**THE BROOKER GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH AND NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

1. GENERAL INFORMATION

**1.1 General matter**

The Company was incorporated as a limited company under the Civil and Commercial Code on March 9, 1994 and changed its status to a Public Company Limited under the Public Company Limited Act on August 21, 2000. The address of the head office is 26th Fl., The Trendy Building, 10/190-193 Soi.Sukhumvit 13, Sukhumvit Road, Khaeng Klong Toey Nua, Khet Wattana, Bangkok. The Company operates in Thailand and the main business is Business and Financial Consulting, Investments.

**1.2 Basis for preparation of interim financial statements**

These interim financial statements are prepared in accordance with Accounting Standards No. 34 (revised 2018) “Interim Financial Reporting”, which the Company and its subsidiaries choose to present condensed interim financial statements. However, the Company and its subsidiaries have presented the statements of financial position, income, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements. The interim financial statements provide the update information. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2018.

The accounting policies and the calculation basis used in this interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2018, except in the cases that the Group have adopted the new and revised TFRS which are effective for financial statement year beginning on or after January 1, 2019. However, the adoptions of the said financial reporting standards do not have material effect on the Group’s financial statements.

The consolidated financial statements for the three-month and nine-month periods ended September 30, 2019, has included the financial statements of overseas subsidiaries (Brooker International Company Limited and Brooker Dunn Asset Advisory Limited). The financial statements for those subsidiaries reflect total assets as of September 30, 2019 amount of Baht 418.84 million, (equivalent to 16.38% of total assets in the consolidated financial statement), total liabilities amount of Baht 8.89 million (equivalent to 1.54% of total liabilities in the consolidated financial statement) and net profit for the nine-month and net loss for the three-month periods then ended amounting Baht 34.57 million and Baht 19.92 million respectively, (equivalent to 138.78% and 27.88% of net profit in the consolidated financial statement).

The interim consolidated financial statements include the financial statements of The Brooker Group Public Company Limited and its subsidiary companies after which the balances and significant intercompany transactions have been eliminated.

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the financial statements in Thai language shall prevail.

**1.3 Financial reporting standards which are not effective for the current period**

The Federation of Accounting Professions has issued the new accounting standard, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, which is effective for financial statements period beginning on or after January 1, 2020 as follows:

|  |  |
| --- | --- |
| Accounting Standard |  |
| TAS 1 Presentation of Financial Statements |  |
| TAS 2 Inventories |  |
| TAS 7 Statement of Cash Flows |  |
| TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors |  |
| TAS 10 Events after the Reporting Period |  |
| TAS 16 Property, Plant and Equipment |  |
| TAS 20 Accounting for Government Grants and Disclosure of Government Assistance |  |
| TAS 21 The Effects of Changes in Foreign Exchange Rates |  |
| TAS 24 Related Party Disclosures |  |
| TAS 26 Accounting and Reporting by Retirement Benefit Plans |  |
| TAS 27 Separate Financial Statements |  |
| TAS 29 Financial Reporting in Hyperinflationary Economies |  |
| TAS 32 Financial Instruments: Presentation |  |
| TAS 33 Earnings per Share |  |
| TAS 34 Interim Financial Reporting |  |
| TAS 36 Impairment of Assets |  |
| TAS 37 Provisions, Contingent Liabilities and Contingent Assets |  |
| TAS 38 Intangible Assets |  |
|  |  |
| Accounting Standard |  |
| TAS 40 Investment Property |  |
| TAS 41 Agriculture |  |
|  |  |
| Financial Reporting Standard |  |
| TFRS 2 Share - based Payment |  |
| TFRS 4 Insurance Contract |  |
| TFRS 5 Non - current Assets Held for Sale and Discontinued Operations |  |
| TFRS 6 Exploration for and Evaluation of Mineral Resources |  |
| TFRS 7 Financial Instruments: Disclosures |  |
| TFRS 8 Operating Segments |  |
| TFRS 9 Financial Instruments |  |
| TFRS 10 Consolidated Financial Statements |  |
| TFRS 12 Disclosure of Interests in Other Entities |  |
| TFRS 13 Fair Value Measurement |  |
| TFRS 15 Revenue from Contracts with Customers |  |
| TFRS 16 Leases |  |
|  |  |
| Accounting Standard Interpretations |  |
| TSIC 10 Government Assistance - No Specific Relation to Operating Activities |  |
| TSIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders |  |
| TSIC 29 Service Concession Arrangements: Disclosures |  |
| TSIC 32 Intangible Assets - Web Site Costs |  |
|  |  |
| Financial Reporting Standard Interpretations |  |
| TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities |  |
| TFRIC 5 Rights to Interests arising from Decommissioning, |  |
| Restoration and Environmental Rehabilitation Funds |  |
| TFRIC 7 Applying the Restatement Approach under TAS 29 |  |
| Financial Reporting in Hyperinflationary Economies |  |
| TFRIC 10 Interim Financial Reporting and Impairment |  |
| TFRIC 12 Service Concession Arrangements |  |
| TFRIC 14 TAS 19 - The Limit on a Defined Benefit Asset, |  |
| Minimum Funding Requirements and their Interaction |  |
| TFRIC 16 Hedges of a Net Investment in a Foreign Operation |  |
| TFRIC 17 Distributions of Non - Cash Assets to Owners |  |
| TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments |  |
| TFRIC 20 Stripping Costs in the Production Phase of a Surface Mine |  |
| TFRIC 21 Levies |  |
| TFRIC 22 Foreign Currency Transactions and Advance Consideration |  |

The management of the Company has assessed TAS, TFRS, TSIC and TFRIC which are effective for financial statement year beginning on or after January 1, 2020 as follows:

1. TAS 1, TAS 2, TAS 7, TAS 8, TAS 10, TAS 16, TAS 21, TAS 24, TAS 27, TAS 33, TAS 34, TAS 36, TAS 37, TAS 38, TFRS 8, TFRS 13, TFRS 15 and TFRIC 22 will not have material impact on the financial statements when they are applied.
2. The management of the Company is currently evaluating the impact of TAS 32, TFRS 7, TFRS 9, TFRS 16 and TFRIC 19 to the financial statements when they are adopted.
3. The other TAS, TFRS, TSIC and TFRIC which have not been stated in No.1) and 2) are not relevant to the Company business, therefore they do not have impact on the financial statement when they are applied.

**1.4 Summary of significant accounting policies**

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2018.

1. **RELATED PARTY TRANSACTION**

|  |  |  | Country of | Percentage of | |
| --- | --- | --- | --- | --- | --- |
| Company’s name | Nature of business | Relationship | incorporation | shareholding | |
|  |  |  |  | September 30 | December 31 |
|  |  |  |  | 2019 | 2018 |
| **SUBSIDIARY COMPANIES** |  |  |  |  |  |
| Binswanger Brooker (Thailand) Limited | Real estate brokerage and consultancy | Shareholding and joint directors | Thailand | 99.99 | 99.99 |
| Brooker Planner Co., Ltd  *(Shareheld by Brooker Corporate Advisory Co., Ltd.)* | Business consultant | Indirect shareholding and joint directors | Thailand | - | - |
| Brooker Corporate Advisory Co., Ltd. | Business consultant | Shareholding and joint directors | Thailand | 99.99 | 99.99 |
| Brooker Business Development Co.,Ltd. | Business consultant | Share holding and joint directors | Thailand | 99.99 | 99.99 |
| Brooker International Company Limited | Financial consultant for overseas clients | Share holding and joint directors | Hong Kong | 100.00 | 100.00 |
| Brooker Dunn Asset Advisory Limited  (*Shareheld by Brooker International Company Limited*) | Fund Management of foreign investors outside Thailand | Indirect shareholding and joint directors | British Virgin Island | - | - |

Enterprises that directly, or indirectly through one or more intermediaries control, or are under common control of the Company’s which have co-shareholders or co-directors are as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **RELATED COMPANIES** |  |  |  |  |  |
| Jaturus Project Co., Ltd. | Real estate, Consultancy | Joint directors | Thailand | - | - |
| Brooker Sukhothai Fund | Foreign Fund | Joint directors | British Virgin Islands | - | - |
| Civetta Capital Co., Ltd. | Fund Management | Joint directors | Cayman Islands | - | - |
| M.C.L. Company Limited | Real estate, Renting | Joint directors | Thailand | - | - |
| M.C.L. Property Co., Ltd. | Real estate, Consultancy | Joint directors | Thailand | - | - |
| Min Sen Machinery Co., Ltd. | Agricultural Machineries Trader | A director is a spouse of a Company’s director | Thailand | - | - |
| MAC Capital Advisors Limited | Independent global investment banking  and brokerage from  the Middle East | Joint directors | Castries, St. Lucia | - | - |

**2.1 RELATED PARTY TRANSACTION**

During the periods, the Company had significant business transactions with its subsidiaries (which were eliminated in consolidation) and related companies (related by shareholding and/or common directors). Such transactions are summarized as follows:-

