

Business Online Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2020

Independent Auditor's Report

To the Shareholders of Business Online Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Business Online Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Business Online Public Company Limited for the same period.

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

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

As discussed in Note 5.1 of the financial statements regarding the accounting policies on revenue recognition from rendering of services, the Group's revenue represented significant amount in the financial statements. In addition, the Group has numerous types of revenue and enters into service agreements with a large number of customers that contain a variety of conditions, the conditions for recognition of the Group's service revenue are diverse. I therefore gave significant attention to the revenue recognition of the Group.

I have examined the revenue recognition of the Group by assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I have applied a sampling method to select service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy. In addition, on a sampling basis, I have examined supporting documents for actual service transactions occurring during the year and near the end of the accounting period. I have also reviewed credit notes that the Group issued after the period-end and performed analytical procedures on disaggregated data to detect possible irregularities in revenue transactions throughout the period.

Valuation of equity investments

As discussed in Note 5.14 of the financial statements regarding the accounting policies on the classification and measurement of investments in equity instruments. As at 31 December 2020, the Company has numerous investments in equity instruments of non-listed companies as disclosed in Note 13 whose values are significant to the financial statements (representing 34% and 35% of total assets in the consolidated and separate financial statements, respectively). Those investments are measured at fair value which required significant judgement of management in selecting the method, consideration of assumption and information used in fair value measurement of the investments in equity instruments.

I assessed the methods used in fair value measurement e.g. discounting expected future cash flow and other suitable methods. In addition, I assessed the information used in calculation of fair value of investments e.g. estimation of the cash inflows and the financial models selected by management by gaining an understanding of the management's decision-making process as to whether the decisions are consistent with the historical data and budget plans from investee companies. I also tested the appropriateness of significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from those investee companies in the future e.g. discount rate and long-term revenue growth rates and a review of the accuracy of past cash flow projections in comparison to actual operating results in order to assess the reliability of the cash flow projections. I also tested the calculation of the realisable values of investments using the selected financial model.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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.

I am responsible for the audit resulting in this independent auditor's report.

Siriwan Nitdamrong
Certified Public Accountant (Thailand) No. 5906

EY Office Limited
Bangkok: 11 February 2021

Business Online Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2020

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets					
Current assets					
Cash and cash equivalents	8	168,969,719	238,018,691	130,009,092	203,487,086
Short-term investments	9	-	19,962,111	-	19,962,111
Trade and other receivables	10	130,471,283	115,874,130	128,947,565	107,581,406
Other current financial assets	11	150,039,816	-	150,039,816	-
Other current assets		43,843,698	46,207,403	33,865,330	38,819,971
Total current assets		493,324,516	420,062,335	442,861,803	369,850,574
Non-current assets					
Restricted bank deposits	12	14,200,000	14,200,000	14,200,000	14,200,000
Other non-current financial assets	13	335,185,153	-	335,185,153	-
Investment in subsidiaries	14	-	-	31,999,860	31,999,860
Investment in associated company	15	30,560,086	31,214,827	30,000,000	30,000,000
Investment in joint venture	16	12,217,250	14,722,477	15,499,550	15,499,550
Other long-term investments		-	93,655,488	-	93,655,488
Building improvement and equipment	17	44,546,209	51,558,957	40,305,759	46,482,778
Right-of-use assets	22.1	28,267,035	-	22,088,152	-
Intangible assets	18	38,904,026	46,462,106	30,318,901	34,215,152
Deferred tax assets	28	835,305	9,889,798	-	9,259,885
Other non-current assets		2,037,581	2,471,484	1,535,078	1,828,706
Total non-current assets		506,752,645	264,175,137	521,132,453	277,141,419
Total assets		1,000,077,161	684,237,472	963,994,256	646,991,993

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

Business Online Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loan from financial institution	19	17,000,000	-	17,000,000	-
Trade and other payables	20	161,579,523	143,627,602	147,336,635	127,800,744
Current portion of lease liabilities	22.2	2,849,991	-	2,191,326	-
Income tax payable		9,571,114	329,828	9,571,114	-
Short-term provisions	21	-	1,200,000	-	1,200,000
Information utilisation fee payable		16,991,176	16,717,585	16,991,176	16,717,585
Other current liabilities		4,723,425	3,284,745	4,678,829	2,808,009
Total current liabilities		212,715,229	165,159,760	197,769,080	148,526,338
Non-current liabilities					
Lease liabilities, net of current portion	22.2	21,989,660	-	16,906,482	-
Provision for long-term employee benefits	23	20,220,616	18,136,292	19,788,989	17,786,728
Provision for decommissioning costs	24	3,262,707	-	2,480,771	-
Deferred tax liability	28	31,389,190	-	31,389,190	-
Total non-current liabilities		76,862,173	18,136,292	70,565,432	17,786,728
Total liabilities		289,577,402	183,296,052	268,334,512	166,313,066
Shareholders' equity					
Share capital					
Registered					
820,505,500 ordinary shares of Baht 0.10 each		82,050,550	82,050,550	82,050,550	82,050,550
Issued and fully paid up					
820,505,500 ordinary shares of Baht 0.10 each		82,050,550	82,050,550	82,050,550	82,050,550
Share premium		139,271,186	139,271,186	139,271,186	139,271,186
Retained earnings					
Appropriated - statutory reserve	25	8,260,000	8,260,000	8,260,000	8,260,000
Unappropriated		310,891,249	271,880,036	295,613,705	251,097,191
Equity attributable to owners of the Company		170,026,774	(520,352)	170,464,303	-
Total shareholders' equity		710,499,759	500,941,420	695,659,744	480,678,927
Total liabilities and shareholders' equity		1,000,077,161	684,237,472	963,994,256	646,991,993

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

Directors

Business Online Public Company Limited and its subsidiaries

Statements of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit or loss:					
Revenues					
Service income	26	595,579,255	507,984,999	535,214,624	439,374,717
Dividend income		26,337,500	23,275,000	27,337,500	24,275,000
Other income		2,756,172	4,004,170	2,625,706	4,001,673
Total revenues		624,672,927	535,264,169	565,177,830	467,651,390
Expenses					
Costs of services	27	253,314,008	212,944,280	212,291,748	177,339,378
Administrative expenses		164,127,607	173,431,365	142,933,476	145,503,262
Total expenses		417,441,615	386,375,645	355,225,224	322,842,640
Operating profit		207,231,312	148,888,524	209,952,606	144,808,750
Share of profit from investment in associate	15	345,260	371,518	-	-
Share of loss from investment in joint venture	16	(2,588,050)	(256,721)	-	-
Finance income		1,532,022	2,856,197	1,503,950	2,808,312
Finance cost		(1,922,329)	-	(1,496,301)	-
Profit before income tax expenses		204,598,215	151,859,518	209,960,255	147,617,062
Income tax expenses	28	(26,101,275)	(7,947,887)	(25,958,014)	(6,983,578)
Profit for the year		178,496,940	143,911,631	184,002,241	140,633,484
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Share of other comprehensive income of joint venture - exchange differences on translation of financial statements in foreign currency					
	16	82,823	(520,352)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
		82,823	(520,352)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Gain on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax					
	13	8,995,592	-	8,995,592	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax					
		8,995,592	-	8,995,592	-
Other comprehensive income for the year		9,078,415	(520,352)	8,995,592	-
Total comprehensive income for the year		187,575,355	143,391,279	192,997,833	140,633,484

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

Business Online Public Company Limited and its subsidiaries

Statements of comprehensive income (continued)

For the year ended 31 December 2020

(Unit: Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Basic earnings per share (Baht)	29				
Profit attributable to equity holders of the Company		<u>0.22</u>	<u>0.18</u>	<u>0.22</u>	<u>0.17</u>
Weighted average number of ordinary shares (shares)		<u>820,505,500</u>	<u>820,505,500</u>	<u>820,505,500</u>	<u>820,505,500</u>

