

## Independent Auditor's Report on Review of Interim Financial Information

To the Board of Director of Boutique Newcity Public Company Limited

I have reviewed the accompanying statements of financial position of Boutique Newcity Public Company Limited as at September 30, 2020; statements of comprehensive income for the three-month and nine-month periods ended September 30, 2020, changes in equity and cash flows for the nine-month period ended September 30, 2020; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibilities is to express a conclusion on this interim financial information based on my view.

### Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Standard 34, "Interim Financial Reporting"

Emphasis of Matter

I draw attention to Note 2 to the interim financial statements. Due to the impact of the COVID- 19 outbreak, in preparing the interim financial information for three-month and nine-month periods ended September 30, 2020, the Company has adopted the Accounting Guidance in Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of COVID- 19 Pandemic issued by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

Other Matter

The statement of financial position in which the equity method is applied and separate statement of financial position as at December 31, 2019, which are included as comparative information, are components of audited financial statements in which the equity method is applied and separate financial statements as at and for the year ended December 31, 2019, were audited by another auditor in the same office who expressed an unqualified opinion, thereon in her report dated February 25, 2020. Furthermore, the statements in which the equity method is applied and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2019, the statements in which the equity method is applied and separate statements of changes in equity and cash flow for the nine-month period ended September 30, 2019, were reviewed by another auditor in the same office who expresses an unmodified conclusion, thereon in her report dated November 14, 2019.

(Ms. Nonglak Pattanabandith)

Certified Public Accountant

Registration No. 4713

Karin Audit Company Limited

Bangkok

November 12, 2020

BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED  
INTERIM FINANCIAL STATEMENT  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS  
ENDED SEPTEMBER 30, 2020  
AND INDEPENDENT AUDITOR'S REPORT ON REVIEW  
OF INTERIM FINANCIAL INFORMATION

## BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

Unit : Thousand Baht

	Note	Financial statements		
		in which the equity method is applied	Separate financial statements	
		December 31, 2019 "Audited"	September 30, 2020 "Unaudited" "Reviewed"	December 31, 2019 "Audited"
Assets				
Current Assets				
Cash and cash equivalents		7,679	21,695	7,679
Trade accounts receivable	4	65,861	52,778	65,861
Other current receivables	3	7,452	8,026	7,452
Inventories		286,363	215,123	286,363
Other current assets		9,802	11,050	9,802
Total current assets		377,157	308,672	377,157
Non-current assets				
Other non-current financial assets	5	-	80,467	-
Investment in an associate	6	21,270	-	20,267
Other long-term investments	11	57,234	-	60,309
Investment properties	7	72,296	72,296	72,296
Property, plant and equipment	8	64,558	39,066	64,558
Right-of-use assets	9	-	186,647	-
Leasehold rights	11	6,634	-	6,634
Intangible assets		970	985	970
Deferred tax assets		14,553	20,294	14,553
Other non-current assets		56,053	49,282	56,053
Total non-current assets		293,568	449,037	295,640
Total assets		670,725	757,709	672,797

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

BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

Unit : Thousand Baht

	Note	Financial statements		
		in which the equity method is applied	Separate	
			financial statements	
			December 31, 2019 "Audited"	September 30, 2020 "Unaudited" "Reviewed"
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term borrowings				
from financial institutions		124,925	105,000	124,925
Trade accounts payable	3	16,527	3,936	16,527
Other current payables	3	18,208	41,316	18,208
Current portion of lease liabilities	9	-	34,738	-
Current portion of financial lease liabilities	11	245	-	245
Short-term loans from related parties	3	39,000	21,000	39,000
Other current liabilities		5,931	5,677	5,931
Total current liabilities		204,836	211,667	204,836
Non-current liabilities				
Lease liabilities	9	-	127,489	-
Financial lease liabilities	11	1,955	-	1,955
Non-current provisions for employee benefit		7,948	8,824	7,948
Other non-current provisions		1,450	5,327	1,450
Total non-current liabilities		11,353	141,640	11,353
Total liabilities		216,189	353,307	216,189

