



NAVA NAKORN
PUBLIC COMPANY LIMITED

Going Towards a **SUSTAINABLE** Smart City



Annual Report
2019



Throughout the operation of Nava Nakorn, we have dedicated our effort and devotion to grow an industrial estate that meets the needs of all residents including Pathum Thani or Nakhon Ratchasima - all are equally important.

We focus on developing modern infrastructure that meets all consumption and utility needs. For instance, electricity, water supply or energy, all these systems are key foundations for all groups that will serve to drive us into the future.

Today, we are ready to progress to new pace by collaborating with educational institutions and leading private companies to create a smart city that fulfills the government's policy in developing smart cities in Thailand. Thailand Smart City - to be come a leading digital industrial estate.

Adapting from the past and moving to the modern era with sustainability and benefit for everyone forever...

Going Towards a Sustainable Smart City



Energy

As we look into the future, our industrial estate generates energy based on solar power, from solar rooftop to sustain the energy management in Nava Nakorn.



Fiber Optic Network

As we look into the future, we have installed fiber optic systems to enhance rapid communication within the industrial estate and to become a hub of smart city that progress the development of Nava Nakorn society.



Infrastructure

As we look into the future, we have developed infrastructure systems to accommodate all needs within Nava Nakorn and to ensure the highest satisfaction among all our clients.



Sustainable

As we look into the future, we place great importance on sustainability and promote participation among all stakeholders for the goal of sustainable development and national benefit.

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Message from the Chairman



I do assure all shareholders that every member of the Board of Directors and executives as well as employees are at their best endeavor in performing work to reach out to the Company's prosperity and satisfied operating result to all shareholders.



The 2019 was another successful year in which Nava Nakorn Public Company Limited achieved the superior quality management and utilities service. Accordingly, the Company recorded a net profit of THB 255.6 million for the overall operating result of the year 2019.

The Company continued its robust financial status, secured the capital to maintain trust among investors and the capital market, generating development of our business in the near future. The Company had supervised return on investment based on proportion of the yield upon operating activities and the joint-owner's equity, including the payout system for shareholders.

Regarding Nava Nakorn, after the commercial operation generated revenue, growing demand among internal customers, the Company decided to build another power plant to produce an additional 60 MW capacity and 10 tons per hour of steam. The project is expected for completion and commercial operation in the end of 2020.

For energy, the Company has invested in the Smart Solar Power Network by installing solar panels within the Company's area as a pilot project and to initiate the connection to Smart Grid Network- one of the alternative businesses that could potentially be carried out in the future and promote the use of renewable energy. The project was successfully built up and significantly reduced the use of electricity. From such positive outcome, the Company is then plans to implement the same thing to another sections of the organization.

I do assure all shareholders that every member of the Board of Directors and executives as well as employees are at their best endeavor in performing work to reach out to the Company's prosperity and satisfied operating result to all shareholders.

I would like to thank to all shareholders for your continual trust and support our business operation. My gratitude also goes to all operators for your confidence to invest and to extend your investment within Navanakorn Industrial Promotion Zone. Another appreciation I would like to stress to the Board of Directors, advisors, Management and all employees, thank you for your being the major move and your commitment devoted for the triumph of NNCL in the past years.

Air Chief Marshal Dr. Nopporn Chandawanich
Chairman of the Board

Message from the Chief Executive Officer



The Smart City project that we initiated under collaboration with Thammasart University, Harvard University, Ratch Group Company Limited and ALT Telecom Public Company Limited is aimed to pave the foundation for various projects in the future.



Dear Shareholders,

In the preceding year Navanakorn has progressed forward to a certain pace. According to the operating result, specific business brought in a higher rate of revenue despite overall gain is lower when compared to that of last year. The shrinkage of revenue was due to the overhaul of the power plant. This year and the years to come, the Management has prepared numerous projects mainly involving utilities and infrastructure and all will generate recurring income.

The Smart City project that we initiated under collaboration with Thammasart University, Harvard University, Ratch Group Company Limited and ALT Telecom Public Company Limited is aimed to pave the foundation for various projects in the future, to enhance level of education, technology, production and research and development to Thailand. Eventually, these will return a rising income while improving personnel value to Thailand, adding income and value to Navanakorn personnel and business of Thailand in the near future.

Mr. Nipit Arunvongse Na Ayudhya
Chief Executive officer

Message from the Managing Director



The Company has developed the entity to build up potential within the industrial estate as well as adjoining zones to become the Smart City.



Dear Shareholders,

In response to the Company's policy to develop the business toward security and sustainability, I and the management team are proud of the steady growth of our business as a result of concentrating on recurring income. In particular, the utilities and service businesses which included water supply for industry, wastewater treatment, electricity, steam, infrastructure for communication, residence and services are provided for customers in both of Navanakorn Industrial Estates. These recurring incomes are likely to grow and generate at higher proportion in profitability and stabilise corporate income without relying on only the sale of land which is always fluctuated by the market and economic situation. Furthermore, the Company plans to expand utility services to cover outside of our industrial estates.

Aside from the development for securing revenue, strengthening financial status, the Company has developed the entity to build up potential within the industrial estate as well as adjoining zones to become the Smart City for operators, employees and residents, allies and the surrounding society including promoting efficiency of Thai industry to run forward.

Mr. Suthiporn Chandawanich
Managing Director

Financial Highlights



(Unit : Million Baht)

Financial Highlights	2017	2018	2019
Total Assets	4,011	4,308	4,312
Total Liabilities	1,142	1,228	1,241
Total Shareholders' Equity	2,869	3,080	3,072
Revenue from sale of real estate development projects, rendering of services, Rental income	604	863	663
Total Revenues	694	969	775
Gross Profit	271	426	330
EBITDA*	286	424	341
Net Profit (Loss)	244	375	256

Note : * EBITDA , impairment loss, Share of loss of investment, Transfer deferred income from government grants to income and one time items

Financial Ratios	2017	2018	2019
Net Profit Margin to total revenues (%)	35	39	33
Return on equity (%)	8.8	12.6	8.3
Return on assets (%)	6.2	9.0	5.9
Net Profit (Loss) per share (Baht)	0.12	0.18	0.13
Dividend per Share (Baht)	0.08	0.09	0.08
Net Book Value per share (Baht)	1.4	1.5	1.5
Debt to Equity ratio (Time)	0.40	0.4	0.4
Interest coverage ratio (Time)	111.2	368.7	190.3

Note : * no.of shares were net off share repurchase

** Subject to AGM 2020 approval

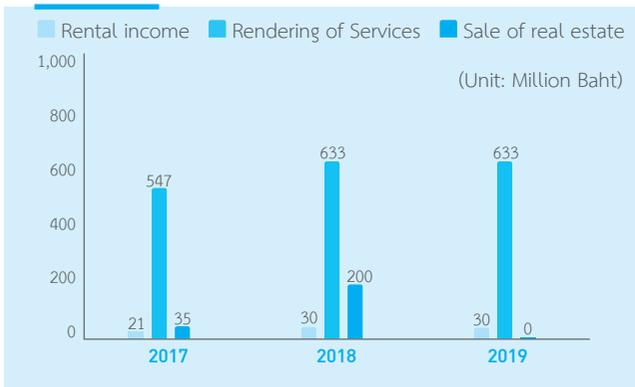
Financial Status



NI, EBITDA



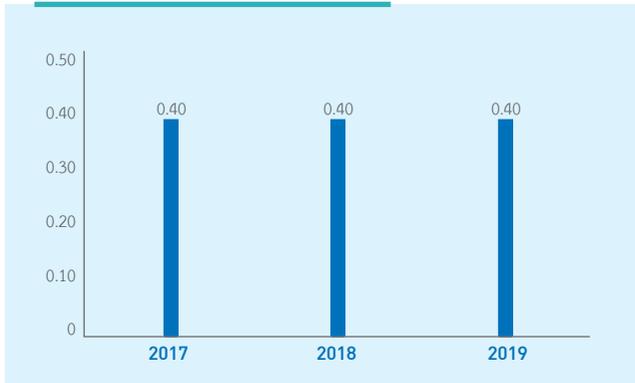
Revenue



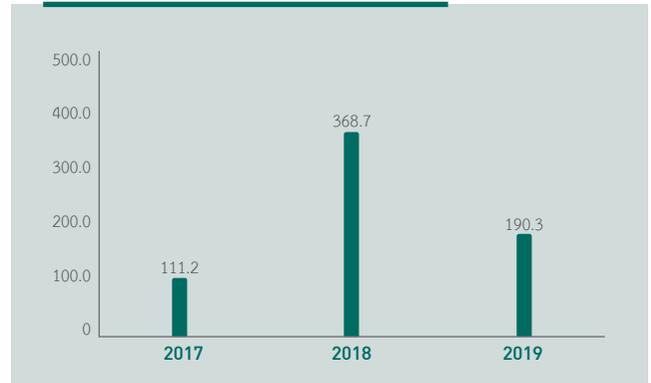
Rendering of services, Rental income (recurring income)



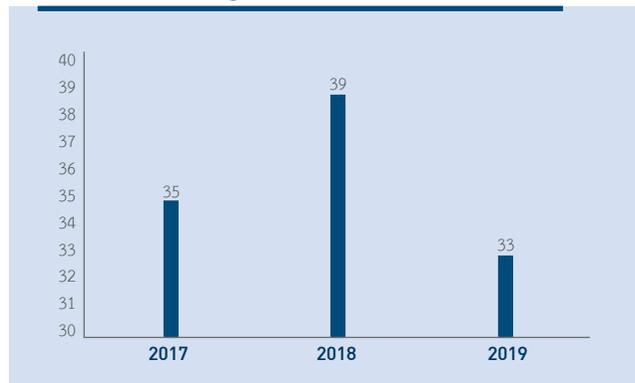
Debt to Equity Ratio (Time)



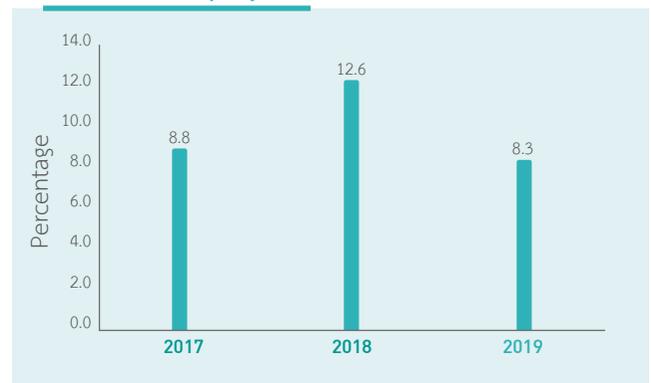
Interest Coverage Ratio (Time)



Net Profit Margin to Total Revenues (%)



Return on Equity (%)



Board of Directors



Air Chief Marshal Dr. Nopporn Chandawanich

Chairman of the Board

Age 77 Years

Date of Appointment as a Director

1 Dec 2009

Education/Training

- Doctor of Philosophy Degree in Engineering Mechanics, Michigan State University, USA
- Graduated from the Thai National Defense College of Thailand
- Certificate from Thai Institute of Directors (IOD), Directors Certification Program (DCP) Class 138/2010

Expertise

- Civil Engineering
- Corporate Governance

Percentage of Shareholding

- Held personally : 2,000,000 shares (0.0976%)
- Held by Spouse or Minor Children : 7,925,000 shares (0.3869%)

Relationship with Company's Executives (s):

Spouse of Mrs. Suvalai Chandawanich,
Father of Mrs. Peerayaluck Tangsunawan,
Mr. Suthiporn Chandawanich and Mr. Popporn Chandawanich

Board Member/Management in Listed Company in the present (2)

31 Mar 2018 - Present	Chairman of the Board Nava Nakorn Public Co., Ltd.
2009 - Present	Director Nava Nakorn Public Co., Ltd.
8 Aug 2019 - Present	Director Nok Airlines Public Co., Ltd.

