

**BANGKOK LAND PUBLIC COMPANY LIMITED
AND SUBSIDIARIES
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020
AND INDEPENDENT AUDITOR'S REPORT**

Independent Auditor's Report

To The Shareholders of Bangkok Land Public Company Limited

Opinion

I have audited the financial statements of Bangkok Land Public Company Limited and its subsidiaries, which comprise the consolidated and separate statements of financial position as at March 31, 2020, and the related consolidated and separate statements of 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.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Land Public Company Limited and its subsidiaries and Bangkok Land Public Company Limited as at March 31, 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate 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 consolidated 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.

Emphasis of Matter

I draw attention to Note 3 to the financial statements. Due to the impact of the COVID-19 outbreak, in preparing the financial statements for the year ended March 31, 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of COVID-19 Pandemic issued by the Federation of Accounting Professions. My opinion is not modified in respect of this matter.

Key Audit Matters

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

Valuation of Investments Properties

As discussed in Notes 10 to the financial statements, the Group had investments properties presented in the consolidated and separate statements financial position as at March 31, 2020, at their fair value of Baht 38,308 million and Baht 11,125 million, the fair value of these investments properties based on the value appraised by an independent appraiser the measurement of fair value was based on the assumptions and judgement of both the management and an independent appraiser. I identified the measurement of investment properties to be an area significantly impacting the financial statements.

Risk Responses of Auditor

I gain an understanding of the calculation of fair value of investments properties by making enquiry of responsible executives and gaining an understanding of the operation of controls designed by the Group. I considered the extent and objectives of the assessment of fair value by the independent appraiser and assessed the techniques and models used by the independent appraiser to measure the fair value, as specified in the appraisal report prepared by the appraiser, by comparing them to my knowledge and past experience regarding the valuation of the same or similar assets. I also considered the consistency of the application of such techniques and models, and assessed the competence and independence of the independent appraiser by checking publicly available data. In addition, I reviewed the data and key assumptions used in the measurement of fair value by comparing the estimated operating results with the Group's actual operating results to evaluate the judgement of the Group in terms of estimating operating results, and testing the calculation of fair value which was based on the above models and assumptions.

Pending Lawsuits

As discussed in Notes 28 (c) to the financial statements, the Group had pending lawsuits in the Commercial Court in London, England, in order to the Group to pay the debts and other related debts amounting to USD 34.21 million.

Risk Responses of Auditor

I request the confirmation replies from the Group's lawyers and the Group's lawyers have sent their opinions to me. In addition, I assessed the competence of the Group's lawyers. I also reviewed the disclosure of information 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 Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate 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 Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements, including the disclosures, and whether the consolidated 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 and separate 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 consolidated 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Jirote Sirirorote.

(Mr. Jirote Sirirorote)

Certified Public Accountant (Thailand)

Registration No. 5113

Karin Audit Company Limited

Bangkok, Thailand

June 1, 2020

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2020

| (Unit : Baht) | | | | |
|--|----------------------|----------------|----------------------|----------------|
| Notes | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 3,571,966,311 | 4,389,566,261 | 1,136,819,569 | 2,273,649,955 |
| Current investments | 6 2,434,605,914 | 1,236,910,442 | 1,574,409,109 | 72,410,620 |
| Trade and other current receivables, net | 7 208,783,689 | 842,880,160 | 3,976,045,162 | 3,983,688,956 |
| Inventories | 8 1,551,728,731 | 4,091,995,220 | 1,551,728,731 | 4,039,144,243 |
| Short-term loans to related parties, net | 5.4 - | - | 3,577,329,300 | 3,529,369,290 |
| Current tax assets | 31,225,820 | 2,720,149 | - | - |
| Other current assets | 105,972,942 | 95,665,184 | 25,171,376 | 25,116,578 |
| Total current assets | 7,904,283,407 | 10,659,737,416 | 11,841,503,247 | 13,923,379,642 |
| Non-current assets | | | | |
| Investments in subsidiaries | 9 - | - | 11,137,586,908 | 11,255,486,908 |
| Investment property | 10 38,307,664,952 | 36,224,591,987 | 11,124,589,770 | 10,392,963,940 |
| Property, plant and equipment, net | 11 15,133,792,814 | 15,405,098,102 | 100,444,619 | 109,853,710 |
| Deferred tax assets | 16 338,916,950 | 338,806,629 | - | - |
| Other non-current assets | 12 1,539,687,753 | 1,594,228,290 | 1,376,406,817 | 1,444,411,033 |
| Total non-current assets | 55,320,062,469 | 53,562,725,008 | 23,739,028,114 | 23,202,715,591 |
| TOTAL ASSETS | 63,224,345,876 | 64,222,462,424 | 35,580,531,361 | 37,126,095,233 |

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

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT MARCH 31, 2020

| (Unit : Baht) | | | | | |
|--|---------|----------------------|-----------------|----------------------|-----------------|
| | | Consolidated | | Separate | |
| | | financial statements | | financial statements | |
| | Notes | 2020 | 2019 | 2020 | 2019 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Current liabilities | | | | | |
| Trade and other current payables | 13 | 936,386,109 | 1,483,863,616 | 774,322,982 | 880,967,115 |
| Current portion of long-term liabilities | 5,6,15 | 4,750,000 | 2,004,750,000 | 1,400,000,000 | 1,400,000,000 |
| Current provisions for employee benefit | 17 | 18,945,148 | - | 18,779,778 | - |
| Current income tax payable | | 252,540,556 | 196,165,660 | 228,302,027 | 174,092,845 |
| Other current liabilities | 14 | 339,327,210 | 319,307,403 | 149,028,607 | 123,090,512 |
| Total current liabilities | | 1,551,949,023 | 4,004,086,679 | 2,570,433,394 | 2,578,150,472 |
| Non-current liabilities | | | | | |
| Long-term loans | 5,6, 15 | 3,874,650,423 | 1,881,208,333 | 8,050,000,000 | 9,450,000,000 |
| Deferred tax liabilities | 16 | 3,776,843,439 | 3,326,631,523 | 616,171,444 | 471,984,766 |
| Non-current provisions for employee benefit | 17 | 109,434,898 | 60,944,856 | 12,881,936 | - |
| Other-non current liabilities | | 21,723,910 | 33,996,734 | - | - |
| Total non-current liabilities | | 7,782,652,670 | 5,302,781,446 | 8,679,053,380 | 9,921,984,766 |
| Total liabilities | | 9,334,601,693 | 9,306,868,125 | 11,249,486,774 | 12,500,135,238 |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| Authorized share capital | | | | | |
| 26,295,658,054 common shares of Baht 1 par value | 18 | 26,295,658,054 | | 26,295,658,054 | |
| 27,517,826,754 common shares of Baht 1 par value | | | 27,517,826,754 | | 27,517,826,754 |
| Issued and fully paid - up share | | | | | |
| 17,374,401,054 common shares of Baht 1 par value | | 17,374,401,054 | | 17,374,401,054 | |
| 18,596,569,754 common shares of Baht 1 par value | | | 18,596,569,754 | | 18,596,569,754 |
| Treasury stock | 18 | (8,040,720) | (2,328,244,609) | (8,040,720) | (2,328,244,609) |
| Premium on share capital | | 1,995,515,325 | 1,995,515,325 | 1,995,515,325 | 1,995,515,325 |
| Retained earnings | | | | | |
| - Appropriated for legal reserve | | 904,110,957 | 805,527,239 | 904,110,957 | 805,527,239 |
| - Appropriated for treasury stock reserve | | 8,040,720 | 2,328,244,609 | 8,040,720 | 2,328,244,609 |
| - Unappropriated | | 11,094,993,274 | 10,946,490,663 | 4,057,017,251 | 3,228,347,677 |
| Other components of shareholders' equity | | 14,397,833,843 | 14,477,947,401 | - | - |
| Total shareholders' equity of the Company | | 45,766,854,453 | 46,822,050,382 | 24,331,044,587 | 24,625,959,995 |
| Non-controlling interests | | 8,122,889,730 | 8,093,543,917 | - | - |
| Total shareholders' equity | | 53,889,744,183 | 54,915,594,299 | 24,331,044,587 | 24,625,959,995 |
| TOTAL LIABILITIES AND | | | | | |
| SHAREHOLDERS' EQUITY | | 63,224,345,876 | 64,222,462,424 | 35,580,531,361 | 37,126,095,233 |

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

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2020

| | | (Unit : Baht) | | | |
|---|-------|------------------------|------------------------|------------------------|------------------------|
| | Notes | Consolidated | | Separate | |
| | | financial statements | | financial statements | |
| | | 2020 | 2019 | 2020 | 2019 |
| Revenues from sales | | 3,847,679,990 | 3,343,278,657 | 2,988,467,639 | 2,335,051,813 |
| Revenues from rental and service | 5.1 | 3,463,040,264 | 3,485,328,682 | 107,932,292 | 100,585,332 |
| Total revenues | | 7,310,720,254 | 6,828,607,339 | 3,096,399,931 | 2,435,637,145 |
| Costs of sales | | (3,341,615,192) | (2,908,653,039) | (2,529,182,546) | (2,025,743,264) |
| Costs of rental and services | | (1,199,987,924) | (914,433,188) | (74,442,212) | (143,719,968) |
| Total costs | | (4,541,603,116) | (3,823,086,227) | (2,603,624,758) | (2,169,463,232) |
| Gross profit | | 2,769,117,138 | 3,005,521,112 | 492,775,173 | 266,173,913 |
| Gain on exchange rate, net | | 629,408 | 1,036,213 | - | 169,779 |
| Dividend income | 5.1 | - | - | 378,296,000 | 500,000,000 |
| Gain on revaluation of investment property | | 1,795,623,420 | 1,953,799,113 | 714,666,330 | 613,107,971 |
| Other revenues | 21 | 131,650,457 | 183,659,159 | 1,397,668,729 | 1,452,042,595 |
| Profit before expenses | | 4,697,020,423 | 5,144,015,597 | 2,983,406,232 | 2,831,494,258 |
| Selling expenses | | (20,296,859) | (20,493,414) | (4,000,773) | (2,275,792) |
| Administrative expenses | 5.1 | (1,742,069,670) | (1,675,667,905) | (562,133,966) | (628,110,232) |
| Management benefit | 24 | (115,933,826) | (116,543,316) | (40,384,153) | (40,331,282) |
| Finance costs | | (145,535,647) | (154,271,136) | - | (1,995,890) |
| Total expenses | | (2,023,836,002) | (1,966,975,771) | (606,518,892) | (672,713,196) |
| Profit before income tax expense | | 2,673,184,421 | 3,177,039,826 | 2,376,887,340 | 2,158,781,062 |
| Income tax expenses | 23 | (837,676,890) | (702,405,327) | (405,212,972) | (348,102,815) |
| Profit for the year | | 1,835,507,531 | 2,474,634,499 | 1,971,674,368 | 1,810,678,247 |
| Other comprehensive income (expense) | | | | | |
| Components of other comprehensive income | | | | | |
| that will be reclassified to profit or loss subsequently | | | | | |
| Currency translation differences | | 302,990 | 202,030 | - | - |
| Components of other comprehensive income | | | | | |
| that will not be reclassified to profit or loss subsequently | | | | | |
| Gains on remeasurement of defined benefit plans | | - | - | - | - |
| Depreciation on surplus on revaluation of assets | | (80,416,548) | (81,544,973) | - | - |
| Gains on revaluation of asset | | - | 539,508,972 | - | - |
| Other comprehensive expense for the year - net of tax | | (80,113,558) | 458,166,029 | - | - |
| Total comprehensive income for the year | | 1,755,393,973 | 2,932,800,528 | 1,971,674,368 | 1,810,678,247 |
| Profit attributable to: | | | | | |
| Owners of the parent | | 1,216,596,303 | 1,815,820,992 | 1,971,674,368 | 1,810,678,247 |
| Non-controlling interests | | 618,911,228 | 658,813,507 | - | - |
| | | 1,835,507,531 | 2,474,634,499 | 1,971,674,368 | 1,810,678,247 |
| Total comprehensive income for the year | | | | | |
| attributable to: | | | | | |
| Owners of the parent | | 1,136,482,745 | 2,273,987,021 | 1,971,674,368 | 1,810,678,247 |
| Non-controlling interests | | 618,911,228 | 658,813,507 | - | - |
| | | 1,755,393,973 | 2,932,800,528 | 1,971,674,368 | 1,810,678,247 |
| Earnings per share | | | | | |
| Basic earnings per share (Baht) | 26 | 0.070 | 0.098 | 0.113 | 0.097 |
| (2020 : 17,374 million shares) | | | | | |
| (2019 : 18,597 million shares) | | | | | |