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

BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

Unit : Thousand Baht

	Note	Financial statements		
		in which the equity method is applied	Separate	
			financial statements	
			December 31, 2019 "Audited"	September 30, 2020 "Unaudited" "Reviewed"
Equity				
Share capital				
Authorized share capital				
25,000,000 common shares, Baht 10 par value		250,000	250,000	250,000
Issued and paid-up share capital				
12,000,000 common shares, Baht 10 par value		120,000	120,000	120,000
Premium on ordinary shares		279,256	279,256	279,256
Surplus on change of shareholding				
in investment under common control		11,019	-	-
Retained earnings				
Appropriated - legal reserve		8,060	8,060	8,060
Unappropriated		41,117	2,089	54,208
Other component of equity		(4,916)	(5,003)	(4,916)
Total equity		454,536	404,402	456,608
Total liabilities and equity		670,725	757,709	672,797

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

## BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

"Unaudited"

## STATEMENT OF COMPREHENSIVE INCOME

"Reviewed"

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

Unit : Thousand Baht

	Note	Financial statements		
		in which the equity method	Separate	
		is applied	financial statements	
		2019	2020	2019
Revenues				
Revenues from sales	3	146,924	75,307	146,924
Revenues from services		35,189	15,448	35,189
Other income	3, 6	5,758	2,892	5,917
Total revenues		187,871	93,647	188,030
Expenses	3			
Cost of sales of goods		76,313	36,476	76,313
Cost of rendering of services		23,810	9,688	23,810
Distribution costs		69,254	50,408	69,254
Administrative expenses		11,244	10,951	11,244
Finance costs		1,493	1,576	1,493
Total expenses		182,114	109,099	182,114
Share of profit (loss) of associate		33	-	-
Profit (loss) before income tax expense		5,790	(15,452)	5,916
Tax expense (income)		837	1,479	837
Profit (loss) for the period		4,953	(16,931)	5,079
Other comprehensive income				
Components of other comprehensive income that will be reclassified to profit or loss				
Gain (loss) on remeasurement investment in equity instrument of listed company, net of tax		-111	-119	-111
Defined benefit plan actuarial gains, net of tax		858	-	858
Other comprehensive income (expense) for the period, net of tax		747	(119)	747
Total comprehensive income (expense) for the period		5,700	(17,050)	5,826
Basic earnings (loss) per share (in Baht)		0.41	(1.41)	0.42
Weighted average number of ordinary shares (thousand shares)		12,000	12,000	12,000

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

## BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

"Unaudited"

## STATEMENT OF COMPREHENSIVE INCOME

"Reviewed"

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

Unit : Thousand Baht

	Note	Financial statements		
		in which the equity method is applied	Separate financial statements	
		2019	2020	2019
Revenues				
Revenues from sales	3	449,528	226,016	449,528
Revenues from services		92,933	64,321	92,933
Other income	3, 6	28,098	9,536	28,750
Total revenues		570,559	299,873	571,211
Expenses	3			
Cost of sales of goods		234,705	129,334	234,705
Cost of rendering of services		62,355	42,897	62,355
Distribution costs		207,546	142,184	207,546
Administrative expenses		44,459	36,148	44,459
Impairment losses on computer software	14	12,235	-	12,235
Finance costs		4,534	5,348	4,534
Total expenses		565,834	355,911	565,834
Share of profit (loss) of associate		119	-	-
Profit (loss) before income tax expense		4,844	(56,038)	5,377
Tax expense (income)		266	(5,719)	266
Profit (loss) for the period		4,578	(50,319)	5,111
Other comprehensive income				
Components of other comprehensive income that will be reclassified to profit or loss				
Gain (loss) on remeasurement investment in equity instrument of listed company, net of tax		-39	(87)	-39
Defined benefit plan actuarial gains, net of tax		858	-	858
Other comprehensive income (expense) for the period, net of tax		819	(87)	819
Total comprehensive income (expense) for the period		5,397	(50,406)	5,930
Basic earnings (loss) per share (in Baht)		0.38	(4.19)	0.43
Weighted average number of ordinary shares (thousand shares)		12,000	12,000	12,000

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



## BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

"Unaudited"

## STATEMENT OF CHANGES IN EQUITY

"Reviewed"