Position in Non-Listed Company/Organization/Institution in the present (1)

1 Jan 2018 - Present	Chairman of the Board Nava Nakorn Electricity Generating Co., Ltd.
2010 - 2018	Director Nava Nakorn Electricity Generating Co., Ltd.

5 years Past Experiences and/or Remarkable Positions (2)

Jul 2016 - 30 Mar 2018	Vice Chairman of the Board Nava Nakorn Public Co., Ltd.
2015 - Apr 2016	Vice Chairman of the Executive Board Nava Nakorn Public Co., Ltd.
2001 - 2016	Director Nava Nakorn International Guarding Security guard Co., Ltd.
2016 - 2017	Advisor of the Board Nava Nakorn International Guarding Security guard Co., Ltd.

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Police General Somchai Vanichsenee

Vice Chairman of the Board
 Chairman of the Nomination and Remuneration Committee
 Chairman of the Corporate Governance Committee

Age 77 Years

Date of Appointment as a Director

1 Oct 2002

Education/Training

- Master Degree in Public Administration, Chulalongkorn University
- Bachelor Degree in Public Administration, Royal Police Cadet Academy
- Certificate from Thai Institute of Directors (IOD)
 - Director Accreditation Program (DAP) Class 6/2003
 - Director Certification Program (DCP) Class 40/2004
 - Audit Committee Program (ACP) Class 6/2005
 - Finance for Non-Finance Directors (FND) Class 8/2004
 - Corporate Governance for Capital Market Intermediaries (CGI) Class 4/2016

Expertise

- Corporate Governance

Percentage of Shareholding

- Held personally : - None -
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

- None -

Board Member/Management in Listed Company in the present (4)

11 Dec 2018 - Present	Chairman of the Corporate Governance Committee Nava Nakorn Public Co., Ltd.
15 Sep 2016 - Present	Chairman of the Nomination and Remuneration Committee Nava Nakorn Public Co., Ltd.
2009 - Present	Vice Chairman of the Board Nava Nakorn Public Co., Ltd.
5 Apr 2018 - Present	Chairman of the Board, NEP Reality and Industry Public Co., Ltd.
2014 - Present	Chairman of the Board Plan B Media Public Co., Ltd.
2011 - Present	Independent Director and Chairman of the Audit Committee Plan B Media Public Co., Ltd.
2009 - Present	Director NEP Reality and Industry Public Co., Ltd.
2002 - Present	Director Nava Nakorn Public Co., Ltd.
2006 - Present	Independent Director and Member of the Audit Committee Phuket Fantasy Public Co., Ltd.

Position in Non-Listed Company/Organization/Institution in the present (1)

2010 - Present	Director Nava Nakorn Electricity Generating Co., Ltd.
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5 years Past Experiences and/or Remarkable Positions (1)

2009 - 4 Apr 2018	Vice Chairman of the Board NEP Reality and Industry Public Co., Ltd.
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Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mr. Prinya Waiwatana

Independent Director
Chairman of the Audit Committee

Age 72 Years

Date of Appointment as a Director

31 Mar 2018

Education/Training

- Bachelor Degree in Accounting, Chulalongkorn University
- Certificate from Thai Institute of Directors (IOD)
 - Role of the Compensation Committee (RCC) Class 10/2010
 - Monitoring the System of Internal Control and Risk Management (MIR) Class 2/2008
 - Director Certification Program (DCP) Class 72/2006
 - Director Accreditation Program (DAP) Class 35/2005
 - Audit Committee Program (ACP) Class 9/2005

Expertise

- Accounting and Financing
- Corporate Governance

Percentage of Shareholding

- Held personally : - None -
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

- None -

Board Member/Management in Listed Company in the present (4)

25 Feb 2020 - Present	Chairman of the Audit Committee Nava Nakorn Public Co., Ltd.
21 Jan 2020 - Present	Member of the Audit Committee Nava Nakorn Public Co., Ltd.
31 Mar 2018 - Present	Independent Director Nava Nakorn Public Co., Ltd.
2010 - Present	Independent Director and Member of the Good Governance Committee Sarnat Corporation Public Co., Ltd.
2010 - Present	Independent Director, Chairman of the Risk Management Committee, Member of the Investment Committee and Member of the Nomination and Remuneration Committee AIRA Capital Public Co., Ltd.
2005 - Present	Independent Director, Chairman of the Audit Committee, Chairman of the Good Governance Committee and Member of the Nomination and Remuneration Committee Thai Steel Cable Public Co., Ltd.

Position in Non - Listed Company/Organization/Institution in the present

- None -

5 years Past Experiences and/or Remarkable Positions

- None -

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mrs. Leena Charernsri

Independent Director

Member of the Nomination and Remuneration Committee

Age 74 Years

Date of Appointment as a Director

10 Dec 2002

Education/Training

- Bachelor Degree in Accounting, Thammasat University.
- MINI MBA for Development of Executive from Ministry of Finance Class 1
- Chief Executive Officer (CEO), Office of the Civil Service Commission Class 19
- Diploma in Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute, Class 6
- Certificate from Thai Institute of Directors (IOD)
 - Directors Certification Program (DCP) 2010
 - Directors Audit Committee Program (ACP)

Expertise

- Administration in Audit
- Administration Public Sector and Government
- Corporate Governance
- Finance

Percentage of Shareholding

- Held personally : - None -
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

- None -

Board Member/Management in Listed Company in the present (1)

11 Dec 2018 - Present	Member of the Nomination and Remuneration Committee Nava Nakorn Public Co., Ltd.
2008 - Present	Independent Director Nava Nakorn Public Co., Ltd.

Position in Non-Listed Company/Organization/Institution in the present:

- None -

5 years Past Experiences and/or Remarkable Positions (2)

16 Jan 2018 - 21 Jan 2020	Chairman of the Audit Committee Nava Nakorn Public Co., Ltd.
22 Dec 2008 - 30 Nov 2017	Chairman of the Audit Committee Nava Nakorn Public Co., Ltd.
2002 - 2008	Director and Member of Nomination and Remuneration Committee Nava Nakorn Public Co., Ltd.
2013 - 2015	Member of the Internal Audit Committee Office of the National Broadcasting and Telecommunications Commission

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mrs. Suvalai Chandawanich

Director

Member of the Nomination and Remuneration Committee

Age 73 Years

Date of Appointment as a Director

26 Jan 2001

Education/Training

- Bachelor Degree in Accounting, Thammasat University

Expertise

- Accounting and Financing
- Corporate Governance

Percentage of Shareholding

- Held personally : 7,925,000 shares (0.3869%)
- Held by Spouse or Minor Children : 2,000,000 shares (0.0976%)

Relationship with Company's Executives (s)

Spouse of ACM Dr. Nopporn Chandawanich,
Mother of Mrs. Peerayaluk Tangsunawan,
Mr. Suthiporn Chandawanich and Mr. Phopporn Chandawanich

Board Member/Management in Listed Company in the present (1)

15 Sep 2016 - Present	Member of the Nomination and Remuneration Committee Nava Nakorn Public Co., Ltd.
2001 - Present	Director Nava Nakorn Public Co., Ltd.

Position in Non-Listed Company/Organization/Institution in the present:

- None -

5 years Past Experiences and/or Remarkable Positions:

- None -

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



General Somdhat Attanand

Independent Director
Member of the Audit Committee

Age 76 Years

Date of Appointment as a Director

10 May 2016

Education/Training

- Bachelor Degree in Science, Chulachomklao Royal Military Academy
- Certificate from Thai Institute of Directors (IOD)
 - Director Accreditation Program (DAP) Class 53/2006
 - Director Certification Program (DCP) Class 90/2007
 - Audit Committee Program (ACP) Class 14/2006
 - Finance for Non-Finance Directors (FND) Class 29/2006
 - Monitoring the System of Internal Control and Risk Management (MIR) Class 1/2007
 - Role of the Chairman Program (RCP) Class 20/2008

Expertise

- Administration in Audit
- Corporate Governance

Percentage of Shareholding

- Held personally : - None -
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

- None -

Board Member/Management in Listed Company in the present (3)

10 May 2016 - Present	Independent Director and Member of the Audit Committee Nava Nakorn Public Co., Ltd.
24 Feb 2015 - Present	Chairman of the Board, Independent Director and Member of the Audit Committee Salee Colour Public Co., Ltd.
2012 - Present	Chief Advisor Pena House Public Co., Ltd.

Position in Non-Listed Company/Organization/Institution in the present

- None -

5 years Past Experiences and/or Remarkable Positions (2)

2012 - 10 May 2016	Advisor Nava Nakorn Public Co., Ltd.
2012 - 23 Feb 2015	Independent Director and Member of the Audit Committee Salee Colour Public Co., Ltd.

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mrs. Chuanpis Chaimueanvong

Independent Director
Member of the Audit Committee
Member of the Corporate Governance Committee

Age 71 Years

Date of Appointment as a Director

7 Nov 2017

Education/Training

- Bachelor Degree in Business Economic, Thammasat University
- Master Degree in Business Economic, Thammasat University
- Certificate from Thai Institute of Directors (IOD)
 - Director Accreditation Program (DAP) Class 13/2017
 - Director Certification Program (DCP)

Expertise

- Administration in Audit
- Corporate Governance
- Finance

Percentage of Shareholding

- Held personally : - None -
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

- None -

Board Member/Management in Listed Company in the present (1)

11 Dec 2018 - Present	Member of the Corporate Governance Committee Nava Nakorn Public Co., Ltd.
7 Nov 2017 - Present	Independent Director and Member of the Audit Committee Nava Nakorn Public Co., Ltd.

Position in Non - Listed Company/Organization/Institution in the present:

- None -

5 years Past Experiences and/or Remarkable Positions (2)

13 May 2016 - 6 Nov 2017	Advisor Nava Nakorn Public Co., Ltd.
2005 - 12 May 2016	Independent Director Nava Nakorn Public Co., Ltd.
2012 - 2017	Director Star Sanitaryware (Thailand) Public Co., Ltd.

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mr. Nipit Arunvongse Na Ayudhya

Director
Member of the Corporate Governance Committee
Chief Executive Officer

Age 59 Years

Date of Appointment as a Director

1 Jan 2001

Education/Training

- Bachelor Degree in Architecture, Chulalongkorn University
- Bachelor Degree in Architecture, University of Minnesota, USA
- Certificate from Thai Institute of Directors (IOD), Directors Certification Program (DCP)

Expertise

- Architecture
- Corporate Governance

Percentage of Shareholding

- Held personally : 4,300,000 shares (0.2099%)
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

- None -

Board Member/Management in Listed Company in the present (2)

22 Jan 2020 - Present	Member of the Corporate Governance Committee Nava Nakorn Co., Ltd.
1 Jan 2001 - Present	Director Chief Executive Officer Nava Nakorn Public Co., Ltd.
2018 - Present	Chairman of the Nomination and Remuneration Committee NEP Realty and Industry Public Co., Ltd.
1991 - Present	Director NEP Realty and Industry Public Co., Ltd.

Position in Non - Listed Company/Organization Institution in the present (6)

20 Nov 2019 - Present	Director Thai Thanan Co., Ltd.
10 Jan 2018 - Present	Director Klongluang Development (Pathumthani) Co., Ltd.
2010 - Present	Director Nava Nakorn Electricity Generating Co., Ltd.
2010 - Present	Chairman of the Board CASA Co., Ltd.
2002 - Present	Director ACH Construction Cost Consultant Co., Ltd.
2001 - Present	Director Sumisho Global Logistics (Thailand) Co., Ltd.

5 years Past Experiences and/or Remarkable Positions (2)

17 Sep 2018 - 14 Jan 2019	Acting Chief Executive Officer NEP Realty and Industry Public Co., Ltd.
1 Jan 2001 - 9 Jul 2019	Managing Director Nava Nakorn Public Co., Ltd.

