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รายงานประจำปี 2563

ANNUAL REPORT 2020



บริษัท เทพธานีกรีฑา จำกัด (มหาชน)

CITY SPORTS & RECREATION PUBLIC COMPANY LIMITED

ENGLISH TRANSLATION OF 2020
Annual Report of City Sports & Recreation Plc

LETTER OF BOARD OF DIRECTORS

The situation of Coronavirus 2019 (COVID-19) pandemics has had a huge impact on the overall economy. This also covers golf course business, especially golf courses that rely on foreign customers. The golf course has been affected since the beginning of 2020. However, during the time when the government had lenient the measures that golfers were able to play golf, it was found that some golfers were still unsure of their safety as the news was spreading continuously. That caused the decreasing of the number of golfers. In order to increase golf rounds, many golf courses created sales promotions such as reduce green fees or tee times with accommodation and meals package to encourage customers to use services.

Navataneer Golf Course has been affected by the declining number of golfers, especially number of golfers on weekdays. Due to the service policy of serving members, members' family and members' guests, therefore the company still has income from members who use the service regularly. As a result, 2020 gained total income of 137.18 million baht which decreased from 39.54 million baht from the previous year. Total expenses were Baht 108.05 million which decreased Baht 6.91 million which mainly from the decreasing of cost of sales and other expenses. Net profit after tax was Baht 23.24 million which decreased from the last year by Baht 26.36 million, earnings per share of Baht 1.13.

The company believes that with the policy of providing services to the group of members as main customers together with the readiness in terms of golf course quality which the company has always been featured in order to maintain a golf course with international standards and meet the needs of target customers well. Board of Directors, chief executives and operational staff members would like to thank shareholders for their trust in the business of Navataneer Golf Course which has always operated business under the principles of good corporate governance.

(Mrs. Maevadi Navapan)

Chairman

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of City Sports & Recreation Public Company consists of 3 independent directors, namely; Mr. Chackchai Panichapat, General Paiboon Kanchanapiboon and Mr.Punn Kasemsup, which Mr. Chackchai Panichapat is the person who has adequate expertise and experience to review the reliability of this Company's financial statements.

The Committee had performed its duties as the Charter of the Audit Committee which approved by the Board of Directors of the Company, summarized as follows:

1. To review with certified public accountant to ensure that the Company prepares its financial statements in accordance with generally accepted accounting standards that it is accurate, adequate, reliable and enough disclosure. In the year 2019, the certified public accountant reported the financial statements without any conditions.
2. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are reasonable and get the highest benefit of the Company.
3. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or other unit in charge of an internal audit. To review the Company's internal control system with certified public accountant to ensure that the Company has sufficient internal control system. During the year, the Internal Audit found that the Company had complied with the operating system. And the Company's internal control systems are appropriate.
4. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations and the laws relating to the Company's business. To supervise the internal audit in accordance with the annual audit plan. The Audit Committee found that the Company had sufficient internal control system and compliance with the law on securities and exchange, the Exchange's regulations and the laws relating to the Company's business.
5. To consider, select and nominate an independent person to be the Company's auditor and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
6. To prepare and to disclose in the Company's annual report, an audit committee's report which consist of the information at least as the Notification of the Stock Exchange of Thailand.

The Audit Committee has performed duties in accordance with the charter of the Audit Committee with independence knowledge and experience of the business. And emphasize the internal control and risk management. In order to make the company has good corporate governance and add value to the company. It also protects the interests of shareholders and other stakeholders of the company.

During 2020, the Committee held 5 meetings with the internal auditor, the management and other units of the Company and the Committee held a meeting with the internal auditor without the management and other units of the Company which meetings were held with the Company's audit as follows:

The Audit Committee Member	The number of Meeting Attendance/Total Meeting
1. Mr. Chackchai Panichapat	5/5
2. General Paiboon Kanchanapiboon	5/5
3. Mr. Punn Kasemsup	5/5

(Mr. Chackchai Panichapat)
Chairman of the Audit Committee

1. Policy and Nature of Business

The City Sports and Recreation Public Company Limited was established in 1970 with registered capital of Bt20 million by Mr. Sukum Navapan, Chief Executive Officer of Navatane Group. The objective was to build Navatane Golf Course, an 18-hole and 72-par golf course on the area of 400 rai. The golf course was designed by one of the world-renowned golf course designers named Robert Trent Jones, Jr. Navatane Golf Course was renowned for the Thailand's first world-class private golf course that was designed by a foreign world-class designer. Officially opened in 1973, Navatane Golf Course was honored by the International Golf Federation to host the 23rd Golf World Cup in 1975, which aimed to reflect an 'exclusive golf course' image while sustaining its international standards to ensure the highest satisfaction to all clients varying in families, regular members and their clients who mostly were notable people in trading business and high-profile society. For the quality services provided by the golf course, the company had allocated the most convenient time for the golfers to play a complete round of 18 holes within 4 hours regardless of the number of golfers in each game, particularly during the weekends and holidays. Regularly, the company was committed to stringent policies and effective management methods, which not only helped maintain the company's long-standing reputation but also sustained good corporate governance substantially.

The company had no business subsidiaries and affiliates as well as hidden relationship with any major shareholders. Over the past three years, there was no major change in structural management or shareholder notification.

2. Nature of business: Revenue structure

Navatane Golf Course's major business was to provide a quality golf course and other premium facility services consisting of golf cart, golf store, caddy, locker room and restaurant. Opening for service from 5.30 am to 6pm (time is changeable due to the weather condition of each season), the golf course was committed to providing quality services in accordance with international standards focusing mainly on families and clients of regular members. The sports club equipped with a wide variety of sports facilities and recreational services including swimming pool, gym, tennis court, badminton court, sauna, stream. The sports club, which located adjacent to the golf course, is beautiful and modern. Aside from the increasing services, the existence of the modern sports club could also boost greater image and revenue for the company.

The company's major revenue came from golf course service (green fee), membership fee, entrance fee and transfer of membership, green fee, golf cart rental, restaurant, sports club, interest and dividend, which could be concluded for over the past three years as follows.

Unit : Thousand baht

Items	2019		2019		2018	
	Revenue	%	Revenue	%	Revenue	%
Revenue from golf course services						
Green Fee	40,980	29.87	61,231	34.65	62,253	35.31
Membership Due	37,167	27.09	38,909	22.02	39,140	22.20
Revenue from Rental of Golf Cart	21,477	15.66	26,977	15.26	26,171	14.85
Revenue from Pro Shop	2,173	1.58	1,359	0.77	-	-
Others	3,084	2.25	3,876	2.19	4,272	2.42
Revenue from Golf Course Service	104,881	76.45	132,352	74.89	131,836	74.78
Restaurant Income	20,762	15.14	27,425	15.52	27,477	15.59
Services Sport Club Income	3,287	2.40	5,529	3.13	6,783	3.85
Dividend Income	462	0.34	1,105	0.63	1,042	0.59
Interest Income	7,075	5.16	6,633	3.75	6,723	3.81
Gain from trading securities valuations	-	-	557	0.32	133	0.08
Gain from selling of property, plant and equipment	18	0.01	2,037	1.15	566	0.32
Profit from disposal of other long-term investments	-	-	-	-	-	-
Others	693	0.50	1,080	0.61	1,723	0.98
Total Revenues	137,718	100	176,718	100	176,283	100

2.1 Characteristics of products and services (referring to revenue structure)

The golf course service which is identified by the revenue structure is related to business operation. The obstacles are generally caused by the weather, economic and politics which will influence through operation more or less depends on the location and types of client. Navatanee golf course is mostly affected by these obstacles. In term of the weather, the course is affected in rainy season. If during few days of deluged rain, the players cannot play golf, it unfortunately decreases revenue from green fee. However, rainy season in Bangkok would not be impacted to our service since it is short raining period and quite good drainage. For the relating revenue structure composed of golf course fee (Green fee), membership fee, golf cart rental, pro shop revenue, restaurant revenue, Sport club revenue, income from interest and dividend, and other incomes. The result of the past 2 years is as follows:

1. Revenue received from field maintenance fee (green fee). This depended on the number of golfers which could be varied by seasons. The golf course business generally faced a short slump in the rainy season. However, in order to boost sales, the company had issued an introduction letter to its members to recommend services available at the golf course to other clients, in which members were not required to accompany those clients, particularly on weekdays. This marketing strategy provided convenience for

members while stimulating sales of green fee. Non-members of the golf course were considered as targeted golfers who were required to pay for green fee (spouse and children of a member aged between 15-21 years old).

2. Revenue received from membership fee. Members would not have to pay for green fee. However, members were required to pay a monthly fee charged by a 6-month term in advance or twice a year which ensured a certain amount of payment.
3. Revenue received from golf cart rental. More than 90% of all golfers preferred to rely on golf cart service.
4. Revenue received from Pro Shop
5. Revenue received from restaurant business. A majority of clients were golfers. Several clients brought their guests to the restaurant to enjoy a fine dining. Meanwhile, some clients were those who dwelled in the Navatanee Village.
6. Revenue received from sports club business was committed to pursuing similar management policies of Navatanee Golf Course.
7. Revenue received from interest and dividend.
8. Other revenues came from golf membership registrars, transfer of membership and entrance fee.

2.2 Marketing and competition

Due to the Coronavirus outbreak or COVID-19, the government had to take strong measures to control the outbreak by starting to take measures to lock down, resulting in the economic disruption. These measures affected the lifestyle. It also affected the business sector and the overall economy of Thailand as well. The golf course business was temporarily closed by the government since March 22, 2020 and resume normal operation on May 3, 2020. It caused the big impact to the golf course. After resume operation, the number of golfers had dropped significantly over the past year and the number of golfers had decreased their frequency and their golf activity was reduced. As a result, the price competition was to incentivize golfers to increase the frequency of their rounds by lowering their green fees or set a special green fee price as well as a combination of various fixed fees with accommodation which gave golfers an opportunity to choose from a wider variety of services.

Navatanee Golf Course had focused mainly on sales and marketing via members, families of members and guests of members, who mostly possessed residences in Thailand. In 2020, the overall number of golfers had decreased 21.34% regarding the COVID-19 outbreak. The golf course business was temporarily closed for 47 days by the government since March 22, 2020 and resume normal operation on May 3, 2020. It caused the big impact to the golf course. The company had organized promotions for members to increase income and encouraged them to use the service, where members can bring guests around at a special price during June - October 2020. However, Navatanee Golf Course intended to maintain the standard of the course as the international standard as the past years. The company has had complete confidence in our reputation for a long-lasting golf course among foreign and domestic golfers with the superbly maintained golf courses, the quality of services as well as the golfers' convenience and comfort will

be our confident standpoints of services. In particular, a limitation on the number of golfers can play a round of 18 holes within time limit of 4 hours, while many other golf courses in Bangkok and boundaries may spend about 5-6 hours, and the convenient location for traveling will make Navatane Golf Course be the golf course that the golfers feel confident as in the past. Moreover, the sport club facilities could promote services for members and reputation of Navatane Golf Course. Moreover, the sport club service enhances the service to members and compliment the reputation of Navatane Golf Course. The restaurant has a modern, convenient and beautiful design which suitable to be the venue for banquet party and organize a seminar either big or small event.

For business competition, Navatane Golf Course had placed a great emphasis on serving its members. Consequently, the same old groups of clients were expected. Clients varied from high-ranking Japanese executives to Thai business entrepreneurs. Apart from the notable corporate image, the golf course was also competitive in its existing locations which were easily accessible. Noticeably, clients had continued to support business operations of the golf course. It was needless to say that Navatane Golf Course had no certain policy to compete with other business rivals even though a few golf course providers aimed to participate in the business combat, providing golf services and other facilities in a similar way.

For the past year, the company was set to continue the implementation of original marketing strategy while maintaining Navatane Golf Course's notable corporate image which reflected market dominance as follows.

1. Navatane Golf Course was renowned for the first-ever golf course in Thailand that was honored by the International Golf Federation to host the 23rd Golf World Cup in 1975. In addition, according to the US-based magazine named Golf Digest, June 1999 issue, Navatane Golf Course was ranked first among 255 golf courses in Thailand for its quality services. By the end of 2004, the golf course was ranked first in Thailand, ranked second in ASEAN and ranked fourteenth in Asia (including Australia and New Zealand) for the best golf course, which was sponsored by Deutsche Bank. The golf course ranking was published in Asia's Top 50 Golf Courses magazine accordingly.
2. The golf course was designed by Robert Trent Jones, Jr., an American golf course designer with world-class talents. This helped boost greater image and reputation for Navatane Golf Course.
3. This was considered as a long-established golf course in Thailand that focused mainly on environmental concerns by promoting the conservation of plants. Navatane Golf Course was serenely surrounded by a large number of perennial plants. The tropical perennial plants could enhance natural beauty and helped reduce pollution in the location and communities nearby.
4. For the nature of services, Navatane Golf Course had shifted its clear focus to boosting an image of 'exclusive golf course', facilitating all members, with several services offered to their families and guests as well. Meanwhile, clients could be more comfortable to spend a full four-hour period for playing golf up to 18 holes, where some courses might take about 5-6 hours.
5. The beautiful and modern golf course was designed to serve competition challenges while maintaining the international standard quality. The company completely finished the renovation of 18 holes by the end

of 1996. The original designer had reiterated his intention to maintain the golf course's uniqueness of being the host of the 23rd Golf World Cup in 1975 while maximizing convenience and modernization with the use of golf carts. It was agreeable that modern golfers preferred to use golf carts.

- 6 Navatane Golf Course was situated in the heart of the city, thanks to the rapid development and expansion of Bangkok. The golf course was easily accessible from several routes including Sukhumvit, Ploenchit, Rama IV and Silom by driving up the Rama IX Bridge, running across Srinakarin Road to the motorway (Bangkok-Chonburi). Reaching the outer ring road, it was required to turn left to Bangpa-in. After passing the Thap Chang toll gate, go straight through Seri Thai Road (next to Ramkhamhaeng Road) about 250 meters, Navatane Golf Course was located on the right hand side (Seri Thai 59 Road). It took about 30 minutes from the aforementioned locations. The convenient access from the golf course to Suvarnabhumi Airport via Bangna-Trad Road and the motorway required only 20 minutes, which encouraged golfers to visit the golf course more comfortably and conveniently.
- 7 Navatane Golf Course was the sole Thai golf course approved to be listed on the Stock Exchange of Thailand.

2.3 Allocation of products and services

The quality of the golf course was the most significant factor that golfers would take into consideration. However, other quality services were also expected to satisfy customers. As Navatane Golf Course had introduced its business operations for long times and existing clients remained unchanged, mostly were business entrepreneurs and high-ranking executives, the golf course could maintain customer database to fully understand those targeted clients well. To highly satisfy the customers, the quality service had been divided into two major categories as follows.

1. Golf Course. Responsible staff was categorized in two sections.

1.1 Golf course maintenance. The golf course would always remain in good quality, suitable for playing in accordance with the international standards. The company had provided training programs for responsible staff while being able to employ technical experts to offer particular tips in maintaining the quality of the golf course. The company had completed the renovation of the entire 18 holes since 1996 while sustaining the most unique image of being the host of the 23rd Golf World Cup in 1975. Aside from the beautiful design and the challenging aspect of golf competition, the company had also added the modern use of golf carts into its quality services. This helped increase the revenue for the golf course.

1.2 Quality services for golfers. Quality services included the booking of group practice sessions, the support of golf bag and equipment, the preparation of golf cart and caddy, together with other special cares when golfers were present at the golf course. Agreeably, the most dominant feature of the golf course was to encourage golfers to play up to 18 holes within a 4-hour period.

2. Quality services available at the sports club and restaurant. The company had assigned Architect 49 Company Limited to design all restaurant areas based on the old structure. Since the restaurant was last

renovated in 1988, therefore, some areas are not enough for accommodating customers especially on Saturday, Sunday and holidays. The restaurant has finished renovation in March 2019 with beautiful, spacious and modern design surrounding by nature. It is suitable to be the venue for organizing golf tournament either big or small tournament because the restaurant area can be divided to section and organize a seminar either big or small event. Also, the restaurant can be the venue for banquet party which can accommodate clients in many occasions. For sport clubs, the policy to serve clients is the same as the golf course which to promote services for members and reputation of Navatanee Golf Course.

2.4 Work on progress (none)

3. Risk Factors

Navatanee golf course has been running a golf course business for long times. That always ensured the financial stability. Also, the company was listed on the Stock Exchange of Thailand since 1989. The major shareholders are Thais without associates or subsidiaries. This has facilitated business operations and has resulted in a dividend payment for paying to shareholders since the operating result of the year 1988. Risk factors that might affect the company can be classified accordingly.

3.1 Possible risks that might cause impact to the company's revenue

Revenues of the golf course business generally depended on several significant circumstances including popularity of golf, time for each group practice session, weather conditions, locations, economic aspects and political situations.

In 2020, the company was directly impacted by the situation of the coronavirus disease or COVID-19 outbreak as announced in Bangkok Re: Order temporary closure of the premises No. 2 and No. 4 from the date March 22, 2020 which the golf course can be partially opened on May 3, 2020 and can be fully opened on 20 June 2020. Meanwhile the sport club section can be fully opened on June 1, 2020. As a result, the total number of golfers who used the service decreased by approximately 21.34% and the total income from golf course services decreased by 27.47 million baht or 20.76% compared to the year 2019.

3.2 Risk factors that may impact the operation.

To maintain international standards in the quality of the course, the golf course operation has to order imported fertilizers and chemical supplies, which may be affected by the foreign currency exchange rate. In addition, there are a small number of dealers in Thailand who set the fertilizer and chemical supply prices by themselves rather than depending on market mechanism. In 2020, the operating costs included: cost of golf course services 33.15 million Baht; cost of sales in the restaurant 21.11 million Baht; cost of sports club service 6.95 million Baht; cost of pro shop 2.17 million Baht and the cost of sales and administration 46.31 million Baht. The total costs decreased from the previous year by 6.91 million Baht.

3.3 Liquidity management

The company had developed effective liquidity management by relying on the financial adequacy while making use of the remaining capital in the bond market, which guaranteed higher returns comparing to other local commercial banks. The company also generated an investment in debentures and open-end fund market which provided returns in the form of dividends. To reduce investment risks, the company had wisely developed its financial planning by monitoring the directions of financial markets.

3.4 Administrative and management risk

At December 30, 2020, the group of Mr. Sukum Navapan, the shareholder and the related person pursuant to the section 258 hold 15,344,865 company's shares or equivalent to 74.85 % of the total shares sold. Mr. Sukum Navapan's group can control most approvals in the shareholders meeting, for example remuneration of directors or asking for other approvals which need to be voted by majority of the shareholders. Except, the approvals which the laws or the company's rules fixed to get vote amount of 3 from 4 parts in the shareholders meeting or any others which the group of Mr. Sukum Navapan and the related persons get benefit involved, in compliance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, they will never have gotten right of any votes.

3.5 Taxation risks

The Land and Building Tax Act B.E. 2562 which enforced since 1st January 2020, the coronavirus disease epidemic had severe cases around the world. This caused the global economy including Thailand to shrink sharply and rapidly, affecting people of all career in a wide range. Royal Decree reduced the tax on certain types of land and buildings caused the golf course to reduce the tax rate by 90%.

4. General Information and others information

4.1 General information

Registered Office

The City Sports and Recreation Public Company Limited Address 22 Navatane Rd., Kannayao, Bangkok, 10230. Registration no. 0107536000552 (Previous no. Bor Mor Chor 129) Telephone 0-2376-1818, 0-2376-1034-5 Fax 0-2376-1685 website: www.navatane.com, E-Mail : info@navatane.com

Registered share capital

20,500,000 ordinary shares of Baht 10 each, in total amount of Baht 205,000,000 has issued and paid-up share capital

Share Registrar

Thailand Securities Depository Co., Ltd. No. 93, Ratchadapisek Road, Dindaeng, Bangkok 10400
Telephone : 0-2009-9999 Facsimile : 0-2009-9991

Certified Public Accountants

CWWP Co., Ltd. subsidiaried Mr. Cherdsakul Aonmongkol, authorized no. 7195, audit fee 450,000 baht with no other payments.

