

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
(UNAUDITED/ REVIEWED ONLY)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders of BEAUTY COMMUNITY PUBLIC COMPANY LIMITED

I have reviewed the accompanying statement of financial position of BEAUTY COMMUNITY PUBLIC COMPANY LIMITED as at September 30, 2020, the related statements of comprehensive income for the three-month and nine-month periods ended September 30, 2020, statements of changes in shareholders' equity, and statements of cash flows for the nine-month periods then ended and the condensed notes to financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on this reviewed interim financial information.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting.

Emphasis Matter

I did not express a qualified conclusion on the following matters, I draw your attention to notes to interim financial statements as follows:

1. Notes 1.2 to financial statements, since the effects from Coronavirus disease 2019 (COVID-19) pandemic that the Company is unable to sell its products to customers through the branches at department store and the Company has already to closed some branches hereafter which have significantly affected to the Company's financial statements.
2. Notes 3 to financial statements, the Company has prepared interim financial information for the three- month and nine-month periods, the Company elected to adopt the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of COVID-19 Pandemic issued by the Federation of Accounting Profession.
3. Notes 5 to financial statement, the Company has adopted TFRS 16 "Leases" which is effective in the current period.

D I A International Audit Company Limited

(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

November 12, 2020

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

(Unit: Baht)

Assets	<i>Note</i>	September 30, 2020	December 31, 2019
		(UNAUDITED / REVIEWED ONLY)	(AUDITED)
Current assets			
Cash and cash equivalents	6	197,304,546.01	154,656,264.42
Trade and other current receivables	7	42,063,794.01	91,589,398.55
Inventories	8	254,548,014.89	354,874,656.32
Other current financial assets	9	149,930,454.53	300,000,000.00
Total current assets		643,846,809.44	901,120,319.29
Non-current assets			
Other non-current financial assets	10	49,966,292.82	50,000,000.00
Property, plant and equipment	11	177,988,903.34	230,516,554.63
Right-of-use assets	12	158,701,618.44	-
Leasehold rights	5	-	3,748,033.91
Other intangible assets	13	23,593,304.98	26,140,584.34
Deferred tax assets	14	21,688,531.41	12,543,168.14
Other non-current assets	15	63,124,366.60	91,850,298.12
Total non-current assets		495,063,017.59	414,798,639.14
Total assets		1,138,909,827.03	1,315,918,958.43

Notes to financial statements are parts of these financial statements.

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2020

(Unit: Baht)

Liabilities and shareholders' equity	<i>Note</i>	September 30, 2020 (UNAUDITED / REVIEWED ONLY)	December 31, 2019 (AUDITED)
Current liabilities			
Trade and other current payables	<i>16</i>	100,066,127.09	177,238,227.73
Current portion of lease liabilities	<i>17</i>	124,533,397.76	-
Accrued income tax		-	28,691,913.99
Total current liabilities		224,599,524.85	205,930,141.72
Non-current liabilities			
Lease liabilities	<i>17</i>	61,657,861.15	-
Non-current provisions for employee benefit	<i>18</i>	18,749,361.16	23,041,416.00
Other non-current provisions		6,027,927.00	6,892,177.00
Other non-current liabilities		2,348,500.00	3,574,900.00
Total non-current liabilities		88,783,649.31	33,508,493.00
Total liabilities		313,383,174.16	239,438,634.72
Shareholders' equity			
Share capital			
Authorized share capital			
3,022,610,000 common shares of Baht 0.10 each		302,261,000.00	302,261,000.00
Issued and paid-up share capital			
3,006,868,535 common shares of Baht 0.10 each		300,686,853.50	300,686,853.50
Share premium on ordinary shares		592,711,215.04	592,711,215.04
Equity-settled share-based payment		16,302,071.90	16,302,071.90
Treasury stocks		(99,690,176.42)	(99,690,176.42)
Retained earnings(deficit)			
Appropriated			
Legal reserve		30,226,100.00	30,226,100.00
Reserve for treasury stocks		99,690,176.42	99,690,176.42
Unappropriated		(114,399,587.57)	136,554,083.27
Total shareholders' equity		825,526,652.87	1,076,480,323.71
Total liabilities and shareholders' equity		1,138,909,827.03	1,315,918,958.43

Notes to financial statements are parts of these financial statements.

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
(UNAUDITED / REVIEWED ONLY)

(Unit: Baht)

	<i>Note</i>	2020	2019
Revenues from sales		185,734,706.98	454,428,163.01
Cost of sales		<u>(87,511,564.78)</u>	<u>(177,900,888.93)</u>
Gross profit		<u>98,223,142.20</u>	<u>276,527,274.08</u>
Other income		6,868,449.11	1,354,300.52
Distribution costs		(73,645,754.09)	(165,356,828.05)
Administrative expenses		(32,105,358.45)	(50,303,505.58)
Impairment loss of assets		<u>(15,277,063.26)</u>	<u>-</u>
Profit (loss) from operation activities		(15,936,584.49)	62,221,240.97
Finance income		875,132.87	1,193,108.61
Finance costs		<u>(3,055,087.42)</u>	<u>-</u>
Profit (loss) before income tax expense		(18,116,539.04)	63,414,349.58
Tax income (expense)		<u>(4,636,200.11)</u>	<u>(12,565,851.04)</u>
Profit (loss) for the period		(22,752,739.15)	50,848,498.54
Other comprehensive income (expense)		<u>-</u>	<u>-</u>
Total comprehensive income (expense) for the period		<u><u>(22,752,739.15)</u></u>	<u><u>50,848,498.54</u></u>
Earnings per share			
Basic earnings per share	<i>21</i>	(0.01)	0.02
Diluted earnings per share	<i>21</i>	(0.01)	0.02

Notes to financial statements are parts of these financial statements.

