Autocorp Holding Public Company Limited and its Subsidiaries

Financial statements for the year ended
31 December 2020
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Autocorp Holding Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Autocorp Holding Public Company Limited and its subsidiaries (the "Group") and of Autocorp Holding Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate 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.

Key Audit Matters

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

Valuation of inventories	
Refer to Notes 4 (f) and 8 to the consolidated financial statements	
The key audit matter	**How the matter was addressed in the audit**
The major inventory of the Group is cars. The sales volume of the Group depending on the market demand of each model and car manufacturer's supply. As a result of the fluctuation in sales volume of cars which may affect the price in certain period, the valuation of inventory involves management's judgment for the net realisable values of inventories by evaluating the future trading forecasts including the marketing and promotion program from car manufacturer. In addition, due to the material size of the inventories, I considered this as the key audit matter.	My audit procedures included the following: - Enquiring with management to obtain an understanding of the Group's policy in relation to the estimation of net realisable values of inventories; - Understanding the design of internal controls on inventory management; - Observing the inventory count; - Evaluating the appropriateness of retrospective review with estimation of the net realisable values of inventories at the reporting period; - Tested the calculation of net realisable value of inventories; - Evaluated the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.

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 consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 and request that the correction be made.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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 Group's and 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

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

(Natthaphong Tantichattanon)
Certified Public Accountant
Registration No. 8829

KPMG Phoomchai Audit Ltd.
Bangkok
22 February 2021

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets	*Note*	2020	2019	2020	2019
			(in Baht)		
Current assets					
Cash and cash equivalents	*6*	162,539,975	153,900,977	58,226,429	5,068,381
Trade accounts receivable	*7, 22*	46,785,759	130,554,150	-	-
Other current receivables	*5*	6,988,502	16,069,567	4,982,754	8,655,901
Inventories	*8*	240,075,280	474,297,721	-	-
Current tax assets		2,258,218	3,030,546	2,212,575	2,016,830
Other current assets		3,447,359	13,344,400	42,541	97,413
Total current assets		**462,095,093**	**791,197,361**	**65,464,299**	**15,838,525**
Non-current assets					
Investments in subsidiaries	*5, 9*	-	-	549,590,000	548,600,000
Long-term loan to subsidiary	*5*	-	-	10,000,000	-
Investment properties	*10*	69,596,683	69,596,683	-	-
Property, plant and equipment	*11*	671,932,824	695,817,322	-	-
Right-of-use assets	*3, 12*	106,205,157	-	-	-
Intangible assets		7,143,639	8,347,873	4,226,479	4,553,721
Deferred tax assets		3,152,407	1,834,926	464,111	193,756
Other non-current assets		2,439,864	2,276,674	-	-
Total non-current assets		**860,470,574**	**777,873,478**	**564,280,590**	**553,347,477**
Total assets		**1,322,565,667**	**1,569,070,839**	**629,744,889**	**569,186,002**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated financial statements 31 December 2020	Consolidated financial statements 31 December 2019	Separate financial statements 31 December 2020	Separate financial statements 31 December 2019
		(in Baht)			
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	*13*	320,000,000	670,001,193	-	-
Trade accounts payable		107,193,010	162,051,102	-	-
Other current payables	*5*	25,513,879	32,611,306	827,975	1,516,828
Current portion of long-term loans from					
financial institution	*13, 22*	28,700,000	30,000,000	-	-
Current portion of lease liabilities	*3, 12, 13, 22*	1,515,112	-	-	-
Current income tax payable		2,153,339	1,823,991	-	-
Other current liabilities		1,246,483	990,447	384,383	362,217
Total current liabilities		**486,321,823**	**897,478,039**	**1,212,358**	**1,879,045**
Non-current liabilities					
Long-term loans from financial institution	*13, 22*	59,750,000	12,500,000	-	-
Lease liabilities	*3, 12, 13, 22*	108,851,336	-	-	-
Non-current provisions for employee benefits		4,787,171	2,918,410	2,320,556	968,779
Other non-current liabilities		-	3,075,521	-	-
Total non-current liabilities		**173,388,507**	**18,493,931**	**2,320,556**	**968,779**
Total liabilities		**659,710,330**	**915,971,970**	**3,532,914**	**2,847,824**