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | For the three-month period ended September 30 | | | For the nine-month  periods ended September 30 | | | Pricing policy |
|  | 2019 | | 2018 | 2019 | | 2018 |  | | |
| **Consolidated Financial Statement** | | |  |  | |  |  | | |
| **Related companies** |  | |  |  | |  |  | | |
| Service income | 55 | | 58 | 168 | | 346 | At the rate determined under the contract | | | |
| Rental income | 26 | | 26 | 79 | | 79 | At the rate determined under the contract | | | |
| Management income | 6,701 | | 9,843 | 21,633 | | 31,311 | At the rate determined under the contract | | | |
| Others expense | 26 | | 25 | 77 | | 85 | At the rate determined under the contract | | | |
| **Separate Financial Statement** | | |  |  | |  |  | | |
| **Subsidiary companies** |  | |  |  | |  |  | | |
| Service income | 6,317 | | 6,882 | 14,620 | | 15,643 | At the rate determined under the contract | | | | |
| Rental income | 47 | | 112 | 228 | | 337 | At the rate determined under the contract | | | | |
| Dividend income | - | | - | 560,011 | | 331,358 | At the announced rate | | | | |
| Interest income | 3,765 | | 571 | 7,432 | | 902 | At the interest rate 3.00% per annum | | | | |
| Interest expense | - | | 33 | 339 | | 1,833 | At the interest rate 3.00% per annum | | | | |
| Consulting fee | - | | - | - | | 41,681 | At the rate determined under the contract | | | | |

2.1.1 Management remuneration comprised of salary, bonus, life insurance premium, board of directors meeting allowance and directors compensation etc. for the nine-month periods ended September 30, 2019 and 2018 are as follow;

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | |
|  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  | 2019 |  | 2018 |  | 2019 |  | 2018 |
| Benefits – short-term | 31,514,159.97 |  | 30,595,951.89 |  | 31,514,159.97 |  | 30,595,951.89 |
| Benefits – after retirement | 1,194,377.00 |  | 723,537.00 |  | 1,194,377.00 |  | 723,537.00 |
| Benefits – long-term | - |  | - |  | - |  | - |
| Total | 32,708,536.97 |  | 31,319,488.89 |  | 32,708,536.97 |  | 31,319,488.89 |

The outstanding balances of assets and liabilities with the subsidiary companies and related companies of the above transactions are separately shown in the statements of financial position as at September 30, 2019 and December 31, 2018 as follows:-

* 1. **TRADE ACCOUNTS RECEIVABLE – RELATED PARTIES**

|  | BAHT | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | Separate Financial Statement | |
|  | September 30, 2019 | December 31, 2018 | September 30, 2019 | December 31, 2018 |
| **TRADE ACCOUNTS RECEIVABLE – RELATED PARTIES** | |  |  |  |
| **Subsidiary companies** |  |  |  |  |
| Brooker International Company Limited | - | - | 5,875,000.00 | - |
| Brooker Business Development Co., Ltd. | - | - | 233,280.09 | 1,073,046.22 |
| Total | - | - | 6,108,280.09 | 1,073,046.22 |
| **Related companies** |  |  |  |  |
| Civetta Capital Co., Ltd. | 1,252.60 | 1,432.42 | 1,252.60 | 1,432.42 |
| Brooker Sukhothai Fund Limited. | 29,092,368.74 | 8,535,741.14 | - | - |
| Total amounts due from related parties | 29,093,621.34 | 8,537,173.56 | 6,109,532.69 | 1,074,478.64 |

The outstanding balance of trade accounts receivable – related parties are classified by aging as follows:-

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | | |
|  | Consolidated Financial Statement | | | | Separate Financial Statement | | | |
|  | September 30, 2019 | | December 31, 2018 | | September 30, 2019 | | December 31, 2018 | |
| Current | 6,657,557.91 | 8,537,173.56 | | 5,954,011.56 | | 120,570.20 | |
| Overdue 30 days | 6,928,641.69 | - | | 77,762.17 | | 121,027.53 | |
| 31 - 60 days | 7,465,347.46 | - | | 77,758.96 | | 119,160.81 | |
| 61 - 90 days | 8,042,074.28 | - | | - | | 119,054.96 | |
| 91 - 180 days | - | - | | - | | 356,886.65 | |
| 181 - 365 days | - | - | | - | | 237,778.49 | |
| Over 365 days | - | - | | - | | - | |
| Trade accounts receivable – related parties - net | 29,093,621.34 | 8,537,173.56 | | 6,109,532.69 | | 1,074,478.64 | |

* 1. **ACCOUNTS RECEIVABLE OTHER - RELATED PARTIES**

|  |  | BAHT | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  |  | September 30, 2019 |  | December 31, 2018 |  | September 30, 2019 |  | December 31, 2018 |
| **UNBILLED RECEIVABLE – RELATED PARTIES** | | | | | | | | |
| **Subsidiary companies** | | | | | | | | |
| Brooker International Company Limited |  | - |  | - |  | 3,721,377.49 |  | 72,301,150.00 |
| Brooker Corporate Advisory Co., Ltd. |  | - |  | - |  | 1,918,675.08 |  | - |
| Brooker Business Development Co., Ltd. |  | - |  | - |  | 115,693.14 |  | 219,410.97 |
| Total unbilled receivable – related parties |  | - |  | - |  | 5,755,745.71 |  | 72,520,560.97 |
| **ADVANCE – RELATED PARTIES** | | | | | | | | |
| **Subsidiary companies** | | | | | | | | |
| Brooker Corporate Advisory Co., Ltd. |  | - |  | - |  | 3,637.25 |  | - |
| Brooker Business Development Co., Ltd. |  | - |  | - |  | 386,708.88 |  | 1,594,862.94 |
| Total advance – related parties |  | - |  | - |  | 390,346.13 |  | 1,594,862.94 |
| **Total accounts receivable other – related parties** |  | - |  | - |  | 6,146,091.84 |  | 74,115,423.91 |

### **LOANS TO RELATED PARTIES**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | | | | | | |  | POLICY |
|  |  | Separate Financial Statement | | | | | | |  | ON |
|  |  | December 31, 2018 |  | Increase |  | Decrease |  | September 30, 2019 |  | LENDING COST |
| **Subsidiary companies** |  |  |  |  |  |  |  |  |  |  |
| Brooker Corporate Advisory Co., Ltd. |  | 75,600,000.00 |  | 37,000,000.00 |  | (5,000,000.00) |  | 107,600,000.00 |  | 3.00% p.a. |
| Brooker Business Development Co., Ltd. |  | 10,000,000.00 |  | 5,300,000.00 |  | - |  | 15,300,000.00 |  | 3.00% p.a. |
| Brooker International Company Limited |  | - |  | 366,532,080.00 |  | - |  | 366,532,080.00 |  | 3.00% p.a. |
| **Total loans to subsidiary companies** |  | 85,600,000.00 |  | 408,832,080.00 |  | (5,000,000.00) |  | 489,432,080.00 |  |  |

### **2.5 LOANS FROM RELATED PARTIES**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | | | | | | |  | POLICY |
|  |  | Separate Financial Statement | | | | | | |  | ON |
|  |  | December 31, 2018 |  | Increase |  | Decrease |  | September 30, 2019 |  | BORROWING COST |
| **Subsidiary companies** |  |  |  |  |  |  |  |  |  |  |
| Brooker Planner Co., Ltd |  | 13,000,000.00 |  | 14,000,000.00 |  | (27,000,000.00) |  | - |  | 3.00% p.a. |
| Binswanger Brooker (Thailand) Limited |  | 17,000,000.00 |  | 15,000,000.00 |  | (32,000,000.00) |  | - |  | 3.00% p.a. |
| **Total loans from subsidiary companies** |  | 30,000,000.00 |  | 29,000,000.00 |  | (59,000,000.00) |  | - |  |  |

1. **CASH AND CASH EQUIVALENTS**

As at September 30, 2019 and December 31, 2018, cash and cash equivalents are as follow;

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | | | | | | |
|  |  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  |  | September 30, 2019 |  | December 31, 2018 |  | September 30, 2019 |  | December 31, 2018 |
| Cash |  | 20,000.00 |  | 20,000.00 |  | 20,000.00 |  | 20,000.00 |
| Current and saving account deposits |  | 176,522,577.92 |  | 170,690,951.14 |  | 65,729,541.07 |  | 29,486,348.00 |
| Fixed deposit with maturity dates  not longer than 3 months |  | - |  | - |  | - |  | - |
| Total cash and cash equivalents |  | 176,542,577.92 |  | 170,710,951.14 |  | 65,749,541.07 |  | 29,506,348.00 |

1. **SHORT-TERM INVESTMENT**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | | | | | | | |
|  | September 30, 2019 | | | | | |  | | December 31, 2018 | | | | | |
|  | Cost |  | Fair Value |  | | Unrealized Gain (Loss) |  | Cost | |  | Fair Value |  | Unrealized Gain (Loss) | |
| **4.1 The Company** |  |  |  |  | |  |  |  | |  |  |  |  | |
| Investment in |  |  |  |  | |  |  |  | |  |  |  |  | |
| - Trading securities | 497,815,049.59 |  | 415,612,116.62 |  | | (82,202,932.97) |  | 416,927,651.73 | |  | 380,587,218.69 |  | (36,340,433.04) | |
| **4.2 Subsidiary Company** |  |  |  |  | |  |  |  | |  |  |  |  | |
| Investment in |  |  |  |  | |  |  |  | |  |  |  |  | |
| |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | - Trading securities |  |  |  |  |  |  |  |  |  |  |  | | 63,021,304.64 |  | 43,394,155.00 |  | | (19,627,149.64) |  | 61,780,193.64 | |  | 64,770,570.00 |  | 2,990,376.36 | |
| - Brooker Sukhothai Fund | 181,023,555.64 |  | 254,464,008.04 |  | | 73,440,452.40 |  | 212,998,155.35 | |  | 324,654,834.01 |  | 111,656,678.66 | |
| - Civetta Fund | 139,284,939.89 |  | 104,218,968.75 |  | | (35,065,971.14) |  | 157,512,772.91 | |  | 112,368,991.72 |  | (45,143,781.19) | |
| Total subsidiary | 383,329,800.17 |  | 402,077,131.79 |  | 18,747,331.62 | |  | 432,291,121.90 | |  | 501,794,395.73 |  | 69,503,273.83 | |
| Total short-term investments | 881,144,849.76 |  | 817,689,248.41 |  | | (63,455,601.35) |  | 849,218,773.63 | |  | 882,381,614.42 |  | 33,162,840.79 | |