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

Unit : Thousand Baht

Financial statements in which the equity method is applied							
Note	Issued and Paid-up share capital	Share premium	Surplus on change of shareholding in investment under common control	Retained earnings		Other component of equity	Total equity
				Legal reserve	Unappropriated	Investment in equity instrument of listed company	
Balance at January 1, 2019	120,000	279,256	11,019	7,883	45,850	(4,798)	459,210
Transactions with owners, recorded directly in equity							
Dividends to owner of the company	12	-	-	-	(8,400)	-	(8,400)
Total distribution to owners	-	-	-	-	(8,400)	-	(8,400)
Comprehensive income for the period							
Profit or loss	-	-	-	-	4,578	-	4,578
Other comprehensive income	-	-	-	-	858	(39)	819
Total comprehensive income for the period	-	-	-	-	5,436	(39)	5,397
Balance at September 30, 2019	120,000	279,256	11,019	7,883	42,886	(4,837)	456,207

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

## BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED

"Unaudited"

## STATEMENT OF CHANGES IN EQUITY

"Reviewed"

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

Unit : Thousand Baht

Separate financial statement						
Note	Issued and Paid-up share capital	Share premium	Retained earnings		Other component of equity	Total equity
			Legal reserve	Unappropriated	Investment in equity instrument of listed company	
Balance at January 1, 2020	120,000	279,256	8,060	54,208	(4,916)	456,608
Transactions with owners, recorded directly in equity						
Interim dividends to owner of the company	12	-	-	(1,800)	-	(1,800)
Total distribution to owners	-	-	-	(1,800)	-	(1,800)
Comprehensive income for the period						
Profit or loss	-	-	-	(50,319)	-	(50,319)
Other comprehensive income	-	-	-	-	(87)	(87)
Total comprehensive income for the period	-	-	-	(50,319)	(87)	(50,406)
Balance at September 30, 2020	120,000	279,256	8,060	2,089	(5,003)	404,402
Balance at January 1, 2019	120,000	279,256	7,883	58,389	(4,798)	460,730
Transactions with owners, recorded directly in equity						
Dividends to owner of the company	12	-	-	(8,400)	-	(8,400)
Total distribution to owners	-	-	-	(8,400)	-	(8,400)
Comprehensive income for the period						
Profit or loss	-	-	-	5,111	-	5,111
Other comprehensive income	-	-	-	858	(39)	819
Total comprehensive income for the period	-	-	-	5,969	(39)	5,930
Balance at September 30, 2019	120,000	279,256	7,883	55,958	(4,837)	458,260

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

BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED  
STATEMENT OF CASH FLOWS  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"Unaudited"

"Reviewed"

Unit : Thousand Baht

	Financial statements		
	in which the equity method is applied	Separate	
		2019	2020
Cash flows from operating activities			
Profit (loss) before income tax	4,844	(56,038)	5,377
Adjustments to reconcile profit (loss) to cash provided (used in) operating activities :			
Trade accounts receivable (increase) decrease	24,551	11,457	24,551
Other receivables (increase) decrease	348	(574)	348
Inventories (increase) decrease	(32,803)	64,968	(32,803)
Other current assets (increase) decrease	(2,182)	(943)	(2,182)
Other non-current assets (increase) decrease	8,248	6,771	8,248
Trade accounts payable increase (decrease)	(358)	(12,591)	(358)
Other payables increase (decrease)	1,214	23,109	1,214
Other current liabilities increase (decrease)	(1,534)	(254)	(1,534)
Non-current provisions for employee benefit	947	877	947
Other non-current provisions	(442)	991	(442)
Depreciation and amortization	14,391	39,151	14,391
Bad and doubtful debts expenses	3,424	1,625	3,424
Loss from decline in value of inventories (reversal)	(2,673)	6,272	(2,673)
Loss from impairment of long-term investments (reversal)	116	-	116
Gain on disposal of investments in an associate	(11,593)	-	(12,245)
Impairment loss on computer software	12,235	-	12,235
Share of loss (profit) of associate	(119)	-	-
Cash from operating activities	18,614	84,821	18,614
Dividend income	(859)	(509)	(859)
Interest expenses	4,534	5,348	4,534
Non-current provisions for employee benefit paid	(135)	-	(135)
Tax paid	(2,459)	(304)	(2,459)
Net cash from (used in) operating activities	19,695	89,356	19,695

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

BOUTIQUE NEWCITY PUBLIC COMPANY LIMITED  
 STATEMENT OF CASH FLOWS  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

"Unaudited"

"Reviewed"

