



Castle Peak Holdings Public Co.,Ltd.

---

**Form 56-1 One Report**

**2020**

**(Annual Report)**

## Table of contents

Part 1 Business Operations and Performance	Page
1. Structure and operation of the company	1
2. Risk Management	7
3. Driving business sustainability	9
4. Management Discussion and Analysis: MD&A	11
5. General and other important information	17
Part 2 Corporate Governance	
6. Corporate Governance Policy	18
7. Corporate Governance Structure and important information about the board Sub-committees, management, employees and others	20
8. Report on performance of important corporate governance	24
9. Internal control and related transactions	27
Part 3 Financial Statement	28
Part 4 Certification of the Correctness of Information	83
<b>Attachment</b>	
Attachment 1 Details of directors, executives, management , CFO, Accounting Supervisor and Corporate Secretary	84
Attachment 2: Details of directors in subsidiaries	87
Attachment 3 Details of the Head of Internal Audit	88
Attachment 4 Assets used in business and details of appraisal	89
Attachment 5 Code of conduct	91
Attachment 6 Audit Committee's Report	94

## Part 1 Business Operations and Performance

### 1. Structure and operation of the company

#### 1.1 Policy and business overview

##### 1.1.1 Vision

###### Garment business:

To be the latest technologies, high quality and excellent services of outerwear manufacturer and exporter by investing in modern technology machinery and training on existing workers to have excellent skills in order more efficient and gain high customer satisfaction

###### Real estate business:

To be a real estate developer who develops affordable, high quality horizontal housing projects in good locations and environments.

##### 1.1.2 Significant changes and developments

Castle Peak Holding Public co., Ltd., initially set up as a Castle Peak partnership, operated in September 1976. The purpose of the business is to produce garments for export overseas. Later on, the company grew bigger and established C.P.G. Garment Co., Ltd. The main products of the company are jackets, coats, trousers and sportswear using textile fabrics as the raw materials. Products are manufactured under the customers 'brand names and the major export markets are United States and the European Union.

Afterward in 1994, the company diversified the core business into the real estate development business. Products are twin houses, town houses, detached houses and commercial buildings. Up until now, seven projects have completed with the value of 3,733 million Baht and three project are now under construction with the value of 1,400 million Baht. Later, in 2019, Sun Property Company Limited started in construction business and build houses for companies in the group.

##### 1.1.3 Use of fundraising

There has been no fundraising in the last 10 years.

1.1.4 the commitment that the company has made in the registration statement and/or conditions for licensing of the Office (if any) and / or conditions for listing securities of the Stock Exchange of Thailand  
- None

1.1.5 Name, head office, nature of business, company registration number, website and type of all the company's paid shares

Name	Castle Peak Holdings Public Co., Ltd
Head Office	CPH Tower, 899 Petchkasam Road, Bangkae Sub-district, Bangkae District, Bangkok 10160 Telephone: 02-4550300 Fax: 02-4550358-9
Nature of business	Garment Manufacturing and Property Development
Public Company Registration No.	0107537001056
Website	<a href="http://www.castlepeak.co.th">www.castlepeak.co.th</a>
Issued shares	40,000,000 ordinary shares, Baht 10.00 per share Issued and Paid-up Share Capital 400,000,000 Baht

## 1.2 Nature of business

### 1.2.1 Income structure

#### Garment business

Operating by	% Shareholder	Year 2020		Year 2019		Year 2018	
		Income	%	Income	%	Income	%
Castle Peak Holdings Public Company Limited	100	684.45	51.39	856.49	55.17	919.43	57.82
C.P.G. Garment Co., Ltd	99.94	<u>535.38</u>	<u>40.20</u>	<u>602.28</u>	<u>38.80</u>	<u>618.10</u>	<u>38.87</u>
Total income in garment business		1,219.83	91.59	1,458.77	93.97	1,537.53	96.69

#### Real Estate Business

Operating by	% Shareholder	Year 2020		Year 2019		Year 2018	
		Income	%	Income	%	Income	%
Castle Peak Holdings Public Company Limited	100	33.45	2.51	40.69	2.62	16.21	1.03
Castle Peak Real Estate Co., Ltd	99.99	65.23	4.90	50.19	3.24	34.10	2.14
Aek Thana Property Co., Ltd *	99.98	<u>13.34</u>	<u>1.00</u>	<u>2.65</u>	<u>0.17</u>	<u>2.30</u>	<u>0.14</u>
Total income in real estate business		<u>112.02</u>	<u>8.41</u>	<u>93.53</u>	<u>6.03</u>	<u>52.61</u>	<u>3.31</u>
Total income		<u>1,331.85</u>	<u>100.00</u>	<u>1,552.30</u>	<u>100.00</u>	<u>1,590.14</u>	<u>100.00</u>

\* Indirect owned by Castle Peak Real Estate Co., Ltd

### 1.2.2 Product information

#### Garment business

##### (1) Type of products

Outerwear such as jacket, coats, down jacket, pants and sportswear which are produced from woven fabrics according to the buyer's design, quantity and trademark

##### (2) Marketing and competition

###### A. Marketing

In 2020, 100% of products are manufactured and exported to overseas customers. The proportion of export markets is divided into 75.44 % for the United States, 19.91 % for EU countries and 4.65 for other countries. Products are sold in cold countries and the demand of products relies on climate and economic conditions of each country. The better the economy, the more purchasing power. Moreover, 85.45% of products are sold directly to the trademark owners and 14.55% are distributed through agents.

###### B. competition

The most important factor is the price. However, other factors are also taken into consideration such as quality of goods, services, on-time delivery and honesty. The company's main strengths are high quality goods, impressive services, useful advice to customers, on-time delivery and honesty which make the company competitive in the market. Number of competitors unidentified.

### (3) Procurement of products

#### A. Characteristics

The company imported 86 % of raw materials with the rest 14 % of raw materials are purchase from local establishment. Materials sources such as fabric are from China, Korea, Taiwan, Vietnam, Hong Kong and the United States which are mostly synthetic and natural fibers. Accessories items consist of zips, buttons, threads, etc., all are delivered to factories of the company which are

1. Castle Peak Holdings Public Company Limited. Factory located at 697 Petchkasem Road, Bang Khae Sub-district, Bang Khae District, Bangkok 1,293 employees at the head office and factory with a production capacity of 1,200,000 pieces per year.

2. C.P.G.Garment Co., Ltd. Factory located at 2 Soi Petchkasem 50/2 Petchkasem Road, Bang Wa Sub-district, Phasicharoen District, Bangkok. 962 employees at the head office and factory with a production capacity of 800,000 pieces per year.

#### B. Environmental impact

Sewing machines in the garment factory are small and quiet. Also, there are no chemicals in the production which cause water and air pollutions

### (4) Assets used in business operation

The garment business has assets used in the operation of the business as fixed assets which consisting of land Building, machinery and equipment. (Details about assets used in business Is in Attachment 4)

### (5) Work not yet delivered - none –

#### Real Estate Business:

#### (1) Type of products

Townhouses, townhomes, semi-detached houses and commercial buildings located in Nakhon Pathom and Nonthaburi Provinces

- Siwarat 9 located at Bang Bua Thong-Sai Noi Road, Bang Bua Thong Sub-district, Bang Bua Thong District, Nonthaburi. The total project value of 611 million Baht which comprise of 320 units of twin houses and 57 units of commercial buildings, 377 units have been transferred to the buyer as of December 31, 2020,

- Siwarat 10 located at Bang Len-Lat Lum Kaeo Road, Bang Phat Sub-district, Bang Len District, Nakhon Pathom. The total project value of 527 million Baht which comprise of 443 units of townhouses and commercial buildings, 431 units have been transferred to the buyer as of December 31, 2020 The remaining units are constructed houses for sales

- Siwarat 11 located at Sai Noi-Bang Bua Thong Road, Khlong Khwang Sub-district, Sai Noi District, Nonthaburi. The total project value of 253 million Baht which comprise of 120 units of 2-storey townhouses and 26 units of 3-storey townhomes, 65 units have been transferred to the buyer as of December 31, 2020, The remaining units are under construction and constructed houses for sales

#### (2) Marketing and competition

- The demand of house in low and middle-income housing markets is limited which make intense competition. The company has to implement new marketing strategies to accelerate buyer decision-making.

- In the last few year, there are many new competitors in nearby locations, which increase choices for buyers. Most new buyers do comparisons such as the quality of the house, the location, the price before making a decision. However, the company has high experienced sales and marketing team to attract new customers.

(3) Procurement of products

- The company has developed and selected new house designs in order to meet the needs of customers. The construction company in the group construct houses, utilities to ensure the highest standards. All materials and equipment for used are good and high quality.

- Impact on the environment

The company focuses on environmental problems by providing hygienic utilities in every project. Especially, in projects under construction, safety equipment are installed to prevent air pollution and areas of resident houses and under construction houses are clearly separated.

(4) Assets used in business operation

Real estate business group has assets used in the operation of business as fixed assets, which consists of land and buildings available for sale and investment property. (Details about assets used in business Is in Attachment 4)

(5) Work not yet delivered - none –

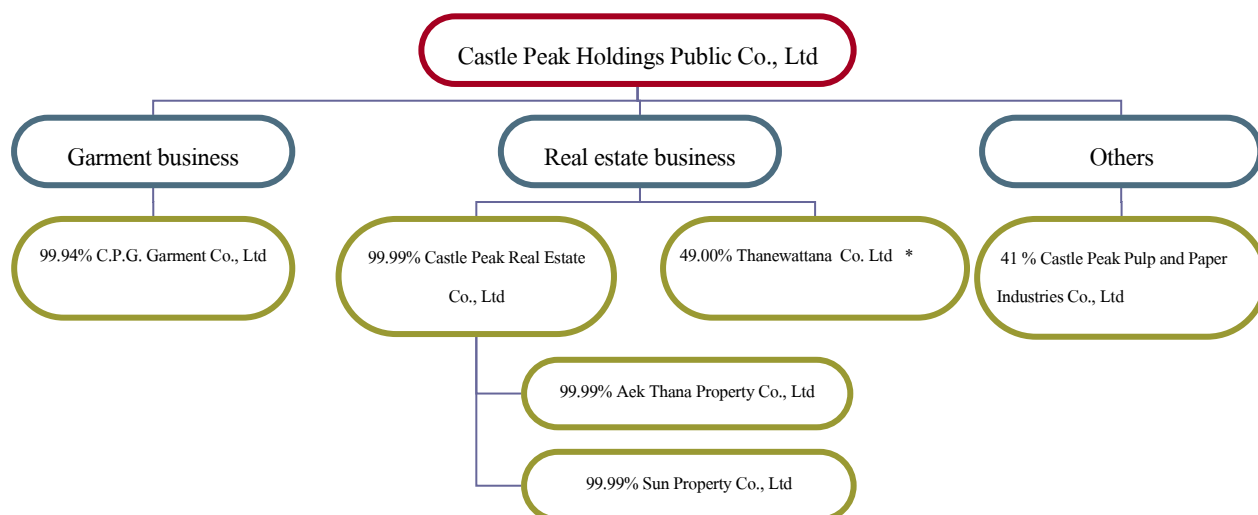
1.3 Shareholding structure

1.3.1 Shareholding structure

There are two core businesses under Castle Peak Holding group.

- Garment business is operated by Castle Peak Holdings Public Company Limited and C.P.G.Garment Co., Ltd

- Real estate business is operated by Castle Peak Holdings Public Company Limited and subsidiaries which comprise of Castle Peak Real Estate Co., Ltd Aek Thana Property Co., Ltd and Sun Property Co., Ltd.



\* Not started the business

Castle Peak Holdings PCL., invested in Companies at 10 percent or more of the issued shares as follow.

1. C.P.G. Garment Co., Ltd.

Registered office C.P.H Tower 899 Petchkasem Road, Bangkae Sub-district,  
Bangkae district, Bangkok, 10160  
TEL. 02-4550300 FAX. 02-4550358-9

Type of Business Garment Manufacturing

Issued Shares 9,240 ordinary shares at a par value of 5,000 Baht per share.

Registered and paid-up capital 46,200,000 Baht

Castle Peak Holdings Public Company Limited holds 99.94% of registered capital.

2. Castle Peak Real Estate Co., Ltd.

Registered office C.P.H Tower 899 Petchkasem Road, Bangkae Sub-district,  
Bangkae district, Bangkok, 10160  
TEL. 02-4550300 FAX. 02-4550358-9

Type of Business Real Estate Development

Issued Shares 20,000,000 common shares with a par value of 10 Baht per share

Registered and paid-up capital 200,000,000 Baht

Castle Peak Holdings Public Company Limited holds 99.99% of registered capital.

3. Castle Peak Pulp & Paper Industries Co., Ltd.

Registered office C.P.H Tower 899 Petchkasem Road, Bangkae Sub-district,  
Bangkae District, Bangkok, 10160  
TEL. 02-4550300 FAX. 02-4550358-9

Type of Business Pulp and Paper

Issued Shares 10,000,000 ordinary shares with a par value of 10 Baht per share

Registered and paid-up capital 100,000,000 Baht

Castle Peak Holdings Public Company Limited holds 41.00% of registered capital.

4. Thaneewatana Co., Ltd.

Registered office 1174/4 Phahon Yothin Rd., Chom Phon Sub-district,  
Chatuchak District, Bangkok  
TEL. 02-5114005 FAX. 02-9303835

Type of Business Real Estate Development

Issued Shares 150,000 ordinary shares with a par value of 6.25 Baht per share

Registered and paid-up capital 937,500 Baht

Castle Peak Holdings Public Company Limited holds 49.00% of registered capital.

1.3.2 Persons who may have conflicts hold more than 10 percent of the shares in subsidiaries or associated companies.

-None

1.3.3 Relationship with the business group of major shareholders -None

#### 1.3.4 Shareholders

##### (1) Major shareholders

(A) The first 10 major shareholders of Castle Peak Holdings Public Co., Ltd., as of December 30, 2020.

	No of shares	%
Mr.Boonchoo Pongchaloem	11,880,048	29.700
Thailand Securities Depository Co., Ltd	11,849,080	29.623
Ms.Vanee Tempitayakom	3,400,000	8.500
Ms.Kankorn Jirayucharoensook	1,972,000	4.930
Ms.Vinida Kulsompob	1,650,000	4.125
Mr. Pongchai Pongchaloem	1,600,000	4.000
Mr.Udomsak Chotivichit	1,453,400	3.634
Mr.Pusak Pongchaloem	1,442,000	3.605
Ms. Benjaporn Limcharoenngern	1,400,000	3.500
Ms. Patchamon Jirayucharoensook	1,251,033	3.128

Mr.Boonchoo Pongchaloem and his family hold the total 19,727,702 shares, or 49.32 % of total issued shares (Record date of year 2020)

(B) A group of major shareholders who, by their behavior, have significant influence on policy formulation, management or operation of the company.

- None

#### 1.4 Amount of registered capital and paid-up capital

1.4.1 The company has registered capital of 400 million Baht, paid up 400 million Baht, divided into 40,000,000 common shares, par value of 10 Baht per share, listed on the Stock Exchange of Thailand.

1.4.2 Other types of shares with rights or conditions different from ordinary shares - None -

1.4.3 Other types of securities (shares or convertible securities) -None-

1.5 Issuance of other securities (Convertible securities, debt instruments) -None

#### 1.6 Dividend Payment Policy

The company's dividend payment policy is 30 % of net profit. However, the final decision would be based on the sufficiency of operating cash flow, investment plan and other laws.



## 2. Risk Management

### 2.1 Policy and Risk Management Plan

Board of directors held the meeting to analyze the company risks. The topic includes the impact of risks from internal and external factors, the chance of an incident, measures and action plans to manage risks. The internal audit is responsible for monitoring and evaluating the results

### 2.2 Risk factors affected the business operation of the company

#### 2.2.1 Business risks

Garment business:

##### 1. Employees' risk of COVID-19 infection

Risk: Employees may be asymptomatic carriers when traveling to vulnerable areas and may conceal vital information. Employees may possibly transmit the virus among employees.

Risk management: The Company has a policy that all employees do not travel to other provinces and high-risk areas. If necessary, employees are required to notify the company every time and wear a face mask at all time, as well as measuring the temperature every time they enter into the company premises and wash their hands with alcohol gel. In addition, while recruiting new employees must have a medical certificate of COVID-19 examination.

##### 2. Higher shipping cost

Risk: Due to the global outbreak of COVID-19, shipping cycles have been reduced and shipping costs are higher. It has a direct impact on the cost of importing raw materials.

Risk management: The Company negotiates with foreign suppliers to speed up production in order to be able to book ships in advance and have more options for ships as well as switch to land transportation.

##### 3. Liquidity is decreased

Risk: Due to the global outbreak of COVID-19, volume of shipping vessels and containers are insufficient to the needs of global exporters. So, the company is unable to export products on time and may receive payment late.

Risk management: Cooperate with customers to gradually export products in advance to avoid the need for large containers at the same time.

##### 4. The currency volatility of the US dollar against the Thai Baht

Risk: In 2020, the US dollar against the Thai Baht appreciated continually. If the US dollar rate continue appreciation, it will affect the income from export.

Risk management: The Company follows up on analysis and news on economic and political conditions in Thailand and abroad. Reserving foreign exchange rates in advance may be done in order to reduce the risk of fluctuation.

Real estate business:

##### 1. The strictness of the mortgage loan from banks.

Risk: Bank credit approvals are more stringent. Some customers are unable to loan money and some customers receive insufficient credit limit for a home purchase.

Risk management: Apply for home loans in a variety of banks and recommend finding a joint borrower to increase their chances of getting a loan from the bank.

2. Demand for housing is reduced.

Risk: Due to the COVID-19 epidemic, most of the people are focused on saving money for emergency situations.

Risk management: The Company offers a special promotion to promote sales during COVID-19.

#### 2.2.2 Investment risk of securities holders

1. The risk of the company deficit, which may affect the dividend payment.

Risk: From the statement of financial position as of December 31, 2020, the company has a cumulative loss of 297.24 million Baht (separate financial statement). And according to the company policy, no dividend will be paid, unless the company make cumulative profit.

Risk management: The Company makes profit in order to reduce the cumulative loss and be profitable in order to pay dividends to its shareholders.

#### 2.2.3 Investment risk in foreign securities

-None

### 3. Driving business sustainability

#### 3.1 Sustainable Management Policy and Goals

The company has operated ethically in order to maximize value and return for its shareholders and create long-term, sustainable benefits for society, community, and environment as well as its stakeholders.

#### 3.2 Managing stakeholders in the value chain

##### 3.2.1 Business value chain

###### Primary activities

- |                                 |  |
|---------------------------------|--|
| 1. Marketing and Sales          | The sales department surveys customer needs and proposes products according to their needs by focusing on modern, high-quality and prices  |
| 2. Procurement of raw materials | The procurement department procures raw materials from both foreign and domestic that are quality at fair prices and transport them to the factory as well as providing machinery and technology that are conducive to work. |
| 3. Production                   | The factory department produces quality products in time. The compliance department will provide the safety and occupational health of employees during the work.  |
| 4. After-sales service          | In case of a problem, the sales department resolve the problem promptly and listen to suggestions from customers.  |

###### Support activities

- |                                      |   |
|--------------------------------------|---|
| 1. Accounting and finance department | Responsible for the payment - receiving payments and prepare financial statements.                  |
| 2. HR department                     | Responsible for recruiting, selecting, training and developing employees.                           |
| 3. Computer department               | Responsible for hardware software network, programs and IT devices to support company's operations. |

##### 3.2.2 Stakeholder analysis in the value chain

Stakeholder	Expectation	Response
Internal stakeholders		
Shareholder	The company continue to grow and provide good returns with transparent corporate governance.	The company pays dividends by considering the cash flows and investments. Transparent information disclosure and fair supervision of activities.
Employee	Appropriate salaries and benefits with a livable working environment.	Employees receive appropriate and fair compensation and benefits by considering the economic and operating conditions and their safety, life, health, and property.
External stakeholders		
Customer	Products are good quality and fair prices.	Produce quality products, use modern technology in production to differentiate products from competitors and deliver products on time as specified by the customer.