Advisor or manager of management contract

Dusit Princess Srinakarin (Dusit Thani Group) Address at 583 Srinakarin Road, Nongbond, Pravej, Bangkok 10250 Telephone : 0-2721-8400 Facsimile : 0-2721-8432

4.2 Others information

-none-

5. Shareholding and management structure

The major shareholders structure on the 23rd March 2020 (Closing date of annual general meeting of shareholders of the year 2020 registration)

Names	number of shares	%
1. Mr. Sukum Navapan and related persons under Section 258	15,344,865	74.85
2. Mr. Phornprasert Karnjanajaree	602,000	2.94
3. Mr. Sukuma Jayananda (included his spouse and children)	551,632	2.69
4. Miss Siripetch Thaveewong	233,400	1.14
5. Uahwattanasakul Co., Ltd.	199,998	0.98
6. Mr. Chatree Sophonpanich	141,750	0.69
7. Mr. Jaya Jayananda (included his spouse)	134,000	0.65
8. Miss Pawarissara Osathanugrah	128,500	0.62
9. Miss Pawarapa Osathanugrah	126,399	0.62
10. Mr. Taweesak Jayananda	121,000	0.59

Mr. Sukum Navapan was the founder of the company and was considered as the largest shareholder since the company had been established. However, the company had no deal in issuing securities or administrative management.

6. Dividend policy

The company has the policy of dividend higher and equivalent to 60% of the net profit. The board of director would consider and propose to the Shareholder Meeting to approve. The dividends of the past 5 years are as below:

Year	2020	2019	2018	2017	2016
Earnings per share	1.13	2.42	2.59	3.35	2.99
Dividend per share	0.69	1.60	1.70	2.02	1.80
Dividend payment ratio (%)	60.86	66.12	65.64	60.22	60.20

7. Management Structure

In 2020, management structure consisting of Board of Director, The Audit Committee, The nomination and Remuneration Committee and management team.

7.1 Names of Directors

1. Mrs. Maevadi Navapan	Chairman/CEO
2. Mr. Chackchai Panichapat	Director
3. Gen. Paiboon Kanchanapiboon	Director
4. Mr. Wiboon Khusakul	Director
5. Mr. Punn Kasemsup	Director
6. Mr. Kittidej Charusathiara	Director
7. Mr. Jaya Jayananda	Director
8. Miss Saovanit Navapan	Director
9. Mrs. Patcharaporn Julothai	Director (Entered the term since May 22, 2020)
10. Mr. Sukuma Jayananda	Managing Director

Term given to the directors: in every 3 years and they can be re-appointed (details were shown page 32-42)

Authorized directors related to the company: two directors co-signed and stamped the significant company brand.

Duties and responsibilities of directors

According to the company regulation, the board of directors has authorization and duty to perform the responsibility in with the laws, the objectives, the regulation and the articles as well as the resolutions of the shareholders' meetings, join the opportunity to propose the agenda of the company business, manage and power the operation side followed through efficiently the meeting agenda. The meeting has arranged in one-year term in advance and at least 3 months a time. All of the board of directors usually participated the meeting all the time excluding on their necessary & respective works. In the year 2020, there were 7 directors meetings and an annual general meeting of shareholders as follows:

Board member	Board meeting Attendance	
	Director	Shareholder
Mrs. Maevadi Navapan	7	1
Mr. Chackchai Panichapat	6	1
Gen. Paiboon Kanchanapiboon	5	1
Mr. Wiboon Khusakul	5	1
Mr. Punn Kasemsup	7	1
Mr. Kittidej Charusathiara	7	1
Mr. Jaya Jayananda	7	1
Miss Saovanit Navapan	6	1
Mrs. Patcharaporn Julothai (Entered the term since May 22,2020)	4	-
Mr. Sukuma Jayananda	7	1

7.2 The executive board of directors

1. Mrs. Maevadi Navapan CEO
2. Mr. Sukuma Jayananda Managing Director
3. Mrs. Patcharaporn Julothai Executive Director (Entered the term since July 23,2020)

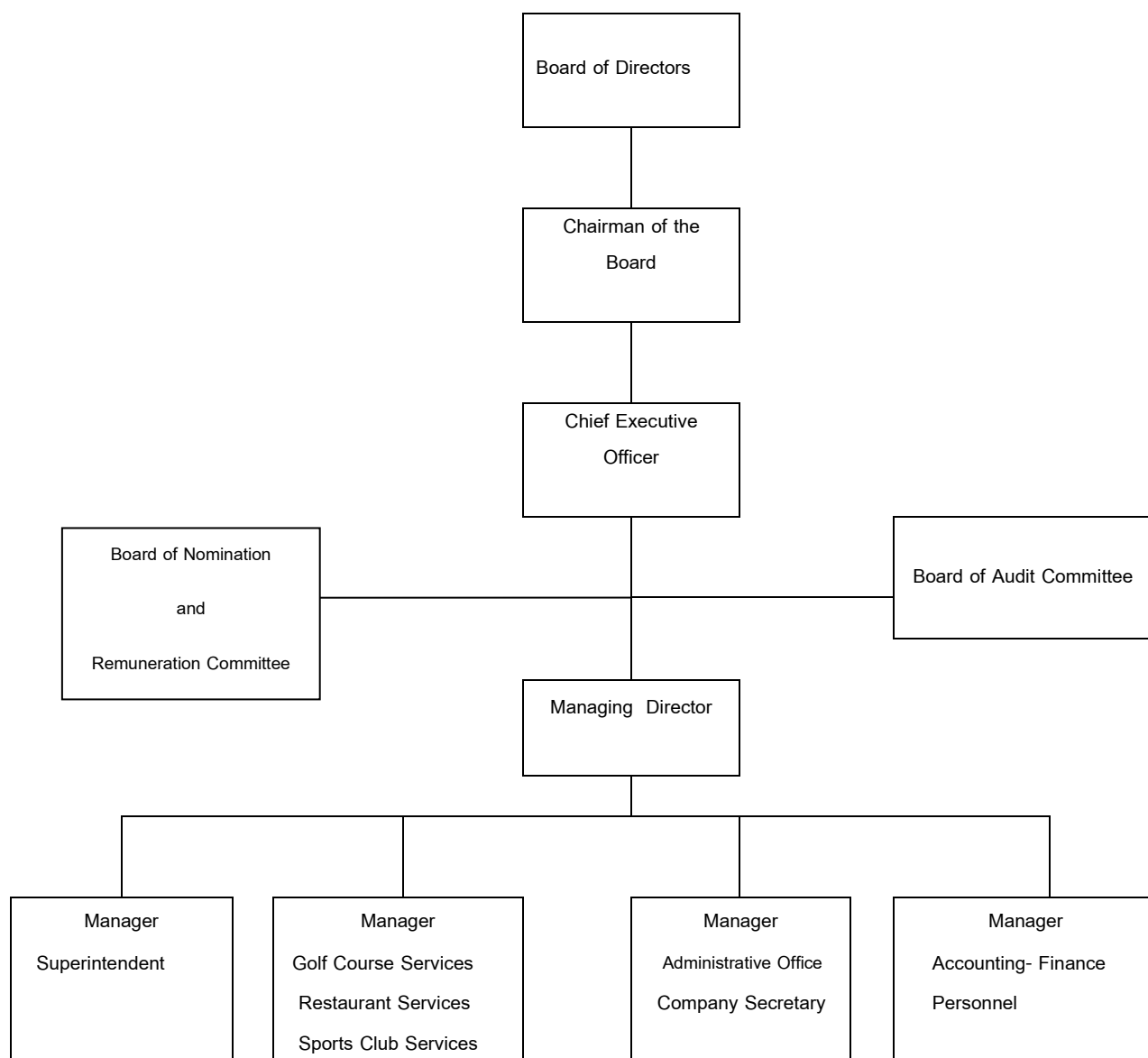
Duties: to process jobs according to the board of directors' assignment, for example, planning, operating the business and nominating the management etc... the majority of the budget approved for the operation is for the course maintenance & improvement up to the international quality standard. The annual capital expenditure always has been set by the former year necessary except the urgent items beyond what are mentioned needed to be implement immediately and will be controlled and monitored by the managing director. And if the budget is not enough and need to spend more, it must seek approval from the Executive Committee. Some cases related and needed to get approval from the shareholders' meeting, the executive Committee will consider and appropriate to propose to the board of Directors meeting. The audit committee will oversee the duties assigned to be the next step. The executive directors' meeting has not been planned since the current business operation has directed up to the specific quantitative purposes and the management has arranged the report which always is sent to the Executive Board of Directors.

Term of the positions: the position held in the term of the company's directors.

Management team

1. Mr. Sukuma Jayananda Managing Director
2. Mrs. Patcharaporn Julothai Executive Director/Administrative Manager
3. Mrs. Chutima Soonthornmonthol Financial Manager

Organization Chart (as of 31/12/2020)



7.3 The company secretary

The board of directors meeting No.4/2020 on the 23rd July 2020 has appointed Mrs. Mattika Sinprapa as a company secretary in place of Mrs. Patcharaporn Julothai in order to look after the directors' activities, coordinate all to follow the board's policy, to advise the directors regarding the basis of the company, rules and regulations. The report on the acquisition and disposition of securities and the report on the stakes of directors and executives were required. The company was also required to arrange board meetings as well as shareholder meetings in accordance with the laws and regulations approved by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) including the disclosure of 56-1 agenda and annual report and to communicate among the shareholders, minutes taken, follow up the meeting issues. (additional information page 44)

7.4 Director and Management's remuneration

1. Monetary remuneration

The board of directors receives the directors' remuneration for attending the meeting and the directors' pension from the shareholders' approval only, as the following detail:

Meeting allowance / directors' remuneration

1. Director	Meeting allowances at 10,000 Baht/meeting
2. Member of audit committee	Meeting allowances at 12,000 Baht/meeting
3. Chairman of audit committee	Meeting allowances at 15,000 Baht/meeting
4. Chairman	Meeting allowances at 20,000 Baht/meeting

The directors' pension

The 2020 shareholders meeting approved the directors' pensions at amount of 600,000 Baht. In 2020, the board of directors received the remuneration and pension as follows:

Board member	Meeting allowance / remuneration
1. Mrs. Maevadi Navapan	225,000
2. Mr. Chackchai Panichapat	175,000
3. Gen. Paiboon Kanchanapiboon	139,000
4. Mr. Wiboon Khusakul	125,000
5. Mr. Punn Kasemsup	163,000
6. Mr. Kittidej Charusathiara	145,000
7. Mr. Jaya Jayananda	145,000
8. Miss Saovanit Navapan	135,000
9. Mrs. Patcharaporn Julothai (Entered the term since 22 nd May 2020)	50,000
10. Mr. Sukuma Jayananda	145,000
11. Mr. Sukum Navapan (Died on 21 st December 2019)	105,000 (only gratuity)

In 2020, the management's remuneration paid as the salary & bonus at total amount of 8,590,058.00 Baht and estimate that the year 2021 will be similar amount.

2. Others pension - none -

7.5 Human resources

It is the company policy to restrict the staff number being compatible with the job description of each field. For the purpose of efficient operation in 2020, the company has totally 155 staff, 5 fields of work, they are management / administration and the company secretary, finance and accounting / personnel, course maintenance, golf course services/club house services / restaurant services / and sports club, with the remuneration paid as the salary, bonus, intensive and social security and others such as uniform, food and

accommodation allowance as appropriate depending on the job. There is no significant staff movement during 3 years and no critical conflict of labor issue.

Training

As the golf course is the service business, we need the staff who have golf knowledge and experience, including as well as the important service in clubhouse consisting of golf course services/club house services/restaurant services and sports club. According to the policy of maintaining the golf course and service standard, each field of work has to get the related competent manager who looks after the business to achieve in every year target and policy. The company has encouraged all sections to participate in proposing their opinion for business operation and in training about the golf course and the service including ethnics as below

1. Golf course maintenance. The golf course would always remain in good quality, suitable for playing in accordance with the international standards. The company had provided training programs for responsible staff while being able to employ technical experts to offer particular tips in maintaining the quality of the golf course with routine work of our staff.

2. Quality services for golfers. Quality services included golf services/club house services/restaurant services/locker room and sports club which are beautiful and modern aiming for the highest satisfaction of the clients.

8. Good Governance

8.1 Good Governance Policy

Shareholders: right and equitable treatment

In 2020, the Company held a shareholders' meeting in accordance with the measures to prevent the spread of Coronavirus Disease 2019 (COVID-19) as follows:

The company has organized the shareholders general meeting on 22nd May 2020 at the company office. 9 from 9 directors of the board of directors joined the meeting and 27 shareholders, which are included proxies, joined the meeting at the amount of 2,888,352 shares or 14.09% decreasing 1.44% comparing to 2019. The company published the invitation letter on the company website www.navatane.com on 10th March 2020 and sent to the shareholders at post on 26th March 2020. Besides, the minutes of the shareholders' annual general meeting was exposed on the company website on 5th June 2020.

The company has sent out the invitation letter to all the shareholders including information and documents for each agenda to be considered in advance. Those of documents are specified for information or for approval with the board of directors' opinion and suggestion. However, this invitation letter including information and documents for each agenda as same as the one which was sent to shareholders at post. Besides, the minutes has been promptly submitted to the Stock Exchange of Thailand and the Ministry of Commerce within the specified period, and has been exposed on the company website according to the rules and practice as always.

Right and equitable treatment

For an option of the shareholders, the company allowed the shareholders either send other persons or choose independent director as a proxy to attend the meeting. In 2020, The company organized Annual General Meeting of Shareholders as follows:

Shareholders general meeting, 7 shareholders give proxy to Audit director and managing director or equivalent to 224,282 shares or 7.77% of the total attending.

In the 2021 Annual General Meeting of Shareholders, The company gave opportunity to the minor shareholders to propose their requirement for the agenda and nominate the directors. The preparation of the Annual General Meeting of Shareholders offers opportunity to the minor shareholders to propose their requirement for putting on the list of agenda and to nominate the directors in company with procedure, principle and how to propose it. The shareholders can suggest the requests at info@navatanee.com or facsimile or registered mail to the company as former year. The time to propose from on the 15th January 2021 to 15th February 2021, which the company has informed these following topics and details to the Stock Exchange of Thailand.

Rules of Stakeholders

The company has always reviewed the policy of good corporate governance in order to look after the right for the stakeholder groups regarding to the ethnic principles and advised regulations. In 2015, the business was in good operation, stability and the problem didn't affect to any groups since the golf course has been operated than 40 years and the management operated business according to the policy which always response the interest throughout the stakeholders, separated as follows.

The shareholders: the company has operated according to the board of directors' policy with open & above-board management, loyal financial & accounting system, the satisfied benefit comparing to the similar businesses and good dividend paid to the shareholder for several years continually.

Employees the Company has focused on the importance of every line staff to have skills and be safe during the use of tools and machinery, and conserve plant species, water conditions, and environmental conditions. Service work provides facilities to customers at various points such as the front desk, locker room, ticket room and restaurant. The company does not discriminate and segregate in religion, male and female receive reasonable remuneration and welfare according to their position, as well as other possible ethical training to cultivate discipline to act in compliance with regulations as a good employee in order to use as a guideline for both themselves and others. In addition, the company also hired a physical impairment by giving the same return as a regular employee.

Customers: to maximize the satisfaction by maintaining the highest standards of the golf course to be in line with the international standard, and to remain the leading golf course of the country. Most of the members are business owners and top executives who have financial stability, but also golfers who understand the rules of being a good golfer. This is one of the reasons that makes the golfers both in Thailand and overseas trust and have confidence in Navatanee Golf Course continuously.

Partners The Company has a code of conduct and is operating the business in the framework of laws and rules regularly and rigorously, and does not use any method to be outside the rules because Navatane Golf Course has been in transparent operation and maintains the image of the golf course all the time. For the selection of partners, the company selects the business partners who have been dealing with the company for a long time because of high quality and reasonable price, with the base from the previous year. However, the company always checks the prices for comparison regularly, and has the internal auditors monitor the process and purchasing procedures. For golf competition, Navatane Golf Course has no policy to compete with other golf courses because the company's policy is to service members who are mostly the same group of customers.

Community Society and Environment: The Company has a policy and commitment to the conservation and preservation of plant species before the construction of any golf course. Making Navatane Golf Course is full of thousands of plants and trees and is one of the unique of Navatane Golf Course. In addition, apart from making the areas around the golf course and Navatane village shady from large and multiple varieties of flowers, it is also a large source of fresh air, which is very rare to find nowadays, and spreads to neighboring communities as well. It also benefits the habitat and the supply chain due to the environmentally friendly operation of the company since the beginning of its business operations. As a result, a lot of animals, aquatic life, and birds are living in the area, looking for food in both the golf course and the lake due to the abundance of life, plus the fact that the company has made it a priority to avoid the use of chemicals, and to use fertilizers made from natural raw materials instead. This commitment to environmental stewardship is the pride of the founder, company committee and employees because the business does not only focus on reputation in the country and overseas in terms of golf courses, but also commits to a management policy which is strongly focused on the environment and will be adhered to such policy at all time. Moreover, the company wants Navatane Golf Course to be not only a golf course, but a place of recreation and relaxation for all visitors as well.

Governments and agencies concerned: Strictly comply with all legal requirements, as well as Tax Management and Accounting Management, a support of a golf charity competition, competition among the customers and the promotion of various activities, as appropriate.

Information disclosure and transparency

The company has disclosed the information according to all regulations and conditions of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, i.e. the directors' approval which impacted to the shareholders, the shareholders meeting's approval, each quarter of financial statement, and all directors and management are required to report the changes of stock holding to the Office of the Securities and Exchange Commission etc....

Leadership and vision

The board of directors is composed of the directors who have vision, knowledge, competence and experience on business operation regarding independent decision, internal control, internal audit, and who follow up the operation for the company & the shareholders' benefit. The management has a duty of the business operation to achieve the policy and to report the operation result to the board of directors

Business ethnics

The company's policy is to maintain the first class Thailand golf course and to concentrate on the stakeholders about the ethnic principles and advised regulations for directors, management staff and owners' regulation (the persons who hold the company shares at high figure and may affect to the decision of the directors/ management/ staff) in order to be the responsibility direction and frame, and to review usually those mentioned regulation.

Balance of power for the board of directors

In 2020, the company has 4 independent directors from total 10 directors. From the remaining of 6 directors, 3 directors are management directors and 3 directors are not management directors. This is make it counter balanced and independent in giving an opinion and an efficient performance.

Aggregation or Segregation of Positions

The chairman of the board of directors is the chairman of the executive board and the main shareholder. For the chairman of the audit committee is not concerned in the management position and is independent enough to perform according to the duty and responsibility.

Conflict of interests

In order to avoid the benefit conflict, the board of directors looks carefully after the risky occasions of benefit conflict or the audit committee, who are independent, will always investigate and manage in the relative incidents of the policy setup according the regulation of the Stock Exchange of Thailand.

Board of directors' self-evaluation

The board of directors meeting No.1/2021, the chairman of the audit committee proposed to the meeting about the directors' self-evaluation to bring the result as information for work as usual.

Audit committees' opinion

The audit committees' who are the system and internal audit controller, are the approver an audit plan and appraise internal systems appropriated and corresponded with the settled objectives and directions and reported to the board of directors meeting. In the year 2020, they had a meeting with the Auditor without any management in order to have information regarding the financial statement for the year 2020. The Auditor

conducted with generally accepted auditing standards and present fairly, in all material respects and also the Internal Auditor.

Quality of audited financial statement

The company financial statement was considered and approved by the Board of Director on 22nd February 2021 and the financial auditors who is certified from the Securities and Exchange Commission and the Stock Exchange of Thailand is the CWWP Co., Ltd. by Miss Chonticha Lertwilai, Certified Public Accountant no. 12258 who signs for approval before spreading out to the related organizations. In 2020 the company financial statement has been undoubted, managed and revealed the appropriated and trustful financial information, and enough internal control system. The auditors signed for approval without any notices and the directors, the management or the staff didn't bring any financial information without faithfulness for their own benefit, their family and relatives or others according to their handbooks, and the internal auditors always follow it up and check it over.