Unit : Thousand Baht

	Financial statements		2019
	in which the equity method is applied	Separate	
		financial statements	
	2019	2020	2019
Cash flows from investing activities			
Dividends received	859	509	859
Proceeds from sale of investment in associate	25,700	-	25,700
Acquisition of property, plant and equipment	-	(2,470)	-
Repayment of right-of-use assets	-	(3,448)	-
Repayment of intangible assets	(7,273)	(359)	(7,273)
Net cash from (used in) investing activities	19,286	(5,768)	19,286
Cash flows from financing activities			
Bank overdrafts and short-term borrowings			
from financial instructions increase (decrease)	(51,239)	(19,925)	(51,239)
Dividends paid to owners of the Company	(8,400)	(1,800)	(8,400)
Proceeds from short-term borrowings from related parties	60,000	18,000	60,000
Repayment from short-term borrowings from related parties	(20,000)	(36,000)	(20,000)
Repayment of lease liabilities	-	(24,499)	-
Repayment of finance lease liabilities	(257)	-	(257)
Interest paid	(4,534)	(5,348)	(4,534)
Net cash from (used in) financing activities	(24,430)	(69,572)	(24,430)
Net increase (decrease) in cash and cash equivalents	14,551	14,016	14,551
Cash and cash equivalents at beginning of period	3,405	7,679	3,405
Cash and cash equivalents at ending of period	17,956	21,695	17,956

Supplement disclosures of cash flow information :

Non-cash transactions

For the nine-month period ended September 30, 2020

The Company reclassified investment in associate to investments in equity instrument - related company of Baht 20.3 million.

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

1. General information

Boutique Newcity Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1112/53-75 Soi Sukhumvit 48 (Piyavat), Sukhumvit Road, Phra Khanong, Khlong Toei, Bangkok, Thailand.

The Company was listed on stock Exchange of Thailand in November 1987.

The Company’s major shareholders during the financial period were Pavarolavidya Group 55% shareholding.

The principal activities of the company are engaged in garments retail business.

2. Basic of interim financial statement preparation and principles

2.1 Basic for interim financial statement preparation

These interim financial statements are prepared in accordance with Accounting standards Pronouncement No.34 : “Interim financial reporting”, whereby the company chooses to present condense interim financial statements. However, additional line items are presented in the financial statements to bring them into the format similar to the annual financial statements.

The interim financial statements are prepared to provide information in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of information previously reported. These interim financial statements should, therefore, be read in conjunction with the financial statements for the year ended December 31, 2019.

The interim financial statements are officially prepared in Thai language. The translation of these statutory financial statements to other language must confirm to the Thai financial report.

2.2 Significant accounting policies

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended December 31, 2019.

New financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised (revised 2019) and new financial reporting standards and interpretation which are effective for fiscal year beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, the new standards involve 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 Instrument

##### Accounting Standard:

TAS 32                      Financial Instruments: Presentation

##### Financial Reporting Standards Interpretations:

TFRIC 16                    Hedges of a Net Investment in 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.

These standards do not have any significant impact on the Company’s financial statement.

#### TFRS16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standards 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 assets is low value.

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

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

The cumulative effect of the change is described in Note 11.

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

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

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

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

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Company uses a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at January 1, 2020.
- Not to account for any reduction in lease payments by lessors resulting from the coronavirus disease 2019 situation as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

### 2.3 Functional and presentation currency

The interim financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded to nearest thousand unless otherwise stated.

### 2.4 Use of judgement and estimates

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Company’s accounting policies and the key source of estimation uncertainty were the same as those that applied to the financial statements for the year ended December 31, 2019.

2.5 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the company operates. The Company’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 issued as the situation has evolved.

3. Related parties

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or where the Company and the parties are subject to common control or common significant influence. Related maybe individuals or entities.

