority of the financial instruments of the Group is short-term in nature, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

32. 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. As at 31 December 2019, the Group's debt-to-equity ratio was 1.61:1 (2018: 1.08:1) and the Company's was 0.50:1 (2018: 0.34:1).

33. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 19 February 2020.