The investor relations

In 2020, the company arranged a responsible officer to interested persons for communication with the investors to a certain extent, and also had to regularly disseminate diverse and important information which might affect the company's stock price to the investors according to the requirement of the Stock Exchange of Thailand, i.e. the financial statement report, resolution of the Board of Directors, resolution of the general meeting of shareholders, etc. In order to be more practical and convenient to the shareholders as usual, the company had given an opportunity to shareholders to be able to send their inquiries via company's website at info@navatanee.com.

8.2 Committee

1. Audit committee

According to the rules of the Stock Exchange of Thailand, the board of directors has appointed the audit committee in order to take care of finance, internal system and business organization achieving the targets by Mr. Chakchai Panichapat, chairman of the audit committee, having sufficient knowledge and experience to audit the credibility of the budget. In 2020, they were 5 meetings as follows:

Board member	Rank	Meeting Attendance
Mr. Chackchai Panichapat	Chairman	5/5
Gen. Paiboon Kanchanapiboon	Audit Committee Member	5/5
Mr. Punn Kasemsup	Audit Committee Member	5/5

The 1st members were appointed on December 23, 1999.

The 2nd member was appointed on March 17, 2005 to replace those who retired.

The 3rd member was appointed on July 25, 2013.

As the audit committee's definition is the procedure according to the Notification of The Capital Market Supervisory Board Re: the qualification and the performance of the audit committee B.E. 2008.

Term given to the directors: In every 3 years and they can be re-appointed. There are 3 audit committees who have worked in this position more than 9 years. However, the nature and performance of business that has been continuous and earnest make the board of directors believes that the Audit Committee remains free to work within the scope of its mandate. The following duties effective from 27th February 2014.

- (1) To review the Company's financial reporting process to ensure that it is accurate and adequate;
- (2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other until in charge of an internal audit;
- (3) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;
- (4) To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year ;
- (5) To review the Connected Transactions, or the transactions that may lead to conflicts of interests, To ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;
- (6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - (a) an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - (b) an opinion on the adequacy of the Company's internal control system,
 - (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
 - (d) an opinion on the suitability of an auditor,
 - (e) an opinion on the transactions that may lead to conflicts of interests,
 - (f) the number of the audit committee meetings, and the attendance of such meetings by Each committee member,
 - (g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
 - (h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
- (7) after the audit committee has acknowledged the case that the auditor found the suspicion of the managing director or person who authorized in the management of the company commit a crime against the Securities and Exchange Act. The audit committee must verify and report the initial result of the inspection to

the Securities and Exchange Commission and the auditor within 30 days from the date of notification from the auditor.

(8) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

2. Nomination committee and remuneration

Due to a flat and uncomplicated administrative structure and the nature of a sports business, the Board of Directors is comprised of representatives of shareholders, and some are from honorary directors who kindly accept the invitation as directors due to trust and confidence in the administration of the golf course business for a very long time. They have brought knowledge, ability, experience and ethical judgment to help the administration of the golf course progress without expecting remuneration. The Board of Directors will have a joint preliminary consideration before presenting in the shareholders' meeting for consideration. However, when the Nomination and Remuneration Committee is established, the election of directors, therefore, will be proposed names to the Nomination and Remuneration Committee for consideration before proposing to the Board of Directors for consideration and give opinions in the shareholders' meeting as the next step.

In 2020, the Nomination and Remuneration Committee held a meeting to consider the appointment of new directors to replace those who completed their terms by rotation and proposed opinions to the Committee for presenting in the shareholder's meeting for approval of the appointment and to consider the remuneration for the company's directors each year. The Board Nomination and Remuneration Committee consists of three independent directors as follows:

Board member	Rank
1. Gen. Paiboon Kanchanapiboon	Chairman of Nomination committee and remuneration
2. Mr. Chackchai Panichapat	Board member
3. Mr. Punn Kasemsup	Board member

Term given to the direct: The position held in the term of the company's directors.

8.3 Nomination of directors and management

1. Director

Referring to the company regulations, the board of directors may have been appointed from the externals who are not the shareholders and that appointment will be approved by the shareholders meeting according to principles and procedures.

Composition and election of board directors

1. The board of directors is minimum 5 persons and there are directors not lower than a half amount of total directors in the kingdom of Thailand. For the purpose of business operation, the directors can be appointed from outsource who are not our shareholders.

2. The shareholder meeting will vote the directors according to this regulation and methodology

- (1) Offering one share-one vote
- (2) Each shareholder has one share per vote on no. (1) and each shareholder use all votes (no split) in appointing one or more person to be a director.
- (3) The candidates are ranked in descending order from the highest score of votes to the lowest, and are appointed as directors in that order until those positions are filled.
Where the votes for candidates are tied, or cause the exceeded number of directors, the Chairman has the casting vote.

2. Chief Executive Officer:

To appoint a chief executive officer, the company would consider work experience and the ability to manage responsible works. If the expected officer in the field was unavailable, the company would agree to consider the outsider candidate, with the emphasis on his/her work experience and expertise to carry out any assigned works. Previously, high-ranking executives included Chief Executive Officers Mrs. Maevadi Navapan, who were not selected by the nomination and remuneration committee as they were founders of the company and being considered as the Board of Directors before the nomination and remuneration committee was appointed. Meanwhile, an executive could pave the way to becoming an assistant managing director before being promoted to the position of managing director. The Board of Directors would propose to the nomination and remuneration committee to be approved accordingly. Compulsorily, any member of the committee should not commit the crime over the past ten years.

3. The Nominating of Independent Director

In the year 2020, there were 4 independent directors altogether from 10 directors and 4 independent directors have no stocks which were stronger than the definition. (In order to follow the Notification of The Capital Market Supervisory Board B.E. 2008, announced on 20th February 2009)

(A) Holding shares not over one percent of the total shares with voting right of the company holding company, subsidiary, affiliation, major shareholder or authorized person of the company, however, it includes shareholding by related persons of the independent director also.

(B) Not being or has been a director with management participation employees, consultant with regular salary or authorized person of the company, holding company, subsidiary, affiliation, subsidiary in same level, major shareholder or of authorized person of the company, except relieved from aforesaid characteristic at not less than two years before submitting permission to the Office. However, the prohibited characteristics do not include an independent director who has been a governmental officer or an advisor of a government authority, which is the major shareholder of the company or the authorized person of the company.

(C) Not being person by blood related or registration by law in the manner of being father or mother, spouse, brotherhood and offspring including spouse of the offspring of the management, major shareholder, authorized person or person designated to be management or authorized person of the company for license or subsidiary.

(D) Do not have or has been in business relation with the applicant, company's parent, holding company, subsidiary, affiliation, major shareholder or authorized person of the company, in the manner that may obstruct the independent exercise of discretion including in not being or has been a significant shareholder or authorized person of the person with business relation with the company, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant, except relieved from aforesaid characteristics at not less than two years before the date of submission for permission from the Office.

The business relation in paragraph one includes trade transactions in normal business, rent or lease on items related to asset or service or in giving or receiving financial assistance through acceptance or lending, guarantee, granting asset as debt security including similar behavior resulting in the applicant or contract party with debt burden to be settled with another party from 3% of net tangible asset of the applicant or from twenty million baht up, as which amount is lower. However, the debt burden calculation shall be in value calculation on related items as announced by the Securities Exchange Commission on Rules of Related Items, by mutatis mutandis. But the consideration of such debt burden shall include debt burdens incurred at one previous year before the date of business relation with the same person.

(E) Not being or has been auditor of the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant and shall not be significant shareholder, authorized person or partner of auditing office with the auditor of the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant in attachment, except relieved from such characteristic at not less than two years before the date of submission for permission from the Office.

(F) Not being or has been any professional provider which includes legal consulting or financial consulting with service fee over two million baht a year from the applicant, holding company, subsidiary, affiliation, major shareholder or authorized person of the applicant, and not being a significant shareholder, authorized person or partner of the professional provider, except relieved from such characteristic at not less than two years before the date of submission for permission from the Office.

(G) Not being a director appointed to be agent of the director of the applicant, major shareholder or shareholder with relation with the major shareholder.

(H) Not operating similar or significant competitive business to the business of the applicant or subsidiary or not being significant partner in the partnership or directorship with management participation on employees, consultant with regular salary or holding shares over one percent of the total shares with voting right in other company, operating business similar or competing with business of the applicant or subsidiary.

(I) Not having other characteristics that will hinder free independent opinion in relation with the operation of the applicant.

After the appointment to be independent director with the characteristics as stated in paragraph one (a) to (i), the independent director may be assigned from the committee to make decision on the business operation of the applicant, holding company, subsidiary, affiliation, subsidiary of same level, major shareholder or authorized person of the applicant under the method of collective decision.

The name lists of the Independent Directors are:

1. Mr. Chackchai Panichapat
2. Gen. Paiboon Kanchanapiboon
3. Mr. Punn Kasemsup
4. Mr. Wiboon Khusakul

8.4 Corporate Governance subsidiary -none-

8.5 Insider Benefit

As the preventive measures in dishonestly using internal data for yourself and oneself benefits. The company has prepared the ethnic handbook for directors, management and staff which are reviewed every year before and after the 2020 financial statement through the public. Nothing founded that using the data is for any side's benefit

8.6 Audit fee

In the year 2020, the audit fee is 450,000 Baht as follows.

The CWWP Co., Ltd. subsidiaried Miss Chonticha Lertwilai , Certified Public Accountant No. 12258, is the company auditor and no interests, relations, connections with the company / the management / the major shareholders.

8.7 Compliant with principles of good corporate governance and other issues (include in Item 8)

9. Social responsibility

With business stability and long-standing reputation as a top legendary golf course of the country, reputed clients and other people involved in the industry had always put their trusts in Navatanee Golf Course. Regarding the golf course's well-adopted policies and second-to-none management styles, major social responsibilities were mainly taken alongside the business operations which generated positive contributions to the society and the community, with the effective development of organizational management and other related business sectors as follows.

1. Business ethics

Admittedly, a majority of Navatanee Golf Course's members were local business entrepreneurs and senior Japanese executives who operated businesses in Thailand. These people had high loyalty in the golf course's quality services. With prominent image and competitive location, Navatanee Golf Course had no certain policy to compete with other golf course rivals and would never rely on price adjustment to conquer other competitors in the industry. During weekends and holidays, members would generally bring their guests

for a group practice session. Navatanee Golf Course had been building a long-lasting rapport with its members and other clients as always.

2. Anti-corruption procedures

The course has simple scope of business operation that had been in service for more than 50 years. Our business had been committed to providing the highest service satisfaction to all clients; members, business partner, outsider or government official in which the business can easily be examined in accordance with the rules and regulations. As most of the employed workforces were assigned to provide quality services, they were not involved in any business or financial transactions. The company has put together a monitoring system that makes it easy to examine. Annual expenses are based on previous years as the main consideration. According that it is easy to observe and follow up. For most office employees, they have been working for a long time and always have good record. The company does not need to rely on or support from any group. Above all, the company never offered support to any conduct of corruption no matter how it was related to organizational or individual concerns.

The company has joined the Collective Action Coalition against Corruption in the year 2015 which in the same year the company has changed the external auditor. As a result of that, the external auditor did not ready to be an auditor for reviewing the self-evaluation form. And, the company did not find another person to be an auditor. However, in the year 2019, we found that the internal auditor can be an auditor for reviewing the self-evaluation form which the company is in progress of consulting with the internal auditor.

3. Respect for human rights

The company has no problem with those who involved in the business operation because the company has been operating this business for a long time. Navatanee Golf Course pays attention to human rights, no matter those people are involved with the company or any social status they are. For instance, group of clients and their related person in every social status will receive the same service as mutual understanding. As a result of that, the course gained good reputation including people who lived nearby the course. No human right issue had ever been occurred within the company. Also, the company had always pursued the completion of work employment in accordance with the labor law. As there was no discrimination at work, many of the staff had decided to devote the best of their ability to work for the company for a long period of time.

4. Fair treatment for employees

Navatanee Golf Course comprised of about 155 employees. As social welfares and other additional benefits were key factors that helped encourage working competency among the employees, most of them decided to work for the company until they reached the retirement age. Because of this, there are no labor problems. Due to most employees are in the service sector, they have experience in working and understanding the company's policies. Employees are trained as appropriate. Accounting and Finance

section and Company Secretary have to attend training courses related to listed companies. With respect to the difference in religion, gender and also people with physical disability was hired to work with other employees. They received payment and welfare as appropriate regarding their positions consisting of; salary, bonus, service charge, provident fund, social security. The company provides other welfares for employees such as uniform, luncheon, accommodation and other financial support with non-discriminatory responsibilities. The environment in workplace is surrounded by shady and beautiful nature making all employees have good mental health. Most of the employees have accommodation near the company. It makes them always ready to work.

5. Responsibility for consumers

To maximize the satisfaction by maintaining the highest standards of the golf course to be in line with the international standard, and to remain the leading golf course of the country (Executive Golf Course). Although there are many golf courses today, it caused the competition in quality and price. However, Navathanee Golf Course still maintains its reputation and quality. Most of the members are business owners and top executives who have financial stability, but also golfers who understand the rules of being a good golfer. This is one of the reasons that makes the golfers both in Thailand and overseas trust and have confidence in Navatanee Golf Course continuously.

Navatanee Golf Course developed certain policies to ensure safety and security for all clients varying in rules for safe playing and a restaurant of hygienic menus. The company also launched a policy to maintain the database and privacy of all clients.

6. Community Society and Environment

The Company has a policy and commitment to the conservation and preservation of plant species before the construction of any golf course. Making Navatanee golf course is full of thousands of plants and trees and is one of the unique of Navatanee Golf Course. In addition, apart from making the areas around the golf course and Navatanee village shady from large and multiple varieties of flowers, it is also a large source of fresh air, which is very rare to find nowadays, and spreads to neighboring communities as well. It also benefits the habitat and the supply chain due to the environmentally friendly operation of the company since the beginning of its business operations. As a result, a lot of animals, aquatic life, and birds are living in the area, looking for food in both the golf course and the lake due to the abundance of life, plus the fact that the company has made it a priority to avoid the use of chemicals, and to use fertilizers made from natural raw materials instead. This commitment to environmental stewardship is the pride of the founder, company committee and employees because the business does not only focus on reputation in the country and overseas in terms of golf courses, but also commits to a management policy which is strongly focused on the environment and will be adhered to such policy at all time. Moreover, the company wants Navatanee golf course to be not only a golf course, but a place of recreation and relaxation for all visitors as well as community society.

In the year 2017, Thailand Greenhouse Gas Management Organization (Public Organization) had surveyed and evaluated to produce the amount of carbon dioxide retention. The name of the project is “*Navatane Golf Course, the Oxygen Source of Bangkok* “. TGO had assessed that Navatane Golf Course retained greenhouse gas equivalent amount of 4,328 tons of carbon dioxide (22nd December 1970 – 30th August 2017). Only 27,000 perennial trees taller than 1.50 meters were evaluated. TGO presented the certificate to Navatane Golf Course on 8th September 2017. It is a pride of Navatane Golf Course and it is based on the intention of the course founder and the board of directors. The management has set goals and will continue to support this project.

On 3rd January 2018, the Company installed 360 solar panels on the roof of the clubhouse to produce electricity from solar energy under the activity “Navatane Golf Course Solar Energy Project”. And on 10th September 2018, Thailand Greenhouse Gas Management Organization presented a certificate of honor to the golf course.

On 7th August 2018, Thailand Greenhouse Gas Management Organization (Public Organization) passed a resolution approving the project “Navatane Golf Course, the Oxygen Source of Bangkok” registered as Thailand Voluntary Emission Reduction Program: T-VER.

Navatane Golf Course is ready and willing to participate in helping to reduce environmental problems including helping to reduce greenhouse gases from the atmosphere for society and communities continuously by creating and maintaining ecosystems within the area to be a part of society in developing the country to become a sustainable low carbon society in the future.

7. The development of society and community

Navatane Golf Course had fostered the policy to recruit local people as its employees, as part of the intention to stimulate sustainable employment in the community. In the past, most of employees have been in the area since the establishment so it caused benefit for both employees and organizations.

They also participated in activities of the Sukumo Foundation founded in 1988 by Mr. Sukum Navapan, Chairman of the Board of Directors, Founder and charitable organization. The main focus is education such as the distribution of dictionaries to students, government officials and the public throughout the country. He is also a patron of Sukumnavapan Uppatham School (formerly known as Bangkokapi Sukumnavapan Uppatham School) with financial support for the operation and scholarship. Moreover, the Sukumo Foundation donated money to the Bangkok Symphony Orchestra Foundation.

8. Innovation and promotion of innovation

Navatane Golf Course basically provided golf course services. Aside from the ordinary maintenance to keep the golf course in good quality according to the international standards, no certain innovation had been evolved. However, the modern golf course was set to rely on the use of non-chemical substances and recycled water, together with the planting of trees to support fertile environment to make the production source of fresh air for our customers and people in community nearby. As well as personnel

development and service system to make the service more convenient, faster and comply with the course's policy in order to satisfy customers.

10. Internal audit and risk management

The appointment of internal audit officer was required to be submitted to the audit committee for approval. This helped guarantee transparency and reliability and it is a great tool for managing the risk because the audit committee can do their duty freely and report the result of the internal audit to the board of director every time. There have been meeting and appoint the audit of the audit committee to Miss Naruemon Khunthong from Porama Consultant Co., Ltd. as an internal auditor and the secretary of the audit committee in the year 2020.

Profile of Porama Consultant Company Limited

Porama Consultant Company Limited ("the Office") was established on 9th September 2005. It aims to provide internal auditing services, set up accounting systems and provide consulting services such as internal auditing, Internal Control Performance Assessment, Accounting work, And consulting. Under the management of Miss Meena Katelek with 4 staff. (see page 46)

10.1 Comments from Board of Directors towards the adequacy and appropriateness of internal audit system for the company, where the appropriate number of auditors would be provided.

- Please refer to the internal audit report on page 2.

10.2 Error: There was no serious error reported in 2020.

10.3 Internal audit controversy: There was no serious audit controversy reported in 2020.

11. Related parties and connected transactions / Inter-transactions

The policy and direction for future inter-transaction -None-

12. Significant financial information

Financial Ratio	Unit	2020	2019	2018
<u>Liquidity Ratio</u>				
Liquidity Ratio	time	7.09	4.41	1.17
Quick Liquidity Ratio	time	2.29	4.25	1.10
Quick Liquidity Ratio of cash flow	time	2.66	1.67	2.84
Receivable Turnover	time	167	205	250
Average Collection Period	day	2	2	1
Inventory Turnover	time	22	32	32
Average Selling Period	day	16	11	11
Payable Turnover	time	45.36	77.38	113.13
Selling Debt	day	8	5	3
Cash cycle	day	N.A	N.A	N.A
<u>Profitability Ratio</u>				
Gross Profit Margin	%	52.11	57.59	60.05
Operating Profit Margin	%	22.59	37.36	40.86
Other Margins	%	6.01	6.46	5.78
Ratio of Cash to Profitability	%	213.17	86.27	136.34
Quality of Income Ratio	%	152.81	70.33	115.88
Net Profit Margin	%	16.94	28.07	30.07
Return on Equity	%	2.14	3.80	4.11
<u>Efficiency Ratio</u>				
Rate of Return on Assets	%	1.91	3.32	3.55
Return on Fixed Assets	%	2.53	4.15	4.36
Asset Turnover	time	0.11	0.11	0.11
<u>Financial Policy Ratio</u>				
Debt to Equity Ratio	time	0.12	0.14	0.16
Ratio of the Ability to pay interest	Time	N.A	N.A	N.A
Dividend Payment	%	61.06	66.12	65.64
Earnings Per Share	Per share	1.13	2.42	2.59
Dividend Per Share	Per share	0.69	1.60	1.70
Book Value Per Share	Per share	52.87	63.61	62.97

13. Analysis and explanation of financial status and operation results:

The company's performance of this year

In 2020, the Company was directly affected by the coronavirus disease (COVID-19) epidemic situation in accordance with the Bangkok Metropolitan Administration's announcement regarding temporary closure of premises No. 2 and No. 4 from March 22, 2020. The golf course can be partially opened on May 3, 2020 and fully opened on June 20, 2020, thus reducing the Company's income.