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Ms. Warangkana Devahastin Na Ayudhya

Director

Age 48 Years

Date of Appointment as a Director

22 Feb 2006

Education/Training

- Master of Business Administration
Sasin Graduate Institute of Business Administration
Chulalongkorn University
- Bachelor Degree in Business Administration
(International Hotel & Tourism Industry Mgmt. School)
Hawaii Pacific University, USA

Expertise

- Corporate Governance

Percentage of Shareholding

- Held personally : 28,810,700 shares (1.4065%)
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

Niece of Mrs. Suvalai Chandawanich

Board Member/Management in Listed Company in the present (1)

2006 - Present Director
Nava Nakorn Public Co., Ltd.

Position in Non - Listed Company/Organization/Institution in the present (6)

10 Nov 2004 - Present Director
Rangsit Industrial Estate Co., Ltd.

26 Jan 1996 - Present Director
Navanakorn Property
Development Co., Ltd.
Director
Chumnumsup Co., Ltd.

22 Oct 1992 - Present Director
K.V. International
Development Co., Ltd.

4 Sep 1992 - Present Director
Anyapattana Co., Ltd.
Affiliated Company of K.V. Group

5 years Past Experiences and/or Remarkable Positions (1)

1996 - 2013 Managing Director
Nava Nakorn Medical Co., Ltd.

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mrs. Perayaluk Tangsunawan

Director
Deputy Managing Director - Management

Age 46 Years

Date of Appointment as a Director

1 Mar 2015

Education/Training

- Bachelor Degree in Business Management, New Hampshire Collage, USA

Expertise

- Corporate Governance

Percentage of Shareholding

- Held personally : 22,553,805 shares (1.1011%)
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

Daughter of Mrs. Suvalai Chandawanich and Air Chief Marshal Dr. Nopporn Chandawanich
Older sister Mr. Suthiporn Chandawanich and Mr. Popporn Chanawanich

Board Member/Management in Listed Company in the present (1)

1 Mar 2015 - Present	Director Nava Nakorn Public Co., Ltd.
2002 - Present	Deputy Managing Director - Management Nava Nakorn Public Co., Ltd.

Position in Non - Listed Company/Organization/Institution in the present (2)

13 Dec 2018 - 3 Oct 2019	Director Present Navanakorn Smart Energy Co., Ltd.
10 Jan 2018 - Present	Director Klongluang Development (Pathumthani) Co., Ltd.

5 years Past Experiences and/or Remarkable Positions (1)

2008 - 2015	Director NEP Realty and Industry Public Co., Ltd.
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Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mr. Suthiporn Chandawanich

Director
 Managing Director
 Deputy Managing Director - Operating

Age 45 Years

Date of Appointment as a Director

10 Jul 2019

Education/Training

- Bachelor Degree in Mechanical Engineering, Washington University, USA
- Bachelor Degree in Mathematics, Maryville University, USA
- Master Degree in Finance Webster University, USA
- MBA Webster University, USA
- Training course in Effective Budgeting

Expertise

- Engineering
- Financing

Percentage of Shareholding

- Held personally: 22,799,055 shares (1.1130%)
- Held by spouse or minor children: 142,700 Shares (0.006%)

Relationship with Company's Executive (s):

Son of Mrs. Suvalai Chandawanich and Air Chief Marshall Dr. Nopporn Chandawanich Brother of Mrs. Peerayaluk Tangsunawan and Mr. Phopporn Chanawanich

Board Member/ Management in Listed Company in the present (2)

10 Jul 2019 - Present	Director Managing Director Nava Nakorn Pubic Co., Ltd.
Sep 2016 - Present	Deputy Managing Director-Operating Nava Nakorn Public Co., Ltd.
2018 - Present	Advisor of the Board NEP Realty and Industry Public Co., Ltd.

Position in Non - Listed Company/Organization/Institution in the present (3)

20 Nov 2019 - Present	Director Thai Thanan Co., Ltd.
26 Apr 2018 - Present	Director Nava Nakorn Electricity Generating Co., Ltd.
10 Jan 2018 - Present	Director Klongluang Development (Pathumthani) Co., Ltd.

5 years Past Experiences and/or Remarkable Positions (3)

Sep 2016 - Feb 2018	Acting Vice President of Industrial Water Processing Department Nava Nakorn Public Co., Ltd.
2009 - Aug 2016	Vice President of - Business Development Nava Nakorn Public Co., Ltd.
2003 - 2009	Vice President of Maintenance Department Nava Nakorn Public Co., Ltd.
13 Dec 2018 - 3 Oct 2019	Director Navanakorn Smart Energy Co., Ltd.
2010 - 31 May 2013	Deputy Managing Director NEP Realty and Industry Public Co., Ltd.

Others information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.

Nava Nakorn's Executive



Mr. Nipit Arunvongse Na Ayudhya

Director

Member of the Corporate Governance Committee

Chief Executive Officer

Age 59 Years

Date of Appointment as a Director

1 Jan 2001

Education/Training

- Bachelor Degree in Architecture, Chulalongkorn University
- Bachelor Degree in Architecture, University of Minnesota, USA
- Certificate from Thai Institute of Directors (IOD), Directors Certification Program (DCP)

Expertise

- Architecture
- Corporate Governance

Percentage of Shareholding

- Held personally : 4,300,000 shares (0.2099%)
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

- None -

Board Member/Management in Listed Company in the present (2)

22 Jan 2020 - Present	Member of the Corporate Governance Committee Nava Nakorn Co., Ltd.
1 Jan 2001 - Present	Director Chief Executive Officer Nava Nakorn Public Co., Ltd.
2018 - Present	Chairman of the Nomination and Remuneration Committee NEP Realty and Industry Public Co., Ltd.
1991 - Present	Director NEP Realty and Industry Public Co., Ltd.

Position in Non - Listed Company/Organization Institution in the present (6)

20 Nov 2019 - Present	Director Thai Thanan Co., Ltd.
10 Jan 2018 - Present	Director Klongluang Development (Pathumthani) Co., Ltd.
2010 - Present	Director Nava Nakorn Electricity Generating Co., Ltd.
2010 - Present	Chairman of the Board CASA Co., Ltd.
2002 - Present	Director ACH Construction Cost Consultant Co., Ltd.
2001 - Present	Director Sumisho Global Logistics (Thailand) Co., Ltd.

5 years Past Experiences and/or Remarkable Positions (2)

17 Sep 2018 - 14 Jan 2019	Acting Chief Executive Officer NEP Realty and Industry Public Co., Ltd.
1 Jan 2001 - 9 Jul 2019	Managing Director Nava Nakorn Public Co., Ltd.

Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mr. Suthiporn Chandawanich

Director
 Managing Director
 Deputy Managing Director - Operating

Age 45 Years

Date of Appointment as a Director

10 Jul 2019

Education/Training

- Bachelor Degree in Mechanical Engineering, Washington University, USA
- Bachelor Degree in Mathematics, Maryville University, USA
- Master Degree in Finance Webster University, USA
- MBA Webster University, USA
- Training course in Effective Budgeting

Expertise

- Engineering
- Financing

Percentage of Shareholding

- Held personally: 22,799,055 shares (1.1130%)
- Held by spouse or minor children: 142,700 Shares (0.006%)

Relationship with Company's Executive (s):

Son of Mrs. Suvalai Chandawanich and Air Chief Marshall Dr. Nopporn Chandawanich Brother of Mrs. Peerayaluk Tangsunawan and Mr. Phopporn Chanawanich

Board Member/ Management in Listed Company in the present (2)

10 Jul 2019 - Present	Director Managing Director Nava Nakorn Public Co., Ltd.
Sep 2016 - Present	Deputy Managing Director-Operating Nava Nakorn Public Co., Ltd.
2018 - Present	Advisor of the Board NEP Realty and Industry Public Co., Ltd.

Position in Non - Listed Company/Organization/Institution in the present (3)

20 Nov 2019 - Present	Director Thai Thanan Co., Ltd.
26 Apr 2018 - Present	Director Nava Nakorn Electricity Generating Co., Ltd.
10 Jan 2018 - Present	Director Klongluang Development (Pathumthani) Co., Ltd.

5 years Past Experiences and/or Remarkable Positions (3)

Sep 2016 - Feb 2018	Acting Vice President of Industrial Water Processing Department Nava Nakorn Public Co., Ltd.
2009 - Aug 2016	Vice President of - Business Development Nava Nakorn Public Co., Ltd.
2003 - 2009	Vice President of Maintenance Department Nava Nakorn Public Co., Ltd.
13 Dec 2018 - 3 Oct 2019	Director Navanakorn Smart Energy Co., Ltd.
2010 - 31 May 2013	Deputy Managing Director NEP Realty and Industry Public Co., Ltd.

Others information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mrs. Perayaluk Tangsunawan

Director
Deputy Managing Director - Management

Age 46 Years

Date of Appointment as a Director

1 Mar 2015

Education/Training

- Bachelor Degree in Business Management, New Hampshire Collage, USA

Expertise

- Corporate Governance

Percentage of Shareholding

- Held personally : 22,553,805 shares (1.1011%)
- Held by Spouse or Minor Children : - None -

Relationship with Company's Executives (s):

Daughter of Mrs. Suvalai Chandawanich and Air Chief Marshal Dr. Nopporn Chandawanich
Older sister Mr. Suthiporn Chandawanich and Mr. Popporn Chanawanich

Board Member/Management in Listed Company in the present (1)

1 Mar 2015 - Present	Director Nava Nakorn Public Co., Ltd.
2002 - Present	Deputy Managing Director - Management Nava Nakorn Public Co., Ltd.

Position in Non - Listed Company/Organization/Institution in the present (2)

13 Dec 2018 - 3 Oct 2019	Director Present Navanakorn Smart Energy Co., Ltd.
10 Jan 2018 - Present	Director Klongluang Development (Pathumthani) Co., Ltd.

5 years Past Experiences and/or Remarkable Positions (1)

2008 - 2015	Director NEP Realty and Industry Public Co., Ltd.
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Others Information

- Never dishonestly committed and offence against property.
- Never entered into any transaction which may cause conflict of interest against the company during in the year.



Mrs. Monluedee Sookpantarat

Deputy Managing Director - Financial

Age 55 Years

Education/Professional Qualification

- Bachelor's Degree in Accounting with 2nd class honors, and major in Accounting, Thammasat University
- Master Degree in Accounting, Thammasat University
- Graduate Diploma in auditing, Thammasat University
- Certified Public Account (CPA), Thailand License no.4020
- Arbitrator to the Panel of Arbitrators of the Thailand Arbitration Center (THAC) (since 3 Jan 2018)
- Arbitrator of Thai Arbitration Institute : TAI, Court of Justice (since Jan 2018)
- ASEAN Chartered Professional Accountant (ASEAN CPA) (since 12 Oct 2017)

Training of Thai Institute of Directors Association (IOD)

- Director Certification Program (DCP 31/2003)
- Directors Diploma Award (Fellow Member) Class 11/2003
- Director Accreditation Program (DAP 34/2005)
- Audit Committee Program (ACP 23/2008)

Other Relevant Training in 2019

- KPMG Executive Briefing, Topic: IFRS 9, 16 in Practice for Manufacturing Industry, KPMG Phoomchai Audit Ltd.
- KPMG Audit Committee Forum, Topic: Intelligent Automation for Internal Audit, KPMG Phoomchai Audit Ltd.
- KPMG Audit Committee Forum, Topic: Robotic Process Automation (RPA) - Next Generation Workforce, KPMG Phoomchai Audit Ltd.