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

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

(Unit : Baht)

| Consolidated financial statements | | | | | | | | | | | | | | | | |
|---|----------------------------------|-----------------|--------------------|--------------------------|--------------------------------|---|-----------------|--|----------------------------------|--|--|---|--|--|---------------------------|-----------------|
| Notes | Retained earnings | | | | | | | Other components of shareholders' equity | | | | | | | | |
| | Issued and paid-up share capital | Treasury stock | Share subscription | Premium on share capital | Appropriated for legal reserve | Appropriated for treasury share reserve | Unappropriated | Currency translation differences | Surplus on revaluation of assets | Net book value of subsidiaries exceed investment as of purchasing date | Change in shareholding in subsidiaries | Gains (losses) on remeasurements of defined benefit plans | Total other components of shareholders' equity | Total equity attributable to owner's of the parent | Non-controlling interests | Total |
| | | | | | | | | | | | | | | | | |
| Balance as at April 1, 2018 | 18,596,218,240 | - | 331,566 | 1,995,163,811 | 714,993,327 | - | 13,113,057,319 | 909,898 | 11,176,124,639 | 28,184,195 | 2,814,562,640 | - | 14,019,781,372 | 48,439,545,635 | 8,057,279,442 | 56,496,825,077 |
| Share capital increase | 351,514 | - | (331,566) | 351,514 | - | - | - | - | - | - | - | - | - | 371,462 | - | 371,462 |
| Currency translation differences | - | - | - | - | - | - | - | 202,030 | - | - | - | - | 202,030 | 202,030 | - | 202,030 |
| Dividends payment | - | - | - | - | - | - | (1,563,609,127) | - | - | - | - | - | - | (1,563,609,127) | (622,549,032) | (2,186,158,159) |
| Depreciation on surplus on revaluation of assets | - | - | - | - | - | - | - | - | (81,544,973) | - | - | - | (81,544,973) | (81,544,973) | - | (81,544,973) |
| Gains on revaluation of asset | - | - | - | - | - | - | - | - | 539,508,972 | - | - | - | 539,508,972 | 539,508,972 | - | 539,508,972 |
| Treasury stock | 18 | (2,328,244,609) | - | - | - | - | - | - | - | - | - | - | - | (2,328,244,609) | - | (2,328,244,609) |
| Reversal of appropriated retained earnings for treasury shares | - | - | - | - | - | 2,328,244,609 | (2,328,244,609) | - | - | - | - | - | - | - | - | - |
| Appropriated for legal reserve | 20 | - | - | - | 90,533,912 | - | (90,533,912) | - | - | - | - | - | - | - | - | - |
| Comprehensive income for the year | - | - | - | - | - | - | 1,815,820,992 | - | - | - | - | - | - | 1,815,820,992 | 658,813,507 | 2,474,634,499 |
| Balance as at March 31, 2019 | 18,596,569,754 | (2,328,244,609) | - | 1,995,515,325 | 805,527,239 | 2,328,244,609 | 10,946,490,663 | 1,111,928 | 11,634,088,638 | 28,184,195 | 2,814,562,640 | - | 14,477,947,401 | 46,822,050,382 | 8,093,543,917 | 54,915,594,299 |
| Currency translation differences | - | - | - | - | - | - | - | 302,990 | - | - | - | - | 302,990 | 302,990 | - | 302,990 |
| Dividends payment | 19 | - | - | - | - | - | (2,258,549,056) | - | - | - | - | - | - | (2,258,549,056) | (589,565,415) | (2,848,114,471) |
| Depreciation on surplus on revaluation of assets | - | - | - | - | - | - | 80,416,548 | - | (80,416,548) | - | - | - | (80,416,548) | - | - | - |
| Reduction of paid-up share capital by writing off treasury shares | 18 | (1,222,168,700) | 2,328,244,609 | - | - | - | (1,106,075,909) | - | - | - | - | - | - | - | - | - |
| Reversal of appropriated retained earnings for treasury shares | - | - | - | - | - | (2,328,244,609) | 2,328,244,609 | - | - | - | - | - | - | - | - | - |
| Treasury stock | 18 | - | (8,040,720) | - | - | - | - | - | - | - | - | - | - | (8,040,720) | - | (8,040,720) |
| Reversal of appropriated retained earnings for treasury shares | - | - | - | - | - | 8,040,720 | (8,040,720) | - | - | - | - | - | - | - | - | - |
| Appropriated for legal reserve | 20 | - | - | - | 98,583,718 | - | (98,583,718) | - | - | - | - | - | - | - | - | - |
| Transferred to retained earnings | - | - | - | - | - | - | (5,505,446) | - | - | - | - | 5,505,446 | 5,505,446 | - | - | - |
| Comprehensive income for the year | - | - | - | - | - | - | 1,216,596,303 | - | - | - | - | (5,505,446) | (5,505,446) | 1,211,090,857 | 618,911,228 | 1,830,002,085 |
| Balance as at March 31, 2020 | 17,374,401,054 | (8,040,720) | - | 1,995,515,325 | 904,110,957 | 8,040,720 | 11,094,993,274 | 1,414,918 | 11,553,672,090 | 28,184,195 | 2,814,562,640 | - | 14,397,833,843 | 45,766,854,453 | 8,122,889,730 | 53,889,744,183 |

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

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

| (Unit : Baht) | | | | | | | | |
|---|-------------------------------------|-----------------|-----------------------|-----------------------------|-----------------------------------|---|-----------------|-----------------|
| Notes | Separate financial statements | | | | | | | |
| | Issued and paid-up share capital | Treasury stock | Share subscription | Premium on share capital | Retained earnings | | | Total |
| | | | | | Appropriated for legal reserve | Appropriated for treasury share reserve | Unappropriated | |
| Balance as at April 1, 2018 | 18,596,218,240 | - | 331,566 | 1,995,163,811 | 714,993,327 | - | 5,400,057,078 | 26,706,764,022 |
| Share capital increase | 351,514 | - | (331,566) | 351,514 | - | - | - | 371,462 |
| Treasury stock | 18 | (2,328,244,609) | - | - | - | - | - | (2,328,244,609) |
| Dividends payment | - | - | - | - | - | - | (1,563,609,127) | (1,563,609,127) |
| Reversal of appropriated retained earnings for treasury shares | - | - | - | - | - | 2,328,244,609 | (2,328,244,609) | - |
| Appropriated for legal reserve | 20 | - | - | - | 90,533,912 | - | (90,533,912) | - |
| Comprehensive income for the year | - | - | - | - | - | - | 1,810,678,247 | 1,810,678,247 |
| Balance as at March 31, 2019 | 18,596,569,754 | (2,328,244,609) | - | 1,995,515,325 | 805,527,239 | 2,328,244,609 | 3,228,347,677 | 24,625,959,995 |
| Reduction of paid-up share capital by writing off treasury shares | 18 | (1,222,168,700) | - | - | - | - | (1,106,075,909) | - |
| Reversal of appropriated retained earnings for treasury shares | - | - | - | - | - | (2,328,244,609) | 2,328,244,609 | - |
| Treasury stock | 18 | (8,040,720) | - | - | - | - | - | (8,040,720) |
| Reversal of appropriated retained earnings for treasury shares | - | - | - | - | - | 8,040,720 | (8,040,720.00) | - |
| Dividends payment | 19 | - | - | - | - | - | (2,258,549,056) | (2,258,549,056) |
| Appropriated for legal reserve | 20 | - | - | - | 98,583,718 | - | (98,583,718) | - |
| Comprehensive income for the year | - | - | - | - | - | - | 1,971,674,368 | 1,971,674,368 |
| Balance as at March 31, 2020 | 17,374,401,054 | (8,040,720) | - | 1,995,515,325 | 904,110,957 | 8,040,720 | 4,057,017,251 | 24,331,044,587 |