The company's overall revenue from golf course business decreased Baht 28.29 million or 21.59% compared to the year 2019. The revenue of restaurant business decreased Baht 6.66 million and revenue from sports club decreased Baht 2.24 million. Revenue from pro shop increased Baht 0.81 million since the operation began on October 1, 2019 from the aforementioned reasons, income from operations decreased by 36.38 million baht.

The revenue from dividend, interest income and other revenues decreased Baht 3.16 million comparing to the year 2019. As a result, the company's total revenue decreased Baht 39.54 million or 22.37%.

The cost of golf course services decreased from the year 2019 for Baht 4.14 million. The cost of restaurant business decreased Baht 3.29 million. The cost of pro shop increased Baht 0.44 million.

Cost of sales decreased from the year 2019 for Baht 0.17 million from promotional expenses. The management expenses increased Baht 1.62 million, resulted from regular expenses.

For profit values, the company basic profits decreased from the last year for Baht 28.01 million or 29.43% which was resulted from the decreasing of the total income. The net profit is Baht 23.24 million, decreased Baht 26.36 million or 53.15%.

Financial status: Asset analysis

Navatane Golf Course decreased 18.45% of total assets comparing to the year 2019.

- Current assets increased by Baht 38.70 million mainly resulted from temporary investment while cash and cash equivalents are increased.
- Non-current assets decreased by Baht 314.04 million mostly resulted Impact of the coronavirus (COVID-19) epidemic situation causing the company to review land revaluation (As per note 11 to financial statements)

Additional information of The board of directors as of 31 December 2020

1. Mrs. Maevadi Navapan	
Positions in the Company	Chairman, CEO (Aunt of Mr.Kittidej Charusathira) (appointed on February 26, 2020)
Age	77 years old
Nationality	Thai
Education	Barrister-at-law, Middle Temple, England, 1964 Barrister-at-law, Thailand, 1976 National Defense College, 1989
Director training program	Director Accreditation Program (DAP)
Experience	-Founder and Chairman of Siew-Matsushita Foundation -Chairman of Savita Foundation -Chairman of Sukumo Foundation -Director of John F. Kennedy Foundation in Thailand -President of Women Lawyers' Association of Thailand Under The Royal Patronage of HM The Queen -President of Thailand Amateur Ladies Golf Association -Director of Thai Chamber of Commerce -Member of Law Reform Commission -Member of the National Legislative Assembly -Member of the Compensation Fund Committee -Member of the Kasetsart University Council -Executive Director of the Federation of Thai Industries -Executive Director of the International Federation of Women Lawyers
Positions in other listed Companies	None
Positions in non-listed companies	-Chairman of Panasonic (Thailand) Co., Ltd. -Chairman of Siew Co., Ltd.
No. of years on the board	36 years 7 months (appointed on May 11, 1984)
CSR shareholding	14,536,532 shares or 70.91%
Positions in rival companies/Related companies	None
Meeting attendance in 2020	Board of Directors Meeting, 7 of 7 Meeting
Other information	No legal dispute over the past 5 years No conflict of interest transaction with the company in 2020

2. Mr. Chackchai Panichapat

Positions in the Company	Independent Director, Chairman of the Audit Committee Member of the Nomination and Remuneration Committee,
Age	82 years old Nationality Thai
Education	-B.E. (Electrical Engineering), Chulalongkorn University -M.E. (Electrical Engineering), University of Texas, Austin, U.S.A. -Certificate, National Defense College
Director training program	- Director Accreditation Program (DAP) 5/2003 - Finance for Non-Finance Director (FND) 19/2005 - Director Certification Program (DCP) 72/2006 - Role of Compensation Committee (RCC) 3/2007 - Audit Committee Program (ACP) 25/2009
Experience	Deputy Secretary General of the Board of Investment
Positions in other listed Companies	- Director and Executive Director, Amata Corporation Pcl. - Independent Director, Chairman of Audit Committee and member of nomination and remuneration committee, Kang Yong Electric Pcl.
Positions in non-listed companies	- Chairman, Magnecomp Precision Technology Pcl. - Chairman, Amata Water Co.,Ltd. - Chairman, D-Jig Co., Ltd. - Vice Chairman, Amata City Co.,Ltd. - Director, San Miguel Beer (Thailand) Co.,Ltd. - Director, San Miguel Marketing (Thailand) Co.,Ltd. - Director, Thai San Miguel Liquor Co.,Ltd. - Director, Amata Asia Ltd - Director, Thai-Chinese Rayong Industrial Realty Development Co.,Ltd.
No. of years on the board	23 years 8 months (Date of Appointment 18 April 1997)
CSR shareholding	None
Positions in rival or related companies	None
Meeting attendance in 2020	Board of Directors Meeting, 6 of 7 Meeting Audit Committee Meeting, 5 of 5 Meeting Nomination and Remuneration Committee Meeting, 1 of 1 Meeting
Other information	No legal dispute over the past 5 years No conflict of interest transaction with the company in 2020

3. GEN. Paiboon Kanchanapiboon

Positions in the Company	Independent Director, Audit Committee, Chairman of the Nomination and Remuneration Committee
Age	75 years old
Nationality	Thai
Education	MBA, NIDA
Director training program	Director Accreditation Program (DAP) Director Certification Program (DCP)
Experience	Nida Development Fund Manager (Jan. 2010 to present) Former Artillery center commander (1995-1999) Former Commanding General, Army Weapon Production Center (1999-2000) Former Senior Advisor Office of the Under-Secretary of Ministry - of Defense (2004) Former Special Expert, Royal Thai Army (2000-2005)
Positions in other listed companies	None
Positions in non-listed companies	None
No. of years on the board	23 years 8 months (appointed on April 18, 1997)
CSR shareholding	None
Positions in rival companies//Related companies	None
Meeting attendance in 2020	Board of Directors Meeting 5 of 7 Meeting Audit Committee Meeting, 5 of 5 Meeting Nomination and Remuneration Committee Meeting, 1 of 1 Meeting
Other information	No legal dispute over the past 5 years No conflict of interest transaction with the company in 2020

4. Mr. Wiboon Khusakul

Positions in the Company	Independent Director
Age	67 years old
Nationality	Thai
Education	B.A. (International Relations) Chulalongkorn University, Bangkok, Thailand M.A. (International Affairs and Diplomacy) Thammasat University, Bangkok, Thailand Master of International Public Policy Johns Hopkins University, USA The 69th Civil Service Execution Development Program - Office of the Civil Service Commission
Director training program	-
Experience	Consul –General, Royal Thai Consulate-General, Kunming, PRC Consul-General, Royal Thai Consulate-General, Shanghai, PRC Ambassador Extraordinary and Plenipotentiary of Thailand to the Republic of Iraq Ambassador Extraordinary and Plenipotentiary of Thailand to the Hashemite, Kingdom of Jordan Ambassador Extraordinary and Plenipotentiary of Thailand to the Lao People 's Democratic Republic Executive Director, Thailand Trade and Economic Office, Taipei, Taiwan Ambassador Extraordinary and Plenipotentiary of Thailand, to the People's Republic of China Ambassador Extraordinary and Plenipotentiary of Thailand to Mongolia Ambassador Extraordinary and Plenipotentiary of Thailand to the Democratic's People of Korea
Positions in other listed companies	30 April 2015- Present, Independent Director – Kasikorn Bank Public Co.,Ltd.
Positions in non-listed companies	27 February 2015-Present , Advisor to Charoen Pokphand Group Co.,Ltd. 28 September 2017-Present , National Strategy Drafting Committee on National Competitiveness Development and Enhancement January 2020-Present , Chairman of the National Subcommittee on Foreign Affairs
Years on the board	5 year 8 months (Date of Appointment 30 April 2015)
CSR shareholding	None
Positions in rival companies//Related companies	None
Meeting attendance in 2020	Board of Directors Meeting 5 of 7 Meeting
Other information	No legal dispute over the past 5 years No conflict of interest transaction with the company in 2020

5. Mr. Punn Kasemsup

Positions in the Company	Independent Director, Member of Audit Committee , Member of the Nomination and Remuneration Committee
Age	52 years
Nationality	Thai
Address	Kompass Law Limited, No. 38 Chalanttip Building, 11 th Floor, Unit 11 B, Convent Road, Silom, Bangrak, Bangkok 10500
Education	Master of Law in Comparative and International Laws Southern Methodist University, USA Bachelor of Law, Thammasat University, Bangkok
Director training program	- Certificate of Director Certification Program (DCP 140/2010) - Financial Statements for Directors (FSD 10/2010) - Certificate of Audit Committee Program (ACP 37/2011) - Certificate of Advanced Audit Committee Program (AACP 8/2012) - Monitoring Fraud Risk Management (MFM 6/2011) - Monitoring the Internal Audit Function (MIA 11/2011) - Monitoring the Quality of Financial Reporting (MFR 14/2012) - Monitoring the System of Internal Control and Risk Management (MIR 12/2012)
Experience	- Partner and Managing Director Kompass Law Limited (February 2002 - present) - Independent Director / Audit Committee / Investment Committee BG Container Glass Public Company Limited (January 2021 - present) -Independent Director / Nomination and Remuneration Committee Copperwired Public Company Limited (June 2018 – present) - Independent Director / Audit Committee / Nomination, Remuneration Consideration and Corporate Governance Committee / Corporate Sustainability Committee Demco Public Company Limited (May 2018 – present) -Independent Director / Chairman of Nomination and Remuneration Committee Vintcom Technology Public Company Limited (March 2016 - present) - Director Perseverance Co., Ltd. (2009 - present) - Director HNP Legal & Litigation Ltd. (2002 - present)

- Independent Director and Chairman of Audit Committee
CISSA Group Company Limited (December 2017 - January 2021)
- Independent Director
City Network Co., Ltd. (2015 - March 2016)
- Independent Director / Audit Committee / Corporate Governance
Committee AME Technology Public Company Limited
(2014 - August 2017)
- Independent Director and Audit Committee
Copperwired Co., Ltd. (2011 - December 2016)
- Independent Director and Audit Committee
Wattana Capital Public Company Limited (2011 - 2014)
- Senior Associate
Baker & McKenzie (June 1996 - January 2002)
- Visiting Scholar
East Asian Legal Study Centre, School of Law, University of Wisconsin
(Madison), WI, USA (March - May 1996)
- Paralegal Walter, Conston, Alexander & Green P.C., New York, NY, USA
(August 1995 - February 1996)
- Legal Trainee
Federal Court, Northern Texas, Dallas, TX, USA (June - July 1995)
- Attorney-at-Law
Sitthichoke Sricharoen Law Office (October 1990 - May 1993)

Positions in other listed companies -Independent Director / Chairman of Nomination and Remuneration
Committee
Vintcom Technology Public Company Limited

-Independent Director / Audit Committee / Nomination, Remuneration
Consideration and Corporate Governance Committee / Corporate
Sustainability Committee
Demco Public Company Limited

-Independent Director / Nomination and Remuneration Committee
Copperwired Public Company Limited

-Independent Director / Audit Committee / Investment Committee
BG Container Glass Public Company Limited

Positions in non-listed companies - Partner and Managing Director

Kompass Law Limited

- Director

HNP Legal & Litigation Ltd.

- Director

Perseverance Co., Ltd.

Positions in rival companies/Related companies None

No. of years on the board 7 year 10 months (Date of Appointment 25 April 2013)
(date of Appointment as director of Audit Committee 25 July 2013)

CSR shareholding None

Positions in rival companies//Related companies None

Meeting attendance in 2020 Board of Directors Meeting 7 of 7 Meeting

Audit Committee Meeting 5 of 5 Meeting

Nomination and Remuneration Committee Meeting 1 of 1 Meeting

Other information No legal dispute over the past 5 years

No conflict of interest transaction with the company in 2020

6. Mr. Kittidej Charusathiara

Positions in the Company	Director (Mrs. Maevadi Navapan's nephew)
Age	46 years old
Nationality	Thai
Education	MBA, Leadership Management Lavern University, California, USA
Director training program	Director Accreditation Program (DAP)
Experience	The Executive Management of North Star World Ltd.
Positions in other listed companies	None
Positions in non-listed companies	Managing Director of North Star World Ltd. Managing Director of Damrongrak Commerce Co.,Ltd.
No. of years on the board	13 years (appointed on April 26, 2007)
CSR shareholding	1,500 shares or 0.00%
Positions in rival companies/Related companies	None
Meeting attendance in 2020	Board of Directors Meeting 7 of 7 Meeting
Other information	No legal dispute over the past 5 years No conflict of interest transaction with the company in 2020

7. MR. JAYA JAYANANDA

Positions in the Company	Director (Older brother of Mr. Sukuma Jayananda)
Age	44 years
Nationality	Thai
Education	Chulalongkorn University in Faculty of Engineering Department of Industrial Engineering MA from Swiss Hotel Management School in Management
Training	- Director Certification Program (DCP) 245/2017 - Financial Statements for Directors (FSD) 34/2017 - The Real Estate Executive Association of Chulalongkorn University #1
Experience	- 2014 – Present, COO Navatanee Ltd. - 2007 – 2013 Project Manager at Navatanee Ltd. - 2001 - 2005 Account Manager at Advanced Information Technology (AIT) Plc. - 2000 – 2001 Account Manager at T.N. Information System Ltd. - 1992 – 1993 and 1995 Thai National Junior Golfer
Positions in other listed Companies	-none-
Positions in non-listed companies	Director, Navatanee Community Ltd. Managing Partner, Ramintra Limited Partnership Director, Sukumo Foundation (Public organization)
No. of years on the board	3 year 8 months (appointed on April 26, 2017)
CSR shareholding	134,000 shares or 0.65%
Positions in rival companies/Related companies	None
Meeting attendance in 2020	Board of Directors Meeting 7 of 7 Meeting
Other information	No legal dispute over the past 5 years No conflict of interest transaction with the company in 2020

8. Miss Saovanit Navapan

Positions in the Company	Director
Age	47 years old
Nationality	Thai
Education	-B.F.A. (Western Music), Voice Major, Chulalongkorn University, Bangkok, Thailand -Diploma, Professional Music, Berklee College of Music, MA, USA (Summa Cum Laude)
Director training program	Director Certification Program (DCP)
Experience	- Vocal Jazz Lecturer at Conservatory of Music, Rangsit University, (2012-2014) - Vocal Course Planner for "True Academy Fantasia" Season 6 and Season 7, (2009-2010) - Best Female Solo Singer Artist" Kom Chad Luek Award 2004 - Representative for teaching from Thailand in making artists project, "SAO MAI DIEM HEN", (2004) - Representative of artists from Thailand to perform at the Tourism Authority of Thailand - promotional event in Japan (2003) - Singer in Grammy Gold Record Label, a Music Subsidy under GMM Grammy, (2001-2012) - Special Guest for World-class Artists: Manhattan Jazz, Quintet (MJQ), Jim Brickman, Dave Coz, Philips Symphony Orchestra, (2001) - Visiting Lecturer at Faculty of Music, Silpakorn University, (1999-2000) - Special Guest for Royal Bangkok Symphony Orchestra, (1999-present) - National Outstanding Youth in Creative Activities - Second Runner-up Title from "Nissan Awards 1989 Thailand Singing Contest", (1989)
Positions in other listed companies	None
Positions in non-listed companies	- Independent Singer -Voice Teacher and Singing Teacher at PRIVATE STUDIO
No. of years on the board	1 year 8 months (appointed on April 25, 2019)
CSR shareholding	7,750 shares equivalent to 0.00%
Positions in rival companies/related companies	None
Meeting attendance in 2020	Board of Directors Meeting 6 of 7 Meeting
Other information	No legal dispute over the past 5 years No conflict of interest transaction with the company in 2020

9. Mrs. Patcharaporn Julothai

Positions in the Company	Executive Director
Age:	60 years old
Nationality:	Thai
Education:	B.A. (Management), The Institute of Technology & Vocational Education
IOD training program	- Company Secretary Program (CSP 4/2003)
Director training program	- Director Certification Program (DCP) 288/2020
Experience:	- Former Office Secretary of City Sports & Recreation Co.,Ltd. (since 1984) - Administrative Manager, Company Secretary, Secretary of the Committee of City Sports & Recreation Plc.

Positions in other listed companies None

Positions in non-listed companies -

No. of years on the board 7 months (appointed on May 22, 2020)

CSR shareholding 16,500 shares or 0.08%

Positions in rival companies/Related companies None

Meeting attendance in 2020 Board of Directors Meeting 4 of 7 Meeting

Other information No legal dispute over the past 5 years

No conflict of interest transaction with the company in 2020

10. Mr. Sukuma Jayananda

Positions in the Company	Managing Director (Younger brother of Mr.Jaya Jayananda)
Age	41 years old
Nationality	Thai
Education	<ul style="list-style-type: none"> - Master of Business Administration, National Institute of Development Administration - Bachelor of Science, Chulalongkorn University - PROFESSIONAL GOLF MANAGEMENT, From PROFESSIONAL GOLFERS CAREER COLLEGE, CA, USA
Director training program	<ul style="list-style-type: none"> - Successful Formulation and Execution (SFE) - Role of the Compensation Committee (RCC) - Audit Committee Program (ACP) - Director Accreditation Program (DAP) 10/2010 - Finance Statements for Director (FND) 10/2010 - Director Certification Program (DCP) 140/2011 - Monitoring Fraud Risk Management MFM 6/2011 - Monitoring the internal Audit Function MIA 11/2011 - Monitoring the system of Internal Control and Risk Management MIR 12/2012 - Monitoring of the Quality of Financial Reporting MFR 14/2012
Experience	<ul style="list-style-type: none"> - BEAR CREEK GOLF COURSE, CA, USA (2003-2004) - Executive Director/Acting Managing Director, City Sports & Recreation Plc. - Director of golf, City Sports & Recreation Plc.

Positions in other listed companies None

Positions in non-listed companies Director, Navatanee Ltd.

Director, Sukumo Foundation (Public organization)

Chairman of the Board, Sukumnavapan Uppatham School

No. of years on the board 10 year 5 months (appointed on July 29, 2010)

CSR shareholding(included spouse) 551,632 shares or 2.69%

Positions in rival companies/Related companies None

Meeting attendance in 2020 Board of Directors Meeting, 7 of 7 Meeting

Other information No legal dispute over the past 5 years

No conflict of interest transaction with the company in 2020

Additional Information of The Executive Management

1. Superintendent Manager (detail on page 42)

Mr. Sukuma Jayananda

Rank: Acting Superintendent Manager

Age: 41 years old

Nationality: Thai

Education: - Master of Business Administration, National Institute of Development Administration (NIDA)
- Bachelor of Science, Chulalongkorn University
- PROFESSIONAL GOLF MANAGEMENT,
PROFESSIONAL GOLFERS CAREER COLLEGE, CA, USA

Experience: - BEAR CREEK GOLF COURSE, CA, USA (2003-2004)
- Director of golf, City Sports & Recreation Plc. (2004)

2. Administrative Manager (detail on page 41)

Mrs. Patcharaporn Julothai

Rank: Administrative manager/Company secretary

Age: 60 years old

Nationality: Thai

Education: B.A. (Management), The Institute of Technology & Vocational Education

Experience: - Former Office Secretary, City Sports & Recreation Plc. (since 1984)
- Administrative Manager, Company Secretary, Secretary of the Committee of City Sports & Recreation Plc.