- PwC Forensics Seminar on Anti-Money Laundering Compliance Risk, Law and Regulations, Pricewaterhouse Coopers ABAS Ltd.
- Seminar Re "Cybersecurity and Personal Data Protection: Get Ready for New Business Standards", Faculty of Law, Chulalongkorn University and The Stock Exchange of Thailand
- Seminar Re "Disruptive Arbitration : Role of the Legal Profession and 2nd seminar workshop on Arbitral Proceedings, Thai Arbitration Institute : TAI, Court of Justice
- Seminar with Thammasat Business School Re "International Financial Reporting Standard (IFRS) 9: Financial Instruments", Faculty of Commerce and Accountancy, Thammasat University.

Percentage of Shareholding - None -

Relationship with Company's Executives (s):- None -

5 years Past Experiences and/or Remarkable Position

2014 - Present	Deputy Managing Director - Financial Nava Nakorn Public Co., Ltd.
2015 - Present	Vice President, Nava Nakorn Electricity Generating Co., Ltd.
2015 - Present	Vice Chairman of the Board of Directors, Independent Director and Chairman of the Audit Committee ASN Broker Public Co., Ltd.
2013 - Present	Independent Director and Member of the Audit Committee Plan B Media public Co., Ltd.
2007 - Present	Independent Director and Member of the Audit Committee Asiasoft Corporation public Co., Ltd.
2000 - Present	Visiting Lecturer, Faculty of Accountancy Bangkok University
1992 - Present	Visiting Lecturer, Faculty of Commerce and Accountancy, Thammasat University
1997 - 2011	Director and Chief Financial Officer Group of Wave Entertainment Public Co., Ltd.
1987 - 1996	Audit Manager, EY Office Limited



Mr. Narongrit Sammanuch

Vice President of Purchasing Department

Age 54 Years

Education/Training

- Bachelor Degree in Laws, Ramkhamhaeng University
- MBA from the University of Thai Chamber of commerce
- Training course in Human Resource for Non-Human Resource
- Training course in Effective Budgeting

Percentage of Shareholding

- None -

Relationship with Company's Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

Jul 2019 - Present	Vice President of Purchasing Department Nava Nakorn Public Co., Ltd.
Sep 2016 - Jun 2019	Vice President of Administration Department Nava Nakorn Public Co., Ltd.
2003 - Aug 2016	Vice President of Purchasing Department Nava Nakorn Public Co., Ltd.
1996 - 2002	Assistant Manager Administrative Department Nava Nakorn Public Co., Ltd.



Mr. Nutnarut Suriyapanuwat

Vice President of Sales and Marketing Department

Age 50 Years

Education/Training

- Bachelor Degree in Mechanical Engineering RMIT University
- Bachelor Degree in Industrial Engineering Monash University
- Training course in Effective Budgeting
- Training course Project Feasibility Study and Cash Flow For Real Estates

Percentage of Shareholding

- None -

Relationship with Company's Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

2005 - Present	Vice President - Sales and Marketing Department Nava Nakorn Public Co., Ltd.
2000 - 2004	Sales and Marketing Manager Kabinburi Industrial Zone limited



Mr. Veerachai Chutimakorn

Vice President of Environment Department

Age 55 Years

Education/Training

- Bachelor Degree in Education, Prince of Songkla University
- Master Degree in Business Engineering Management, Rajamangala University of Technology Thanyaburi
- Training course in Supervision Wastewater Treatment Activated Sludge #2
- Training course in Mini MBA form University of the Thai Chamber of Commerce #1
- Training course in Solid waste management and hazardous waste.
- Training course in Environmental Manager of Industrial Works
- Training course in Effective Budgeting
- Training course in The Water Footprint Assessment
- Training course in CSR for Corporate Sustainability

Percentage of Shareholding

- None -

Relationship with Company's Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

2005 - Present	Vice President of Environment Department Nava Nakorn Public Co., Ltd.
2004 - 2005	Manager - Maintenance and Control System Division Nava Nakorn Public Co., Ltd.
2000 - 2003	Chief - Maintenance and Control System Division Nava Nakorn Public Co., Ltd.



Mrs. Sureerat Sroysoontorn

Vice President of Internal Audit Department

Age 65 Years

Education/Training

- Bachelor Degree in Business Administration, Bangkok University
- Diploma of Internal Audit, Institute of Internal Audit of Thailand
- Training Course from The Stock Exchange of Thailand
 - Strategic CSR Management
 - Supply Chain and Stakeholder Engagement Course
 - Corporate Social Initiatives for Sustainable Development Course
 - Sustainability Risk and Materiality Analysis Course
 - CSR Evaluation and Data Management Course
 - Sustainability Reporting Course
 - Understanding C symbol and Back Door Course
 - Social Investment Course
 - Smart Disclosure Program Course
 - Using Set Portal System Course

- Training “Implementing BSC and KPI technologies as a strategy tool Course”, Technology Promotion Association (Thailand-Japan)
- Training “Growing awareness of energy conservation in the workplace course”
- Training “Business sector standards Anti-corruption bribery course”
- Training “Facilitation and Efficiency Development of the Customs Department Course”
Thai Institute of Directors Association
- Training “Investment confident and health care course”
Krungthai Asset Management Public Co., Ltd.
- Training “Update accounting standards course”
KPMG Phoomchai Audit Co., Ltd.
- Training “The Committee of Occupational Safety, Health and Work Environment of the Workplace.”
- Training “360° Leadership Development”
- Seminar SETLink, The Stock Exchange of Thailand

Percentage of Shareholding

50,000 shares (0.0024%)

Relationship with Company’s Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

2007 - Present	Vice President of Internal Audit Department Nava Nakorn Public Co., Ltd.
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Mr. Vaurapope Charusorn

Assistant Managing Director

Age 41 Years

Education/Training

- Bachelor Degree Economics International Business, Valdosta State University, USA
- Training course in The safety officer in management level
- Training course in Effective Budgeting
- Training course in Awareness to IMS for ISO9001:2008 & ISO14001:2004
- Training course in Professional QMR/EMR role & Responsibility
- Training course in Management for Labour Law

Percentage of Shareholding

14,911,100 shares (0.7279%)

Relationship with Company's Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

2 Jan 2020 - Present	Assistant Managing Director Nava Nakorn Public Co., Ltd.
13 Dec 2018 - 3 Oct 2019	Director Navanakorn Smart Energy Co., Ltd.
Sep 2016 - 1 Jan 2020	Vice President of Business Development Department Nava Nakorn Public Co., Ltd.
Jul 2015 - Aug 2016	Acting Vice President of Administrative Department Nava Nakorn Public Co., Ltd.
Nov 2014 - Aug 2016	Vice President of Human Resource Department Nava Nakorn Public Co., Ltd.
2011 - 2015	Manager - Sales Division (Europe) Nava Nakorn Public Co., Ltd.



Mrs. Onanong Naowaratkoolchai

Vice President of Accounting and Finance Department

Age 46 Years

Education/Professional Qualification

- Bachelor Degree in Accounting, Thammasat University
- Master Degree (MBA), Kasetsart University
- Certified Public Accountant (CPA), Thailand, registered no.6310
- Arbitrator of Thai Arbitration Institute : TAI, Court of Justice (Since Jan 2018)
- ASEAN Chartered Professional Accountant (ASEAN CPA) (Since 12 Oct 2017)

Other Relevant Training in 2019

- KPMG Executive Briefing, Topic: IFRS 9, 16 in Practice for Manufacturing Industry, KPMG Phoomchai Audit Ltd.
- KPMG Audit Committee Forum, Topic: Robotic Process Automation (RPA) - Next Generation Workforce, KPMG Phoomchai Audit Ltd.
- PwC Forensics Seminar on Anti-Money Laundering Compliance Risk, Law and Regulations, PricewaterhouseCoopers ABAS Ltd.

- Seminar Re “Cybersecurity and Personal Data Protection: Get Ready for New Business Standards”, Faculty of Law, Chulalongkorn University and The Stock Exchange of Thailand
- Seminar Re “Disruptive Arbitration : Role of the Legal Profession and 2nd seminar workshop on Arbitral Proceedings, Thai Arbitration Institute : TAI, Court of Justice
- Seminar with Thammasat Business School Re “International Financial Reporting Standard (IFRS) 9: Financial Instruments”, Faculty of Commerce and Accountancy, Thammasat University.

Percentage of Shareholding

- None -

Relationship with Company’s Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

1 Mar 2015 - Present	Vice President of Accounting and Finance Department Nava Nakorn Public Co., Ltd.
2014 - Feb 2015	Senior Manager Accounting Department Metrosystems Corporation Public Co., Ltd.
2002 - Jul 2013	Assistant CFO and Company Secretary WAVE Entertainment Public Co., Ltd.
1996 - 1999	Assistant Auditor Pricewaterhouse Coopers ABAS Limited



Mr. Popporn Chandawanich

Vice President of Civil Department

Age 43 Years

Education/Training

- Bachelor Degree Music Business Management, Berklee College of Music, USA

Percentage of Shareholding

22,046,905 shares (1.0763%)

Relationship with Company's Executives (s):

Son of Mrs. Suvalai Chandawanich and Air Chief Marshal Dr. Nopporn Chandawanich
 Brother of Mrs. Peerayaluk Tangsunawan
 Young brother of Mr. Suthiporn Chandawanich

5 years Past Experiences and/or Remarkable Position

2009 - Present Vice President of Civil Department
 Nava Nakorn Public Co., Ltd.



Mr. Pichai Niyomthai

Vice President of Management Department
 Nakhon Ratchasima Project

Age 55 Years

Education/Training

- Bachelor degree Engineering Rajamangala University of Technology Thanyaburi, Thailand, 1994.

Percentage of Shareholding

- None -

Relationship with Company's Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

2019 - Present	Vice President of Management Department Nakhon Ratchasima Project Nava Nakorn Public Co., Ltd.
2009 - 2019	Manager of Environmental and Public Work Division Nakhon Ratchasima Project Nava Nakorn Public Co., Ltd.
2006 - 2009	Engineer Project of Nakhon Ratchasima Project Nava Nakorn Public Co., Ltd.



Mr. Pipat Pongsuk

Vice President of Industrial Water Supply Department

Age 55 Years

Education/Training

- Diploma Vocational Certificate, King Mongkut's Institute of Technology Ladkrabang
- Bachelor Degree in Science, Rajabhat Rajanagarindra University Chachoengsao, Thailand
- Complete in TLCA Executive Development Program (EDP Class 7), Thai Listed Companies Association
- Complete in Integrated Water Management for Executive Course Class 3, Thai Waterwork Association (TWWA)

Percentage of Shareholding

- None -

Relationship with Company's Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

Feb 2018 - Present	Vice President of Industrial Water Supply Department Nava Nakorn Public Co., Ltd.
1994 - 2017	Vice President of Maintenance Department Assistant Vice President of Operation Department Manager Maintenance Division Eastern Water Resources Development and Management Public Co., Ltd.



Ms. Wannisa Hatthamas

Company Secretary

Age 29 Years

Education/Training

- Bachelor of Arts Program in English, Suan Dusit Rajabhat University
- Certificate form Thai Institute of Director (IOD), Company Secretary Program ZCSP) Class 98/2019
- Training “IR Fundamental Course”, The Stock Exchange of Thailand
- Training “Business Management For Sustainable Development”, The Stock Exchange of Thailand
 - P01 : Preliminary to Corporate Sustainability Course
 - S01 S02 S03 : Corporate Sustainability Strategy Course
 - S04 : Sustainability Risk and Material Analysis Course
 - S05 : Sustainability Evaluation & Data Management Course
 - S06 : Sustainability Reporting Course
- Training “Understanding C symbol and Back Door”
- Training “Investment for Social”
- Training “Smart Disclosure Program”
- Training “IR Talk Series”
- Seminar SETLink, The Stock Exchange of Thailand
- Seminar Enhancing, Good Corporate Governance based on CGR Scorecard, Thai Institute of Directors (IOD)

Percentage of Shareholding

- None -

Relationship with Company’s Executives (s):

- None -

5 years Past Experiences and/or Remarkable Position

Apr 2018 - Present	Company Secretary Nava Nakorn Public Co., Ltd.
Dec 2017 - Present	Investor Relations Officer of Investor Relations Department Nava Nakorn Public Co., Ltd.
2013 - 2017	Digital Content Marketing Promotion Officer Marketing Promotion Department Software Industry Promotion Agency (Public Organization) (SIPA), Ministry of Information and Communication Technology (Digital Industry Promotion Agency (DEPA), Ministry of Digital Economy and Society

Sustainable Development Goals

Sustainability of Our Goal



Our priority is the target toward sustainability and as an illustration of our effort, we are ranked among the ten attractive securities for investment. We performed public services that yields benefits and long-term positive impact. These are what we strive for to cultivate Nava Nakorn Industrial Estate into a land of happiness for operators, factories and all residents.