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

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020

| | (Unit : Baht) | | | |
|--|------------------------|------------------------|------------------------|------------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit before income tax expense | 2,673,184,421 | 3,177,039,826 | 2,376,887,340 | 2,158,781,062 |
| Net adjustments to reconcile profit (loss) before income tax expense | | | | |
| to cash provided by (used in) operating activities: | | | | |
| Interest expense | 145,535,647 | 154,271,136 | - | - |
| Interest income | (34,881,222) | (20,122,694) | (49,512,787) | (83,346,570) |
| Trade and other current receivables decrease | 613,941,755 | 3,014,770,690 | 494,194,970 | 2,926,775,270 |
| Inventories decrease | 2,466,349,485 | 1,077,770,733 | 2,466,719,085 | 1,100,768,564 |
| Other current assets (increase) decrease | (10,307,756) | (11,537,653) | (54,800) | 52,800 |
| Other non-current assets (increase) decrease | (10,252,746) | 45,730,663 | (1,424,122) | 86,626 |
| Trade and other current payables decrease | (550,818,227) | (190,830,761) | (109,984,852) | (48,846,888) |
| Other current liabilities increase (decrease) | 20,322,796 | 37,446,849 | 25,938,095 | (1,028,132) |
| Non-other current liabilities decrease | (12,272,824) | (8,865,417) | - | - |
| Depreciation and amortization | 636,352,750 | 307,966,566 | 100,223,589 | 100,907,174 |
| Provisions for employee benefit | 66,373,313 | 14,627,571 | 31,661,713 | - |
| (Profit) Loss on write off of fixed assets | (435,039) | 3,931,217 | - | - |
| Gains on revaluation of investment property | (1,795,623,420) | (1,953,799,113) | (714,666,330) | (613,107,971) |
| (Reverse) allowance for doubtful account | 20,154,716 | (12,425,939) | 19,366,311 | - |
| Give on debt forgiveness from subsidiary | - | - | (1,340,000,000) | (1,340,000,000) |
| Total adjustments to reconcile profit before income tax | | | | |
| to net cash provided by operating activities | 4,227,623,649 | 5,635,973,674 | 3,299,348,212 | 4,201,041,935 |
| Net cash provided by (used in) operating activities | | | | |
| Dividend income | - | - | (378,296,000) | (500,000,000) |
| Cash recieved from refundable withholding tax | 1,214,287 | - | - | - |
| Income tax paid | (365,185,813) | (395,343,046) | (206,817,111) | (265,471,537) |
| Cash paid for employee benefits | (4,443,568) | (4,368,981) | - | - |
| Net cash provided by operating activities | 3,859,208,555 | 5,236,261,647 | 2,714,235,101 | 3,435,570,398 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest income received | 34,881,222 | 20,122,694 | 11,495,301 | 9,196,098 |
| (Increase) decrease in current investments | (1,197,695,472) | 1,163,959,704 | (1,501,998,489) | 498,213,796 |
| Proceeds from dividend income | - | - | 28,296,000 | 500,000,000 |
| Increase in short-term loans and receivable to related parties | - | - | (107,960,010) | (651,906,374) |
| Proceeds from sale of assets | 2,217,201 | 2,833,961 | - | - |
| Cash paid for purchase of fixed assets | (223,853,883) | (231,529,959) | (689,733) | (1,564,768) |
| Cash paid for purchase of investment property | (287,449,545) | (868,413,907) | (16,959,500) | (15,990,899) |
| Net cash provied by (used in) investing activities | (1,671,900,477) | 86,972,493 | (1,587,816,431) | 337,947,853 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Interest expense | (145,535,647) | (154,271,136) | - | - |
| Proceeds from capital increase | - | 371,462 | - | 371,462 |
| Cash paid for treasury stock | (4,700,000) | (2,328,244,609) | (4,700,000) | (2,328,244,609) |
| Repayment of long-term loan | (6,557,910) | (4,750,000) | - | - |
| Dividend payment of subsidiaries | (589,565,415) | (622,549,032) | - | - |
| Dividend payment | (2,258,549,056) | (1,563,609,127) | (2,258,549,056) | (1,563,609,127) |
| Net cash used in financing activities | (3,004,908,028) | (4,673,052,442) | (2,263,249,056) | (3,891,482,274) |
| Net increase (decrease) in cash and cash equivalents | (817,599,950) | 650,181,698 | (1,136,830,386) | (117,964,023) |
| Cash and cash equivalents at beginning of the year | 4,389,566,261 | 3,739,384,563 | 2,273,649,955 | 2,391,613,978 |
| Cash and cash equivalents at ending of the year | 3,571,966,311 | 4,389,566,261 | 1,136,819,569 | 2,273,649,955 |

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

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED MARCH 31, 2020

| | (Unit : Baht) | | | |
|--|----------------------|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Supplemental Disclosures of Cash Flows Information: | | | | |
| 1. Cash and cash equivalents comprised of : | | | | |
| Cash on hand | 9,970,149 | 25,634,994 | 2,222,603 | 1,829,057 |
| Undeposited cheques | 23,255,028 | 11,994,639 | 9,799,429 | 3,088,756 |
| Saving accounts | 3,358,918,623 | 4,196,326,030 | 1,108,099,532 | 2,209,079,061 |
| Current account | 162,349,842 | 153,192,187 | 15,192,304 | 58,157,580 |
| Fixed deposits | 17,472,669 | 2,418,411 | 1,505,701 | 1,495,501 |
| Total | <u>3,571,966,311</u> | <u>4,389,566,261</u> | <u>1,136,819,569</u> | <u>2,273,649,955</u> |
| 2. Non-cash transactions | | | | |
| Transfer real estate development cost to property, plant and equipment | 57,228,976 | 77,254,000 | 4,378,000 | 77,254,000 |
| Receivable from capital reduction in a subsidiary | - | - | 117,900,000 | - |
| Dividend receivable in a subsidiary | - | - | 350,000,000 | - |
| Payable for treasury shares | (3,340,720) | - | (3,340,720) | - |

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

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2020****1. General information**

Bangkok Land Public Company Limited (“the Company”) is incorporated and domiciled in Thailand. The Company is listed on the Stock Exchange of Thailand.

The address of its registered office is 47/569 - 576 Moo 3, 10th Floor New Geneva Industry Condominium, Popular 3 Road, Tambol Bannmai, Amphur Pakkred, Nonthaburi.

The principal business of the Company and its subsidiaries (“the Company group”) comprise of real estate development, exhibition and convention, food and beverage and investment in hotel.

2. Basis for preparation of the consolidated financial statements

Subsidiary are companies in which significantly controlled by Bangkok Land Public Company Limited. The consolidated financial statements incorporate the financial statements of Bangkok Land Public Company Limited and its subsidiaries, by eliminating intercompany balances and unrealized gain and loss.

The Company’s subsidiaries included in consolidated financial statements as at March 31, 2020 and 2019 comprise the following:

| | Principal business | Percentage of holding. | |
|--|----------------------------------|------------------------|--------|
| | | 2020 | 2019 |
| Direct investment : | | | |
| Sinpornchai Company Limited | Property development | 100.00 | 100.00 |
| Bangkok Land (Cayman Islands) Company Limited | Financing | 100.00 | 100.00 |
| Muang Thong Services and Management Company Limited | Project management service | 97.00 | 97.00 |
| Muang Thong Building Services Company Limited | Building maintenance service | 97.00 | 97.00 |
| Impact Exhibition Management Company Limited | Exhibition convention & hotel | 100.00 | 100.00 |
| Spooner Limited | Dormant | 100.00 | 100.00 |
| Direct and indirect investment : | | | |
| Bangkok Land Agency Company Limited | Property renting | 99.30 | 99.30 |
| Bangkok Airport Industry Company Limited | Property development | 100.00 | 100.00 |
| RMI Company Limited | REIT manager | 100.00 | 100.00 |
| Impact Growth Real Estate Investment Trust | Real estate investment trust | 50.00 | 50.00 |

Except for the Bangkok Land (Cayman Islands) Company Limited, which is incorporated in Cayman Islands, and Spooner Limited, which is incorporated in Hong Kong, all subsidiaries are incorporated in Thailand.

3. Basis for preparation of the financial statements and significant accounting policies

3.1 Basis of preparation

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

An English version of the financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3.2 Coronavirus disease 2019 Pandemic

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

3.3 New financial reporting standards

3.3.1 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 January 1, 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

IFRS 15 Revenue from Contracts with Customers

IFRS 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.

3.3.2 Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 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 January 1, 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 IFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

| | |
|--------|------------------------------------|
| IFRS 7 | Financial Instruments: Disclosures |
| IFRS 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 amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the 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 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 recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

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

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

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

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

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

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

- Not to use information relating to the COVID-19 situation in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised.
- Not to consider the COVID-19 situation as an impairment indicator for property, plant and equipment, investment properties, intangible assets.

3.4 Significant accounting policies

3.4.1 Use of accounting estimates

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

Accounting estimation and assumptions have been regularly reviewed. The effect from such review will be recorded into the period effect occurred. If the estimates effect only that period and will be recorded in the period of the estimates or in the future. If the estimates effects current and future periods.

3.4.2 Foreign currency transactions

Transactions in foreign currencies throughout the periods are recorded in Baht at rates prevailing at the dates of transactions. Outstanding assets and liabilities denominated in foreign currencies at the statements of financial position statements of financial position date are translated into Baht at the prevailing bank rates as of that date. Gains or losses arising from the translations are credited or charged to current operations.

3.4.3 Revenue recognition

Property development business

Revenues from sales of land and houses and sales of residential condominium are recognized at a point in time as income when ownership of the asset has been transferred to the buyer.

Retail business

Sales of goods are recognized when the company has transferred the control of the goods of ownership have passed to the customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts.

Property rental business

Rental income is recognized on an accrual basis by the straight - line method over the term of the lease.

Services income is recognized when the service has been provided to customers by considering the success stage of the work in determining the timing of delivery of controls to assess whether income is recognized at certain times or over a period of time.

Barter income arises from the exchange of different goods or service for other goods or service, which is recognized at fair value of those goods or service in exchange.

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

Dividend incomes are recognized when the company has the right to receive dividends.

3.4.4 Real estate development cost

Real estate development cost is stated at the lower of cost or net realizable value. Costs include cost of land, land development, construction costs, infrastructure, project management fee and related borrowing cost.

Infrastructure for public use is depreciated on a straight line method over 20 years, and such depreciation is charged to cost of sales.

3.4.5 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and at banks and deposits at financial institutions with original maturity of three months or less.

Cash restricted in use is shown as other non-current assets.

3.4.6 Trade receivables

Trade receivables are carried at anticipated realisable value after allowance for doubtful receivables. An allowance is estimated on the basis of management's assessment of long overdue debts which may not be collectible. Bad debts are written off during the year in which they are identified.

3.4.7 Investments in subsidiaries

Investments in subsidiaries are recorded at the cost net of allowance for impairment loss.

3.4.8 Capitalisation of borrowing costs

Borrowing costs are capitalised to the extent that the Company has incurred borrowing costs on assets that require a period of time to get them ready for sale or for intended use. Capitalisation ceases when the assets are ready for sale or for intended use.

3.4.9 Investment property

Investment property comprises land held for capital appreciation rather than for sale in the ordinary course of business. Investment property is stated at fair value, representing open market value determined by independent valuation and the Group's directors. Changes in the fair value of investment property, net of deferred income tax, is included in the statement of comprehensive income for the period in which it arises.

Fair value is determined using open market value determined by independent valuers who are approved by the Stock Exchange of Thailand.

3.4.10 Property, plants and equipment

Land are stated at revalue amount (market approach) less provision for impairment of assets (if any). Buildings are stated at the revalued amount (replacement cost approach) less accumulated depreciation and provision for impairment of assets (if any). Equipment is stated at cost less relevant accumulated depreciation and provision for impairment of assets (if any).

Revaluations are performed by independent professional appraisers, which the Company has the policy for the independent professional appraisers will be requested to perform the appraisal for the said assets at sufficient regularity to ensure that the book value of these assets does not differ materially from their fair values at the balance sheet date. Increase from appraisal value will be recorded in the shareholders' equity under "Surplus on revaluation of assets", and decrease from cost recorded as loss from decrease in revaluation of assets in the statements of comprehensive income. Increase in revaluation of building and machines will be amortized in accordance to the remaining useful life of those assets.