3. Financial Manager

Mrs. Chutima Sunthornmonthol

Rank: Financial Manager

Age: 57 years old

Nationality: Thai

Education: BA (Accounting), Dhurakijpundit University
TLCA CFO Professional Development Program (TLCA CFO CPD)

Experience: Chief accountant

Position in listed company -none

Position in non-listed company -none

No. of years: 28 years

CSR shareholding: -none

Positions in Rival companies/Related company -none

4. Company Secretary

Mrs. Mattika Sinprapa (appointed on July 23, 2020)

Age: 53 years old

Nationality: Thai

Education: B.A. (Management), Sukhothai Thammathirat Open University
Fundamentals for Corporate Secretaries, Thai Listed Companies Association

Experience: - Former Company Secretary Assistant
- Assistant Administrative Manager

Position in listed company -none

Position in non-listed company -none

No. of years: 32 years

CSR shareholding: 1,250 shares or 0.00%

Positions in Rival companies/Related company -none

Audit fee certificate

แบบยืนยันความถูกต้องครบถ้วนของคำตอบแทนที่จ่ายให้แก่ผู้สอบบัญชี

รอบปีบัญชีสิ้นสุดวันที่ 31 ธันวาคม 2563

คำตอบแทนจากการสอบบัญชี (Audit Fee)

บริษัทฯ ได้จ่ายคำตอบแทนจากการสอบบัญชีให้กับบริษัท ซี ดับเบิลยู ดับเบิลยู พี จำกัด โดย นางสาวชลธิชา เลิศวิไล
 ค่าสอบบัญชีประจำปี 2563 จำนวนเงิน 450,000 บาท และไม่มีคำตอบแทนอื่น/ไม่มีความสัมพันธ์และไม่มีส่วนได้เสียกับบริษัท/
 ผู้บริหาร/ผู้ถือหุ้นรายใหญ่

ข้อมูลข้างต้น

ถูกต้องครบถ้วนแล้ว ทั้งนี้ ข้าพเจ้าขอยืนยันว่าไม่มีข้อมูลการให้บริการอื่นที่บริษัทจ่ายให้กับข้าพเจ้า สำนักงาน
 สอบบัญชีที่ข้าพเจ้าสังกัดอยู่ และบุคคลหรือกิจการที่เกี่ยวข้องกับข้าพเจ้าและสำนักงานสอบบัญชีที่ข้าพเจ้าสังกัด
 ที่ข้าพเจ้าทราบและไม่มีการเปิดเผยข้างต้นไว้

ไม่ถูกต้อง ไม่ครบถ้วน กล่าวคือ

.....

เมื่อปรับปรุงข้อมูลข้างต้น (ถ้ามี) แล้ว ข้าพเจ้าขอยืนยันว่าข้อมูลทั้งหมดในแบบฟอร์มนี้แสดงคำตอบแทนสอบบัญชี
 และค่าบริการอื่นที่บริษัทจ่ายให้กับข้าพเจ้า สำนักงานสอบบัญชีที่ข้าพเจ้าสังกัด และบุคคลหรือกิจการที่เกี่ยวข้องกับข้าพเจ้าและ
 สำนักงานสอบบัญชีดังกล่าวที่ถูกต้อง ครบถ้วน



(นางสาวชลธิชา เลิศวิไล)

บริษัท ซี ดับเบิลยู ดับเบิลยู พี จำกัด

ผู้สอบบัญชี บริษัท เทพธานีกริษา จำกัด (มหาชน)

Internal Audit Team of Porama Consultant Company Limited

No.	Position	Name	Education and Related Certificate	Work Experience
1	Internal Audit Department Manager	Miss.Naruemon Khunthong	<input type="checkbox"/> Bachelor of Business Administration, Rajamangala University of Technology PhraNakhon	More than 9 years experienced of auditing and Internal audit.
2	Internal Audit Staff	Miss Kanjana Polrit	<input type="checkbox"/> Bachelor of Business Administration, Rajamangala University of Technology Rattanakosin	More than 8 years experienced of auditing and Internal audit.
3	Internal Audit Staff	Miss Natpreya Khunpitak	<input type="checkbox"/> Bachelor Degree of Accounting, Rangsit University	More than 3 months experienced of auditing and Internal audit.
4	Internal Audit Staff	Mr. Nattawat Noppakuntong	<input type="checkbox"/> Bachelor of Business Administration, Thai-nichi Institute of Technology	More than 4 months experienced of auditing and Internal audit.

[Translation]

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of City Sports and Recreation Public Company Limited

Opinion

I have audited the financial statements of City Sports and Recreation Public Company Limited (“the Company”), which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, the statement of changes in shareholders’ equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Other Matters

The financial statements of City Sports and Recreation Public Company Limited, for the year ended 31 December 2019, as presented herein for comparative purposes, was audited by another auditor who concluded an unconditional due to the financial statement as report dated 26 February 2020.

Key Audit Matters

Land shown at revaluated value

In accordance with the note to the financial statements No. 11, the Company has Baht 838.49 million of revaluated land shown in the statement of financial position as at 31 December 2020, which their fair value measured by applying the values, as reported by an independent appraiser on the assets used in the Company's operation under the income approach and the cost method, to calculate the land's fair value under the income approach. The fair value of the assets used in the Company's operation under the income approach has been allocated by the fair value of the said assets under the cost method. The Company chose to apply the accounting policy that measure the asset value after acquisition at the revaluation for land only.

I concentrated on the assessment of the reasonableness and appropriateness of assumptions applied in evaluating the fair value of the said land because the Company's revaluation is measuring the fair value of the assets used in the Company's operation under the income approach and the cost method, according to the appraisal report dated 12 January 2017, prepared by an independent appraiser. It related to the reasonableness of the assumptions applied, which drawn from the prediction of the future economic and industry situations, and the discount rate determined by the Company's management on their discretion at that time. Nevertheless, for year 2020, the Company's management had revised the reasonableness and appropriateness of the assumptions applied in the evaluating the fair value for recognized the land at revaluated value to be appropriate for the current economic situation, including the measurement of the said land in the statement of financial position as at 31 December 2020 in amount of Baht 838.49 million are material to the financial statements.

Therefore, my audit procedures included the audit procedure that have the greatest significant effect to the evaluation of the adequacy and appropriateness of the audit evidence obtained regarding the land shown at revaluation as follow: -

- Compare the result of the estimate future cash flow applied in measuring the fair value of the assets used in the Company's operation under the income approach in accordance with the appraisal report dated 12 January 2017 prepared by an independent appraiser, who has been engaged by the Company's management as the specialist for fair value measurement, with the actual occurrence until 31 December 2020.
- Test the reasonableness of key assumptions used in the estimate future cash flow and the discount rate applied in measuring the fair value of the assets used in the Company's operation under the income approach in accordance with the appraisal report dated 12 January 2017

prepared by an independent appraiser, who has been engaged by the Company's management as the specialist for fair value measurement. Including to test the reasonableness of assumptions used in the estimate future cash flow which was changed from the appraisal report by the independent appraiser. Due to the Company's management has revised them to correspond with the actual operating result at the presently. Using analytical procedures comparing the past information and the prediction of the economic and industry situations.

- Assess the adequacy of the disclosures in the note to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon, which 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, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



(Chonthicha Lertwilai)

Certified Public Accountant, Registration No. 12258

CWWP Company Limited

Bangkok,

22 February 2021

CITY SPORTS AND RECREATION PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	31 December 2020	31 December 2019
		Baht	Baht
Assets			
Current Assets			
Cash and Cash Equivalents	7	36,225,883.74	23,424,298.89
Current Investments	9	-	49,344,175.20
Trade and Other Current Receivables	8	2,576,878.46	2,465,782.31
Inventories		971,807.33	905,133.35
Other Current Financial Assets	9	75,064,922.60	-
Total Current Assets		114,839,492.13	76,139,389.75
Non-Current Assets			
Other Non-Current Financial Assets	10	178,879,828.69	-
Investments Held as Available-for-Sale	10	-	40,918,811.13
Other Long-Term Investments	10	-	173,000,000.00
Long-Term Loans to Employees	24.5	539,900.00	413,000.00
Property, Plant and Equipment	11	917,226,207.47	1,195,262,548.03
Other Intangible Assets		115,321.67	160,917.67
Deferred Tax Assets	22.3	4,563,266.01	5,438,048.80
Other Non-Current Assets		1,151,000.00	1,321,100.00
Total Non-Current Assets		1,102,475,523.84	1,416,514,425.63
Total Assets		1,217,315,015.97	1,492,653,815.38

CITY SPORTS AND RECREATION PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	31 December 2020	31 December 2019
		Baht	Baht
Liabilities and Shareholders' Equity			
Current Liabilities			
Trade and Other Current Payables	12	12,283,340.80	10,155,376.93
Current Contract Liabilities	13	3,174,767.69	3,223,225.10
Corporate Income Tax Payable		746,913.88	3,884,093.59
Total Current Liabilities		16,205,022.37	17,262,695.62
Non-Current Liabilities			
Deferred Tax Liabilities	22.4	99,412,101.38	151,822,247.43
Non-Current Provisions for Employee Benefits	14	14,577,710.14	15,426,129.82
Other Non-Current Liabilities		3,206,194.19	4,128,041.18
Total Non-Current Liabilities		117,196,005.71	171,376,418.43
Total Liabilities		133,401,028.08	188,639,114.05
Shareholders' Equity			
Share Capital			
Authorized Share Capital	15		
20,500,000 Ordinary Shares, at Baht 10.00 per Share		205,000,000.00	205,000,000.00
Issued and Paid-Up Share Capital			
20,500,000 Ordinary Shares, at Baht 10.00 per Share		205,000,000.00	205,000,000.00
Share Premium on Ordinary Shares		93,200,000.00	93,200,000.00
Retained Earnings			
Appropriated			
Legal Reserve	16	20,500,000.00	20,500,000.00
Unappropriated		367,886,320.42	379,143,474.22
Other Components of Shareholders' Equity		397,327,667.47	606,171,227.11
Total Shareholders' Equity		1,083,913,987.89	1,304,014,701.33
Total Liabilities and Shareholders' Equity		1,217,315,015.97	1,492,653,815.38

Notes to the financial statements are an integral part of these financial statements.

CITY SPORTS AND RECREATION PUBLIC COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	31 December 2020	31 December 2019
		Baht	Baht
Revenue from Contracts with Customers	23.2	128,930,089.92	165,306,117.85
Costs of Sales and Rendering of Services		(61,744,287.75)	(70,108,057.71)
Gross Profit		67,185,802.17	95,198,060.14
Other Income	19	8,248,268.30	11,412,113.96
Distribution Costs		(1,092,284.11)	(1,262,565.12)
Administrative Expenses		(45,214,780.43)	(43,595,665.44)
Profit before Income Tax		29,127,005.93	61,751,943.54
Income Tax Expense	22.1	(5,884,768.35)	(12,145,504.60)
Profit for the year		23,242,237.58	49,606,438.94
Other Comprehensive Income			
Components of Other Comprehensive Income that will be Reclassified to Profit or Loss			
Gains (Losses) on Measuring Investments Held as Available-for-Sale - net of income tax	22.2	-	538,310.28
Total Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		-	538,310.28
Components of Other Comprehensive Income that will not be Reclassified to Profit or Loss			
Gains (Losses) on Investment in Equity Designated at Fair Value through			
Other Comprehensive Income - net of income tax	22.2	11,600.00	-
Gains (Losses) on Revaluation of Assets - net of income tax	22.2	(209,788,000.80)	-
(Gain) Loss on Re-measurement of Defined Benefit Plans - net of income tax	22.2	(945,842.58)	(2,110,989.93)
Total Components of Other Comprehensive Income that will not be Reclassified to Profit or Loss		(210,722,243.38)	(2,110,989.93)
Total Other Comprehensive Income for the year		(210,722,243.38)	(1,572,679.65)
Total Comprehensive Income for the year		(187,480,005.80)	48,033,759.29
Basic Earnings per Share		1.13	2.42

CITY SPORTS AND RECREATION PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2020

	Notes	Issued and Paid-Up Share Capital	Share Premium on Ordinary Shares	Retained Earnings		Other Components of Shareholders' Equity			Total Shareholders' Equity	
				Appropriated Legal Reserve	Unappropriated	Other Comprehensive Income				Total Other Components of Shareholders' Equity
						Gains (Losses) from Fair Value Financial Assets	Gains (Losses) on Revaluation of Assets	Total Other Comprehensive Income		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht		
Beginning Balance as at 1 January 2019		205,000,000.00	93,200,000.00	20,500,000.00	366,498,025.21	(1,454,351.44)	607,087,268.27	605,632,916.83	605,632,916.83	1,290,830,942.04
Comprehensive Income for the year										
Profit for the year		-	-	-	49,606,438.94	-	-	-	-	49,606,438.94
Other Comprehensive Income for the year		-	-	-	(2,110,989.93)	538,310.28	-	538,310.28	538,310.28	(1,572,679.65)
Total Comprehensive Income for the year		-	-	-	47,495,449.01	538,310.28	-	538,310.28	538,310.28	48,033,759.29
Transactions with Owners										
Contributions and Distributions										
Dividend	17	-	-	-	(34,850,000.00)	-	-	-	-	(34,850,000.00)
Total Contributions and Distributions		-	-	-	(34,850,000.00)	-	-	-	-	(34,850,000.00)
Total Transactions with Owners		-	-	-	(34,850,000.00)	-	-	-	-	(34,850,000.00)
Ending Balance as at 31 December 2019		205,000,000.00	93,200,000.00	20,500,000.00	379,143,474.22	(916,041.16)	607,087,268.27	606,171,227.11	606,171,227.11	1,304,014,701.33
Cumulative Effects of Changes in Accounting Policies due to the Adoption of New Financial Reporting Standard		-	-	-	(753,548.80)	932,841.16	-	932,841.16	932,841.16	179,292.36
Beginning Balance as at 1 January 2020		205,000,000.00	93,200,000.00	20,500,000.00	378,389,925.42	16,800.00	607,087,268.27	607,104,068.27	607,104,068.27	1,304,193,993.69
Comprehensive Income for the year										
Profit for the year		-	-	-	23,242,237.58	-	-	-	-	23,242,237.58
Other Comprehensive Income for the year	5	-	-	-	(945,842.58)	11,600.00	(209,788,000.80)	(209,776,400.80)	(209,776,400.80)	(210,722,243.38)
Total Comprehensive Income for the year		-	-	-	22,296,395.00	11,600.00	(209,788,000.80)	(209,776,400.80)	(209,776,400.80)	(187,480,005.80)
Transactions with Owners										
Contributions and Distributions										
Dividend	17	-	-	-	(32,800,000.00)	-	-	-	-	(32,800,000.00)
Total Contributions and Distributions		-	-	-	(32,800,000.00)	-	-	-	-	(32,800,000.00)
Total Transactions with Owners		-	-	-	(32,800,000.00)	-	-	-	-	(32,800,000.00)
Ending Balance as at 31 December 2020		205,000,000.00	93,200,000.00	20,500,000.00	367,886,320.42	28,400.00	397,299,267.47	397,327,667.47	397,327,667.47	1,083,913,987.89

CITY SPORTS AND RECREATION PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	31 December 2020	31 December 2019
		Baht	Baht
Cash Flows from Operating Activities			
Profit for the year		23,242,237.58	49,606,438.94
Adjustments for Profit for the Period to Cash Receipts from (Payments for)			
Tax Expense		5,884,768.35	12,145,504.60
Depreciation		19,705,115.58	18,900,142.27
Amortization of Other Intangible Assets		45,596.00	45,236.00
(Gain) Loss on Sale of Other Current Financial Assets		(51,001.56)	(579,955.30)
(Gain) Loss on Measuring Fair Value		2,387,675.29	27,511.04
(Gain) Loss on Sale of Property, Plant and Equipment		(17,896.71)	(2,037,105.91)
Loss on Write-Off of Fixed Assets		16.00	568,123.78
(Gain) on Write-off of Dividends Payable		-	(199,911.24)
Non-Current Provisions for Employee Benefits		1,322,671.44	4,053,220.18
Gain on Other Non-current Liabilities		(81,014.69)	-
Interest Revenue		(7,075,387.39)	(6,632,752.00)
Dividend Income		(462,294.40)	(1,105,200.58)
Profit from operating activities before changes in			
operating assets and liabilities		44,900,485.49	74,791,251.78
Cash Payments for Purchase of Trading Securities/ Other Current Financial Assets		(44,994,650.30)	(90,300,000.00)
Cash Receipts from Sale of Trading Securities/ Other Current Financial Assets		54,389,827.06	73,601,409.80
Trade and Other Current Receivables		(111,626.20)	230,515.17
Inventories		(66,673.98)	(264,611.56)
Other Non-Current Assets		170,100.00	25,152.80
Cash Receipts from Long-Term Loans to Employees		678,100.00	679,200.00
Cash Payments for Long-Term Loans to Employees		(805,000.00)	(481,000.00)
Increase (Decrease) in Operating Liabilities			
Trade and Other Current Payables		2,441,796.93	(562,696.98)
Current Contract Liabilities		(48,457.41)	(496,278.66)
Non-Current Provisions for Employee Benefits		(3,353,394.34)	(708,960.00)
Other Non-Current Liabilities		(840,832.30)	(334,095.29)
Net Cash Flows from (Used in) Operation		52,359,674.95	56,179,887.06

Notes to the condensed financial statements are an integral part of this interim financial report.

CITY SPORTS AND RECREATION PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Notes	31 December 2020	31 December 2019
		Baht	Baht
Cash Flows from Operating Activities (Continuous)			
Cash Payments for Tax Income		(7,921,573.57)	(12,331,566.72)
Cash Receipts from Interest		69,598.56	123,290.99
Net Cash Flows from (Used in) Operating Activities		44,507,699.94	43,971,611.33
Cash Flows from Investing Activities			
Cash Receipts from Sale of Investments Held as Available-for-Sale/ Other Non-Current Financial Assets		25,000,000.00	70,000,000.00
Cash Payments for Purchase of Debt Instruments-held-to-Maturity/ Other Non-Current Financial Assets		(27,175,000.00)	(78,000,000.00)
Cash Payments for Purchase of Property, Plant and Equipment		(3,889,246.89)	(14,317,689.09)
Cash Receipts from Sale of Property, Plant and Equipment		18,691.58	16,822,429.91
Cash Receipts from Interest		7,006,318.88	6,591,662.83
Cash Receipts from Dividends		462,294.40	1,105,200.58
Net Cash Flows from (Used in) Investing Activities		1,423,057.97	2,201,604.23
Cash Flows from Financing Activities			
Cash Payments for Assets Payable		(607,517.50)	(16,431,097.44)
Cash Payments for Dividends		(32,521,655.56)	(34,542,744.50)
Net Cash Flows from (Used in) Financing Activities		(33,129,173.06)	(50,973,841.94)
Net Increase (Decrease) in Cash and Cash Equivalents		12,801,584.85	(4,800,626.38)
Cash and Cash Equivalents at the Beginning of the Period		23,424,298.89	28,224,925.27
Cash and Cash Equivalents at the End of the Period	7	36,225,883.74	23,424,298.89

CITY SPORTS AND RECREATION PUBLIC COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. General Information

1.1 Company Information

City Sports and Recreation Public Company Limited (“the Company”) is a juristic person incorporated in Thailand which was registered as a public company limited in accordance with Public Limited Companies Act. The address of the registered head office of the Company locates at 22 Navatane Road, Ramindra, Khannayao, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand on 7 September 1989.

The Company has operations and principal activities to engage in businesses of golf course, restaurant and sport club.

As at 31 December 2020 and 2019, the major shareholder of the Company is Khun Sukum Navapan Group.

1.2 Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is currently impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company’s management continuously monitored the ongoing development 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.

2. Basis of Preparing the Financial Statements

2.1 These financial statements have been prepared in accordance with Thai Financial Reporting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King (“Federation of Accounting Professions”), and applicable rules and regulations of the Securities and Exchange Commission.

2.2 The classification in the financial statements is in compliance with the Notification of the Department of Business Development regarding mandatory summary items in a financial statement.