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

Business Online Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

		Consolidated financial statements							
		Equity attributable to owner of the Company				Other components of shareholders' equity			
				Retained earnings		Other comprehensive income			
		Issued and paid up	Share premium	Appropriated - Statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Fair value reserve of investment in equity designated at fair value through other comprehensives income	Total other components of shareholders equity	Total shareholders' equity
Note		share capital							
	Balance as at 1 January 2019	82,050,550	139,271,186	8,260,000	275,659,269	-	-	-	505,241,005
	Profit for the year	-	-	-	143,911,631	-	-	-	143,911,631
	Other comprehensive income for the year	-	-	-	-	(520,352)	-	(520,352)	(520,352)
	Total comprehensive income for the year	-	-	-	143,911,631	(520,352)	-	(520,352)	143,391,279
	Dividend paid	-	-	-	(147,690,864)	-	-	-	(147,690,864)
	Balance as at 31 December 2019	<u>82,050,550</u>	<u>139,271,186</u>	<u>8,260,000</u>	<u>271,880,036</u>	<u>(520,352)</u>	<u>-</u>	<u>(520,352)</u>	<u>500,941,420</u>
	Balance as at 1 January 2020	82,050,550	139,271,186	8,260,000	271,880,036	(520,352)	-	(520,352)	500,941,420
	Cumulative effect of change in accounting policy	-	-	-	-	-	161,468,711	161,468,711	161,468,711
	Balance as at 1 January 2020 - as restated	<u>82,050,550</u>	<u>139,271,186</u>	<u>8,260,000</u>	<u>271,880,036</u>	<u>(520,352)</u>	<u>161,468,711</u>	<u>160,948,359</u>	<u>662,410,131</u>
	Profit for the year	-	-	-	178,496,940	-	-	-	178,496,940
	Other comprehensive income for the year	-	-	-	-	82,823	8,995,592	9,078,415	9,078,415
	Total comprehensive income for the year	-	-	-	178,496,940	82,823	8,995,592	9,078,415	187,575,355
	Dividend paid	-	-	-	(139,485,727)	-	-	-	(139,485,727)
	Balance as at 31 December 2020	<u>82,050,550</u>	<u>139,271,186</u>	<u>8,260,000</u>	<u>310,891,249</u>	<u>(437,529)</u>	<u>170,464,303</u>	<u>170,026,774</u>	<u>710,499,759</u>

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

Business Online Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

		Separate financial statements					
				Retained earnings		Other components of shareholders' equity	
				Appropriated -		Other comprehensive income - Fair value reserve of investment in equity designated at fair value through other comprehensives income	
				Statutory			
				reserve			
				Unappropriated			
						Total shareholders' equity	
Note	Issued and paid up share capital	Share premium	Statutory reserve	Unappropriated	income	equity	
	82,050,550	139,271,186	8,260,000	258,154,571	-	487,736,307	
	-	-	-	140,633,484	-	140,633,484	
	-	-	-	-	-	-	
	-	-	-	140,633,484	-	140,633,484	
33	-	-	-	(147,690,864)	-	(147,690,864)	
	<u>82,050,550</u>	<u>139,271,186</u>	<u>8,260,000</u>	<u>251,097,191</u>	<u>-</u>	<u>480,678,927</u>	
	82,050,550	139,271,186	8,260,000	251,097,191	-	480,678,927	
4	-	-	-	-	161,468,711	161,468,711	
	<u>82,050,550</u>	<u>139,271,186</u>	<u>8,260,000</u>	<u>251,097,191</u>	<u>161,468,711</u>	<u>642,147,638</u>	
	-	-	-	184,002,241	-	184,002,241	
	-	-	-	-	8,995,592	8,995,592	
	-	-	-	184,002,241	8,995,592	192,997,833	
33	-	-	-	(139,485,727)	-	(139,485,727)	
	<u>82,050,550</u>	<u>139,271,186</u>	<u>8,260,000</u>	<u>295,613,705</u>	<u>170,464,303</u>	<u>695,659,744</u>	

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

Business Online Public Company Limited and its subsidiaries

Cash flow statements

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Profit before tax	204,598,215	151,859,518	209,960,255	147,617,062
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Reversal of allowance for doubtful accounts	-	(7,257,321)	-	(10,154,517)
Allowance for impairment loss of financial assets	6,707,473	-	6,707,473	-
Depreciation and amortisation	33,316,135	27,054,458	25,882,604	21,792,364
Reversal of allowance for impairment of asset (reversal)	-	(1,861,493)	-	(1,849,601)
Share of profit from investment in associated company	(345,260)	(371,518)	-	-
Share of loss from investment in joint venture	2,588,050	256,721	-	-
Provision for employee benefits	2,084,324	5,331,507	2,002,261	5,199,136
Unrealised loss (gain) on exchange	(1,698)	142,687	(1,921)	111,216
Provisions (reversal)	(1,200,000)	(25,000,000)	(1,200,000)	(25,000,000)
Loss on diminution in value of withholding tax refundable	-	(5,409,123)	-	(5,409,123)
Loss (gain) on sales of equipment	(12,733)	1,948,850	(12,733)	1,938,225
Dividend income	(26,337,500)	(23,275,000)	(27,337,500)	(24,275,000)
Finance cost	1,922,329	-	1,496,301	-
Finance income	(1,532,022)	(2,856,197)	(1,503,950)	(2,808,312)
Profit from operating activities before changes in operating assets and liabilities	221,787,313	120,563,089	215,992,790	107,161,450
Decrease (increase) in operating assets:				
Trade and other receivables	(21,190,856)	115,296,530	(27,959,640)	115,255,432
Other current assets	2,363,706	(14,866,852)	4,954,641	(13,252,794)
Other non-current assets	(1,200,947)	(791,721)	(1,341,222)	(294,515)
Increase (decrease) in operating liabilities:				
Trade and other payables	15,902,995	20,657,233	17,471,916	19,311,084
Information utilisation fee payable	273,591	809,626	273,591	809,626
Other current liabilities	1,368,659	(2,121,757)	1,800,799	(2,271,944)
Cash flows from operating activities	219,304,461	239,546,148	211,192,875	226,718,339
Cash paid for corporate income tax	(19,032,383)	(13,797,834)	(18,353,902)	(11,160,056)
Net cash from operating activities	200,272,078	225,748,314	192,838,973	215,558,283

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

Business Online Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from investing activities				
Decrease in restricted banks deposits	-	100	-	100
Increase in short-term investments	-	(5,107,233)	-	(5,107,233)
Increase in other current financial assets	(130,077,705)	-	(130,077,705)	-
Cash paid for investment in subsidiary	-	-	-	(1,000,000)
Cash paid for investment in joint venture	-	(15,499,550)	-	(15,499,550)
Cash paid for other long-term investment	-	(1,100,000)	-	(1,100,000)
Cash paid for other non-current financial assets	(28,449,285)	-	(28,449,285)	-
Cash paid for purchase of building improvement and equipment	(7,177,243)	(43,352,777)	(6,782,142)	(37,980,582)
Cash received from sales of equipment	14,019	388,935	14,019	387,774
Cash paid for purchase of computer software	(5,807,426)	(26,690,721)	(4,123,817)	(22,044,753)
Dividend received	27,337,500	24,275,000	27,337,500	24,275,000
Interest paid	(37,750)	-	(37,750)	-
Interest received	1,418,030	2,863,321	1,389,958	2,815,436
Net cash used in investing activities	(142,779,860)	(64,222,925)	(140,729,222)	(55,253,808)
Cash flows from financing activities				
Increase in short-term loan from financial institution	17,000,000	-	17,000,000	-
Payment of principal portion of lease liability	(4,125,484)	-	(3,172,039)	-
Dividend paid	(139,415,706)	(147,646,632)	(139,415,706)	(147,646,632)
Net cash used in financing activities	(126,541,190)	(147,646,632)	(125,587,745)	(147,646,632)
Net increase in cash and cash equivalents	(69,048,972)	13,878,757	(73,477,994)	12,657,843
Cash and cash equivalents at beginning of year	238,018,691	224,139,934	203,487,086	190,829,243
Cash and cash equivalents at end of year	168,969,719	238,018,691	130,009,092	203,487,086

Supplemental cash flow information:

Non-cash related transactions

Payables for purchase of assets	1,927,080	836,466	1,927,080	821,416
Payables for purchase of intangible assets	966,620	55,148	966,620	55,148
Increase in dividend payable	70,021	44,232	70,021	44,232

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

Business Online Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2020

1. General information

1.1 Corporate information

Business Online Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders are Advanced Research Group Co., Ltd., which is incorporate in Thailand, and CTOS Holdings Sdn Bhd, which is incorporated in Malaysia. Its principal activity is service provider and developer of local and global financial information system and as an online and offline business information service provider as well as consulting service and database management. The registered office of the Company is at 1023 MS Siam Tower, 28 Floor, Rama III Road, Kwang Chong Nonsi, Khet Yannawa, Bangkok.