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Autocorp Holding Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated financial statements 31 December 2020	Consolidated financial statements 31 December 2019	Separate financial statements 31 December 2020	Separate financial statements 31 December 2019
		(in Baht)			
Equity					
Share capital:	*14*				
Authorised share capital		300,000,000	300,000,000	300,000,000	300,000,000
Issued and paid-up share capital		300,000,000	300,000,000	300,000,000	300,000,000
Share premium	*14*	137,109,509	137,109,509	137,109,509	137,109,509
Surplus on business combination under					
common control	*15*	130,891,299	130,891,299	-	-
Retained earnings					
Appropriated					
Legal reserve	*15*	5,768,303	1,518,303	5,768,303	1,518,303
Unappropriated		87,244,245	81,872,685	183,334,163	127,710,366
Equity attributable to owners of the parent		**661,013,356**	**651,391,796**	**626,211,975**	**566,338,178**
Non-controlling interests		1,841,981	1,707,073	-	-
Total equity		**662,855,337**	**653,098,869**	**626,211,975**	**566,338,178**
Total liabilities and equity		**1,322,565,667**	**1,569,070,839**	**629,744,889**	**569,186,002**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
		(in Baht)			
Revenue					
Revenue from sale and rendering of services	*5, 16*	1,997,465,542	3,027,873,338	48,344,435	42,434,556
Commission income		60,916,044	77,498,037	-	-
Dividend income	*5*	-	-	83,786,182	-
Other income	*5*	17,144,531	18,353,265	58,394	210,597
Total revenue		**2,075,526,117**	**3,123,724,640**	**132,189,011**	**42,645,153**
Expenses					
Cost of sales and rendering of services	*18*	1,822,156,803	2,833,107,000	-	-
Distribution costs	*18*	56,520,825	67,733,144	-	-
Administrative expenses	*5, 18*	125,954,498	126,812,401	47,086,134	41,369,540
Total expenses		**2,004,632,126**	**3,027,652,545**	**47,086,134**	**41,369,540**
Profit from operating activities		**70,893,991**	**96,072,095**	**85,102,877**	**1,275,613**
Finance costs		(25,787,261)	(27,819,845)	-	-
Profit before income tax expense		**45,106,730**	**68,252,250**	**85,102,877**	**1,275,613**
Tax expense (income)	*19*	9,938,682	14,735,000	325,690	(90,453)
Profit for the year		**35,168,048**	**53,517,250**	**84,777,187**	**1,366,066**
Profit attributable to:					
Owners of the parent		34,826,278	52,995,738	84,777,187	1,366,066
Non-controlling interests		341,770	521,512	-	-
Profit for the year		**35,168,048**	**53,517,250**	**84,777,187**	**1,366,066**
Basic earnings per share	*20*	**0.06**	**0.10**	**0.14**	**0.003**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
		(in Baht)		
Profit for the year	**35,168,048**	**53,517,250**	**84,777,187**	**1,366,066**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Losses on remeasurements of defined benefit plans	(1,509,703)	(591,284)	(1,129,238)	(401,344)
Income tax relating to items that will not be reclassified	301,941	118,257	225,848	80,269
Other comprehensive income (expense) for the year, net of tax	(1,207,762)	(473,027)	(903,390)	(321,075)
Total comprehensive income for the year	**33,960,286**	**53,044,223**	**83,873,797**	**1,044,991**
Total comprehensive income attributable to:				
Owners of the parent	33,621,560	52,524,231	83,873,797	1,044,991
Non-controlling interests	338,726	519,992	-	-
Total comprehensive income for the year	**33,960,286**	**53,044,223**	**83,873,797**	**1,044,991**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements							
				Surplus on business combination	Retained earnings		Equity attributable to	Non-	
	Note	Issued and paid-up share capital	Share premium	under common control	Legal reserve	Unappropriated	owners of the parent	controlling interests	Total equity
					(in Baht)				
Year ended 31 December 2019									
Balance at 1 January 2019		**222,000,000**	**-**	**130,891,299**	**1,450,000**	**29,416,757**	**383,758,056**	**1,187,081**	**384,945,137**
Transactions with owners, recorded directly in equity									
Contributions by owners of the parent									
Issue of ordinary shares	*14*	78,000,000	137,109,509	-	-	-	215,109,509	-	215,109,509
Total transactions with owners, recorded directly in equity		**78,000,000**	**137,109,509**	**-**	**-**	**-**	**215,109,509**	**-**	**215,109,509**
Comprehensive income for the year									
Profit		-	-	-	-	52,995,738	52,995,738	521,512	53,517,250
Other comprehensive income		-	-	-	-	(471,507)	(471,507)	(1,520)	(473,027)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**52,524,231**	**52,524,231**	**519,992**	**53,044,223**
Transfer to legal reserve	*15*	-	-	-	68,303	(68,303)	-	-	-
Balance at 31 December 2019		**300,000,000**	**137,109,509**	**130,891,299**	**1,518,303**	**81,872,685**	**651,391,796**	**1,707,073**	**653,098,869**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements								
				Surplus on business combination	Retained earnings		Equity attributable to	Non-		
	Note	Issued and paid-up share capital	Share premium	under common control	Legal reserve	Unappropriated	owners of the parent	controlling interests	Total equity	
		(in Baht)								
Year ended 31 December 2020										
Balance at 1 January 2020		**300,000,000**	**137,109,509**	**130,891,299**	**1,518,303**	**81,872,685**	**651,391,796**	**1,707,073**	**653,098,869**	
Transactions with owners, recorded directly in equity										
Distributions to owners of the parent										
Dividends	*21*	-	-	-	-	(24,000,000)	(24,000,000)	(213,818)	(24,213,818)	
Total distributions to owners of the parent		**-**	**-**	**-**	**-**	**(24,000,000)**	**(24,000,000)**	**(213,818)**	**(24,213,818)**	
Changes in ownership interests in subsidiary										
Increase in investment in subsidiary		-	-	-	-	-	-	10,000	10,000	
Total changes in ownership interests in subsidiaries		**-**	**-**	**-**	**-**	**-**	**-**	**10,000**	**10,000**	
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**-**	**(24,000,000)**	**(24,000,000)**	**(203,818)**	**(24,203,818)**	
Comprehensive income for the year										
Profit		-	-	-	-	34,826,278	34,826,278	341,770	35,168,048	
Other comprehensive income		-	-	-	-	(1,204,718)	(1,204,718)	(3,044)	(1,207,762)	
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**33,621,560**	**33,621,560**	**338,726**	**33,960,286**	
Transfer to legal reserve	*15*	-	-	-	4,250,000	(4,250,000)	-	-	-	
Balance at 31 December 2020		**300,000,000**	**137,109,509**	**130,891,299**	**5,768,303**	**87,244,245**	**661,013,356**	**1,841,981**	**662,855,337**	