**4.3** The acquisitions and disposals of trading securities during the nine-month and three-month period ended September 30, 2019 is as follow;

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | BAHT | | |
|  |  | For the nine-month period ended September 30, 2019 | | |
|  |  | Consolidated Financial Statement |  | Separate Financial Statement |
| - Securities acquired |  | 294,334,530.52 |  | 239,529,621.25 |
| - Securities disposed |  | (262,408,454.39) |  | (158,642,223.39) |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | BAHT | | |
|  |  | For the three-month period ended September 30, 2019 | | |
|  |  | Consolidated Financial Statement |  | Separate Financial Statement |
| - Securities acquired |  | 60,925,747.52 |  | 78,787,056.25 |
| - Securities disposed |  | (126,739,064.70) |  | (107,802,223.39) |

**4.4** The transactions of unrealized gain (loss) on trading securities during the nine-month period ended September 30, 2019 is as follow;

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | BAHT | | |
|  |  | For the nine-month period ended September 30, 2019 | | |
|  |  | Consolidated Financial Statement |  | Separate Financial Statement |
| Beginning balance |  | 33,162,840.79 |  | (36,340,433.04) |
| Transactions during the period |  | (96,618,442.14) |  | (45,862,499.93) |
| Ending balance |  | (63,455,601.35) |  | (82,202,932.97) |

**4.5 INVESTMENT IN “BROOKER SUKHOTHAI FUND”**

An oversea subsidiary had invested in “BROOKER SUKHOTHAI FUND”, which price per share at each moment equal to NAV at the purchase date plus expenses and fees stated. The subsidiary will realize return of the investment on different between the NAV of the Fund at redeem date and purchased date less related expenses. The redemption condition of the Fund is 15 months since investment date. However, the unit holder has the right to sell / transfer such unit to other entity and no redemption fees.

Later on August 1, 2012 the Company had restructured its’ group investment in oversea subsidiaries. Then, “BROOKER SUKHOTHAI FUND” hold by Brooker Advisory Limited had been sold to Brooker International Limited which is oversea parent company of Brooker Advisory Limited, at NAV of the fund as the Fund condition, and realized gain on sale of investment amounting to US$ 784,197.83. Moreover, in quarter 3/2012 Brooker International Limited increased its investment in “BROOKER SUKHOTHAI FUND” as follow;

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  | Exchange |  |  |
|  |  | Number of unit |  | Unit Price\* |  | US $ Amount |  | Rate \*\* |  | Cost (Baht) |
| As of July 31,2012 |  | 1,916.192 |  |  |  | 4,002,058.21 |  |  |  |  |
| Unit adjusted |  | 61.919 |  |  |  | - |  |  |  |  |
| As adjusted July 31,2012 |  | 1,978.111 |  | 2,023.17 |  | 4,002,058.21 |  | 30.1262 |  | 120,566,806.05 |
| Un-realize gain |  | - |  |  |  | 784,197.83 |  | 30.1262 |  | 23,624,900.67 |
| Fair Value July 31,2012 |  | 1,978.111 |  |  |  | 4,786,256.04 |  |  |  |  |
| Invested on August 1,2012 |  | 100.628 |  | 2,484.40 |  | 250,000.00 |  | 30.1262 |  | 7,531,550.00 |
| As of December 31,2012 |  | 2,078.739 |  |  |  | 5,036,256.04 |  |  |  |  |
| As adjusted January 1,2013 |  | (6.274) |  |  |  | (18,470.49) |  | 30.1262 |  | (556,445.68) |
| As of January 31,2013 |  | 2,072.465 |  | 2,421.17 |  | 5,017,785.55 |  |  |  |  |
| Invested on November 22, 2013 |  | 545.828 |  | 3,446.40 |  | 1,881,140.00 |  | 30.1262 |  | 56,671,599.87 |
| As of December 31, 2013 |  | 2,618.293 |  | 2,634.89 |  | 6,898,925.55 |  |  |  |  |
| As adjusted January 1,2014 |  | 5.380 |  |  |  | 16,582.99 |  | 30.1262 |  | 499,582.47 |
| As of December 31, 2014 |  | 2,623.673 |  | 2,635.81 |  | 6,915,508.54 |  |  |  |  |
| As adjusted January 1,2015 |  | 7.489 |  |  |  | 32,811.66 |  | 30.1262 |  | 988,490.63 |
| As of February 29, 2016 |  | 2,631.162 |  |  |  | 6,948,320.20 |  |  |  |  |
| Invested on March 29,2016 |  | 101.762 |  | 4,913.437 |  | 500,000.00 |  | 30.1262 |  | 15,063,100.00 |
| As of December 31, 2016 |  | 2,732.924 |  |  |  | 7,448,320.20 |  |  |  |  |
| As adjusted January 1,2017 |  | (0.656) |  | 5,095.55 |  | (3,342.68) |  | 30.1262 |  | (100,702.25) |
| As of December 31, 2017 |  | 2,732.268 |  |  |  | 7,444,977.52 |  |  |  |  |
| Redemption December 3,2018 |  | (293.263) |  | 4,091.89 |  | (1,200,000.00) |  | 30.1262 |  | (36,151,440.00) |
| As of December 31, 2018 |  | 2,439.005 |  |  |  | 6,244,977.52 |  |  |  |  |
| Redemption April 1,2019 |  | (60.975) |  | 3,872.58 |  | (236,130.46) |  | 30.1262 |  | (7,113,886.12) |
| As of September 30, 2019 |  | 2,378.030 |  |  |  | 6,008,847.06 |  |  |  | 181,023,555.64 |

**\***  Weighted average price

\*\* Weighted average exchange rate as at September 30, 2019

**4.6 INVESTMENT IN “CIVETTA FUND”**

An oversea subsidiary (Brooker International Co., Ltd) had invested in “CIVETTA FUND”, which price per share at initial investment equal to NAV at US$ 100 per share. The subsidiary will realize return of the investment on different between the NAV of the Fund at redeem date and purchased date less related expenses. The redemption condition of the Fund is 3 years since investment date. However, the unit holder has the right to sell / transfer such unit to other entity and no redemption fees.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  | Number of unit |  | Unit Price |  | US $ Amount |  | Exchange Rate |  | Cost (Baht) |
| Invested on March 10, 2014 |  | 49,999.500 |  | 100.00 |  | 5,000,000.00 |  | 31.5517 |  | 157,758,500.00 |
| Redemption October 1, 2018 |  | (2,500.000) |  | 83.528 |  | (208,820.67) |  | 31.5517 |  | (6,588,647.13) |
| As at December 31, 2018 |  | 47,499.500 |  |  |  | 4,791,179.33 |  |  |  |  |
| Redemption January 2, 2019 |  | (2,500.000) |  | 74.552 |  | (186,379.93) |  | 31.5517 |  | (5,880,603.64) |
| Redemption April 1, 2019 |  | (1,187.500) |  | 77.218 |  | (91,696.69) |  | 31.5517 |  | (2,893,186.45) |
| Redemption July 1, 2019 |  | (1,187.500) |  | 83.033 |  | (98,601.56) |  | 31.5517 |  | (3,111,122.89) |
| As at September 30, 2019 |  | 42,624.500 |  |  |  | 4,414,501.15 |  |  |  | 139,284,939.89 |

**5. TRADE ACCOUNTS RECEIVABLE – NON-RELATED PARTIES**

As at September 30, 2019 and December 31, 2018, the outstanding balance of trade accounts receivable are classified by aging as follows :-

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | BAHT | | | |
|  | Consolidated Financial Statement | | Separate Financial Statement | |
|  | September 30, 2019 | December 31, 2018 | September 30, 2019 | December 31,2018 |
|  | |  |  |  |
| Current | 160,500.00 | 7,708,499.70 | - | 7,547,999.70 |
| Overdue 30 days | - | 3,183,292.74 | - | 3,183,292.74 |
| 31 - 60 days | - | 1,070,000.00 | - | 1,070,000.00 |
| 61 - 90 days | - | 4,835,197.64 | - | 4,835,197.64 |
| 91 - 180 days | 2,179,745.15 | 3,210,000.00 | 574,745.15 | 3,210,000.00 |
| 181 - 365 days | 7,547,999.70 | 129,002,701.42 | 7,547,999.70 | 25,093,265.50 |
| Over 365 days | 8,089,789.89 | 6,464,592.25 | 7,394,289.89 | 5,769,092.25 |
| Total | 17,978,034.74 | 155,474,283.75 | 15,517,034.74 | 50,708,847.83 |
| Less : Allowance for doubtful accounts | (2,077,592.25) | (2,077,592.25) | (1,382,092.25) | (1,382,092.25) |
| Net | 15,900,442.49 | 153,396,691.50 | 14,134,942.49 | 49,326,755.58 |

The transactions of allowance for doubtful accounts – trade accounts receivable – non-related parties during the nine-month period ended September 30, 2019 are as follow;