- 2.3 In order to prepare the financial statements to comply with financial reporting standards, the Company's management had to make some estimates and suppositions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ from the estimated amount.
- 2.4 The financial statements in Thai language is the official statutory financial statements of the Company. The financial statements in English language has been translated from the financial statements in Thai language.

3. New Financial Reporting Standards that became Effective in the Current Period

During the period, the Company has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, are summarized as follow:

Financial reporting standards related to financial instruments

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Investments

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 Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The effects of the adoption of these accounting standards are described as follows:

- Classification and measurement of Investment in Mutual Funds as investment in debt instrument and investment in perpetual bond of Company as financial assets at fair value through profit or loss.

The Company adopted these financial reporting standards which the cumulative effect of initially applying to adjustment to retained earnings as at 1 January 2020.

TFRS 16 LEASES

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.

The Company adopted TFRS 16 LEASES, that without significant effect to the financial statements as at 1 January 2020.

4. Financial Reporting Standards that will become Effective for Fiscal Years Beginning on or After 1 January 2021

New accounting standards, financial reporting standards, accounting standards interpretations, financial reporting standard interpretations and accounting guidance, which are not yet effective for the current accounting periods that the Company has not early adopted.

However, the management of the Company is in the process of assessing the impact on the financial report from the adoption of above new financial reporting standards in the period when they become effective.

5. Effects of Changes in Accounting Policies Due to the Adoption of New Financial Reporting Standard

As described in note to the financial statements no.3, during the current period, the Company has adopted financial reporting standards related to financial instruments which the cumulative effect of initially applying that without significant effect to adjustment to retained earnings as at 1 January 2020 and the comparative information was not restated.

The effect of the changes in accounting policies due to the adoption of these financial reporting standards as follow:

	As at 31 December 2019 Baht	The effect of TFRS 9 Baht	As at 1 January 2020 Baht
Statement of Financial Position			
Assets			
Current Assets			
Current Investments	49,344,175.20	(49,344,175.20)	-
Other Current Financial Assets	-	49,344,175.20	49,344,175.20
Non-Current Assets			
Other Non-Current Financial Assets	-	214,142,926.58	214,142,926.58
Investments held as Available-for-Sale	40,918,811.13	(40,918,811.13)	-
Other Long-Term Investments	173,000,000.00	(173,000,000.00)	-
Non - Current Liability			
Deferred Tax Liabilities	151,822,247.43	44,823.09	151,867,070.52
Shareholders' Equity			
Retained Earnings	379,143,474.22	(753,548.80)	378,389,925.42
Other Components of Shareholders' Equity	606,171,227.11	932,841.16	607,104,068.27

The detail of effect of the adoption of financial reporting standards related to financial instruments as at 1 January 2020 as follows:

	Baht
Measurement of the fair value of investments in mutual funds	(1,166,051.45)
Measurement of the fair value of investments in debt instruments	224,115.45
Relevant income tax expenses	188,387.20
Impacts on beginning retained earnings as at 1 January 2020	<u>(753,548.80)</u>
Measurement of the fair value of investments in mutual funds	1,166,051.45
Relevant income tax expenses	<u>(233,210.29)</u>
Impacts on other components of shareholders' equity as at 1 January 2020	<u>932,841.16</u>

As at 1 January 2020, the classifications and measurement basis and carrying values of financial assets and financial liabilities in accordance with TFRS 9 and with the carrying amounts under the former basis, as follows:

	Carrying amounts under the former basis		Classification and measurement in accordance with TFRS 9			
	Baht	Baht	Fair Value through profit or loss Baht	Fair Value through Other Comprehensive Income (Expense) Baht	Amortized Cost Baht	Total Baht
Financial Assets as at 1 January 2020						
Cash and Cash Equivalents	23,424,298.89	-	-	-	23,424,298.89	23,424,298.89
Trade and Other Receivables	2,465,782.31	-	-	-	2,465,782.31	2,465,782.31
Other Current Financial Assets						
- Investment in Mutual Funds – Trading						
Securities	24,344,175.20	24,344,175.20	-	-	-	24,344,175.20
- Current Portion of Investment in						
Debt Instruments – Held-to-Maturity	25,000,000.00	-	-	-	25,000,000.00	25,000,000.00
Other Non-Current Financial Assets						
- Investment in Mutual Funds	40,918,811.13	40,794,811.13	124,000.00	-	-	40,918,811.13
- Investment in Debt Instruments						
– Held-to-Maturity	173,000,000.00	15,224,115.45	-	-	158,000,000.00	173,224,115.45
Long-Term Loans to Employees	-	-	-	-	413,000.00	413,000.00
Total Financial Assets	289,153,067.53	80,363,101.78	124,000.00	124,000.00	209,303,081.20	289,790,182.98
Financial Liabilities as at 1 January 2020						
Trade and Other Payables	10,155,376.93	-	-	-	10,155,376.93	10,155,376.93
Total Financial Liabilities	10,155,376.93	-	-	-	10,155,376.93	10,155,376.93

6. Summary of Significant Accounting Policies

6.1 Measurements Bases used in preparing the Financial Statements

Measurement bases used in preparing the financial statements are historical cost measurement basis and combination of variety measurement bases used. For items that use other measurement bases have been disclosed the measurement bases used in the particular accounting policies.

6.2 Financial Instruments

Accounting policies adopted since 1 January 2020

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Company’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial Assets at Amortised Cost

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial Assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Financial Assets Designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Financial Liabilities

All financial liabilities are measured subsequently at amortized cost.

Derecognition of Financial Instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Impairment of Financial Assets

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopt before 1 January 2020

Trade receivables

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables.

Investments

Investments in marketable debt instruments and equity securities held for trading are classified as current assets and stated at fair value. Gain or loss on remeasuring trading securities is recognized in profit or loss.

Investments in debt instruments that the Company has the intention and the ability to hold to maturity are classified as held-to-maturity investments and stated at amortized cost deducted by the accumulated impairment loss (if any). The difference between the acquisition cost and redemption value of debt instruments will be amortized using the effective interest rate method over the remaining term to maturity of debt instruments.

Investments in marketable debt instruments and equity securities, other than those securities held for trading or intended to be held-to-maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment loss will be recognized in other comprehensive income. Impairment loss will be recognized in profit or loss.

Investments in equity securities which are not marketable are stated at cost deducted by the accumulated impairment loss (if any).

Gain or loss on disposal of investments is the difference between net disposal proceeds (if any) and the carrying amount together with the associated cumulative gain or loss previously recognized in other comprehensive income will be recognized in profit or loss.

Cost of the disposal of investments is determined using the weighted average method.

6.3 Cash and Cash Equivalents

Cash and cash equivalents include financial institution deposits in type of current accounts, savings accounts, and not over than 3 months fixed accounts without guarantee obligation.

6.4 Inventories

Inventories are stated at the lower of cost by first in - first out method or net realizable value.

6.5 Property, Plant and Equipment

Land is stated at revalued amount deducted by the accumulated impairment loss (if any). Plant and equipment are stated at initial cost deducted by the accumulated depreciation and the accumulated impairment loss (if any).

Depreciation is calculated on a straight-line method over the approximate useful lives as follows:

- Golf Course Road	10 years
- Golf Course Equipment and Improvements	5 – 20 years
- Buildings and Building Improvements	10 – 20 years
- Equipment	5 years
- Vehicles	5 years
- Solar Rooftop Electricity Generating System	10 years

There is no depreciation for land and assets under construction.

Replacement cost will be capitalized as a part of carrying amount of assets when it is probable that the Company will obtain the future economic benefits from that transaction and able to measure the cost of that transaction reliably.

Repair and maintenance are recognized as expenses in profit or loss for the period in which they are incurred.

The Company has the policy to appraise the land which stated at revalued amount on every 3 – 5 years and during this period if there is any factor has significant impact to the assets value, the Company will appraise in that period. The increase of revaluation will be recognized as gain in profit or loss of that period not exceed loss on assets revaluation of the same asset previously recognized in profit or loss and recognized the remaining in other comprehensive income and presented the cumulative amount as surplus on assets revaluation in other components of shareholders' equity, for the decrease of revaluation will be recognized in other comprehensive income not exceed cumulated amount of surplus on assets revaluation of the same asset in other components of shareholders' equity and recognized the remaining as loss on assets revaluation in profit or loss of that period.

The carrying amount of property, plant and equipment will be derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gain or loss on derecognition of property, plant and equipment is the difference between the net disposal

proceeds (if any) and the carrying amount of that asset and recognized in profit or loss when that asset is derecognized.

6.6 Intangible Assets

Intangible assets which are separately acquired with definite useful lives are stated at initial cost deducted by the accumulated amortization and the accumulated impairment loss (if any).

Amortization is calculated on a straight-line method over the approximate useful life of 5 years.

6.7 Impairment of Non – Financial Assets

The carrying amounts of assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated of asset or its cash-generating unit to which the asset is included in the recognition of an impairment loss when the recoverable amount less than the carrying amount of the asset or its cash generating unit.

Impairment loss will be recognized immediately in profit or loss.

Recoverable Amount

Recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use.

In assessing value in use of an asset by estimating the present value of expected future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risks specific to the asset.

An asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for a cash-generating unit to which the asset belongs.

Reversal of Impairment Loss

Impairment loss of assets other than goodwill recognized in the prior period shall be reversed if, and only if, there has been a change in the estimate used to determine the asset's recoverable amount since the last impairment loss was recognized, which shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior periods.

Reversal of impairment loss shall be recognized immediately in profit or loss.

6.8 Employee Benefits

Short-Term Employee Benefits

Short-term employee benefits are recognized as expenses in profit or loss for the period in which they are incurred.

Post-Employment Benefits

- Defined Contribution Plans

The Company has obligations under the defined contribution plan for monthly contribution payable to the provident fund which the Company and employees have jointly established in accordance with the provident fund law that the employees are taken the significant actuarial risk and investment risk. The employees will obtain only the retirement benefits from the assets of the provident fund which are separate from the assets of the Company in accordance with the regulation of the fund.

Contributions for defined contribution plan are recognized as expenses in profit or loss for the period in which they are incurred.

- Defined Benefit Plans

The Company has obligations under the defined benefit plan for severance pay which have to pay to employees when retirement in accordance with the labour law that the Company is taken the significant actuarial risk and investment risk. The Company has to provide the agreed benefits to employees.

Defined benefit liability is determined the present value of defined benefit obligations by actuarial techniques using the projected unit credit method.

Service costs and interest costs on defined benefit liability are recognized as expenses in profit or loss in which they are incurred.

Gain or loss on remeasurement of defined benefit liability is recognized in other comprehensive income for the period which it occurs and shall not be reclassified to profit or loss in a subsequent period which is included immediately in retained earnings (deficits).

6.9 Provisions

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

when, and only when it is virtually certain that reimbursement will be received if the Company settles the obligation, but not exceed the amount of related provision.

6.10 Appropriation of Legal Reserve

Appropriation of legal reserve is in accordance with the public limited companies law, which will be appropriated when it is approved by the shareholders' meeting. This legal reserve shall not be distributed as dividend.

6.11 Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when the Company satisfies a performance obligation by transferring a promised goods or service (i.e. an asset) to customer which an asset is transferred when the customer obtains control of that asset, and measured at the amount of the transaction price that is allocated to that performance obligation.

- Revenue from Membership Fees

The Company has charged the membership fees from customers for promised membership services to customers which are typically performance obligations satisfied over time.

Revenue from membership fees are recognized on a straight-line basis throughout the performance period of membership services rendered to customers.

- Revenue from Upfront Fees

The Company has charged the non-refundable upfront fee from customers who apply for a membership which are typically prepayment for future promised membership services to customers and customer option to renew the membership that is a material right.

Revenue from upfront fees are recognized on a straight-line basis throughout the performance period of membership services rendered to customers which including the exercise of customer option to renew the membership or recognized when that option expires.

- Revenue from Sales of Goods

The Company has charged the goods from customers for promised goods to customers which are typically performance obligations satisfied at a point in time.

Revenue from sales of goods are recognized when the goods are transferred to customers.

- Revenue from Rendering of Services

The Company has charged the services from customers for promised services to customers which the Company has rights to consideration from customers in the amounts that corresponds directly with the value to the customers of the Company's performance completed to date which are typically performance obligations satisfied over time.

Revenue from rendering of services are recognized when the services are rendered to customers in the amounts to which the Company has rights to invoice.

Interest Income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Dividend Income

Dividend income is recognized when the Company has the right to receive dividend.

6.12 Incremental Costs of Obtaining Contracts with Customers

- Incremental costs of obtaining contracts with customers which the Company expects to recover those costs within the period of over 1 year, are recognized as assets and amortized as expenses on a straight-line method throughout the period of contracts with customers.
- Incremental costs of obtaining contracts with customers which the Company expects to recover those costs within the period of 1 year or less, are recognized as expenses when incurred, as the practical expedient.

6.13 Income Tax

Income tax comprises current tax and deferred tax, is recognized in profit or loss except to the extent that it related to a business combinations, or items recognized in other comprehensive income or recognized directly in shareholders' equity which shall be also recognize in other comprehensive income or recognized directly in shareholders' equity.

Current Tax

Current tax is recognized at the amount expected to be paid to or recovered from the taxation authorities which is calculated in respect of the taxable profits in accordance with the regulation in tax laws using the tax rates that have been enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognized by the statement of financial position liability method, based on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

Deferred tax assets will be recognized only if it is probable that future taxable profit will be available to utilize the tax benefits. The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting period to the extent that equals to the probable amount of sufficient future taxable profit which the tax benefits can be utilized.

6.14 Earnings (Loss) per Share

Basic earnings (loss) per share are calculated by dividing profit or loss for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

There is no calculation of diluted earnings (loss) per share because it has no dilutive potential ordinary shares.

6.15 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 market participants at the measurement date. The Company applies a quoted market price in an active market to measure the 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 will measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

Level 1 inputs are quoted prices in active market for identical assets or liabilities that the Company can access at the measurement date.

Level 2 inputs are other observable inputs either directly or indirectly, for the assets or liabilities other than quoted price included within Level 1 inputs.

Level 3 inputs are unobservable inputs for the assets or liabilities.

At the end of each reporting period, the Company will determine the necessary of any transfers 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.

6.16 Significant Accounting Judgments and Estimates Used

In order to prepare the financial statements to comply with financial reporting standards, the management of the Company always has to use judgments and estimates on uncertainties. These judgments and estimates used may have an effect on the amount and disclosures shown in the financial statements. The actual result may differ from the estimated amount.

Significant Judgments Used

Information about the significant judgments used in the process of applying the accounting policies that have significant effects on the amounts recognized in the financial statements is as follows:

- Revalued Land

The management of the Company has used the judgment in determining the fair value measurement at the revaluation date with income approach by allocating the fair value of the assets used in the business of the Company with income approach on relative fair value of those assets with cost approach.

- Complaint on Land Acquisition in 2015

The management of the Company has used the judgment in assessing the degree of probability that the Company will incur loss on complaint according to the purchase of land in 2015 of the Company that the Company has not yet received any order from the relevant government agent, which expects that the Company will not have any loss which may incur from such matter.

- Litigations

The management shall exercise judgement to estimate the outcome of litigations, including the probabilities of the incurred damage to consider the recognition of the obligation or disclosure of the information regarding the obligation that may incurred from the said litigations at the end date of the reporting period.

- Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into

consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

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

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

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

Key Assumptions and Estimation Uncertainties

Information about the key assumptions and estimation uncertainties that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next accounting year is as follows:

- Revalued Land

In the measuring the fair value of land at the revaluation date with income approach, the Company has to set the assumptions in estimating future cash flows which is the best estimate on cash flow projection from assets used in the business of the Company and discount rate used in determining the present value of future cash flows.

The management of the Company has used the weighted average cost of capital that reflects the economic circumstances at the revaluation date as discount rate and forecasting of member growth rate, revenue growth rate, and capitalization rate as key assumptions in measuring the fair value of land with income approach.

- Post-Employment Benefits – Defined Benefit Plans

In the determining of present value of defined benefit obligations, the Company has to set the actuarial assumptions which are the best estimate on salary increase rate, inflation rate, mortality rate and employee turnover rate used in estimating the expected future cash flows and discount rate used in determining the present value of expected future cash flows.

The management of the Company has used the yield on the government bonds that have term to maturity similar to the weighted average duration of defined benefit obligations which reflects the present economic circumstances as discount rate and expected salary increase rate, inflation rate, employee turnover rate and mortality rate in the long-run view to comply with the characteristic of the plan which has the long term as key assumptions in the determining of present value of defined benefit obligations.

7. Cash and Cash Equivalents

Consist of:

	As at 31 December 2020 Baht	As at 31 December 2019 Baht
Cash	382,023.97	1,084,256.10
Financial Institution Deposits		
Current Accounts	-	208,816.00
Savings Accounts	31,933,609.07	17,451,261.81
Not over than 3 months Fixed Accounts	3,910,250.70	4,679,964.98
Total	<u>36,225,883.74</u>	<u>23,424,298.89</u>

8. Trade and Other Current Receivables

Consist of:

	As at 31 December 2020 Baht	As at 31 December 2019 Baht
Trade Receivables	867,653.40	675,912.81
Other Receivables	1,709,225.06	1,789,869.50
Total	<u>2,576,878.46</u>	<u>2,465,782.31</u>

As at 31 December 2020 and 2019, trade receivables are classified by aging as follows:

	As at 31 December 2020	As at 31 December 2019
	Baht	Baht
Within Due	468,337.20	523,747.98
Overdue 1 – 30 days	399,316.20	152,164.83
Total	867,653.40	675,912.81

As at 31 December 2020 and 2019, other receivables consist of:

	As at 31 December 2020	As at 31 December 2019
	Baht	Baht
Prepaid Expenses	207,240.06	361,714.75
Accrued Interest Income	1,350,576.24	1,351,106.29
Others	151,408.76	77,048.46
Total	1,709,225.06	1,789,869.50

9. Other Current Financial Assets/Current Investments

Consist of:

	As at 31 December 2020		As at 31 December 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Baht	Baht	Baht	Baht
Current Portion of Investment in				
Debt Instruments – Held-to-Maturity	60,000,000.00	60,681,472.20	25,000,000.00	25,158,327.90
Investment in Mutual Funds –				
Trading Securities				
- Cost	15,000,000.00		24,092,023.33	
- Allowance for Fair Value				
Remeasurement	64,922.60		252,151.87	
Fair Value	15,064,922.60	15,064,922.60	24,344,175.20	24,344,175.20
Total	75,064,922.60	75,746,394.80	49,344,175.20	49,502,503.10

10. Other Non-Current Financial Assets/Investments Held as Available-for-sale/Other Long – Term

Investments

Consist of:

	As at 31 December 2020		As at 31 December 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Baht	Baht	Baht	Baht
Investment in Mutual Funds	38,230,328.69	38,230,328.69	40,794,811.13	40,794,811.13
Investments in Leasehold				
Property Fund	106,000.00	106,000.00	124,000.00	124,000.00
Investment in Debt Instruments –				
Held-to-Maturity	125,000,000.00	128,684,869.89	173,000,000.00	178,221,712.85
Investment in Perpetual				
Debentures	15,336,000.00	15,336,000.00	-	-
Investment in Ordinary Shares	207,500.00	207,500.00	-	-
Total	178,879,828.69	182,564,698.58	213,918,811.13	219,140,523.98

As at 31 December 2020 and 2019, investments in debt instruments – held-to-maturity are classified by maturity date as follows:

	As at 31 December 2020		As at 31 December 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Baht	Baht	Baht	Baht
Debt Instruments – Held-to-Maturity				
Later than 1 year but not later than 5 years	75,000,000.00	77,076,488.64	108,000,000.00	110,624,594.90
Later than 5 years	50,000,000.00	51,608,381.25	65,000,000.00	67,597,117.95
Total	125,000,000.00	128,684,869.89	173,000,000.00	178,221,712.85

11. Property, Plant and Equipment

Consist of:

	Land	Golf Course Road	Golf Course Equipment and Improvements	Buildings and Building Improvements	Equipment	Vehicles	Solar Rooftop Electricity Generating System	Assets under Construction	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning Balance As at 1 January 2020									
Cost	341,862,000.00	21,003,878.70	121,991,438.81	88,838,802.70	95,421,916.90	18,011,576.19	4,201,200.00	1,906,542.06	693,237,355.36
Surplus on Revaluation	758,859,085.34	-	-	-	-	-	-	-	758,859,085.34
Accumulated Depreciation	-	(20,358,065.00)	(118,259,015.97)	(40,452,052.26)	(62,482,129.40)	(14,444,692.27)	(837,937.77)	-	(256,833,892.67)
Carrying Amount	1,100,721,085.34	645,813.70	3,732,422.84	48,386,750.44	32,939,787.50	3,566,883.92	3,363,262.23	1,906,542.06	1,195,262,548.03
Transactions during the year ended 31 December 2020									
Beginning Carrying Amount	1,100,721,085.34	645,813.70	3,732,422.84	48,386,750.44	32,939,787.50	3,566,883.92	3,363,262.23	1,906,542.06	1,195,262,548.03
Purchase of Assets	-	-	-	-	1,737,894.23	350,000.00	-	1,816,692.66	3,904,586.89
Transfer In (Transfer Out)	-	-	-	3,620,036.72	-	-	-	(3,620,036.72)	-
Revalue	(262,235,001.00)	-	-	-	-	-	-	-	(262,235,001.00)
Sale of Assets	-	-	-	-	(794.87)	-	-	-	(794.87)
Write-off	-	-	-	-	-	(16.00)	-	-	(16.00)
Depreciation recognized in Profit for the year	-	(87,402.10)	(209,999.95)	(6,951,583.60)	(10,703,808.93)	(1,332,201.20)	(420,119.90)	-	(19,705,115.58)
Ending Carrying Amount	838,486,084.34	558,411.70	3,522,422.89	45,055,203.56	23,973,077.93	2,584,666.72	2,943,142.33	103,198.00	917,226,207.47
Ending Balance As at 31 December 2020									
Cost	341,862,000.00	21,003,878.70	121,991,438.81	92,458,839.42	89,004,333.71	18,038,769.69	4,201,200.00	103,198.00	688,663,658.33
Surplus on Revaluation	496,624,084.34	-	-	-	-	-	-	-	496,624,084.34
Accumulated Depreciation	-	(20,445,467.00)	(118,469,015.92)	(47,403,635.86)	(65,031,255.78)	(15,454,102.97)	(1,258,057.67)	-	(268,061,535.20)
Carrying Amount	838,486,084.34	558,411.70	3,522,422.89	45,055,203.56	23,973,077.93	2,584,666.72	2,943,142.33	103,198.00	917,226,207.47

	Land	Golf Course Road	Golf Course Equipment and Improvements	Buildings and Building Improvements	Equipment	Vehicles	Solar Rooftop Electricity Generating System	Assets under Construction	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning Balance As at 1 January 2019									
Cost	341,862,000.00	21,003,878.70	121,991,438.81	57,155,739.69	103,606,021.98	18,011,576.19	4,201,200.00	29,746,120.25	697,577,975.62
Surplus on Revaluation	758,859,085.34	-	-	-	-	-	-	-	758,859,085.34
Accumulated Depreciation	-	(20,270,662.90)	(118,049,016.02)	(33,921,323.36)	(56,060,424.24)	(13,120,771.01)	(417,817.87)	-	(241,840,015.40)
Carrying Amount	<u>1,100,721,085.34</u>	<u>733,215.80</u>	<u>3,942,422.79</u>	<u>23,234,416.33</u>	<u>47,545,597.74</u>	<u>4,890,805.18</u>	<u>3,783,382.13</u>	<u>29,746,120.25</u>	<u>1,214,597,045.56</u>
Transactions during the year ended 31 December 2019									
Beginning Carrying Amount	1,100,721,085.34	733,215.80	3,942,422.79	23,234,416.33	47,545,597.74	4,890,805.18	3,783,382.13	29,746,120.25	1,214,597,045.56
Purchase of Assets	-	-	-	2,371,448.59	2,772,391.92	-	-	9,775,252.01	14,919,092.52
Transfer In (Transfer Out)	-	-	-	29,311,614.42	7,735,092.00	-	-	(37,614,830.20)	(568,123.78)
Sale of Assets	-	-	-	-	(14,785,324.00)	-	-	-	(14,785,324.00)
Depreciation recognized in Profit for the year	-	(87,402.10)	(209,999.95)	(6,359,601.74)	(10,327,970.25)	(1,323,921.26)	(420,119.90)	-	(18,900,142.27)
Ending Carrying Amount	<u>1,100,721,085.34</u>	<u>645,813.70</u>	<u>3,732,422.84</u>	<u>48,386,750.53</u>	<u>32,939,787.41</u>	<u>3,566,883.92</u>	<u>3,363,262.23</u>	<u>1,906,542.06</u>	<u>1,195,262,548.03</u>
Ending Balance As at 31 December 2019									
Cost	341,862,000.00	21,003,878.70	121,991,438.81	88,838,802.70	95,421,916.90	18,011,576.19	4,201,200.00	1,906,542.06	693,237,355.36
Surplus on Revaluation	758,859,085.34	-	-	-	-	-	-	-	758,859,085.34
Accumulated Depreciation	-	(20,358,065.00)	(118,259,015.97)	(40,452,052.26)	(62,482,129.40)	(14,444,692.27)	(837,937.77)	-	(256,833,892.67)
Carrying Amount	<u>1,100,721,085.34</u>	<u>645,813.70</u>	<u>3,732,422.84</u>	<u>48,386,750.44</u>	<u>32,939,787.50</u>	<u>3,566,883.92</u>	<u>3,363,262.23</u>	<u>1,906,542.06</u>	<u>1,195,262,548.03</u>

As at 31 December 2020 and 2019, the Company has measured the fair value of land from the appraisal results by the independence appraiser with the market approach as report dated 12 January 2017 which are Level 3 inputs of the fair value hierarchy. The quantitative information concerning to the significant unobservable inputs that used in the fair value measurement of land is as follows:

- Member growth rate in 1 – 2% per annum which has impact to the projected future revenue during year 1st – 10th of the projection.
- Revenue growth rate in 0 – 5% per annum which has impact to the projected future revenue during year 1st – 10th of the projection.
- Capitalization rate in 7% per annum which has impact to the projected terminal value of assets at the end of projection that is determined from the projected net operation income in year 11th of the projection.
- Discount rate in 10% per annum which has impact to the calculation of present value of future cash flows.

Nevertheless, the Company's management has revised the assumptions applied in evaluating the fair value, which had changed significantly. They also evaluated the effect that may impact the fair value of the Company's land because of the Coronavirus Disease 2019 pandemic. After the consideration, they was adjusted the fair value of the land based on the appraised values under the income approach according to the report dated 12 January 2017 prepared by an independent appraiser, thus the fair value of the land decreased by Baht 262.23 million. Therefore, the Company deducted the surplus from the asset appraisal by the said amount.

The assumptions was applied in revising the fair value that varies significantly.

- Estimation of revenues that decrease by 30% from the impact of the Coronavirus Disease 2019 pandemic.
- Estimation of cost of service that increase by 10-20% for the current business operation.

For the year ended 31 December 2020 and 2019, revalued land which has the fair value measurement by Level 3 inputs has the movements as follows:

	For the year ended 31 December 2020		
	Cost	Surplus	Fair Value
	Baht	Baht	Baht
Beginning Carrying Amount	341,862,000.00	758,859,085.34	1,100,721,085.34
Changes in Fair Value	-	(262,235,001.00)	(262,235,001.00)
Ending Carrying Amount	<u>341,862,000.00</u>	<u>496,624,084.34</u>	<u>838,486,084.34</u>

	For the year ended 31 December 2019		
	Cost	Surplus	Fair Value
	Baht	Baht	Baht
Beginning Carrying Amount	341,862,000.00	758,859,085.34	1,100,721,085.34
Changes in Fair Value	-	-	-
Ending Carrying Amount	<u>341,862,000.00</u>	<u>758,859,085.34</u>	<u>1,100,721,085.34</u>

As at 31 December 2020 and 2019, land has the carrying amount that would have been determined if stated at cost model in the amount of Baht 341.86 million, equally for both years.

As at 31 December 2020 and 2019, the whole amount of surplus on asset revaluation is unable to appropriate for distribution to the shareholders.

As at 31 December 2020 and 2019, a part of land in the fair value amount in the amount of Baht 37.58 and of Baht 49.33 million respectively, is acquired by purchase in 2015, which is complained as in Note 28.1.

As at 31 December 2020 and 2019, assets which had fully of depreciation that is still in use have the gross carrying amount before less accumulated depreciation and accumulated impairment loss (if any) in the amount of Baht 217.61 million and of Baht 204.15 million respectively.

12. Trade and Other Current Payables

Consist of:

	As at 31 December 2020	As at 31 December 2019
	Baht	Baht
Trade Payables	1,619,655.37	1,103,028.22
Other Payables	10,663,685.43	9,052,348.71
Total	12,283,340.80	10,155,376.93

As at 31 December 2020 and 2019, other payables consist of:

	As at 31 December 2020	As at 31 December 2019
	Baht	Baht
Accrued Expenses	4,376,288.83	2,479,806.65
Advance Receipt	749,245.48	631,999.48
Revenue Department Payable	599,312.71	689,944.91
Assets Payable	16,413.80	607,517.50
Dividends Payable	4,366,424.61	4,088,080.17
Guarantee Deposits	550,000.00	550,000.00
Others	6,000.00	5,000.00
Total	10,663,685.43	9,052,348.71

13. Contract Liabilities

For the year ended 31 December 2020 and 2019, contract liabilities have the movements as follows:

	For the year ended 31 December 2020			For the year ended 31 December 2019		
	Golf Course Baht	Sport Club Baht	Total Baht	Golf Course Baht	Sport Club Baht	Total Baht
Beginning Balance	1,968,189.27	1,255,035.83	3,223,225.10	2,117,146.36	1,602,357.40	3,719,503.76
Beginning Balance which is Realized as Revenue during the year						
Revenue from Membership Fees	(1,736,401.13)	(1,255,035.83)	(2,991,436.96)	(1,931,360.02)	(1,598,434.11)	(3,529,794.13)
Beginning Balance which is Unrealized Revenue	231,788.14	-	231,788.14	185,786.34	3,923.29	189,709.63
Addition	2,021,053.03	921,926.52	2,942,979.55	1,782,402.93	1,251,112.54	3,033,515.47
Ending Balance	2,252,841.17	921,926.52	3,174,767.69	1,968,189.27	1,255,035.83	3,223,225.10

14. Non-Current Provisions for Employee Benefits

Consist of:

	As at 31 December 2020 Baht	As at 31 December 2019 Baht
Post-Employment Benefits		
Defined Benefit Plans	14,577,710.14	15,426,129.82
Total	<u>14,577,710.14</u>	<u>15,426,129.82</u>

14.1 Characteristic of Defined Benefit Plan

As at 31 December 2020 and 2019, the Company has operated the post-employment benefit plan which is unfunded defined benefit plan according to final salary that the Company has to pay as severance pay to employees on retirement in accordance with the labour law of Thailand. Therefore, the Company consequently has to take the actuarial risk to pay the agreed benefits to employees.

For the year ended 31 December 2019, the Company has amended the post-employment benefit plan to comply with the new labour law of Thailand which is effective on 5 May 2019 by adding the regulation to make the severance pay to the employee with the completion to 20 years or more of employment, not less than 400 days of last wage rate.

14.2 Amounts in the Financial Statements related to Post-Employment Benefit Plans

For the year ended 31 December 2020 and 2019, amounts in the financial statements related to post-employment benefit plan have the movement as follows:

	For the year ended 31 December 2020 Baht	For the year ended 31 December 2019 Baht
Beginning Balance	15,426,129.82	9,443,132.23
Recognized in Profit for the year		
Past Service Costs	-	2,914,370.76
Current Service Costs	1,077,027.92	789,180.03
Interest Costs	245,643.52	349,669.39
Total Recognized in Profit for the year	<u>1,322,671.44</u>	<u>4,053,220.18</u>

	For the year ended 31 December 2020 Baht	For the year ended 31 December 2019 Baht
Recognized in Other Comprehensive Income		
(Gain) Loss on Remeasurement of Defined Benefit Plans		
Changes in Demographic Assumptions	3,740.29	3,492.42
Changes in Financial Assumptions	319,220.90	1,794,071.96
Experience Adjustment	859,342.03	841,173.03
Total Recognized in Other Comprehensive Income	<u>1,182,303.22</u>	<u>2,638,737.41</u>
Benefits Paid	<u>(3,353,394.34)</u>	<u>(708,960.00)</u>
Ending Balance	<u>14,577,710.14</u>	<u>15,426,129.82</u>

As at 31 December 2020 and 2019, the key assumptions used in the actuarial valuation for post-employment benefit plans are summarized as follows:

	As at 31 December 2020	As at 31 December 2019
Discount Rate	1.49% per annum	1.71% per annum
Salary Increase Rate	6.00% per annum	6.00% per annum
Employee Turnover Rate	2.39 – 28.65% per annum	2.39 – 28.65% per annum
Mortality Rate	105.00% of Thai Mortality Ordinary Table 2017	105.00% of Thai Mortality Ordinary Table 2017
Retirement Age	60 years	60 years

14.3 Sensitivity Analysis of Key Assumptions Used in Actuarial Valuation for Post-Employment Benefit Plans

As at 31 December 2020 and 2019, sensitivity analysis of each key assumption while holding all other assumptions constant which have been affected by changes in the relevant actuarial assumption that were reasonably possible on defined benefit obligations as at the end of the reporting period is summarized as follows:

	As at 31 December 2020 Baht	As at 31 December 2019 Baht
Discount Rate		
Increased by 0.50%	(742,135.59)	(687,936.75)
Decreased by 0.50%	804,042.58	743,955.62
Salary Increase Rate		
Increased by 1.00%	1,583,106.51	2,914,370.76
Decreased by 1.00%	(1,383,807.52)	(789,180.03)
Employee Turnover Rate		
Increased by 20.00% of Base Assumption	(1,079,590.03)	(991,028.65)
Decreased by 20.00% of Base Assumption	1,245,641.51	1,144,339.10
Mortality Rate		
Increased by 20.00% of Base Assumption	(152,276.01)	(141,118.19)
Decreased by 20.00% of Base Assumption	154,460.09	143,052.20

14.4 Maturity of Defined Benefit Obligations

As at 31 December 2020 and 2019, weighted average duration of defined benefit obligations is 14.29 years and 12.77 years respectively.

As at 31 December 2020 and 2019, maturity analysis of undiscounted cash flows for benefit payment is summarized as follows:

	As at 31 December 2020 Baht	As at 31 December 2019 Baht
Not later than 1 year	212,676.99	1,833,311.34
Later than 1 year but not later than 5 years	3,485,533.55	4,153,378.62
Later than 5 years	13,483,958.43	12,252,219.86
Total	17,182,168.97	18,238,909.82

15. Share Capital

For the year ended 31 December 2020 and 2019, share capital has the movements as follows:

	For the year ended 31 December 2020			For the year ended 31 December 2019		
	Par Value	Number of	Amount	Par Value	Number of	Amount
	Baht per Share	Share Shares	Baht	Baht per Share	Share Shares	Baht
Authorized Share Capital						
Beginning Ordinary Shares	10.00	20,500,000	205,000,000.00	10.00	20,500,000	205,000,000.00
Ending Ordinary Shares	10.00	20,500,000	205,000,000.00	10.00	20,500,000	205,000,000.00
Issued and Paid-Up						
Share Capital						
Beginning Ordinary Shares	10.00	20,500,000	205,000,000.00	10.00	20,500,000	205,000,000.00
Ending Ordinary Shares	10.00	20,500,000	205,000,000.00	10.00	20,500,000	205,000,000.00

16. Legal Reserve

In accordance with the Public Limited Companies Act B.E. 2535, the Company has to appropriate not less than 5% of its annual net profit less any accumulated losses brought forward (if any) to a reserve account, until this account reaches an amount not less than 10% of the authorized share capital. This legal reserve shall not be distributed as dividend.

As at 31 December 2020 and 2019, the Company has completely appropriated the legal reserve.

17. Dividends

On 22 May 2020, the Annual General Meeting of the Shareholders of the Company for 2020 has passed the resolution to approve the dividend payment to the ordinary shareholders of the Company of 20.50 million shares for the financial performance of 2019, at the rate of Baht 1.60 per share, totaling in amount of Baht 32.80 million.

On 25 April 2019, the Annual General Meeting of the Shareholders of the Company for 2019 has passed the resolution to approve the dividend payment to the ordinary shareholders of the Company of 20.50 million shares for the financial performance of 2018, at the rate of Baht 1.70 per share, totaling in amount of Baht 34.85 million.

18. Capital Management

The primary objectives of the Company's capital management are to maintain the abilities to continue as a going concern and the optimal capital structure.

The Company monitors capital using debt to equity ratio which is calculated by dividing the liabilities as in the statement of financial position with the shareholders' equity as in the statement of financial position.

As at 31 December 2020 and 2019, debt to equity ratio is as follows:

	As at 31 December 2020	As at 31 December 2019
Liabilities (Baht)	133,401,028.08	188,639,114.05
Shareholders' Equity (Baht)	1,083,913,987.89	1,304,014,701.33
Debt to Equity Ratio (Times)	0.12	0.14

19. Other Income

Consist of:

	For the year ended 31 December 2020	For the year ended 31 December 2019
	Baht	Baht
Interest Income	7,075,387.39	6,632,752.00
Dividend Income	462,294.40	1,105,200.58
Gain on Remeasuring Trading Securities	51,001.56	584,710.05
Gain (Loss) of investment value adjustment	-	(27,511.04)
Gain on Sale of Property, Plant and Equipment	17,896.71	2,037,105.91
Others	641,688.24	1,079,856.46
Total	<u>8,248,268.30</u>	<u>11,412,113.96</u>

20. Provident Fund

The Company and its employees has jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530, which is contributed by the employees and the Company, and will be paid to the employees upon retirement in accordance with the regulation of the fund.

For the year ended 31 December 2020 and 2019, the Company has recognized the contribution as expenses in the amount of Baht 1.07 million and of Baht 1.08 million respectively.