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
(UNAUDITED / REVIEWED ONLY)

(Unit: Baht)

	<i>Note</i>	2020	2019
Revenues from sales		578,467,330.62	1,526,605,244.29
Cost of sales		<u>(264,666,463.50)</u>	<u>(601,919,467.31)</u>
Gross profit		<u>313,800,867.12</u>	<u>924,685,776.98</u>
Other income		10,454,121.54	5,216,494.56
Distribution costs		(281,148,989.90)	(547,464,868.46)
Administrative expenses		(128,782,554.39)	(178,784,744.99)
Impairment loss of assets		<u>(36,251,069.11)</u>	<u>-</u>
Profit (loss) from operation activities		(121,927,624.74)	203,652,658.09
Finance income		3,809,281.19	5,494,517.19
Finance costs	<i>17.3</i>	<u>(8,821,081.12)</u>	<u>-</u>
Profit (loss) before income tax expense		(126,939,424.67)	209,147,175.28
Tax income (expense)	<i>14</i>	<u>3,145,964.01</u>	<u>(41,980,930.09)</u>
Profit (loss) for the period		(123,793,460.66)	167,166,245.19
Other comprehensive income (expense)		<u>-</u>	<u>-</u>
Total comprehensive income (expense) for the period		<u><u>(123,793,460.66)</u></u>	<u><u>167,166,245.19</u></u>
 Earnings per share			
Basic earnings per share	<i>21</i>	(0.04)	0.06
Diluted earnings per share	<i>21</i>	(0.04)	0.06

Notes to financial statements are parts of these financial statements.

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
(UNAUDITED / REVIEWED ONLY)

(Unit: Baht)

	<i>Note</i>	Retained earnings							Total shareholders' equity
		Issued and paid-up share capital	Share premium on ordinary shares	Equity-settled share-based payment	Treasury stocks	Appropriated			
				Legal reserve		Reserve for treasury stocks	Unappropriated		
Balance as at January 1, 2019		300,621,495.50	588,958,813.50		14,438,846.44	(99,690,176.42)		30,226,100.00	99,690,176.42
Total comprehensive income for the period		-	-	-	-	-	-	167,166,245.19	167,166,245.19
Share-Based payments		-	-	2,413,085.00	-	-	-	-	2,413,085.00
Exercise right of warrants to purchase ordinary shares		65,358.00	3,752,401.54	(549,859.54)	-	-	-	-	3,267,900.00
Dividend paid		-	-	-	-	-	-	(413,198,708.42)	(413,198,708.42)
Payments for interim dividend		-	-	-	-	-	-	(104,796,777.77)	(104,796,777.77)
Balance as at September 30, 2019		<u>300,686,853.50</u>	<u>592,711,215.04</u>	<u>16,302,071.90</u>	<u>(99,690,176.42)</u>	<u>30,226,100.00</u>	<u>99,690,176.42</u>	<u>71,143,427.50</u>	<u>1,011,069,667.94</u>
Balance as at January 1, 2020 (as previously reported)		300,686,853.50	592,711,215.04	16,302,071.90	(99,690,176.42)	30,226,100.00	99,690,176.42	136,554,083.27	1,076,480,323.71
Cumulative effect of change in accounting policy	5	-	-	-	-	-	-	(19,369,242.02)	(19,369,242.02)
Balance as at January 1, 2020 after restated		300,686,853.50	592,711,215.04	16,302,071.90	(99,690,176.42)	30,226,100.00	99,690,176.42	117,184,841.25	1,057,111,081.69
Total comprehensive income (expense) for the period		-	-	-	-	-	-	(123,793,460.66)	(123,793,460.66)
Dividend paid	20	-	-	-	-	-	-	(107,790,968.16)	(107,790,968.16)
Balance as at September 30, 2020		<u>300,686,853.50</u>	<u>592,711,215.04</u>	<u>16,302,071.90</u>	<u>(99,690,176.42)</u>	<u>30,226,100.00</u>	<u>99,690,176.42</u>	<u>(114,399,587.57)</u>	<u>825,526,652.87</u>

Notes to financial statements are parts of these financial statements.

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
(UNAUDITED / REVIEWED ONLY)

(Unit: Baht)