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | BAHT | | |
|  |  | Consolidated Financial Statement |  | Separate Financial Statement |
| Balance as at January 1, 2019 |  | 2,077,592.25 |  | 1,382,092.25 |
| Adjustment –decrease during the period (Including undue VAT) |  | - |  | - |
| Balance as at September 30, 2019 |  | 2,077,592.25 |  | 1,382,092.25 |

**6. ACCOUNTS RECEIVABLE OTHER – NON-RELATED PARTIES**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | BAHT | | | |
|  | Consolidated Financial Statement | | Separate Financial Statement | |
|  | September 30, 2019 | December 31, 2018 | September 30, 2019 | December 31, 2018 |
| Account Receivable Other\* | 36,500,000.00 | 75,500,000.00 | 36,500,000.00 | 75,500,000.00 |
| Unbilled Receivable | 30,057,534.29 | 14,736,986.32 | 30,057,534.29 | 14,736,986.32 |
| Advance Payment | 22,168,798.08 | 4,500.00 | 22,168,798.08 | 4,500.00 |
| Prepaid Expenses | 1,327,477.20 | 1,023,176.36 | 828,147.05 | 770,607.68 |
| Total account receivable other- non-related parties | 90,053,809.57 | 91,264,662.68 | 89,554,479.42 | 91,012,094.00 |

\* On September 14, 2018, The Company sold securities to a non-related company for Baht 90.50 million. The Company has received payments of the share amounting to Baht 54.00 million. The remaining Baht 36.50 million is secured by share certificates from the buyer for the collateral.

### **LOANS TO OTHERS PERSON AND OTHER PARTIES**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | | | | | | |
|  |  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  |  | September 30, 2019 |  | December 31, 2018 |  | September 30, 2019 |  | December 31, 2018 |
| Other persons non-related |  | 45,000,000.00 |  | 130,000,000.00 |  | 45,000,000.00 |  | 130,000,000.00 |
| Kingdom Property company limited |  | 4,908,000.00 |  | 4,908,000.00 |  | 4,908,000.00 |  | 4,908,000.00 |
| Total |  | 49,908,000.00 |  | 134,908,000.00 |  | 49,908,000.00 |  | 134,908,000.00 |
| Less : Allowance for doubtful accounts |  | (4,908,000.00) |  | (4,908,000.00) |  | (4,908,000.00) |  | (4,908,000.00) |
| Total loans to others person and other parties |  | 45,000,000.00 |  | 130,000,000.00 |  | 45,000,000.00 |  | 130,000,000.00 |

The transactions of loans to others person and other parties during the nine-month period ended September 30, 2019, are as follow;

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | | | | | | | |  | | POLICY | |
|  |  | Consolidated Financial Statement / Separate Financial Statement | | | | | | | |  | | ON | |
|  |  | December 31, 2018 |  | Increase |  | Decrease |  | September 30, 2019 |  | | LENDING COST | |
| Other persons non-related |  | 130,000,000.00 |  | - |  | (85,000,000.00) |  | 45,000,000.00 |  | | 12.00% p.a. | |
| Kingdom Property Company Limited |  | 4,908,000.00 |  | - |  | - |  | 4,908,000.00 |  | | 10.00% p.a. | |
| Total |  | 134,908,000.00 |  | - |  | (85,000,000.00) |  | 49,908,000.00 |  | |  | |
| Less : Allowance for doubtful accounts |  | (4,908,000.00) |  | - |  | - |  | (4,908,000.00) |  | |  | |
| Total loans to others person and other parties |  | 130,000,000.00 |  | - |  | (85,000,000.00) |  | 45,000,000.00 |  | |  | |

**8. INVESTMENTS IN SUBSIDIARY COMPANIES**

As at September 30, 2019 and December 31, 2018, the Company's investments in its subsidiary companies are as follows:-

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | | |  | |  | | | | Investments (Unit : Thousand Baht) | | | | | | | | |
|  |  |  |  | | |  | | |  |  | | | |  | | | Allowance for | | | |
|  |  |  |  | | |  | | |  |  | | | |  | | | Impairment of | | | |
|  |  | Paid-up share capital | | | Shareholding | | | | | | Cost Method | | | Net book value | | | Subsidiaries investment | | | |
|  | Type of | September 30 | | December 31 | September 30 | | December 31 | | | September 30 | | | December 31 | September 30 | December 31 | | September 30 | | | December 31 |
| Name of company | business | 2019 | | 2018 | 2019 | | 2018 | | | 2019 | | | 2018 | 2019 | 2018 | | 2019 | | | 2018 |
|  |  | (Baht) | | (Baht) | % | | % | | |  | | |  |  |  | |  | | |  |
| Binswanger Brooker (Thailand) Limited | Real estate brokerage and consultancy | 22.87 mil | | 22.87 mil | 99.99 | | 99.99 | | | 9,222 | | | 9,222 | 14,633 | 17,552 | | - | | | - |
|  |  |  | |  |  | |  | | |  | | |  |  |  | |  | | |  |
| Brooker Planner Co.,Ltd. | Business consultant | 43.38 mil | | 43.38 mil | 99.99 | | 99.99 | | | - | | | - | - | - | | - | | | - |
|  |  |  | |  | (Indirect shareholding) | | | | |  | | |  |  |  | |  | | |  |
| Brooker Corporate Advisory Co., Ltd. | Business consultant | 31.02 mil | | 31.02 mil | 99.99 | | 99.99 | | | 31,011 | | | 31,011 | (5,291) | 23,060 | | - | | | - |
|  |  |  | |  |  | |  | | |  | | |  |  |  | |  | | |  |
| Brooker Business Development Co., Ltd. | Business consultant | 2.00 mil | | 2.00 mil | 99.99 | | 99.99 | | | 2,000 | | | 2,000 | (16,067) | (13,525) | | (2,000) | | | (2,000) |
|  |  |  | |  |  | |  | | |  | | |  |  |  | |  | | |  |
| Brooker International Co., Ltd. | Business consultant for foreign clients | US Dollar 600,000 | | US Dollar 600,000 | 100.00 | | 100.00 | | | 17,844 | | | 17,844 | 29,654 | 578,409 | | - | | | - |
|  |  |  | |  |  | |  | | |  | | |  |  |  | |  | | |  |
| Investment in subsidiaries | | | |  |  | |  | | | 60,077 | | | 60,077 | 22,929 | 605,496 | | (2,000) | | | (2,000) |
| Less : Allowance for Impairment | | | |  |  | |  | | | (2,000) | | | (2,000) |  |  | |  | | |  |
| Net Investments in subsidiary companies - The Company Only | | | | |  | |  | | | 58,077 | | | 58,077 |  | |  | |  |

**9. OTHER INVESTMENTS**

As at September 30, 2019 and December 31, 2018, the Company has invested in other investments as follows;

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | |  | BAHT | |
|  |  | Consolidated Financial Statement | |  | Separate Financial Statement | |
|  |  | September 30 | December 31 |  | September 30 | December 31 |
| **Other Investment – Other parties** | Type of business | 2019 | 2018 |  | 2019 | 2018 |
| Advance Finance Plc. | Finance | 185,000,000.00 | 185,000,000.00 |  | 185,000,000.00 | 185,000,000.00 |
| Absolute Clean Energy Co., Ltd. | Energy | 300,000,000.00 | 300,000,000.00 |  | 300,000,000.00 | 300,000,000.00 |
| Total |  | 485,000,000.00 | 485,000,000.00 |  | 485,000,000.00 | 485,000,000.00 |
| **Other Investment – Related parties** |
| Civetta Capital Co., Ltd. | Fund Management | 518.32 | 550.13 |  | - | - |
| Total other investments-related parties |  | 518.32 | 550.13 |  | - | - |
| **Total other investments** |  | 485,000,518.32 | 485,000,550.13 |  | 485,000,000.00 | 485,000,000.00 |

1. **LOAN TO OTHERS – LONG TERM**

As at September 30, 2019 and December 31, 2018, the Company has loan to others – long term as follows;

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | |  | BAHT | | | | | |
|  | |  | Consolidated Financial Statement and  Separate Financial Statement | | | | | |
|  | |  | 2019 | |  | 2018 | | |
| Loan to other – long term | |  | 760,000,000.00 | |  | 760,000,000.00 | | |
| Total Loan to other – long term | |  | 760,000,000.00 | |  | 760,000,000.00 | | |
|  | | |  | | |  |  | |

On August 18, 2017 the Company, by the resolution of the Board of Directors, entered into a loan agreement with a non-related limited company to lend an amount of Baht 300 million for a two-year period with lending fee and interest rate at 3% p.a. and 12% p.a. respectively. The parent company of the borrowing company provided a Corporate Guarantee as the collateral throughout the lending period. On 31 May 2018, the Company received a partial loan payback of baht 120 million, the remaining amount to be returned of baht 180 million and on August 19, 2019, the company has extended the loan agreement until June 30, 2020.

On January 25, 2018, the Company entered into a loan agreement with a non-related person to lend an amount of Baht 580 million for a two-year period with interest rate at 15% p.a. The loan is secured by common stock valued at 1.5 times of the amount of the loan on the loan agreement signing date. The Board of Directors of the Company has a resolution approve the loan.