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

				Seperated financial statements		
		Issued and		Retained earnings		
		paid-up	Share	Legal		Total
	Note	share capital	premium	reserve	Unappropriated	equity
				(in Baht)		
Year ended 31 December 2019						
Balance at 1 January 2019		**222,000,000**	**-**	**1,450,000**	**126,733,678**	**350,183,678**
Transactions with owners, recorded directly in equity						
Contributions by owners						
Issue of ordinary shares	*14*	78,000,000	137,109,509	-	-	215,109,509
Total transactions with owners, recorded directly in equity		**78,000,000**	**137,109,509**	**-**	**-**	**215,109,509**
Comprehensive income for the year						
Profit		-	-	-	1,366,066	1,366,066
Other comprehensive income		-	-	-	(321,075)	(321,075)
Total comprehensive income for the year		**-**	**-**	**-**	**1,044,991**	**1,044,991**
Transfer to legal reserve	*15*	-	-	68,303	(68,303)	-
Balance at 31 December 2019		**300,000,000**	**137,109,509**	**1,518,303**	**127,710,366**	**566,338,178**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of changes in equity

		Seperated financial statements				
		Issued and		Retained earnings		
		paid-up	Share	Legal		Total
	Note	share capital	premium	reserve	Unappropriated	equity
				(in Baht)		
Year ended 31 December 2020						
Balance at 1 January 2020		**300,000,000**	**137,109,509**	**1,518,303**	**127,710,366**	**566,338,178**
Transactions with owners, recorded directly in equity						
Distributions to owners						
Dividends	*21*	-	-	-	(24,000,000)	(24,000,000)
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**(24,000,000)**	**(24,000,000)**
Comprehensive income for the year						
Profit		-	-	-	84,777,187	84,777,187
Other comprehensive income		-	-	-	(903,390)	(903,390)
Total comprehensive income for the year		**-**	**-**	**-**	**83,873,797**	**83,873,797**
Transfer to legal reserve	*15*	-	-	4,250,000	(4,250,000)	-
Balance at 31 December 2020		**300,000,000**	**137,109,509**	**5,768,303**	**183,334,163**	**626,211,975**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
	(in Baht)			
Cash flows from operating activities				
Profit for the year	35,168,048	53,517,250	84,777,187	1,366,066
Adjustments to reconcile profit to cash receipts (payments)				
Tax expense (income)	9,938,682	14,735,000	325,690	(90,453)
Finance costs	25,787,261	27,819,845	-	-
Depreciation and amortisation	42,596,991	31,240,695	551,242	543,084
Impairment loss recognised in profit or loss	152,164	-	-	-
Doubtful debts	-	177,997	-	-
Losses on inventories devaluation	1,832,620	654,471	-	-
Gain on disposal of plant and equipment	(3,067,727)	(2,713,629)	-	-
Dividends received	-	-	(83,786,182)	-
Interest income	(267,743)	(724,163)	(46,027)	(210,592)
	112,140,296	124,707,466	1,821,910	1,608,105
Changes in operating assets and liabilities				
Trade accounts receivable	83,676,059	(35,626,940)	-	-
Other current receivables	9,021,233	(4,508,071)	3,673,147	691,135
Inventories	232,389,821	(258,414,591)	-	-
Other current assets	9,897,041	(7,488,939)	54,872	308,715
Restricted deposits	-	9,000,000	-	-
Other non-current assets	(163,190)	614,610	-	-
Trade accounts payable	(54,858,092)	41,601,375	-	-
Other current payables	(5,286,507)	4,634,538	(688,921)	(1,973,654)
Non-current provisions for employee benefits	359,058	1,224,884	222,539	465,106
Other current liabilities	256,036	209,928	22,166	250,251
Other non-current liabilities	(3,075,521)	1,720,623	-	-
Net cash generated from (used in) operating	384,356,234	(122,325,117)	5,105,713	1,349,658
Taxes paid	(9,852,546)	(15,027,088)	(565,942)	(717,571)
Net cash from (used in) operating activities	**374,503,688**	**(137,352,205)**	**4,539,771**	**632,087**

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

Autocorp Holding Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
			(in Baht)		
Cash flows from investing activities					
Acquisition of plant and equipment		(20,620,970)	(116,746,463)	-	-
Proceeds from sale of plant and equipment		9,897,385	6,547,791	-	-
Acquisition of intangible assets		(447,851)	(2,453,366)	(224,000)	(1,548,476)
Acquisition of investment in subsidiary		-	-	(990,000)	(213,000,000)
Loans to subsidiary		-	-	(10,000,000)	-
Dividends received		-	-	83,786,182	-
Interest received		267,743	739,526	46,027	210,592
Net cash from (used in) investing activities		**(10,903,693)**	**(111,912,512)**	**72,618,209**	**(214,337,884)**
Cash flows from financing activities					
Proceeds from issue of shares		-	224,640,000	-	224,640,000
Transaction costs from issue of shares		-	(9,530,491)	-	(9,530,491)
Decrease in bank overdrafts		(1,193)	(878,656)	-	-
Proceeds from loans from financial institutions		2,190,000,000	2,770,000,000	-	-
Repayment of loans from financial institutions		(2,494,050,000)	(2,720,000,000)	-	-
Payment of lease liabilities		(5,079,900)	-	-	-
Dividends paid to owners of the Company		(23,999,932)	-	(23,999,932)	-
Dividends paid to non-controlling interests		(213,818)	-	-	-
Proceeds from called for paid-up share capital from subsidiary		10,000	-	-	-
Interest paid		(21,626,154)	(27,842,715)	-	-
Net cash from (used in) financing activities		**(354,960,997)**	**236,388,138**	**(23,999,932)**	**215,109,509**
Net increase (decrease) in cash and cash equivalents		**8,638,998**	**(12,876,579)**	**53,158,048**	**1,403,712**
Cash and cash equivalents at 1 January		153,900,977	166,777,556	5,068,381	3,664,669
Cash and cash equivalents at 31 December	*6*	**162,539,975**	**153,900,977**	**58,226,429**	**5,068,381**
Non-cash transactions					
Payable for purchase of plant and equipment		1,275,573	3,079,507	-	-

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

Autocorp Holding Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

Note	Contents

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 22 February 2021.