Stakeholder	Expectation	Response
Supplier	Follow the terms and conditions fairly.	Complies with the terms and conditions of trade. All parties have good relationships.
Creditor	Follow the terms and conditions of the contract.	Adhere to the contract and its terms such as on-time payment of loans, interest and collateral. If any case cannot abide by the agreement, company will inform in advance to find solutions.
Competitor	Compete in trade with fairness and transparency	Conducts its business within the rules of competition on the basis of fairness, ethics, and conformity with legal and regulatory requirements.
Government agencies	Comply with relevant laws and regulations to cooperate with the government agencies.	Comply with all relevant laws and regulations, pay taxes on time, and disclose information in a transparent manner as required by law.
Community and Society	Good friendliness	Manage the environment in the community appropriately.

### 3.3 Sustainability management in the environmental dimension

#### 3.3.1 Environmental policies and practices

Policy: The Company manages the quality of effluent to meet the standards according to the announcement of the Ministry of Industry.

Regulations: The Company does not have wastewater from the production process. There will be only consumable water used by employees. The consumable water is sent to the sump and the pH is randomly tested before draining.

#### 3.3.2 Environmental performance

Overall performance: The Company has a certificate for the quality of wastewater in accordance with the announcement of the Ministry of Industry.

### 3.4 Sustainability management in the social dimension

#### 3.4.1 Social policies and practices

Policy: The Company treats labor fairly and equitably. Moreover, accident at work statistics is 0.

Regulations: There are labor rules regarding employment and working conditions. Workers are treated equally, which make good quality of life, safety, good labor relations.

#### 3.4.2 Social performance

Overall performance: The Company received Thai labor standards (TLS 8001-2563) and accidents at work statistics in 2020 was 4 times in Castle Peak Holdings Public Co., Ltd and 6 times in C.P.G. Garment Co., Ltd.

#### 4. Management Discussion and Analysis: MD&A

##### 4.1 Operational and financial analysis, major changes, factors that affect the financial status and operations

###### Overview of the business and significant changes

In garment business, the total sales in the year 2020 was 1,219,828,873.45 Baht compared with total sales in 2019 was 1,458,770,440.51 Baht. It decreased by 238,941,567.06 Baht or 16.38%. This was the result from the COVID-19 epidemic. Some orders from the United States and the European Union customers were cancelled and most of shipment schedule were postponed due to the lockdown of countries. For raw materials, foreign materials were imported in advance, especially from severe COVID-19 virus outbreak countries, however, some imported materials were delayed due to the sudden country lockdown or supplier shutdown. Therefore, the production plans were adjusted for continuous production. Moreover, a shortage of containers and rising freight charges were serious problems at the end of the year which made the export postponed. Fortunately, the production has been smoothly operated throughout the year and no employees was COVID-19 infected. In addition, there were the financial measures to alleviate the impact which were extension of payment term, reducing interest rate, soft loan and the tax relief measures by reducing withholding tax from 3% to 1.5% for the payments made between April 1, 2020, and September 30, 2020.

In real estate business, the total sales in year 2020 was 112,017,000 Baht, compared with 93,528,040 Baht of sales in year 2019. It increased 18,488,960 Baht or 19.77% from the increasing number of houses sold in Siwarat 9, Siwarat 10 and Siwarat 11 projects. This was mainly stimulated by the government policies from last year. The housing transfer fee was cut from 2% to 0.01 % and the mortgage fee was cut from 1% to 0.01% which apply to new houses below 3 million Baht per unit. Moreover, the company also offered the special promotion to stimulate sales.

Castle Peak Holdings Public Company Limited holds 41% of the registered capital in the Castle Peak Pulp and Paper Industries Co. Ltd (CPPP). CPPP invested in Yueyang Fengli Pulp & Paper Industry Company Limited (Yueyang Fengli), which is engaged in the production of pulp and paper in Hunan, China. Since 2019, Yueyang Fengli was asked by the government agency to suspend a section of production from environmental policy. Continue into year 2020, there has been a constant spread of the COVID-19 virus in China which delayed the negotiations to reopen production with the Chinese government. From such a situation, management appraised the recoverable value of the asset and recorded the expected credit loss for the loans to indirect associates in 2020 amounting to 24,415,418 Baht.

Explanations divided by the nature of business are below

Garment business:

The total sales in garment business in the year 2020 was 1,219,828,873.45 Baht compared with total sales in 2019 was 1,458,770,440.51 Baht. It decreased by 238,941,567.06 Baht or 16.38%. This was the result from the COVID-19. Some orders from the United States and the European Union customers were cancelled and most of shipment schedule were postponed due to the lockdown of countries. The cost of sales in year 2020 was 1,071,924,922.56 Baht, representing 87.88 % of the sales. While the cost of sales in year 2019 was 1,290,947,268.80 Baht, representing 88.50 % of the sales. The reduction of labor cost was from the strict policy in hiring new employees, which made the number of employees decrease. Moreover, some foreign workers who returned home country to apply for a renewal of work permit could not come back to Thailand due to Covid-19. For raw materials, foreign materials were imported in advance, especially from severe COVID-19 virus outbreak countries, however, some imported materials were delayed due to the sudden

country lockdown or supplier shutdown. The selling and administrative expenses year 2020 was 129,697,755.87 Baht compared to 149,094,368.87 Baht of year 2019. It decreased 19,396,613.00, or 13.01%. In this year, the expenses increased from buying export insurance amount of 784,000.04 Baht, retirement compensation increased by 1,666,800 Baht. In contrast, the expenses decreased from deferred retirement compensation amount of 6,907,118 Baht, airfreight decreased by 1,462,416.23 Baht, the asset depreciation decreased by 10,620,800.05 Baht from revaluing the land and buildings which made the change of the remaining useful life. As a result, the profit from operations in year 2020 were 37,178,798.34 Baht, while the profit from operations in year 2019 were 35,538,278.37 Baht. It increased 1,640,519.97 Baht. However, there was a net loss amount 15,236,488.98 in year 2020. Compared to year 2019, there was the net loss amount 205,942,034.14 Baht. The net loss decreased 190,705,545.16 Baht. This result from the management considered the recoverable value of assets and provided the expected credit loss of loans to an indirect associate in year 2020 amount 24,415,418.00 Baht and an associate in year 2019 amount 205,915,000.00 Baht

In real estate business, the total sales in year 2020 was 112,017,000 Baht, compared with 93,528,040 Baht of sales in year 2019. It increased 18,488,960 Baht or 19.77% from the increasing number of houses sold in Siwarat 9, Siwarat 10 and Siwarat11 projects. This was mainly stimulated by the government policies from last year. The housing transfer fee was cut from 2% to 0.01% and the mortgage fee was cut from 1% to 0.01% which apply to new houses below 3 million Baht per unit. The company also offered the special promotion. The cost of sales in year 2020 was 73,464,892.58 Baht, representing 65.58% of total sales. While, the cost of sales in year 2019 was 70,685,705.85 Baht, representing 75.58% of total sales. The proportion of cost to sales decreased were from the subsidiary constructed houses themselves which made better cost control. The selling and administrative expenses year 2020 was 40,014,968.22 Baht compared to 38,240,936.15 Baht of year 2019. It increased 1,774,032.07 or 4.64%. As a result, in year 2020, there was the net loss amount 2,754,238.50 Baht. Compared to year 2019, there was the net loss amount 17,482,387.84 Baht. The net loss decreased 14,728,149.34 Baht.

#### 4.2 Forward looking

In 2021, management forecasts an increase of sales in garment business from 2020 from declining COVID-19 outbreaks and vaccinations in the United States and the European Union. However, expenses will increase due to COVID-19 situation in Thailand and the problem of shortage of containers

The real estate sector, the company implements the policy to increase new marketing channels continuously in order to stimulate sales for current projects and projects that are still under construction in order to gain the benefit of the government policies in reducing the ownership transfer fee from 2% to 0.01% and reducing the mortgage fee from 1% to 0.01% are valid until 31 December 2021.

### 4.3 Information from financial statements and financial ratios

#### (1) Summary of consolidated and separated financial statements

Unit : Baht

	Consolidated			Separated		
	2020	2019	2018	2020	2019	2018
Current Assets	765,567,278.21	709,277,593.83	1,046,887,330.15	429,955,251.25	447,499,752.73	732,214,647.46
Total Assets	1,428,814,048.69	1,214,127,805.73	1,566,051,259.11	1,099,022,209.34	1,021,689,442.50	1,327,947,763.81
Current Liabilities	605,836,541.56	519,279,564.16	666,928,983.61	542,452,706.71	510,028,856.85	588,885,083.95
Total Liabilities	779,824,966.02	652,818,815.15	777,426,964.55	638,530,660.46	588,217,290.08	654,001,712.04
Equity	648,989,082.67	561,308,990.58	788,624,294.56	460,491,548.88	433,472,152.42	673,946,051.77
Book Value	16.22	14.03	19.72	11.51	10.84	16.85
Sales	1,331,845,873.45	1,552,298,480.51	1,590,150,059.76	741,021,168.03	913,890,071.79	946,779,294.84
Total Revenues	1,351,573,683.06	1,569,578,313.40	1,595,921,395.48	757,344,904.53	926,858,296.11	964,530,037.33
Gross Profit	186,456,058.31	190,665,505.86	203,983,704.00	75,076,930.31	100,412,692.12	107,498,186.07
Operating Profit (loss)	36,471,143.83	20,610,033.73	15,054,082.17	1,800,541.88	(3,726,633.50)	(7,276,117.96)
Net Profit (loss)	(17,990,727.48)	(223,424,421.98)	(6,730,417.04)	(48,211,041.64)	(236,312,865.35)	(31,192,445.13)
Earnings per Share	(0.45)	(5.59)	(0.17)	(1.21)	(5.91)	(0.78)

## (2) Financial Ratios

		Consolidated			Separated		
		2020	2019	2018	2020	2019	2018
Liquidity ratio							
- Current Ratio	(Times)	1.26	1.37	1.57	0.79	0.88	1.24
- Quick Ratio	(Times)	0.37	0.43	0.42	0.22	0.26	0.28
- Cash Flow from Operation Ratio	(Times)	0.05	0.29	(0.09)	0.01	0.12	(0.16)
- Account receivable Turnover Ratio	(Times)	7.19	6.51	7.24	6.26	6.20	7.65
- Average collection period	(Days)	50.09	55.28	49.76	57.47	58.06	47.08
- Inventory turnover ratio	(Times)	17.49	19.43	19.52	24.57	37.94	52.90
- Average sales period	(Days)	20.59	18.52	18.44	14.65	9.49	6.80
- Accounts payable turnover ratio	(Times)	28.93	24.40	22.40	29.29	19.73	17.98
- Payment period	(Days)	12.45	14.76	16.07	12.29	18.25	20.02
- Cash Cycle	(Days)	58.23	59.05	52.13	59.82	49.30	33.86
Profitability Ratio							
- Gross Profit Ratio	%	14.00	12.28	12.83	10.13	10.99	11.35
- Operating Profit Ratio	%	2.74	1.33	0.95	0.24	(0.41)	(0.77)
- Other Profit Ratio	%	1.46	1.10	0.36	2.16	1.40	1.84
- Cash to profitability Ratio	%	80.20	847.96	(366.69)	267.95	(1,780.)	1,171.3
- Net Profit Ratio	%	(1.33)	(14.23)	(0.42)	(6.37)	(25.50)	(3.23)
- Return on Equity	%	(2.97)	(33.10)	(0.85)	(10.79)	(42.68)	(4.52)
Efficiency Ratio							
- Return on Assets	%	(1.36)	(16.07)	(0.44)	(4.55)	(20.11)	(2.41)
- Return on Fixed Assets	%	1.07	(43.90)	6.47	(11.31)	(75.99)	(1.22)
- Assets turnover	(Times)	1.02	1.13	1.05	0.71	0.79	0.75
Financial Ratio							
- Debt to Equity Ratio	(Times)	1.20	1.16	0.99	1.39	1.36	0.97
- Interest Coverage Ratio	(Times)	2.37	6.65	(0.73)	1.21	3.31	(1.97)
- Coverage ratio	(Times)	0.59	1.99	(0.98)	0.13	0.80	(1.93)



- Results of the operations

The gross profit ratio of the consolidated financial statements in 2020 was 14.00%, in 2019 was 12.28% and the separate financial statement in 2020 was 10.31%, 2019 was 10.99%. Even through, the total sales decreased from orders cancellation, the labor and materials costs were strictly controlled too. As a result, gross profit margins of the consolidated financial statements in 2020 was increased while, in the separate financial statements was slightly decreased. The operating profit ratio of the consolidated financial statements in 2020 was 2.74%, in 2019 was 1.33%, and the separate financial statements in 2020 was 0.24%, in 2019 was (0.41%) The ratio in 2020 was better than in 2019 due to the drop of selling and administrative expenses. The net profit ratio of the consolidated financial statements in 2020 was (1.33%) in 2019 was 14.23%, and the separate financial statement in 2020 was (6.37%), in 2019 was (25.50%) The Return on Equity (ROE) of the consolidated financial statements in 2020 was (2.97%), in 2019 was (33.10%) and the separate financial statements for 2020 was (10.79%) in 2019 was (42.68), as the company has recorded an expected credit loss for loans to indirect associates in 2020 in the amount of 24,415,418.00 Baht and associated companies in the year 2019 in the amount of 205,915,000.00 Baht.

#### Assets Management

The return on assets (ROA) from the consolidated financial statements in 2020 was (1.36%), in 2019 was (16.07%) and the separate financial statements in 2020 was (4.55%), in 2019 was (20.11%) indicating that the company assets were not used efficiently for operation. The total asset turnover rate from the consolidated financial statements in 2020 was 1.02 times, in 2019 was 1.13 times and the separate financial statements in 2020 was 0.71 times, in 2019 was 0.79 times. Account receivables turnover from the consolidated financial statements in 2020 was 7.19 times, in 2019 was 6.51 times and the separate financial statements in 2020 was 6.26 times, in 2019 was 6.20 times. So, average collection period from the consolidated financial statements in 2020 was 50.09 days , in 2019 was 55.28 days and separate financial statements in year 2020 was 57.47 days, in 2019 was 58.06 days indicating that there was no significant different of time period that the company received payments from customers between 2019 and 2020.

The consolidated financial statements as of 31 December 2020 display the total assets 1,428,814,048.69 Baht, compared to the total assets 1,214,127,805.73 Baht in 2019. An increase of 214,686,242.96 Baht or accounts for 17.68 percent is described as details below.

- Trade accounts receivable and other current receivables in the consolidated financial statements as at 31 December 2020 and 31 December 2019 amounted to 173,494,573.77 Baht and 212,584,075.47 Baht, respectively, a decrease of 39,089,501.70 or 17.92% due to the shortage of containers at the end of 2020 which made the export of goods postponed to 2021.
- Inventories in the garment business in the consolidated financial statements as of December 31, 2020 and December 31, 2019 were 347,628,150.74 Baht and 235,404,613.47 Baht respectively, increased by 112,223,537.27 Baht or 47.67% due to the shortage of containers which made the export of goods postponed.
- Inventories in real estate development business in the consolidated financial statements as at December 31, 2020 and December 31, 2019 were 183,554,633.98 Baht and 211,703,726.97 Baht respectively, decreased 28,149,092.99 Baht or 13.30%. This result from number of houses for sales of the current projects decreased, while the company postponed other new projects due to the situation of COVID-19

- Property, plant and equipment in the consolidated financial statements as at December 31, 2020 and December 31, 2019 were 469,183,126.34 and 359,976,812.88 Baht respectively, an increase of 109,206,313.46 Baht or 30.34 % from revaluing the land and buildings
- Rights-of-use assets in the consolidated financial statements as at December 31, 2020 and December 31, 2019 were 41,630,389.24 Baht and 0.00 Baht, respectively, This result from the company adopted the new IFRS 16 Leases to replace IAS 17 as of its effective date from January 1, 2020

The ageing of account receivable is in note no.7 in financial statement.

#### Liquidity Ratios

##### Sources and uses of funds

There was no significant change in the sources and uses of funds in operations. The company has strong relationships with customers and suppliers.

##### Capital structure

The company's liabilities is less than the equity. The debt to equity ratio (Debt to equity ratio) of the consolidated financial statements in 2020 was 1.20 times, in 2019 was 1.16 times and in the separate financial statements in 2020 was 1.39 times, in 2019 was 1.36 times

##### Adequacy of liquidity

Current ratio of the consolidated financial statements in 2020 was 1.26 times, in 2019 was 1.37 times and in the separate financial statements in 2020 was 0.79 times, in 2019 was 0.88 times. The liquidity of the company in year 2020 and 2019 has no significant difference.

##### Real estate business

Name of projects	Total sales	Total amount due		Received payment		Overdue payment		Payment not due	
	Baht	Baht	% of total sales	Baht	% of total amount due	Baht	% of total amount due	Baht	% of total sales
Siwarat 9	610,984,000.00	610,984,000.00	100.00	610,984,000.00	100.00	0.00	0.00	0.00	0.00
Siwarat 10	510,052,501.00	510,052,501.00	100.00	510,052,501.00	100.00	0.00	0.00	0.00	0.00
Siwarat 11	112,193,040.00	110,386,040.00	98.39	110,386,040.00	100.00	0.00	0.00	1,807,000.00	1.61
Total	1,233,229,541.00	1,231,422,541.00		1,231,422,541.00		0.00		1,807,000.00	

Details of outstanding balances as at 31 December 2020 are as follows

Name of projects	Total overdue		1-3 months overdue		4-6 months overdue		7-9 months overdue		10-12 months overdue	
	No. of buyers	Baht	No. of buyers	Baht	No. of buyers	Baht	No. of buyers	Baht	No. of buyers	Baht
Siwarat 9	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Siwarat 10	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Siwarat 11	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Total	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00

##### Contractual Obligations

The disclosure is in Note 14: overdrafts and short-term loans from financial institutions, No. 15: Trade accounts payable and other payables, Note 16: Long-term loans from financial institutions.

## 5. General and other important information

### 5.1 General information

Name	Castle Peak Holdings Public Co., Ltd
Head Office	CPH Tower, 899 Petchkasam Road, Bangkae Sub-District, Bangkae District, Bangkok 10160 Telephone: 02-4550300 Fax: 02-4550358-9
Factory	697, Petchkasam Road, Bangkae Sub-District, Bangkae District, Bangkok
Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok 10400 Tel: 02-009-9000 Fax: 02-009-9991
Auditor	Ms. Nongrak Pattanabandith from Karin Audit Co., Ltd. 72 CAT Telecom Tower, Floor 24, Charoen Krung Road, Bangrak Sub-District, Bangrak District, Bangkok 10500 Tel: 02-105-4661 Fax: 02-0263760
Consultant of law	Mr.Atiskit Jedsadayanmeta Atiskit Lawyer

### 5.2 Other important information

The Company does not have other information that may materially affect the decision of investors.

### 5.3 Legal disputes

The company does not have any legal disputes that do not arise from normal business operations.

### 5.4 Secondary market

The company is not listed on the stock exchange of other countries.

### 5.5 Contacted financial institution (only if the company issues debt instruments)

The company does not issue debt instruments.

## Part 2 Corporate Governance

### 6. Corporate Governance Policy

#### 6.1 Overview of policies and practices of corporate governance

##### 6.1.1 Policies and guidelines related to the Board of Directors

In 2020, the shareholders approved remuneration for the Board of Directors and the Audit Committee in the shareholders' meeting. Approval of remuneration to audit committees was a monthly allowance 10,000 per person and the meeting allowance for the chairman of the Audit Committee is 10,000 and the audit committee Baht is 5,000 Baht for each meeting.

The Board of Directors laid down the policy requiring company director and management member to report to the company each time possible conflict of interests arose by either themselves or connected. Also, the company facilitated information disclosure pertaining to any conflict of interests by company director or management member, via the news system of The Stock Exchange of Thailand.

The Company does not have the Nomination Committee, instead the board of director is responsible for nomination. In addition, there is training to develop knowledge in various fields to increase the knowledge in performing their duties regularly.