Depreciation is calculated on the straight line method to write off the cost of each asset, except for land which is considered to have an indefinite life, to its residual value over the estimated useful lives as follows:

| | |
|---|-----------|
| Exhibition Hall and Convention Centers - structure | 50 years |
| Exhibition Hall and Convention Centers - building improvement | 20 years |
| Buildings and other constructions | 20 years |
| Other fixed assets | 3-5 years |

The depreciation as calculated above are recorded as follows:

- The depreciation for those calculated from the cost value is included in the calculation of the operating result.
- The depreciation for the revaluation surplus is written off to the surplus on revaluation of assets in the shareholders' equity.

When an asset is retired, the asset and the related accumulated depreciation are written off from the accounts, and any gain or loss from retirement of the asset is recognised in the statement of comprehensive income.

3.4.11 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.4.12 Foreign currency translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date including assets and liabilities of a foreign subsidiary which is identified as a part of the Company's operation are translated into Baht at the exchange rates ruling at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income.

The financial statements of a foreign subsidiary are translated into Baht by the average exchange rates of the year for the statement of comprehensive income and by the exchange rate at the statement of financial position date for statement of financial position items. The resulting translation adjustment is accumulated as a component of shareholders' equity as "currency translation differences".

3.4.13 Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and financial liability or an equity instrument of another enterprise.

Financial assets carried on the statement of financial position include cash on hand and at banks, short-term investments, trade receivables, unbilled completed works, loans to and amounts due from related parties and certain balance of other assets. Financial liabilities include trade creditors, borrowings and advances receipts from customers and certain balances of other liabilities. The accounting policy in respect of those items, where applicable, are stated in the related notes to financial statements.

3.4.14 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

3.4.15 Employee benefits

Short-term employee benefits

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

Post-employment benefits

- Defined contribution plans

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

- Defined benefit plans

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

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognized immediately in other comprehensive income.

3.4.16 Impairment of assets

The Company has determined the impairment of asset if there is indicator that the carrying amount of asset exceeds its recoverable amount. An impairment loss on the assets carrying at cost is recorded as expense in statements of comprehensive income, while an impairment loss on revalued asset is recognized against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for the same asset.

The Group elected to exclude the COVID-19 situation as impairment indicator for property, plant and equipment, investment properties, intangible assets, and elected to exclude the COVID-19 situation, which may affect future financial forecasts, from the impairment testing factors of goodwill, other intangible assets with an indefinite useful life.

3.4.17 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 Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and 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 Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. The significant accounting judgments and estimates are as follows:

Allowance for doubtful accounts

Allowances for doubtful accounts are intended to adjust the value of receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of specific reviews, collection experience, and analysis of debtor aging, taking into account changes in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2020**Impairment of investments

The Group treats investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment.

Depreciation

In calculating depreciation of plant and equipment, the management estimates useful lives and salvage values of the plant and equipment and reviews estimated useful lives and salvage values if there are any changes.

5. Transactions with related parties**5.1 Significant transactions with related parties**

Portion of revenues and expenses arose from transactions with related parties for the years ended March 31, 2020 and 2019 are summarized as follows:

| | | (Unit : Million Baht) | | | |
|--|-----|-----------------------|------|----------------------|------|
| | | Consolidated | | Separate | |
| | | financial statements | | financial statements | |
| Pricing | | 2020 | 2019 | 2020 | 2019 |
| Policy | | | | | |
| Income | | | | | |
| Interest income: | | | | | |
| Bangkok Airport Industry Company Limited | (1) | - | - | 38 | 74 |
| Rental and service income: | | | | | |
| Impact Exhibition Management Company Limited | (2) | - | - | 7 | 3 |
| Dividend income: | | | | | |
| Impact Exhibition Management Company Limited | (4) | - | - | 350 | 500 |
| Bangkok Land Agency Company Limited | | - | - | 28 | - |
| | | - | - | 378 | 500 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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| | | (Unit : Million Baht) | | | |
|--|--------|-----------------------|------|----------------------|------|
| | | Consolidated | | Separate | |
| | | financial statements | | financial statements | |
| Pricing | Policy | 2020 | 2019 | 2020 | 2019 |
| Expense | | | | | |
| Interest expense: | | | | | |
| Impact Exhibition Management Company Limited | (1) | - | - | - | 2 |
| Rental and service expense: | | | | | |
| Bangkok Airport Industry Company Limited | (3) | - | - | 109 | 109 |
| Sinpornchai Company Limited | | - | - | 1 | 1 |
| | | - | - | 110 | 110 |
| Management fee: | | | | | |
| Impact Exhibition Management Company Limited | (2) | - | - | 50 | 44 |

Pricing policy

- (1) Fixed Deposit Interest Rates of financial institutions
- (2) Actual paid
- (3) Price of area
- (4) Right to receive dividend

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5.2 Advances and other receivables from related parties, net

The balances of advance and other receivables from related parties as at March 31, 2020 and 2019 are as follows:

| | (Unit : Million Baht) | | | |
|---|-----------------------|------|----------------------|-------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Accrued income: | | | | |
| Bangkok Airport Industry Company Limited | - | - | 26 | 26 |
| Impact Exhibition Management Company Limited | - | - | 356 | - |
| | - | - | 382 | 26 |
| Advance deposit and other receivables: | | | | |
| Spooner Limited | - | - | - | 10 |
| Bangkok Airport Industry Company Limited | - | - | 225 | 225 |
| Bangkok Land Agency Company Limited | - | - | 118 | - |
| | - | - | 343 | 235 |
| Interest receivables: | | | | |
| Bangkok Airport Industry Company Limited | - | - | 2,534 | 2,496 |
| Sinpornchai Company Limited | - | - | 203 | 203 |
| Muang Thong Building Services Company Limited | - | - | 1 | 1 |
| | - | - | 2,738 | 2,700 |
| | - | - | 3,463 | 2,961 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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MARCH 31, 2020

5.3 Investment in loans

| | (Unit : Million Baht) | | | |
|--|-----------------------|------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Bangkok Airport Industry Company Limited | - | - | 475 | 475 |

Investment in loans comprised of:

| | (Unit : Million Baht) |
|-----------------------------------|-----------------------|
| Receivable per original agreement | 965 |
| Deferred income | (490) |
| Investment in loans | 475 |

As at February 20, 2009, a subsidiary owed Baht 965 million (divided into principal of Baht 444 million and accrued interest of Baht 521 million) to a financial institution. On the same date, the Company acquired the rights of claim on this debt from the financial institution at a price of Baht 475 million. The Company expects to recover the total amount of Baht 965 million in full from the subsidiary.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

5.4 Short-term loans to related parties, net

Short-term loans to related parties as at March 31, 2020 and 2019 are as follows:

| | (Unit : Million Baht) | | | |
|--|-----------------------|------|----------------------|-------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Bangkok Airport Industry Company Limited | - | - | 3,363 | 3,261 |
| Sinpornchai Company Limited | - | - | 214 | 268 |
| | - | - | 3,577 | 3,529 |

Loans to related parties carry interest at Fixed Deposit Interest Rates of financial institutions. The loans are unsecured and have no fixed repayment dates.

5.5 Payables to related parties

The balances of payables to related parties as at March 31, 2020 and 2019 are as follows:

| | (Unit : Million Baht) | | | |
|---|-----------------------|------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Accrued management fee: | | | | |
| Bangkok Airport Industry Company Limited | - | - | 372 | 270 |
| Advance and payables: | | | | |
| Sinpornchai Company Limited | - | - | 1 | 1 |
| Impact Exhibition Management Company Limited | - | - | 7 | 9 |
| Bangkok Land (Cayman Islands) Company Limited | - | - | 125 | 144 |
| Muang Thong Services and Management Company Limited | - | - | 4 | 4 |
| Muang Thong Building Services Company Limited | - | - | 4 | 4 |
| | - | - | 141 | 162 |
| | - | - | 513 | 432 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2020****5.6 Long-term loans from related parties**

Long-term loans from related parties as at March 31, 2020 and 2019 comprise of:

| | (Unit : Million Baht) | |
|-----------------------------|-------------------------------|--------|
| | Separate financial statements | |
| <u>Loans from</u> | 2020 | 2019 |
| Sinpornchai Company Limited | 9,450 | 10,850 |

The Company established a wholly-owned subsidiary, Bangkok Land (Cayman Islands) Company Limited (BL Cayman), in October 1992 with a registered capital of USD 10,000. BL Cayman issued exchangeable notes in foreign capital markets, guaranteed by the Company and the entire proceeds of the notes were lent to the Company on equivalent financial terms.

The Company entered into a loan agreement with BL Cayman on October 13, 1993, whereas in the event that the Company should have failed to meet its payment obligation which would have caused BL Cayman not able to make its payment to the note holders, the Company agreed to pay BL Cayman a penalty interest of 1% above the normal interest rate per annum on the amount due by the Company. However, no claim has been made against the Company. The Company therefore has not accounted for the penalty interest in its financial statements.

On March 28, 2016, the Company entered into agreement with BL Cayman that both parties agreed to acknowledge the debt and amend the terms and conditions. Outstanding debt as at December 31, 2015 was Baht 14,189 million (comprise of principal of Baht 4,619 million and accrued interest of Baht 9,570 million) which the BL Cayman agreed to waive accrued interest of Baht 189 million and the remaining amount of Baht 14,000 million was changed to be a principal with no interest charging since January 1, 2016 onwards. The Company recognized a gain on debt forgiveness as other income in the statement of comprehensive income for the year end March 31, 2016.

On March 30, 2016, the BL Cayman entered into agreement with Sinpornchai Company Limited that BL Cayman agreed to sell debt with BLAND amounting to Baht 14,000 million to Sinpornchai Company Limited at the price of Baht 200 million.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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On March 31, 2017, the Company entered into a debt restructuring agreement with Sinpornchai Company Limited. The Company agreed to pay the unpaid amount of Baht 14,000 million to Sinpornchai Company Limited by offsetting the total amount of Baht 600 million (consisting of a principal of Baht 400 million and accrued interest of Baht 200 million, the Company has ceased to charge interest on the outstanding principal of Baht 400 million since April 1, 2017). Subsequently, make a deduction from the outstanding interest. Details are as follows,

| (Unit : Million Baht) | | | | |
|-----------------------|-----------|----------|-------|--------------------------|
| Year | Principle | Interest | Total | Debt that the subsidiary |
| | | | | Company gave up |
| 2017 | 15 | - | 15 | 335 |
| 2018 | 60 | - | 60 | 1,340 |
| 2019 | 60 | - | 60 | 1,340 |
| 2020 | 60 | - | 60 | 1,340 |
| 2021 | 60 | - | 60 | 1,340 |
| 2022 | 60 | - | 60 | 1,340 |
| 2023 | 60 | - | 60 | 1,340 |
| 2024 | 25 | 35 | 60 | 1,340 |
| 2025 | - | 60 | 60 | 1,340 |
| 2026 | - | 60 | 60 | 1,340 |
| 2027 | - | 45 | 45 | 1,005 |
| | 400 | 200 | 600 | 13,400 |

The Company has recognized the gain from debt repayment of Baht 1,340 million to other income in the statement of income for the year ended March 31, 2020.

