

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021
(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 March 11, 2021, 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
Mr. Pornpong Pornprapa	2.81
Thai NVDR Company Limited	2.79

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, resulting the most of branches have been closed 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, 2020. 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, 2020.

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 which are effective for the financial statements for the period 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 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

3.2 Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exceptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

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, 2020.

5. CASH AND CASH EQUIVALENTS

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Cash	693,190.50	1,117,807.75
Current accounts	3,191,944.39	5,151,673.36
Savings deposit	204,459,730.25	169,281,833.32
Unbilled credit card slip	376,464.75	391,525.39
Total	<u>208,721,329.89</u>	<u>175,942,839.82</u>

As at March 31, 2021, savings deposit and current account had interest rate ranking from 0.05% to 0.50% per annum (December 31, 2020, at 0.05% to 0.50% per annum).

6. TRADE AND OTHER CURRENT RECEIVABLES

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Trade accounts receivable		
Franchise receivable	-	22,721.48
Other parties receivable	13,218,540.24	39,776,044.87
Sale with consignment agreement receivables	1,686,184.32	2,270,806.12
Total trade accounts receivable	<u>14,904,724.56</u>	<u>42,069,572.47</u>
Less Allowance for expected credit losses	(26,396.44)	(62,684.44)
Trade accounts receivable - net	<u>14,878,328.12</u>	<u>42,006,888.03</u>
Other current receivables		
Prepaid expenses	10,419,285.27	11,337,048.03
Accrued interest	444,297.07	131,677.56
Goods deposit	484,160.00	135,810.00
Non-refund input tax	3,143,873.79	3,474,368.30
Advance payment	411,000.00	-
Prepaid value added tax	656,007.19	681,605.03
Others	662,316.19	870,320.50
Total other current receivables	<u>16,220,939.51</u>	<u>16,630,829.42</u>
Total trade and other current receivables	<u>31,099,267.63</u>	<u>58,637,717.45</u>

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

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Trade accounts receivable due in term	14,119,816.83	40,997,242.03
Overdue trade accounts receivable		
- Less than 3 months	749,324.84	1,055,777.58
- Over 3 months but less than 1 year	26,433.03	416.00
- Over 1 year but less than 2 year	9,149.86	16,136.86
Total trade accounts receivable	<u>14,904,724.56</u>	<u>42,069,572.47</u>

7. INVENTORIES

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Finished goods	141,936,237.26	152,650,589.97
Packaging	75,891,625.96	79,453,236.89
Work in process	4,614,913.27	4,206,244.81
Supplies	3,740,000.66	3,982,624.58
Total	<u>226,182,777.15</u>	<u>240,292,696.25</u>
Less Allowance for devaluation of inventories	<u>(39,049,995.26)</u>	<u>(31,276,639.01)</u>
Net	<u>187,132,781.89</u>	<u>209,016,057.24</u>

8. OTHER CURRENT FINANCIAL ASSETS / OTHER CURRENT FINANCIAL LIABILITIES

8.1 OTHER CURRENT FINANCIAL ASSETS

(Unit: Baht)

	<u>At interest rate per annum</u>			
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
Fixed deposits	0.82 - 0.90	0.82 - 0.90	250,000,000.00	250,000,000.00
Forward contracts			-	432,214.58
Total			<u>250,000,000.00</u>	<u>250,432,214.58</u>

In 2021, the Company has fixed deposits with two financial institutions for 12 months maturity (2020, two institutions for 12 months).

8.2 OTHER CURRENT FINANCIAL LIABILITIES

(Unit: Baht)

	March 31, 2021	December 31, 2020
Forward contracts	<u>26,077.59</u>	-
Total	<u>26,077.59</u>	-

Forward contracts, derivatives assets held for trading are not defined in hedge accounting relationship, present at fair value through profit or loss.

9. PROPERTY, PLANT AND EQUIPMENT

Movement for the three-month periods ended March 31, 2021 are summarized as follows:

(Unit: Baht)

Net book value as at January 1, 2021	165,821,307.64
Acquisition during the period	399,755.14
Disposal	(743,996.99)
Write off/adjustment	(2,784,143.25)
Reversed allowance for devaluation of assets	1,780,988.90
Impairment loss of assets	(833,020.55)
Depreciation for the period	<u>(6,203,349.42)</u>
Net book value as at March 31, 2021	<u>157,437,541.47</u>

Part of buildings at net book value amount of Baht 81.04 million are constructed on land leased from director as stated in note 16.2.