Name of entities	Country of incorporation/ nationality	Natural of relationships
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company
Mrs. Sirina Pavarolavidya	Thai	Major shareholder up to May 13, 2019 and director of related companies
Mr. Panitarn Pavarolavidya	Thai	Major of shareholder and director
Mrs. Pravara Ekaraphanich	Thai	Major of shareholder and director
Siratarn Co., Ltd.	Thailand	Major shareholder since May 10, 2019 and common shareholder and directors
Sahasin Co., Ltd.	Thailand	Major shareholder since May 13, 2019 and common shareholder and directors
Poomkajana Co., Ltd.	Thailand	Common shareholders and directors
Varatarn Co., Ltd.	Thailand	Common shareholders and directors
Pupetch Co., Ltd.	Thailand	Common shareholders and directors
Chokthane Co., Ltd.	Thailand	Common shareholders and directors
Ban-Prajuab Co., Ltd.	Thailand	Common shareholders and directors
Sirichakiat Co., Ltd.	Thailand	Common shareholders and directors
BTFA Co., Ltd.	Thailand	Common shareholders and directors



Name of entities	Country of incorporation/ nationality	Natural of relationships
Panivara Co., Ltd.	Thailand	Common shareholders and directors
Choksamakee Co., Ltd.	Thailand	Common shareholders and directors
Saha Pathana Inter-Holdig Plc.	Thailand	Common shareholders
I.C.C International Plc.	Thailand	Common shareholders
Sirinapavarolavidya Foundation	Thailand	Common directors
Love Mom Association	Thailand	Common directors

The pricing policies for particular types of transactions are explained below:

Transactions	Pricing policies
Other income	Cost plus margin
Purchase of goods	Cost plus margin
Interest expense	Borrowing interest rate from finance institutions
Key management personnel compensation	As defined by nomination and remuneration committee
Distribution costs and administrative expenses	Mutually agreed price

Significant transactions for the three-month periods ended September 30, 2020 and 2019 with related parties were as follows:

	Unit : Thousand Baht	
	Separate financial statements	Financial statements in which the equity method is applied / Separate financial statements
	2020	2019
Related parties		
Revenue from sale of goods	-	-
Other income	175	397
Purchase of goods	19,489	79,356
Distribution costs	3,636	2,385
Administrative expenses	240	2,961
Interest expense	127	409

SEPTEMBER 30, 2020

	Unit : Thousand Baht	
	Separate financial statements	Financial statements in which the equity method is applied / Separate financial statements
	2020	2019
Key management		
Key management compensation		
Short-term benefit	829	1,440
Post-employment benefit	41	62
Total key management compensation	<u>870</u>	<u>1,502</u>

Significant transactions for the nine-month periods ended September 30, 2020 and 2019 with related parties were as follows:

	Unit : Thousand Baht	
	Separate financial statements	Financial statements in which the equity method is applied / Separate financial statements
	2020	2019
Related parties		
Revenue from sale of goods	16,686	-
Other income	484	1,706
Purchase of goods	92,496	307,244
Distributions costs	10,361	9,363
Administrative expenses	907	5,865
Interest expense	743	665
Key management		
Key management compensation		
Short-term benefit	3,034	4,641
Post-employment benefit	130	228
Total key management compensation	<u>3,164</u>	<u>4,869</u>

Balance as at September 30, 2020 and December 31, 2019 with related parties were as follows:

	Unit : Thousand Baht	
	Separate financial statements September 30, 2020	Financial statements in which the equity method is applied / Separate financial statements December 31, 2019
Trade accounts receivable		
Related parties	17,745	-
Other current receivables		
Related parties	-	530
Trade accounts payable		
Related parties	3,598	13,761
Other current payables		
Related parties	2,423	3,946

	Unit : Thousand Baht			
	Interest rate (% per annum)		Separate financial statements	Financial statements in which the equity method is applied / Separate financial statements
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Short-term loans from related party				
Mrs. Sirina Pavarolavidya	2.40-3.60	3.60	21,000	39,000
Total			21,000	39,000

Movements during the nine-month period ended September 30, 2020 of short-term loans from related parties were as follows:

	Unit : Thousand Baht
Short-term loans from related party	
At January 1, 2020	39,000
Increase	18,000
Decrease	(36,000)
At September 30, 2020	21,000

4. Trade accounts receivable

		Unit : Thousand Baht	
		Separate financial statements	Financial statements in which the equity method is applied / Separate financial statements
	Note	September 30, 2020	December 31, 2019
Related parties	3	17,745	-
Other companies		41,849	71,051
Total		59,594	71,051
Less allowance for doubtful accounts		(6,816)	(5,190)
Net		52,778	65,861
Bad and doubtful debts expenses for nine-month period ended September 30,		1,625	-

Aging analyses for trade accounts receivable were as follows:

	Unit : Thousand Baht	
	Separate financial statements	Financial statements in which the equity method is applied / Separate financial statements
	September 30, 2020	December 31, 2019
Related party		
Within credit term	17,745	-
Total	17,745	-
Other parties		
Within credit terms	23,340	59,101
Overdue:		
Less than 3 months	10,253	4,100
3-6 months	333	1,139
6-12 months	1,108	1,521
Over 12 months	6,815	5,190
	41,849	71,051
Less allowance for doubtful accounts	(6,816)	(5,190)
Net	35,033	65,861

Credit term granted by the Company ranges mainly from 30 days to 90 days.