Maturity of long-term loans from related parties are as follows:

| | (Unit : Million Baht) | |
|------------------|-------------------------------|--------|
| | Separate financial statements | |
| | 2020 | 2019 |
| Within in 1 year | 1,400 | 1,400 |
| Over 1 years | 8,050 | 9,450 |
| Total | 9,450 | 10,850 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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MARCH 31, 2020

6. Current investments

As at March 31, 2020 and 2019 short-term investments comprise of:

| | (Unit : Million Baht) | | | |
|---|-----------------------|-------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Fixed deposit | 628 | 325 | 500 | - |
| Investment in short-term debt instruments | 1,807 | 912 | 1,074 | 72 |
| Total | 2,435 | 1,237 | 1,574 | 72 |

7. Trade and other current receivables, net

Trade receivable and other current receivable as at March 31, 2020 and 2019 are as follows:

| | (Unit : Million Baht) | | | |
|--|-----------------------|------|----------------------|-------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Promissory note | - | 446 | - | 446 |
| Trade receivables | 170 | 179 | 6 | 4 |
| <u>Less</u> Allowance for doubtful accounts | (72) | (71) | - | - |
| Trade receivables, net | 98 | 554 | 6 | 450 |
| Advances and other current receivables from related parties (Note 5.2) | - | - | 3,463 | 2,961 |
| Investment in loans to related parties (Note 5.3) | - | - | 475 | 475 |
| Prepaid expenses | 34 | 64 | 13 | 45 |
| Revenue department receivables | 31 | 45 | - | - |
| Accrued income | 19 | 120 | 9 | 40 |
| Other current receivables, net | 27 | 60 | 10 | 13 |
| Total trade and other current receivables, net | 209 | 843 | 3,976 | 3,984 |

The aging of trade receivables are as follows :

| | | | | |
|----------------|-----|-----|---|---|
| Up to 3 months | 82 | 93 | 6 | 4 |
| 3 - 6 months | 7 | 9 | - | - |
| 6 - 12 months | 9 | 6 | - | - |
| Over 12 months | 72 | 71 | - | - |
| Total | 170 | 179 | 6 | 4 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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8. Inventories

Inventories as at March 31, 2020 and 2019 comprises:

| | (Unit : Million Baht) | | | |
|--|-----------------------|----------|----------------------|----------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Land | 15,296 | 15,295 | 14,636 | 14,636 |
| Construction in progress | 19,039 | 19,019 | 8,731 | 8,711 |
| Infrastructure cost - areas for sale | 1,656 | 1,733 | 1,529 | 1,606 |
| - public areas | 2,127 | 2,127 | 2,127 | 2,127 |
| Project management fee | 994 | 994 | 483 | 483 |
| Borrowing costs | 3,969 | 3,969 | 1,346 | 1,346 |
| Other related costs | 1,336 | 1,294 | 915 | 872 |
| | 44,417 | 44,431 | 29,767 | 29,781 |
| <u>Less:</u> Transfer to cost of sales to date | | | | |
| - Cost of sales | (38,150) | (35,698) | (25,237) | (22,785) |
| - Accumulated depreciation of public area infrastructure | (1,498) | (1,422) | (1,498) | (1,422) |
| - Allowance for net realizable value discounts | (2,187) | (2,187) | (503) | (503) |
| - Transfer to property, plant and equipment | (57) | - | (4) | - |
| Total | 2,525 | 5,124 | 2,525 | 5,071 |
| <u>Less:</u> Real estate development cost classified as current assets | (1,552) | (4,092) | (1,552) | (4,039) |
| Net (Note 12). | 973 | 1,032 | 973 | 1,032 |

Part of the land and condominium units have been mortgaged with banks as collateral for letter of guarantee for the Group and have been pledged as collateral with the Courts. The mortgaged land and condominium units, as a percentage of the total land areas/total units, is as follows:

| | Consolidated | | Separate | |
|---|----------------------|------|----------------------|------|
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Percentage of land mortgaged | 0.09 | 1 | 0.09 | 1 |
| Percentage of condominium units mortgaged | 3 | 2 | 3 | 2 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2020**

On August 21, 2013, the Company entered into an agreement with a non-related company to sell 321 rai of land at a total price of Baht 3,216.93 million. Land ownership shall be transferred to the buyer in 3 tranches with the 1st 100 rai on October 10, 2013, the 2nd 100 rai on or before October 10, 2015 and the balance of 121 rai on or before October 10, 2016 at the option of the buyer.

On October 30, 2015, the Company amended the agreement by changing the transfer date of the 2nd tranche from October 10, 2015 to October 10, 2016. The Company transferred the remaining land to the buyer on October 3, 2016 and also received a promissory note which guaranteed by a commercial bank for payment and the Company has received payment from a promissory.

In February and March 2016, the Company signed the contract on the undeveloped land plot with 3 unrelated companies for sale of land totaling 701 rai with contract value of Baht 8,411 million. On June 7, 2017, the Company has made additional memorandum of agreement to sell 7 rai of land at the price of Baht 70.75 million, and on December 18, 2017, the Company has entered into an additional agreement to sell 71 rai of land at a price of Baht 496.05 million and on February 25, 2019, the Company entered into an additional memorandum of agreement to sell additional land in the amount of 44 rai at the price of Baht 801.44 million.

On November 23, 2018, the Company entered into an agreement to buy and sell land with three unrelated companies for the sale of a total of 11 rai of land at a price of Baht 120 million and the land will be transferred when the Company executes the court order and also completion of land separation as detail below:

| | | (Unit : Million Baht) | |
|-----------------|------------|------------------------------|---------------------|
| Year (Transfer) | Area (Rai) | Land for sell recorded in | |
| | | Real estate development cost | Investment property |
| 2016 | 43 | - | 542 |
| 2017 | 228 | 2,169 * | 659 |
| 2018 | 196 | 2,058 ** | - |
| 2019 | 356 | 4,352 *** | - |
| 2020 | 11 | 120 | - |
| | 834 | 8,699 | 1,201 |

Investment property

The Company transferred to buyer amounting to Baht 542 million on August 29, 2016, receives full payment. The Company transferred the remaining land to the buyer amounting to Baht 659 million on June 9, 2017 and the Company received a promissory note which guaranteed by a commercial bank for payment and the Company has received payment from a promissory.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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Real estate development cost

* On November 25, 2016 the Company transferred certain piece of land to the buyer in accordance with the notification of change in transferee dated November 22, 2016. And the Company received a promissory note which guaranteed by a commercial bank for payment and the Company has received payment from a promissory.

* The Company transferred certain piece of land to the buyer on September, 2017 and received the payment in whole amount of agreement.

* The Company transferred certain partial land to the buyer on December, 2017 and received a promissory note which guaranteed by a commercial bank for payment and the Company has received payment from a promissory.

** On February 27, 2018 the Company transferred certain partial land to the buyer and the Company received a promissory note which guaranteed by a commercial bank for payment and the Company has received payment from a promissory ,later On June 22, 2018, the Company transferred certain partial land to the buyer and the Company received a promissory note which guaranteed by a commercial bank for payment and the Company has received payment from a promissory.

** The Company transferred of land to the buyer on September 7, 2018 and October 18, 2018.

***The Company transferred certain partial of land to the buyer on March 5, 2019.

***The Company transferred certain partial of land to the buyer on October 25, 2019 and November 6, 2019.

***The Company transferred certain partial of land to the buyer on January 10, 2020 and February 25, 2020.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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9. Investment in subsidiaries

As at March 31, 2020 and 2019, investment in subsidiaries comprise of:

| | Separate financial statements | | | | | | | |
|-----------------------------------|-------------------------------|--------|-----------------------|------|--------------|--------|--------------|------|
| | Million Baht | | | | Million Baht | | Million Baht | |
| | Paid-up share capital | | Percentage of holding | | At cost | | Dividend | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Investment in subsidiaries | | | | | | | | |
| Impact Exhibition Management | | | | | | | | |
| Company Limited | 12,953 | 12,953 | 100 | 100 | 9,848 | 9,848 | 350 | 500 |
| Sinpornchai Company Limited | 1,180 | 1,180 | 100 | 100 | 1,180 | 1,180 | - | - |
| Muang Thong Building | | | | | | | - | - |
| Services Company Limited | 12 | 12 | 97 | 97 | 15 | 15 | - | - |
| Muang Thong Services and | | | | | | | - | - |
| Management Company Limited | 25 | 25 | 97 | 97 | 10 | 10 | - | - |
| Bangkok Land Agency | | | | | | | | |
| Company Limited | 100 | 400 | 99 | 99 | 81 | 199 | 28 | - |
| Bangkok Airport Industry | | | | | | | | |
| Company Limited | 5,320 | 5,320 | 60 | 60 | 3 | 3 | - | - |
| Bangkok Land (Cayman Islands) | USD | USD | | | | | | |
| Company Limited | 0.01 | 0.01 | 100 | 100 | - | - | - | - |
| Spooner Limited | - | - | 100 | 100 | - | - | - | - |
| Total | | | | | 11,137 | 11,255 | 378 | 500 |

On January 24, 2020, the extraordinary of shareholders meeting of Bangkok Land Agency Co.,Ltd. (“the subsidiary”) No. 1/2020, passed a resolution to approve decrease the authorized share capital from 4 million ordinary shares with a par value of Baht 100 per share to 1 million ordinary shares with a par value of Baht 100 per share. The Company registered the decreased share capital with the ministry of commerce on February 5, 2020. However, amount of capital reduction has not yet been repaid to shareholders.

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Details of non-wholly owned subsidiaries which have material non-controlling interests as at March 31, 2020 and 2019 are as follows;

| Company's name | Proportion of equity interest held by non-controlling interests | | Accumulated balance of non-controlling interests | | Profit/loss allocated to non-controlling interests during the year | | Dividend paid to non-controlling interests during the year | |
|---------------------------|---|--------------|--|-------|--|------|--|------|
| | | | | | | | | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | (Percentage) | (Percentage) | | | | | | |
| Impact Growth Real Estate | | | | | | | | |
| Investment Trust | 50.00 | 50.00 | 8,054 | 8,094 | 619 | 659 | 659 | 622 |

The summarized financial information before intragroup eliminations of each non-wholly owned subsidiary which has material non-controlling interests, are as follows;

| | (Unit : Million Baht) | |
|---|--|---------|
| | Impact Growth Real Estate Investment Trust | |
| | 2020 | 2019 |
| Statement of financial position as at March 31, | | |
| Total assets | 20,409 | 20,737 |
| Total liabilities | (4,301) | (4,549) |
| Net assets | 16,108 | 16,188 |
| Carrying amount of non-controlling interest | 8,054 | 8,094 |
| Statement of comprehensive income for the year ended March 31, | | |
| Revenues | 2,312 | 2,483 |
| Net profit | 1,238 | 1,318 |
| Gain allocated to non-controlling interest | 619 | 659 |
| Statement of Cash Flows for the year ended March 31, | | |
| Dividends paid to non-controlling interests | 659 | 622 |
| Cash flows provided operating activities | 1,925 | 1,369 |
| Cash flows provided from financing activities | (1,480) | (1,412) |
| Net increase (decrease) in cash and cash equivalents | 445 | (43) |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINACIAL STATEMENTS

MARCH 31, 2020

10. Investment property

During the years ended as at March 31, 2020 and 2019 the movements of investment property are as follows:

| | (Unit : Million Baht) | | | |
|---|-----------------------|--------|----------------------|--------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Appraised Value | | | | |
| Beginning balance | 36,225 | 33,479 | 10,393 | 9,841 |
| Increase | 287 | 869 | 17 | 16 |
| Gain on revaluation | 1,796 | 1,954 | 715 | 613 |
| Transfer to property, plant and equipment | - | (77) | - | (77) |
| Ending balance | 38,308 | 36,225 | 11,125 | 10,393 |

Investment property is stated at fair value based on the latest appraised value (market approach) of independent valuers e.g. the land and buildings of the exhibition center (Hall 1-8) and IMPACT Convention Center and building for rent were valued by income approach (level 3) and the land and land held for project for rent were valued by market approach (level 2).