21. Expenses by Nature

Consist of:

	For the year ended 31 December 2020	For the year ended 31 December 2019
	Baht	Baht
Changes in Finished Goods	(66,673.98)	(264,611.56)
Raw Materials Used and Other Cost of Services	23,907,136.21	30,029,512.65
Employee Benefit Expenses	39,003,663.87	43,470,055.80
Depreciation and Amortization	19,750,711.58	18,945,378.27
Managements' Remuneration	12,293,526.12	12,049,785.38
Others	13,162,988.49	10,736,167.73
Total	<u>108,051,352.29</u>	<u>114,966,288.27</u>

22. Income Tax

22.1 Tax (Expense) Revenue which is recognized in Profit for the year

	For the year ended 31 December 2020	For the year ended 31 December 2019
	Baht	Baht
Current Tax		
Tax (Expense) Revenue for current period	(4,784,393.86)	(11,697,799.38)
Deferred Tax		
Tax (Expense) Revenue relating to		
the Origination and Reversal of Temporary Differences	<u>(1,100,374.49)</u>	<u>(447,705.22)</u>
Total	<u>(5,884,768.35)</u>	<u>(12,145,504.60)</u>

For the year ended 31 December 2020 and 2019, the relationship between tax (expense) revenue and accounting profit in the form of reconciliation between tax (expense) revenue and the product of taxable profit by the applicable tax rate at 20% is as follows:

	For the year ended 31 December 2020	For the year ended 31 December 2019
	Baht	Baht
Profit before Income Tax	29,127,005.93	61,751,943.54
Tax (Expense) Revenue by the Tax Rate at 20%	(5,825,401.19)	(12,350,388.71)
Expenses that are not deductible	(289,284.80)	(144,879.93)
Revenues that are exempted	92,458.88	221,040.12
Concessions	137,458.76	128,723.92
Total	<u>(5,884,768.35)</u>	<u>(12,145,504.60)</u>

22.2 Tax (Expense) Revenue which is recognized in Other Comprehensive Income

	For the year ended 31 December 2020			For the year ended 31 December 2019		
	Amount	Tax	Amount	Amount	Tax	Amount
	Before Tax	(Expense)	Net of Tax	Before Tax	(Expense)	Net of Tax
	Baht	Baht	Baht	Baht	Baht	Baht
Gain (Loss) on Remeasuring Other						
Non-Current Financial Assets	14,500.00	(2,900.00)	11,600.00	668,133.10	(133,626.62)	534,506.48
Adjustments the Reclassification						
to Profit for the year	-	-	-	4,754.75	(950.95)	3,803.80
Net	14,500.00	(2,900.00)	11,600.00	672,887.85	(134,577.57)	538,310.28
Gain (Loss) on Revaluation of Assets	(262,235,001.00)	52,447,000.20	(209,788,000.80)	-	-	-
Gain (Loss) on Remeasurement						
of Defined Benefit Plans	(1,182,303.22)	236,460.64	(945,842.58)	(2,638,737.41)	527,747.48	(2,110,989.93)
Total	<u>(263,402,804.22)</u>	<u>52,680,560.84</u>	<u>(210,722,243.38)</u>	<u>(1,965,849.56)</u>	<u>393,169.91</u>	<u>(1,572,679.65)</u>

22.3 Deferred Tax Assets which are recognized in the Financial Statements

	For the year ended 31 December 2020			
	Beginning Balance	Recognized in	Recognized in	Ending Balance
	As at	Profit for the year	Other Comprehensive	As at
	1 January 2020		Income	31 December 2020
	Baht	Baht	Baht	Baht
Allowance for Other Financial Assets				
Remeasuring	229,010.29	512,896.49	4,200.00	746,106.78
Property, Plant and Equipment	1,295,333.43	(1,036,888.59)	-	258,444.84
Contract Liabilities	2,870.88	(937.35)	-	1,933.53
Non-Current Provisions for Employee Benefits	3,085,225.96	(406,144.58)	236,460.64	2,915,542.02
Contribution for Employees	825,608.24	(184,369.40)	-	641,238.84
Total	5,438,048.80	(1,115,443.43)	240,660.64	4,563,266.01
	For the year ended 31 December 2019			
	Beginning Balance	Recognized in	Recognized in	Ending Balance
	As at	Profit for the year	Other Comprehensive	As at
	1 January 2019		Income	31 December 2019
	Baht	Baht	Baht	Baht
Allowance for Available-for-Sale Securities				
Remeasuring	363,587.86	-	(134,577.57)	229,010.29
Property, Plant and Equipment	2,353,444.73	(1,058,111.30)	-	1,295,333.43
Contract Liabilities	-	2,870.88	-	2,870.88
Non-Current Provisions for Employee Benefits	1,888,626.45	668,852.03	527,747.48	3,085,225.96
Contribution for Employees	892,427.29	(66,819.05)	-	825,608.24
Total	5,498,086.33	(453,207.44)	393,169.91	5,438,048.80

22.4 Deferred Tax Liabilities which are recognized in the Financial Statements

	For the year ended 31 December 2020				
	Beginning Balance	The effect of	Recognized in	Recognized in	Ending Balance
	As at	TFRS 9	Profit for the year	Other Comprehensive	As at
	1 January 2020			Income	31 December 2020
	Baht	Baht	Baht	Baht	Baht
Allowance for Current					
Financial Assets Remeasuring	(50,430.36)	(44,823.09)	15,068.94	(7,100.00)	(87,284.51)
Surplus on Asset Revaluation	(151,771,817.07)	-	-	52,447,000.20	(99,324,816.87)
Total	(151,822,247.43)	(44,823.09)	15,068.94	52,439,900.20	(99,412,101.38)

	For the year ended 31 December 2019			
	Beginning Balance	Recognized in	Recognized in	Ending Balance
	As at	Profit for the year	Other Comprehensive	As at
	1 January 2019		Income	31 December 2019
	Baht	Baht	Baht	Baht
Allowance for Trading Securities Remeasuring	(55,932.58)	5,502.22	-	(50,430.36)
Surplus on Asset Revaluation	(151,771,817.07)	-	-	(151,771,817.07)
Total	(151,827,749.65)	5,502.22	-	(151,822,247.43)

23. Segment Information

23.1 General Information about Segment

The Company has identified the reportable segments from the structure of internal managerial and financial information system of the Company according to the types of goods and services which are the operating segments that the management of the Company has use the segment gross profit (loss) in the financial performance review regularly as follows:

- Segment of golf course which has revenue from membership fees, sale of goods and services relating to golf course.
- Segment of restaurant which has revenue from sales of foods and beverages.
- Segment of sport club which has revenue from membership fees and services relating to sport club.

23.2 Information about Segment Profit or Loss

Inter-reportable segment transactions are carried out at arm's length and are eliminated from the financial statements of the Company.

Segment revenue and profit or loss include items directly attribute to a segment as well as these that can be allocated on a reasonable basis with revenue and profit or loss in the financial statements of the Company.

For the year ended 31 December 2020 and 2019, the segment information is presented as follows:

	For the year ended 31 December 2020						
	Reportable Segment				Total	Eliminated Transactions	Total
	Golf Course	Restaurant	Sport Club	Pro Shop			
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Revenue from Contracts with Customers							
External Customers	102,707	20,763	3,287	2,173	128,930	-	128,930
Inter-Segment	-	-	-	-	-	-	-
Total	102,707	20,763	3,287	2,173	128,930	-	128,930
Disaggregation of Revenue from Contracts with Customers							
Type of Goods or Services							
Revenue from Membership Fees	37,166	-	1,875	-	39,041	-	39,041
Revenue from Upfront Fees	-	-	14	-	14	-	14
Revenue from Sales of Goods	-	20,763	-	2,004	22,767	-	22,767
Revenue from Rendering of Services	65,541	-	1,398	169	67,108	-	67,108
Total	102,707	20,763	3,287	2,173	128,930	-	128,930
Gross Profit (Loss)	69,553	(348)	(3,665)	1,646	67,186	-	67,186
Interest Income							7,075
Dividend Income							462
Other Income							711
Distribution Costs							(1,092)
Administrative Expenses							(42,828)
Loss on Remeasuring of Other Financial Assets							(2,387)
Profit before Income Tax							29,127
Income Tax Expense							(5,885)
Profit for the year							23,242
Depreciation and Amortization	14,569	3,857	1,325	-	19,751	-	19,751

For the year ended 31 December 2019

	Reportable Segment					Eliminated Transactions	Total
	Golf Course	Restaurant	Sport Club	Pro Shop	Total		
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht		
Revenue from Contracts with Customers							
External Customers	130,994	27,425	5,529	1,358	165,306	-	165,306
Inter-Segment	-	-	-	-	-	-	-
Total	130,994	27,425	5,529	1,358	165,306	-	165,306
Disaggregation of Revenue from Contracts with Customers							
Type of Goods or Services							
Revenue from Membership Fees	38,909	-	3,172	-	42,081	-	42,081
Revenue from Upfront Fees	-	-	9	-	9	-	9
Revenue from Sales of Goods	-	27,425	-	1,358	28,783	-	28,783
Revenue from Rendering of Services	92,085	-	2,348	-	94,433	-	94,433
Total	130,994	27,425	5,529	1,358	165,306	-	165,306
Gross Profit (Loss)	93,700	3,021	(2,794)	1,271	95,198	-	95,198
Interest Income							6,633
Dividend Income							1,105
Gain (Loss) on Remeasuring of							
Other Financial Assets							(27)
Other Income							3,701
Distribution Costs							(1,262)
Administrative Expenses							(43,596)
Profit before Income Tax							61,752
Income Tax Expense							(12,146)
Profit for the year							49,606
Depreciation and Amortization	15,476	2,145	1,324	-	18,945	-	18,945

23.3 Information about Major Customers

For the year ended 31 December 2020 and 2019, there is no any external customer which has value of 10% or more of revenue in the financial statements of the Company.

24. Financial Instruments

24.1 Financial Risk Management Policy

The Company has exposure to currency risk, interest rate risk and credit risk which the Company will consider to use the appropriate financial instruments to manage those risks. However, the Company does not have policy to hold or issue any derivative financial instruments for speculation or trading.

24.2 Interest Rate Risk

The Company exposure to interest rate risk relate primarily to their deposits at bank and other financial assets. Most of the Company financial assets bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets classified by type of interest rate with those financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date as follows:

	As at 31 December 2020				
	Interest Bearing		Non-Interest	Total	Interest Rate
	Floating Rate	Fixed Rate	Bearing		
	Baht	Baht	Baht	Baht	per Annum %
Financial Assets					
Cash and Cash Equivalents	32,062,008.12	3,910,250.70	253,624.92	36,225,883.74	0.10 – 0.55
Trade and other Current Receivables	-	-	2,576,878.46	2,576,878.46	-
Other Current Financial Assets	-	60,000,000.00	15,064,992.60	75,064,992.60	3.05 – 3.25
Other Non-Current Financial Assets	-	140,336,000.00	38,543,828.69	178,879,828.69	2.80 – 6.50
Long-Term Loans to Employees	-	539,900.00	-	539,900.00	5.00
As at 31 December 2019					
	Interest Bearing		Non-Interest	Total	Interest Rate
	Floating Rate	Fixed Rate	Bearing		
	Baht	Baht	Baht	Baht	per Annum %
	Financial Assets				
Cash and Cash Equivalents	17,451,261.81	4,679,964.98	1,293,072.10	23,424,298.89	0.10 – 0.85
Current Investment	-	25,000,000.00	24,344,175.20	49,344,175.20	3.00
Trade and other Current Receivables	-	-	2,465,782.31	2,465,782.31	-
Investment Held as Available-for-Sale	-	-	40,918,811.13	40,918,811.13	-
Other Long – Term Investment	-	173,000,000.00	-	173,000,000.00	2.90 – 6.50
Long-Term Loans to Employees	-	413,000.00	-	413,000.00	5.00

As at 31 December 2020 and 2019, the Company does not use any financial instrument to manage the interest rate risk.

24.3 Credit Risk

Credit risk is the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk of the Company is associated with concentrations of credit and default on collection from financial institution deposits, held-to-maturity investments in debt instruments and receivables.

As at 31 December 2020 and 2019, the Company has the maximum potential credit loss equals to the carrying amount of financial institution deposits, held-to-maturity investments in debt instrument and receivables presented in the financial statements.

As at 31 December 2020 and 2019, the Company has managed the credit risk as follows:

Group of Financial Assets	Credit Risk Management
Financial Institution Deposits	Consideration of the credit rating of financial institutions.
Held-to-Maturity Investments in Debt Instruments	Consideration of the credit rating of the debt instruments issuer throughout the investing period.
Receivables	Collection of the membership fees in advance and receive the revenue from sales and services in cash.

24.4 Liquidity risk

The Company manage the liquidity risk by maintaining the cash and cash equivalent items at the level that is adequate for the Company's operation.

24.5 Fair Value of Financial Instruments

As at 31 December 2020 and 1 January 2020, financial assets and financial liabilities are mainly classified in short-term and investments in debt instruments and loans are bearing interest rates close to market interest rates. Thence, the management of the Company believes that the carrying amount of those financial assets and financial liabilities are immaterially differed from fair value.

	As at 31 December 2020				Fair Value Baht
	Carrying Amount				
	FVTPL Baht	FVTOCI Baht	Amortised cost Baht	Total Baht	
Financial Assets					
Cash and Cash Equivalents	-	-	36,225,883.74	36,225,883.74	36,225,883.74
Trade and Other Current Receivables	-	-	2,576,878.46	2,576,878.46	2,576,878.46
Other Current Financial Assets					
- Investment in Mutual Funds	15,064,992.60	-	-	15,064,992.60	15,064,992.60
- Current Portion of Held-to-Maturity Investment in Debt Instruments	-	-	60,000,000.00	60,000,000.00	60,681,472.20
Other Non-Current Financial Assets					
- Investment in Mutual Funds	38,230,328.69	-	-	38,230,328.69	38,230,328.69
- Investment in Leasehold Property Fund	-	106,000.00	-	106,000.00	106,000.00
- Investment in Perpetual Debentures	15,336,000.00	-	-	15,336,000.00	15,336,000.00
- Held-to-Maturity Investment in Debt Instruments	-	-	125,000,000.00	125,000,000.00	128,684,869.89
- Investment in Ordinary Shares	-	207,500.00	-	207,500.00	207,500.00
Loans to Employees	-	-	539,900.00	539,900.00	539,900.00
Total Financial Assets	68,631,321.29	313,500.00	224,342,662.20	293,287,483.49	297,653,825.58
Financial Liabilities					
Trade and Other Payables	-	-	12,283,340.80	12,283,340.80	12,283,340.80

	As at 1 January 2020				Fair Value
	Carrying Amount				
	FVTPL Baht	FVTOCI Baht	Amortised cost Baht	Total Baht	
Financial Assets					
Cash and Cash Equivalents	-	-	23,424,298.89	23,424,298.89	23,424,298.89
Trade and Other Current Receivables	-	-	2,465,782.31	2,465,782.31	2,465,782.31
Other Current Financial Assets					
- Investment in Mutual Funds	24,344,175.20	-	-	24,344,175.20	24,344,175.20
- Current Portion of Held-to-Maturity Investment in Debt Instruments	-	-	25,000,000.00	25,000,000.00	25,158,327.90
Other Non-Current Financial Assets					
- Investment in Mutual Funds	40,794,811.13	-	-	40,794,811.13	40,794,811.13
- Investment in Leasehold Property Fund	-	124,000.00	-	124,000.00	124,000.00
- Held-to-Maturity Investment in Debt Instruments	15,224,115.45	-	-	15,224,115.45	15,224,115.45
- Investment in Debt Instruments	-	-	158,000,000.00	158,000,000.00	162,991,567.85
Loans to Employees	-	-	413,000.00	413,000.00	413,000.00
Total Financial Assets	80,363,101.78	124,000.00	209,303,081.20	289,790,182.98	294,940,078.73
Financial Liabilities					
Trade and Other Payables	-	-	10,155,376.93	10,155,376.93	10,155,376.93

During the current year, there are no changes in valuation techniques and there are no transfers between fair value hierarchy for financial assets and financial liabilities measured at fair value in the statement of financial position on a recurring basis held at the end of the reporting period.

24.6 Fair Value Hierarchy

As at 31 December 2020 and As at 1 January 2020, the Company had the assets that were measured at fair value were disclosed using different levels of inputs as follows:

	As at 31 December 2020			
	Fair Value			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
	Baht	Baht	Baht	Baht
Financial Assets				
Other Current Financial Assets	15,064,992.60	-	-	15,064,992.60
Other Non-Current Financial Assets	38,543,828.69	15,336,000.00	-	53,879,828.69
Land Show at Revaluated Value	-	-	838,486,084.34	838,486,084.34

	As at 1 January 2020			
	Fair Value			
	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
	Baht	Baht	Baht	Baht
Financial Assets				
Other Current Financial Assets	24,344,175.20	-	-	24,344,175.20
Other Non-Current Financial Assets	40,918,811.13	15,224,115.45	-	56,142,926.58
Land Show at Revaluated Value	-	-	1,100,721,085.34	1,100,721,085.34

25. Related Party Transactions

The Company has significant business transactions with the related parties. Such transactions are concluded on commercial terms and bases agreed upon between the Company and those related parties which are in ordinary course of business, are summarized as follows:

25.1 Nature of Relationship of the Company

Names of Related Parties	Nature of Relationship
Navatane Company Limited	Related Entity by common major shareholders and directors

25.2 Key Management Personnel Compensation

	For the year ended 31 December 2020	For the year ended 31 December 2019
	Baht	Baht
Short-Term Employee Benefits	11,997,876.00	10,966,053.50
Post-Employment Benefits		
Defined Contribution Plans	204,492.00	198,960.00
Defined Benefit Plans	91,158.12	884,771.88
Total	<u>12,293,526.12</u>	<u>12,049,785.38</u>

26. Cash Flows Information

26.1 Non-Cash Transactions

Consist of:

	For the year ended 31 December 2020	For the year ended 31 December 2019
	Baht	Baht
Acquisition of Property, Plant and Equipment		
By assuming Assets Payable		
Value of Assets in Property, Plant and Equipment	15,340.00	601,403.43
Value Added Tax in Trade and Other Current Payables	1,073.80	6,114.07
Gains (Losses) on Investments in Equity Designated at		
Fair Value through Other Comprehensive Income	14,500.00	672,887.85
Gains (Losses) on Remeasurement of Defined		
Benefit Plans	(1,182,303.22)	(2,638,737.41)
Land Decreased by Revaluation	262,235,001.00	-

26.2 Changes in Liabilities arising from Financing Activities

For the year ended 31 December 2020 and 2019, changes in liabilities arising from financing activities have the movement as follows:

	For the year ended 31 December 2020			
	Beginning Balance	Changes from	Other Changes	Ending Balance
	As at	Financing		As at
	1 January 2020	Cash Flows		31 December 2020
	Baht	Baht	Baht	Baht
Dividends Payable	4,088,080.17	(32,521,655.56)	32,800,000.00	4,366,424.61
Assets Payable	607,517.50	(607,517.50)	16,413.80	16,413.80
Total	4,695,597.67	(33,129,173.06)	32,816,413.80	4,382,838.41

	For the year ended 31 December 2019			
	Beginning Balance	Changes from	Other Changes	Ending Balance
	As at	Financing		As at
	1 January 2019	Cash Flows		31 December 2019
	Baht	Baht	Baht	Baht
Dividends Payable	3,980,735.91	(34,542,744.50)	34,650,088.76	4,088,080.17
Assets Payable	16,431,097.44	(16,431,097.44)	607,517.50	607,517.50
Total	20,411,833.35	(50,973,841.94)	35,257,606.26	4,695,597.67

27. Obligations

In addition to liabilities in the statement of financial position as at 31 December 2019, the Company has obligations to future payments for capital expenditure with other entities to acquire significant property, plant and equipment which are not yet recognized in the amount of Baht 1.27 million.

28. Significant Complaint

28.1 Complaint

On 25 January 2018, the Company had received a letter from the Subcommittee of Bangkok Land Development Purchasers Protection dated 16 January 2018 stated that, in compliance with the law, the land with title deed No. 1556, which the Company acquired from the purchase in 2015, require the approval of the Bangkok Land Development Board prior to the purchase. The matter is then sent to the Land Registry

Standard Bureau, Development of Land for their consideration and issuance of the legal order. However, the Company has not yet received any order from the relevant government agent. Therefore, the management of the Company expects that there is no any damage that may incurred from such matter.

28.2 Litigations

The Company and a related entity have of plaint in consumer case, demanding to the both who are permitted land allocation persons in the Navatane Estate where housing estate juristic person not being established, to pay and accept payments of the common public service fee for all plots of land in Navatane Estate at an equal rate and requesting to collect the common public service fees at the previous rate as the defendants had failed to comply with the applicable housing estate regulations. The Appeal Court granted permission for a class action according to the plaintiff's motion. Which in scheduled the session to determine dispute issues and witness examination on 25 May 2021.

29. Event after the Reporting Period

On 22 February 2021, the Board of Directors Meeting of the Company No. 1/2021 has passed the resolution to approve and to propose the Annual General Shareholders' Meeting for consider the appropriation of the dividend payment to the shareholders of the Company from the financial performance for 2020 at the rate of Baht 0.69 per share, totaling in the amount of Baht 14.15 million.

30. Approval of the Financial Statements

These financial statements have been approved for issue by the Board of Directors of City Sports and Recreation Public Company Limited on 22 February 2021.



สำนักงาน

บริษัท เทพธานีกรีฑา จำกัด (มหาชน)

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