##### 6.1.2 Policies and practices related to shareholders and stakeholders

###### Shareholder rights

The Annual Ordinary Shareholders was held on 10th April 2020. The Company prepares a notice to call the shareholders' meeting complete with an agenda with each item complemented by an opinion of the Board of Directors. The notice and agenda are distributed together with the annual report (CD-ROM) and proxy form with relevant details, at least 14 days in advance of the meeting. The Company publicizes the notice to call shareholders' meeting in Thai daily newspapers for three consecutive days prior to the meeting.

Annual General Meeting 2020 was attended by 37 shareholders and proxies holding 29,202,996 shares or 73.01 %. Board of Directors, audit committee, members of executive committee and lawyer participate in the meeting. The board of directors reported the previous performance and satisfactorily answered all inquiries from shareholders and considered the shareholder's suggestion and comment. Before commencing the meeting Corporate Secretary explained the method of vote. The resolution of the meeting was recorded in the minutes.

The Company concerns about the convenience of all shareholders, including institutional investors and shareholders in order to attend the shareholders' meeting. Therefore, the meeting is held in the place where is adequate transportation provided.

###### Equitable Treatment of Shareholders

Following the Board of Directors' resolution to call each shareholder's meeting, the Company announces the meeting schedule along with the agenda through the SET's communication channels. The Company prepares a notice to call the shareholders' meeting complete with an agenda with each item complemented by an opinion of the Board of Directors. The notices are distributed together with the annual report and proxy form with relevant details, at least 14 days in advance of the meeting. The Company provided the names and relevant personal records of directors to be retired by rotation and who are proposed to be re-appointed for another term in the annual report which is submitted to the shareholders prior to the meeting. The Company publicizes the notice to call shareholders' meeting in Thai daily newspapers for 3 consecutive days prior to the meeting.

In the meeting, the company facilitated shareholders who attend the meeting in person, or those are proxy holders. The Meeting proceeded in accordance with the scheduled agenda without adding further agenda items. Voting ballots were used at the meeting, and the results of the voting on each agenda item were announced at the meeting.

The Board of Directors recognizes the importance of conflicts of interest, connected transactions, or related party transactions and has proceeded in accordance with the principle of good corporate governance. The related transactions are conducted at fair market prices and in accordance with market prices and in the normal course of business (Fair and at arms' length) must be considered and approved by the board. In the event that company has to scrutinize matters where there exists or potentially exists conflicts of interest, connected transactions, or related party transactions, directors who are related persons must not participate in the scrutiny and approval of such transaction.

#### Disclosure and Transparency

As endorsed by the Board of Directors, disclosing information adequately to stakeholders and maintaining transparency and integrity in the company's operation are integral to the Company's corporate governance policy. In compliance with the SET's regulations, the Company discloses its corporate governance report in the annual report through SET channels.

The Board of Directors responsibility of correctness and completeness of financial report by issuing The Report of The Board of Directors' responsibilities for financial statements and Audit Committee's Report have disclosed in annual report.

#### Intellectual property

Company has a policy of operating on non-infringement of intellectual property or copyright, especially, when company manufactures brand names products. This rule is strictly inhibited in order to gain trust from customers.

#### 6.2 Code of Business Conduct

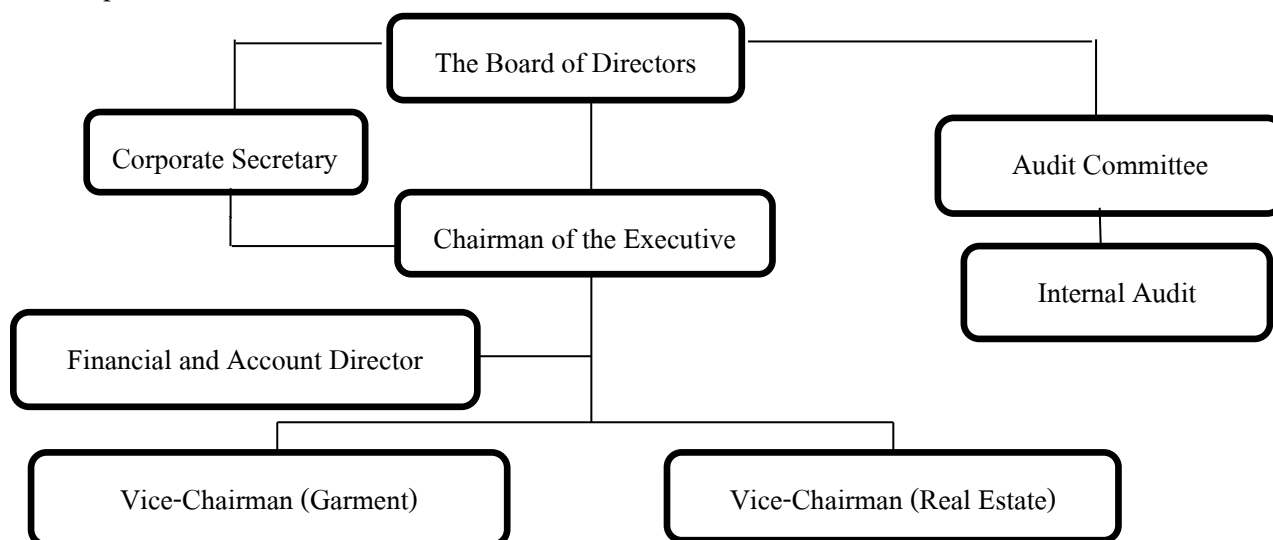
The Company has a Code of Conduct and communicates the requirements and penalties to all executives and employees. By posting announcements on the Company's board and website ([www.castlepeak.co.th](http://www.castlepeak.co.th))

#### 6.3 Major Changes and Developments of Policy, Practice and Corporate Governance System in the past year

The Company has a policy to prevent the spread of the COVID-19 virus in the company.

7. Corporate Governance Structure and important information about the board Sub-committees, management, employees and others

7.1 Corporate Governance Structure



7.2 Board of Directors

7.2.1 Composition of the Board of Directors

In year 2020, the Board of Directors consists of 8 persons. The proportion of independent directors to all directors is 3:8 and the proportion of non-executive directors to total directors is 3:8

7.2.2 Information of the Board of Directors

Name	Position
1. Mr.Boonchoo Pongchaloem	Chairman
2. Mr.Pumit Pongchaloem	Vice-Chairman
3. Mr.Liu Chor Ting	Vice-Chairman
4. Mr.Wu Man Fun	Director (* Resigned on September 16, 2020)
5. Ms.Pilin Janyaniwat	Director
6. Ms.Napaporn Tanawatyanoung	Independent Director
7. Ms.Kanyapat Peerawatsakoonpong	Independent Director
8. Mr.Somchai Ongwararak	Independent Director

7.2.3 Roles and responsibilities of the Board of Directors

- Performance of its duties according to law, the objectives and regulations of the company, and resolutions of shareholders' meetings.
- Compliance with the directives and rules of supervisory and controlling bodies.
- Protection of the interests of shareholders. Every shareholder is to be treated equally in receiving accurate information and news about the Company.
- Determining policies and operational plans, and supervising and controlling all managers to ensure their efficient implementation of the said policies and plans.
- Approval of transactions to buy or sell an asset, to incur a debt, or undertake an obligation valued at 50 million Baht or more.

### 7.3 Information of sub-committees

#### 7.3.1 the roles and duties of sub-committees

- The Audit Committee

- Ensuring that the Company's financial reports are accurate, complete, and credible.
- Ensuring that the company implements an appropriate and efficient internal monitoring system.
- Considering and proposing an independent auditor for the Company.
- Ensuring the Company's compliance with all relevant laws and regulations.
- Ensuring that conflicts of interest do not occur.
- Producing a management report from the Audit Committee, to be published in the Company's annual report.
- Performance of any other duties assigned to it by the Board of Directors.

- The Executive Committee

- Acceptance of the policies and operational plans of the Board of Directors.
- Ensuring that the Company's operations are implemented efficiently in order to achieve corporate objectives.
- Submitting reports, plans, and operational results to the Board of Directors.
- Approval of transactions to buy or sell an asset, to incur a debt, or undertake an obligation valued at no more than 50 million Baht. Transactions are authorized by CEO and management team.
- Performance of any other duties assigned by the Board of Directors.

#### 7.3.2 Names of The Audit Committee

- |                                   |                                 |
|-----------------------------------|---------------------------------|
| 1. Ms.Napaporn Tanawatanyong      | Chairman of the Audit Committee |
| 2. Mr.Somchai Ongwararak          | Auditing Director               |
| 3. Ms.Kanyapat Peerawatsakoonpong | Auditing Director               |

Ms. Napaporn Tanawatanyong has adequate expertise and experience to audit creditability of the financial reports.

#### 7.4 Names of Executive Committee

7.4.1 The Executive Committee of Castle Peak Holding Public Co., Ltd. has 8 people in year 2020, by name:

- |                              |  |
|------------------------------|--|
| 1. Mr.Boonchoo Pongchaloem   | Chairman of the Executive Committee                    |
| 2. Mr.Pumit Pongchaloem      | Vice-Chairman of the Executive Committee               |
| 3. Mr.Liu Chor Ting          | Vice-Chairman of the Executive Committee               |
| 4. Ms.Vinida Kulsompub       | Financial and Accounting Director                      |
| 5. Mr.Wu Man Fun             | Production Director (* Resigned on September 16, 2020) |
| 6. Ms.Pilin Janyaniwat       | Production Director                                    |
| 7. Mr.Puthep Pongchaloem     | Administrative Director                                |
| 8. Ms.Porntip Sripitucksakul | Internal Audit Manager                                 |

#### 7.4.2 Policy on remuneration for Executive Directors and Executives

Remuneration is considered by knowledge and capability.

### 7.4.3 Total remuneration of Executive Directors and Executives

#### 1. Remuneration in money

##### Remuneration received by company directors in 2020

	Monthly allowance	Meeting allowance	Total (Baht)
Ms. Napaporn Tanawatanyong	120,000.00	40,000.00	160,000.00
Ms.Kanyapat Peerawatsakoonpong	120,000.00	20,000.00	140,000.00
Mr. Somchai Ongwararak	120,000.00	20,000.00	140,000.00
Total	360,000.00	80,000.00	440,000.00

##### Remuneration for directors of subsidiaries:

- None

##### Remuneration for executives in 2020:

- The 6 persons of the Garments Business received, as salaries and bonuses 9,914,829 Baht.

- The 4 persons of the Real Estate Development Business received, as salaries and bonuses 4,306,074 Baht.

#### 2. Other forms of remuneration:

- None

### 7.5 Employees

Number of Employees	Year 2020	Year 2019	Year 2018
Garment Business	2,255	2,308	2,562
Real Estate Business	<u>77</u>	<u>68</u>	<u>63</u>
Total	<u>2,332</u>	<u>2,376</u>	<u>2,625</u>

##### Remunerations and types of remunerations to employees in 2020

- Garment business 463,635,709 Baht

- Real Estate Development business 22,631,738 Baht

- Types of remunerations to employees are salary, wages and other benefits

Provident fund: none

##### Employee development's policy

Garment industry is a labor incentive industry. As a result, the company provides regular trainings to employees in order to be more efficiency. In 2020, there were 199 of employees being trained in the skill training course and the CFO has trained to develop accounting knowledge (Refresh) according to the criteria set by the SEC. The course details are as follows

Course name	Training institute	Date	Hour CPD
Corporate Finance Class 2/2020	Federation of Accounting Professions Under Royal Patronage	5 November 2020	6 hrs.



## 7.6 Other important information

### 7.6.1 List of Company Secretary, Accounting Manager and Internal Audit Manager

Ms. Onticha Pongchaloem	Company secretary
Ms. Natpaphat Chuthepithip	Accounting Manager
Ms. Porntip Sripitaksakul	Internal Audit Manager

### 7.6.2 Provide a list of supervisors of the Investor Relations and contact information

-None

### 7.6.3 Auditor's remuneration

The company's auditor is Ms.Nongrak Pattanabandith from Karin Audit. Audit fees for the quarter and year 2020 is total 2,516,000.00Baht. Details are below

Company	Audit fees for Q1, Q2, Q3	Audit fees for The year	Total
Castle Peak Holdings Public Co.,Ltd (Consolidated)	90,000.00	270,000.00	540,000.00
Castle Peak Holdings Public Co.,Ltd	115,000.00	630,000.00	975,000.00
C.P.G. Garment Co., Ltd	67,000.00	330,000.00	531,000.00
Castle Peak Real Estate Co., Ltd	20,000.00	100,000.00	160,000.00
Aek Thana Property Co., Ltd	15,000.00	70,000.00	115,000.00
Sun Property Co., Ltd	15,000.00	150,000.00	195,000.00
Total audit fee			2,516,000.00

Other services - Other related expenses are paid no more than 15,000 Baht for the quarterly audit and 40,000 Baht for yearly audit.

## 8. Report on performance of important corporate governance

### 8.1 Summary of the Board's Performance in the past year

#### 8.1.1 Nomination, Development and Evaluation of the Board's Performance

##### 1. Selection of Independent Directors

Principles in the selection of independent directors which are proposed by the Board of Directors, and should be:

- Knowledgeable, competent, and experience.
- Capable of devoting time to the Company, attending meetings of the Board of Directors or Audit Committee, performing the duties assigned to him/her, and offering advice.
- Free of court-ordered liens, bankruptcy proceedings, or any real or apparent incapacity.
- Not subject to government prosecution, sentencing, or any criminal proceedings related to fraud or malfeasance.
- Clear of all attributes, as set down by the Securities Exchange Commission and the Stock Exchange of Thailand that would disqualify him/her from being an independent director.

All 3 independent directors are members of the Audit Committee of the Company. They are qualified person according to the requirements of the SET and SEC who are independent in voting at the meeting and give advice to the Executive Committee

##### 2. Method of Selecting Directors

Directors are selected according to the Public Company Act, except for article 70. Corporate regulations provide for the appointment of directors in a meeting of shareholders. Each shareholder has as many votes as he/she has shares. One shareholder must use all his/her votes for one or more nominees, and may not divide his/her votes in any way.

- The number of directors from major shareholders each group: not specified

#### 8.1.2 Meeting attendance and remuneration for committees

Name	Position	No. of attendance/ No. of total director's meeting	No. of attendance/ No. of total shareholder's meeting
1. Mr.Boonchoo Pongchaloem	Chairman	9/13	0/1
2. Mr.Pumit Pongchaloem	Vice-Chairman	13/13	1/1
3. Mr.Liu Chor Ting	Vice-Chairman	13/13	1/1
4. Mr.Wu Man Fun*	Director	10/10	1/1
5. Ms.Pilin Janyaniwat	Director	13/13	1/1
6. Ms.Napaporn Tanawatyanong	Independent Director	12/13	1/1
7. Ms.Kanyapat Peerawatsakoonpong	Independent Director	11/13	1/1
8. Mr. Somchai Ongwararak	Independent Director	12/13	0/1

\* Resigned on September 16, 2020

#### 8.1.3 Supervision of operations of subsidiaries and associates

- Representatives are assigned to be directors and executives in subsidiaries and associates in accordance.
- Defining the scope and authority of directors and executives to participate in important business decisions.
- The financial statements, performance and related person are fully opened.

#### 8.1.4 Monitoring to ensure the implementation of the corporate governance policy and practice

##### 1. Prevention of Conflicts of Interest

The Company has set the issue of trading of the Company's securities. In business ethics Company Directors, Executive Officers, and Employees of the Internal Information Division are prohibited from buying or selling the Company's securities during the 1-month period prior to the public disclosure of the financial statements.

The Company has assigned company directors and executives to report the initial holding of securities and report any changes in holding of the Company's securities. To the Office of the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act B.E. 2535. Has included the agenda to report the holding of the Company's securities Of Company Directors and Executives, as well as their spouses, are regularly scheduled in the Board of Directors' meetings.

##### 2. Monitoring the use of internal information

The Board of Directors, audit committees and management team, together with directors of the company and its subsidiary companies, must acknowledge and abide by the right of equal access principle to be informed about the company's news and information. They must strictly adhere to the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission and must not disclose the company's internal information for personal interest or gain, whether directly or indirectly. Penalties include both those prescribed by the Office of the Securities and Exchange Commission and those stipulated by the Company's Board of Directors.

##### 3. Prevention of Conflicts of Interest

The Company has set the issue of trading of the Company's securities. In business ethics Company Directors, Executive Officers, and Employees of the Internal Information Division are prohibited from buying or selling the Company's securities during the 1-month period prior to the public disclosure of the financial statements.

The Company has assigned company directors and executives to report the initial holding of securities and report any changes in holding of the Company's securities. To the Office of the Securities and Exchange Commission in accordance with Section 59 of the Securities and Exchange Act B.E. 2535. Has included the agenda to report the holding of the Company's securities Of Company Directors and Executives, as well as their spouses, are regularly scheduled in the Board of Directors' meetings.

##### 4. Whistle Blowing Policy

The Board of Directors laid down a Whistle Blowing Policy to justly protect the whistle-blower including the protection from persecution when filing a report, in which the company will receive and carry out the complaints with fairness, transparency, and justification following a systematic and unbiased protection measures.

The company provided the channel for all the stakeholders to file the report or complaint on those matters likely to cause damage to the company, whether they concerned the accuracy of financial statements, internal control system deficiency, or any act likely to violate the laws and business ethics, or the matters that the stakeholders' right is violated or the corruption. They could directly communicate through the channel as follows:

Audit Committee E-Mail: [audit@castlepeak.co.th](mailto:audit@castlepeak.co.th)

Company Secretary E-Mail: [seretary@castlepeak.co.th](mailto:seretary@castlepeak.co.th)

Or send a registered mail to audit committee team or company secretary at:

899 CPH Tower, Petchkasam Road,  
Bangkae Sub-District, Bangkae District,  
Bangkok 10160.

The company would carefully examine the complaints by the rules, using mechanism that does not clause an impact on the whistle-blower. The results obtained through the investigation would then be reported directly to The Board of Directors, whereby the information of the claimant would by kept secret by the company, unless it is required to be disclosed by law.

Apart from the above complaint channels, the company has established a process to manage with employees' complaints about matters that may be misconduct or considered as corruption, by allowing them to file a complaint directly to the supervisor. If employees are unable to file a complaint through the supervisor directly, they may submit suggestion boxes located inside the company.

Summary of whistleblowing and handling of complaints "None"

8.2 Report on the performance of duties of the Audit Committee for the past year

8.2.1 The number of meetings and attendance of individual audit committee members shall be shown.

Name	Position	No. Audit committee	No of attend.
Ms.Napaporn Tanawatanyong	Head of Audit Committee	4	4
Ms.Kanyapat Peerawatsakoonpong	Audit Committee	4	4
Mr.Somchai Ongwararak	Audit Committee	4	3

8.2.2 Performance of the Audit Committee

In Audit committee's report in attachment 6

8.3 Summary of performance of duties of other committees

-None-

## 9. Internal control and related transactions

### 9.1 Internal control

9.1.1 Summary of the Board of Directors' opinions toward the company's internal control system.

The Board of director held the meeting on December 7, 2020. The committees assess five components of internal control by using the Committee of Sponsoring Organizations of the Tread way Commission (COSO) framework. It includes internal control system, risk assessment, the operational control system, the information systems and evaluation system. In conclusion, the committees all agree that the company has a good internal control

9.1.2 Explain what mistake related to the internal control system.

- None

9.1.3 The opinion of the Audit Committee that differs from the opinion of the Board of Directors.

- None

9.1.4 The opinion of the Audit Committee whether head of Internal Audit is suitable

- Suitable

9.1.5 Appointment, removal and transfer of head of Internal Audit

- Must be approved by the Audit Committee

### 9.2 Connected transactions

- Related transactions are in the notes to the statement no.5

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Castle Peak Holdings Public Company Limited

**Opinion**

I have audited the financial statements of Castle Peak Holdings Public Company Limited and its subsidiaries, which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

**Basis for Opinion**

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

**Key Audit Matters**

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

Expected credit loss

Risk

As disclosed in Note 5, an indirect associate in overseas has temporary suspended its production, this result the group management has considered the recoverable value of assets and provided the expected credit loss of loans to an associate, totaling Baht 24.42 million in the consolidated and separate financial state ments.