Depreciation for the three -month periods ended March 31, 2021 and 2020 amounted to Baht 6.20 million and Baht 10.82 million respectively.

As at March 31, 2021 and December 31, 2020, the Company has fixed assets at cost amount of Baht 80.61 million and Baht 88.25 million respectively which have been fully depreciated but are still in use.

10. RIGHT-OF-USE ASSETS / LEASE LIABILIATIES

The Company entered into lease of land, space in department store and warehouse, and motor vehicles for using in its operation. The lease period is averaged from 2 - 10 years.

Movements of right-of-use assets for the three -month periods ended March 31, 2021 are summarized below.

10.1 RIGHT-OF-USE ASSETS

(Unit: Baht)

Net book value as at January 1, 2021	100,091,561.11
Acquisitions - at cost	33,299,534.46
Amortization for periods	(44,936,154.79)
Net book value as at March 31, 2021	<u>88,454,940.78</u>

Amortization of right-of-use assets for the three-month periods ended March 31, 2021 amounted to Baht 44.94 million.

10.2 LEASE LIABILIATIES

10.2.1 Lease liabilities as follows:

(Unit: Baht)

	March 31, 2021	December 31,2020
Lease liabilities	130,533,180.63	145,832,987.71
Less: Deferred interest income	(23,130,984.02)	(23,757,223.32)
Total	<u>107,402,196.61</u>	<u>122,075,764.39</u>
Less: Current portion of long-term lease	(51,142,671.06)	(73,451,452.26)
Lease liabilities - net	<u>56,259,525.55</u>	<u>48,624,312.13</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.

10.2.2 The increase and decrease of lease liabilities for the three-month periods ended March 31, 2021 are as follow:

	<i>(Unit: Baht)</i>
Present value of minimum payment net for lease as at January 1, 2021	122,075,764.39
Add: Increase during the year	33,299,534.46
Less: Repayment during the year	<u>(47,973,102.24)</u>
Present value of net minimum payment net for lease as at March 31, 2021	107,402,196.61
Less: Current portion of long-term lease	<u>(51,142,671.06)</u>
Lease liabilities - net	<u><u>56,259,525.55</u></u>

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

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Within 1 year	55,806,507.37	78,512,817.48
Over 1 year but less than 5 years	49,601,982.11	41,617,017.58
Over 5 years	<u>25,124,691.15</u>	<u>25,703,152.65</u>
Total	130,533,180.63	145,832,987.71
Less: Deferred interest	<u>(23,130,984.02)</u>	<u>(23,757,223.32)</u>
Present value of minimum payment for lease	<u><u>107,402,196.61</u></u>	<u><u>122,075,764.39</u></u>

Deferred interest recognized in statements of comprehensive income as finance costs amount of Baht 1,814,401.91.

11. OTHER INTANGIBLE ASSETS

Movement for the three-month periods ended March 31, 2021 are summarized as follows:

	<i>(Unit: Baht)</i>
Net book value as at January 1, 2021	22,742,739.87
Acquisition during the period	812,000.00
Amortization for the period	(822,618.00)
Net book value as at March 31, 2021	22,732,121.87

Amortization of other intangible assets for the three-month periods ended March 31, 2021 and 2020 amounted to Baht 0.82 million and Baht 0.85 million respectively.