**11. PROPERTY AND EQUIPMENT, NET**

The movement of property, plant and equipment for the nine-month period ended September 30, 2019 was as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | BAHT | | |
|  |  | Consolidated Financial Statement |  | Separate Financial Statement |
| **Cost** |  |  |  |  |
| At January 1, 2019 |  | 82,508,329.85 |  | 82,073,351.39 |
| Additions |  | - |  | - |
| Disposals/written-off |  | (4,235,496.69) |  | (3,800,518.23) |
| At September 30, 2019 |  | 78,272,833.16 |  | 78,272,833.16 |
| **Accumulated depreciation** |  |  |  |  |
| At January 1, 2019 |  | 48,631,118.69 |  | 48,562,543.47 |
| Additions |  | 2,476,562.49 |  | 2,453,439.09 |
| Disposals/written-off |  | (3,887,922.84) |  | (3,796,224.22) |
| At September 30, 2019 |  | 47,219,758.34 |  | 47,219,758.34 |
| **Net book value** |  |  |  |  |
| Balance as of January 31, 2019 |  | 33,877,211.16 |  | 33,510,807.92 |
| Balance as of September 30, 2019 |  | 31,053,074.82 |  | 31,053,074.82 |

1. **INVESTMENT PROPERTY, NET**

The movement of investment property for the nine-month period ended September 30, 2019 was as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | BAHT | | |
|  |  | Consolidated Financial Statement |  | Separate Financial Statement |
| **Cost** |  |  |  |  |
| At January 1, 2019 |  | 8,803,554.00 |  | 8,803,554.00 |
| Property , increase (decrease) |  | - |  | - |
| At September 30, 2019 |  | 8,803,554.00 |  | 8,803,554.00 |
| **Accumulated Depreciation** |  |  |  |  |
| At January 1, 2019 |  | 1,432,687.84 |  | 1,432,687.84 |
| Increase (decrease) |  | 329,228.77 |  | 329,228.77 |
| At September 30, 2019 |  | 1,761,916.61 |  | 1,761,916.61 |
| **Net book value** |  |  |  |  |
| Balance as of January 31, 2019 |  | 7,370,866.16 |  | 7,370,866.16 |
| Balance as of September 30, 2019 |  | 7,041,637.39 |  | 7,041,637.39 |

On September 30, 2015, The Company received a transfer of 2 condominium units valued at approximately Baht 8.8 million. The assets were recorded as “Investment Property.” The fair value of the condominium units, which is the market price Baht 11.34 million according to an independent valuator dated November 29, 2018.

**13. CORPORATE INCOME TAX**

In accordance with taxable conditions on Thailand’s revenue code, the Company and its subsidiaries has calculated its net taxable profit (loss) by taking both any forbidding expenditures and any reduced or exceptionable accounting transactions to adding - up or deducting from net profit (loss) under accounting base.

The corporate income tax rate being used in the period 2019 and 2018 are 20%. Interim corporate income tax was calculated on profit before income tax for the period, using the tax rate 20 percent for the year.

13.1 Income tax expenses for the nine-month periods ended September 30, 2019 and 2018 are made up as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | | | | | | |
|  |  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  |  | 2019 |  | 2018 |  | 2019 |  | 2018 |
| **Current income tax :** |  |  |  |  |  |  |  |  |
| Interim corporate income tax charge |  | 17,552,197.51 |  | 62,731,580.31 |  | 17,552,197.51 |  | 62,731,580.31 |
| Deferred tax : |  |  |  |  |  |  |  |  |
| Relating to origination and reversal |  |  |  |  |  |  |  |  |
| of temporary differences |  | (13,841,913.43) |  | (25,056,391.11) |  | (8,380,440.23) |  | (27,234,676.91) |
| Effects to deferred tax from change |  |  |  |  |  |  |  |  |
| of income tax rates |  | - |  | - |  | - |  | - |
| Income tax expense reported in  the statements of  comprehensive income |  | 3,710,284.08 |  | 37,675,189.20 |  | 9,171,757.28 |  | 35,496,903.40 |

13.2 The reconciliation of the income tax expense and the result of the multiplying of the accounting profit with tax rate for the nine-month period ended September 30, 2019 and 2018 are presented as the following:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | |
|  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  | 2019 |  | 2018 |  | 2019 |  | 2018 |
| Accounting profit before corporate income tax | 37,237,924.47 |  | 174,613,157.95 |  | 605,491,106.48 |  | 512,809,657.53 |
| Corporate income tax rates | 20% |  | 20% |  | 20% |  | 20% |
| Accounting profit before corporate income tax |  |  |  |  |  |  |  |
| Multiply by tax rates | 7,447,584.88 |  | 34,922,631.58 |  | 121,098,221.30 |  | 102,561,931.51 |
| Effects to deferred tax from change of income tax rates | (13,841,913.43) |  | (25,056,391.11) |  | (8,380,440.23) |  | (27,234,676.91) |
| Income tax effects that is nondeductible in |  |  |  |  |  |  |  |
| calculation of profit: |  |  |  |  |  |  |  |
| - Revenue exempted in tax calculation | (114,339,480.08) |  | (991,703.19) |  | (114,219,480.08) |  | (69,287,565.42) |
| - Nondeductible expenses | 122,328,173.74 |  | 30,281,272.38 |  | 10,673,456.29 |  | 29,457,214.22 |
| - Tax loss | 2,115,918.97 |  | (1,480,620.46) |  | - |  | - |
| Income tax expense presented in the Statement |  |  |  |  |  |  |  |
| of Income | 3,710,284.08 |  | 37,675,189.20 |  | 9,171,757.28 |  | 35,496,903.40 |

13.3 Components of deferred tax assets and deferred tax liabilities comprised of the following items;

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | |
|  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  | September 30,2019 |  | December 31,2018 |  | September 30,2019 |  | December 31,2018 |
| Deferred tax assets |  |  |  |  |  |  |  |
| Allowance for doubtful accounts – Trade accounts receivables | 276,418.45 |  | 276,418.45 |  | 276,418.45 |  | 276,418.45 |
| Allowance for impairment of investments | 687,114.72 |  | 687,114.72 |  | 399,994.00 |  | 399,994.00 |
| Investment in marketable securities | 32,136,546.73 |  | 18,649,605.50 |  | 26,263,047.73 |  | 18,403,499.50 |
| Allowance for doubtful accounts – Loans to others | 981,600.00 |  | 981,600.00 |  | 981,600.00 |  | 981,600.00 |
| Employee benefit obligations | 5,484,945.40 |  | 5,129,973.20 |  | 5,269,747.20 |  | 4,748,855.20 |
| Benefits from accumulated tax loss | - |  | - |  | - |  | - |
| Total | 39,566,625.30 |  | 25,724,711.87 |  | 33,190,807.38 |  | 24,810,367.15 |
| Deferred tax liabilities |  |  |  |  |  |  |  |
| Investment in marketable securities | - |  | - |  | - |  | - |
| Total | - |  | - |  | - |  | - |

1. **SHORT TERM LOAN FROM FINANCIAL INSTITUTE**

Short term loan from financial institute as at September 30, 2019 and December 31, 2018 was as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | BAHT | | | | | | |
|  |  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  |  | September 30, 2019 |  | December 31, 2018 |  | September 30, 2019 |  | December 31, 2018 |
| A Financial Institute |  | 500,000,000.00 |  | 500,000,000.00 |  | 500,000,000.00 |  | 500,000,000.00 |
| Total Short-term loan from Financial Institute |  | 500,000,000.00 |  | 500,000,000.00 |  | 500,000,000.00 |  | 500,000,000.00 |

The Company received credit facilities from a financial institute amounting totally Baht 500 million with no collateral for a period of one year. Interest rate is based on the local Money Market Rate

**15. ACCOUNTS PAYABLE TRADE – NON-RELATED PARTIES**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | BAHT | | | |
|  | Consolidated Financial Statement | | Separate Financial Statement | |
|  | September 30, 2019 | December 31, 2018 | September 30, 2019 | December 31, 2018 | |
| Asian Ocean Enterprised Limited | 8,175,404.68 | 2,795,059.01 | - | - | |
| Simpson Financial Limited | 473,623.80 | 262,830.61 | - | - | |
| Total accounts payable trade – non-related parties | 8,649,028.48 | 3,057,889.62 | - | - | |

**16. ACCOUNTS PAYABLE OTHER – NON-RELATED PARTIES**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | BAHT | | | |
|  | Consolidated Financial Statement | | Separate Financial Statement | |
| **NON-RELATED PARTIES** | September 30, 2019 | December 31, 2018 | September 30, 2019 | December 31, 2018 |
|  |  |  |  |  |
| Accounts payable other | 269,922.42 | 296,503.04 | 80,127.89 | 295,812.89 |
| Unearned income | 4,258,549.29 | 3,443,046.54 | 4,258,549.29 | 3,443,046.54 |
| Accrued Expenses | 14,468,104.47 | 20,348,666.59 | 14,247,725.49 | 17,868,468.98 |
| Total accounts payable other – non related parties | 18,996,576.18 | 24,088,216.17 | 18,586,402.67 | 21,607,328.41 |

**17. EMPLOYEE BENEFITS OBLIGATION**

Movements in the present value of the provision under defined benefit obligation for the nine-month period ended September 30, 2019 and for the year ended December 31, 2018 were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | |
|  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  | For the nine-month period |  |  |  | For the nine-month period |  |  |
|  | Ended |  | For the year ended |  | Ended |  | For the year ended |
|  | September 30,2019 |  | December 31,2018 |  | September 30,2019 |  | December 31,2018 |
| Employee benefits obligation as of |  |  |  |  |  |  |  |
| beginning of periods | 25,649,866.00 |  | 25,844,393.00 |  | 23,744,276.00 |  | 23,855,531.00 |
| Current service cost and interest cost | 1,774,861.00 |  | 2,226,140.00 |  | 1,607,262.67 |  | 1,936,255.00 |
| Past service cost | - |  | - |  | 997,197.33 |  | - |
| Gain (loss) from estimate of actuarial |  |  |  |  |  |  |  |
| assumptions | - |  | (2,420,667.00) |  | - |  | (2,047,510.00) |
| Employee benefits obligation as of |  |  |  |  |  |  |  |
| ending of periods | 27,424,727.00 |  | 25,649,866.00 |  | 26,348,736.00 |  | 23,744,276.00 |