I focused on this area as the amount of expected credit loss is significant and the determining the appropriate level depends on judgment made by management in assessing future recoverable value.

My audit addressed the risk

My procedures included an examining of relevance supporting evidences, evaluating and interviewing management's judgment and assumption used, and checked the consistency of underlying assumptions and the adequacy of disclosure.

Unrecognised deferred tax assets

Risk

As disclosed in Note 17, the Group has not recorded deferred tax assets amounting to Baht 39.87 million in the consolidated financial statements and Baht 30.42 million in the separate financial statements due to the recognition of deferred tax assets are based on this opportunity by implementing that relies on the discretion of the management. The expectation for utilization of the asset is dependent on many factors, including the appropriateness of the temporary differences of tax and the adequacy of future taxable income to support such recognition.

I focused on this area as the amount of unrecognized deferred tax assets is significant and the determining the appropriate level depends on judgment made by management in assessing future taxable income.

My audit addressed the risk

My procedures included evaluating and interviewing management's judgment and assumption used, and assessed the past performance against business plans used by the Group to determine the future taxable income.

**Other matter**

The consolidated and separate financial statements of Castle Peak Holdings Public Company Limited and its subsidiaries, which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, which are included as comparative information, were audited by another auditor in my firm who expressed an unqualified opinion, thereon in his report dated February 26, 2020.

**Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

**Auditor's Responsibilities for the Audit of Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



## INDEPENDENT AUDITOR'S REPORT (CONT.)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ms. Nonglak Pattanabandith.

(Ms. Nonglak Pattanabandith)

Certified Public Accountant

Registration No. 4713

Karin Audit Company Limited

February 26, 2021

## STATEMENTS OF FINANCIAL POSITION

CASTLE PEAK HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit : Baht				
		Consolidated financial statements		Separate financial statements		
Note		2020	2019	2020	2019	
<b>Assets</b>						
<b>Current assets</b>						
	Cash and cash equivalents	6	60,889,919.72	25,079,067.92	17,192,587.52	7,938,668.90
	Trade and other current receivables	7	173,494,573.77	212,584,075.47	111,642,843.80	130,781,135.59
	Inventories					
	- Garment business	8	347,628,150.74	235,404,613.47	204,778,731.24	156,003,599.67
	- Real estate business	5, 9	183,554,633.98	211,703,726.97	96,341,088.69	110,670,238.57
	Short-term loans	5	-	24,506,110.00	-	42,106,110.00
	<b>Total current assets</b>		<b>765,567,278.21</b>	<b>709,277,593.83</b>	<b>429,955,251.25</b>	<b>447,499,752.73</b>
<b>Non-current assets</b>						
	Other non-current financial assets		1,056,550.00	-	885,000.00	-
	Investments in subsidiaries and associates	10	510,568.67	3,006,324.14	246,629,255.00	248,007,380.00
	Other long-term investments		-	1,232,155.00	-	1,033,900.00
	Investment properties	12	56,672,779.16	57,616,665.68	57,074,434.16	58,018,320.68
	Property, plant and equipment	11	469,183,126.34	359,976,812.88	289,537,606.89	213,316,666.10
	Right-of-use assets	13	41,630,389.24	-	15,325,563.53	-
	Deferred tax assets	17	262,422.26	184,600.25	-	-
	Deposits with commitment	14	75,477,932.97	66,312,098.82	50,246,542.16	45,375,524.73
	Other non-current assets		18,453,001.84	16,521,555.13	9,368,556.35	8,437,898.26
	<b>Total non-current assets</b>		<b>663,246,770.48</b>	<b>504,850,211.90</b>	<b>669,066,958.09</b>	<b>574,189,689.77</b>
	<b>Total assets</b>		<b>1,428,814,048.69</b>	<b>1,214,127,805.73</b>	<b>1,099,022,209.34</b>	<b>1,021,689,442.50</b>

**STATEMENTS OF FINANCIAL POSITION (Cont.)**

CASTLE PEAK HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
Note		2020	2019	2020	2019
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
	Overdrafts and short - term loans from financial institutions	471,039,555.87	414,263,483.99	372,835,406.27	355,142,787.69
	Trade and other current payables	113,225,765.07	102,101,435.28	64,766,660.09	60,079,069.16
	Current portion of lease liabilities	17,313,001.47	-	7,653,640.35	-
	Short-term loans	-	-	97,197,000.00	94,807,000.00
	Income tax payable	4,258,219.15	2,914,644.89	-	-
	<b>Total current liabilities</b>	<b>605,836,541.56</b>	<b>519,279,564.16</b>	<b>542,452,706.71</b>	<b>510,028,856.85</b>
<b>Non-current liabilities</b>					
	Lease liabilities	22,355,462.44	-	8,125,700.13	-
	Deferred tax liabilities	75,649,732.73	60,165,514.99	50,595,323.95	34,792,222.23
	Non-current provisions for employee benefit	75,983,229.29	73,373,736.00	37,356,929.67	43,396,211.00
	<b>Total non-current liabilities</b>	<b>173,988,424.46</b>	<b>133,539,250.99</b>	<b>96,077,953.75</b>	<b>78,188,433.23</b>
	<b>Total liabilities</b>	<b>779,824,966.02</b>	<b>652,818,815.15</b>	<b>638,530,660.46</b>	<b>588,217,290.08</b>
<b>Equity</b>					
Share capital					
Authorized share capital					
	40,000,000 common shares, Baht 10 par value	400,000,000.00	400,000,000.00	400,000,000.00	400,000,000.00
Issued and paid - up share capital					
	40,000,000 common shares, Baht 10 par value	400,000,000.00	400,000,000.00	400,000,000.00	400,000,000.00
	Premium on ordinary shares	164,000,000.00	164,000,000.00	164,000,000.00	164,000,000.00
Retained earnings					
	Appropriated - legal reserve	31,839,616.42	31,839,616.42	31,839,616.42	31,839,616.42
	Unappropriated	(271,112,355.64)	(267,112,415.58)	(329,082,561.04)	(293,563,358.81)
	Other components of equity	324,231,581.89	232,551,549.74	193,734,493.50	131,195,894.81
	Equity attributable to owners of the Company	648,958,842.67	561,278,750.58	460,491,548.88	433,472,152.42
	Non-controlling interests	30,240.00	30,240.00	-	-
	<b>Total equity</b>	<b>648,989,082.67</b>	<b>561,308,990.58</b>	<b>460,491,548.88</b>	<b>433,472,152.42</b>
	<b>Total liabilities and equity</b>	<b>1,428,814,048.69</b>	<b>1,214,127,805.73</b>	<b>1,099,022,209.34</b>	<b>1,021,689,442.50</b>

## STATEMENTS OF COMPREHENSIVE INCOME

CASTLE PEAK HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Revenue from sales	5	1,331,845,873.45	1,552,298,480.51	741,021,168.03	913,890,071.79
Cost of sales	5	1,145,389,815.14	1,361,632,974.65	665,944,237.72	813,477,379.67
<b>Gross profit</b>		<b>186,456,058.31</b>	<b>190,665,505.86</b>	<b>75,076,930.31</b>	<b>100,412,692.12</b>
Dividend income		-	-	1,102,500.00	-
Interest income	5	1,175,730.16	1,805,928.23	1,155,677.42	2,341,065.30
Gain on exchange rate		16,789,720.21	13,078,595.11	13,024,694.74	8,959,680.87
Other income		1,762,359.24	2,395,309.55	1,040,864.34	1,667,478.15
<b>Profit before expenses</b>		<b>206,183,867.92</b>	<b>207,945,338.75</b>	<b>91,400,666.81</b>	<b>113,380,916.44</b>
Distribution costs		52,624,898.05	53,929,626.84	29,410,399.94	35,528,746.37
Administrative expenses	5	117,087,826.04	133,405,678.18	60,189,724.99	81,578,803.57
Loss on impairment of assets	5	24,415,418.00	205,915,000.00	24,415,418.00	205,915,000.00
Financial costs	5	29,729,182.90	32,766,042.70	26,807,556.49	29,749,940.71
Total expenses		223,857,324.99	426,016,347.72	140,823,099.42	352,772,490.65
Share of loss (profit) of investment in an associate	10	15,130.47	12,001.08	-	-
<b>Profit (loss) before income tax expense</b>		<b>(17,688,587.54)</b>	<b>(218,083,010.05)</b>	<b>(49,422,432.61)</b>	<b>(239,391,574.21)</b>
Income tax expense (income)	20	302,139.94	5,341,411.93	(1,211,390.97)	(3,078,708.86)
<b>Profit (loss) for the year</b>		<b>(17,990,727.48)</b>	<b>(223,424,421.98)</b>	<b>(48,211,041.64)</b>	<b>(236,312,865.35)</b>
<b>Other comprehensive income</b>					
Item that will not be reclassified to profit or loss :					
Land and buildings - revaluation surplus	11	127,679,422.83	-	85,072,463.46	-
Defined benefit plan actuarial gain (loss)	18	2,742,581.71	(3,890,882.00)	7,172,467.33	(4,161,034.00)
Income tax expense	20	(24,751,184.97)	-	(17,014,492.69)	-
<b>Other comprehensive income for the year, net of tax</b>		<b>105,670,819.57</b>	<b>(3,890,882.00)</b>	<b>75,230,438.10</b>	<b>(4,161,034.00)</b>
<b>Total comprehensive income for the year</b>		<b>87,680,092.09</b>	<b>(227,315,303.98)</b>	<b>27,019,396.46</b>	<b>(240,473,899.35)</b>
<b>Profit (loss) attributable to :</b>					
Owners of the Company		(17,990,727.48)	(223,424,421.98)	(48,211,041.64)	(236,312,865.35)
Non-controlling interests		-	-	-	-
<b>Profit (loss) for the year</b>		<b>(17,990,727.48)</b>	<b>(223,424,421.98)</b>	<b>(48,211,041.64)</b>	<b>(236,312,865.35)</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		87,680,092.09	(227,315,303.98)	27,019,396.46	(240,473,899.35)
Non-controlling interests		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>87,680,092.09</b>	<b>(227,315,303.98)</b>	<b>27,019,396.46</b>	<b>(240,473,899.35)</b>
<b>Basic earnings (loss) per share</b>		<b>(0.45)</b>	<b>(5.59)</b>	<b>(1.21)</b>	<b>(5.91)</b>
<b>Weighted average number of ordinary shares (shares)</b>		<b>40,000,000</b>	<b>40,000,000</b>	<b>40,000,000</b>	<b>40,000,000</b>

## STATEMENTS OF CHANGES IN EQUITY

CASTLE PEAK HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Consolidated financial statements								
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of equity		Equity	Non- controlling interests	Total equity
			Legal reserve	Unappropriated	Revaluation	Total	attributable to		
					increment in land and building	of equity	owners of the Company		
<b>Balance as of January 1, 2019</b>	<b>400,000,000.00</b>	<b>164,000,000.00</b>	<b>31,839,616.42</b>	<b>(58,750,674.39)</b>	<b>251,505,112.53</b>	<b>251,505,112.53</b>	<b>788,594,054.56</b>	<b>30,240.00</b>	<b>788,624,294.56</b>
Comprehensive income for the year :									
Profit (loss)	-	-	-	(223,424,421.98)	-	-	(223,424,421.98)	-	(223,424,421.98)
Other comprehensive income	-	-	-	(3,890,882.00)	-	-	(3,890,882.00)	-	(3,890,882.00)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(227,315,303.98)</b>	<b>-</b>	<b>-</b>	<b>(227,315,303.98)</b>	<b>-</b>	<b>(227,315,303.98)</b>
Transfer to retained earnings	-	-	-	18,953,562.79	(18,953,562.79)	(18,953,562.79)	-	-	-
<b>Balance at December 31, 2019</b>	<b>400,000,000.00</b>	<b>164,000,000.00</b>	<b>31,839,616.42</b>	<b>(267,112,415.58)</b>	<b>232,551,549.74</b>	<b>232,551,549.74</b>	<b>561,278,750.58</b>	<b>30,240.00</b>	<b>561,308,990.58</b>
Comprehensive income for the year :									
Profit or loss	-	-	-	(17,990,727.48)	-	-	(17,990,727.48)	-	(17,990,727.48)
Other comprehensive income	-	-	-	3,527,281.31	102,143,538.26	102,143,538.26	105,670,819.57	-	105,670,819.57
<b>Total comprehensive income (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,463,446.17)</b>	<b>102,143,538.26</b>	<b>102,143,538.26</b>	<b>87,680,092.09</b>	<b>-</b>	<b>87,680,092.09</b>
Transfer to retained earnings	-	-	-	10,463,506.11	(10,463,506.11)	(10,463,506.11)	-	-	-
<b>Balance at December 31, 2020</b>	<b>400,000,000.00</b>	<b>164,000,000.00</b>	<b>31,839,616.42</b>	<b>(271,112,355.64)</b>	<b>324,231,581.89</b>	<b>324,231,581.89</b>	<b>648,958,842.67</b>	<b>30,240.00</b>	<b>648,989,082.67</b>

## STATEMENTS OF CHANGES IN EQUITY (Cont.)

CASTLE PEAK HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Separate financial statements						
	Issued and paid - up share capital	Premium on ordinary shares	Retained earnings		Other components of equity		
			Legal reserve	Unappropriated	Revaluation increment in land and building	Total of equity other components	
							Total
<b>Balance as of January 1, 2019</b>	<b>400,000,000.00</b>	<b>164,000,000.00</b>	<b>31,839,616.42</b>	<b>(66,623,698.99)</b>	<b>144,730,134.34</b>	<b>144,730,134.34</b>	<b>673,946,051.77</b>
Comprehensive income for the year :							
Profit or loss	-	-	-	(236,312,865.35)	-	-	(236,312,865.35)
Other comprehensive income	-	-	-	(4,161,034.00)	-	-	(4,161,034.00)
Total comprehensive income (loss) for the year	-	-	-	(240,473,899.35)	-	-	(240,473,899.35)
Transfer to retained earnings	-	-	-	13,534,239.53	(13,534,239.53)	(13,534,239.53)	-
<b>Balance at December 31, 2019</b>	<b>400,000,000.00</b>	<b>164,000,000.00</b>	<b>31,839,616.42</b>	<b>(293,563,358.81)</b>	<b>131,195,894.81</b>	<b>131,195,894.81</b>	<b>433,472,152.42</b>
Comprehensive income for the year :							
Profit or loss	-	-	-	(48,211,041.64)	-	-	(48,211,041.64)
Other comprehensive income	-	-	-	7,172,467.33	68,057,970.77	68,057,970.77	75,230,438.10
Total comprehensive income (loss) for the year	-	-	-	(41,038,574.31)	68,057,970.77	68,057,970.77	27,019,396.46
Transfer to retained earnings	-	-	-	5,519,372.08	(5,519,372.08)	(5,519,372.08)	-
<b>Balance at December 31, 2020</b>	<b>400,000,000.00</b>	<b>164,000,000.00</b>	<b>31,839,616.42</b>	<b>(329,082,561.04)</b>	<b>193,734,493.50</b>	<b>193,734,493.50</b>	<b>460,491,548.88</b>

## STATEMENTS OF CASH FLOWS

### CASTLE PEAK HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

#### STATEMENTS OF CASH FLOWS

#### FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit (loss) before income tax	(17,688,587.54)	(218,083,010.05)	(49,422,432.61)	(239,391,574.21)
Adjustments to reconcile profit (loss) to cash provided by (used in) :				
Trade and other current receivables (increase) decrease	35,704,451.95	71,420,816.34	16,961,554.51	37,685,076.37
Inventories (increase) decrease				
- Garment business	(114,865,229.34)	46,584,175.22	(48,822,905.24)	36,613,451.33
- Real estate business	28,149,092.99	29,808,163.50	14,329,149.88	7,684,460.68
Other non - current assets (increase) decrease	109,279.15	37,226.50	116,373.00	10,881.50
Trade and other current payables increase (decrease)	11,099,663.43	(41,349,719.45)	4,314,270.29	(44,101,756.95)
Non-current provisions for employee benefit	9,895,915.00	23,371,523.00	5,200,386.00	13,376,880.00
Depreciation and amortization	41,313,512.92	35,475,826.44	23,035,757.18	24,723,250.24
Loss on written-off of assets	108,313.82	-	-	-
Unrealized loss (gain) on exchange rate	(4,860,063.06)	407,747.08	(4,818,306.56)	1,816,741.11
Share of loss (profit) of investment in an associate	15,130.47	12,001.08	148,900.00	-
Loss on diminution in value of inventories (reversal)	2,641,692.07	(3,641,590.07)	47,773.67	(2,393,751.03)
Doubtful accounts (reversal)	24,415,418.00	205,915,000.00	24,415,418.00	205,915,000.00
Allowance for (reversal of) impairment loss on other long-term investments	175,605.00	(22,730.00)	-	(16,300.00)
Loss (gain) on disposal of assets	(60,178.67)	(54,357.85)	(33,336.68)	(53,720.23)
Cash from operating activities	16,154,016.19	149,881,071.74	(14,527,398.56)	41,868,638.81
Dividend income	-	-	(1,102,500.00)	-
Interest income	(1,175,730.16)	(1,805,928.23)	(1,155,677.42)	(2,341,065.30)
Interest expense	28,491,677.05	31,287,082.11	26,235,481.45	29,048,634.36
Non-current employee benefit paid	(4,543,840.00)	(2,439,264.00)	(4,067,200.00)	(1,387,400.00)
Income tax paid	(10,145,398.78)	(3,186,234.23)	(558,159.81)	(833,490.36)
Income tax return	468,675.46	1,028,778.24	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>29,249,399.76</b>	<b>174,765,505.63</b>	<b>4,824,545.66</b>	<b>66,355,317.51</b>

## STATEMENTS OF CASH FLOWS (Cont.)

CASTLE PEAK HOLDINGS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest received	1,737,458.07	1,861,280.57	1,742,985.89	2,891,093.93
Dividend received	1,102,500.00	-	1,102,500.00	-
Proceed from investment in associate	1,378,125.00	-	1,378,125.00	-
Loans to related parties	-	-	(1,200,000.00)	(29,015,097.58)
Proceeds from loans to related parties	-	30,000,000.00	18,800,000.00	59,015,097.58
Cash paid for purchases of property, plants and equipment	(4,678,671.90)	(9,320,295.07)	(4,478,541.35)	(7,495,992.35)
Proceeds from disposal of investment properties	-	-	-	-
Cash paid for purchases of intangible assets	(1,654,559.56)	(326,992.00)	(1,654,559.56)	(326,992.00)
Decrease (increase) in deposits with commitment	(9,165,834.15)	(43,092,977.89)	(4,871,017.43)	(24,018,281.45)
<b>Net cash provided by (used in) investing activities</b>	<b>(11,154,139.55)</b>	<b>(20,824,150.54)</b>	<b>10,919,492.55</b>	<b>1,103,899.36</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest paid	(28,343,803.84)	(32,153,998.05)	(24,564,620.96)	(29,143,726.17)
Increase (decrease) in overdrafts and short - term loans				
from financial institutions	64,426,941.93	(101,786,543.44)	24,076,701.37	(37,236,555.68)
Repayment of lease liabilities	(18,367,546.50)	-	(8,392,200.00)	-
Repayment of borrowings from related parties	-	(7,040,000.00)	(29,880,000.00)	(29,490,000.00)
Repayment of long - term loans from financial institutions	-	-	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>17,715,591.59</b>	<b>(140,980,541.49)</b>	<b>(6,490,119.59)</b>	<b>(64,420,281.85)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>35,810,851.80</b>	<b>12,960,813.60</b>	<b>9,253,918.62</b>	<b>3,038,935.02</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>25,079,067.92</b>	<b>12,118,254.32</b>	<b>7,938,668.90</b>	<b>4,899,733.88</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>60,889,919.72</b>	<b>25,079,067.92</b>	<b>17,192,587.52</b>	<b>7,938,668.90</b>

#### Supplemental disclosures of cash flow information:

##### Non-cash transactions

##### Year 2020

- The Company and a subsidiary have revalued their land and buildings which caused increase in value of land and buildings totaling Baht 127.68 million in the consolidated financial statements and Baht 85.07 million in separate financial statements.