12. DEFERRED TAX ASSETS

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Deferred tax assets	47,364,157.39	43,633,326.52
Deferred tax liabilities	-	-
Net	<u>47,364,157.39</u>	<u>43,633,326.52</u>

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

	<i>(Unit: Baht)</i>		
	As at	Credit	As at
	January 1,	(charged) to	March 1,
	2021	Profit or loss	2020
Deferred tax assets			
Allowance for devaluation of goods	6,255,327.80	1,554,671.25	7,809,999.05
Provision for impairment of assets	1,382,702.26	(189,593.67)	1,193,108.59
Employee benefit obligations	3,281,475.20	(679,135.51)	2,602,339.69
Deferred income for reward points	2,080,338.39	51,659.61	2,131,998.00
Dismantling provision	219,683.10	14,588.61	234,271.71
Provision for impairment of deposit	1,283,143.04	(60,000.00)	1,223,143.04
Deficit carried forward	24,733,816.07	3,646,030.07	28,379,846.14
Lease	4,396,840.66	(607,389.49)	3,789,451.17
Total	<u>43,633,326.52</u>	<u>3,730,830.87</u>	<u>47,364,157.39</u>

Tax expense for the three-month periods ended March 31, 2021 and 2020 can be summarized as follows:

	<i>(Unit: Baht)</i>	
	2021	2020
<i>Current tax:</i>		
Income tax for the periods	-	-
<i>Deferred tax:</i>		
Deferred tax (income) derived from temporary differences and reversal of temporary differences presented in statement of comprehensive income	<u>(3,730,830.87)</u>	<u>427,328.42</u>
Tax expense(income) in statements of comprehensive income	<u><u>(3,730,830.87)</u></u>	<u><u>427,328.42</u></u>

13. OTHER NON-CURRENT ASSETS

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Rental and services deposit	49,267,784.05	59,986,968.26
Others	<u>1,544,703.31</u>	<u>2,366,308.76</u>
Total	50,812,487.36	62,353,277.02
Less Provision for impairment of deposit	<u>(6,115,715.21)</u>	<u>(6,415,715.21)</u>
Net	<u><u>44,696,772.15</u></u>	<u><u>55,937,561.81</u></u>

14. TRADE AND OTHER CURRENT PAYABLES

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Trade accounts payable	26,299,814.73	28,721,067.15
Other current payables		
Accrued expenses	27,829,644.39	36,880,612.32
Revenue Department payable	2,124,986.32	2,386,231.96
Assets payables	6,158,676.26	6,200,452.26
Amount received advance for goods	2,217,111.58	2,372,571.82
Deferred income for reward points	10,659,990.01	10,401,691.96
Accrued dividend	783,233.06	792,350.51
Others	1,134,446.28	256,633.48
Total other current payables	<u>50,908,087.90</u>	<u>59,290,544.31</u>
Total trade and other current payables	<u><u>77,207,902.63</u></u>	<u><u>88,011,611.46</u></u>

As at March 31, 2021, the Company has amounts received in advance for goods of Baht 2.22 million, and has performance obligation to distribute goods to customer amount of Baht 2.22 million.

15. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movement for the three-month periods ended March 31, 2021 are as follows:

	<i>(Unit: Baht)</i>
	2021
Balance as at January 1, 2021	16,407,376.00
Current costs of services and interest	934,872.53
Employee benefit paid during the period	<u>(4,330,550.10)</u>
Balance as at March 31, 2021	<u><u>13,011,698.43</u></u>

Long-term employee benefit expenses for the three-month periods ended March 31, 2021 and 2020 recognized in comprehensive income are summarized below:

	<i>(Unit: Baht)</i>	
	2021	2020
Distribution costs	145,843.42	228,191.25
Administrative expenses	789,029.11	828,280.50
Total	<u>934,872.53</u>	<u>1,056,471.75</u>

16. 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 leased land and land with its construction (stated as right-of-use assets and lease liabilities)	As indicated in agreement

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

	<i>(Unit: Baht)</i>	
	For the three-month periods ended	
	March 31, 2021	March 31, 2020
Deferred interest expenses		
Mrs. Tanyapon Kraibhubes	253,504.78	309,817.78
Amortisation - right-of-use assets		
Mrs. Tanyapon Kraibhubes	110,559.06	190,114.99

16.2 The balance with its related persons and parties as at March 31, 2021 and December 31, 2020 are as follow:

	<i>(Unit: Baht)</i>	
	March 31, 2021	December 31, 2020
Right-of-use assets		
Mrs. Tanyapon Kraibhubes	10,060,874.18	10,171,433.23
Lease liabilities		
Mrs. Tanyapon Kraibhubes	16,018,962.51	15,765,457.72

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, 2021, the Company recorded those lease as right of use assets as stated in notes 10.1

As at March 31, 2021, 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	4,363,611.75
Over 5 years (to year 30 th)	26,281,614.15
Total	31,651,245.90

17. INTERIM DIVIDEND

2020

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 and on August 27, 2020, the Annual General Meeting of shareholders for the year passed to acknowledge that resolution.