1 General information

Autocorp Holding Public Company Limited, the "Company", is incorporated in Thailand and was listed on the Market for Alternative Investment (MAI) on 27 June 2019. Subsequently, the Company filed in requesting the Stock Exchange of Thailand (SET) to approve the trading of registered shares on SET and was approved the trading of registered shares be traded on SET commencing from 1 July 2020 onwards. The Company's registered office at 1111, Moo 1, Maliwan Road, Ban Thum, Mueang Khon Kaen, Khon Kaen, Thailand.

The group has registered branches as follow:

Headquarter	:	1111, Moo 1, Maliwan Road, Ban Thum, Mueang Khon Kaen, Khon Kaen, Thailand
Prachasamosorn Branch	:	345, Moo 6, Prachasamosorn Road, Nai Mueang, Mueang Khon Kaen, Khon Kaen, Thailand
Surin Branch	:	274, Moo 9, Pattamanon Road, Salangpan, Mueang Surin, Surin, Thailand
Weerawatyothin Branch	:	783, Moo 20, Surin-Prasat Road, Nok Mueang, Mueang Surin, Surin, Thailand
Buriram Branch	:	65, Moo 9, Buriram-Nangrong Road, Isan, Mueang Buriram, Buriram, Thailand
Nangrong Branch	:	123, Moo 6, Chockchai-Dech Udom Road, Thanon Hak, Nangrong, Buriram, Thailand
Phuket Branch	:	3/17, Moo 3, Thepkrasattri Road, Ratsada, Mueang Phuket, Phuket, Thailand
Naka Branch	:	36/3, Moo 4, Chaofahtawantok Road, Vichit, Mueang Phuket, Phuket, Thailand
Mueang Krabi Branch	:	328, Moo 2, Phetkasem Road, Krabi Noi, Mueang Krabi, Krabi, Thailand

The Company's major shareholder during the financial year was Rungkakulnuwat family.

The principal activity of the Company is investing in the company which operates in distribution of cars and spare parts and services center dealership. Details of the Company's subsidiaries as at 31 December 2020 and 2019 are given in note 9.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 *Financial Instruments* and relevant standards and interpretations and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of revised TFRS which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency.

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

4(j) and 12 Leases:

- whether an arrangement contains a lease;
- whether the Group is reasonably certain to exercise extension options;
- whether the Group exercise termination options.

4(p) and 16 Revenue recognition:

- whether performance obligations in a bundled sale of products and services are capable of being distinct;
- whether revenue from sales of products is recognised over time or at a point in time;
- commission revenue: whether the Group acts as an agent in the transaction rather than as a principal.

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

4(j) Determining the incremental borrowing rate to measure lease liabilities;
8 Measurement of allowance for inventories.

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16.

A. TFRS - Financial instruments standards

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The details of accounting policies are disclosed in note 4(c) and 4(k). There is no material impact of applying TFRS - Financial instruments standards on the Group's financial statements.

B. TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

Impact from the adoption of TFRS 16	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
At 1 January 2020		
Increase in right-of-use assets	94,510	-
Increase in lease liabilities	94,510	-

Measurement of lease liability	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
Operating lease commitment as disclosed at 31 December 2019	109,197	-
Discounted using the incremental borrowing rate at 1 January 2020	96,341	-
Recognition exemption for short-term leases	(1,831)	-
Lease liabilities recognised at 1 January 2020	**94,510**	**-**
Weighted-average incremental borrowing rate *(% per annum)*	4.06 - 4.18	-

Right-of-use assets and lease liabilities shown above were presented as part of cars and accessories dealership and repair and maintenance services and spare parts dealership segments.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group").

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognises assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder's equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

(b) Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

(c) Financial instruments

Accounting policies applicable from 1 January 2020

(c.1) Recognition and initial measurement

Trade receivables and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(c.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comphehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets – business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets – subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(c.3) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(c.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(e) Trade and other accounts receivable

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss *(2019: allowance for doubtful accounts)* which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using methods as follows:

Cars	-	Cost of each purchase transaction (Specific Identification method)
Parts and others	-	First in first out

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property and other costs directly attributable to bringing the investment property to a working condition for its intended use.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property.

No depreciation is provided on freehold land.

(h) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building improvements	2 - 40	years
Furniture, fixtures and office equipment	3 - 5	years
Machinery and equipment	5 - 10	years
Vehicles	5	years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) Intangible assets

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Software licenses	3 - 10	years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Accounting policies applicable before 1 January 2020

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(k) Impairment of financial assets

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, loans to others and related parties).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:
- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:
- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Group recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 January 2020

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

(l) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(o) 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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- *Level 1*: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are based on observable inputs.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(p) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue from rendering of services is recognised when the services are provided. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

Commission revenue

For the contracts that the Group is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue.

(q) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(r) Interest

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(s) Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(u) Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

(v) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly administrative expenses.