**1. General information**

Castle Peak Holdings Public Company Limited (“the Company”) was registered on April 1, 1994, with registration number 0107537001056. The registered office is located at 899 Petchkasam Road, Bangkae Sub-district, Bangkae District, Bangkok.

The principal business activities of the Company and subsidiaries (“the Group”) are garment manufacturing to export and property development.

**2. Basis for preparation of the consolidated financial statements**

The consolidated financial statements comprise the financial statements of the Company and subsidiaries (“the Group”). Subsidiaries, whose financial and operating policies are substantially direct or indirect controlled by the Company as follows:

Subsidiaries	Nature of business	Incorporate and operate	Percentage of holding	
			2020	2019
Direct :				
C.P.G. Garment Co., Ltd.	Manufacturing and export garment	Thailand	99.94	99.94
Castle Peak Real Estate Co., Ltd.	Real estate	Thailand	99.99	99.99
Indirect :				
Sun Property Co., Ltd.	Construction/ Real estate	Thailand	99.98	99.98
Aek Thana Property Co., Ltd.	Real estate	Thailand	99.98	99.98

Investment in other companies in which the Company significant influence is shown as “Investments in associates” under equity method in the consolidated financial statements, and record under cost method for the separate financial statements.

**3. Basis of preparation of the financial statements**

**3.1 Statement of compliance**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised financial reporting standards are effective for annual accounting periods beginning on or after January 1, 2020.

The initial application of these new and revised financial reporting standards has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

Financial Reporting Standard Interpretations:

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

and TFRS 16 Leases and disclosed impact from changes to significant accounting policies in Note 22.

### 3.2 Functional and presentation currency

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

### 3.3 Use of judgements and estimates

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

Significant judgments and estimates are as follow:

Revenue recognition	- Whether revenue from sales of made-to-order products is recognised over time or at a point in time
	- Estimate of expected returns
Leases	- Whether an arrangement contains a lease
	- Whether the Group is reasonably certain to exercise extension options
	- Whether the Group exercise termination options
	- Determining incremental rate to measure lease liabilities
Trade receivables	- Determining expected credit losses of each trade receivable
Deferred tax assets	- Recognition of deferred tax asset; availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised
Employee benefit obligations	- Measurement of defined benefit obligations: key actuarial assumptions

### 3.4 Impact of COVID-19 Outbreak

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the pandemic, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has significantly affected world economy, production, supply chain of goods and business operation of many entities in wide areas. The management is closely monitoring the situation to ensure the safety of the Group's staff and to manage the negative impact on the business as much as possible.

#### 4. Significant accounting policies

##### 4.1 Income

###### 4.1.1 Sale of goods and services

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

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

Revenue for rendering of services is recognised over time based on stage as the services are provided. The stage of completion is assessed based on cost-to-cost method. The related costs are recognized in profit or loss when they are incurred.

###### 4.1.2 Revenues from sale of real estate development project

Revenues from the sales of real estate development projects are recognized when the construction works are completed and the ownerships have been transferred to buyers.

###### 4.1.3 Dividend income is recognised when obtain the right to receive the dividend.

##### 4.2 Interest

Accounting policies applicable from January 1, 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

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

Accounting policies applicable before January 1, 2020

Interest is recognised on an accrual basis based on the effective interest rate.

##### 4.3 Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### **4.4 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, saving deposits, call and highly liquid short-term investments.

Deposits restricted in use are shown as other non-current assets.

#### **4.5 Inventories**

##### **Garment business**

The Group values its inventories at the lower of cost or net realizable value. Inventories are valued as follows:

- Finished goods and work in process at specific batch costing
- Raw materials and supplies at moving average.

##### **Real estate business**

Real estate development projects are presented at lower of cost or net realizable value. Cost comprises expenditure that is directly attributable to the acquisition of land, land improvement, construction cost, utilities, project management cost, borrowing costs and other direct relevance costs to the project.

#### **4.6 Investments in subsidiaries and associates**

Investments in subsidiary companies and associates are recorded at cost method in the separate financial statements and investments in associated companies are recorded at equity method in the consolidated financial statements.

**4.7 Property, plant and equipment**

Equipment is presented at cost less accumulated depreciation and impairment losses.

Land and buildings are stated at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item as follows :

Land improvement	42	years
Buildings and revaluation surplus	42	years
Machinery and equipment	5 - 10	years
Furniture, fixture and office equipment	5 - 10	years
Other constructions	20	years
Vehicles	5 - 10	years

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

**4.8 Investment properties**

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

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

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item as follows:

Building and other constructions	20	years
----------------------------------	----	-------

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

#### 4.9 Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each report date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimate. Impairment with cost, if assets exceed its recoverable amount, the Group will recognize an impairment loss in profit or loss.

##### Calculation of recoverable amount

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

##### Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. All reversals of impairment losses are recognized in profit or loss.

#### 4.10 Employee benefit obligations

The Group's employee benefit obligation in respect of post-employment benefits under defined benefit plans recognized in the financial statements based on calculations by the independent actuary using the projected unit credit method estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

##### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

#### 4.11 Provisions

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

#### 4.12 Foreign currency risk

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

#### **4.13 Financial instruments**

Accounting policies applicable from January 1, 2020

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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

#### **Classification and measurement of financial assets**

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

#### **Financial assets at amortised cost**

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

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

#### **Financial assets at FVTPL**

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

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

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

**Classification and measurement of financial liabilities**

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

**Derecognition of financial instruments**

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

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

**Offsetting**

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

**Derivatives**

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

**Impairment of financial assets**

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Accounting policies applicable before January 1, 2020

Trade and other receivables

Trade and other accounts receivable are carried at anticipated realizable value after allowance for doubtful receivables. An allowance is estimated on the basis of management's assessment of long overdue debts which may not be collectible. Bad debts are written off during the year in which they are identified.



#### Other long-term investments

Investments in securities available for sales are stated at fair value. The diminution of carrying value is represented as unrealized gain or loss in equity.

The Group will consider the impairment of investment whether there is any indication that investment may be impaired. The impairment loss will be recognized as expenses in profit or loss.

#### 4.14 Leases

Accounting policies applicable from January 1, 2020

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

The Group assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

As a lessee

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

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

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, and amounts expected to be payable under a residual value guarantee. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

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

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

Accounting policies applicable before January 1, 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

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

#### **4.15 Basic earnings (loss) per share**

Basic earnings (loss) per share are calculated by dividing profit (loss) for the year attributable to equity holders of the Company by weighted average number of ordinary shares outstanding during the year. The Company does not have any other equivalent ordinary share for diluted earnings per share calculation.

#### **4.16 Segment reporting**

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

#### **4.17 Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

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

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

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

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

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

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

## **5. Related party transactions**

### **5.1 The relate**

Parties	Relationship
C.P.G. Garment Co., Ltd.	Subsidiary
Castle Peak Real Estate Co., Ltd.	Subsidiary
Aek Thana Property Co., Ltd.	Subsidiary (indirect owned throughout Castle Peak Real Estate Co., Ltd.)
Sun Property Co., Ltd.	Subsidiary (indirect owned throughout Castle Peak Real Estate Co., Ltd.)
Castle Peak Pulp & Paper Industries Co., Ltd.	Associate
Yueyang Fengli Pulp & Paper Industry Co., Ltd.	Associate (indirect owned throughout Castle Peak Pulp & Paper Co., Ltd.)

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**5.2 Significant transactions for the years ended December 31, 2020 and 2019 with related parties, were as follows:**

	Pricing policy	Unit : Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Sales - raw materials and wages</b>	(1)				
C.P.G. Garment Co., Ltd.		-	-	23,128,501.55	16,712,147.34
<b>Interest income</b>	(2)				
C.P.G. Garment Co., Ltd.		-	-	13,712.88	575,700.43
Yueyang Fengli Pulp & Paper Industry Co., Ltd.		973,088.06	1,627,693.68	973,088.06	1,627,693.68
<b>Total</b>		<u>973,088.06</u>	<u>1,627,693.68</u>	<u>986,800.94</u>	<u>2,203,394.11</u>
<b>Purchases - raw materials and wages</b>	(1)				
C.P.G. Garment Co., Ltd.		-	-	15,602,611.85	14,772,164.72
<b>Construction costs</b>	(1)				
Sun Property Co., Ltd.		-	-	5,619,951.00	14,667,861.29
<b>Service expenses</b>	(1)				
Sun Property Co., Ltd.		-	-	670,850.00	1,200,000.00
<b>Interest expense</b>	(2)				
Castle Peak Real Estate Co., Ltd.		-	-	4,755,459.12	5,431,427.19
C.P.G. Garment Co., Ltd.		-	-	271,610.95	314,719.87
<b>Total</b>		<u>-</u>	<u>-</u>	<u>5,027,070.07</u>	<u>5,746,147.06</u>
<b>Management remuneration</b>		14,220,903.00	14,868,645.00	11,960,453.00	12,583,543.00

Pricing policies are as follows:

- (1) Cost plus margin
- (2) Interest rate at MLR/ MLR+0.25 of a local bank or actual incurred rate

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**5.3 Significant assets and liabilities at December 31, 2020 and 2019 with related parties, were as follows:**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Trade account receivable</b>				
<b>Subsidiary</b>				
C.P.G. Garment Co., Ltd.	-	-	1,987,634.74	3,460,837.73
<b>Other current receivables</b>				
<b>Interest receivable</b>				
<b>Subsidiary</b>				
C.P.G. Garment Co., Ltd.	-	-	-	25,580.56
<b>Associate</b>				
Yueyang Fengli Pulp & Paper Industry Co., Ltd.	-	558,772.78	-	558,772.78
Castle Peak Pulp & Paper Industries Co., Ltd.	56,872,353.40	56,872,353.40	56,872,353.40	56,872,353.40
<u>Less allowance for expected credit loss (2019:</u>				
allowance for doubtful account)	(56,872,353.40)	(56,872,353.40)	(56,872,353.40)	(56,872,353.40)
Net	-	558,772.78	-	584,353.34
<b>Other receivable</b>				
<b>Associate</b>				
Castle Peak Pulp & Paper Industries Co., Ltd.	10,981,655.49	10,981,655.49	10,981,655.49	10,981,655.49
<u>Less allowance for expected credit loss (2019:</u>				
allowance for doubtful account)	(10,981,655.49)	(10,981,655.49)	(10,981,655.49)	(10,981,655.49)
Net	-	-	-	-
Total	-	558,772.78	-	584,353.34
<b>Current portion of long-term loans to</b>				
Castle Peak Pulp & Paper Industries Co., Ltd.	32,500,000.00	32,500,000.00	32,500,000.00	32,500,000.00
<u>Less allowance for expected credit loss (2019:</u>				
allowance for doubtful account)	(32,500,000.00)	(32,500,000.00)	(32,500,000.00)	(32,500,000.00)
Net	-	-	-	-

**NOTES TO FINANCIAL STATEMENTS (CONT)**

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Short-term loans</b>				
<b>Subsidiary</b>				
C.P.G. Garment Co., Ltd.	-	-	-	17,600,000.00
<b>Associates</b>				
Yueyang Fengli Pulp & Paper Industry Co., Ltd.	24,415,418.00	24,506,110.00	24,415,418.00	24,506,110.00
Castle Peak Pulp & Paper Industries Co., Ltd.	176,415,000.00	176,415,000.00	176,415,000.00	176,415,000.00
<b>Less allowance for expected credit loss (2019:</b>				
allowance for doubtful account)	(200,830,418.00)	(176,415,000.00)	(200,830,418.00)	(176,415,000.00)
Total	-	24,506,110.00	-	42,106,110.00
<b>Trade accounts payable</b>				
<b>Subsidiaries</b>				
C.P.G. Garment Co., Ltd.	-	-	91,138.57	56,358.57
<b>Other current payable - interest payable</b>				
<b>Subsidiary</b>				
Castle Peak Real Estate Co., Ltd.	-	-	366,292.79	452,106.90
C.P.G. Garment Co., Ltd.	-	-	66,710.95	-
Total	-	-	433,003.74	452,106.90
<b>Short-term loans from</b>				
<b>Subsidiary</b>				
Castle Peak Real Estate Co., Ltd.	-	-	85,197,000.00	94,807,000.00
C.P.G. Garment Co., Ltd.	-	-	12,000,000.00	-
Total	-	-	97,197,000.00	94,807,000.00

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**5.4 Movement of short-term loans to related parties during the year ended December 31, 2020 were as follows:**

Unit : Baht

	Consolidated financial statements					December 31, 2020	Interest rate (%)
	December 31, 2019	Increase	(Decrease)	Gain (loss) on exchange rate	Transfers in (out)		
<b>Associates</b>							
Yueyang Fengli Pulp & Paper Industry Co., Ltd.	24,506,110.00	-	-	(90,692.00)	-	24,415,418.00	5.50-6.25
Castle Peak Pulp & Paper Industries Co., Ltd.	176,415,000.00	-	-	-	-	176,415,000.00	6.50
<b>Total</b>	<b>200,921,110.00</b>	<b>-</b>	<b>-</b>	<b>(90,692.00)</b>	<b>-</b>	<b>200,830,418.00</b>	
<u>Less allowance for expected credit loss (2019: allowance for doubtful account)</u>	<u>(176,415,000.00)</u>	<u>(24,415,418.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,830,418.00)</u>	
<b>Net</b>	<b>24,506,110.00</b>	<b>(24,415,418.00)</b>	<b>-</b>	<b>(90,692.00)</b>	<b>-</b>	<b>-</b>	

Unit : Baht

	Separate financial statements					December 31, 2020	Interest rate (%)
	December 31, 2019	Increase	(Decrease)	Gain (loss) on exchange rate	Transfers In (out)		
<b>Subsidiary</b>							
C.P.G. Garment Co., Ltd.	17,600,000.00	1,200,000.00	(18,800,000.00)	-	-	-	5.48-6.00
<b>Associates</b>							
Yueyang Fengli Pulp & Paper Industry Co., Ltd.	24,506,110.00	-	-	(90,692.00)	-	24,415,418.00	5.50-6.25
Castle Peak Pulp & Paper Industries Co., Ltd.	176,415,000.00	-	-	-	-	176,415,000.00	6.50
<b>Total</b>	<b>218,521,110.00</b>	<b>1,200,000.00</b>	<b>(18,800,000.00)</b>	<b>(90,692.00)</b>	<b>-</b>	<b>200,830,418.00</b>	
<u>Less allowance for expected credit loss (2019: allowance for doubtful account)</u>	<u>(176,415,000.00)</u>	<u>(24,415,418.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,830,418.00)</u>	
<b>Net</b>	<b>42,106,110.00</b>	<b>(23,215,418.00)</b>	<b>(18,800,000.00)</b>	<b>(90,692.00)</b>	<b>-</b>	<b>-</b>	

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**5.5 Movement of long-term loans to a related party during the year ended December 31, 2020 were as follows:**

(Unit : Baht)

	Consolidated/ Separate financial statements				December 31, 2020	Interest rate (%)
	December 31, 2019	Increase	(Decrease)	Transfers in (out)		
<b>Loans to :</b>						
<b>Associate</b>						
Castle Peak Pulp & Paper Industries Co., Ltd.						
- Current portion of long-term loans	32,500,000.00	-	-	-	32,500,000.00	
Total	32,500,000.00	-	-	-	32,500,000.00	None
<u>Less</u> allowance for expected credit loss (2019: allowance for doubtful account)	(32,500,000.00)	-	-	-	(32,500,000.00)	
Net	-	-	-	-	-	

**5.6 Movement of short-term loans from related parties during the year ended December 31, 2020 were as follows:**

(Unit : Baht)

	Separate financial statements				December 31, 2020	Interest rate (%)
	December 31, 2019	Increase	(Decrease)	December 31, 2020		
<b>Loans from :</b>						
<b>Subsidiary</b>						
Castle Peak Real Estate Co., Ltd.	94,807,000.00	6,770,000.00	(16,380,000.00)	85,197,000.00	5.25-6.00	
C.P.G. Garment Co., Ltd.	-	25,500,000.00	(13,500,000.00)	12,000,000.00	5.25-6.00	
Total	94,807,000.00	32,270,000.00	(29,880,000.00)	97,197,000.00		

Except loans to Castle Peak Pulp & Paper Industries Co., Ltd. (“CPPP”) and Yueyang Fengli Pulp & Paper Industry Co., Ltd. (“Yueyang”), loans to and loans from related parties are in term of promissory notes, which are due on call, bear interest rate at MLR or MLR+0.25 p.a. of a local bank.

Loans to and loans from related parties have no collateral.

**5.7 Consideration of contractual cash flow return**

In 2019, Yueyang, an oversea associate of CPPP was asked by government agency to suspend a section of productions. Caused the management of Yueyang design to temporary cease its whole productions in the 3rd quarter 2019, but still operates trading section. The management expects to resume such productions when the discussion with government agency is completed.



## NOTES TO FINANCIAL STATEMENTS (Cont.)

The suspension of Yueyang's production has resulted in the Company assessing the recoverable value of the loans to Yueyang and CPPP. In 2019, the Company has considered setting up an allowance for doubtful accounts for loans to CPPP with the whole amount of Baht 208.92 million as the Company considers that CPPP's main income is dividend from Yueyang, so the shutdown of Yueyang will have a direct effect on CPPP's ability to repay loans.

In 2020, the Company has considered Yueyang's ability to pay as Yueyang is unable to resume its commercial operations as expected. Therefore, the Company recorded an expected credit loss for the entire loan to Yueyang amounting to Baht 24.42 million.

At present, the Company does not recognise interest income for all loans to CPPP and Yueyang.

### 5.8 Commitment as at December 31, 2020 and 2019 with a related party were as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Commitments on the agreements construction of real estate project</b>				
<b>Subsidiary</b>				
Sun Property Co., Ltd.	-	-	-	4,266,841.00

### 6. Cash and cash equivalents

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash	100,000.00	100,000.00	40,000.00	40,000.00
Current accounts	54,404,332.24	23,181,428.75	10,771,970.13	6,517,536.23
Saving deposits	6,385,587.48	1,797,639.17	6,380,617.39	1,381,132.67
<b>Total</b>	<b>60,889,919.72</b>	<b>25,079,067.92</b>	<b>17,192,587.52</b>	<b>7,938,668.90</b>

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**7. Trade and other current receivables**

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
Note		2020	2019	2020	2019
Trade accounts receivable					
- Related party	5	-	-	1,987,634.74	3,460,837.73
- Other parties		167,658,532.60	202,952,005.19	106,663,668.27	124,464,161.83
<u>Less</u> allowance for expected credit loss (2019: allowance for doubtful account)					
		(4,140,355.06)	(4,140,355.06)	(4,140,355.06)	(4,140,355.06)
Trade accounts receivables, net		163,518,177.54	198,811,650.13	104,510,947.95	123,784,644.50
Other current receivables					
- Related party	5	67,854,008.89	68,412,781.67	67,854,008.89	68,438,362.23
- Other parties		10,043,114.12	13,280,370.45	7,198,613.74	6,478,855.64
<u>Less</u> allowance for expected credit loss (2019: allowance for doubtful account)					
	5	(67,920,726.78)	(67,920,726.78)	(67,920,726.78)	(67,920,726.78)
Other current receivables, net		9,976,396.23	13,772,425.34	7,131,895.85	6,996,491.09
<b>Total</b>		<b>173,494,573.77</b>	<b>212,584,075.47</b>	<b>111,642,843.80</b>	<b>130,781,135.59</b>

Aging analyses for trade accounts receivable were as follows:

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Related party					
Within credit term		-	-	1,987,634.74	3,460,837.73
Total		-	-	1,987,634.74	3,460,837.73
Other parties					
Within credit term		96,287,542.21	136,497,470.60	60,568,505.03	59,869,007.41
Over due					
- Not over 3 months		67,230,635.33	62,314,179.53	41,954,808.18	60,454,799.36
- Over 12 months		4,140,355.06	4,140,355.06	4,140,355.06	4,140,355.06
<u>Less</u> allowance for expected credit loss (2019: allowance for doubtful accounts)					
		(4,140,355.06)	(4,140,355.06)	(4,140,355.06)	(4,140,355.06)
<b>Total</b>		<b>163,518,177.54</b>	<b>198,811,650.13</b>	<b>102,523,313.21</b>	<b>120,323,806.77</b>

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**8. Inventories - garment business**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	16,309,325.28	16,329,225.06	9,630,079.26	9,615,636.81
Work in process	181,344,303.17	120,384,852.14	92,004,567.59	79,884,761.73
Raw materials and supplies	137,666,781.19	94,136,927.70	95,359,968.96	65,666,819.83
Raw materials in transit	22,163,488.39	11,767,663.79	13,291,528.03	6,296,020.23
<b>Total</b>	<b>357,483,898.03</b>	<b>242,618,668.69</b>	<b>210,286,143.84</b>	<b>161,463,238.60</b>
<u>Less</u> allowance for declining in value of inventories	(9,855,747.29)	(7,214,055.22)	(5,507,412.60)	(5,459,638.93)
<b>Net</b>	<b>347,628,150.74</b>	<b>235,404,613.47</b>	<b>204,778,731.24</b>	<b>156,003,599.67</b>

The cost of inventories which is recognised as an expense and included in cost of sale of goods for the year ended December 31, 2020 amounted to Baht 1,110.66 million (2019: Baht 1,322.43 million) in the consolidated statements of comprehensive income and Baht 643.70 million (2019: Baht 788.66 million) in the separate statements of comprehensive income.