Anti-Corruption Policy



Nava Nakorn Public Limited Company is committed to conducting business with integrity, transparency and fairness, adhering to the good corporate governance. In 2018, NNCL has joined the “Private Sector Collective Action against Corruption” to show our distinctive intention and determination against all kinds of corruptions. In this regard, the meeting of the Collective Action Committee No. 3/2018 On Monday, November 5, 2018, approved the Nava Nakorn Public Company Limited as a member of the Thai Private Sector Collective Action Coalition Against Corruption. The certificate will be valid for 3 years from the date of approval.

To emphasize that NNCL is strongly against corruption, to ensure that all decisions and business transactions will be executed with transparency and to be guideline to all directors and employees, the Company has arranged a written guideline called ‘Anti-Corruption Policy’ to serve as an apparent guideline in performing business.

Definition

Corruption means any types of bribery; an offering, giving, promising, giving, accepting or demanding inappropriate benefits as an incentive (money, gift, loan, reward, incentive, banquet or other benefits etc.) in order that a particular person will commit an illegal action or against the morality; the abusive use of power based on position, duties and/or the use of information received from performing one’s duty in any approach that bring about benefit to oneself and/or other person in order to acquire money, assets, other inappropriate benefits or advantages directly and indirectly; any actions that are in conflict or against morality. Exception shall be applied in case of laws, regulation, statement, standard, custom, or business traditions enable to do so.

Anti-Corruption Policy

Directors, Management Team, and NNCL employees are prohibited from operating or accepting every type of corruption both in direct or indirect manner covering every business and related department. The Anti-corruption Policy is needed to be reviewed regularly, including with a possible revision of such policy and strict implementation provision in order to accord with business changes, regulation, standard, and laws.



Scope and Responsibilities

1. The Board of Directors is responsible for determining the policy, monitoring, and forming an effective system supporting Anti-corruption act in order to affirm that the Management Team intensively concerns, emphasizes, and cultivates Anti-corruption mindset as the company’s culture.
2. The Audit Committee is responsible for revision of financial and accounting reports in line with accounting standard and to ensure the efficient and appropriate internal control system.
3. Chief Executive officer and Managing Director are responsible for determining Anti-corruption system, promoting, and encouraging Anti-corruption manner conveyed to all staff and related parties. This also includes reconsideration on system or regulation in order to best adjust with business changes, regulation, standard, and laws.

4. Internal Audit Director is responsible for auditing in business transactions whether they are accurate and complied with policy, and internal control system, complying to the law and regulations of the Approval Authority in order to assure that the internal controls are sufficient and suitable for probable risk in corruption. This shall be directly reported to the Audit Committee.

Guidelines

1. The Board of Directors, Management Team and all employees must follow the Anti-Corruption Policy and NNCL Code of Conduct by avoiding involving with any course of corruption in direct or indirect manner.
2. NNCL staff shall not be negligent in any corruption conditions involved directly with NNCL. All staff must notify such act to supervisors or responsible person, including collaborate with investigation. Any queries or questions are needed to be consulted by the supervisor or a responsible person who monitors the NNCL Code of Conduct compliance provided in particular channels.
3. The Company shall provide fairness and safeguard staff who denies or informs corruption cases relating to NNCL by applying Protection Policy for appellant or persons who incorporate with Anti-corruption information as stated in the Whistleblower Policy.
4. NNCL concerns the importance of dissemination, knowledge sharing, and communications with other people who involve or affect NNCL so that those parties shall conform effectively to the Anti-corruption guideline.
5. This Anti-corruption Policy covers to Human Resource Management process starting from recruitment, promotion, training, evaluation, and benefits provided to staff. Every supervisor in every level must communicate to staff for clear understanding.
6. To stress the attention on processes which incur a high risk in corruption, the Board of Directors, the Management Team, and the NNCL staff must conform carefully in the following courses of action.
 - 6.1 Gifts, banquet, giving, delivering or accepting gifts must be complied with the NNCL Code of Conduct.
 - 6.2 Granting contribution or receiving the aid must be transparent and in accordance with stipulated laws by confirming that such transaction shall not be claimed as a bribery act.
 - 6.3 Business Relation All types of bribery or illegal payments are prohibited in all business transactions. Such implementation must be proceeded transparently and in alignment with related laws and regulations.

Dissemination of Anti-Corruption Policy

1. The Company shall post the Anti-corruption Policy at all of the bulletin boards of NNCL.
2. The Anti-Corruption Policy is published through communication channels of the Company such as website, Annual Statement (form 56-1) and Annual Report (56-2).
3. The Anti-Corruption Policy is included in the employee's handbook.
4. All employees are required to sign in the form and affirm that they have acknowledged the content of the NNCL Code of Conduct and the Anti-Corruption Policy. The said form, upon being signed, is a confirmation that they have read the document and agreed to comply to regulations therein. An employee cannot claim that they have not read the content or signed in the acknowledgement form as a reason not to comply to the regulations.
5. The revocation of one of the articles in the NNCL Code of Conduct or Anti-Corruption Policy shall be approved by the Board of Directors and disclosed immediately.

Political Contribution Policy

NNCL remains neutral in politics, non-alignment movement and not providing fund or other support to any particular political party directly and indirectly.

Political Contributions means provision of financial support or in-kind such as giving goods or services, advertising or promoting political party, buying tickets to the event with purpose to funding or to donating money to an organization that having close relation to a political party, representing a company to participate in political campaign etc.

The Company supports politics under democratic system and deems that employees have right and duty as a Thai citizen as stipulated by law, and that they may participate or support political activities individually. All employees are prohibited to use their position in the Company or bring the Company's asset to contribute or proceed in any activities.

1. Charitable donation

The charitable donation in monetary or asset must be disclosed, and proceeded with transparency, and accuracy in line with law.

Such donation shall not be referred to as a bribery. Charitable donations must be made on behalf of the Company and being approved by authorized person. The donations must be made to an organization or agency such as foundations, public organizations, temples, educational institutions, clinics etc. for social, educational or public benefit, having no reciprocity, with a tracking scheme in place to ensure the reliability and accountability.

2. Sponsorships

Sponsorships means a money paid to or received from customers, trading partners and business partners based on reasonable ground, with objective of business, brand or corporate reputation.

Such Sponsorship is beneficial to the goodwill, public relations, business relation and opportunity. Sponsorship must be made openly, transparently and legally, with tracking scheme that with a tracking scheme in place to ensure that requesting person has actually implemented the projects as proposed, that the sponsorship is a part of project success, that the project bring about benefit to society or that the sponsorship is in accordance with CSR objective.

Sponsorships must be made in request form, specifying name of receiving party, purpose of sponsorship, with all required documents which shall be submitted to an authorized person of the Company for approval in accordance with procedures specified.

3. Gifts/hospitality fee and other expenses

With well aware that building good relation with business alliances is a crucial factor leading to continual success, the Company has formulated the policy to prohibit directors and staff to accept, directly or indirectly, any gifts from stakeholders of the fields under their responsibility, such as government officers, government agency, private agency and business partners in order to gain inappropriate benefits and to lead to omission of their own duties. Exception shall be applied in case of giving or receiving gifts by appropriate occasion or opportunity such as giving gift in local or traditional custom, trading custom where the value of such gift shall not exceed the certain amount or exceed the amount as acceptable by the government officer.

Expenses for banquet and other expenses relating to compliance to business contract is permitted but to the appropriate and reasonable extend and scope and shall be auditable.

Reporting and complain filing

The committee of the board have set policy and process in dealing with such matter including action or, lag thereof, displaying an unethical, illegal, fraudulent activity performed by the employee and other beneficiary. The scope also includes financial and accounting misconduct in addition to the bias internal oversight and governance. Having these measures in place will foster an environment for stakeholders to inspect and notify a misconduct more effectively and efficiently.

Definition

Whistleblower is an employee or individual with business involvement

Auditing body is the director of internal audit or individual within the auditing department

Staking matter

An action or, lag thereof, displaying an unethical, nonconformant, illegal, fraudulent wrongdoing that create both, direct and indirect effect to the company resulting in an undesirable outcome in financial and non-financial aspect.

Communication channels

1. Email at whistleblower@navanakorn.co.th
2. Web form on www.navanakorn.co.th
3. Post mail addressing

Chairman of the Audit Committee

Nava Nakorn Public Company Limited
999 moo 13 Phaholyothin Rd, Klong Nueng,
Klong Luang, Pathumthani 12120

Protection program

- Accuser, accuse, and accusation will be kept secret
- Only vital information will be release
- Damaging party will be properly compensated
- Safety aspect is a responsible of the inline superior. Management of resources must be balanced with safety throughout the investigation.

Truth seeking

- Evidence collection
- Auditing body is in charge of collecting evidence and present the finding to the Managing Director

Data filtering and investigation

Investigation team will be appointed by the Managing Director to carry out such process which includes

1. The President of Administration Department
2. A direct line superior of the whistleblower who carries no conflict of interest with the matter
3. A direct line superior of the accused who carries no conflict of interest with the matter
4. The management team An observer from the auditing body

Procedure boundary

The President of Administration Department is responsible for presenting the summary of facts finding to the Managing Director for further proceeding and corrective action.

In dealing with an impact to reputation and financial position or an involvement of the management individual, the accusation will be presented to the committee of the board by the auditing body for further evaluation.

During the committee of the board meeting 9/2016 held on October 20, 2016; a procedure in managing an assistance of political campaign and nonprofit donation in addition to the whistleblower protection policy was established under an anti-corruption policy. This span include financial support including gifts, event sponsoring and expenses reimbursement.

Policies And Overall Of The Business Operation



1. Policy and Overall Business

Nava Nakorn Public Company Limited, located in 2 locations of Nava Nakorn Industrial Estate and Nava Nakorn Industrial Zone in Nakhon Ratchasima, consisting of 4 main businesses as follows:

1. Land and real estate development
2. Utility investment
3. Our services investment
4. Energy investment

Nava Nakorn Industrial Estate, Pathum Thani

Land Development

Most of the land development for industrial use are all sold out. On the other hand, we receive purchasing request of new lands from customers regularly. In proportion, the new purchases were mostly from existing customers who would like to expand their factories, indicating the positive growth of our customers. At the same time, there are new customers interested in selling the land of the company. That customers are still interested in the area of the company in Investment is ongoing.

Utility Electricity

As for utility, the construction of a 125 MW Navanakorn Electricity Generating Co.,Ltd (NNEG) (a joint venture between Navanakorn PLC. and Ratchaburi Holding PLC. and GPSC (PTT subsidiary) has been completed and started supplying power to Electricity Generating Authority of Thailand :EGAT and tenants in Navanakorn Pathumthani Industrial Estate since June 2016. NNEG generated a satisfactory profit since the first month of operation.

In addition, income of NNEG were increasing as we received more and more inquiry from factories within the Industrial Estate regarding supplying power and steam for industrial use. The capacity is now almost reach the maximum point.