	2020	2019
Cash flows from operating activities		
Profit (loss) for the period	(123,793,460.66)	167,166,245.19
Adjustment profit before income tax to cash receipt (disbursement)		
from operating activities		
Depreciation and amortization	128,689,017.69	40,973,738.26
Allowance for expected credit losses (reversed)	(536,397.82)	276,316.16
Loss on devaluation of inventories	11,462,517.05	9,513,489.32
(Gain) loss on sales of assets	(114,001.37)	(206,938.12)
Loss on write off property, plant and equipment	19,549,826.50	4,622,007.87
Loss on write off deposits	9,384,122.80	-
Unrealized loss (gain) on exchange rate	203,324.83	-
Loss on impairment of property, plant and equipment	757,641.60	-
Impairment loss on deposits	6,559,478.21	-
(Reversed) accrued income tax	-	(824,512.70)
Realized (income) expenditures for reward points	214,415.53	(3,621,470.00)
Non-current provisions for employee benefit	1,492,688.00	4,916,001.77
Expenses from share-based payments	-	2,413,085.00
Finance income	(3,809,281.19)	(5,494,517.19)
Finance costs	8,821,081.12	-
Tax (income) expense	<u>(3,145,964.01)</u>	<u>41,980,930.09</u>
Profit from operation before changes in		
operating assets and liabilities	55,735,008.28	261,714,375.65
(Increase) Decrease in changes of operating assets		
Trade and other current receivables	49,841,821.01	(1,276,848.82)
Inventories	88,864,124.38	170,933,201.14
Other non-current assets	<u>12,782,330.51</u>	<u>6,917,100.33</u>
(Increase) Decrease in changes of operating assets	<u>151,488,275.90</u>	<u>176,573,452.65</u>

Notes to financial statements are parts of these financial statements.

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
(UNAUDITED / REVIEWED ONLY)

(Unit: Baht)

	2020	2019
Increase (Decrease) in changes of operating liabilities		
Trade and other current payables	(67,044,874.39)	(117,380,756.05)
Other non-current liabilities	<u>(1,226,400.00)</u>	<u>(213,300.00)</u>
Increase (Decrease) in changes of operating liabilities	<u>(68,271,274.39)</u>	<u>(117,594,056.05)</u>
Cash generated (paid) from operation	138,952,009.79	320,693,772.25
Employee benefit paid	(5,784,742.84)	(1,460,075.00)
Finance costs paid	(8,821,081.12)	-
Income tax paid	<u>(28,920,512.01)</u>	<u>(143,125,531.97)</u>
Net cash provided by (used in) operating activities	<u>95,425,673.82</u>	<u>176,108,165.28</u>
Cash flows from investing activities		
Proceeds from finance income	4,361,313.21	6,605,702.35
(Increase) Decrease in other current financial assets	150,000,000.00	280,000,000.00
Building and equipment acquisition	(5,842,090.17)	(11,605,905.72)
Proceeds from sales of equipment	187,492.69	267,149.59
Other intangible assets acquisition	<u>(4,054,200.00)</u>	<u>(2,626,500.00)</u>
Net cash provided by (used in) investing activities	<u>144,652,515.73</u>	<u>272,640,446.22</u>
Cash flows from financing activities		
Dividend paid	(107,476,370.27)	(517,736,661.61)
Proceeds from exercise right of warrants to purchase of ordinary shares	-	3,267,900.00
Payment for lease liabilities	<u>(89,953,537.69)</u>	<u>-</u>
Net cash provided by (used in) financing activities	<u>(197,429,907.96)</u>	<u>(514,468,761.61)</u>
Net increase (decrease) in cash and cash equivalents	42,648,281.59	(65,720,150.11)
Cash and cash equivalents as at the beginning of the period	<u>154,656,264.42</u>	<u>232,824,369.68</u>
Cash and cash equivalents as at the end of the period	<u><u>197,304,546.01</u></u>	<u><u>167,104,219.57</u></u>

Notes to financial statements are parts of these financial statements.

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
(UNAUDITED / REVIEWED ONLY)

1. GENERAL INFORMATION

1.1 Company's general information

Beauty Community Public Company Limited (“the Company”), the Company was registered as a listed company in the Stock Exchange of Thailand on December 12, 2012. The registered address is located at 10/915, Soi Nuanchan 34, Nuanchan, Bungkum, Bangkok.

The principle business of the Company is to retail of cosmetics.

Names of major shareholders as at July 16, 2020, the last closing date of share transferring suspension register are as follows:

	Percentage of shareholding (based on paid-up capital)
Mrs. Tanyapon Kraibhubes	11.72
Mr. Suwin Kraiphubet	9.50
Thai NVDR Company Limited	3.64
Mr. Pornpong Pornprapa	2.81

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries such as the supply chain system, consumer expenditures, production limitation or interruption, delayed operations, etc.

This situation may affect the Company's inability to sell products through branches at department stores and the Company has temporarily closed a lot of branches in Bangkok and up-contries but the head office still rendered the on-line services to the customers for products shopping. The Company has already closed some branches hereafter, which have significantly affected to the current and future statements of financial position, results of operation and cash flows. These impacts cannot be reasonably estimated at this moment. The management of the Company will continue to monitor the ongoing situation and assesses the financial impact on the value of assets, provisions and contingent liabilities and will consider to record such impacts whenever they are possible.

2. BASIS OF INTERIM FINANCIAL STATEMENTS PREPARATION

The interim financial statements are prepared on a condensed basis and in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, guidelines promulgated by the Federation of Accounting Professions; and applicable rules and regulations of the Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2019. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended December 31, 2019.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

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

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards adoption during the period

During the period, the Company has adopted a number of new and revised financial reporting standards, and interpretations (revised 2019) which are effective for the financial statements for the period beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However the new standard involves changes to key principles, which are summarized below:

Financial reporting standards related to financial instruments.