Change in major shareholder of the Company

On 28 October 2020, Keppel Communications Pte. Ltd., (“Keppel”), which was a former major shareholder of the Company, completed the sale of the 197,044,000 shares that it held in the Company, representing 24.01 percent of the total issued shares of the Company, to CTOS Holdings Sdn Bhd total 164,101,100 shares, representing 20 percent of total issued shares of the Company and a director of the Company total 32,942,900 shares, representing 4.01 percent of total issued shares of the Company. The aggregate purchase price totals Baht 827.6 million.

1.2 Coronavirus disease 2019 Pandemic

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

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Business Online Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 Percent	2019 Percent
D&B (Thailand) Co., Ltd.	Business information service	Thailand	99.99	99.99
BOL Digital Co., Ltd.	Social business service	Thailand	99.99	99.99

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its return.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

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

Financial reporting standards related to financial instruments

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

Financial Reporting Standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting Standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The impact of the adoption of these standards on the Group's financial statements is as follows:

- Classification and measurement of non-listed equity instruments - The Group has decided to measure these investments at fair value and classify them as financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income.
- Recognition of expected credit losses - The Group recognises an allowance for expected credit losses on its debt instruments measured at amortised cost, and it is no longer necessary for a credit-impaired event to have occurred.

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to the retained earnings and/or other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

IFRS 16 Leases

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

Accounting by lessors under IFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this Financial reporting standard as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

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

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

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

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach and fair value measurement of non-listed equity instruments.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives and recognised resulting losses, totaling Baht 61 million as loss on change in fair value of equity instruments designated at fair value through other comprehensive income in the statement of comprehensive income for the year ended 31 December 2020. These pertain to a decrease in the fair value of investment in an unquoted equity instrument.

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

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group has evaluated that these standards do not have any significant impact on the Group's financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current year, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings and/or other components of shareholders' equity as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	The impacts of			
	31 December	Financial		1 January
	2019	reporting	TFRS 16	2020
		standards related		
		to financial		
		instruments		
Statement of financial position				
Assets				
Current assets				
Short-term investments	19,962	(19,962)	-	-
Other current financial assets	-	19,962	-	19,962
Non-current assets				
Other non-current financial assets	-	295,491	-	295,491
Other long-term investments	93,655	(93,655)	-	-
Right-of-use assets	-	-	32,027	32,027
Other non-current assets	2,472	-	(1,635)	837
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	2,353	2,353
Non-current liabilities				
Lease liabilities, net of current portion	-	-	24,972	24,972
Provision for decommissioning costs	-	-	3,067	3,067
Deferred tax liabilities	-	40,367	-	40,367
Shareholders' equity				
Other components of shareholders' equity	(521)	161,469	-	160,948

(Unit: Thousand Baht)

	Separate financial statements			
	The impacts of			1 January 2020
	31 December 2019	Financial reporting standards related to financial instruments	IFRS 16	
Statement of financial position				
Assets				
Current assets				
Short-term investments	19,962	(19,962)	-	-
Other current financial assets	-	19,962	-	19,962
Non-current assets				
Other non-current financial assets	-	295,491	-	295,491
Other long-term investments	93,655	(93,655)	-	-
Right-of-use assets	-	-	24,976	24,976
Other non-current assets	1,829	-	(1,635)	194
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	1,811	1,811
Non-current liabilities				
Lease liabilities, net of current portion	-	-	19,199	19,199
Provision for decommissioning costs	-	-	2,331	2,331
Deferred tax liabilities	-	40,367	-	40,367
Shareholders' equity				
Other components of shareholders' equity	-	161,469	-	161,469

4.1 Financial instruments

Details of the impact on other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Fair value measurement of investments in equity instruments of non-listed companies	201,836
Less: Deferred tax liabilities	(40,367)
Impacts on other components of equity due to the adoption of financial reporting standards related to financial instruments	161,469

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

(Unit: Thousand Baht)

Consolidated financial statements					
	The former carrying amounts	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	238,019	-	-	238,019	238,019
Trade and other receivables	115,874	-	-	115,874	115,874
Other current financial assets	19,962	-	-	19,962	19,962
Restricted bank deposits	14,200	-	-	14,200	14,200
Other non-current financial assets	93,655	-	295,491	-	295,491
Total financial assets	481,710	-	295,491	388,055	683,546

(Unit: Thousand Baht)

Separate financial statements					
	The former carrying amounts	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	203,487	-	-	203,487	203,487
Trade and other receivables	107,581	-	-	107,581	107,581
Other current financial assets	19,962	-	-	19,962	19,962
Restricted bank deposits	14,200	-	-	14,200	14,200
Other non-current financial assets	93,655	-	295,491	-	295,491
Total financial assets	438,885	-	295,491	345,230	640,721

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	8,527	6,558
Add: Option to extend lease term	26,094	20,061
Less: Deferred interest expenses	(7,296)	(5,609)
Increase in lease liabilities due to the adoption of TFRS 16	27,325	21,010
Liabilities under finance lease agreements as at 31 December 2019	-	-
Lease liabilities as at 1 January 2020	27,325	21,010
Weighted average incremental borrowing rate (percent per annum)	6.0	6.0
Comprise of:		
Current lease liabilities	2,353	1,811
Non-current lease liabilities	24,972	19,199
	27,325	21,010

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Buildings and building improvement	32,027	24,976
Total right-of-use assets	32,027	24,976

5. Significant accounting policies

5.1 Revenue and expense recognition

Rendering of services

Revenue from maintenance service and revenue from provision of right to access to the Company's software and online information is recognised on a straight-line basis over the period of the contract.

Service income under long-term contracts is recognised over time when service have been rendered taking into account the stage of completion, measuring based on information provided by the Group's engineers or project managers.

The recognised revenue which is not yet due per the contracts has been presented under the caption of "Accrued income" under trade and other receivables in the statement of financial position, which is reclassified to trade receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented as "Deferred income" under trade and other payables in the statement of financial position, which are recognised as revenue when the Company performs under the contract.

Other service revenue is recognised at point in time upon completion of the service.

Interest income

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

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Investments in subsidiaries, joint ventures and associates

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

5.4 Building improvement and equipment and depreciation

Building improvement and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation of building improvement and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

	<u>Useful lives</u>
Building improvement	5 - 10 years
Equipment and others	3 - 5 years

Depreciation is included in determining income.

No depreciation is provided on building under improvement and assets under installation.

An item of building improvement and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.5 Intangible assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 - 5 and 10 years

5.6 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

5.7 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Building and building improvement	10	years
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If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the assets.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

In cases where assets are sold and then leased back, whereby the transaction is a kind of finance lease, any excess of sales proceeds over the carrying amount of the assets is recorded as deferred revenue and amortised over the lease term.