In February of 2019, NNEG has decided to build phase 2 of the Co-Gen power plant to support the demand of electricity and steam from customers within the industrial zone. Phase 2 has building additional 60 megawatts of electricity and 10 tons/hrs. of steam interns, generating more continuous revenue for the company. As of December 2019, approximately 85% of the second power plant has been built and is expected to be commercial operation date (COD) in the end of 2020.

Telecommunication

For investment in telecommunication utilities is a fiber optic cable network project in accordance to area organizing policy of Nava Nakorn Industrial Estate, Pathum Thani, which operates a partnering with ALT Telecom PLC. The project are 2 phases: Phase 1, Factory Area and Phase 2, Commercial and Community Area. Currently, it is in the process of phase 1, in which the local operators have already moved to use the central network system of 693 core and in the process of implementing the communication cable removal plan from the area and approximately 90% completed. The remainder of providers will completely remove the communication cable by March 2020. The Project' organization in Phase 1 has been result better landscape, as well as reducing the accident from trucks. For Phase 2, the commercial and community area have studying the operating of appropriate organization in order to minimize the use of telecommunications by the residents of the community.

Others information utility

In year 2019, Utility rates had remain the same rate as follows;
1. Monthly Service Fee for general industrial areas and duty free

Details	Monthly Service Rate (Baht)
2019, Industrial Area	1,000
2019, Free Zone Area	1,600

2. Adjustment for industry (Current rate is 20 baht/ m3)

Usage	Rate (Baht/M3)
Less than 500	20
More than 500 but not over 5,000	22
More than 5,000 but not over 10,000	24
More than 10,000	26

Note: This is a progressive rate effective in 2018 exclusively for Nava Nakorn Industrial Estate, Pathumthani.

However, the water plant has been remain improved water-pipe network to increase stability and efficiency for customers servicing in the industrial estate. For Wastewater treatment, the company has treatment in accordance the standard of the Royal Irrigation Department and the Ministry of Industry before drain into the river. And the civil work, There were also repairs and improvements on damaged roads to facilitate the transportation and traffic and factories in Nava Nakorn Industrial Estate, Pathumthani.

Services

NNCL services which include cleaning, waste management have been improved. The problem of remaining garbage was solved while the Company earned more income. As a result, the scenery and health of residents in Nava Nakorn Industrial Estate have been leveraged as a whole. The Company carried on developments to communities and the public as to upgrade the well-being standard within. In 2019, the company created an environmental quality improvement project for Community and commercial zone within Nava Nakorn Industrial Estate. This project is created to develop and improve the community's environment. For better quality and residents in the community as result to better quality of life and there is no environmental impact on the community around the project.

Moreover, the company provides 2 parking, which are Thai Thani Community Parking and Navanakorn 10 road parking to organize industrial estate area and problem-solving of traffic and increase the parking space to surrounding area

Energy

A solar energy pilot project was formed in Nava Nakorn Pathumthani Industrial Zone to be used as a developmental platform for a larger scale electrical grid called The Smart Grid. The Smart Grid will be the stepping-stone for the Smart City concept that Nava Nakorn is moving towards. The pilot project

can also provide financial insight in operating this particular industry prior to the actual commercial application that Nava Nakorn gearing to pursue in the future. The company have the installation of a solar roof system (Solar Roof) on the water plant with capacity of 719 Kw. At present, the license for the power generation system has been completed. From June-December, the company can reduce at 22.94% of the electricity cost for the water plant. In the future, if there is a government policy about Smart Grid, will develop the project to intelligent power networks for connecting factories in the area.

Nava Nakorn Industrial Zone, Nakhon Ratchasima

Land Development

As previously informed about the completion of the 800 rai of land in Phase 3, in which the sale has been started, now, parts of the land are sold for factories more and more. On the other hand, our existing customers purchased more land to expand their production and to construct new factories. Overall, the situation is similar as in Navanakorn Pathumthani. The project receive contacts and visits from prospective customers, but none of them postponed to make a decision due to the same reason as aforesaid. Nevertheless, the Company carried on seeking different approach for land development. For instance, the land adjunct to Mittraparp road is now under the survey and negotiation as to build resting point for drivers. Additionally, the resting point may have petrol stations, accommodations, restaurants and souvenirs shops etc.

Services

According Nakhon Ratchasima area is only for entrepreneurs without communities, therefore provide cleanliness services for good hygiene, transportation for traffic safety as well as meeting rooms renting, Security, etc. together with prevention of environmental impacts.

Utility

As for public utility, the main issue in Nakhon Ratchasima is water resource. Navanakorn Nakhon Ratchasima has already prepared large 4 water reservoirs, with total capacity over 1,700,000 million cubic meters which exceeds demand for production in each year. However, due to drought crisis in 2016, the Company is aware of the risks that may occur in the future. Hence, the Company planned to expand the construct more water reservoir, launch campaigns among factories on water-saving and recycle in order to ease the risk of water scarcity. In addition, major improvement was done to the industrial water production system with the aim to increase the stability and efficiency of the overall system. The in-bound pumps were replaced with a larger units while improving the water supply quality helps minimize shortage of useable fresh water in the industrial zone.

Energy

There is pilot project of solar energy systems in Pathum Thani which it can reduce electricity costs. Therefore has a policy to install solar power generation system in the suitable area of Nakhon Ratchasima for reduce the electricity cost in various parts of the industrial zone in the future.

Communication

The Bang Pa Inn-Nakorn Ratchasima Motorway or Motorway 6th which scheduled to be in service in 2020 provides great logistical advantage for Nava Nakorn Nakorn Ratchasima Industrial Zone as it is located 1 kilometer away. The new Motorway is designed reduce traffic congestion on Mittaphab and Paholayothin Rd. as it runs parallel to the two main highways. This was done by connect the existing East Outer ring Rd. in Adyyudaya province and spanned to Nakorn Ratchasima province near Lum Ta Klong reservoir. The entire length is 196 kilometers or 2 hours of travel.

2. Past Important Improvement

Navanakorn Electricity Generating Company Limited In 2009,

The company has become a business alliance in the power plant project as a small power producer with Ratchaburi Electricity Generating Holding Public Company Limited and PTT Public Company Limited.

In January 2010

The company registered the establishment of Navanakorn Electricity Generating Company Limited (NNEG).

In December 2010

The Shareholder Agreement for the joint venture of Navanakorn Electricity Generating Company Limited (NNEG) with PTT Public Company Limited and Ratchaburi Electricity Generating Holding Public Company Limited in the shareholding rate at 30% and 40% respectively. However,

In 2011,

Navanakorn Electricity Generating Company Limited had the start-up authorized capital at 2,000,000 Baht as divided into 200,000 ordinary shares of 10 Baht per share.

On December 31st, 2013,

The Company paid the shares of 120,600,000 Baht, with the paid-up capital of 402,000,000 Baht as divided into 40,200,000 shares of 10 Baht per share.

On December 31st, 2014,

The company has paid the shares of 300,538,000 Baht, with the paid-up capital of 1,002,000,000 Baht as divided into 100,200,000 shares of 10 Baht per share.

On December 31st, 2015,

The company has paid the shares of 300,538,000 Baht, with the paid-up capital of 1,002,000,000 Baht as divided into 100,200,000 shares of 10 Baht per share.

On December 31st, 2016 - 2017,

The company has paid the shares of 457,438,000 Baht, with the paid-up capital of 1,525,000,000 Baht as divided into 152,500,000 shares of 10 Baht per share.

On December 31st, 2018 - 2019,

The company has paid the shares of 464,938,150 Baht, with the paid-up capital of 1,550,000,000 Baht as divided into 155,000,000 shares of 10 Baht per share.

3. Overall of The Company's Business Operation, subsidiaries, associate, and relate companies

The subsidiaries, joint companies and associated companies of Nava Nakorn Public Company Limited has operated the business of real estate development which aims to improve the projects in the industrial promotion zone, NEP Realty and Industry Public Company Limited of being an associated company which conducts the production and sale business of packed manufactured of jute and plastic. At present, the company holds the internal share of 220,950,000 shares, calculated as 12% of the paid-up capital.

According to the company was invest in a subsidiary company, Nava Nakorn Smart Energy Company Limited (NSE), operating all types of electric power systems. Business buying and selling fuel production for electricity production including providing energy management services for all types. The company was registered on December 13, 2018 with a registered capital of 2,500,000 baht and the company holds 99.99 percent of the registered capital. In the total amount of 9,999,700 baht. At present, that company has registered to dissolve the company on 3 October 2019 because Nava Nakorn Public Company Limited can proceed with tax privileges and other matters related to solar energy: Solar Roof and Solar Floating by Nava Nakorn itself, therefore, has canceled the investment in the subsidiary company.

The investment in associated companies most of which conduct a business related to the support of services to habitants and entrepreneurs within the company's industrial promotion zone, with the following detail of business operation:

Security Navanakorn International Guarding Company Limited

Established in October 2001, the company carries out the business of security protection within the area of Nava Nakorn industrial promotion zone. At present, the paid-up capital is at 6.3 million Baht; by the end of the year 2002, the company held the shares of 100.00% of the paid-up capital, but in March 2003 the company decided to sell the investment of Nava Nakorn International Guard Company Limited at the number of 40,500 shares, or calculated as 81.00% of the paid-up capital to outsiders at that time because such company always had turnover loss; plus the company had no sufficient expertise in operating such business, resulting in the fact that at present the company remains the shareholding in such company of 15.08% of the paid-up capital

Sumiso Global Logistics (Thailand) Company Limited

Formerly Nava Nakorn Distribution Center Company Limited, established in 1989, to conduct the business of cargo service to companies located in the area of Nava Nakorn industrial promotion zone. At present, the company has the paid-up capital of 180.00 million Baht, holding the shares of 1.71% of the paid-up capital.

Nava Nakorn Electricity Generating Company Limited (NNEG)

NNEG is a small power producer (SPP) which uses the production process of electricity and steam by ways of natural gas as fuel, with the production power of approximately 125 megawatts and the production power of steam at 30 tons per hour; the client according to the contract being the Electricity Generating Authority of Thailand and the clients from industrial factories within Nava Nakorn industrial promotion zone in Pathumthani Province. Nava Nakorn Electricity Generating Company Limited to start the commercial operation on 3 June 2016. At present, the company has the paid-up capital of 1,550,000,000 Baht, holding the shares of 29.99% of the paid-up capital that is the total sum of 465,000,000 Baht.

Thai Thanan Company Limited

Thai Thanan Company Limited is a Telecommunications Business by having the first type of internet service license (Providing internet services without its own network) from the National Broadcasting and Telecommunications Commission. At present, the company has the paid-up capital of 2,500,000 Baht, holding the shares of 51% of the paid-up capital that is the total sum of 991,892.37 Baht.

Nature of Business



Income structure

The total income structure of Nava Nakorn Public Company Limited for the years of 2017-2019 can be divided according to the characteristics of operation as follows:

Unit: Million Baht

Detail	2019		2018		2017	
	income	%	income	%	income	%
Income from sale of real estate development projects	-	-	119.75	20.61	35.00	5.04
- Income from land sale of Nava Nakorn Industrial Zone Pathum Thani	-	-	129.75	13.39	35.00	5.04
- Income from land sale of Nava Nakorn Industrial Zone Nakhon Ratchasima	-	-	70.00	7.22	-	-
Revenue from rendering of services	633.24	81.74	632.81	65.30	547.29	78.84
Rental rent *	29.84	3.85	30.24	3.12	21.34	3.07
Other income **	111.61	14.41	106.22	10.96	90.51	13.04
Total income	774.69	100.00	969.02	100.00	694.14	100.00

Remark: The main total incomes of the company are income from services at the average of 81.74%, income rent at the average of 3.85% and the other income at the average of 14.41%.