In 2020, the Group recognised an allowance for decline in value of inventories adjusted to net realisable value of Baht 5.00 million and recognised a recovery of allowance for decline in value of inventories of Baht 2.36 million (2019 : recognised an allowance for decline in value of inventories adjusted to net realisable value of Baht 5.74 million and recognised a reversal of allowance for decline in value of inventories of Baht 9.38 million).

**9. Inventories- real estate business**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Land	218,590,442.00	218,590,442.00	123,100,572.00	123,100,572.00
Land development	36,159,137.50	36,113,687.50	9,595,552.50	9,595,552.50
Construction in progress	618,281,773.66	569,668,817.05	258,671,900.38	254,538,764.38
Infrastructure	124,427,040.82	123,793,475.82	43,281,299.85	41,638,825.85
Construction development costs	46,533,290.29	42,576,469.17	15,483,894.83	13,345,150.21
<b>Total</b>	<b>1,043,991,684.27</b>	<b>990,742,891.54</b>	<b>450,133,219.56</b>	<b>442,218,864.94</b>
<u>Less</u> cumulative costs transferred to cost of sales	(860,437,050.29)	(779,039,164.57)	(353,792,130.87)	(331,548,626.37)
<b>Net</b>	<b>183,554,633.98</b>	<b>211,703,726.97</b>	<b>96,341,088.69</b>	<b>110,670,238.57</b>

As at December 31, 2020, inventories- real estate business of the Company and subsidiaries totaling Baht 105.07 million (2019 : Baht 144.74 million) in consolidated financial statements and Baht 78.24 million (2019 : Baht 107.71 million) in separate financial statements are mortgaged as collateral for letters of guarantee for construction and maintenance of infrastructures (Note 26).

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**10. Investments in subsidiaries and associates**

Name	Type of business	Paid-in capital (Thousand Baht)	Ownership interest (%)	Unit : Baht	
				Consolidated financial statements	
				Investment at equity method	
				2020	2019
<b>Investment in associates :-</b>					
Castle Peak Pulp & Paper Co., Ltd.	Pulp & paper	100,000	41.00	-	-
Thanee Watana Co., Ltd. (1)	Real estate	938	49.00		
		(2019: 3,750)		510,568.67	3,006,324.14
Total investment in associates				510,568.67	3,006,324.14

Name	Type of business	Paid-in capital (Thousand Baht)	Ownership interest (%)	Unit : Baht			
				Separate financial statements			
				Investment at cost method		Dividend income	
				2020	2019	2020	2019
<b>Investments in subsidiaries :-</b>							
C.P.G. Garment Co., Ltd.	Manufacturing and export garment	46,200	99.94	46,170,000.00	46,170,000.00	-	-
Castle Peak Real Estate Co., Ltd.	Real estate	200,000	99.99	199,999,880.00	199,999,880.00	-	-
<b>Investment in associates :-</b>							
Castle Peak Pulp & Paper Co., Ltd.	Holding	100,000	41.00	41,000,000.00	41,000,000.00	-	-
Thanee Watana Co., Ltd. <sup>(1)</sup>	Real estate	938	49.00	459,375.00	1,837,500.00	1,102,500.00	-
		(2019: 3,750)					
<u>Less allowance for impairment</u>				(41,000,000.00)	(41,000,000.00)	-	-
Total				246,629,255.00	248,007,380.00	1,102,500.00	-

<sup>(1)</sup> Not started its core business.

All subsidiaries and direct associate were incorporated and operate in Thailand and indirect associate was incorporated and operates in China.

The share of comprehensive income (loss) of two associates in the consolidated statements of comprehensive income for the year ended December 31, 2020 amounted to Baht 0.00 million (2019: Baht 0.00 million), were computed from the financial statements which have not been audited by auditors.

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**11. Property, plant and equipment**

Unit : Baht

	Consolidated financial statements				As at December 31, 2020
	As at December 31, 2019	Increase	Decrease	Transfer in (out)	
	Cost plus revaluation surplus :				
Land and improvement	46,304,335.50	-	-	-	46,304,335.50
Land - revaluation surplus	232,743,563.20	40,339,500.00	-	-	273,083,063.20
Buildings	117,353,537.01	-	-	-	117,353,537.01
Buildings - revaluation surplus	325,155,038.64	87,339,922.83	-	-	412,494,961.47
Cost :					
Machinery and equipment	362,741,953.49	1,781,239.90	(1,095,539.05)	2,163,234.14	365,590,888.48
Furniture and office equipment	119,536,950.64	775,809.59	(57,035.04)	-	120,255,725.19
Leasehold building improvement	3,949,846.28	-	-	-	3,949,846.28
Other constructions	355,562.61	-	(355,562.61)	-	-
Vehicles	36,455,738.42	-	-	-	36,455,738.42
Assets in transit	77,851.73	2,121,622.41	-	(2,163,234.14)	36,240.00
<b>Total cost</b>	<b>1,244,674,377.52</b>	<b>132,358,094.73</b>	<b>(1,508,136.70)</b>	<b>-</b>	<b>1,375,524,335.55</b>
Accumulated depreciation :					
Land improvement	(10,298,398.70)	-	-	-	(10,298,398.70)
Building	(109,994,087.93)	(1,182,492.42)	-	-	(111,176,580.35)
Building - revaluation surplus	(267,209,164.65)	(13,079,382.63)	-	-	(280,288,547.28)
Machinery and equipment	(341,588,965.28)	(7,137,378.51)	1,028,874.73	-	(347,697,469.06)
Furniture and office equipment	(116,420,985.50)	(1,013,270.65)	57,017.04	-	(117,377,239.11)
Leasehold building improvement	(3,924,110.51)	(5,076.00)	-	-	(3,929,186.51)
Other constructions	(292,006.19)	(8,889.06)	300,895.25	-	-
Vehicles	(34,969,845.88)	(603,942.32)	-	-	(35,573,788.20)
<b>Total accumulated depreciation</b>	<b>(884,697,564.64)</b>	<b>(23,030,431.59)</b>	<b>1,386,787.02</b>	<b>-</b>	<b>(906,341,209.21)</b>
<b>Net</b>	<b>359,976,812.88</b>				<b>469,183,126.34</b>

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Unit : Baht

	Separate financial statements				As at December 31, 2020
	As at	Increase	Decrease	Transfer in	
	December 31, 2019			(out)	
Cost plus revaluation surplus :					
Land and land improvement	40,104,335.50	-	-	-	40,104,335.50
Land - revaluation surplus	144,981,563.20	34,957,500.00	-	-	179,939,063.20
Buildings	91,216,297.88	-	-	-	91,216,297.88
Buildings - revaluation surplus	209,535,105.28	50,114,963.46	-	-	259,650,068.74
Cost :					
Machinery and equipment	236,039,970.44	1,772,189.90	(534,791.39)	2,163,234.14	239,440,603.09
Furniture and office equipment	73,077,262.89	584,729.04	(20,540.00)	-	73,641,451.93
Vehicles	2,907,792.94	-	-	-	2,907,792.94
Asset on the way	77,851.73	2,121,622.41	-	(2,163,234.14)	36,240.00
Total cost	797,940,179.86	89,551,004.81	(555,331.39)	-	886,935,853.28
Accumulated depreciation :					
Land improvement	(10,298,398.70)	-	-	-	(10,298,398.70)
Building	(89,455,442.05)	(410,965.88)	-	-	(89,866,407.93)
Building - revaluation surplus	(190,521,799.96)	(6,899,215.09)	-	-	(197,421,015.05)
Machinery and equipment	(220,723,456.41)	(5,116,034.22)	468,128.07	-	(225,371,362.56)
Furniture and office equipment	(70,856,700.58)	(725,250.62)	20,540.00	-	(71,561,411.20)
Vehicles	(2,767,716.06)	(111,934.89)	-	-	(2,879,650.95)
Total accumulated depreciation	(584,623,513.76)	(13,263,400.70)	488,668.07	-	(597,398,246.39)
Net	213,316,666.10				289,537,606.89

The Company and a subsidiary appointed an independent appraiser to revalue their land and buildings (cost approach), and assess new useful life of buildings. The fair value is at level 2 of the fair value hierarchy.

Such revaluation resulted in an increase of land and building value of Baht 40.34 million and Baht 87.34 million, respectively, in the consolidated financial statements and Baht 34.96 million and Baht 50.11 million, respectively, in the separate financial statements. Which was recorded in the statement of comprehensive income for the year ended 31 December 2020.

The Company and the subsidiary have changed the estimate of the remaining useful life of the buildings from 0-1 year to 11-13 years and from 19 years to 11 years since August 25, 2020 and from 5 years to 15 years since September 15, 2020, respectively, in order to be in line with the estimated useful life of the said assets. This change is recognised prospectively. The impact of this change in the statement of comprehensive income are as follows:

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Unit : Baht

	Profit before tax increase (decrease)	
	Consolidated financial	Separate financial
	statements	statements
For the year 2020	11,835,423.74	8,833,959.79
For the year 2021	26,061,066.33	15,889,438.55
For the year 2022	4,998,066.33	(5,173,561.45)
For the year 2023	4,998,066.33	(5,173,561.45)
From 2024 -2039	(75,231,772.82)	(41,715,425.44)

As at December 31, 2020, substantial parcels of land and construction thereon of the Group, with net carrying value of Baht 445.14 million (2019 : Baht 331.72 million) in the consolidated financial statements, and Baht 271.00 million (2019 : Baht 193.23 million) in the separate financial statements, were mortgaged as collateral for overdrafts and short-term loans from financial institutions of the Group (Note 15) and letter of guarantee to Government agencies (Note 26).

As at December 31, 2020, the Group had fully depreciated fixed assets which were still in active use at gross carrying value totaling Baht 482.17 million (2019 : Baht 477.60 million) in the consolidated financial statements and Baht 285.55 million (2019 : Baht 281.80 million) in the separate financial statements.

**12. Investment properties**

Unit : Baht

	Consolidated financial statements				As at December 31, 2020
	As at December 31, 2019	Increase	Decrease	Transfer in (out)	
	<b>Cost:</b>				
Land and land improvement	49,644,434.00	-	-	-	49,644,434.00
Buildings and other constructions	37,755,071.56	-	-	-	37,755,071.56
<b>Total cost</b>	<b>87,399,505.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,399,505.56</b>
<b>Accumulated depreciation:</b>					
Land improvement	(80,552.01)	-	-	-	(80,552.01)
Buildings and other constructions	(27,366,284.97)	(943,886.52)	-	-	(28,310,171.49)
<b>Total accumulated depreciation</b>	<b>(27,446,836.98)</b>	<b>(943,886.52)</b>	<b>-</b>	<b>-</b>	<b>(28,390,723.50)</b>
<b>Allowance for impairment of assets:</b>					
Buildings and other constructions	(2,336,002.90)	-	-	-	(2,336,002.90)
<b>Net</b>	<b>57,616,665.68</b>				<b>56,672,779.16</b>

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Unit : Baht

	Separate financial statements				As at December 31, 2020	
	As at December 31, 2019		Transfer in (out)	As at December 31, 2020		
		Increase		Decrease		
Cost:						
Land and land improvement	50,046,089.00	-	-	-	50,046,089.00	
Buildings	33,861,732.66	-	-	-	33,861,732.66	
Total cost	83,907,821.66	-	-	-	83,907,821.66	
Accumulated depreciation:						
Land improvement	(80,552.01)				(80,552.01)	
Buildings	(25,808,948.97)	(943,886.52)	-	-	(26,752,835.49)	
Total accumulated depreciation	(25,889,500.98)	(943,886.52)	-	-	(26,833,387.50)	
Net	58,018,320.68				57,074,434.16	

Fair value of investment properties as at December 31, 2020 is as follows:

	Unit : Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	At cost	Fair value	At cost	Fair value
Land	22,315,321.00	62,031,400.00	22,716,976.00	44,000,000.00
Land and buildings	34,357,458.16	113,605,856.00	34,357,458.16	113,605,856.00
Total	56,672,779.16		57,074,434.16	

Fair values are appraised values, performed by independence appraisers, UK. Valuations and Agency Co., Ltd., Chartered Valuation and Consultant Co., Ltd. and Siamappraisal and service Co., Ltd., and announced by the Treasury Department, Land is valued by comparable sale price and buildings are valued by cost approach, level 2 of fair values hierarchy.

As at December 31, 2020, investment properties with net carrying value of Baht 23.90 million (2019: Baht 24.45 million) in the consolidated and separate financial statements, were mortgaged as collateral for overdrafts and short-term loans from financial institutions of the Group (Note 15).



NOTES TO FINANCIAL STATEMENTS (Cont.)

13. Leases

Carrying amount and movements of the right-of-use assets for the year 2020 are summarised below:

					Unit : Baht
Consolidated financial statements					
	Balance	Effect from			Balance
	as at	TFRS 16	Increase	Decrease	as at
	January 1, 2020	(Note 22)			December 31, 2020
Cost					
Buildings	-	46,207,740.78	-	-	46,207,740.78
Vehicles	-	-	11,828,269.63	-	11,828,269.63
Total cost	-	46,207,740.78	11,828,269.63	-	58,036,010.41
Accumulated depreciation	-				
Buildings	-	-	(15,402,580.20)	-	(15,402,580.20)
Vehicles	-	-	(1,003,040.97)	-	(1,003,040.97)
Total accumulated depreciation	-	-	(16,405,621.17)	-	(16,405,621.17)
Net	-				41,630,389.24
					Unit : Baht
Separate financial statements					
	Balance	Effect from			Balance
	as at	TFRS 16	Increase	Decrease	as at
	January 1, 2020	(Note 22)			December 31, 2020
Cost					
Building	-	22,988,345.21	-	-	22,988,345.21
Total cost	-	22,988,345.21	-	-	22,988,345.21
Accumulated depreciation	-				
Building	-	-	(7,662,781.68)	-	(7,662,781.68)
Total accumulated depreciation	-	-	(7,662,781.68)	-	(7,662,781.68)
Net	-				15,325,563.53

Lease liabilities at December 31, 2020 were as follows:

				Unit : Baht
Consolidated financial statements				
	Minimum	Interest	Present value of minimum	
	lease payments		lease payments	
Within 1 year	18,933,084.00	(1,620,082.53)	17,313,001.47	
1 - 5 years	23,108,461.00	(752,998.56)	22,355,462.44	
Total	42,041,545.00	(2,373,081.09)	39,668,463.91	

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Unit : Baht

	Separate financial statements		
	Minimum	Interest	Present value of minimum
	lease payments		lease payments
Within 1 year	8,392,200.00	(738,559.65)	7,653,640.35
1 - 5 years	8,392,200.00	(266,499.87)	8,125,700.13
<b>Total</b>	<b>16,784,400.00</b>	<b>(1,005,059.52)</b>	<b>15,779,340.48</b>

The following are the amounts recognised in profit or loss for the year 2020

	Unit : Baht	
	Consolidated financial statements	Separate financial statements
Depreciation of right-of-use assets	16,405,621.17	7,662,781.68
Interest expense on lease liabilities	2,443,786.50	1,183,195.57
Expense relating to short-term lease	-	-
Leases of low - value assets	370,428.53	288,201.61
<b>Total</b>	<b>19,219,836.20</b>	<b>9,134,178.86</b>

**14. Deposits with commitment**

As at December 31, 2020, all deposits with commitment are guaranteed for short-term loans from financial institutions of the Company (Note 15), for bank's issuance of letter of guarantee to the Land Department to guarantee the construction and maintenance of utilities of the Group's (Note 26), and for bank's issuance of letter of guarantee to the Custom Department of a subsidiary (Note 26).

**15. Overdrafts and short-term loans from financial institutions**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bank overdrafts	784,801.18	5,664,969.30	784,801.18	5,664,969.30
Short - term loans from banks				
- Packing credits	182,900,000.00	251,278,000.00	178,900,000.00	240,778,000.00
- Liability under trust receipts	258,354,754.69	145,320,514.69	184,150,605.09	96,699,818.39
- Promissory notes	29,000,000.00	12,000,000.00	9,000,000.00	12,000,000.00
<b>Total</b>	<b>471,039,555.87</b>	<b>414,263,483.99</b>	<b>372,835,406.27</b>	<b>355,142,787.69</b>

As at December 31, 2020, the Group has credit facilities with several banks totaling Baht 852.00 million (2019: Baht 852.00 million) in the consolidated financial statements and Baht 594.00 million (2019 : Baht 614.00 million) in the separate financial statements. All loans are guaranteed by mortgaging land and construction thereon (Note 11), investment properties (Note 12), and personally guaranteed by certain Company directors.