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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11. Property, plants and equipment, net

| | Consolidated (In Million Baht) | | | | | | | | |
|--|--------------------------------|--|------------------------------------|-----------------------------|---------------------------|------------------------------|-------------------|-----------------------------|--------|
| | Land | Buildings and other construction | Impact Hall interior systems | Impact Hall structure | Buildings improvements | Furniture and fixtures | Motor vehicles | Construction in progress | Total |
| <u>At cost</u> | | | | | | | | | |
| As at March 31, 2019 | 1,000 | 169 | 4,620 | 3,394 | 381 | 1,634 | 112 | 203 | 11,513 |
| Increase | - | 2 | 13 | 19 | - | 95 | 5 | 88 | 222 |
| Decrease | - | - | - | - | - | (12) | (2) | - | (14) |
| Transfer in (Transfer out) | - | 32 | - | 145 | 4 | - | - | (124) | 57 |
| As at March 31, 2020 | 1,000 | 203 | 4,633 | 3,558 | 385 | 1,717 | 115 | 167 | 11,778 |
| <u>Accumulated depreciation</u> | | | | | | | | | |
| As at March 31, 2019 | - | 109 | 2,464 | 723 | 209 | 1,209 | 94 | - | 4,808 |
| Increase | - | 3 | 225 | 104 | 21 | 108 | 5 | - | 466 |
| Decrease | - | - | - | - | - | (11) | (2) | - | (13) |
| Transfer in (Transfer out) | - | - | - | - | - | - | - | - | - |
| As at March 31, 2020 | - | 112 | 2,689 | 827 | 230 | 1,306 | 97 | - | 5,261 |
| <u>Differences on revaluation of assets</u> | | | | | | | | | |
| As at March 31, 2019 | 5,244 | 43 | 1,598 | 2,310 | - | - | - | - | 9,195 |
| Increase | - | - | - | - | - | - | - | - | - |
| Decrease | - | - | - | - | - | - | - | - | - |
| Transfer in (Transfer out) | - | - | - | - | - | - | - | - | - |
| As at March 31, 2020 | 5,244 | 43 | 1,598 | 2,310 | - | - | - | - | 9,195 |
| <u>Accumulated depreciation – differences on revaluation of assets</u> | | | | | | | | | |
| As at March 31, 2019 | - | 26 | 220 | 249 | - | - | - | - | 495 |
| Increase | - | 4 | 23 | 56 | - | - | - | - | 83 |
| Decrease | - | - | - | - | - | - | - | - | - |
| Transfer in (Transfer out) | - | - | - | - | - | - | - | - | - |
| As at March 31, 2020 | - | 30 | 243 | 305 | - | - | - | - | 578 |
| <u>Net book value</u> | | | | | | | | | |
| As at March 31, 2019 | 6,244 | 77 | 3,534 | 4,732 | 172 | 425 | 18 | 203 | 15,405 |
| As at March 31, 2020 | 6,244 | 104 | 3,299 | 4,736 | 155 | 411 | 18 | 167 | 15,134 |

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As at March 31, 2020 and, 2019, a portion of property with historical costs of Baht 1,539 million and Baht 1,344 million, respectively, are in use but fully depreciated (Separate : Bath 60 million and Baht 56 million, respectively).

As at March 31, 2020 and, 2019, a certain parcel of land and building with amount of Baht 17,959 million of a subsidiary have been mortgaged as collateral for long-term loan (Note 15).

As at March 31, 2020, the Company and its subsidiaries have reclassified the depreciation of buildings and equipment during the temporary shutdown in accordance with surveillance measures and the prevention of the spread of the Covid-19 virus. It was administrative expenses in the amount of Baht 7.12 million.

| | Separate (In Million Baht) | | | |
|---------------------------------|----------------------------|---------------------------|-------------------|-------|
| | Building Improvements | Furniture and fixtures | Motor vehicles | Total |
| <u>Cost</u> | | | | |
| As at March 31, 2019 | 159 | 21 | 15 | 195 |
| Increase | - | - | - | - |
| Transfer from inventories | 4 | - | - | 4 |
| Decrease | - | - | - | - |
| As at March 31, 2020 | 163 | 21 | 15 | 199 |
| <u>Accumulated depreciation</u> | | | | |
| As at March 31, 2019 | 53 | 20 | 12 | 85 |
| Increase | 13 | - | 1 | 14 |
| Decrease | - | - | - | - |
| As at March 31, 2020 | 66 | 20 | 13 | 99 |
| <u>Net book value</u> | | | | |
| As at March 31, 2019 | 106 | 1 | 3 | 110 |
| As at March 31, 2020 | 97 | 1 | 2 | 100 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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12. Other non-current assets

The balances of other non-current assets as at March 31, 2020 and 2019, are as follows :

| | (Unit : Million Baht) | | | |
|---------------------------------------|-----------------------|--------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Real estate development cost (Note 8) | 973 | 1,032 | 973 | 1,032 |
| Deposits pledged as collateral | 67 | 68 | 47 | 46 |
| Non-current tax assets | 97 | 93 | - | - |
| Others | 402 | 401 | 356 | 366 |
| Total | <u>1,539</u> | <u>1,594</u> | <u>1,376</u> | <u>1,444</u> |

13. Trade and other current payables

The balances of trade and other current payables as at March 31, 2020 and 2019, are as follows :

| | (Unit : Million Baht) | | | |
|--|-----------------------|--------------|----------------------|------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Payables to related parties (Note 5.5) | - | - | 513 | 432 |
| Trade payables | 76 | 261 | - | - |
| Advance received | 348 | 657 | 162 | 377 |
| Accrued expenses | 206 | 219 | 9 | 7 |
| Other payables | 306 | 347 | 90 | 65 |
| Total | <u>936</u> | <u>1,484</u> | <u>774</u> | <u>881</u> |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

14. Other current liabilities

The balances of other current liabilities as at March 31, 2020 and 2019 are as follows:

| | (Unit : Million Baht) | | | |
|------------------|-----------------------|------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Deposit | 152 | 117 | 113 | 82 |
| Security deposit | 110 | 66 | 27 | 27 |
| Retentions | 59 | 112 | 7 | 11 |
| Others | 18 | 24 | 2 | 3 |
| Total | 339 | 319 | 149 | 123 |

15. Long-term loans

| | (Unit : Million Baht) | |
|--|-----------------------------------|---------|
| | Consolidated financial statements | |
| | 2020 | 2019 |
| 1. A long-term credit facility amounting to Baht 2,000 million carry interest at floating rates not exceeding MLR-1.50% per annum, with interest payable every month-end and principal to be paid in full within 2019 | - | 2,000 |
| 2. A long-term credit facility amounting to Baht 1,900 million carry interest at floating rates not exceeding MLR-1.50% per annum, with interest payable every month-end and principal repayment for 72 monthly installments on monthly basis as from April 2016 | 1,882 | 1,886 |
| 3. A long-term credit facility amounting to Baht 2,000 million carry interest indicated in loan agreement plus fixed interest rate with interest payable monthly and principal to be paid in full within 2024 | 2,000 | - |
| Total | 3,882 | 3,886 |
| Less: deferred amortization on front end fee | (2) | - |
| Total | 3,880 | 3,886 |
| Less: current portion of long-term loans | (5) | (2,005) |
| Long-term loans - net of current portion | 3,875 | 1,881 |

All long-term loans are secured by mortgage of land and buildings, including utility systems and equipment of IMPACT Muang Thong Thani in which the subsidiary has invested, including the conditional assignment of rights under insurance policies, right under related contracts and rights over bank accounts of the subsidiary.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINACIAL STATEMENTS****MARCH 31, 2020**

The loan agreements contain covenants, which, among other things, require the subsidiary to maintain certain financial ratios such as loan-to-total assets and interest coverage ratios.

As at March 31, 2020, the subsidiary has unutilized credit facilities with two financial institution amounting to Baht 280 million (March 31, 2019 : Baht 180 million).

Maturity of long-term loans from financial institution are as follows:

| | (Unit : Million Baht) | |
|------------------|-----------------------------------|-------|
| | Consolidated financial statements | |
| | 2020 | 2019 |
| Within in 1 year | 5 | 2,005 |
| Over 1 - 5 years | 3,875 | 1,881 |
| Total | 3,880 | 3,886 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

16. Deferred tax

Deferred tax as at March 31, 2020 and 2019 comprises:

| | (Unit : Million Baht) | | | |
|--------------------------|-----------------------|---------|----------------------|-------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Deferred tax assets | 339 | 339 | - | - |
| Deferred tax liabilities | (3,777) | (3,327) | (616) | (472) |

The components of deferred tax assets were as follows:

| | (Unit : Million Baht) | | | |
|--|-----------------------|----------------|----------------------|--------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Deferred tax assets (liabilities) | | | | |
| Allowance for doubtful accounts | 10 | 10 | - | - |
| Provision for long-term employee benefits | 1 | 1 | - | - |
| Gain on sale of assets | 328 | 328 | - | - |
| Total deferred tax assets, net | 339 | 339 | - | - |
| Deferred tax assets (liabilities) | | | | |
| Revaluation of property, plant and equipment | (948) | (949) | - | - |
| Revaluation of investment property | (2,766) | (2,298) | (628) | (478) |
| Income recognition of real estate business | 2 | 6 | 2 | 6 |
| Allowance for doubtful accounts | 10 | 3 | 4 | - |
| Provision for long-term employee benefits | 25 | 12 | 6 | - |
| Provision for loss on pending from lawsuits | - | 1 | - | - |
| Unrealized gain on change in value of investment | - | (2) | - | - |
| Other | (100) | (100) | - | - |
| Total deferred tax liabilities, net | (3,777) | (3,327) | (616) | (472) |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