* The Rental rent is that incurred from the rent of lands and locations.

** Other incomes = government grants, areas and infrastructure utilisation, interest income and other income

Year	Other incomes
2017	the main items of government grants, comprised of income from government grants of Baht 39.99 million and income from providing infrastructure Baht 32.00 million.
2018	the main items of government grants, comprised of income from government grants of Baht 39.94 million and income from providing infrastructure Baht 36.72 million.
2019	the main items of government grants, comprised of income from government grants of Baht 33.61 million and income from providing infrastructure Baht 40.83 million.

Infrastructure Development

Infrastructure Development
Great Infrastructure is
the Foundation of Development



Building the great infrastructure is at the heart of Nava Nakorn Industrial Estate.

To provide operators with utilities that support their industries, whether it be a water system, electricity that is generated on-site, treatment of wastewater before discharging to natural resource, and neatly grounded cables. The goal is to become a smart city for the future.

Nava Nakorn Industrial Estate Pathumthani



1. Nava Nakorn Industrial Estate (Pathumthani)

Nava Nakorn Industrial Estate Pathumthani has the total land area of 6,485 rais which is divided into Industrial area of 4,148 rais and unsold area of 208 rais. The company aims to develop land for sale consistently and improve its management to meet the requirement of the investors and government agency under TIS/ ISO 9001:2015 for development land and services in infrastructures and facilities from Management System Certification Institute (Thailand), MASCI and national accreditation system of the national Accreditation Council of Thailand in 2002.

1.1 The Estate is developed into 4 zones

1. Industrial Zone:

The general industrial zone covers approximately 4,148 rais and accounts for 60% of total estate area with more than 203 plants. At present, there are approximately 107-2-89 rais available for sale in this zone.

2. Commercial and residential Zone:

The Company allocated areas to develop into the commercial and residential zones on the approximate area of 641 rais which accounts for 10% of the total estate area. At present, there are 5,000 residents and about 92 rais available for sale.

3. Free Zone:

The Company has designated an area about 137 rais which accounts for 4% of the estate area on the Northeastern part of the Pathumthani Estate as Free Zone (FZ). Those who are investing in this Free Zone can receive special tax privileges. At present, all the land for sale was sold out.

4. Infrastructure and green Zone:

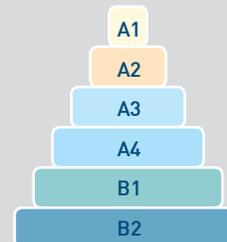
The area of infrastructure and green zone of 2,279 rais which accounts for 35 of total estate area was sold out. Conclusion of the Special Privileges under Nava Nakorn Industrial Estate (Pathumthani).

The benefits of land buyers in Nava Nakorn industrial estate Pathumthani

1.2 Special Privileges from BOI (Zone 1)

Providing benefits according to the new strategy (BOI)

Activity-based Incentives



Defined benefits based on the priorities of the business sector

Merit-based Incentives

1. Additional benefits to improve competitiveness.
2. Additional benefits to spread prosperity to the region.
3. Additional benefits for the development of the space industry. (Excluding tax increase one year)

Determine additional benefits to encourage investment.
Or spend on things that will benefit the country.
Or the industry as a whole more.

2. Facilities and Infrastructure

2.1 Roads

Roads can be divided into 11 types according to the width ranging from 9-32 meters. The roadways are connected making a network of roads on Phaholyothin road at 46 th kilometers. The roads, either asphalt concrete or steel reinforced concrete was repaired after damaging from the last year flooding as shown details below. Currently, in 2019, there is an ongoing road maintenance plan where damaged road surface will be both repair and completely redone using asphalt and reinforce concrete as follows:

1. Reinforce concrete on 2 roads number 19, 24 (25,866 sq.m). The company has been hired Contractor and started in November 2018 and complete in March 2019
2. Asphaltic concrete on 1 road number 5 (7,598 sq.m). The company has repaired by ordering asphalt by civil work department and use the equipment of the company to continuous repairs to be completed in March 2019

For road restoration plan

1. Nava Nakorn Road 4 (Asphalt concrete, Drainage ditch, Curb, Pavement, Traffic line)
2. Nava Nakorn Road 4/1 (Pavement and Curb)
3. Nava Nakorn Road 5/2 (Pavement and curb)
4. Nava Nakorn Road 24 (Pavement) from the original construction to the 1st road intersection

2.2 Rainfall Drainage

Rainfall systems in Nava Nakorn Industrial Estate is made of concrete under V-drain and U-drain system along the road with a length of 45 kilometers and capacity of 400,000 cubic meters. This helped connect as a network and in 2019, convey water to the canal

inside the best Rainwater will be drain into internal canals and only be pump out of the industrial zone into external canals during rainy season. The company has purchased a long arm backhoe with a steel raft for continuous canal dredging and reducing the cost of hiring a canal dredging. This is done to minimize the SS value of the external canals by lower the volume of the drained rainwater. The variation of the SS value is directly linked to the amount of the contaminated rainwater washes from the road surface and drained into the internal canals. However, the SS value is always within the safety limit but could be in the higher range at times.

2.3 Wastewater Treatment Systems

Nava Nakorn Industrial Estate (Pathumthani) improved wastewater treatment system by construction the new facility which was extended from previous wastewater treatment plant. The new phase was operated in April 2009 and received a permit from the Department of Industrial Works, Ministry of Industry, to build the central wastewater treatment plant, and be classified as the 101-plant number. The plant is intended to collect wastewater from industrial and commercial zones to be treated until the quality of the wastewater meets the standards set by Ministry of Industry. The previous wastewater treatment system was the "Conventional Aeration Activated Sludge". Meanwhile, the extended phase was set as Oxidation Ditch Activated Sludge system. Both work around the clock, 24 hours a day. This should help handle a maximum capacity of 46,000 cubic meters of wastewater per day. At present, there are 28,780 cubic meters of wastewater flowing into a waste water system or about 62.57 % of the maximum capacity.

Average wastewater quality of central wastewater treatment systems Nava Nakorn Industrial Promotion Zone, Pathum Thani (Compared to the standard of the Royal Irrigation Department and the Ministry of Industry)

Wastewater quality standards	Royal Irrigation Department standards	Ministry of Industry	2019	2018	2017
Acidity-Alkalinity (pH)	6.5 - 8.5	5.5 - 9.0	7.23	6.94	7.12
Biochemical Oxygen Demand (BOD) (milligram/litre)	< 20	< 20	2	2	2
Chemical Oxygen Demand (COD) (milligram/litre)	-	< 120	25	29	32
Suspended Solids (SS) (milligram/litre)	< 30	< 50	4	5	6

2.4 Wastewater Discharge System

Wastewater discharge systems in Nava Nakorn Industrial Estate is a closed system where it is separated from rainwater drainage system, which is an opened U-drain system. The width of wastewater discharge pipes varies from 150, 200, 250, 300, 400, 600, 800, and up to 1,000 millimeters, which can discharge and accommodate wastewater from various activities in the Estate from industrial, residential, and commercial areas. The waste water discharge system is composed of polishing pond and 51 wastewater pump substations around the Estate. These substations will pump wastewater into the Nava Nakorn central wastewater treatment plant.

Nava Nakorn Industrial Zone waste water treatment utilize a sanitary sewer system which is a completely separate unit from the storm sewer system which is uses to drain only rainwater into the internal canals. The sanitary sewer receives waste water from factories, businesses, and communities and direct it to the central waste water treatment plant. Waste water and rainwater are always separated and never mixed. In addition, a monthly assessment of discharged water is conducted, ensuring quality falls within the governed range. There is a daily water quality measurement that has been treated, which results in the standard criteria of the Ministry of Industry.

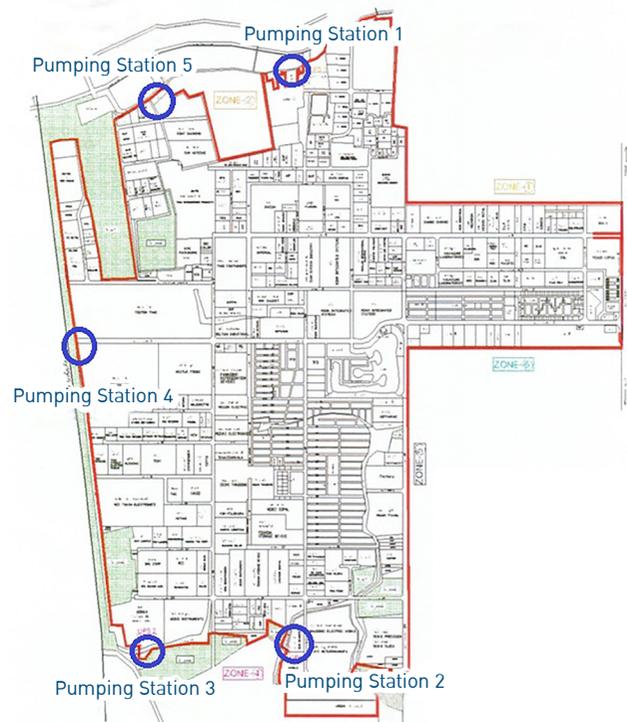
2.5 Flood Prevention Systems

Nava Nakorn Industrial Estate has the following flood prevention systems:

1. **Flood protection wall** : with 20.6 Kilometers long of wall protection which piling with corrugated concrete sheet pile (CCSP) 1 meter wide and 6-15.5 meters long and elevating the Nava Nakorn 5 road to the same level of CCSP, this should help protect the possible flooding in the future.
2. **Drainage Canal** : Inside Nava Nakorn Industrial Estate, there is a man-made canal in the area of 300 rais, which can accommodate about 1,200,000 cubic meters of water. In the rainy season, it can hold rainfall sufficiently. Water will be later taken and released outside the Estate by the many flood prevention-water pump substations.
3. **Flood Prevention-Water Pump Stations** : Pumping water out of the Company's stations, pumping stations, consisting of five pumping stations 1 and 5 at the north end of the project. And second and third pumping station at the south end of the project. And pumping station at the west end of

the four projects are also temporary pumps to prevent flooding. Efficient pumps includes 1,497,120 cubic meters / day There are also water pumps for draining water but the company has mobile pumping capacity is 86,400 cubic meters/day. The total efficiency of the pump is 1,406,400 m³/ day, with the following details:

The location of the pumping station of Nava Nakorn Industrial Estate



Number of pumps and drainage efficiency

Pumping station	Number of pumps	Drainage efficiency (m ³ / hr.)
1	7	17,500
2	5	12,500
3	5	12,500
4	2	5,000
5	3	7,500
Total	22	55,000 (1,320,000 m ³ /day)

The location of the pumping station of Nava Nakorn Industrial Estate

Pumping station 1: seven 75 KW pumps with capacity of 2,500 cu.m/hour responsible for klong six drainage



Pumping station 2: five 75 KW pumps with capacity of 2,500 cu.m/hour responsible for wang ta pod canal drainage



Pumping station 3: five 75 KW pumps with capacity of 2,500 cu.m/hour responsible for mae lad canal drainage



Pumping station 4: two 75 KW pumps with capacity of 2,500 cu.m/hour responsible for klong 10 drainage



Pumping station 5: three 75 KW pumps with capacity of 2,500 cu.m/hour responsible for premium zone resting pond Drainage



4. Procedures in draining water from internal canals and resting ponds are as follow
 - Summer (December-May) maintain the depth of 1.2m of water
 - Rainy season (June-November) maintain the depth of 0.7-1m of water

* In the case of possible flash flood, the water level will be carefully maintain to support such risk. There are specifically trained personnel stationing at each pumping station to monitor and maintain appropriate water level. In addition, each pumping station is equipped with generator and sub-switching circuit to supply electricity for necessary operations in the case of power loss.