5 Related parties

Relationships with subsidiaries and other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Honda Maliwan Co., Ltd.	Thailand	Subsidiary, 99% shareholding and common directors
Autoclik by ACG Co., Ltd.	Thailand	Subsidiary, 99% shareholding and common directors

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Rendering / Receiving of service	Cost plus margin
Purchases of assets	Agreed prices
Rental expense	Agreed prices
Interest income	Contractually agreed rates based on fixed deposits interest rate

Significant transactions for the years ended 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
Year ended 31 December	2020	2019	2020	2019
		(in thousand Baht)		
Subsidiaries				
Dividend income	-	-	83,786	-
Rendering of services	-	-	48,344	42,435
Interest income	-	-	25	-
Rental expense	-	-	972	972
Other related parties				
Dividend paid	46	-	-	-
Key management personnel				
Dividend paid	16,907	-	16,739	-
Key management personnel compensation				
Short-term employee benefit	5,280	5,035	5,280	5,035
Post-employment benefits	842	93	842	93
Total key management personnel compensation	**6,122**	**5,128**	**6,122**	**5,128**

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		(in thousand Baht)		
Other current receivables				
Subsidiaries	-	-	4,396	8,171
Investment in subsidiaries ***(note 9)***	-	-	549,590	548,600
Other current payable				
Subsidiaries	-	-	-	288

Long-term loans to	Interest rate 31 December 2019	Interest rate 31 December 2020	Separate financial statements 31 December 2019	Increase	Decrease	31 December 2020
	(% per annum)			*(in thousand Baht)*		
Subsidiary	-	0.5	-	35,000	(25,000)	10,000
Total			**-**			**10,000**

Significant agreements with related parties

As at 31 December 2020, the Group has the following significant agreements with related parties.

Management Service Agreement

The Company has management service agreement with the subsidiary. The Company agrees to provide management, advisory and other services, whereby the service fees are stipulated in the agreement with the term of agreement for 1 year expiring in December 2021. This agreement shall be automatically renewable for an additional period of 1 year, unless either party gives written notice to the other of its intention to terminate the agreement.

Office Rental and Service Agreements

The Company has office building rental and service agreement with a subsidiary. The subsidiary has leased an office, including office equipment and service for the operation of the Company, whereby the service fees are stipulated in the agreement. The term of agreement is for 1 year expiring in September 2021 and being able to renew by giving 30 days prior notice in writing to the subsidiary before the expiration date of the agreement.

Long-term loan Agreement

The Company has an unsecured long-term loan agreement with a subsidiary with credit facility totalling Baht 35 million with interest rate of 0.5% per annum and the interest is payable on monthly basis. The loan will become due in August 2025. As at 31 December 2020, the Company had the remaining balance of loan to a subsidiary amounting to Baht 10 million.

6 Cash and cash equivalents

	Consolidated financial statements		**Separate financial statements**	
	2020	2019	2020	2019
		(in thousand Baht)		
Cash on hand	155	135	4	3
Cash at banks - current accounts	74,774	97	60	45
Cash at banks - savings accounts	77,161	140,582	58,162	5,020
Cheques on hand	10,450	13,087	-	-
Total	**162,540**	**153,901**	**58,226**	**5,068**

7 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Other parties	47,105	130,781	-	-
Total	**47,105**	**130,781**	**-**	**-**
Less allowance for expected credit loss				
(2019: allowance for doubtful accounts)	(319)	(227)	-	-
Net	**46,786**	**130,554**	**-**	**-**
Impairment loss for the year				
(2019: Doubtful debts expense for the year)	92	178	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Other parties				
Within credit terms	45,972	126,637	-	-
Overdue:				
Less than 3 months	814	3,792	-	-
3-6 months	92	145	-	-
6-12 months	103	68	-	-
Over 12 months	124	139	-	-
	47,105	**130,781**	**-**	**-**
Less allowance for expected credit loss				
(2019: allowance for doubtful accounts)	(319)	(227)	-	-
Net	**46,786**	**130,554**	**-**	**-**

The normal credit term granted by the Group ranges from 7 days to 60 days.

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Cars	213,112	437,918	-	-
Parts and others	31,749	39,333	-	-
Total	**244,861**	**477,251**	**-**	**-**
Less allowance for decline in value of inventories	(4,786)	(2,953)	-	-
Net	**240,075**	**474,298**	**-**	**-**
Inventories recognised in ‘cost of sales of goods’:				
- Cost	1,734,357	2,751,498	-	-
- Write-down to net realisable value	1,844	546	-	-
Net	**1,736,201**	**2,752,044**	**-**	**-**

9 Investments in subsidiaries

	Separate financial statements	
	2020	2019
	(in thousand Baht)	
At 1 January	548,600	335,600
Acquisitions	990	213,000
At 31 December	**549,590**	**548,600**

Acquisitions

At the Extraordinary General Meeting of the shareholder of subsidiary, Honda Maliwan Co., Ltd held on 28 August 2019, the subsidiary's shareholders passed a resolution to increase the authorized share capital from Bath 337 million (comprising of 3,370,000 ordinary shares at par value of Baht 100 per share) to Baht 550 million (comprising of 5,500,000 ordinary shares at par value of Baht 100 per share) by offering to existing shareholder to their proportion. As a result, the Company had investment in the ordinary share of the subsidiary amounting to Bath 213 million. The subsidiary registered the additional authorized share capital with the Ministry of Commerce on 29 August 2019.

On 8 July 2020, the Group made an investment in 99% of the issued and paid-up capital of Autoclik by ACG Co., Ltd., is incorporated in Thailand amounting to baht 0.99 million. Autoclik by ACG Co., Ltd. thereby become a subsidiary of the Group.