5. Other current financial assets

Other current financial assets as at September 30, 2020 were as follows:

	Unit : Thousand Baht
Investment in equity instruments of	
Listed company	505
Non - listed companies	
- Related parties	70,553
- Other parties	9,409
	<u>79,962</u>
Total	<u><u>80,467</u></u>

Movements during the nine-month period ended September 30, 2020 were as follows:

	Unit : Thousand Baht
At January 1, 2020 (Note 11)	60,309
Transfer from investment in an associate to investment in equity instrument - related company (Note 6)	20,267
Valuation adjustment	(109)
At September 30, 2020	<u><u>80,467</u></u>

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Investment in equity instruments of non - listed companies as at September 30, 2020 were as follows:

		Unit : Thousand Baht					
	Type of business	Ownership interest (%)	Paid-up capital	Cost	Impairment	Cost, net	Dividend income
Related parties							
Panivara Co., Ltd.	Real estate	18.66	284,000	50,286	-	50,286	-
Choksamakee Co., Ltd.	Construction	16.68	116,000	20,267	-	20,267	-
Other parties							
Thai Staflex Co., Ltd	Produce and sell to parts to garments manufacturer	2.00	60,000	1,200	-	1,200	12
Janome (Thailand) Co., Ltd.	Produce machine for garment	2.00	97,400	2,759	-	2,759	487
Thai Samsung Electronics Co., Ltd.	Produce and sell electronic equipment	0.08	1,200,000	1,000	-	1,000	-
Thai Bunka Fashion Co., Ltd.	Fashion academy	4.00	25,000	250	-	250	-
American Food Co., Ltd.	Produce ice cream products	3.00	140,000	4,200	-	4,200	-
Total				79,962	-	79,962	499

6. Investment in an associate

Movements during the nine-month period ended September 30, 2020 were as follows:

	Unit : Thousand Baht
At January 1, 2020	20,267
Transfer from investment in an associate to investment in equity instrument - related company (Note 5)	(20,267)
At September 30, 2020	-

In March 2019, the Company sold 8.49% of its 27.76% interest of the issued and paid-up capital of associate (Choksamakee Co., Ltd.) to a shareholder of the Company at the selling price of Baht 19.7 million which are accounted for using the equity method of Baht 10.8 million for the financial statements in which the equity method is applied and are accounted for using the cost method of Baht 10.3 million for the separate financial statements.

In September 2019, the Company sold 2.59% of its 19.27% interest of the issued and paid-up capital of an associate (Choksamakee Co., Ltd.) to other party at the selling price of Baht 6.0 million. This cost accounted for using the equity method of Baht 3.3 million for the financial statements in which the equity method is applied, and accounted for using the cost method of Baht 3.1 million for the separate financial statements.

The Company recognised gain on two sales of Baht 2.7 million and Baht 2.9 million in the statement of comprehensive income in which the equity method is applied and separate financial statements for the three-month period ended September 30, 2019, respectively, and Baht 8.9 million and Baht 9.4 million in the statement of comprehensive income in which the equity method is applied and separate financial statements for the nine-month period ended September 30, 2019, respectively.

Since sales in investment as mentioned above, resulted the Company loss its significant influence over its investment. In order to appropriated presentation, the management changes the presentation of this investment from investment in an associate to investment in equity instrument- related company and presents under other non-current financial assets, and has not prepares financial statements in which the equity method is applied since January 1, 2020.

#### 7. Investment properties

Fair value of investment properties as at September 30, 2020 is as follow:

	Unit : Thousand Baht	
	Cost	Fair value
Land	72,296	306,874

The appraised value of land amounting to Baht 306.9 million was got from Government agency.