18. EARNINGS (LOSS) PER SHARE

Basic earnings per share (excluded repurchase shares) and diluted earnings per share for three-month periods ended March 31, 2021 and 2020 are as follows:

(Unit: Baht)

	For the three-month periods ended March 31,					
	2021			2020		
	Weighted average number of ordinary shares	Earnings (Loss) per share	Profit (Loss)	Weighted average number of ordinary shares	Earnings per share	Profit (Loss)
	Profit (Loss)	shares	per share	Profit (Loss)	shares	per share
Basic earnings(loss) per share	(15,131,726.38)	2,994,193,535	(0.01)	(39,679,181.96)	2,994,193,535	(0.01)
Effects of dilutive potential ordinary shares	-	-	-	-	-	-
Diluted earnings(loss) per share	(15,131,726.38)	2,994,193,535	(0.01)	(39,679,181.96)	2,994,193,535	(0.01)

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

19. 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.

Revenues from sales involved in geographical both in domestic and overseas for three-month periods ended March 31, 2021 and 2020 are as follows:

	<i>(Unit: Baht)</i>	
	2021	2020
Domestic sales	94,556,568.10	232,632,810.07
Oversea sales	<u>36,937,986.04</u>	<u>34,634,628.67</u>
Total	<u><u>131,494,554.14</u></u>	<u><u>267,267,438.74</u></u>

Major customer's information

For three-month periods ended March 31, 2021, the Company has revenues from two customers in the amount of Baht 46.57 million which the value exceed than 10% of revenues of the Company.

20. COMMITMENT AND CONTINGENT LIABILITIES

- 20.1 The Company has obligations under lease of space and services agreements of the Company's for the periods less than, remain as at March 31, 2021, amount of Baht 1.10 million.
- 20.2 The Company is liable on payment under capital expenditures agreement as at March 31, 2021, amount of Baht 6.08 million.
- 20.3 The Company has the remaining obligations to pay under agreement for purchasing raw materials and finished goods as at March 31, 2021, amount of Baht 47.22 million.

21. FINANCIAL INSTRUMENTS

21.1 FINANCIAL RISK MANAGEMENT POLICIES

The Company are exposed to any financial risks which included credit risk, market risk (including currency risk and interest risk) and liquidity risk. The overall risk management policies of the Company that focuses the risk management from fluctuation of unforeseeable financial market to create the minimal negative impacts on results of financing operation. The Company used the derivatives to hedge risk exposures as follows:

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.

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

The Company has derivatives by entering into forward contract as at March 31, 2021 as follows:

Currency	Selling amount	Exchange rate	Due date
	(Million Baht)	(Baht: Unit of Foreign Currency)	
USD	0.03	29.95-30.76	29 April 2021 - 21 June 2021

As at March 31, 2021, the Company has assets and liabilities denominated in foreign currencies in the financial statements are as follows:

	<u>(Million)</u>	<u>Currency</u>	<u>Exchange rate (Baht: Unit of Foreign Currency)</u>
Trade and other current receivables	0.03	USD	31.11

Credit Risk

The Company manages the risk by adopting appropriate credit control policies and therefore does not expect to incur material financial losses from commercial credit. The outstanding trade receivables are regularly monitored

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision for expected credit losses rates are used on days past due for groupings of various customer segments with similar credit risks, the groupings are considered from their nature of business. The calculation of expected credit losses reflects the reasonable and supportable, information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Liquidity risk

The Company needs liquidity to be able to meet its commercial obligations where the Company is responsible for maintaining adequate reserves of and credit limits raising both in the Company and other financial institutions to meet the required liquidity under the Company's framework.

The Company has assessed the lack of liquidity risk by continuously planning liquidity risk management and maintaining adequate reserves of cash, deposits at bank, undrawn credit facilities and unconditions credit facilities.