5.8 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also and measured using the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.9 Allowance for impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the building improvement and equipment, right-of-use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.10 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

5.11 Provision for decommissioning costs

The Group recognises a provision for decommissioning costs, where an obligation exists. The estimated amount of the eventual costs relating to the decommissioning is discounted to its present value. The decommissioning costs are included in right-of-use assets and depreciated on a straight-line basis over the expected period of the decommissioning. The Group recognised provision for decommissioning costs is based on decommissioning costs which involves various assumptions, such as decommissioning period, future inflation rate and discount rate.

5.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.14 Financial instruments

Accounting policies adopted since 1 January 2020

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVOCI (debt instruments)

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

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

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

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

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

Offsetting of financial instruments

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

Accounting policies adopted before 1 January 2020

Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).

5.15 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Long-term service contracts

The Group recognises service income under long-term contracts taking into account the stage of completion of service contract activities, when the outcome of a service contract can be estimated reliably. The stage of completion is determined based on services performed to date as a percentage of total services to be performed by the project management. The management is required to make judgement and estimate the stage of completion based on past experience and information obtained from the project management.

Estimated project costs for long-term contracts

The Group estimates project costs of long-term contracts based on the nature of the project, taking into account the volume and value of equipment to be used in the project and other expenses to be incurred to complete the service, including the trend of the changes in the costs of the equipment and other expenses. The estimates are reviewed regularly or when actual costs differ significantly from the figures used in the original estimates.

Provision for delay penalty

The management applied judgement in estimating the provision for delay penalty to be realised on each long-term service contract based on the probability of occurrence. The management believed that the provision made would be sufficient as at the end of the reporting period. However, actual results could differ from the estimates.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

7. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service income	-	-	10	10	Market price, Mutually agreed prices as stipulated in the agreements
Cost of services	-	-	3	3	Market price, Mutually agreed prices as stipulated in the agreements
<u>Transactions with associated company</u>					
Dividend income	-	-	1	1	At the declared rate
<u>Transactions with related parties</u>					
Service income	37	38	36	38	Market price, Cost plus margin, Mutually agreed prices as stipulated in the agreements
Service fee expenses	13	19	12	16	Market price, Mutually agreed prices as stipulated in the agreements
Cost of services	7	10	3	6	Market price, Mutually agreed prices as stipulated in the agreements
Purchase of equipment	2	9	2	4	Market price
Dividend income	26	23	26	23	At the declared rate

As at 31 December 2020 and 2019, the balances of accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade and other receivables - related parties (Note 10)				
Subsidiaries	-	-	1,232	3,240
Related companies (Common shareholders and/or directors)	13,803	7,235	9,820	4,284
Total trade and other receivables - related parties	13,803	7,235	11,052	7,524

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade and other payables - related parties (Note 20)				
Subsidiaries	-	-	666	-
Related companies (Common shareholders and/or directors)	6,567	6,784	6,517	10,455
Amount due to the director	-	504	-	504
Total trade and other payables - related parties	<u>6,567</u>	<u>7,288</u>	<u>7,183</u>	<u>10,959</u>

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	14.6	25.6	14.6	25.6
Post-employment benefits	0.6	0.5	0.5	0.4
Total	<u>15.2</u>	<u>26.1</u>	<u>15.1</u>	<u>26.0</u>

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash	179	127	149	97
Bank deposits	168,791	237,892	129,860	203,390
Total	<u>168,970</u>	<u>238,019</u>	<u>130,009</u>	<u>203,487</u>

As at 31 December 2020, bank deposits carried interests between 0.15 and 0.40 percent per annum (2019: between 0.10 and 1.45 percent per annum).

9. Short-term investments

As at 31 December 2019, the Company had investment in bill of exchange of Baht 19.96 million which carried interest at 5.0 percent per annum and due for redemption within January 2020.

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	3,023	3,013	3,629	5,628
Past due				
Up to 3 months	3,410	-	3,410	-
Total trade receivables - related parties	6,433	3,013	7,039	5,628
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	55,018	26,283	54,641	19,781
Past due				
Up to 3 months	29,555	7,976	29,220	7,795
3 - 6 months	1,528	2,345	1,528	2,345
6 - 12 months	826	-	826	-
Total trade receivables - unrelated parties	86,927	36,604	86,215	29,921
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(5,487)	(2,345)	(5,487)	(2,345)
Total trade receivables - unrelated parties - net	81,440	34,259	80,728	27,576
Total trade receivables - net	87,873	37,272	87,767	33,204
<u>Other receivables</u>				
Other receivables - unrelated parties	-	1	-	1
Accrued income - related parties	6,704	4,117	2,357	1,219
Accrued income - unrelated parties	38,418	64,434	37,771	61,911
Prepaid expense - related parties	666	105	1,656	677
Prepaid expense - unrelated parties	3,273	12,842	2,963	10,569
Total other receivables	49,061	81,499	44,747	74,377
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(6,463)	(2,897)	(3,566)	-
Total other receivables - net	42,598	78,602	41,181	74,377
Total trade and other receivables - net	130,471	115,874	128,948	107,581

Movements of allowance for expected credit losses of trade receivables for the year ended 31 December 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 1 January 2020	5,242	2,345
Provision for expected credit losses	6,708	6,708
As at 31 December 2020	<u>11,950</u>	<u>9,053</u>

11. Other current financial assets

As at 31 December 2020, the Company had investment in 6 months fixed deposits of Baht 150 million which carried interests of 0.30 - 0.55 percent per annum.

12. Restricted banks deposits

As at 31 December 2020, the Company pledged fixed deposits at banks of approximately Baht 14.20 million (2019: Baht 14.20 million) with two banks to secure bank overdrafts and letter of guarantees issued by the banks on behalf of the Company in respect of the purchase of goods and services as required in the ordinary course of business of the Company.

13. Other non-current financial assets

As at 31 December 2020, other non-current financial assets consisted of investments in non-listed companies designated at fair value through other comprehensive income as follows:

Company's name	business	Relation	Consolidated/Separate financial statements					
			Paid up share capital	Shareholding percentage	Cost value	Fair value	Dividend received during the year	
			(Thousand Baht)	(%)	(Thousand Baht)	(Thousand Baht)	2020 (Thousand Baht)	2019 (Thousand Baht)
National Credit Bureau Co., Ltd.	Credit information provider	Direct holding	250,000	12.25	27,864	302,330	26,338	23,275
Ecartstudio Co., Ltd.	Designing, developing, consulting for Web-Based Applications	Direct holding	15,831	16.71	62,273	950	-	-
Peer Power Co., Ltd.	Fintech business	Direct holding	19,270	10.00	18,588	18,755	-	-
AI Lab Co., Ltd.	Artificial Intelligence Technology	Direct holding	2,000	19.00	380	150	-	-
Creden Asia Co., Ltd.	Data management, providing an electronic know your customer (e-KYC) technology and eSignature services	Direct holding	1,405	10.00	13,000	13,000	-	-
					<u>122,105</u>	<u>335,185</u>	<u>26,338</u>	<u>23,275</u>

Movements in other non-current financial assets during the year ended 31 December 2020 are summarised below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Balance as at 1 January 2020	-
Reclassification from adoption of financial reporting standard related to financial instruments	93,655
Adjustment from adoption of financial reporting standards related to financial instruments	201,836
Balance as at 1 January 2020 - as restated (Note 4)	295,491
Add: Increase during the year - at cost	28,450
Gain on change in fair value of investments	11,244
Balance as at 31 December 2020	335,185

Peer Power Company Limited

On 17 December 2019, the Company's Board of Directors Meeting No.6/2019 passed a resolution to approve an additional investment in Peer Power Company Limited. The Company made additional investment by purchasing ordinary shares from existing shareholder of 43,700 ordinary shares at a price of Baht 140 per share, totaling Baht 6.12 million. The Company paid for the share subscription on 21 January 2020.