8. Property, plant and equipment

Movements during nine-month period ended September 30, 2020 were as follows:

	Unit : Thousand Baht
Net carrying value at January 1, 2020	64,558
Reclassification to right-of-use assets due to TFRS 16 adoption	(23,298)
Purchases	2,470
Depreciation for the period	(4,664)
Net carrying value at September 30, 2020	<u>39,066</u>

The gross amount of the Company’s fully depreciation property and equipment that was still in use as at September 30, 2020 amounted to Baht 170.3 million (December 31, 2019 : Baht 192.0 million).

9. Leases

Movements of the right-of-use assets during the nine-month period ended September 30, 2020 are summarised below:

	Unit : Thousand Baht
Net book value as at January 1, 2020	-
Adjustments of right-of-use asset due to TFRS 16 adoption	217,343
Increase during the period	3,448
Depreciation for the period	(34,144)
Net book value as at September 30, 2020	<u>186,647</u>

Movement of lease liabilities during the nine-month period ended September 30, 2020 are summarised below:

	Unit : Thousand Baht
At January 1, 2020	-
Adjustments of lease liabilities due to TFRS 16 adoption	186,725
Accretion of interest	3,271
Payments	(27,769)
At September 30, 2020	<u>162,227</u>
Less current portion	(34,738)
Lease liabilities, net of current portion	<u>127,489</u>

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## 10. Segment information

Information about reportable segment:

## Business segments

The Company’s operations mainly involve boutique retail business. Management considers that the financial information of the Company by business segments for the three-month periods ended September 30, 2020 and 2019 is as follows:

	Unit : Thousand Baht											
	Domestic retail		Online		Foreign retail		Uniform		Others		Total reportable segments	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues from sales and services	50,816	136,176	21,982	8,637	1,705	1,979	15,470	35,189	782	132	90,755	182,113
Cost of sales and services	23,167	70,687	11,481	4,553	833	958	10,001	23,806	682	119	46,164	100,123
Segment profit before income tax	27,649	65,489	10,501	4,084	872	1,021	5,469	11,383	100	13	44,591	81,990
Unallocated amounts of revenue and expenses:												
Other income											2,892	5,917
Distribution costs											(50,408)	(69,254)
Administrative expenses											(10,951)	(11,244)
Financial cost											(1,576)	(1,493)
Tax (expense) income											(1,479)	(837)
Profit (loss) for the period											(16,931)	5,079

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The financial information by business segments for the nine-month periods ended September 30, 2020 and 2019 is as follows:

	Unit : Thousand Baht											
	Domestic retail		Online		Foreign retail		Uniform		Others		Total reportable segments	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue from sale and service	162,253	422,713	56,747	18,582	4,800	8,100	64,279	92,934	2,258	132	290,337	542,461
Cost of sales and services	97,932	220,285	26,577	9,639	3,057	4,665	42,701	62,352	1,964	119	172,231	297,060
Segment profit before income tax	64,321	202,428	30,170	8,943	1,743	3,435	21,578	30,582	294	13	118,106	245,401
Unallocated amounts of revenue and expenses:												
Other income											9,536	28,750
Distribution costs											(142,184)	(207,546)
Administrative expenses											(36,148)	(44,459)
Impairment losses on computer software											-	(12,235)
Financial Cost											(5,348)	(4,534)
Tax (expense) income											5,719	(266)
Profit (loss) for the period											(50,319)	5,111
Segment assets as at September 30/												
December 31											757,709	672,797
Segment liabilities as at September 30/												
December 31											353,307	216,189

In the year 2020, the management changed the business segment information in order to in accordance with management interest at present.

Geographical segments

The Company operate principally in Thailand.

11. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards  
 As described in Note 2.2 to the financial statements, during the current period, the Company 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 as at January 1, 2020. Therefore, the comparative information was not restated.