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**16. Trade and other current payables**

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
Note		2020	2019	2020	2019
Trade accounts payable					
- Related parties	5	-	-	91,138.57	56,358.57
- Other parties		42,426,293.47	36,765,941.51	24,768,887.84	20,556,159.84
Total trade accounts		42,426,293.47	36,765,941.51	24,860,026.41	20,612,518.41
Other current payables					
- Related party	5	-	-	433,003.74	452,106.90
- Other parties		70,799,471.60	65,335,493.77	39,473,629.94	39,014,443.85
Total other current payables		70,799,471.60	65,335,493.77	39,906,633.68	39,466,550.75
Total		113,225,765.07	102,101,435.28	64,766,660.09	60,079,069.16

**17. Deferred tax**

Deferred tax assets and liabilities as at December 31, 2020 and 2019 were as follows:

		Unit : Baht			
		Consolidated financial statements			
		Assets		Liabilities	
		2020	2019	2020	2019
Deferred tax assets		1,146,819.58	563,600.25	-	-
Deferred tax liabilities		-	-	(87,245,199.69)	(60,544,514.99)
Total		1,146,819.58	563,600.25	(87,245,199.69)	(60,544,514.99)
Set off of tax		(884,397.32)	(379,000.00)	11,595,466.96	379,000.00
Net deferred tax assets (liabilities)		262,422.26	184,600.25	(75,649,732.73)	(60,165,514.99)

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

	Unit : Baht	
	Separate financial statements	
	2020	2019
Deferred tax assets	-	379,000.00
Deferred tax liabilities	(50,595,323.95)	(35,171,222.23)
Net deferred tax assets (liabilities)	(50,595,323.95)	(34,792,222.23)

Movements in deferred tax assets and liabilities during the year 2020 were as follows:

	Unit : Baht			
	Consolidated financial statements			
	(Charged) / Credited to:			
	As at January 1, 2020	Profit or loss	Other comprehensive income	As at December 31, 2020
Deferred tax assets :				
Inventories	-	869,666.94	-	869,666.94
Lease liabilities	-	4,597,123.21	-	4,597,123.21
Non-current provisions for employee benefit	157,951.80	6,332,844.99	784,699.60	7,275,496.39
Others	405,648.45	(405,648.45)	-	-
Total deferred tax assets	563,600.25	11,393,986.69	784,699.60	12,742,286.54
Deferred tax liabilities :				
Investment in associate	(233,764.83)	223,526.09	-	(10,238.74)
Land and buildings	(58,215,353.83)	2,630,832.04	(25,535,884.57)	(81,120,406.36)
Right-of-use assets	-	(5,085,460.22)	-	(5,085,460.22)
Investment properties	(2,095,396.33)	188,777.30	-	(1,906,619.03)
Others	-	(6,872.66)	-	(6,872.66)
Total deferred tax liabilities	(60,544,514.99)	(2,049,197.45)	(25,535,884.57)	(88,129,597.01)
Total credited (charged)		9,344,789.24	(24,751,184.97)	

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Unit : Baht

	Separate financial statements			As at December 31, 2020
	As at January 1, 2020	(Charged) / Credited to:		
		Profit or loss	Other comprehensive income	
Deferred tax assets (liabilities)				
Land and buildings	(33,075,825.90)	1,401,613.67	(17,014,492.69)	(48,688,704.92)
Investment properties	(2,095,396.33)	188,777.30	-	(1,906,619.03)
Others	379,000.00	(379,000.00)	-	-
<b>Net</b>	<b>(34,792,222.23)</b>	<b>1,211,390.97</b>	<b>(17,014,492.69)</b>	<b>(50,595,323.95)</b>

As at December 31, 2020, deferred tax assets arising from temporary differences and unused tax losses of Baht 39.87 million (2019 : Baht 83.70 million) in the consolidated financial statements and Baht 30.42 million (2019 : Baht 70.51 million) in the separate financial statements that have not been recognised because it is not probable that they will be able to utilise the tax benefit in the foreseeable future.

**18. Non-current provisions for employee benefit**

Movements of the present value of the defined benefit obligations were as follows:

	Unit : Baht	
	Consolidated financial statements	Separate financial statements
Defined benefit obligations as at January 1, 2020	73,373,736.00	43,396,211.00
Recognised through profit or loss :		
Current service costs and interest	9,895,915.00	5,200,386.00
Benefit paid by projects	(4,543,840.00)	(4,067,200.00)
Recognised in other comprehensive income:		
Actuarial losses	(2,742,581.71)	(7,172,467.33)
<b>Defined benefit obligations as at December 31, 2020</b>	<b>75,983,229.29</b>	<b>37,356,929.67</b>

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	%	
	Consolidated financial statements	Separate financial statements
<b>As at December 31, 2020</b>		
Discount rate	1.35 – 1.99	1.48
Future salary growth	4.00 and 5.00	4.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

**Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
<b>As at December 31, 2020</b>				
Discount rate (1% movement)	(5,255,642.66)	5,940,166.02	(2,750,748.38)	3,121,860.03
Future salary growth (1% movement)	5,772,902.48	(5,177,755.64)	3,010,526.81	(2,712,578.57)

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**19. Expenses by nature**

Significant expenses by nature for the years ended December 31, 2020 and 2019, were as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Raw materials and supplies used	680,221,004.61	784,136,519.74	393,104,286.23	477,274,629.84
Changes in finished goods and work in process	(60,939,551.25)	5,571,718.50	(12,134,248.31)	6,190,490.55
Increase in real estate developing projects during the year	53,248,792.73	36,890,470.88	7,914,354.62	17,133,643.77
Changes in real estate developing projects	28,149,092.99	29,718,928.43	14,329,149.88	7,684,460.68
Salary, wages and other employee benefits	486,267,447.00	554,129,619.00	280,537,494.00	333,564,536.00
Depreciation and amortization	41,661,684.92	35,475,826.44	23,035,757.18	24,723,250.24
Utility expenses	26,025,271.36	27,088,664.01	16,199,314.29	16,818,868.01
Loss on impairment of assets	24,415,418.00	208,915,000.00	24,415,418.00	208,915,000.00
Repair and maintenance expenses	17,504,839.33	14,786,061.31	9,474,017.88	10,542,040.45
Commission and advertising expense	9,287,950.10	5,415,743.79	4,343,061.49	3,891,473.77
Transportation expense	6,609,831.96	8,850,680.07	3,997,226.24	5,676,685.66

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

**20. Income tax expense (income)**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Income tax recognised in profit or loss</b>				
Current tax expense :				
Current year	9,646,929.18	5,178,345.69	-	-
Deferred tax expense :				
Movements in temporary differences	(9,344,789.24)	(1,717,785.71)	(1,211,390.97)	(3,078,708.86)
Benefit of tax losses recognised	-	1,880,851.95	-	-
	(9,344,789.24)	163,066.24	(1,211,390.97)	(3,078,708.86)
Net	302,139.94	5,341,411.93	(1,211,390.97)	(3,078,708.86)
<b>Income tax recognized in other comprehensive income</b>				
Land and buildings - revaluation surplus	25,535,884.57	-	17,014,492.69	-
Defined benefit plan actuarial gain	(784,699.60)	-	-	-
Total	24,751,184.97	-	17,014,492.69	-

Reconciliation of effective tax rate

	Unit : Baht			
	Consolidated financial statements			
	Applicable tax rate (%)	2020	Applicable tax rate (%)	2019
Accounting profit (loss) before income tax	20	(17,688,587.54)	20	(218,083,010.05)
Tax at the applicable tax rate		(3,537,717.51)		(43,616,602.01)
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		3,839,857.45		51,796,404.76
Benefit of tax losses recognised		-		(4,562,235.57)
Reverse unused deferred tax assets		-		1,723,844.75
Net		302,139.94		5,341,411.93



**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Unit : Baht

	Separate financial statements			
	Applicable tax rate (%)	2020	Applicable tax rate (%)	2019
Accounting profit (loss) before income tax	20	(49,422,432.61)	20	(239,391,574.21)
Tax at the applicable tax rate		(9,884,486.52)		(47,878,314.84)
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		8,673,095.55		44,799,605.98
Net		(1,211,390.97)		(3,078,708.86)

**21. Segment information**

The Group has two reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different manufacturing and products, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1            Garment manufacturing

Segment 2            Development of real estate for sale

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax and finance costs, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax and finance costs is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Information relating to business segments for the years ended December 31, 2020 and 2019 as follows:

Unit : Million Baht

	Consolidated financial statements									
	2020					2019				
	Garment	Real		Add (less)		Garment	Real		Add (less)	
		estate	Total	inter -	Net		estate	Total	inter -	Net
			transactions				transactions			
External revenue	1,220	112	1,332	-	1,332	1,459	93	1,552	-	1,552
Inter-segment revenue	39	48	87	(87)	-	31	40	71	(71)	-
Total revenue	1,259	160	1,419	(87)	1,332	1,490	133	1,623	(71)	1,552
Segment results	37	5	42	(6)	36	36	-	36	(15)	21
Unallocated income (expenses)										
Loss on impairment of assets					(24)					(206)
Share of profit (loss) from investment in associate					-					-
Financial costs					(30)					(33)
Income tax (expense) income					-					(5)
Profit (loss) for the year					(18)					(223)
Segment assets	1,395	454	1,849	(420)	1,429	1,192	465	1,657	(443)	1,214

**Geographical segments**

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. However, the Group has no assets located in foreign countries.

Geographical information

	Unit : Million Baht	
	2020	2019
Foreign countries	1,220	1,455
Domestic	112	97
Total revenue	1,332	1,552

**Major customer**

Revenues from four major customers of the Group's garment manufacturing segment represent approximately Baht 1,195 million for the year 2020 (2019: four major customers amounted to Baht 1,382 million) of the consolidated revenues.

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

As described in Note 3.1 to the financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at January 1, 2020. Therefore, the comparative information was not restated.

**NOTES TO FINANCIAL STATEMENTS (CONT)**

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

	Consolidated financial statements			Unit : Baht
	The impacts of			
	Financial reporting			
	December 31,	standards related to	TFRS 16	January 1,
	2019	financial instruments		2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Non-current assets</b>				
Other long-term investments	1,232,155.00	(1,232,155.00)	-	-
Other non-current financial assets	-	1,232,155.00	-	1,232,155.00
Right-of-use assets	-	-	46,207,740.78	46,207,740.78
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Current portion of lease liabilities	-	-	14,490,465.43	14,490,465.43
<b>Non-current liabilities</b>				
Lease liabilities	-	-	31,717,275.35	31,717,275.35

	Separate financial statements			Unit : Baht
	The impacts of			
	Financial reporting			
	December 31,	standards related to	TFRS 16	January 1,
	2019	financial instruments		2020
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Non-current assets</b>				
Other long-term investments	1,033,900.00	(1,033,900.00)	-	-
Other non-current financial assets	-	1,033,900.00	-	1,033,900.00
Right-of-use assets	-	-	22,988,345.21	22,988,345.21

**NOTES TO FINANCIAL STATEMENTS (Cont.)**

Unit : Baht

	Separate financial statements			January 1, 2020
	December 31, 2019	The impacts of		
		Financial reporting		
		standards related to financial	TFRS 16	
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Current portion of lease liabilities	-	-	7,209,004.73	7,209,004.73
<b>Non-current liabilities</b>				
Lease liabilities	-	-	15,779,340.48	15,779,340.48

**22.1 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:

Unit : Baht

	Carrying amounts under the former basis	Consolidated financial statements		
		Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortised cost	Total
		-	-	-
<b>Financial assets as at January 1, 2020</b>				
Cash and cash equivalents	25,079,067.92	-	25,079,067.92	25,079,067.92
Trade and other current receivables	212,584,075.47	-	212,584,075.47	212,584,075.47
Short-term loans	24,506,110.00	-	24,506,110.00	24,506,110.00
Other non-current financial assets				
- Investments in unit trust in marketable securities	1,232,155.00	1,232,155.00	-	1,232,155.00

**NOTES TO FINANCIAL STATEMENTS (CONT)**

Unit : Baht

	Consolidated financial statements			
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortised cost	Total
		Fair value through profit or loss	Amortised cost	Total
Other non-current financial assets				
- Investments in unit trust in securities	1,232,155.00	1,232,155.00	-	1,232,155.00
Deposits with commitment	66,312,098.82	-	66,312,098.82	66,312,098.82
Other non-current assets	15,958,962.78	-	15,958,962.78	15,958,962.78
<b>Total financial assets</b>	<b>345,672,469.99</b>	<b>1,232,155.00</b>	<b>344,440,314.99</b>	<b>345,672,469.99</b>

Unit : Baht

	Separate financial statements			
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortised cost	Total
		Fair value through profit or loss	Amortised cost	Total
<b>Financial assets as at January 1, 2020</b>				
Cash and cash equivalents	7,938,668.90	-	7,938,668.90	7,938,668.90
Trade and other current receivables	130,781,135.59	-	130,781,135.59	130,781,135.59
Short-term loans and advances	42,106,110.00	-	42,106,110.00	42,106,110.00

**NOTES TO FINANCIAL STATEMENTS (CONT)**

Unit : Baht

	Carrying amounts under the former basis	Separate financial statements		
		Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Amortised cost	Total
Other non-current financial assets				
- Investments in unit trust in marketable securities	1,033,900.00	1,033,900.00	-	1,033,900.00
Deposits with commitment	45,375,524.73	-	45,375,524.73	45,375,524.73
Other non-current assets	7,875,305.91	-	7,875,305.91	7,875,305.91
<b>Total financial assets</b>	<b>235,110,645.13</b>	<b>1,033,900.00</b>	<b>234,076,745.13</b>	<b>235,110,645.13</b>

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

**22.2 Leases**

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at January 1, 2020. For leases previously classified as finance leases, the Group 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 : Baht

	Consolidated	Separate
	financial statements	financial statements
Operating lease commitments as at December 31, 2019	-	-
Add option to extend lease term	50,606,244.00	25,176,600.00
Less deferred interest expenses	(4,398,503.22)	(2,188,254.79)
<b>Lease liabilities as at January 1, 2020</b>	<b>46,207,740.78</b>	<b>22,988,345.21</b>

**NOTES TO FINANCIAL STATEMENTS (CONT)**

	Unit : Baht	
	Consolidated	Separate
	financial statements	financial statements
The above lease liabilities comprise of:		
Current lease liabilities	14,490,465.43	7,209,004.73
Non-current lease liabilities	31,717,275.35	15,779,340.48
	46,207,740.78	22,988,345.21
	46,207,740.78	22,988,345.21

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

	Unit : Baht	
	Consolidated	Separate
	financial statements	financial statements
Buildings	46,207,740.78	22,988,345.21
Total right-of-use assets	46,207,740.78	22,988,345.21
	46,207,740.78	22,988,345.21

**23. Financial instruments**

**23.1 Financial risk management policies**

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks.

a) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

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

b) Liquidity risk

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

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



**NOTES TO FINANCIAL STATEMENTS (CONT)**

Unit : Million Baht

Consolidated financial statements					
Contractual cash flows					
Carrying amount	1 year or less	More than 1 year		Total	
		but less than 2 years	More than 2 years but less than 5 years		
<b>At December 31, 2020</b>					
Overdrafts and short - term loans					
from financial institutions	471.04	471.04	-	-	471.04
Trade and other current payables	113.23	113.23	-	-	113.23
Lease liabilities	39.67	18.93	21.00	2.11	42.04
	<u>623.94</u>	<u>603.20</u>	<u>21.00</u>	<u>2.11</u>	<u>626.31</u>

Unit : Million Baht

Separate financial statements					
Contractual cash flows					
Carrying amount	1 year or less	More than 1 year		Total	
		but less than 2 years	More than 2 years but less than 5 years		
<b>At December 31, 2020</b>					
Overdrafts and short - term loans					
from financial institutions	372.84	372.84	-	-	372.84
Trade and other current payables	64.77	64.77	-	-	64.77
Short-term loans	97.20	97.20	-	-	97.20
Lease liabilities	15.78	8.39	8.39	-	16.78
	<u>550.59</u>	<u>543.20</u>	<u>8.39</u>	<u>-</u>	<u>551.59</u>

**NOTES TO FINANCIAL STATEMENTS (CONT)**

c) Market risk

The Group 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 Group does not hold or issue derivatives for speculative or trading purposes.

c.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

Unit : Million Baht

	Consolidated financial statements			Separate financial statements		
	USD	HKD	Total	USD	HKD	Total
<b>Exposure to foreign currency at</b>						
<b>December 31, 2020</b>						
Trade receivables	163.51	-	163.51	102.52	-	102.52
Sshort - term loans from						
financial institutions	(191.82)	(64.81)	(256.63)	(140.33)	(42.09)	(182.42)
Trade payables	(14.64)	(3.01)	(17.65)	(7.80)	(1.44)	(9.24)
Other	(0.68)	2.21	1.53	(1.10)	1.03	(0.07)
Net exposure	<u>(43.63)</u>	<u>(65.61)</u>	<u>(109.24)</u>	<u>(46.71)</u>	<u>(42.50)</u>	<u>(89.21)</u>

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar or Hong Kong Dollar against all other currencies at December 31, 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Unit : Million Baht

	Movement (%)	Consolidated financial statements		Separate financial statements	
		Profit or loss before tax		Profit or loss before tax	
		Strengthening	Weakening	Strengthening	Weakening
<b>At December 31, 2020</b>					
USD	10	(4.36)	4.36	(4.67)	4.67
HKD	10	(6.56)	6.56	(4.25)	4.25

**NOTES TO FINANCIAL STATEMENTS (CONT)**

c.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows.

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
<b>Exposure to interest rate risk at December 31, 2020</b>		
Financial instruments with variable interest rates		
Financial assets	136.27	67.40
Financial liabilities	(471.04)	(470.03)
Net	(334.77)	(402.63)

Sensitivity analysis

A reasonable possible change of 0.5% in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Unit : Million Baht	
	Consolidated financial statements	Separate financial statements
	Profit or loss before tax	Profit or loss before tax
0.5 % increase	(1.67)	(2.01)
0.5 % decrease	2.20	2.22

**23.2 Fair values**

Fair values of financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of net book value.

Financial assets measured at fair value as follows:

	Unit : Million Baht							
	Consolidated financial statements				Separate financial statements			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>At December 31, 2020</b>								
Other non-current financial assets - investments in unit trust in marketable securities	1.06	-	-	1.06	0.89	-	-	0.89

## NOTES TO FINANCIAL STATEMENTS (CONT)

### 24. Capital management

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

### 25. Commitments from real estate developing projects

	Unit : Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Value of sales already contracted during the year	79.75	87.46	6.52	30.45
Cumulative value of sales already contracted	1,233.23	1,153.48	510.05	503.53
As percentage of total sales of projects on hand (%)	88.22	82.46	95.48	94.73
Number of projects:				
Number of projects on hand at beginning of the year	4	4	1	1
Number of new opened projects	-	-	-	-
Number of closed projects	(2)	-	-	-
Number of projects on hand at end of the year	2	4	1	1

### 26. Commitments and contingent liabilities

As at December 31, 2020:

26.1 The Group had contingent liabilities from bank's issuance the letter of guarantee to Custom Department and Government agencies totaling Baht 23.27 million,

26.2 The Group had commitment on letter of credit for purchasing goods from overseas totaling Baht 9.24 million,

26.3 The Group had contingent liabilities from bank's issuance of letter of guarantee to the Land Department to guarantee the construction and maintenance of utilities totaling Baht 150.97 million,

26.4 The Group had commitments on the agreements of development and construction of real estate projects totaling Baht 4.07 million.

### 27. Financial statements approval

Board of Directors of the Company has approved these financial statements on February 26, 2021.

## Certification of the Correctness of Information

“The company has carefully reviewed the information in this annual report. The company hereby certifies that such information is correct, complete, not false, not misleading others, or lack of information that should be disclosed in material matters. In addition, I hereby certify that

- (1) Financial statements and financial information summarized in the annual report has shown the information correctly. Must be complete in all material matters relating to the financial position, performance and cash flow of the Company and its subsidiaries.
- (2) The company has set up a good disclosure system. To ensure that the company has disclosed material information. It is important for both the company and the subsidiary companies to be correct and complete as well as supervising the implementation of the aforementioned systems
- (3) The company has set up a good internal control system and supervised the implementation of such system. Moreover, the company has informed the internal control system assessment as of February 26, 2021 to the auditor and the audit committee of the company. This covers significant deficiencies and changes in the internal control system, including any actions that may affect the Company's financial reporting and subsidiaries

In this case, as proof that all documents are the same documents that the company has verified as correct. The company has assigned Mr.Boonchoo Pongchaloem and Mr.Pumit Pongchaloem to sign this document on every page If any document does not have the signatures of Mr.Boonchoo Pongchaloem and Mr.Pumit Pongchaloem as directed, the company will consider that it is not the information that the company has certified the accuracy of the information as mentioned above.

Name	Position	Signature
1. Mr. Boonchoo Pongchaloem	Chairman of the Board of Directors Chairman of the Executive Committee	.....
2. Mr. Pumit Pongchaloem	Vice Chairman of the Board of Directors Vice-Chairman of the Executive Committee	.....