On 3 January 2020, the Extraordinary General Meeting of the shareholders of Peer Power Company Limited had passed a resolution to approve an increase in registered share capital from Baht 14.90 million (1,490,000 ordinary shares of Baht 10 each) to Baht 19.27 million (1,640,000 ordinary shares of Baht 10 each and 287,000 preferred shares of Baht 10 each) through the issuance of 150,000 new ordinary shares and 287,000 preferred shares of Baht 10 each. After the increase in registered share capital, the Company still holds 10 percent shareholding interest in Peer Power Company Limited.

Ecartstudio Co., Ltd.

On 21 April 2020, the meeting of the Extraordinary General Meeting of the shareholders of Ecartstudio Co., Ltd. had passed a resolution to approve an increase in registered share capital from Baht 14.61 million (1,461,219 ordinary shares of Baht 10 each) to Baht 15.83 million (1,583,119 ordinary shares of Baht 10 each) through the issuance of 121,900 new ordinary shares of Baht 10 each. The Company made additional investment in the 88,031 newly issued ordinary shares of such company at a price of Baht 106 per share, totaling Baht 9.33 million which resulted in the increase in percentage of shareholding in Ecartstudio Co., Ltd. from 12.08 percent to 16.71 percent. The Company paid for the share subscription on 27 April 2020.

Creden Asia Co., Ltd

On 12 May 2020, the Company's Board of Directors Meeting No. 3/2020 passed a resolution to approve an investment of 10 percent of shareholding in Creden Asia Co., Ltd., the Company made investment in the 1,405 newly issued shares of such company at a price of Baht 9,252.67 per share, totaling Baht 13 million. The Company paid for the share subscription on 29 July 2020. Such company is principally engaged in data management, providing an electronic know your customer (e-KYC) technology and eSignature services.

14. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
			(%)	(%)				
D&B (Thailand) Co., Ltd.	2,000	2,000	99.99	99.99	2,000	2,000	-	-
BOL Digital Co., Ltd.	30,000	30,000	99.99	99.99	30,000	30,000	-	-
					<u>32,000</u>	<u>32,000</u>	<u>-</u>	<u>-</u>

BOL Digital Company Limited

On 7 May 2018, the meeting of the Company's Board of Directors passed resolutions to approve an increase in the registered share capital of BOL Digital Company Limited ("the subsidiary") from Baht 15 million (1,500,000 ordinary shares of Baht 10) to Baht 30 million (3,000,000 ordinary shares of Baht 10) through the issuance of 1,500,000 new ordinary shares of Baht 10 each in which the Company will hold 99.99 percent shareholding interest in BOL Digital Company Limited. On 24 May 2018, the Company fully paid for the share subscription. The subsidiary registered the share capital increase with the Ministry of Commerce on 31 May 2018.

D&B (Thailand) Co., Ltd.

On 18 December 2019, the meeting of the Company's Board of Directors passed resolutions to approve an increase in the registered share capital of D&B (Thailand) Co., Ltd. ("the subsidiary") from Baht 1 million (100,000 ordinary shares of Baht 10) to Baht 5 million (500,000 ordinary shares of Baht 10) through the issuance of 400,000 new ordinary shares of Baht 10 each in which the Company will hold 99.99 percent shareholding interest in D&B (Thailand) Co., Ltd. On 7 January 2019, the Company fully paid for the share subscription. The subsidiary registered the share capital increase with the Ministry of Commerce on 8 January 2019.

15. Investment in associated company

15.1 Details of associate:

		(Unit: Thousand Baht)						
Company's name	Nature of business	Country of incorporation	Percentage of shareholding		Consolidated financial statements		Separate financial statements	
			2020	2019	Carrying amount based on equity method		Carrying amount based on cost method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
Abiks Development Co., Ltd.	Property Development	Thailand	20	20	30,560	31,215	30,000	30,000

15.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit from investment in associated company in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate during the years		Dividend received during the years	
	2020	2019	2020	2019
Abiks Development Co., Ltd.	345	372	1,000	1,000

15.3 Summarised financial information about material associate

Summarised information about financial position

		(Unit: Thousand Baht)	
		Abiks Development Co., Ltd.	
		<u>2020</u>	<u>2019</u>
Current assets		36,728	39,797
Non-current assets		116,273	116,560
Current liabilities		(201)	(282)
Net assets		<u>152,800</u>	<u>156,075</u>
Shareholding percentage		20%	20%
Share of net assets		<u>30,560</u>	<u>31,215</u>
Elimination entries		-	-
Carrying amounts of associate based on equity method		<u><u>30,560</u></u>	<u><u>31,215</u></u>

Summarised information about comprehensive income

		(Unit: Thousand Baht)	
		For the years ended	
		31 December	
		<u>2020</u>	<u>2019</u>
Revenue		2,777	2,982
Profit		1,726	1,858

16. Investment in joint venture

16.1 Details of investment in joint venture:

		(Unit: Thousand Baht)					
Joint ventures	Nature of business	Shareholding percentage		Consolidated financial statements		Separate financial statements	
		2020	2019	Carrying amounts based on equity method		Carrying amounts based on cost method	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
		(%)	(%)				
Business Information Co., Ltd.	Provision of services by providing system with making decision tools	50	50	<u>12,217</u>	<u>14,722</u>	<u>15,500</u>	<u>15,500</u>

On 17 September 2019, the Company and CRIF S.p.A jointly established Business Information Company Limited (“Joint venture”) in Vietnam. Such company has a registered share capital of USD 1 million in which the Company held a 50 percent interest.

16.2 Share of comprehensive income and dividend received

During the year, the Company recognised its share of comprehensive income from investment in the joint venture in the consolidated financial statements and dividend income in the separate financial statements as follows:

Joint ventures	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of loss from investments in joint venture during the year		Share of other comprehensive income from investments in joint venture during the year		Dividend received during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Business Information Co., Ltd.	<u>(2,588)</u>	<u>(257)</u>	<u>83</u>	<u>(520)</u>	<u>-</u>	<u>-</u>

16.3 Summarised financial information about joint venture

Summarised information about financial position

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Business Information Co., Ltd.		
Cash and cash equivalents	24,052	29,389
Other current assets	419	177
Non-current assets	88	122
Other current liabilities	(125)	(243)
Net assets	<u>24,434</u>	<u>29,445</u>
Shareholding percentage	50%	50%
Share of net assets	<u>12,217</u>	<u>14,722</u>
Elimination entries	-	-
Carrying amounts of joint venture based on equity method	<u>12,217</u>	<u>14,722</u>

Summarised information about comprehensive income

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Business Information Co., Ltd.		
Other income	22	3
Interest expenses	(94)	(31)
Administration expenses	(5,104)	(485)
Profit (loss)	<u>(5,176)</u>	<u>(513)</u>
Other comprehensive income	-	-
Total comprehensive income	<u>(5,176)</u>	<u>(513)</u>

17. Building improvement and equipment

(Unit: Thousand Baht)