The impacts from changes in accounting policies due to the adoption of these standards are presented as follows:

	Unit : Thousand Baht			
	December 31, 2019	The impacts of Financial reporting standards related to financial instruments	TFRS 16	January 1, 2020
Statement of financial position				
Assets				
Non-current assets				
Other long-term investments	60,309	(60,309)	-	-
Other non-current financial assets	-	60,309	-	60,309
Property, plant and equipment	64,558	-	(23,298)	41,260
Leasehold rights	6,634	-	(6,634)	-
Right-of-use assets	-	-	217,343	217,343
Liabilities and equity				
Current liabilities				
Current portion of financial lease	245	-	(245)	-
Current portion of lease liabilities	-	-	32,925	32,925
Non-current liabilities				
Financial lease liabilities	1,955	-	(1,955)	-
Other non-current provisions	1,450	-	2,886	4,336
Lease liabilities	-	-	153,800	153,800

## 11.1 Financial instruments

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

	Carrying amounts under the former basis	Unit : Thousand Baht			
		Classification and measurement in accordance with TFRS 9			
		Fair value through other comprehensive income		Amortised cost	Total
Financial assets as at January 1, 2020					
Cash and cash equivalents	7,679	-	7,679	7,679	
Trade and other current receivables	73,313	-	73,313	73,313	
Other current assets	4,636	-	4,636	4,636	
Other non-current financial assets					
- Investment in equity instruments of listed company	614	614	-	614	
- Investment in equity instruments of non-listed companies	59,695	59,695	-	59,695	
Other non-current assets	56,053	-	56,053	56,053	
Total financial assets	<u>201,990</u>	<u>60,309</u>	<u>141,681</u>	<u>201,990</u>	

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

## 11.2 Leases

Upon initial application of TFRS 16 the Company recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Company’s incremental borrowing rate at January 1, 2020. For leases previously classified as financial leases, the Company recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	Unit : Thousand Baht
Operating lease commitments as at December 31, 2019	214,367
Less short-term leases	(31,874)
Add option to extend lease term	118,879
Less contracts reassessed as service agreements	(104,967)
Less deferred interest expense	(11,880)
Increase in lease liabilities due to TFRS 16 adoption	184,525
Add liabilities under financial lease agreement as at December 31, 2019	2,200
Lease liabilities as at January 1, 2020	186,725
The above lease liabilities comprise of :	
Current lease liabilities	32,925
Non-current lease liabilities	153,800
	186,725

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

	Unit : Thousand Baht
Building	187,410
Furniture and fixture	20,605
Leasehold rights	6,635
Vehicle	2,693
Total right-of-use assets	217,343

## 12. Dividends

At the board of directors meeting held on April 8, 2020, the directors approved the payment of interim dividends from operations for the year 2019 of Baht 0.15 per share, amounting to Baht 1.8 million.

At the annual general meeting of shareholders of the Company held on April 22, 2019, the shareholders approved the appropriation of dividend of Baht 0.70 per share, amounting to Baht 8.4 million.

13. Fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Unit : Thousand Baht			
	Level 1	Level 2	Level 3	Total
September 30, 2020				
Financial assets measured at fair value				
Investment in equity instrument of listed company	505	-	-	505

14. Commitment and contingent liabilities

14.1 As at September 30, 2020, the Company has guarantee for overdraft lines to local financial institutions for several related companies totaling Baht 15.0 million (December 31, 2019 : Baht 36.0 million).

14.2 As at September 30, 2020, the Company has contingent liabilities for letters of guarantees with several financial institutions, principally guarantee for lease agreements and of guarantee for utilities totaling Baht 12.1 million (December 31, 2019 : Baht 12.1 million).

14.3 On July 9, 2015 the Company has entered into the service agreement with a local company in order to get consulting services on implementation and integrating programs development, total fee of this agreement is Baht 13.1 million. Presently, the Company paid up fee and other service together of Baht 12.2 million. This amount was recorded under intangible assets.

On August 31, 2018, The Company as plaintiff sued a counterparty and another company as defendants, the allegation about service provider has breached of contract. The Company claimed to return paid up amount and recover damages totaling of Baht 35.2 million, plus interest 7.5% of Baht 33.1 million since prosecution date till the claim amount is fully paid.

On January 29, 2019, defendants entered a plea and counterclaimed the Company, the allegation about plaintiff intended to do infringement. Defendants requested plaintiff to withdraw the prosecution and claimed for Baht 48.7 million plus interest 7.5% of this amount since prosecution date till the claim amount is fully paid.

On April 2, 2019, the Company submitted the requisitions to the Civil Court to withdraw the counterclaim from defendants.

At present, the case is in the Civil Court proceeding.

According to the mentioned lawsuit, the Company fully provided impairment on the computer software and recognized as expense of Baht 12.2 million in profit and loss for the first quarter of the year 2019.

15. Financial statements approval

Board of Directors of the Company has approved these interim financial statements on November 12, 2020.