Investments in subsidiaries as at 31 December 2020 and 2019, and dividend income from those investments for the years then ended, were as follows:

		Separate financial statements									
	Type of business	Ownership interest		Paid-up capital		Cost		At cost - net		Dividend Income for the year	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		(%)		*(in thousand Baht)*							
Direct subsidiaries											
Honda Maliwan Co., Ltd.	Distribution of cars and spare part and service center dealership	99	99	550,000	550,000	548,600	548,600	548,600	548,000	83,786	-
Autoclik by ACG Co., Ltd.	Fast fit service center	99	-	1,000	-	990	-	990	-	-	-
Total						**549,590**	**548,600**	**549,590**	**548,000**	**83,786**	**-**

All subsidiaries registered and is incorporated in Thailand. The Company has no investments in subsidiaries listed in The Stock Exchange of Thailand, therefore, no published price quotations were disclosed.

10 Investment properties

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Cost				
At 1 January	69,597	69,597	-	-
At 31 December	**69,597**	**69,597**	**-**	**-**
Net book value				
At 1 January	**69,597**	**69,597**	**-**	**-**
At 31 December	**69,597**	**69,597**	**-**	**-**

Investment properties comprise of the subsidiary's land which currently undetermined future use.

Fair values of investment properties as at 31 December 2020 amounting to Baht 152.46 million (*2019: Baht 152.46 million)* was determined by independent professional valuers, at open market values on an existing use basis. The fair value of investment property has been categorised as a Level 3 fair value.

Security

At 31 December 2020, the Group's investment properties with carrying amount of Baht 23.64 million (*2019: Baht 23.64 million)* are mortgaged as collateral with financial institutions for the bank overdrafts and short-term loans for the subsidiary (refer to note 13).

11 Property, plant and equipment

	Land and land improvement	Buildings and building improvement	Office furniture, fixtures and equipment	Machinery and equipment	Vehicles	Assets under construction and installation	Total
	Consolidated financial statements						
				(in thousand Baht)			
Cost							
At 1 January 2019	281,997	358,988	26,320	47,735	33,979	15,571	764,590
Additions	-	567	5,768	9,439	27,525	66,711	110,010
Transfers	1,269	74,216	5,012	114	-	(80,611)	-
Disposals	-	(20)	(354)	(372)	(8,170)	-	(8,916)
At 31 December 2019 and 1 January 2020	**283,266**	**433,751**	**36,746**	**56,916**	**53,334**	**1,671**	**865,684**
Additions	-	-	1,036	1,364	9,640	6,779	18,819
Transfers	-	3,412	126	-	-	(3,538)	-
Disposals	-	(2,157)	(353)	(905)	(13,188)	-	(16,603)
Reclassify	-	1,683	(1,683)	-	-	-	-
At 31 December 2020	**283,266**	**436,689**	**35,872**	**57,375**	**49,786**	**4,912**	**867,900**
Depreciation							
At 1 January 2019	19	86,634	15,032	25,734	18,016	-	145,435
Depreciation charge for the year	40	12,845	4,680	4,837	7,113	-	29,515
Disposals	-	(1)	(273)	(203)	(4,606)	-	(5,083)
At 31 December 2019 and 1 January 2020	**59**	**99,478**	**19,439**	**30,368**	**20,523**	**-**	**169,867**
Depreciation charge for the year	57	15,034	6,099	6,050	8,633	-	35,873
Disposals	-	(2,157)	(246)	(703)	(6,667)	-	(9,773)
Reclassify	-	301	(301)	-	-	-	-
At 31 December 2020	**116**	**112,656**	**24,991**	**35,715**	**22,489**	**-**	**195,967**
Net book value							
At 31 December 2019	**283,207**	**334,273**	**17,307**	**26,548**	**32,811**	**1,671**	**695,817**
At 31 December 2020	**283,150**	**324,033**	**10,881**	**21,660**	**27,297**	**4,912**	**671,933**

The gross amount of the Group’s fully depreciated equipment that was still in use as at 31 December 2020 amounted to Baht 88.94 million (*2019: Baht 78.07 million*).

Security

At 31 December 2020, the Group's properties with carrying amount of Baht 502.21 million (*2019: Baht 509.83 million*) are mortgaged as collateral with financial institutions for the bank overdrafts and other credit facilities (refer to note 13).

12 Leases

As a lessee

At 31 December 2020	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
Right-of-use assets		
Land	106,205	-
Total	**106,205**	**-**

In 2020, additions to the right-of-use assets of the Group were Baht 106.21 million.

The Group leases a number of land for 6 - 33 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

Extension options

Some land leases contain extension options exercisable by the Group up to 30 days before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

	Consolidated financial statements		**Separate financial statements**	
For the year ended 31 December	2020	2019	2020	2019
	(in thousand Baht)			
Amounts recognised in profit or loss				
Depreciation of right-of-use assets:				
- Land	5,073	-	-	-
Interest on lease liabilities	4,168	-	-	-
Lease expense	-	7,962	-	-

In 2020, total cash outflow for leases of the Group was Baht 5.08 million.

13 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Current				
Bank overdrafts				
Secured	-	1	-	-
Short-term loans from financial institutions				
Secured	320,000	670,000	-	-
Bank overdrafts and short-term loans from financial institutions	**320,000**	**670,001**	**-**	**-**
Current portion of long-term loans from financial institutions				
Secured	28,700	30,000	-	-
Current portion of lease liabilities	1,515	-	-	-
Total current	**350,215**	**700,001**	**-**	**-**
Non-current				
Long-term loans from financial institutions				
Secured	59,750	12,500	-	-
Lease liabilities	108,851	-	-	-
Total non-current	**168,601**	**12,500**	**-**	**-**
Total	**518,816**	**712,501**	**-**	**-**

As at 31 December 2020, the Group has short-term loans with various local financial institutions totaling Bath 320 million (*2019: Baht 670 million*) which bear interest rate at 3.5% per annum (*2019: minimum loan rate (MLR) less 2% per annum and fixed interest rate at 3.95% per annum*).