Consolidated financial statements						
	Building improvement	Office equipment	Computer and equipment	Vehicle	Assets under installation	Total
Cost:						
1 January 2019	20,650	15,336	100,223	14,375	346	150,930
Additions	1,782	3,630	18,116	-	20,497	44,025
Disposals	(20,577)	(8,862)	(34,654)	-	-	(64,093)
Transfer in (out)	11,535	-	-	-	(11,535)	-
31 December 2019	13,390	10,104	83,685	14,375	9,308	130,862
Additions	773	113	3,933	-	3,449	8,268
Disposals	-	-	(3,462)	-	-	(3,462)
Transfer in (out)	10,571	1,839	-	-	(12,410)	-
31 December 2020	24,734	12,056	84,156	14,375	347	135,668
Accumulated depreciation:						
1 January 2019	20,395	11,224	93,759	3,356	-	128,734
Depreciation for the year	262	1,271	7,919	2,874	-	12,326
Depreciation on disposals	(20,354)	(6,760)	(34,643)	-	-	(61,757)
31 December 2019	303	5,735	67,035	6,230	-	79,303
Depreciation for the year	2,467	1,375	8,562	2,875	-	15,279
Depreciation on disposals	-	-	(3,460)	-	-	(3,460)
31 December 2020	2,770	7,110	72,137	9,105	-	91,122
Allowance for impairment loss:						
1 January 2019	-	1,815	46	-	-	1,861
Decrease during the year	-	(1,815)	(46)	-	-	(1,861)
31 December 2019	-	-	-	-	-	-
31 December 2020	-	-	-	-	-	-
Net book value:						
31 December 2019	13,087	4,369	16,650	8,145	9,308	51,559
31 December 2020	21,964	4,946	12,019	5,270	347	44,546
Depreciation for the year						
2019 (Baht 7.8 million included in services cost, and the remaining balance in administrative expenses)						12,326
2020 (Baht 8.5 million included in services cost, and the remaining balance in administrative expenses)						15,279

(Unit: Thousand Baht)

Separate financial statements

	Building improvement	Office equipment	Computer and equipment	Vehicle	Assets under installation	Total
Cost:						
1 January 2019	20,577	14,985	96,229	14,375	290	146,456
Additions	1,782	3,198	16,526	-	17,132	38,638
Disposals	(20,577)	(8,832)	(34,644)	-	-	(64,053)
Transfer in (out)	8,115	-	-	-	(8,115)	-
31 December 2019	9,897	9,351	78,111	14,375	9,307	121,041
Additions	773	113	3,553	-	3,449	7,888
Disposals	-	-	(3,462)	-	-	(3,462)
Transfer in (out)	10,571	1,839	-	-	(12,410)	-
31 December 2020	21,241	11,303	78,202	14,375	346	125,467
Accumulated depreciation:						
1 January 2019	20,322	11,032	90,181	3,356	-	124,891
Depreciation for the year	211	1,229	7,081	2,874	-	11,395
Depreciation on disposals	(20,354)	(6,740)	(34,634)	-	-	(61,728)
31 December 2019	179	5,521	62,628	6,230	-	74,558
Depreciation for the year	2,125	1,261	7,802	2,875	-	14,063
Depreciation on disposals	-	-	(3,460)	-	-	(3,460)
31 December 2020	2,304	6,782	66,970	9,105	-	85,161
Allowance for impairment loss:						
1 January 2019	-	1,806	44	-	-	1,850
Decrease during the year	-	(1,806)	(44)	-	-	(1,850)
31 December 2019	-	-	-	-	-	-
31 December 2020	-	-	-	-	-	-
Net book value:						
31 December 2019	9,718	3,830	15,483	8,145	9,307	46,483
31 December 2020	18,937	4,521	11,232	5,270	346	40,306
Depreciation for the year						
2019 (Baht 7.1 million included in services cost, and the remaining balance in administrative expenses)						11,395
2020 (Baht 7.8 million included in services cost, and the remaining balance in administrative expenses)						14,063

As at 31 December 2020, certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 60.56 million (the Company only: Baht 59.47 million) (2019: Baht 57.28 million (the Company only: Baht 56.89 million)).

18. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Software		Total	Software		Total
	Computer software	under development		Computer software	under development	
31 December 2020						
Cost	162,587	6,178	168,765	140,266	5,274	145,540
Less: Accumulated amortisation	(129,861)	-	(129,861)	(115,221)	-	(115,221)
Net book value	<u>32,726</u>	<u>6,178</u>	<u>38,904</u>	<u>25,045</u>	<u>5,274</u>	<u>30,319</u>
31 December 2019						
Cost	150,976	11,071	162,047	129,534	10,970	140,504
Less: Accumulated amortisation	(115,585)	-	(115,585)	(106,289)	-	(106,289)
Net book value	<u>35,391</u>	<u>11,071</u>	<u>46,462</u>	<u>23,245</u>	<u>10,970</u>	<u>34,215</u>

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	46,462	36,358	34,215	24,357
Acquisition of computer software	1,711	15,349	933	10,530
Acquisition of computer software under development	5,007	9,483	4,103	9,725
Amortisation charged for the year	(14,276)	(14,728)	(8,932)	(10,397)
Net book value at end of year	<u>38,904</u>	<u>46,462</u>	<u>30,319</u>	<u>34,215</u>

19. Short-term loans from financial institutions

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
	Interest rate (percent per annum)	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term loans from financial institutions	BIBOR+2.75%	17,000	-	17,000	-
Total		<u>17,000</u>	<u>-</u>	<u>17,000</u>	<u>-</u>

Short-term loan from a financial institution is secured by the pledge of accounts receivable.

20. Trade and other payables

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties		363	351	363	2,997
Trade payables - unrelated parties		1,083	10,361	1,083	5,375
Accrued cost - related parties		378	345	378	345
Accrued cost - unrelated parties		45,310	19,985	41,795	18,707
Accrued expenses - related parties		1,653	4,067	1,650	4,062
Accrued expenses - unrelated parties		30,786	29,148	28,859	26,555
Other payables - related parties		3,079	2,352	3,032	2,352
Other payables - unrelated parties		6,281	1,250	5,407	717
Deferred income - related parties		1,094	173	1,760	1,203
Deferred income - unrelated parties		71,553	75,596	63,010	65,488
Total trade and other payables		<u>161,580</u>	<u>143,628</u>	<u>147,337</u>	<u>127,801</u>

21. Short-term provisions

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements		
	Provision for penalty delay	Decommissioning	Total
1 January 2019	25,000	1,200	26,200
Increase during the year	22,564	-	22,564
Decrease during the year	(47,564)	-	(47,564)
31 December 2019	-	1,200	1,200
Increase during the year	5,777	-	5,777
Decrease during the year	(5,777)	(1,200)	(6,977)
31 December 2020	-	-	-

22. Lease

The Group has lease contracts for assets used in its operations. Leases generally have lease term between 3 - 10 years.

22.1 Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements - building and building improvement	Separate financial statements - building and building improvement
As at 1 January 2020 (Note 4)	32,027	24,976
Depreciation for the year	(3,760)	(2,888)
As at 31 December 2020	28,267	22,088

22.2 Lease liabilities

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
Lease payments	34,621	26,619
Less: Deferred interest expenses	(9,781)	(7,522)
Total	24,840	19,097
Less: Portion due within one year	(2,850)	(2,191)
Lease liabilities - net of current portion	21,990	16,906

A maturity analysis of lease payments is disclosed in Note 36 under the liquidity risk.

22.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	3,760	2,888
Interest expense on lease liabilities	1,640	1,260

22.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 4.12 million (the Company only: Baht 3.17 million).

23. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits at beginning of year	18,136	12,805	17,787	12,588
Included in profit or loss:				
Current service cost	1,598	1,415	1,526	1,357
Interest cost	486	436	476	429
Past service cost	-	3,480	-	3,413
Provision for long-term employee benefits at end of year	<u>20,220</u>	<u>18,136</u>	<u>19,789</u>	<u>17,787</u>

As at 31 December 2020, the Group expects not to pay the long-term employee benefits during the next year (2019: Nil).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit of the Group is 10 years (the Company only: 10 years) (2019: 10 years and the Company only: 10 years).

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	2.68	2.68	2.68	2.68
Salary increase rate	4.0 - 7.5	4.0 - 7.5	4.0 - 7.5	4.0 - 7.5

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below.

(Unit: Thousand Baht)

	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Liability increase (decrease)		Liability increase (decrease)	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(1,477)	1,673	(1,411)	1,593
Salary increase rate	1,797	(1,615)	1,757	(1,581)

(Unit: Thousand Baht)

	As at 31 December 2019			
	Consolidated		Separate	
	financial statements		financial statements	
	Liability increase (decrease)		Liability increase (decrease)	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(1,431)	1,624	(1,375)	1,557
Salary increase rate	1,582	(1,424)	1,516	(1,368)

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 3.5 million (The Company only: Baht 3.4 million). The Group reflected the effect of the change by recognising past service costs as expenses in the profit or loss for the year 2019.