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

Thai Financial Reporting Standards

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Accounting Standard

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Interpretations Committee

TFRIC 16 Hedges of a Net Investments in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The above set of Thai Financial Reporting Standards (TFRSs) sets out the requirements for the classification and measurement of financial instrument at the fair value or amortized cost by considering from the type of instruments, contractual cash flow characteristics and the entity's business model, including the impairment methodology by using the expected credit loss, and the general hedge accounting, as well as the presentation and disclosures of financial instrument. When this set of TFRSs are effective, as a result, some currently effective accounting standards, interpretations and guidance will be cancelled.

The Company adopted these standards which have no significant impacts on the Company's financial statements.

TFRS 16 Leases

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

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

TFRS 16 supersedes the following accounting standards together with related interpretations.

Thai Accounting Standard:

TAS 17 (Revised 2018) Leases

Thai Standing Interpretations Committee:

TSIC 15 (Revised 2018) Operating Leases - Incentives

TSIC 27 (Revised 2018) Evaluating the Substance of Transactions Involving the Legal Form
of a Lease

Thai Financial Reporting Interpretations Committee:

TFRIC 4 (Revised 2018) Determining Whether an Arrangement Contain a Lease

The Company adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at January 1, 2020, and the comparative information was not restated.

The cumulative effect of the change is described in notes 5 to the financial statements.

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

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

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

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

- Not to account for any discount in lease payments by lessors from COVID-19 situation as a lease modification, with the lease liabilities that come due in each period discounted in proportion to the discount and depreciation of right-of-use assets and interest on lease liabilities recognized in each period reversed in proportion to the discount, any differences are recognized in profit or loss.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to take into account forward-looking information when determining expected credit losses, in cases where the Company uses a simplified approach to determine expected credit losses.
- Not to use information relating to the COVID-19 situation where is uncertainty that may affect the estimation of taxable profit in the future in determining whether sufficient taxable profit will be available in the future period against which deferred tax assets can be utilized.

3.2 Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for the financial statements for the fiscal year beginning on or after January 1, 2021. 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 that included in amendments to references to the Conceptual Framework in Financial Reporting Standards, Definition, Definition of material, and Interest Rate Benchmark Reforms.

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended December 31, 2019, except for the accounting policies for financial instruments and leases.

4.1 Financial instrument

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification 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 that are equity instruments are measured at fair value through profit or loss or fair value through other comprehensive income.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss.

Impairment of financial assets

The Company recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Company accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Company applies a simplified approach to determine the lifetime expected credit losses.

4.2 Leases

Right-of-use assets

The Company recognized right-of-use assets at the commencement date. Right-of-use assets are stated at cost less any accumulated depreciation, provision for accumulated impairment, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and the lease payments made at or before the commencement date, less any lease incentives received.

If it is reasonably certain to be exercised that the ownership of reference assets will be transferred the Company when the lease term is terminated. Depreciation of right-of-use is calculated by a straight-line basis from the commencement date until the termination date of the useful live of right-of-use assets or lease term termination date whichever is earlier.

Lease liabilities

At the commencement date of the lease, the company recognized lease liabilities at the present value of lease payments payable over the lease term, discounted by the interest rate implicit in the lease present value or the Company's incremental borrowing rate. The amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognized as expenses on a straight-line basis over the lease term.

5. CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING POLICY DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARD

As described in notes 3 to the interim financial statements, during the current period, the Company has adopted financial reporting standard related to TFRS 16. The cumulative effect of initially applying this standard is recognised as an adjustment to retained earnings as at January 1, 2020. Therefore, the comparative information was not restated. The Company has elected to apply this standard to the leases previously classified as operating leases and leasehold rights by recognition right-of-use assets as lease-by-lease basis. The carrying amount of the right-of-use assets at if the Standard had been applied since the commence date, but discounted using the lessee's incremental borrowing rate as at January 1, 2020.

The impacts on the beginning balance of retained earnings of 2020 from change in accounting policy due to the adoption of this standard are presented as follows:

(Unit: Baht)

	December 31, 2019	The impacts of TFRS 16	January 1, 2020
Statement of financial position			
Assets			
Non-current assets			
Right-of-use assets	-	206,630,226.63	206,630,226.63
Leasehold rights	3,748,033.91	(3,748,033.91)	-
Deferred tax assets	12,543,168.14	5,999,399.26	18,542,567.40
Liabilities and shareholders' equity			
Current liabilities			
Current portion of lease liabilities	-	161,899,477.26	161,899,477.26
Non-current liabilities			
Lease liabilities - net of current portion	-	70,979,711.79	70,979,711.79
Trade and other current payables	177,238,227.73	(4,628,355.05)	172,609,872.68
Shareholders' equity			
Retained earnings - unappropriated	136,554,083.27	(19,369,242.02)	117,184,841.25

Leases

The reconciliation between lease liabilities as at January 1, 2020 and operating lease obligations as at December 31, 2019 which disclosed in accordance with TAS 17 as follows:

	<i>(Unit: Baht)</i>
Operating lease commitments as at December 31, 2019	219,540,357.61
Less: Short-term leases and leases of low-value assets	(13,268,509.33)
Add: Reversed of straight-line basis adjustment	4,628,355.05
Less: Deferred interest expenses	(37,910,054.62)
Add: Increase in lease liabilities due to initial adoption TFRS 16	<u>59,889,040.34</u>
Lease liabilities as at January 1, 2020	<u><u>232,879,189.05</u></u>

Comprise of:

Current lease liabilities	161,899,477.26
Non-current lease liabilities	<u>70,979,711.79</u>
	<u><u>232,879,189.05</u></u>