17. Non-current provisions for employee benefit

An independent actuary carried out an evaluation of the Company's obligations for employees' long-term benefits using the projected unit credit method. The Company and subsidiary have provided the provision for employees' long-term benefits for the year end March 31, 2020 and 2019, as follows:

| | (Unit : Million Baht) | | | |
|--|-----------------------|------|----------|------|
| | Consolidated | | Separate | |
| | 2020 | 2019 | 2020 | 2019 |
| Current provisions for employee benefit | 19 | - | 19 | - |
| Non- current provisions for employee benefit | 109 | 61 | 13 | - |
| Total provisions for employee benefit | 128 | 61 | 32 | - |

| | (Unit : Million Baht) | | | |
|--|-----------------------|------|----------|------|
| | Consolidated | | Separate | |
| | 2020 | 2019 | 2020 | 2019 |
| Employee benefit obligations – beginning of year | 61 | 51 | - | - |
| Employee benefit expenses | | | | |
| Current service costs | 19 | 13 | 1 | - |
| Interest on obligation | 2 | 1 | - | - |
| Actuarial (gains) loss from employee benefit | 5 | - | - | - |
| Past Service Cost | 45 | - | 31 | - |
| Benefit Paid | (4) | (4) | - | - |
| Employee benefit obligations – ending of year | 128 | 61 | 32 | - |

Principal actuarial assumptions at the reporting date (Actuarial basis) are summarized below :

| | Consolidated | | Separate | |
|---------------------------------|--------------|-----------|----------|------|
| | 2020 | 2019 | 2020 | 2019 |
| Discount rate (%) | 1.77-2.48 | 2.32-2.48 | 2.13 | - |
| Future salary increase rate (%) | 4.00-5.00 | 4.84-5.00 | 4 | - |
| Retirement age (years old) | 60 | 60 | 60 | - |

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The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at March 31, 2020 and 2019 are summarised below:

| Assumptions that affect | (Unit : Million Baht) | | | |
|-------------------------------------|-----------------------|---------------|---------------|---------------|
| | As at March 31, 2020 | | | |
| | Consolidated | | Separate | |
| | Increase rate | Decrease rate | Increase rate | Decrease rate |
| Discount rate (1.00%) | (8) | 9 | (1) | 1 |
| Future salary increase rate (1.00%) | 10 | (9) | 1 | (1) |

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As at March 31, 2020 and 2019, the maturity analyses of undiscounted cash flows of benefit payments are as follows:

| | (Unit : Million Baht) | | | |
|----------------------|-----------------------|------|----------|------|
| | Consolidated | | Separate | |
| | 2020 | 2019 | 2020 | 2019 |
| Within 1 year | 22 | 4 | 19 | - |
| Within 2 - 5 years | 48 | 38 | 6 | - |
| Within 6 - 10 years | 88 | 103 | 4 | - |
| Within 11 - 15 years | 25 | - | 3 | - |
| Over 16 years | 3 | - | 1 | - |

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Company has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised increased.

18. Treasury stock

The Board of Directors' meeting on March 14, 2018, the Board of Directors passed a resolution approving the share repurchase program for the third financial management in the amount not exceeding Baht 3,719 million, representing a repurchase not exceeding 1,859,621,824 shares with a par value of Baht 1, the share price to be repurchased is not more than 10% of the total paid-up shares and the repurchase period is 6 months from the date of share repurchase for a period not to exceed 1 year (ended September 28, 2019).

On October 2, 2019, Board of Directors' meeting No. 6/2019, passed a resolution approving the reduction of the paid-up capital from Baht 18,596,569,754 to be Baht 17,374,401,054 by deduction of the share capital, the repurchase at the amount of 1,222,168,700 shares under share repurchase project 3. The Company registered the reduction of paid-up capital to the Ministry of Commerce on October 11, 2019. The Company reversed all the appropriated retained earnings for treasury shares after decreasing paid-up share capital by writing off the treasury shares as stated above.

The Board of Directors' meeting on March 4, 2020, the Board of Directors passed a resolution approving the share repurchase program for the fourth financial management in the amount not exceeding Baht 2,085 million, representing a repurchase not exceeding 1,737,440,105 shares with a par value of Baht 1, the share price to be repurchased is not more than 10% of the total paid-up shares and the repurchase period is 6 months from the date of share repurchase for a period not to exceed 1 year (ended September 28, 2020).

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2005 of the Office of the Securities and Exchange Commission, dated February 14, 2005, concerning the acquisition of treasury shares, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of the treasury shares which it could not sell.

The Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

As at March 31, 2020, the Company has 10,175,900 repurchased shares or equal to 0.06% of paid-up share capital which is Baht 8.04 million.

19. Dividend payment

The ordinary shareholders' meeting held on July 25, 2019, passed the resolution to approve the dividend payment at the rate of Baht 0.09 per share, totaling Baht 1,564 million. Which will be paid to shareholders.

The Board of Directors' meeting held on February 14, 2020, passed the resolution to approve the interim dividend payment at the rate of Baht 0.04 per share, totaling Baht 695 million. The payment of this interim dividend shall be paid on March 2020.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2020****20. Legal reserve**

According to the Public Companies Act, the Company has appropriated its reserve as a legal reserve in the sum of 5% of the annual net profit less the total accumulated deficit brought forward, until the legal reserve reaches of 10% of the registered authorized capital. Such the legal reserve is not available for dividend distribution.

21. Other revenues

Other revenues for the years ended March 31, 2020 and 2019 comprise:

| | (Unit : Million Baht) | | | |
|---|-----------------------|------|----------------------|-------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Interest income | 35 | 20 | 50 | 83 |
| Gain on debt forgiveness from subsidiary (Note 5.6) | - | - | 1,340 | 1,340 |
| Unrealized gain on valuation of current investment | 14 | 15 | 2 | 2 |
| Others | 83 | 149 | 6 | 27 |
| Total | 132 | 184 | 1,398 | 1,452 |

22. Expenses classified by nature of expenses

Significant expenses by nature for the years ended March 31, 2020 and 2019 are as follows:

| | (Unit : Million Baht) | | | |
|--|-----------------------|-------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Salary and wages and other employee benefits | 1,185 | 1,111 | 83 | 51 |
| Depreciation and amortization | 563 | 545 | 100 | 101 |
| Professional fee | 62 | 82 | 78 | 106 |
| Advertising expense | 16 | 17 | 4 | 2 |
| Other charges | 71 | 79 | 9 | 10 |
| Commission | 54 | 123 | 54 | 123 |
| Rental and service expense | 91 | 70 | 113 | 111 |
| Tax expense | 118 | 105 | 89 | 80 |

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23. Income tax

Income tax recognized in profit or loss

For the years ended March 31, 2020 and 2019, income tax expenses are as follows:

| | (Unit : Million Baht) | | | |
|---|-----------------------|------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Corporate income tax: | | | | |
| Corporate income tax | 388 | 343 | 261 | 200 |
| Deferred income taxes: | | | | |
| Relating to origination and reversal of temporary differences | 450 | 359 | 144 | 148 |
| Income tax in statements of comprehensive income | 838 | 702 | 405 | 348 |

Reconciliation of effective tax rate

| | (Unit : Million Baht) | | | |
|---|-----------------------------------|-------|----------|-------|
| | Consolidated financial statements | | | |
| | Rate (%) | 2020 | Rate (%) | 2019 |
| Profit before income tax expense | | 2,673 | | 3,177 |
| Income tax using the Thai corporation tax rate | 20 | 535 | 20 | 635 |
| Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit-net | | (147) | | (292) |
| Total | | 388 | | 343 |

| | (Unit : Million Baht) | | | |
|---|-------------------------------|-------|----------|-------|
| | Separate financial statements | | | |
| | Rate (%) | 2020 | Rate (%) | 2019 |
| Profit before income tax expense | | 2,377 | | 2,159 |
| Income tax using the Thai corporation tax rate | 20 | 475 | 20 | 432 |
| Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit-net | | (214) | | (232) |
| Total | | 261 | | 200 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO FINACIAL STATEMENTS****MARCH 31, 2020****24. Management benefit expenses**

Management benefit expenses represent benefit expenses that management obtained from the Company such as compensation paid in cash and other benefits as stocks, debentures or other privileges including employee stocks option plan or any incentive, etc. For the listed company, management represents the management team as described according to the Securities and Exchange Law.

Management benefit expenses for the years ended March 31, 2020 and 2019 are as follows:

| | (Unit : Million Baht) | | | |
|--|-----------------------|------|----------------------|------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2020 | 2019 | 2020 | 2019 |
| Management benefit expenses presented in | | | | |
| costs of sales | 20 | 19 | - | - |
| Management benefit expenses presented in | | | | |
| administrative expense | 116 | 117 | 40 | 40 |
| Total | 136 | 136 | 40 | 40 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

25. Segment information

| Consolidated financial statements (Million Baht) | | | | | | | |
|--|----------------------------|--------------------|-------------------------------|------------------|-------|-------------|-------|
| For the year ended March 31, 2020 | | | | | | | |
| | Real estate Business | Retail business | Exhibition center business | Other service | Total | Elimination | Total |
| Segment revenue | 3,517 | 434 | 4,307 | 164 | 8,422 | (1,111) | 7,311 |
| Segment profit | 613 | 150 | 994 | 56 | 1,813 | (388) | 1,425 |
| Corporate expenses | | | | | (437) | - | (437) |
| Interest income | | | | | 73 | (38) | 35 |
| Dividend income | | | | | 1,151 | (1,151) | - |
| Gain on debt forgiveness from subsidiary | | | | | 1,380 | (1,380) | - |
| Gain on exchange rate | | | | | 1 | - | 1 |
| Gain on revaluation of investment property | | | | | 2,025 | (229) | 1,796 |
| Finance costs | | | | | (184) | 38 | (146) |
| Income tax expense | | | | | (838) | - | (838) |
| Profit of non-controlling interests | | | | | - | (619) | (619) |
| Net profit of year | | | | | 4,984 | (3,767) | 1,217 |

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

| Consolidated financial statements (Million Baht) | | | | | | | |
|--|----------------------------|--------------------|-------------------------------|------------------|-------|-------------|-------|
| For the year ended March 31, 2019 | | | | | | | |
| | Real estate Business | Retail business | Exhibition center business | Other service | Total | Elimination | Total |
| Segment revenue | 2,810 | 310 | 4,610 | 244 | 7,974 | (1,145) | 6,829 |
| Segment profit | 205 | 89 | 1,200 | 167 | 1,661 | (6) | 1,655 |
| Corporate expenses | | | | | (299) | - | (299) |
| Interest income | | | | | 96 | (76) | 20 |
| Dividend income | | | | | 1,193 | (1,193) | - |
| Gain on debt forgiveness from subsidiary | | | | | 1,380 | (1,380) | - |
| Gain on exchange rate | | | | | 1 | - | 1 |
| Gain on revaluation of investment property | | | | | 1,186 | 768 | 1,954 |
| Finance costs | | | | | (230) | 76 | (154) |
| Income tax expense | | | | | (712) | 10 | (702) |
| Profit of non-controlling interests | | | | | - | (659) | (659) |
| Net profit of year | | | | | 4,276 | (2,460) | 1,816 |

26. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares held by third parties in issue during the year.