On 22 July 2015, a subsidiary entered into a secured long-term loan agreement with a domestic financial institution amounting to Baht 150 million with bear interest at THBFIX plus 1.62% per annum and repayment on a monthly basis from June 2016 with repayment term of 5 years and 6 months which will be due in May 2021. The subsidiaries shall comply with other conditions related to maintain financial ratio and other restrictions stated in the term loan agreement.

On 2 April 2020, a subsidiary entered into a secured long-term loan agreement with a local financial institution amounting to Baht 80 million. The subsidiary received a loan on 25 September 2020 which bear interest at minimum loan rate (MLR) less 1% per annum with repayment term of 5 years. The loan is repayable in 60 monthly instalments starting from October 2020. The subsidiary shall comply with the conditions related to maintain financial ratio and other restrictions as stipulated in the term loan agreement.

The secured interest-bearing liabilities as at 31 December 2020 are secured by directors and mortgaged of the Group's land and buildings *(2019: secured by directors, mortgaged of the Group's land, buildings and restricted deposits)*.

		Consolidated financial statements		**Separate financial statements**	
Assets pledged as security for liabilities as at 31 December	*Note*	2020	2019	2020	2019
		(in thousand Baht)			
Investment properties	*10*	23,642	23,642	-	-
Land, building and improvement	*11*	502,213	509,835	-	-
Total		**525,855**	**533,477**	**-**	**-**

As at 31 December 2020, the Group has unutilised credit facilities totalling Baht 871 million (*2019: Baht 601 million*).

14 Share capital

	Par value per share *(in Baht)*	2020 Number	2020 Baht	2019 Number	2019 Baht
		(thousand shares / thousand Baht)			
Authorised shares at 31 December	0.5	**600,000**	**300,000**	**600,000**	**300,000**
Issued and paid-up shares					
At 1 January					
- ordinary shares	0.5	600,000	300,000	444,000	222,000
Increase of new shares	0.5	-	-	156,000	78,000
At 31 December					
- ordinary shares	0.5	**600,000**	**300,000**	**600,000**	**300,000**

Initial Public Offering

On 27 June 2019, the Company completed its Initial Public Offering ("IPO") and issued 156 million shares on the Market for Alternative Investment (MAI) with an offering price of Baht 1.44 per share (par value of Baht 0.5 per share and share premium of Baht 137.11 million) amounting to Baht 224.64 million. Directly attributable expenses of the initial public offering totalling Baht 9.53 million were deducted from the premium on share capital received from the offering.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

15 Surplus and reserves

Surplus on business restructuring under common control

The difference between net book value of asset of subsidiaries as at the business restructuring date and the cost of business combination under common control recognised in surplus on business combination under common control within equity.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

16 Segment information and disaggregation of revenue

Management determined that the Group has two reportable segments which are the Group's strategic divisions for different products and services and are managed separately. The strategic divisions have different transactions. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1* Cars and accessories dealership
- *Segment 2* Repair and maintenance services and spare parts dealership

Each segment's performance is measured based on segment profit before finance costs, income tax, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before finance costs, income tax, depreciation and amortisation is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

	Consolidated financial statements					
	Cars and accessories dealership		**Repair and maintenance services and spare parts dealership**		**Total**	
	2020	2019	2020	2019	2020	2019
			(in thousand Baht)			
Information about reportable segments						
External revenue	1,604,261	2,650,102	393,205	377,771	1,997,466	3,027,873
Total revenue	**1,604,261**	**2,650,102**	**393,205**	**377,771**	**1,997,466**	**3,027,873**
EBITDA segment					214,486	235,375
Depreciation and amortisation					(42,597)	(31,241)
Finance costs					(25,787)	(27,820)
Income tax expense					(9,939)	(14,735)
Administrative expense unallocated					(100,995)	(108,062)
Profit for the year					**35,168**	**53,517**
Segment assets as at 31 December	497,832	582,697	367,647	364,996	846,479	947,693
Segment liabilities as at 31 December	414,638	810,443	87,556	71,374	502,194	881,817

The Group is managed and operated principally in Thailand. The timing of revenue recognition from sales and rendering of services are recognised at a point in time.

Reconciliations of reportable segment assets and liabilities

	2020	2019
	(in thousand Baht)	
Assets		
Total assets for reportable segments	865,479	947,693
Other unallocated amounts	457,087	621,378
Consolidated total assets	**1,322,566**	**1,569,071**
Liabilities		
Total liabilities for reportable segments	502,194	881,817
Other unallocated amounts	157,516	34,155
Consolidated total liabilities	**659,710**	**915,972**

17 Employee benefit expenses

	Consolidated financial statements		**Separate financial statements**	
	2020	2019	2020	2019
	(in thousand Baht)			
Wages and salaries	81,070	74,710	32,363	27,922
Social security contributions	2,090	2,313	513	553
Defined benefit plans	359	1,691	223	670
Defined contribution plans	1,696	1,641	959	930
Others	5,365	4,371	637	294
Total	**90,580**	**84,726**	**34,695**	**30,369**

Defined contribution plans

The Group established provident funds for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 7% of their basic salaries and by the Group at rates ranging from 3% to 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