24. Provision for decommissioning costs

(Unit: Thousand Baht)

	Consolidated	Separate
	financial	financial
	statements	statements
As at 1 January 2020 (Note 4)	3,067	2,331
Increase during the year	196	150
As at 31 December 2020	<u>3,263</u>	<u>2,481</u>

The Group recognises a provision for decommissioning costs associated with office equipment owned by the Group. The Group is committed to decommissioning the office equipment after the expiry date of office rental agreement.

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

26. Service income

Service income of the Group classified by nature of services are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Service income from providing business information by online computer systems	209,296	207,714	212,390	208,970
Service income from providing/ utilising software under the BOI investment promotion privilege	88,472	95,148	87,022	86,685
Other service income	297,811	205,123	235,803	143,720
Total service income	<u>595,579</u>	<u>507,985</u>	<u>535,215</u>	<u>439,375</u>
Timing of revenue recognition:				
Revenue recognised at a point in time	92,543	113,533	42,478	42,615
Revenue recognised over time	503,036	394,452	492,737	396,760
Total service income	<u>595,579</u>	<u>507,985</u>	<u>535,215</u>	<u>439,375</u>

Revenue to be recognised for the remaining performance obligations

As at 31 December 2020, revenue aggregating to Baht 192.2 million (2019: Baht 127.2 million) is expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of contracts with customers. The Group expects to satisfy the performance obligations within 2 - 5 years.

27. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Costs of database management system	90,108	103,334	54,380	70,694
Cost of projects	103,555	53,323	103,555	53,323
Salaries and wages and other employee benefits	117,089	116,996	100,847	97,818
Directors' remuneration and consultant fee	15,686	15,204	15,686	15,204
Depreciation	19,039	12,326	16,951	11,395
Amortisation expenses	14,276	14,728	8,932	10,397
Rental and service expenses from operating				
lease agreements	3,978	10,741	3,367	8,894
Marketing expenses	2,259	8,067	1,878	7,065
Electricity charges	3,624	4,207	3,455	4,074

28. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	28,273	10,209	27,925	8,830
Adjustments in respect of income tax of				
previous year	-	544	-	375
Deferred tax:				
Relating to origination and reversal of				
temporary differences	(2,172)	(2,805)	(1,967)	(2,221)
Income tax expense reported in the				
profit or loss	<u>26,101</u>	<u>7,948</u>	<u>25,958</u>	<u>6,984</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax on gain from the change in value of financial assets measured at FVOCI	2,249	-	2,249	-
Total	<u>2,249</u>	<u>-</u>	<u>2,249</u>	<u>-</u>

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	<u>204,598</u>	<u>151,860</u>	<u>209,960</u>	<u>147,617</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	40,920	30,372	41,992	29,523
Adjustments in respect of income tax of previous year	-	544	-	375
Effects of:				
Promotional privileges (Note 30)	(12,310)	(10,189)	(12,310)	(10,189)
Utilisation of tax loss carried forward	-	(272)	-	-
Unrecognised tax losses	1,273	-	-	-
Income not subject to tax	(5,468)	(4,855)	(5,468)	(4,855)
Non-deductible expenses	3,037	1,332	2,997	745
Additional expense deductions allowed	(1,351)	(8,705)	(1,253)	(8,615)
Recognition of deferred tax assets of previous year	-	(392)	-	-
Others	-	113	-	-
Total	<u>(14,819)</u>	<u>(22,968)</u>	<u>(16,034)</u>	<u>(22,914)</u>
Income tax expenses reported in the profit or loss	<u>26,101</u>	<u>7,948</u>	<u>25,958</u>	<u>6,984</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for share reduction of investment	4,152	4,152	4,152	4,152
Allowance for expected credit losses (2019: Allowance for doubtful accounts)	2,892	1,550	2,892	1,550
Accumulated amortisation - software	680	561	-	-
Allowance for impairment of equipment	652	-	496	-
Provision for long-term employee benefits	4,045	3,627	3,958	3,558
Total	12,421	9,890	11,498	9,260
Deferred tax liabilities				
Unrealised fair value gain on investments	(358)	-	(271)	-
Lease	(42,616)	-	(42,616)	-
Total	(42,974)	-	(42,887)	-
Deferred tax assets (liabilities) - net	(30,553)	9,890	(31,389)	9,260
Deferred tax assets (liabilities) presented in the statements of financial position:				
Deferred tax assets	836	9,890	-	9,260
Deferred tax liabilities	(31,389)	-	(31,389)	-
	(30,553)	9,890	(31,389)	9,260

As at 31 December 2020, a subsidiary has unused tax losses totaling Baht 12.76 million (2019: Baht 12.78 million), on which deferred tax assets have not been recognised and will be expired by 2022 - 2025.

29. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

30. Promotional privileges

The Company and a subsidiary have been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions. Significant privileges of the Company and the subsidiary are as follows:

Details	The Company	BOL Digital Co., Ltd. (the subsidiary)
Certificate No.	2423(7)/2556	60-0193-1-00-2-0
Date	9 October 2013	14 February 2017
1. Promotional privileges for	Software	Software
2. The significant privileges are:		
2.1 Exemption from corporate income tax on net income from promoted operations (commencing as from the date of first earning operating income). Furthermore, accumulated losses incurred during the corporate income tax exemption period, the Company is allowed to utilise the losses as a deduction against net income for a period of 5 years after the expiry of the tax exemption period, whether from any one year or from several years.	8 years (will expire on 15 December 2022)	5 years (will expire on 31 March 2023)
2.2 Exemption from income tax on dividends paid from the income of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption.	Granted	Granted
2.3 Exemption from import duty on imported machinery for use in production as approved by the Board.	Throughout the period of promoted	Throughout the period of promoted
3. Date of first earning operating income	16 December 2014 (effective date of the first agreement)	1 April 2018 (effective date of the first agreement)

The Company and the subsidiary's operating revenues for the years ended 31 December 2020 and 2019, dividend between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Promoted operations	88,472	95,148	87,022	86,685
Non-promoted operations	507,107	412,837	448,193	352,690
Total service income	<u>595,579</u>	<u>507,985</u>	<u>535,215</u>	<u>439,375</u>

31. Financial information by segment

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group is principally engaged in an online and offline information service provider and developer of financial news and other information services their operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues and operating profits as presented in the comprehensive income statements and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

Major customers

In 2020 and 2019, the Group has no major customer with revenue of 10 percent or more of its consolidated revenue.

32. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by BBL Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 3.2 million (the Company only: Baht 2.9 million) (2019: Baht 2.6 million (the Company only: Baht 2.2 million) were recognised as expenses.

33. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2018	Annual General Meeting of the shareholders on 2 April 2019	98.46	0.12
Interim dividends in respect of the profit for the period from 1 January 2019 to 30 June 2019	Board of Directors' meeting on 6 August 2019	49.23	0.06
Total dividends paid in 2019		147.69	0.18
Interim dividends from the 2019 operating results	Board of Directors' meeting on 30 March 2020	73.85	0.09
Interim dividends in respect of the profit for the period from 1 January 2020 to 30 June 2020	Board of Directors' meeting on 14 August 2020	65.64	0.08
Total dividends paid in 2020		139.49	0.17

34. Commitments and contingent liabilities

As at 31 December 2020 and 2019, the Group has commitments and contingent liabilities other than these disclosed in other notes to financial statements as follows:

34.1 Service agreements

The Company has entered into agreement with a government enterprise to obtain the right to operate an online business information service and on 23 April 2012, the Company extended the agreement for 5 years with the government enterprise (2016 - 2020) to obtain the right to operate an online business information service. The agreement will be terminated in December 2020. In addition, the Company signed in the memorandum of understanding of the cooperation of business information service which the term of such memorandum is 15 years (2021 - 2035). The Company has to pay the fee at the fixed rate of service income or minimum guarantee for per year as specified in the agreements and such memorandum in order to continue the project.