The adjustments of right-of-use assets due to initial adoption TFRS 16 as at January 1, 2020 are summarized below:

	<i>(Unit: Baht)</i>
Land	11,262,359.70
Space rental in department store and warehouse	191,393,891.26
Vehicles	<u>3,973,975.67</u>
Total right-of-use assets	<u><u>206,630,226.63</u></u>

6. CASH AND CASH EQUIVALENTS

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Cash	1,420,409.00	3,368,839.25
Current accounts	908,684.16	25,765,177.04
Savings deposit	195,131,898.75	124,868,815.39
Unbilled credit card slip	435,227.97	653,432.74
Total	<u>197,896,219.88</u>	<u>154,656,264.42</u>
Less Allowance for expected credit losses	(591,673.87)	-
Net	<u><u>197,304,546.01</u></u>	<u><u>154,656,264.42</u></u>

7. TRADE AND OTHER CURRENT RECEIVABLES

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Trade accounts receivable		
Franchise receivable	87,710.46	342,042.09
Other parties receivable	19,256,268.46	45,121,689.87
Sale with consignment agreement receivables	2,150,897.86	29,137,137.57
Total trade accounts receivable	<u>21,494,876.78</u>	<u>74,600,869.53</u>
Less Allowance for expected credit losses	(62,684.44)	(702,334.91)
Trade accounts receivable - net	<u><u>21,432,192.34</u></u>	<u><u>73,898,534.62</u></u>
Other current receivables		
Prepaid expenses	14,812,728.93	8,029,435.70
Accrued interest	767,658.92	1,319,690.94
Goods deposit	135,810.00	936,266.47
Non-refund input tax	2,892,325.40	3,342,327.99
Prepaid value added tax	851,142.41	1,637,577.36
Others	1,171,936.01	2,425,565.47
Total other current receivables	<u>20,631,601.67</u>	<u>17,690,863.93</u>
Total trade and other current receivables	<u><u>42,063,794.01</u></u>	<u><u>91,589,398.55</u></u>

The Company has outstanding trade accounts receivable classified by aging as follows:

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Trade accounts receivable due in term	20,062,131.77	69,987,358.83
Overdue trade accounts receivable		
- Less than 3 months	1,152,385.95	4,488,252.65
- Over 3 months but less than 1 year	244,807.54	110,165.70
- Over 1 year but less than 2 year	35,551.52	15,092.35
Total trade accounts receivable	<u>21,494,876.78</u>	<u>74,600,869.53</u>

8. INVENTORIES

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Finished goods	196,177,395.74	272,793,211.20
Packaging	77,912,186.79	78,779,582.11
Work in process	6,743,309.44	17,442,119.42
Supplies	4,027,787.80	4,709,891.42
Total	284,860,679.77	373,724,804.15
Less Allowance for devaluation of inventories	(30,312,664.88)	(18,850,147.83)
Net	<u>254,548,014.89</u>	<u>354,874,656.32</u>

9. OTHER CURRENT FINANCIAL ASSETS

	<i>(Unit: Baht)</i>			
	<u>At interest rate per annum</u>			
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Fixed deposits	0.85 - 0.90	1.60 - 1.85	150,000,000.00	300,000,000.00
Less Allowance for expected credit losses			(69,545.47)	-
Net			<u>149,930,454.53</u>	<u>300,000,000.00</u>

10. OTHER NON-CURRENT FINANCIAL ASSETS

The Company has other non-current financial assets in form of fixed deposits with thirteen month maturity at a local financial institution.

(Unit: Baht)

	<u>At interest rate per annum</u>			
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Fixed deposits	1.67	1.67	50,000,000.00	50,000,000.00
Less Allowance for expected credit losses			<u>(33,707.18)</u>	<u>-</u>
Net			<u>49,966,292.82</u>	<u>50,000,000.00</u>

11. PROPERTY, PLANT AND EQUIPMENT

Movement for the nine-month periods ended September 30, 2020 are summarized as follows:

(Unit: Baht)

Net book value as at January 1, 2020	230,516,554.63
Acquisition during the period	2,800,830.72
Disposal	(73,491.32)
Write off/adjustment	(19,549,826.50)
Transferred assets dismantlement	(5,228,991.00)
Impairment loss of assets as right-of-use assets	(757,641.60)
Depreciation for the period	<u>(29,718,531.59)</u>
Net book value as at September 30, 2020	<u><u>177,988,903.34</u></u>

Part of buildings at net book value amount of Baht 82.66 million are constructed on land leased from director as stated in note 19.2.

Depreciation for the nine-month periods ended September 30, 2020 and 2019 amounted to Baht 29.72 million and Baht 37.88 million respectively.

As at September 30, 2020 and December 31, 2019, the Company has fixed assets at cost amount of Baht 104.10 million and Baht 145.53 million respectively which have been fully depreciated but are still in use.

12. RIGHT-OF-USE ASSETS

Movements of right-of-use assets for the nine-month periods ended September 30, 2020 are summarized below.

	<i>(Unit: Baht)</i>
Net book value as at January 1, 2020 (before restated)	-
Adjustments of right-of-use assets due to initial adoption TFRS 16	<u>206,630,226.63</u>
Net book value as at January 1, 2020 (after restated)	206,630,226.63
Acquisitions - at cost	43,265,607.55
Received transfer of dismantled assets from property, plant and equipment	5,228,991.00
Amortization for periods	<u>(96,423,206.74)</u>
Net book value as at September 30, 2020	<u><u>158,701,618.44</u></u>

Amortization of right-of-use assets for the nine-month periods ended September 30, 2020 amounted to Baht 96.42 million.