Expenses recognized in gain or loss for the nine-month periods ended September 30, 2019 and 2018 are as follow;

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | |
|  | For the nine-month period ended September 30 | | | | | | |
|  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  | 2019 |  | 2018 |  | 2019 |  | 2018 |
| Current service cost | 1,394,683.00 |  | 1,211,437.00 |  | 1,256,014.00 |  | 1,038,888.00 |
| Interest cost | 380,178.00 |  | 458,166.00 |  | 351,248.67 |  | 413,301.00 |
| Total | 1,774,861.00 |  | 1,669,603.00 |  | 1,607,262.67 |  | 1,452,189.00 |

The Company hires an actuary to compute this provision according to the accounting standard. The principle actuarial assumptions used to calculate the provision under the retirement benefit obligation as at September 30, 2019 and December 31, 2018 are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | |  | Separate Financial Statement | | |
|  | 2019 |  | 2018 |  | 2019 |  | 2018 |
| Discount rate | 2.25 - 3.39% |  | 2.25 - 3.39% |  | 2.25% |  | 2.25% |
| Expected rate of salary increase | 0 – 10.00% |  | 0 – 10.00% |  | 0 – 10.00% |  | 0 – 10.00% |
| Voluntary resignation rate | 0 – 4.00% |  | 0 – 4.00% |  | 0 – 4.00% |  | 0 – 4.00% |
| Mortality rate | TMO 2017 |  | TMO 2017 |  | TMO 2017 |  | TMO 2017 |

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for sensitivity analysis are discount rate, salary increase rate and mortality, while holding all other assumptions constant. The sensitivity analysis of change in the relevant actuarial assumption that was reasonably possible as of September 30, 2019 as follows:

- If the discount rate increases (decreases) by 1.0%, the employee benefit obligation would decrease Baht 0.74million (increase Baht 0.86 million).

- If the salary increase rate increases (decreases) by 1.0%, the employee benefit obligation would increase Baht 1.13 million (decrease Baht 0.66 million).

- If the life expectancy increases (decreases) by one year for all employees, the employee benefit obligation would increase Baht 0.03 million (decrease Baht 0.03 million).

In presenting the above sensitivity analysis, the present value of the employee benefit obligation has been calculated by using the same method that applied in calculating the employee benefit obligation recognized in the statement of financial position.

**18. SHARE CAPITAL**

Movement of the numberof ordinary shares, paid-up capital and premium (discount) of the ordinary share value of the Company are as the following;

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Particular | No of shares |  | Amount |  |  |
|  | (Thousand shares) |  | (Thousand Baht) |  |  |
| Registered ordinary share |  |  |  |  |  |
| December 31, 2014 | 1,405,847 |  | 702,924 |  |  |
| May 6, 2015 decrease capital | (10) |  | (5) |  |  |
| Share before change par value | 1,405,837 |  | 702,919 |  |  |
| May 7, 2015 change par value (1:4) | 5,623,349 |  | 702,919 |  |  |
| May 8, 2015 increase during the year to accommodate exercise of warrant right | 24,000 |  | 3,000 |  |  |
| December 31, 2018 | 5,647,349 |  | 705,919 |  |  |
| April 29, 2019 decrease capital | (9,744) |  | (1,218) |  |  |
| May 2, 2019 increase during the year to accommodate exercise of warrant right | 1,409,401 |  | 176,175 |  |  |
| September 30, 2019 | 7,047,006 |  | 880,876 |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Particular | No of shares |  | Amount |  | Premium (discount) of share value |
|  | (Thousand shares) |  | (Thousand Baht) |  | (Thousand Baht) |
| Issued and paid-up ordinary share |  |  |  |  |  |
| January 1, 2014 | 941,337 |  | 470,668 |  | (29,382) |
| Increase - according to exercise of warrant right to buy ordinary shares | 49,609 |  | 24,805 |  | 18,745 |
| December 31, 2014 | 990,946 |  | 495,473 |  | (10,637) |
| January 6, 2015 shareholder exercise of warrant right | 188 |  | 94 |  | 71 |
| Apr 2, 2015 shareholder exercise of warrant right | 11,624 |  | 5,812 |  | 4,392 |
| Share before change par value | 1,002,758 |  | 501,379 |  | (6,174) |
| May 7, 2015 change par value (1:4) | 4,011,032 |  | 501,379 |  | (6,174) |
| July 7, 2015 shareholder exercise of warrant right | 742,108 |  | 92,764 |  | 68,916 |
| October 6, 2015 shareholder exercise of warrant right | 1,724 |  | 216 |  | 160 |
| January 7, 2016 shareholder exercise of warrant right | 355 |  | 44 |  | 33 |
| April 7, 2016 shareholder exercise of warrant right | 734,924 |  | 91,865 |  | 68,249 |
| July 5, 2016 shareholder exercise of warrant right | 29,941 |  | 3,743 |  | 2,780 |
| August 10, 2016 shareholder exercise of warrant right | 117,521 |  | 14,690 |  | 10,926 |
| December 31, 2018 | 5,637,605 |  | 704,701 |  | 144,890 |
| July 3, 2019 shareholder exercise of warrant right | 1,861 |  | 232 |  | 233 |
| September 30, 2019 | 5,639,466 |  | 704,933 |  | 145,123 |
|  |  |  |  |  |  |

On April 27, 2015, the resolution of the annual general shareholders meeting no. 1/2015 resolved to,

1. Change of par value of shares of the Company from Baht 0.50 per share to Baht 0.125 per share.

2. Amendment of the change of registered share capital of Baht 702,918,641 of 1,405,837,282 ordinary shares to Baht 705,918,641 of 5,647,349,128 ordinary shares.

**19. WARRANTS**

**19.1 BROOK-W5**

On April 24, 2019, The Company’s ordinary shareholders meeting no. 1/2019 approved a resolution to issue 1,409,401,217 warrants (BROOK-W5) value at Baht 0.00 per unit with rights to purchase newly issued ordinary shares for 3 years from the issued date to existing shareholders. A unit of warrant has the rights to purchase 1 new ordinary share unless the exercised rights are adjusted according to the exercise adjustment conditions, at an exercise price of Baht 0.25 per share unless the exercised prices are adjusted according to the exercise adjustment condition. As of June 30, 2019, the shareholders paid for newly issued ordinary shares according to the warrants of 1,861,000 units totaling Baht 465,250.00. The Company registered the share increase and the paid-up shares with the Ministry of Commerce on July 3, 2019. The remaining of warrants which have not been exercised are 1,407,540,217 units.

On September 30, 2019, shareholders exercised their warrant rights to purchase the allotted ordinary shares for 156,317 units to receive 156,317 units of rights at the exercise price of Baht 0.25 per share totaling Baht 39,079.25. The Company registered the share increase and the paid-up shares with the Ministry of Commerce on October 3, 2019. The remaining of warrants which have not been exercised are 1,407,383,900 units.

As of September 30, 2019, the exercised warrants and unexercised warrants balance are as follows;

|  |  |  |
| --- | --- | --- |
|  |  | Number of units |
|  |  |  |
|  |  | BROOK-W5 |
| Allotted warrants |  | 1,409,401,217 |
| Less : Exercised and converted to ordinary |  |  |
| Shares as of September 30, 2019 |  | (1,861,000) |
| Balance of allotted warrants |  | 1,407,540,217 |
| Duration of the warrants |  | 3 Years |
| Exercise rate (units : share) |  | 1 : 1 |
| Exercise price to buy 1 ordinary share (Baht) |  | Baht 0.25 |
| First exercise date |  | Jun 28, 2019 |
| Last exercise date |  | May 20, 2022 |