27. Financial instruments

As at March 31, 2020 and 2019 the Group has the following risks relating to significant financial instruments:

a) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company has long-term loans from banks, and the value of such loans will fluctuate due to changes in market interest rates.

b) Currency risks

Currency risk is the risk that the value of the financial instrument will fluctuate due to changes in currency exchange rates.

c) Liquidity risk

Liquidity risk or funding risk is the risk that the Group will encounter difficulty in raising fund to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly or close to its fair value.

d) Fair value of financial assets and liabilities

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

- The fair value of cash and cash equivalents, trade and other accounts receivable, short-term loans, other current assets, other non-current assets, bank overdrafts, short-term borrowings, trade and other accounts payable and other current liabilities is taken to approximate the carrying value.
- Fair value of investments in equity securities - trading securities according to the offering price, the date.
- The fair value of long-term borrowings is taken to approximate the carrying value because most of these financial instruments bear interest at market rates.

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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Fair values and the carrying values of financial assets and liabilities other than the aforementioned were as follows:

(Unit : Million Baht)

| | Consolidated financial statements | | | | | | | |
|--|-----------------------------------|------|---------|--------|---------|--------|--------|--------|
| | Level 1 | | Level 2 | | Level 3 | | Total | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Held for trade investments* | - | - | 1,297 | 912 | - | - | 1,297 | 912 |
| Financial assets for which fair value are disclosed | | | | | | | | |
| Investment properties | - | - | 23,349 | 21,230 | 14,959 | 14,995 | 38,308 | 36,225 |

* Level 2 - The fair value determined by using the net asset value as published by the Asset Management

(Unit : Million Baht)

| | Separate financial statements | | | | | | | |
|--|-------------------------------|------|---------|-------|---------|------|--------|--------|
| | Level 1 | | Level 2 | | Level 3 | | Total | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Held for trade investments* | - | - | 1,074 | 72 | - | - | 1,074 | 72 |
| Financial assets for which fair value are disclosed | | | | | | | | |
| Investment properties | - | - | 10,526 | 9,769 | 599 | 624 | 11,125 | 10,393 |

* Level 2 - The fair value determined by using the net asset value as published by the Asset Management

BANGKOK LAND PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

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28. Pending lawsuits

As at March 31, 2020, the Company has pending lawsuits as summarized below:

- a) On January 16, 2015, the Company was sue that the Company had breached the reciprocal agreement. The plaintiffs claimed that the Company sold certain piece of land without the approval and consent of the plaintiffs who were the sole agent. Then, the plaintiffs sued the Company to transfer the land to the plaintiffs. If not, the Company has to pay compensation to the plaintiffs. The Company had submitted a statement to the Court on May 15, 2015 and the Court has judged to dismiss the case on August 25, 2016. The plaintiff has appialed to the Court on September 23, 2016, subsequently, The Company has filed an defense. Subsequently, on July 27, 2017, the Court of Appeal has dismissed the judgment. The plaintiff filed the petition and the Company filed the petition. Subsequently, on July 18, 2019, the Supreme Court dismissed the case, therefor, the case is final judgment.
- b) On January 31, 2017, seven holders of exchangeable notes in Swiss Francs term have jointly filed a petition for the winding up of Bangkok Land (Cayman Islands) Company Limited to the Grand Court of Cayman Islands claiming that Bangkok Land (Cayman Islands) Company Limited is insolvent and unable to pay principal and interest on the of exchangeable notes in Swiss Francs term, and on May 3, 2017, the Cayman Islands Court has issued an order to dismiss the company's winding up petition of the seven plaintiffs.
- c) On February 9, 2017, Deutsche Trustee Co., Ltd., Trustee of the 4.5% p.a. USD 150,000,000 exchangeable bonds due 2003 (the "Exchangeable Bonds"), filed a plaint in its own name and on behalf of the holders of the Exchangeable Bonds against Bangkok Land (Cayman Islands) Company Limited as the issuer of the Exchangeable Bonds and Bangkok Land Public Company Limited as the guarantor of the Exchangeable Bonds in the Commercial Court in London, England requiring the group company to repay the indebtedness under the Exchangeable Bonds and related indebtedness in the total amount of USD 34,208,463.12 and interest calculated on a daily basis of USD 2,328.22 a day.

Bangkok Land (Cayman Islands) Company Limited and Bangkok Land Public Company Limited have filed their defence and counterclaim on March 30, 2017, requesting the Court to enforce the plaintiff to return all the dividends that the Trustee has paid for the interest arrears and fees and expenses of the Trustee. The amount of debt claiming by the plaintiff was overrated. The Court was also requested to enforce the plaintiff to return a total of 212,096,990 shares pledged to Bangkok Land (Cayman Islands) Company Limited. On March 19, 2019, the Commercial Court of England sentenced Bangkok Land Public Company Limited and Bangkok Land (Cayman Islands) Limited to repay debt in US Dollars bonds, including interest as money number 28,201,848.12 US Dollars and the cost of such litigation is 1,761,838.84 pounds sterling and the Company's lawyer commented that the judgment of the English court will not be in force in Thailand but the Deutsche Trustee Co.,Ltd must bring the case to the court in Thailand in order to the court in Thailand to have a judgment to force the Company (as the guarantor) to pay the such USD currency debt and the English court judgment can only be used as evidence in the case of Thailand. However, the Company has been sued for debt repayment in

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US Dollars in Thailand and on October 1, 2012, the Central Intellectual Property and International Trade Court has a verdict in undecided case No. Kor Kor. 20/2009, decided case No. Kor Kor. 202/2012, the judge dismissed the plaintiff because of precluded by prescription. Subsequently, on December 4, 2014, the Supreme Court of Intellectual Property and International Trade Litigation Division with the judgment of No. 15979/2014 by the confirmation of the judgment for the plaintiff under the Central Intellectual Property and International Trade Court which the case has final judgment.

In July 2018, Trustee has filed a petition to the Commercial Court, England requesting for issuance of the court's order for the interim anti-suit injunction to restrain Bangkok Land Public Company Limited and Bangkok Land (Cayman Islands) Company Limited from commencing and cease any proceeding in relation to the Trust Deed, the exchangeable bonds in US Dollar term or the shares pledged of Bangkok Land Public Company Limited, as well as discontinue any relevant case (if it already commenced), whether in Thailand or in any other jurisdiction. On July 27, 2018, the Commercial Court, England has issued an order as requested by the Trustee to restrain Bangkok Land Public Company Limited and Bangkok Land (Cayman Islands) Company Limited (including their directors, officers, or agents) from commencing and cease any proceeding in relation to the Trust Deed, the exchangeable bonds in US Dollar term or the shares pledged of Bangkok Land Public Company Limited, as well as discontinue any relevant case (if it already commenced), whether in Thailand or in any other jurisdiction, and to pay the Trustee the damages in the sum of GBP 40,712.16 (as at March 31, 2020, Baht 1.66 million).

The legal advisor of the Company has the opinion that although the plaintiff won the case abroad, the plaintiff must file a lawsuit against Bangkok Land Public Company Limited as a guarantor in Thailand as a new case. The foreign judgment could not be applicable and enforceable in Thailand. Therefore, the Company did not make such provision.

The lawyers of the group company have the opinion that all lawsuits in relation to the exchangeable notes in Swiss Francs term and the exchangeable bonds in US Dollar term have been cited that the status of limitations has expired. All holders were not the actual holders due to wrongful acquisition in accordance with the securities transfer under the laws of Switzerland and England (as the case may be).

However, the Company filed a lawsuit against Deutsche Trustee Co.,Ltd and its partisans to prosecute in a court of Thailand, claiming damages of Baht 625.61 million. The court has scheduled an appointment to determine the proceedings on December 23, 2019 and the Supreme Court has scheduled to hear the judgment on September 30, 2020.

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- d) On April 18, 2019, the Company was sued by a person in a criminal case, offense according to the Securities and Exchange Act, and fraud, and also on May 8, 2019, the Company was also sued by such person in the civil case, offenses under the offense of the Securities and Exchange Act, infringement by claiming damages Baht 100 million. The criminal case is scheduled for an appointment for investigation on February 17, 2020. As for the civil case, the court considered to temporarily dispose of civil cases until the such criminal case is finalized, when the criminal case has an outcome on the verdict, then the parties of the court to bring up the civil case for further consideration. Therefore, the civil case is currently temporarily discharged in order to wait for the result of the criminal trial.

The lawyer of the Company has a opinion that the civil case being filed as a civil case related to the criminal case, therefore, has to wait for the results of the appointment for investigation of the criminal case and also the Company is not the offender or violated the plaintiff's claim.

29. Capital management

The primary objectives of the Company's and its subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at March 31, 2020, debt to equity ratio in the consolidated financial statements is 0.17: 1.00 (Separate: debt to equity ratio is 0.46: 1.00).

30. Commitments and contingent liabilities

- a) As at March 31, 2020, the Company's and its subsidiaries had capital commitments to the principal building contractor for the construction of real estate agreements amounting to approximately Baht 124 million (Separate: Baht 37 million).
- b) As at March 31, 2020, the Company's and its subsidiaries had contingent liabilities in respect of bank guarantees issued by the banks on behalf of the Company and its subsidiaries in the normal course of business amounting to approximately Baht 97 million (Separate: Baht 43 million).

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- c) As at March 31, 2020, and 2019, the subsidiary has a commitment in respect of payments in accordance with the rental and service agreement as follows:

| | (Unit: Million Baht) | |
|-----------------------------|----------------------|------|
| | 2020 | 2019 |
| Payable: | | |
| In up to 1 year | 99 | 75 |
| In over 1 and up to 5 years | 44 | 54 |

- d) The Company has a commitment in respect of payment in accordance with the agreement with BTS Group Holdings Public Company Limited (“BTS”) to support the Pink Line Extension to Muang Thong Thani, Chaengwattana Rd. In this regards, the Company shall be responsible not over Baht 1,250 million, to cooperation on the construction cost of rail system of the Extension of the Pink Line and the 2 train stations at the Company’s land near IMPACT Challenger and Muang Thong Thani’s Lake, along with Baht 10 million per year for the operation and maintenance of the Extension throughout 30 years.

31. Reclassification

Certain amounts in the financial statements for the year ended March 31, 2019, have been reclassified to conform to the current period, which no effect on net income or shareholders’ equity previously reported.

32. Events after the reporting period

At the Board of Directors Meeting No. 3/2020 of the REIT Manager held on May 21, 2020, the Board of Directors approved the appropriation of interim distribution of Baht 0.05 per unit, totaling amounting to Baht 74.13 million. Such interim distribution will be paid to its unitholders in June 2020.

33. Approval of financial statements

These financial statements have been approved by the Company's Board of Directors on June 1, 2020.