13. OTHER INTANGIBLE ASSETS

Movement for the nine-month periods ended September 30, 2020 are summarized as follows:

	<i>(Unit: Baht)</i>
Net book value as at January 1, 2020	26,140,584.34
Acquisition during the period	-
Amortization for the period	<u>(2,547,279.36)</u>
Net book value as at September 30, 2020	<u><u>23,593,304.98</u></u>

Amortization of other intangible assets for the nine-month periods ended September 30, 2020 and 2019 amounted to Baht 2.55 million and Baht 2.20 million respectively.

14. DEFERRED TAX ASSETS

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Deferred tax assets	21,688,531.41	12,543,168.14
Deferred tax liabilities	<u>-</u>	<u>-</u>
Net	<u><u>21,688,531.41</u></u>	<u><u>12,543,168.14</u></u>

Movements of deferred tax assets and liabilities incurred during the periods as follows:

	<i>(Unit: Baht)</i>			
	As at	Adjustment	Credit	As at
	January 1,	due to TFRS 16	(charged) to	September 30,
	2020	adoption	Profit or loss	2020
Deferred tax assets				
Allowance for devaluation of goods	3,770,029.57	-	2,292,503.41	6,062,532.98
Allowance for devaluation of assets	985,026.00	-	151,528.32	1,136,554.32
Employee benefit obligations	4,608,283.20	-	(858,410.97)	3,749,872.23
Deferred income for reward points	2,976,976.74	-	42,883.11	3,019,859.85
Dismantling provision	202,852.63	-	10,190.31	213,042.94
Allowance for devaluation of deposit	-	-	1,311,895.64	1,311,895.64
Lease	-	5,999,399.26	195,374.19	6,194,773.45
Total	<u>12,543,168.14</u>	<u>5,999,399.26</u>	<u>3,145,964.01</u>	<u>21,688,531.41</u>

Tax expense for the nine-month periods ended September 30, 2020 and 2019 can be summarized as follows:

	<i>(Unit: Baht)</i>	
	2020	2019
<i>Current tax:</i>		
Income tax for the periods	-	42,852,877.90
<i>Deferred tax:</i>		
Deferred tax (income) derived from temporary differences and reversal of temporary differences presented in statement of comprehensive income	<u>(3,145,964.01)</u>	<u>(871,947.81)</u>
Tax expense(income) in statements of comprehensive income	<u>(3,145,964.01)</u>	<u>41,980,930.09</u>

15. OTHER NON-CURRENT ASSETS

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Rental and services deposit	67,344,656.41	88,924,575.19
Others	2,339,188.40	2,925,722.93
Total	<u>69,683,844.81</u>	<u>91,850,298.12</u>
Less Allowance for impairment of deposit	(6,559,478.21)	-
Net	<u><u>63,124,366.60</u></u>	<u><u>91,850,298.12</u></u>

16. TRADE AND OTHER CURRENT PAYABLES

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Trade accounts payable	29,050,928.63	81,805,862.07
Other current payables		
Accrued expenses	39,570,642.95	46,790,880.48
Revenue Department payable	2,826,381.58	8,809,091.24
Assets payables	6,203,238.65	12,870,632.76
Amount received advance for goods	6,062,963.03	5,787,270.79
Deferred income for reward points	15,099,299.23	14,884,883.70
Accrued dividend	829,338.45	514,740.56
Others	423,334.57	5,774,866.13
Total other current payables	<u>71,015,198.46</u>	<u>95,432,365.66</u>
Total trade and other current payables	<u><u>100,066,127.09</u></u>	<u><u>177,238,227.73</u></u>

As at September 30, 2020, the Company has amounts received in advance for goods of Baht 6.06 million, and has performance obligation to distribute goods to customers amount of Baht 6.06 million.

17. LEASE LIABILITIES

17.1 Lease liabilities as follows:

	<i>(Unit: Baht)</i>	
	September 30, 2020	December 31, 2019
Lease liabilities	214,742,801.57	-
Less: Deferred interest expense	<u>(28,551,542.66)</u>	<u>-</u>
Total	186,191,258.91	-
Less: Current portion	<u>(124,533,397.76)</u>	<u>-</u>
Lease liabilities - net	<u><u>61,657,861.15</u></u>	<u><u>-</u></u>

The Company has entered into the land lease agreements for the period of 3 years and 30 years, lease commercial space for the period of 3 years and 10 years and rent of motor vehicles for the period of 5 years.