Subsequently, in August 2020, the Company has entered into new agreement with such government enterprise for the period of 5 years to obtain the right to operate an online business information service. The agreement will be effective from 1 January 2021 onward.

During the year 2015, D&B (Thailand) Co., Ltd., a subsidiary company, entered into an agreement with an overseas company to obtain the trademark license to provide services to customers. The subsidiary company is liable to pay a fee as specified in the agreement. The agreement is for the period of 5 years.

In addition, the Group entered into service agreements related to cost of providing services with other companies.

As at 31 December 2020 and 2019, the future payments under these service agreements are due as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Payable:				
In up to 1 year	12.94	50.81	12.58	29.54
In over 1 and up to 5 years	10.20	73.71	10.16	73.32
In over 5 years	-	170.47	-	170.47

34.2 Capital expenditure agreement

As at 31 December 2020, the Group has outstanding commitments under the agreements for development of the computer system and has other capital expenditure of Baht 4.88 million (the Company only: Baht 4.49 million (2019: Baht 5.72 million)).

34.3 License agreements

The Company has entered into an agreement with a related company and an overseas company granting the Company for the rights to utilise software applications to another related company. Under the agreement, the Company is obliged to pay a fee at a certain percentage of revenues earned from the use of such service as stipulated in the agreement. The agreement does not stipulate a definite term.

34.4 Uncalled portion of investment

The Company has outstanding commitment in respect of uncalled portion of investment in subsidiary of Baht 3 million.

34.5 Bank guarantees

The Company had outstanding bank guarantees of approximately Baht 42.07 million of certain performance bonds as required in the normal course of business to guarantee contractual performance (2019: Baht 45.41 million).

35. Fair value hierarchy

As of 31 December 2020, the Group had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)
	<u>Level 3</u>
Financial assets at fair value through OCI	
Investments in equity instruments of non-listed companies	335

Valuation techniques and inputs to Level 3 valuation

The fair value of investments in non-listed company are estimated by discounting expected future cash flow and other methods used in fair value measurement.

During the current year, there were no transfers within the fair value hierarchy.

36. Financial instruments

36.1 Financial risk management objective and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, investments, and short-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have concentrations of credit risk since it has a large customer base and the major customers are almost financial institutes, state enterprises and government unit.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its short-term loans. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities that are subject to interest classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2020

	Fixed interest rate			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	101.00	-	-	55.67	12.30	168.97	0.15 - 0.40
Other current financial assets	150.04	-	-	-	-	150.04	0.30 - 0.55
Deposits at banks with restrictions	14.20	-	-	-	-	14.20	0.20 - 0.25
	<u>265.24</u>	<u>-</u>	<u>-</u>	<u>55.67</u>	<u>12.30</u>	<u>333.21</u>	
Financial liabilities							
Short-term loans from financial institutions	17.00	-	-	-	-	17.00	3.38
Lease liabilities	2.85	16.48	5.51	-	-	24.84	6.00
	<u>19.85</u>	<u>16.48</u>	<u>5.51</u>	<u>-</u>	<u>-</u>	<u>41.84</u>	

(Unit: Million Baht)

Separate financial statements as at 31 December 2020

	Fixed interest rate			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalent	101.00	-	-	16.74	12.27	130.01	0.15 - 0.40
Other current financial assets	150.04	-	-	-	-	150.04	0.30 - 0.55
Deposits at banks with restrictions	14.20	-	-	-	-	14.20	0.20 - 0.25
	<u>265.24</u>	<u>-</u>	<u>-</u>	<u>16.74</u>	<u>12.27</u>	<u>294.25</u>	
Financial liabilities							
Short-term loans from financial institutions	17.00	-	-	-	-	17.00	3.38
Lease liabilities	2.19	12.75	4.16	-	-	19.10	6.00
	<u>19.19</u>	<u>12.75</u>	<u>4.16</u>	<u>-</u>	<u>-</u>	<u>36.10</u>	

(Unit: Million Baht)

Consolidated financial statements as at 31 December 2019

	Fixed interest			Total	Effective interest rate (% per annum)
	rates within 1 year	Floating interest rate	Non- interest bearing		
Financial assets					
Cash and cash equivalent	151.31	61.47	25.23	238.01	0.10 - 1.45
Short-term investments	19.96	-	-	19.96	5.00
Deposits at banks with restrictions	14.20	-	-	14.20	0.70 - 1.00
	<u>185.47</u>	<u>61.47</u>	<u>25.23</u>	<u>272.17</u>	

(Unit: Million Baht)

Separate financial statements as at 31 December 2019

	Fixed interest			Total	Effective interest rate (% per annum)
	rates within 1 year	Floating interest rate	Non- interest bearing		
Financial assets					
Cash and cash equivalent	151.31	30.15	22.02	203.48	0.10 - 1.45
Short-term investments	19.96	-	-	19.96	5.00
Deposits at banks with restrictions	14.20	-	-	14.20	0.70 - 1.00
	<u>185.47</u>	<u>30.15</u>	<u>22.02</u>	<u>237.64</u>	

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from purchasing or rendering services transactions that are denominated in foreign currencies. The Group has not entered into any contract in order to protect such foreign currency risk.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets as at 31 December		Financial liabilities as at 31 December		as at 31 December	
	<u>2020</u> (Million)	<u>2019</u> (Million)	<u>2020</u> (Million)	<u>2019</u> (Million)	<u>2020</u>	<u>2019</u>
US dollar	1.11	1.00	0.13	0.26	30.0371	30.1540

Foreign currency	Separated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	0.01	0.01	0.01	0.14	30.0371	30.1540

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank loans and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Less than	1 to 5	> 5 years	Total
	1 year	years		
Non-derivatives				
Short-term loans from financial institutions	17,000	-	-	17,000
Trade and other payables	161,579	-	-	161,579
Lease liabilities	4,115	21,468	9,038	34,621
Total non-derivatives	182,694	21,468	9,038	213,200

(Unit: Thousand Baht)

	Separate financial statements			
	Less than	1 to 5	> 5 years	Total
	1 year	years		
Non-derivatives				
Short-term loans from financial institutions	17,000	-	-	17,000
Trade and other payables	147,337	-	-	147,337
Lease liabilities	3,163	16,507	6,949	26,619
Total non-derivatives	167,500	16,507	6,949	190,956

37. Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates closed to the market interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

Reconciliation of recurring fair value measurements, of financial assets, categorised within Level 3 of the fair value hierarchy.

	(Unit: Thousand Baht) Consolidated financial statements/Separate financial statements
Equity instruments designated at fair value through other comprehensive income	
Balance as of 1 January 2020 (Note 4)	295,491
Acquired during the year	28,450
Net gain recognised into other comprehensive income	11,244
Balance as of 31 December 2020	335,185

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investment in equity instruments	Discounted future cash flows and residual income valuation	Weighted average cost of capital (WACC)	10 - 15%	5% increase in the WACC would result in Baht 98 million decrease in fair value 5% decrease in the WACC would result in Baht 318 million increase in fair value

38. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 0.41:1 (2019: 0.37:1) and the Company's was 0.39:1 (2019: 0.35:1).

39. Events after the reporting period

On 11 February 2021, the meeting of the Company's Board of Directors approved to propose final dividend payment for 2020 of Baht 0.115 per share, totaling Baht 94.36 million. Thus, including the interim dividend of Baht 0.08 per share, the total dividend payment for 2020 amounted to Baht 0.195 per share. The Company will propose these matters for approval in the Annual General Meeting of the Company's shareholders.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 11 February 2021.