Attachment 1 Details of directors, executives, management , CFO, Accounting Supervisor and Corporate Secretary

Name-Surname Title	Age (Year)	Education/ Training Programs	% of shares in the company	Relationship with Directors and Management	Work experience in last 5 years			Illegal Record in the past 5 years	
					Range	Position	Company's name		Type of business
Mr.Boonchoo Pongchaloem - Director/the Company's authorized signatories	85	Bachelor's Degree - Mathematics Jinan University China	29.70		Present	Chairman /Chairman of the Executive Committee	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
						Chairman /Chairman of the Executive Committee	C.P.G. Garment Co., Ltd	Garment business	
						Chairman /Chairman of the Executive Committee	Castle Peak Real Estate Co., Ltd	Real estate business	
						Chairman /Chairman of the Executive Committee	Aek Thana Property Co., Ltd	Real estate business	
						Chairman of the Executive Committee	Sun Property Co., Ltd	Real estate business	
						Director	Thanee Watana Co., Ltd	Real estate business	
						Director	Castle Peak Pulp & Paper Co., Ltd.	Pulp and Paper business	
Mr.Pumit Pongchaloem - Director/the Company's authorized signatories	45	Bachelor's Degree Bsc. Construction Management Leeds Metropolitan University	0.00	Son of Mr Boonchoo Pongchaloem	Present	Vice-Chairman /Vice-Chairman of the Executive Committee	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
						Director	C.P.G. Garment Co., Ltd	Garment business	
						Vice-Chairman /Vice-Chairman of the Executive Committee	Castle Peak Real Estate Co., Ltd	Real estate business	
						Vice-Chairman /Vice-Chairman of the Executive Committee	Aek Thana Property Co., Ltd	Real estate business	
						Vice-Chairman of the Executive Committee	Sun Property Co., Ltd	Real estate business	
						Director	Thanee Watana Co., Ltd	Real estate business	
Mr.Liu Chor Ting - Director/the Company's authorized signatories	63	Bachelor's Degree - Social Science Chu Hoi College Hong Kong	-	-	Present	Vice-Chairman /Vice-Chairman of the Executive Committee	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
						Vice-Chairman of the Executive Committee	C.P.G. Garment Co., Ltd	Garment business	
Mr.Wu Man Fun*	68	High school ,Macau Director Accreditation Program (DAP - IOD)	-	-	Present	Director/Production Director	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
*Signed from Director on 16 September 2020									
Ms.Pilin Janyaniwat	58	High school Director Accreditation Program (DAP - IOD)	0.00	-	Present	Director /Production Director	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
Ms.Vinida Kulsomphob - Highest responsibility in accounting and finance	45	Bachelor's Degree -Statistic Accounting Chulalongkorn University Corporate Finance, Class 2/63, on 5 November 2020, 6 hours (CPD)	4.15	-	Present	Financial and Accounting Director	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
						Financial and Accounting Director	C.P.G. Garment Co., Ltd	Garment business	
						Financial and Accounting Director	Castle Peak Real Estate Co., Ltd	Real estate business	
						Financial and Accounting Director	Aek Thana Property Co., Ltd	Real estate business	
						Financial and Accounting Director	Sun Property Co., Ltd	Real estate business	
Ms.Napaporn Tanawatanyong	54	Master's degree - Marketing Leeds University , UK Bachelor's Degree Accounting Bangkok University	-	-	Present	Independent Director/Chairman of the Audit Committee	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
						Director	RSM (Thailand) Ltd.	Business Consulting and Management	
Mr. Somchai Ongwararak	83	Bachelor's Degree - Mathematics Jinan University China	0.00	-	Present	Independent Director/Auditing Director	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
Ms.Kanyapat Peerawatsakoonpong	32	Master's degree Administrative management Bangkok Thonburi University Bachelor's Degree Management- Marketing Rajamangala University of Technology Rattanakosin	-	-	Present	Independent Director/Auditing Director	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
Mr.Puthep Pongchaloem	49	Bachelor's Degree Business Administrative Coventry University Director Accreditation Program (DAP - IOD)	0.00	Son of Mr Boonchoo Pongchaloem	Present	Administrative Director	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
						Director/Administrative Director	C.P.G. Garment Co., Ltd	Garment business	
						Director	Castle Peak Real Estate Co., Ltd	Real estate business	
						Director	Aek Thana Property Co., Ltd	Real estate business	

Name-Surname	Age	Education/ Training Programs	% of shares	Relationship with	Work experience in last 5 years				Illegal Record in
					Range	Position	Company's name	Type of business	
Ms. Pornpip Sripitaksakul	60	Master's degree Accounting Chulalongkorn University	-	-	Present	Internal Audit Manager	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
Ms.Onticha Pongchaloem	32	Master's degree Warwick University, England BBA-Assumption University Fundamental Practice for Corporate Secretary	-	Daughter of Mr Boonchoo Pongchaloem	Present	Corporate Secretary	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
Ms. Natpapat Chuthepithip	56	Bachelor's Degree Accounting Prince of Songkla University	-	-	Present	Accounting Manager	Castle Peak Holdings Public Company Limited	Garment business & Real estate business	None
- Accounting Supervisor		Employee Benefit Calculation with Actuarial Science, 11 September 2020, total of 6 hours (Accounting) Disclosure Form and receive the transfer pricing criteria on March 12, 2020 for 6 hours (other)				Accounting Manager	C.P.G. Garment Co., Ltd	Garment business	

Qualifications and conditions of being an accountant in accordance with the criteria specified in the Notification of the Department of Business Development.

**Duties and responsibilities of the company secretary**

1. Contact and communicate with shareholders to get information about their rights. Of shareholders And news of the company and a medium between shareholders. With directors and executives
2. Ensure that information is disclosed. And report information In the part responsible for the supervising agency in accordance with the regulations and requirements of the government agencies
3. Prepare the agenda for the meeting. Shareholders meeting documents And the meeting of the Director
4. Hold shareholders' meetings. And the meeting of the Director to be in accordance with the law Company regulations and good practice
5. Record the minutes of the shareholders' meeting. And the meeting of the Board of Directors, as well as monitoring the implementation of the resolutions of the shareholders' meeting. And the meeting of the Director
6. Prepare and maintain a register of Director Annual report Invitation letter to shareholders' meeting Invitation letter for the Board of Directors 'meeting, Minutes of the shareholders' meeting And minutes of the Director's meeting
7. Proceed for Directors and Executives to prepare reports on their interests and stakeholders. According to legal requirements
8. Maintain an interest report reported by the Director or management. And send a copy to the Chairman and Chairman for review as required by law.

Details of management and controlling person of the Company, Subsidiary, Associated Company, Related Company

Name-Surname	Subsidiary					Associate	
	CPH	CPG	CPR	AEK	SUN	THA	CPPP
Mr.Boonchoo Pongchaloem	X //	X //	X //	X //	//	/	/
Mr.Pumit Pongchaloem	/ //	/	/ //	/ //	//	/	
Mr.Liu Chor Ting	/ //	//					
Mr.Wu Man Fun	/ //						
Ms.Vinida Kulsomphob	//	//	//	//	//		
Ms.Pilin Janyaniwat	/ //						
Mr.Puthep Pongchaloem	//	/ //	/	/			

Remark 1	Listed Company	Castle Peak Holdings Public Company Limited	CPH
	Subsidiary	C.P.G. Garment Co., Ltd	CPG
		Castle Peak Real Estate Co., Ltd	CPR
		Aek Thana Property Co., Ltd	AEK
		Sun Property Co., Ltd	SUN
	Associated Company	Thanee Watana Co., Ltd	THA
		Castle Peak Pulp & Paper Co., Ltd.	CPPP

Remark 2      X = Chairman of the Board of Director  
                   / = Director  
                   // = Member of the executive Committee



**Attachment 2: Details of directors in subsidiaries**

Name	CPG	CPR	AEK	SUN
Mr.Boonchoo Pongchaloem	X	X	X	
Ms.Wanee Tempitayakom				/
Mr.Puthep Pongchaloem	/	/	/	
Mr.Pumit Pongchaloem	/	/	/	

Remark 1	C.P.G. Garment Co., Ltd		CPG
	Castle Peak Real Estate Co., Ltd		CPR
	Aek Thana Property Co., Ltd	(Indirect)	AEK
	Sun Property Co., Ltd	(Indirect)	SUN

Remark 2      X = Chairman of the Board of Director  
                   / = Director

### **Attachment 3 Details of the Head of Internal Audit**

Name: Ms. Porntip Sripitaksakul  
Title: Head of Internal Audit  
Age 60 Year  
Education: Master's degree Accounting- Chulalongkorn University  
Bachelor's Degree Accounting - Bangkok University  
Experience: 2532-2554 Accounting Manager Castle Peak Holdings Public Co., Ltd.  
2554- Present Head of Internal Audit Castle Peak Holdings Public Co., Ltd.  
Training Ethical Audit  
The Association of Internal Auditors of Thailand  
Holding 100 shares in the Company as of December 31, 2020, equivalent to 0.00%

## Attachment 4 Assets used in business and details of appraisal

### Garment business

Castle Peak Holdings Public Company Limited

Location	Book Value (Baht) As of 31 Dec 2020	Ownership
Cost price plus appraised value		
Land area 9-2-32 rami		
697 Phetkasem Rd., Bang Khae Sub-District Bang Khae District, Bangkok	209,745,000.00 *	Owner
Building		
697 Phetkasem Road, Bang Khae Sub-district Bang Khae District, Bangkok	63,578,943.64*	Owner

\* Evaluated by Charter Valuation Co., Ltd. on 25 August 2020

\* Land and buildings are mortgaged as collateral against Bangkok Bank Public Company Limited (Mortgage value 200,000,000 Baht)

### Machinery and equipment

Machinery and equipment used in production are fabric cutter , normal and vacuum cutting table , computer for designs , sewing machines such as single needle, double needle, buttonhole knitting machine, button-fixing machines, ironing machines, dryers, packers and laser machines.

Book value (Baht) As of 31 Dec 2020	Ownership	Obligation
14,069,240.53	Owner	None

C.P.G Garment Company Limited

Location	Book Value (Baht) As of 31 Dec 2020	Ownership
Cost price plus appraised value		
Land area 4-2-36 rai		
2 Soi Petchkasem 50/2, Bang Wa Sub-District, Phasicharoen District, Bangkok	99,344,000.00*	Owner
Building	74,804,427.21*	Owner
Machine	2,743,428.74	Owner

\* Evaluated by Siam Appraisal and Service Co., Ltd. on 14 September 2020

\* Land and buildings are mortgaged as collateral for debt.

No. 1 to Siam Commercial Bank Public Company Limited, mortgage amount 164,000,000 baht

No. 2 to Bangkok Bank Public Company Limited, mortgage amount 70,000,000 baht

## Real estate business

Land and buildings available for sale

- Siwarat 7, located at Salaya Rd., Klong Yong Sub-District, Phutthamonthon District, Nakhon Pathom
- Siwarat 10, located at Bang Len-Lat Lum Kaeo Rd., Bang Phat Sub-District, Bang Len District, Nakhon Pathom
- Siwarat 11, located at Sai Noi-Bang Bua Thong Rd., Klong Kwang Sub-District, Sai Noi District (Bang Bua Thong) Nonthaburi
- Siwarat 12, located at Sai Noi-Bang Bua Thong Rd., Sai Noi Sub-District, Sai Noi District, Nonthaburi
- Siwarat 14-18, located at Ban Sai Noi Road - Ban Klong Chao Nong Phet Chai Subdistrict, Sai Noi District, Nonthaburi Province, Klong Naraphirom Sub-district, Bang Len District, Nakhon Pathom

Project name	Book value (Baht)	Obligation
	As of 31 Dec 2020	
Siwarat 7	4,158,802.00	Letter of Guarantee Thanachart Bank 446,1650 Baht
Siwarat 8	0.00	Letter of guarantee Bangkok Bank 1,661,313 Baht
Siwarat 9	0.00	Letter of guarantee Bangkok Bank 2,563,501 Baht
Siwarat 10	17,906,230.99	Letter of Guarantee Kiatnakin Phatra Bank 1,909,703 Baht
Siwarat 11	68,601,124.53	Letter of guarantee Bank of Ayudhya 5,536,865 Baht
Siwarat 12	30,374,224.20	Letter of guarantee Bangkok Bank 32,057,040 Baht
Siwarat 14-18	<u>62,514,252.26</u>	Letter of guarantee Bangkok Bank 80,297,570 Baht
	<u>183,554,633.98</u>	

From the consolidated financial statements, the Company and its subsidiaries have a list of investment properties. 56,672,779.16 Baht which consists of

(A) Land area 5-0-0 rai, located at Soi 19, Phutthamonthon Sai 2 Rd., Bang Phrom Sub-District, Taling Chan District, Bangkok Book value 17,400,796 Baht

(B) 2 land and buildings

- Location 1, located at 37/28-39 and 37/55-67 Soi Petchkasem 31/3 Petchkasem Road, Bang Wa Sub-District, Phasi Charoen District, Bangkok Net Book Value 25,104,144.25 Baht

- Place 2, located at 720/11, 720/24 and 720/36-39 Soi Khai Chinda, Prajadhipok Road, Hirat Ruchi, Thonburi, Bangkok, net book value 9,253,313.91 baht

(C) Land of a subsidiary Located on Phutthamonthon Sai 5 Road, total net book value of 4,914,525 baht

Intangible assets - No

## **Attachment 5 CODE OF CONDUCT**

In order for business operations and management to be in accordance with good corporate governance principles, the company deems it appropriate to prepare business ethics manuals for executives and employees as a guideline to work strictly with honesty and transparency without violating the law, rules, and regulations relevant for the benefit and fairness to all stakeholders and society.

### **1. Adhere to the rule of law**

The company adheres to the rule of law in its business operations. Executives and employees are knowledgeable and abide by the laws related to business operations.

#### **Guideline**

- Executives and employees must study and understand the rules that govern government practices that are in effect and that will take effect in the near future.
- Executives and employees must not seek competitors' trade secrets or competitor specifications by unlawful means such as theft or espionage.

### **2. Persist in justice and integrity.**

The company is committed to fairness and morality and does not discriminate against any person unfairly and provides equal opportunities regardless of race, nationality, religion or gender.

#### **Guideline**

- Executives and employees must ensure fairness and not discriminate against stakeholders in business operations.
- Executives and employees must manage their work with discretion and prudence to enable shareholders to have confidence and acceptance in their decisions that conduct is fair and with regard to the best interests of all shareholders.
- Executives and employees must be fair and do not discriminate in the employment requirements. Including recruiting, consideration of compensation and benefits from employment, promotion, transfer, performance appraisal, training, complying with mandatory regulations, termination of employment, layoffs and recruitment of employees as well as participation in social and recreational activities.

### **3. Social responsibility**

The company realizes its responsibility towards society and communities.

#### **Guideline**

- Executives rely on participating or organizing activities for the public benefit of the development and social services.

### **4. Non-politics**

The company respects and encourages stakeholders to exercise their rights and freedoms under the constitution. The company will be politically neutral.

#### **Guideline**

- Executives and employees must not use the Company's position, time, property or any other facility to benefit and support political activities or political organizations or members of political organizations.

- Executives and employees do not use their authority to induce, pressure or coerce their colleagues, including subordinates, to support any political activity or political organization or member of a political organization.

#### 5. be honest

Executives and employees must perform their duties honestly and prudently to protect the interests of the company.

#### Guideline

- Executives and employees are expected to perform their duties honestly without prejudice and do not use their authority to seek personal gain for themselves or others.
- Executives and employees must not deliberately make false or false reports or records. They must not deliberately conceal or offer false or misleading information to the company. If inaccurate or incorrect reports or records are found, they must report to the supervisor immediately.

#### 6. There is no conflict of interest

Executives and employees should not behave in a manner that may create a conflict of interest with the Company.

#### Guideline

- Executives and employees must not conduct business/activities that may conflict of interest with the company and cause damage to the company.

#### 7. The specification is not used for wrongdoing.

Executives and employees do not misuse company specifications.

#### Guideline

- Executives and employees must not disclose company specifications to people who are not entitled to be aware of any regulatory or business agreement unless they have the written consent of the competent authority.
- Executives and employees do not use specifications for securities trading or transmit such information to others for securities trading. Committees and executives are prohibited from trading in the company's securities 1 month prior to the announcement of the company's performance for personal benefit.

#### 8. Anti-bribery and anti-corruption.

Executives and employees must not engage in corruption, giving / receiving bribes to / from public and private officials.

#### Guideline

- Executives and employees must not have charitable contributions and sponsorship which leads to the obtaining of personal benefits or unlawful organizations.
- Executives and employees must not offer facilitation fees to public and private officials as a means of bribery for their personal gain or to unlawful corporations.

**Penalties**

Employees who commit one or more of the disciplinary offenses, the company will consider the punishment according to the nature of the offense as appropriate in the cases as follows:

- Verbal warning
- Written warning to suspend work or lay off employment as appropriate for the offense.
- Dismissal

In the event that a director or an executive commits an offense against the Public Limited Companies Act B.E. 2535 or the Securities and Exchange Act B.E. 2535 by prescribing the penalties to be in accordance with Section 17 and Section 12 under the Securities Exchange Act.

## Audit Committee's Report

The Audit Committee was appointed by the Board of Directors of Castle Peak Holdings Public Company Limited. The Audit Committee consists of 3 Independent Directors, namely Ms.Napaporn Tanawatanyong, Ms.Kanyapat Peerawatsakoonpong and Mr.Somchai Ongwararak. Ms.Napaporn Tanawatanyong chaired the Audit Committee and Ms.Porntip Sripitaksakul, Head of the Internal Audit Division acted as the Committee's secretary. All members of the Audit Committee possess complete qualifications of Independent Directors and Audit Committee members as comply with the regulations of Securities and Exchange Commission Thailand and The Stock Exchange of Thailand. During the year 2020, the Audit Committee performed its duties and responsibilities independently as assigned by the Board of Directors, and defined in the "Audit Committee Charter". The Audit Committee conducted 4 official meetings, which all three members attended in the Meeting No. 1/2020, 2/2020 and 4/2020. In Meeting No.3/2020, Mr.Somchai Ongwararak was absent due to his business, The Audit Committee meetings involved the management representatives of the Company and its subsidiaries, the external auditor, and the internal auditor to present information and exchange views on recommendations for performance improvement

The Audit Committee's main accomplishments in 2020 were as follows:

1. Review of the financial report: The Audit Committee reviewed significant information in the quarterly and annual financial statements for 2020 of Castle Peak Holdings Public Company Limited and its subsidiaries. The Audit Committee reviewed the accuracy, completeness, and reliability, including the sufficient disclosure of the financial statements by questioning and listening to the explanations of the management and recommendations from the external auditor. The Audit Committee has agreed to the external auditor's opinion that the Company financial statements were prepared correctly in accordance with generally accepted accounting principles.
2. Review of the internal control systems and internal audit report: The Audit Committee has reviewed the overall internal control systems and the audit reports quarterly, and considered that the Company has installed adequate and appropriate internal control systems for the Company's operations, and has not found any significant deficiency impacting the Company's financial statements. The Internal Audit Division has performed its duty independently and effectively.
3. Review of the related transactions or the transactions that might cause conflicts of interest: The Audit Committee has reviewed those transactions from management's quarterly reports and considered that all related transactions were normal business transactions, and were conducted properly in compliance with relevant rules and regulations. There was correct and adequate disclosure of such information.
4. Review of the Company's compliance with the SEC law and other related laws and regulations: The Audit Committee has not found any significant issue involving violation of laws and regulations.



5. Consideration and selection of the auditors: The Audit Committee has selected and proposed to the Board of Directors to seek approval from the Annual General Shareholders' Meeting to appoint Ms.Kannika Wipanurat (CPA Registration No. 7305), Mr.Jirote Sirirorote (CPA Registration No.5113), Ms.Nongrak Pattanabandith (CPA Registration No.4713), Mrs.Sumana Senivongse (CPA Registration No.5897), Mr.Komin Linphrachaya (CPA Registration No.3675), Mr.Mongkon Laoworapong (CPA Registration No.4722) , Ms.Kojchamon Sunhuan (CPA Registration No.11536) or other certified auditors assigned by Karin Audit Co., Ltd., as the company's auditors for 2021.

On behalf of the Audit Committee





**Ms. Napaporn Tanawatanyong**  
**Chairman of the Audit Committee**


## Head Office

C.P.H. Tower, 899 Petchkasem Road, Bangkae Sub-district,  
Bangkae Bangkok 10160 THAILAND

 [www.castlepeak.co.th](http://www.castlepeak.co.th)

 [cph@castlepeak.co.th](mailto:cph@castlepeak.co.th)

 +662-4550300 (Auto)

 +662-4550356-8

**Public Company Registration**

**No.0107537001056**