17.2 The increase and decrease of lease liabilities for the nine-month periods ended September 30, 2020 are as follow:

	<i>(Unit: Baht)</i>
Present value of minimum payment for lease as at January 1, 2020 (Before restated)	-
Adjustment due to initial adoption TFRS 16	<u>232,879,189.05</u>
Present value of minimum payment for lease as at January 1, 2020 (After restated)	232,879,189.05
Add: Increase during the period	43,265,607.55
Less: Repayment during the period	<u>(89,953,537.69)</u>
Present value of minimum payment for lease as at September 30, 2020	186,191,258.91
Less: Current portion	<u>(124,533,397.76)</u>
Lease liabilities - net	<u><u>61,657,861.15</u></u>

17.3 Minimum amount to be paid for lease are as follow:

	September 30, 2020	December 31, 2019
Within 1 year	124,533,397.76	-
Over 1 year but less than 5 years	64,506,251.16	-
Over 5 years	25,703,152.65	-
Total	<u>214,742,801.57</u>	-
Less: Deferred interest	<u>(28,551,542.66)</u>	-
Present value of minimum payment for lease	<u><u>186,191,258.91</u></u>	<u><u>-</u></u>

Deferred interest recognised in statements of comprehensive income as finance costs amount of Baht 8,821,081.12 .

18. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movement for the nine-month periods ended September 30, 2020 are as follows:

	<i>(Unit: Baht)</i>
Balance as at January 1, 2020	23,041,416.00
Current costs of services and interest	1,492,688.00
Employee benefit paid during the period	<u>(5,784,742.84)</u>
Balance as at September 30, 2020	<u><u>18,749,361.16</u></u>

Long-term employee benefit expenses for the nine-month periods ended September 30, 2020 and 2019 recognized in comprehensive income are summarized below:

	<i>(Unit: Baht)</i>	
	2020	2019
Distribution costs	126,457.98	1,512,335.24
Administrative expenses	<u>1,366,230.02</u>	<u>3,403,666.53</u>
Total	<u><u>1,492,688.00</u></u>	<u><u>4,916,001.77</u></u>

19. TRANSACTION WITH RELATED PERSONS AND PARTIES

The Company had transaction with related persons and parties. These transactions are related in the normal course of business and on the basis of the Company and related persons or parties concerned.

Relationship of the Company and related persons and parties can be summarized as follows:

<u>Related parties and persons name</u>	<u>Relationship</u>	<u>Related transactions</u>	<u>Pricing policy</u>
<i>Persons consist of:-</i>			
Mrs. Tanyapon Kraibhubes	Shareholder and director	The Company rent land and land with its construction (state as right of use assets and lease liabilities)	As indicated in agreement

19.1 Transactions between the Company with related persons and parties can be summarized as follow:

(Unit: Baht)

	For the nine-month periods ended	
	September 30, 2020	September 30, 2019
Land with its construction rental		
Mrs. Tanyapon Kraibhubes	-	274,050.00
Land rental		
Mrs. Tanyapon Kraibhubes	-	957,219.75
Interest expenses		
Mrs. Tanyapon Kraibhubes	642,557.66	-
Amortisation – right-of-use assets		
Mrs. Tanyapon Kraibhubes	345,013.53	-

19.2 The balance with its related persons and parties as at September 30, 2020 and December 31, 2019 are as follow:

(Unit: Baht)

	September 30, 2020	December 31, 2019
Non-current assets-rental deposit		
Mrs. Tanyapon Kraibhubes	-	87,000.00
Accrued rental		
Mrs. Tanyapon Kraibhubes	-	3,638,538.00
Right-of-use assets		
Mrs. Tanyapon Kraibhubes	10,281,992.29	-
Lease liabilities		
Mrs. Tanyapon Kraibhubes	15,511,986.89	-

Land lease agreement

The Company has leasehold rights under land lease agreement dated June 11, 2013 for a period of 20 years. The rental is determined equal to the independent appraiser and according to the minutes of shareholders' general meeting for the year 2014 held on April 25, 2014, passed the resolution to amend agreement by making memorandum attached agreement by extending the lease period for another 10 years in the amount of Baht 16.44 million to total period of 30 years in the amount of Baht 38.28 million in accordance with agreement dated July 23, 2014. The lease agreement period is commenced on January 1, 2014 - December 31, 2043 (the counterparties agreed to collect rental since the completion of buildings and others construction or since January 1, 2016 whichever is earlier until the maturity of lease period). However, the Company started to record rental since January 1, 2014 onwards. The construction structured on such lease land was not transferred the ownership to the lessor, the lessee should dismantled such construction when the Company ceased the lease.

Since January 1, 2020, the Company recorded those lease as right of use assets as stated in notes 5 and 12.

As at September 30, 2020, the Company has to pay the remaining rental under lease as follows:

	<i>(Unit: Baht)</i>
Amount to be paid	
Within 1 year	1,006,020.00
Over 1 year but less than 5 years	4,288,160.25
Over 5 years (to year 30 th)	<u>26,860,075.65</u>
Total	<u>32,154,255.90</u>

20. INTERIM DIVIDEND

According to the minutes of Board of directors' meeting No. 3/2020 held on March 30, 2020, passed the resolution to indefinitely postpone the 2020 caused by the Coronavirus disease 2019 (COVID-19) pandemic situation, and passed to pay dividend to the shareholders for 2,994 million shares at the rate of Baht 0.071 per share, totally Baht 213 million. The Company has already paid interim dividend in 2019 at Baht 0.035 per share amounting to Baht 105 million, the remaining dividend to be paid of Baht 0.036 per share amounting to 108 million, The payment of dividend is already made on April 29, 2020.