**20. RECONCILIATION OF DILUTED EARNINGS (LOSS) PER SHARE**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | |
|  | For the three-month periods ended September 30 | | | | | |
|  |  | | Weighted average number | |  | |
|  | Net earnings (loss) | | of ordinary shares | | Earnings (loss) per share | |
|  | (Thousand Baht) | | (Thousand shares) | | (Baht) | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| **Basic earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) | (71,452) | 115,412 | 5,639,425 | 5,637,605 | (0.013) | 0.020 |
| **Effect of dilutive potential ordinary shares** |  |  |  |  |  |  |
| Warrants : 1,407,540,217 |  |  |  |  |  |  |
| (2018 : 0 units) |  |  | 14,392 | - |  |  |
| **Diluted earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) of ordinary shareholders |  |  |  |  |  |  |
| (assuming conversion of potential ordinary |  |  |  |  |  |  |
| shares to ordinary shares) | (71,452) | 115,412 | 5,653,817 | 5,637,605 | (0.013) | 0.020 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | |
|  | For the nine-month periods ended September 30 | | | | | |
|  |  | | Weighted average number | |  | |
|  | Net earnings (loss) | | of ordinary shares | | Earnings (loss) per share | |
|  | (Thousand Baht) | | (Thousand shares) | | (Baht) | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| **Basic earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) | 24,907 | 133,568 | 5,638,218 | 5,637,605 | 0.004 | 0.024 |
| **Effect of dilutive potential ordinary shares** |  |  |  |  |  |  |
| Warrants : 1,407,540,217 |  |  |  |  |  |  |
| (2018 : 0 units) |  |  | 222,544 | - |  |  |
| **Diluted earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) of ordinary shareholders |  |  |  |  |  |  |
| (assuming conversion of potential ordinary |  |  |  |  |  |  |
| shares to ordinary shares) | 24,907 | 133,568 | 5,860,762 | 5,637,605 | 0.004 | 0.024 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate Financial Statement | | | | | |
|  | For the three-month periods ended September 30 | | | | | |
|  |  | | Weighted average number | |  | |
|  | Net earnings (loss) | | of ordinary shares | | Earnings (loss) per share | |
|  | (Thousand Baht) | | (Thousand shares) | | (Baht) | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| **Basic earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) | (40,359) | 112,196 | 5,639,425 | 5,637,605 | (0.007) | 0.020 |
| **Effect of dilutive potential ordinary shares** |  |  |  |  |  |  |
| Warrants : 1,407,540,217 |  |  |  |  |  |  |
| (2018 : 0 units) |  |  | 14,392 | - |  |  |
| **Diluted earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) of ordinary shareholders |  |  |  |  |  |  |
| (assuming conversion of potential ordinary |  |  |  |  |  |  |
| shares to ordinary shares) | (40,359) | 112,196 | 5,653,817 | 5,637,605 | (0.007) | 0.020 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate Financial Statement | | | | | |
|  | For the nine-month periods ended September 30 | | | | | |
|  |  | | Weighted average number | |  | |
|  | Net earnings (loss) | | of ordinary shares | | Earnings (loss) per share | |
|  | (Thousand Baht) | | (Thousand shares) | | (Baht) | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| **Basic earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) | 596,319 | 477,313 | 5,638,218 | 5,637,605 | 0.106 | 0.085 |
| **Effect of dilutive potential ordinary shares** |  |  |  |  |  |  |
| Warrants : 1,407,540,217 |  |  |  |  |  |  |
| (2018 : 0 units) |  |  | 222,544 | - |  |  |
| **Diluted earnings (loss) per share** |  |  |  |  |  |  |
| Net earnings (loss) of ordinary shareholders |  |  |  |  |  |  |
| (assuming conversion of potential ordinary |  |  |  |  |  |  |
| shares to ordinary shares) | 596,319 | 477,313 | 5,860,762 | 5,637,605 | 0.102 | 0.085 |

**21. DIVIDEND PAYMENT**

On August 9, 2018, the board of directors meeting approves the resolutions to pay interim dividend to the shareholders from the Company’s earnings during the period of January 1, 2018 to June 30, 2018 at Baht 0.02 per share or not exceeding of Baht 112.75 million. The interim dividend was paid on September 7, 2018.

On April 24, 2019, the annual general shareholders meeting no. 1/2019 approves the resolutions to pay interim dividend to the shareholders from the Company’s earnings for the period from July 1, 2018 to December 31, 2018 at Baht 0.02 per share or not exceeding Baht 112.75 million. The payment of dividend was on May 23, 2019.

On August 5, 2019, the board of directors meeting approves the resolutions to pay interim dividend to the shareholders from the Company’s earnings during the period of January 1, 2019 to June 30, 2019 at Baht 0.02 per share or not exceeding of Baht 112.79 million. The interim dividend was paid on September 4, 2019.

**22. EXPENSES BY NATURE**

The material expenses for the nine-month periods ended September 30, 2019 and 2018 are categorized by their natures as follows;

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | BAHT | | | | | | | | | | | | |
|  | Consolidated Financial Statement | | |  | | Separate Financial Statement | | | | | | | |
|  | 2019 |  | 2018 |  | | 2019 | |  | | | 2018 | | |
| Personnel expenses  (Excluded Management benefit expenses) | 15,643,198.04 |  | 15,491,559.52 | |  | | 12,485,024.30 | |  | | | 10,869,539.17 | | |
| Management remunerations  (Included in Cost of service and administrative expenses) | 31,514,159.97 |  | 30,595,951.89 | |  | | 31,514,159.97 | |  | | | 30,595,951.89 | | |
| Depreciation and amortization | 2,810,109.30 |  | 3,016,702.14 | |  | | 2,786,985.91 | |  | | | 3,001,085.11 | | |
| Consulting fee | 5,999,170.00 |  | 3,503,576.00 | |  | | 4,398,100.00 | |  | | | 41,822,070.00 | | |
| Advertising expenses | 25,263.53 |  | 42,351.97 | |  | | 24,562.61 | |  | | | 41,417.41 | | |
| Foreign Business Information fees | 1,158,938.18 |  | 1,025,352.08 | |  | | 1,086,943.72 | | |  | | | 1,025,352.08 | |

**23. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS**

The major operation of the Company is in Thailand and in a foreign country. The Company had classified its segment operation as follow;

**23.1 The results of operations by segment**

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | | | |
|  | For three-month periods ended September 30, 2019 and 2018 | | | | | | | |
|  | Business Consulting | | Investments | | Eliminated | | Consolidated | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Sales and services income | 48,392 | 52,476 | 6,262 | 138,998 | (6,364) | (7,517) | 48,290 | 183,957 |
| Cost of sales and services | (12,951) | (14,521) | (7,637) | (8,750) | 5,938 | 6,121 | (14,650) | (17,150) |
| Gross earnings (loss) | 35,441 | 37,955 | (1,375) | 130,248 | (426) | (1,396) | 33,640 | 166,807 |
| Other income |  |  |  |  |  |  | 4,266 | 182 |
| Administrative expenses |  |  |  |  |  |  | (17,436) | (11,564) |
| Unrealized loss in trading securities |  |  |  |  |  |  | (89,635) | - |
| Loss on sales of trading securities |  |  |  |  |  |  | (6,610) | - |
| Financial costs |  |  |  |  |  |  | (3,747) | (3,378) |
| Income tax |  |  |  |  |  |  | 10,754 | (32,861) |
| Loss (Gain) of non-controlling interest |  |  |  |  |  |  | (2,684) | (3,774) |
| Net profit (loss) |  |  |  |  |  |  | (71,452) | 115,412 |

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | | | |
|  | For nine-month periods ended September 30, 2019 and 2018 | | | | | | | |
|  | Business Consulting | | Investments | | Eliminated | | Consolidated | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Sales and services income | 167,372 | 316,703 | 654,817 | 135,555 | (574,859) | (56,489) | 247,330 | 395,769 |
| Cost of sales and services | (37,838) | (78,077) | (18,347) | (21,706) | 12,807 | 54,859 | (43,378) | (44,924) |
| Gross earnings (loss) | 129,534 | 238,626 | 636,470 | 113,849 | (562,052) | (1,630) | 203,952 | 350,845 |
| Other income |  |  |  |  |  |  | 8,770 | 18,739 |
| Administrative expenses |  |  |  |  |  |  | (58,153) | (48,553) |
| Unrealized loss in trading securities |  |  |  |  |  |  | (96,619) | (136,080) |
| Loss on sales of trading securities |  |  |  |  |  |  | (9,745) | - |
| Loss from sales Other Investment |  |  |  |  |  |  | - | (970) |
| Financial costs |  |  |  |  |  |  | (10,968) | (9,368) |
| Income tax |  |  |  |  |  |  | (3,710) | (37,675) |
| Loss (Gain) of non-controlling interest |  |  |  |  |  |  | (8,620) | (3,370) |
| Net profit (loss) |  |  |  |  |  |  | 24,907 | 133,568 |

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate Financial Statement | | | | | |
|  | For three-month periods ended September 30, 2019 and 2018 | | | | | |
|  | Business Consulting | | Investments | | Separate | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Sales and services income | 51,523 | 41,590 | 37 | 124,363 | 51,560 | 165,953 |
| Cost of sales and services | (11,702) | (11,604) | - | - | (11,702) | (11,604) |
| Gross earnings (loss) | 39,821 | 29,986 | 37 | 124,363 | 39,858 | 154,349 |
| Other income |  |  |  |  | 3,015 | 26 |
| Administrative expenses |  |  |  |  | (15,970) | (10,339) |
| Unrealized loss in trading securities |  |  |  |  | (70,056) | - |
| Loss on sales of trading securities |  |  |  |  | (3,421) | - |
| Financial costs |  |  |  |  | (3,714) | (3,400) |
| Income tax |  |  |  |  | 9,929 | (28,440) |
| Net profit (loss) |  |  |  |  | (40,359) | 112,196 |

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate Financial Statement | | | | | |
|  | For nine-month periods ended September 30, 2019 and 2018 | | | | | |
|  | Business Consulting | | Investments | | Separate | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Sales and services income | 171,623 | 218,244 | 572,098 | 470,388 | 743,721 | 688,632 |
| Cost of sales and services | (33,177) | (71,270) | - | - | (33,177) | (71,270) |
| Gross earnings (loss) | 138,446 | 146,974 | 572,098 | 470,388 | 710,544 | 617,362 |
| Other income |  |  |  |  | 7,520 | 9,225 |
| Administrative expenses |  |  |  |  | (54,800) | (40,693) |
| Unrealized loss in trading securities |  |  |  |  | (45,862) | (60,937) |
| Loss on sales of trading securities |  |  |  |  | (705) | - |
| Loss from sales Other Investment |  |  |  |  | - | (970) |
| Financial costs |  |  |  |  | (11,206) | (11,177) |
| Income tax |  |  |  |  | (9,172) | (35,497) |
| Net profit (loss) |  |  |  |  | 596,319 | 477,313 |