Interest Rate Risk

Interest rate risk derives from changes in market interest rate resulting to the Company's operation and cash flows. The Company has interest rate risk from deposit at bank and lease liabilities bear floating interest rates and fixed interest rates which are close to market rate.

As at March 31,2021, significant financial assets and financial liabilities can be classified by type of interest rate with those financial assets and financial liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date).

(Unit: Million Baht)

	March 31, 2021					Effective interest rate (% p.a.)
	Fixed interest rate		Floating Interest rate	Non-interest rate	Total	
	Within 1 year	Over 1 -5 year				
<u>Financial assets</u>						
Cash and cash equivalents	-	-	204.46	4.26	208.72	0.05 -0.50
Trade and other current receivables	-	-	-	15.73	15.73	-
Other current financial assets	250.00	-	-	-	250.00	0.82 -0.90
Other non-current assets	-	-	-	44.70	44.70	-
	<u>250.00</u>	<u>-</u>	<u>204.46</u>	<u>64.69</u>	<u>519.15</u>	
<u>Financial liabilities</u>						
Other current financial liabilities	0.03	-	-	-	0.03	-
Trade and other current payables	-	-	-	62.21	62.21	-
Lease liabilities	107.40	-	-	-	107.40	5.85
Other non-current provisions	1.59	-	-	-	1.59	-
	<u>109.02</u>	<u>-</u>	<u>-</u>	<u>62.21</u>	<u>171.23</u>	

From analysis the effects of changes in interest rates, the Company has no significant impacts since the Company had no liabilities bearing market interest rates.

21.2 FAIR VALUE OF FINANCIAL INSTRUMENTS

Since the financial assets and financial liabilities are classified in short-term or bearing interest rate closely to market rate, and loans denominated in Thai Baht bearing the market interest rate. The Company management assessed fair value of financial assets and financial liabilities presented in statements in financial position closely to their carrying value.

The methodology and assumption used in estimate of fair value of financial instrument are as follow:

- a) Financial assets and financial liabilities with short-term maturity, such as cash and cash equivalents, receivable, payables are presented fair value by estimating in accordance with carrying value in statements in financial position.
- b) Long-term liabilities bearing interest at fixed rate are presented fair value by calculating present value of future cash outflows discounted by estimated make interest rate for financial instruments with similar term.

The Company has the remaining forward contract as at March 31, 2021 as follows:

Currency	Purchase amount	Selling amount	Forward rate		Due date
			Purchase amount	Selling amount	
			(Baht: Unit of Foreign Currency)		
USD	-	25,256.38	-	29.95-30.76	29 April 2021 - 21 June 2021

Fair value of financial instruments

As at March 31, 2021, 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 March 31, 2021			Fair value
	Fair value through profit or loss	Amortized cost	Total	
Financial assets				
Cash and cash equivalents	-	208,721,329.89	208,721,329.89	208,721,329.89
Trade and other current receivables	-	15,733,625.19	15,733,625.19	15,733,625.19
Other current financial assets	-	250,000,000.00	250,000,000.00	250,000,000.00
Other non-current assets	-	44,696,772.15	44,696,772.15	44,696,772.15
Total financial assets	-	519,151,727.23	519,151,727.23	519,151,727.23
Financial liabilities				
Other current financial liabilities	26,077.59	-	-	26,077.59
Trade and other current payables	-	62,205,814.72	62,205,814.72	62,205,814.72
Lease liabilities	-	107,402,196.61	107,402,196.61	107,402,196.61
Other non-current liabilities	-	1,591,250.00	1,591,250.00	1,591,250.00
Total financial liabilities	26,077.59	171,199,261.33	171,199,261.33	171,225,338.92

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

22. FAIR VALUE HIERARCHY

As at March 31, 2021, the Company had the assets that were measured at fair value and liabilities for which fair value were disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Financial Statements as at March 31, 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
- Forward contracts	-	0.03	-	0.03

23. 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 March 31, 2021, the Company has debt to equity ratio equal to 0.25 fold.

24. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were approved and authorized for issue by the Company's Board of directors on May 14, 2021.