21. EARNINGS (LOSS) PER SHARE

Basic earnings per share (excluded repurchase shares) and diluted earnings per share for three-month and nine-month periods ended September 30, 2020 and 2019 are as follows:

(Unit: Baht)

	For the three-month periods ended September 30,					
	2020			2019		
	Weighted average number of ordinary shares	Earnings (Loss) per share		Weighted average number of ordinary shares	Earnings per share	
	Profit (Loss)		Profit (Loss)			
Basic earnings(loss) per share	(22,752,739.15)	2,994,193,535	(0.01)	50,848,498.54	2,994,136,077	0.02
Effects of dilutive potential						
ordinary shares	-	-	-	-	-	-
Diluted earnings(loss) per share	(22,752,739.15)	2,994,193,535	(0.01)	50,848,498.54	2,994,136,077	0.02

(Unit: Baht)

	For the nine-month periods ended September 30,					
	2020			2019		
	Weighted average number of common share	Earnings (Loss) per share		Weighted average number of common share	Earnings per share	
	Profit (Loss)		Profit (Loss)			
Basic earnings(loss) per share	(123,793,460.66)	2,994,193,535	(0.04)	167,166,245.19	2,994,136,077	0.06
Effects of dilutive potential						
ordinary shares	-	-	-	-	214,114	-
Diluted earnings(loss) per share	(123,793,460.66)	2,994,193,535	(0.04)	167,166,245.19	2,994,350,191	0.06

Diluted earnings per share for three-month and nine-month periods were not calculated since the average market price is lower than the exercise price.

22. FINANCIAL INFORMATION BY SEGMENT

The core operating segment information is to distribute cosmetic by retail and non-retail channel. This operating segment information is reported corresponding with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assess its performance. The chief operating decision makes of the Company has been identified as the President of executive management.

23. COMMITMENT AND CONTINGENT LIABILITIES

23.1 As at September 30, 2020, the Company has obligations under lease of space and services agreements of the Company's branches for the periods less than, remain amount of Baht 2.07 million.

As at September 30, 2020, the Company had no obligations under land lease agreements as a result of the adoption of the TFRS 16 as at January 1, 2020. The Company recognised the lease liabilities previously classified as operating lease at the present value of the remaining lease payments, discounted using the Company incremental borrowing rate, as described in notes 5 to the financial statements.

23.2 The Company is liable on payment under capital expenditures agreement as at September 30, 2020, amount of Baht 3.27 million.

23.3 The Company has the remaining obligations to paid under agreement for purchasing raw materials and finished goods as at September 30, 2020 amount of Baht 43.74 million.

24. DISCLOSURE AND PRESENTATION OF FINANCIAL INSTRUMENTS

Interest rate risk

The Company exposed to interest rate risk in respect of bank deposits, other current financial assets other non-current financial assets, and lease liabilities.

Significant financial assets and liabilities can be classified by interest rate as follows:

(Unit: Baht)

As at September 30, 2020					
	Note	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
<u>Financial assets</u>					
Cash and cash equivalents	6	195,884,137.01	-	1,420,409.00	197,304,546.01
Other current financial assets	9	-	149,930,454.53	-	149,930,454.53
Other non-current financial assets	10	-	49,966,292.82	-	49,966,292.82
<u>Financial liabilities</u>					
Lease liabilities	17	-	186,191,258.91	-	186,191,258.91

Exchange rate risk

The Company exposed to foreign currencies exchange rate risk in the minimum level since the business transactions denominated in Thai Baht currency.

At present, the Company has a policy to manage exchange rate risk by entering into forward contract. However, the Company still exposes to exchange rate risk for the past of assets and liabilities denominated in foreign current of which were not hedged.

The Company has assets and liabilities denominated in foreign currencies in the financial statements as at September 30, 2020 are as follows:

Trade and other current receivables	USD currency	417,830.40
-------------------------------------	--------------	------------

The Company has forward contract lines from two financial institutions for the amount of Baht 50 million and USD 3 million.

The Company has the remaining forward contract as at September 30, 2020 as follows:

Currency	Purchase amount	Selling amount	Forward rate		Due date
			Purchase amount	Selling amount	
			(Baht: Unit of Foreign Currency)		
USD	-	417,830.40	-	31.17	November 12, 2020

Fair value of financial instruments

As at September 30, 2020, the Company presented book value of financial assets and financial liabilities which measured at fair value including presented the fair value hierarchy for financial instruments.

(Unit: Baht)

	As at September 30, 2020			
	Book value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	197,304,546.01	197,304,546.01	197,304,546.01
Trade and other current receivables	-	42,063,794.01	42,063,794.01	42,063,794.01
Other current financial assets	-	149,930,454.53	149,930,454.53	149,930,454.53
Other non-current financial assets	-	49,966,292.82	49,966,292.82	49,966,292.82
Total financial assets	-	439,265,087.37	439,265,087.37	439,265,087.37
Financial liabilities				
Trade and other current payables	-	100,066,127.09	100,066,127.09	100,066,127.09
Current portion of lease liabilities	-	124,533,397.76	124,533,397.76	124,533,397.76
Lease liabilities	-	61,657,861.15	61,657,861.15	61,657,861.15
Total financial liabilities	-	286,257,386.00	286,257,386.00	286,257,386.00

Book value of financial assets and financial liabilities presented in statements of financial position are approximately closed to their fair value.

25. CAPITAL MANAGEMENT

The objective of capital management of the Company is to appropriate properly financial structure and to preserve the ability to continue its operation as a going concern.

As at September 30, 2020, the Company has debt to equity ratio equal to 0.38 fold.

26. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were approved and authorized for issue by the Company's Board of directors on November 12, 2020.