The above results of operations by segment are presented in detail format by net profit as follow;

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | |
|  | For three-month periods ended September 30, 2019 and 2018 | | | | | |
|  | Business Consulting | | Investments | | Consolidated | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Sales and services income | 48,129 | 76,548 | 161 | 107,409 | 48,290 | 183,957 |
| Cost of sales and services | (10,084) | (10,788) | (4,566) | (6,362) | (14,650) | (17,150) |
| Gross earnings (loss) | 38,045 | 65,760 | (4,405) | 101,047 | 33,640 | 166,807 |
| Other income | 4,266 | 182 | - | - | 4,266 | 182 |
| Administrative expenses | (13,107) | (8,113) | (4,329) | (3,451) | (17,436) | (11,564) |
| Unrealized loss in trading securities | - | - | (89,635) | - | (89,635) | - |
| Loss on sales of trading securities | - | - | (6,610) | - | (6,610) | - |
| Financial costs | (3,747) | (3,378) | - | - | (3,747) | (3,378) |
| Income tax | 10,754 | (32,861) | - | - | 10,754 | (32,861) |
| Loss(Gain) of non-controlling interest | (2,684) | (3,774) | - | - | (2,684) | (3,774) |
| Net profit (loss) | 33,527 | 17,816 | (104,979) | 97,596 | (71,452) | 115,412 |

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | |
|  | For nine-month periods ended September 30, 2019 and 2018 | | | | | |
|  | Business Consulting | | Investments | | Consolidated | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Sales and services income | 233,549 | 352,354 | 13,781 | 43,415 | 247,330 | 395,769 |
| Cost of sales and services | (29,061) | (31,939) | (14,317) | (12,985) | (43,378) | (44,924) |
| Gross earnings (loss) | 204,488 | 320,415 | (536) | 30,430 | 203,952 | 350,845 |
| Other income | 8,770 | 18,739 | - | - | 8,770 | 18,739 |
| Administrative expenses | (47,999) | (38,186) | (10,154) | (10,367) | (58,153) | (48,553) |
| Unrealized loss in trading securities | - | - | (96,619) | (136,080) | (96,619) | (136,080) |
| Loss on sales of trading securities | - | - | (9,745) | - | (9,745) | - |
| Loss from sales Other Investment | - | (970) | - | - | - | (970) |
| Financial costs | (10,968) | (9,368) | - | - | (10,968) | (9,368) |
| Income tax | (3,710) | (37,675) | - | - | (3,710) | (37,675) |
| Loss(Gain) of non-controlling interest | (8,620) | (3,370) | - | - | (8,620) | (3,370) |
| Net profit (loss) | 141,961 | 249,585 | (117,054) | (116,017) | 24,907 | 133,568 |

The results of operations by segment by geography are presented in detail format by net profit as follow;

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | |
|  | For three-month periods ended September 30, 2019 and 2018 | | | | | |
|  | Assets | | Service Income | | Net Profit (1) | |
|  | September 30 | December 31 | September 30 | September 30 | September 30 | September 30 |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Foreign country | 418,845 | 656,118 | 6,138 | 9,912 | (19,925) | (4,616) |
| Domestic | 2,138,009 | 2,109,083 | 12,863 | 88,053 | (51,527) | 120,028 |
| Total | 2,556,854 | 2,765,201 | 19,001 | 97,965 | (71,452) | 115,412 |

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated Financial Statement | | | | | |
|  | For nine-month periods ended September 30, 2019 and 2018 | | | | | |
|  | Assets | | Service Income | | Net Profit (1) | |
|  | September 30 | December 31 | September 30 | September 30 | September 30 | September 30 |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Foreign country | 418,845 | 656,118 | 81,025 | 36,711 | 34,569 | (58,046) |
| Domestic | 2,138,009 | 2,109,083 | 63,116 | 359,058 | (9,662) | 191,614 |
| Total | 2,556,854 | 2,765,201 | 144,141 | 395,769 | 24,907 | 133,568 |

(1) Net income attributable to equity holders of parents of the period

**23.2 Assets by segment**

(Unit : Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | As at September 30, 2019 and December 31, 2018 | | | | | | | |
|  | Business Consulting | | Investments | | Eliminated | | Consolidated | |
|  | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Assets |  |  |  |  |  |  |  |  |
| Property and equipment | 13,869 | 14,736 | - | 366 | - | - | 13,869 | 15,102 |
| Unallocated equipment |  |  |  |  |  |  | 17,185 | 18,775 |
| Unallocated assets |  |  |  |  |  |  | 2,525,800 | 2,731,324 |
| Total assets |  |  |  |  |  |  | 2,556,854 | 2,765,201 |

**24. COMMITMENTS**

**24.1** As of September 30, 2019 the Company has commitment service which should be paid in the future as follow;

|  |  |  |
| --- | --- | --- |
| **The Brooker Group Public Company Limited** |  |  |
| **Total minimum payments** |  | **Amount**  **(Million Baht)** |
| Not over 1 year |  | 0.02 |
| Over 1 year but not over 5 years |  | - |
| Over 5 years |  | - |
| Total |  | 0.02 |

**24.2** Binswanger Brooker (Thailand) Limited, a Company's subsidiary, has entered into an agreement with a foreign company to establish an alliance to serve with real estate business in Thailand. The subsidiary company is obliged to comply with certain conditions as stated in the agreement and has to pay a USD 8,000 Global Marketing fee and a USD 2,250 applicable support fee per year. In addition, the subsidiary is committed to contribute its revenue with the contractual party at 5% of its gross revenue and additional 1% of the gross revenue for transactions involved with multi-national company. The agreement has expired in 2015 and has been extended for a period expire August 31, 2020.

**24.3** A subsidiary in foreign countries has entered into a fund management agreement which the Fund was registered in foreign countries. The Fee will be calculated and accrued on monthly basis as the amount stated in the agreement. The agreement has no duration period. Therefore, the agreement is being effective until the liquidation date of the Fund or both parties agree to terminate the agreement.

**25. FINANCIAL INSTRUMENTS**

**25.1**  **Financial risk management policies**

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company does not issue derivative financial instruments for speculative or trading purposes.

**25.2 Interest rate risk**

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company’s operations and its cash flows. Management believes that the interest rate risk is minimal. Hence, the Company and its subsidiary have no hedging agreement to protect against such risk.

**25.3 Foreign currency risk**

The Company is exposed to foreign currency risk relating to trading transactions which are denominated in foreign currencies. Management believes that there is no significant affect from the foreign currency risk. Because of the balance of foreign currency is due from transactions between foreign subsidiaries, which the Company is able to set a payment period corresponding to the fluctuation of exchange rate. Thus, the Company does not use derivative financial instruments to mitigate this risk.

**25.4 Credit risk**

Credit risk is the potential financial loss resulting from the failure of a customer or a counter party to settle its financial and contractual obligations to the Company as and when they fall due. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers. At the statement of financial position date there were no significant concentrations of credit risk. The credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, management does not anticipate material losses from its debt collection.

**25.5 Liquidity risk**

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

**25.6 Financial instruments carried at fair value**

|  | Thousand Baht | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | | | |
|  | Cost |  | Fair value | | | | | | |
|  |  |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
| **September 30, 2019** |  |  |  |  |  |  |  |  |  |
| ***Current*** |  |  |  |  |  |  |  |  |  |
| Short term investment : |  |  |  |  |  |  |  |  |  |
| Trading Securities | 560,836 |  | 459,006 |  | - |  | - |  | 459,006 |
| Investments Fund : Fund | 320,309 |  | 358,683 |  | - |  | - |  | 358,683 |

|  | Thousand Baht | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | | | | |
|  | Cost |  | Fair value | | | | | | |
|  |  |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
| **September 30, 2019** |  |  |  |  |  |  |  |  |  |
| ***Current*** |  |  |  |  |  |  |  |  |  |
| Trading Securities | 497,815 |  | 415,612 |  | - |  | - |  | 415,612 |

The fair value of the Group’s current investments were determined to be Level 1 under the fair value hierarchy as such current investments have a published price quotation in an active market.

**26. EVENTS AFTER THE REPORTING PERIOD**

26.1 The Board of Directors Meeting of The Brooker Group Public Company Limited No.4/2019 held on 6 November 2019 has approved the acquisition of existing ordinary shares of YLP Company Limited (“**YLP**”) from Pace Development Corporation Public Company Limited (“**PACE**”) at the amount of 1,257,999 shares which equal to 74 % of the total paid-up shares of YLP at a price of 203.69 Baht per share, paid-up value of 256,243,013.73 Baht by settle payment with outstanding of principal and accrued interest which Pace Food Retails Co., Ltd (PFR), a subsidiaries of PACE (99.99%), has owed the Company.

In this regard, The Board of Directors also designated the Company’s Chief Executive Officer, Mr. Chan Bulakul to make the negotiation, consider details in order to execute the definitive agreements in relation to share acquisition. The Company has entered into such agreement on 8 November 2019.

26.2 On November 13, 2019, the board of directors meeting approves the resolutions to pay special dividend to the shareholders from the Company’s earnings during the period of January 1, 2019 to September 30, 2019 at Baht 0.02 per share or not exceeding of Baht 112.79 million. The special dividend payment on December 12, 2019.

**27. APPROVAL OF THE FINANCIAL STATEMENT**

The interim financial statements have been approved by the Company’s board of directors on November 13, 2019.