18 Expenses by nature

		Consolidated financial statements		**Separate financial statements**	
	Note	2020	2019	2020	2019
		(in thousand Baht)			
Changes in inventories		232,390	(258,415)	-	-
Purchases of inventory		1,523,757	3,010,459	-	-
Distribution		7,965	16,302	-	-
Depreciation and amortisation		42,597	31,241	551	543
Commission		19,214	22,181	-	-
Employee benefits expenses	*17*	90,580	84,726	34,695	30,369
Others		88,129	121,159	11,840	6,968
Total cost of sales of goods, distribution costs and administrative expenses		**2,004,632**	**3,027,653**	**47,086**	**41,370**

19 Income tax

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Current tax expense				
Current year	10,954	14,581	370	-
	10,954	**14,581**	**370**	**-**
Deferred tax expense				
Movements in temporary differences	(1,015)	154	(44)	(90)
	(1,015)	**154**	**(44)**	**(90)**
Total income tax expense (income)	**9,939**	**14,735**	**326**	**(90)**

Reconciliation of effective tax rate

	Consolidated financial statements			
	2020		2019	
	Rate (%)	*(in thousand Baht)*	*Rate (%)*	*(in thousand Baht)*
Profit before income tax expense		45,107		68,252
Income tax using the Thai corporation tax rate	20.0	9,021	20.0	13,650
Additional deductible expenses		(135)		(615)
Expenses not deductible for tax purposes		1,053		1,700
Total	**22.1**	**9,939**	**21.6**	**14,735**

	Separate financial statements			
	2020		2019	
	Rate (%)	*(in thousand Baht)*	*Rate (%)*	*(in thousand Baht)*
Profit before income tax expense		85,103		1,276
Income tax using the Thai corporation tax rate	20.0	17,021	20.00	255
Income not subject to tax		(16,757)		(483)
Expenses not deductible for tax purposes		62		138
Total	**0.4**	**326**	**-**	**(90)**

20 Basic earnings per share

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(thousand Baht/thousand shares)			
Profit attributable to ordinary shareholders for the year ended 31 December				
Profit for the year attributable to owner of the Company (Basic)	34,826	52,996	84,777	1,366
Number of ordinary shares issued as at 1 January	600,000	444,000	600,000	444,000
Effect of shares issued and paid-up during the year	-	80,351	-	80,351
Weighted average number of ordinary shares outstanding (Basic)	**600,000**	**524,351**	**600,000**	**524,351**
Earnings per share (Basic) ***(in Baht)***	**0.06**	**0.10**	**0.14**	**0.003**

21 Dividends

The shareholders of the Group have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share *(Baht)*	Amount *(in thousand Baht)*
2020				
Interim dividend	7 April 2020	May 2020	0.04	24,000

22 Financial instruments

(a) Carrying amounts and fair values

The Group's fair values of financial assets and financial liabilities approximate their carrying values.

(b) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management worker committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade accounts receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management worker committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 60 days.

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables.

	Consolidated financial statements	
At 31 December 2020	Trade accounts receivables	Allowance for expected credit loss
	(in thousand Baht)	
Within credit terms	45,972	-
Overdue:		
Less than 3 months	814	-
3 - 6 months	92	92
6 - 12 months	103	103
Over 12 months	124	124
Total	**47,105**	**319**
Less allowance for expected credit loss	(319)	
Net	**46,786**	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement of allowance for expected credit loss of trade accounts receivables	**Consolidated financial statements**	**Separate financial statements**
	(in thousand Baht)	
At 1 January 2020	227	-
Addition	92	-
At 31 December 2020	**319**	**-**

(b.1.2) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with a minimum credit rating which the Group considers to have low credit risk.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Consolidated financial statements					
		Contractual cash flows				
At 31 December 2020	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
			(in thousand Baht)			
Non-derivative financial liabilities						
Bank overdrafts and short-term loans from financial institutions	320,000	321,797	-	-	-	321,797
Trade account payables	107,193	107,193	-	-	-	107,193
Long-term loans from financial institution	88,450	31,925	17,017	47,766	-	96,708
Lease liabilities	110,306	5,813	6,006	19,682	164,758	196,259
	626,009	**466,728**	**23,023**	**67,448**	**164,758**	**721,957**

		Consolidated financial statements			
		Maturity period			
At 31 December 2019	Effective interest rate	Within 1 year	After 1 year but within 5 years	After 5 years	Total
	(% per annum)		*(in thousand Baht)*		
Financial Liabilities					
Loans - Financial institutions	4 - 5	700,001	12,500	-	712,501
Total		**700,001**	**12,500**	**-**	**712,501**

(b.3) Market risk

(b.3.1) Foreign currency risk

The Group's normal business is relating to purchase and sale of goods and services which are denominated in Baht currencies, so the Group does not have a foreign currency risk.

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 13).

23 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

24 Commitments with non-related parties

	Consolidated financial statements		**Separate financial statements**	
	2020	2019	2020	2019
	(in thousand Baht)			
Capital commitments				
Buildings and other constructions	1,599	-	-	-
Total	**1,599**	**-**	**-**	**-**
Other commitments				
Purchase orders for goods and supplies	104,957	27,392	-	-
Bank guarantee for electricity usage	826	829	-	-
Bank guarantees for purchases of cars, spare parts and accessories under "Honda" trademark	80,000	80,000	-	-
Total	**185,783**	**108,221**	**-**	**-**

25 Events after the reporting period

At the Board of Directors' meeting of the Company held on 22 February 2021, the Board of Directors agreed to propose the shareholders at the Annual General Meeting of the Shareholders to consider and approve the appropriation of the fiscal year 2020 performance as dividend of Baht 0.04 per share, amounting to Baht 24 million. The dividend is subject to the approval of the shareholders at the annual general meeting.