2.6 Industrial Water Systems

The industrial water processing plant started providing service since June 2007. It is located on about 39 rais of land inside Nava Nakorn Industrial Estate Pathumthani. Water from this plant is for industrial purpose and provides to the industrial zone.

The plant gets water from Chao Praya River at Song Phi Nong Temple through a 900-millimeter HDPE water pipe, stretching 8

Water Quality

Water quality index Month/Year	pH (Standard 6.5-8.5)	Color (Standard <5) Pt-Co	Taste	Odor	Turbidity (Standard < 5) NTU
Jan/2019	7.89	4.70	NO	NO	0.33
Feb/2019	8.30	3.99	NO	NO	0.26
Mar/2019	7.74	4.15	NO	NO	0.37
Apr/2019	7.86	2.30	NO	NO	0.19
May/2019	8.18	3.10	NO	NO	0.32
Jun/2019	8.12	3.55	NO	NO	0.25
Jul/2019	7.89	3.78	NO	NO	0.41
Aug/2019	7.80	4.29	NO	NO	0.42
Sep/2019	8.00	2.39	NO	NO	0.20
Oct/2019	7.70	2.91	NO	NO	0.43
Nov/2019	8.10	3.00	NO	NO	0.50
Dec/2019	7.60	4.50	NO	NO	0.47

2.7 Water Systems

Water is from the Provincial Waterworks Authority or PWA. Nava Nakorn had made a buy/sell contract with PWA to resell water to residential and commercial zones inside the Nava Nakorn Industrial Estate Pathumthani. The main PWA water pipe passes through NavaNakorn Route 1 and Route 5 Roads. Nava Nakorn laid out connecting pipes from the main PWA water pipe to transport water through out the residential and commercial zones Currently, the water system services in the estate comes from 2 sources;

1. The industrial water processing plant by the Company to serve all needs of the investors with a capacity of 75,000 cubic meter per day.
2. Water from the Provincial Waterworks Authority or PWA connecting pipes from the main PWA water pipe to transport water throughout the estate.

In 2019, The average clients' demand was at 1,321,084.75 cubic meters per month or 43,432.92 per day which accounts for 57.91% of the total capacity. As a result, the water processing plant has no limitation off stretched capacity as there is more room to cope with expansion of the existing and any future factories. The company has been operating of water loss project. The operating results of water loss were an average of 11.00% which according to company's target the loss of water operations.

Development Project

1. Water Supply Pipe Systems

- 1.1 The company has a project to improve the main water distribution to increase the stability and efficiency in providing services to customers in the industrial promotion zone. By changing the equipment that has been in use for a long time, such as drainage door and some water supply pipes that have been deteriorated. In year 2019, The company has been carried out the water supply pipe Nava Nakorn Road No. 24.
- 1.2 The company has implemented a water pipe-laying in Nava Nakorn Industrial Promotion Zone (Pathum Thani) by laying HDPE water pipes of 500 mm. in diameter and 400 mm in length approximately 5 kilometers. The company was implementing water pipe-laying project for support the expansion of increasing demand for water in the industrial zone that expected to be completed by 2020.

2. Industrial Water Systems

- 2.1 The Company will plan water pipe-laying (by pass) to prevent the Damage problem of Detention Pond which will increase the potential of the water production. The process expected to be completed by 2020.
- 2.2 Pulsator system has improved stability of sedimentation by creating a roof structure to prevent external factors that affect sedimentation expected to be completed by 2020.

2.8 General Waste Management Systems

Nava Nakorn Industrial Estate, composing of residential houses, dormitories, shops, and factories, is required to have general waste management systems in compliance with the Factory Act B.E. 2535 (No. 2) of the Department of Industrial Works, Ministry of Industry, Re: Disposal of Wastes or Unusable Materials B.E. 2548. For non-hazardous waste or unusable materials from office, residential housing, and canteen areas in the factories inside Nava Nakorn Industrial Estates, the Company assigned J. Rattakan Company Limited and JPN Recycling Partnership to manage and eliminate waste or unusable materials systematically.

In waste management, the contractor will take all the waste (Community and industry) disposal by landfill to the waste pits, Bang Pa-in West Matt Apartment Company Limited, Chiang Rak Noi Sub-district, Bang Pa-In District, Phra Nakhon Si Ayutthaya Province

2.9 Electrical Systems

1. There are four power substations of Provincial Electricity Authority (PEA) and one power substation of Electricity Generating Authority of Thailand (EGAT) in Nava Nakorn Industrial Estate. The high voltage distribution feeder circuits systems are designed with complete load distribution and designed to be able to connect to Bang Pa-in Power Substation in case of electromotive force is unstable or power failure.
2. The improvement of group circuit in the estate should allow the power distribution and transmission system to serve specific needs of various customers efficiently. In addition, the electrical interruption in one area should not impact others thanks to a specific circuit plan that helps locate the default area and allow a company to fix the problem quickly.
3. Under the department of Alternative Energy Development and Efficiency, the registration of the clients based on the quantity of use such as the big firms which require more utilities should help control and use energy efficiently.
4. We improved the system of street lighting by changing LED lighting to reduce energy consumption and save electricity bill, the result as follows:

In 2018-2019, Nava Nakorn Industrial Estate Pathumthani can save electricity bill an average 60% of street lighting costs.

Nava Nakorn Industrial Zone Nakhon Ratchasima began changing LED lighting since October 18, 2019, which In October - December 2019, Nakhon Ratchasima can save electricity bill an average 69% of street lighting costs.

5. Installation of the generator number five stations pumping for emergency power backup in case of power failure. And to prevent flooding in the area. (Finished)

2.10 Internal telecommunications Systems

Industrial Estate (Pathumthani) the telecommunication network system is set to serve strong demand in various services such as telecommunication system, hi-speed internet and fiber cable optic as shown detail below,

1. The telephone network is serviced by TOT Public Company Limited and True Corporation Public Company Limited.
2. The mobile network under 3G and 4G by True Corporation PCL, Advance Info Services and Total Access Communication Public Company Limited.
3. Fiber Optic Cable by CAT Telecom Public Company Limited and United Information Highway Company Limited.
4. High speed internet by True Corporation PCL and Triple T internet Company Limited (3BB), and TOT Public Company Limited. All the services provider accommodate a quality of services as follows:
 1. Accommodate the determined Quality of Services.
 2. Has monitoring system which will alert clients if there is problem in order to timely resolving any issue.
 3. Specific team is assigned in providing analysis and problem solving to customers.

2.11 Security Systems

Inside the Estate, there are closed circuits TV (CCTV) in 62 locations. In 2019, there are additional 38 locations, and also the CCTV totaling of 100 locations in the estate. To control security, the Company hired Nava Nakorn International Guard Company Limited (affiliated company) to provide security of the project. The Nava Nakorn International Guard Company Limited oversees and maintains security as well as manages and supplies security guards to provide 24 hours security services. At present, there are approximately 148 security guards. The Company oversees, control, and performs quality check of the security service effectively. In security aspect, Nava Nakorn International Guard is providing specialized security personnel. A 24 hours security is overseeing the entire area in addition 62 CCTV throughout the industrial zone. In addition, in Pathum Thani, there are 2 traffic lights additional installed consist of; On the way to the U-turn bridge are and TOSTEM THAI Co.,Ltd. Intersection area.

2.12 Natural Gas Systems

The Company, in cooperation with PTT Public Company Limited, laid out pipelines to supply natural gas to industrial customers inside the Nava Nakorn Industrial Estate. Natural gas is a cheap and clean source of energy which has no impact on the environment. It is therefore a major factor for those who operate in the industrial estates and also a major factor in attracting customers into the estate. At present, PTT Plc. is servicing natural gas supply to requested factories. The Company also earns a pro rata on the volume usage according to the rate negotiated. Furthermore, the Company also earns rental revenue from renting out area for testing systems and gas distribution stations.

3. Key strength of Nava Nakorn Industrial Estate

- 3.1 Location near Bangkok and Don Mueang Airport, easy to travel and transportation
- 3.2 Complete with related systems such as Industrial Water Systems, waste water treatment systems and Power Plants in the industrial estate as a result the entrepreneurs trust in investment.
- 3.3 Many Labors in the industrial estate, which is a key factors in operating industrial factories.
- 3.4 "One Stop Service", supported investment convenient and easy to make decisions

4. The Project Investment

The Nava Privacy Project

The Nava Privacy project is the property development inside Nava Nakorn Industrial Promotion Zone, Pathumthani for commercial purposes. The project is comprised of a modern shopping center and residential buildings for rent and for sale. It emphasizes the creation of a social community both residences and a shopping complex in the same area. It is located on Thai-thani road within Nava Nakorn Industrial Promotion Zone, in the heart of community which is the most densely populated area.

The Nava Privacy Condominium is a 8-floor residential building. Each residential unit measures 31 square meters which is more spacious compared to other residential projects. Each unit is designed to provide comfort and suitable space allocation that respond to the needs of the clients. Each unit features bedroom, living area, dining area, kitchen equipped with a full set of quality built-in furniture, balcony, and bathroom with separate wet and dry spaces. The target customers of this project are the people who work within the Nava Nakorn Industrial Promotion Zone, Pathumthani and the vicinity.

Moreover, The Nava Privacy provides a greater comfort and convenience for residents than its competitors. The project offers, for example, shady Public Park, safe and spacious parking lot for cars and bikes, full range of international standard infrastructures, security system with security guards and entrance/ exit of the building controlled by keycard. The Nava Privacy is constructed in compliance with the relevant legislations e.g. Environmental Quality Protection and Promotion Act, Environment Impact Assessment (EIA) that set the requirement for 16 meters-wide main street, 12 meters-wide building's surrounding streets, fire prevention system, fire extinguishers, installation of solid ladders for fire escape in appropriate spots. Thus, beside the comfort and convenience that residents will experience while living in this property, they are also ensured of the safety of their lives and properties. This is in line with the concept emphasized by this project, which is "Be your privacy @Nava Privacy Condominium".

The progress of the project "The Nava Plaza"

First Floor Department Store (Nava Plaza)

3-Storey-Department Store (Building A)

- 1st floor, available service surrounding the building for exhibition, banquet, fair, expo etc.
- 2nd floor, available space on second floor that provide a seminar room and labor training center for customers who living in industrial estate Pathumthani
- 3rd floor, badminton court open in June 2017



2 building of one-storey commercial building (B/C)

At present, there are shops opening in the one-storey commercial building (Building B) (in the south), which selling food and beverage; 101 shops opening in the one-storey commercial building (Building C) (in the north), which selling fashion clothes gift shops and Super Market (All D) total 101 shops.

Residential Building 8 storeys (building A-03)

Overall progress of the project is 100 percentage of completion. The Company registered condominium juristic person at the Land Department, Pathum Thani province of which subsequently referred to as “The Nava Privacy Juristic Person Condominium”. Now the person stays in 80 rooms in total, 90% of the building.

Around the project futsal indoor stadiums have been built and have been operational since the end of 2017



The project rented parking space for 87 cars for recurring income and full renter.



Nava Nakorn Industrail Zone (Nakhon Ratchasima)



1. Nava Nakorn Industrial Zone (Nakhon Ratchasima)

In 2002, the Company expanded into a new industrial zone in order to secure a new source of revenue and provide more options to the investors who decided to situate their factories in the Company's industrial zone to gain benefit from the Board of Investment (BOI). The Company acquired the land in Soong-nern district, Nakhon Ratchasima province, to develop into a new industrial zone, named "Nava Nakorn Industrial Zone (Nakhon Ratchasima)". The project is located in the BOI zone 3, where the maximum privilege is given. The area has a high potential, as it is located at the center of the North-eastern logistics and well-equipped with basic infrastructure, i.e. road, electricity, telephone (fiber optic cable), and production materials (labor and agricultural products). The size of the project was initially 1,175 rai and, with the additional 728 rai bought in year 2003 - 2005, increased to 1,904 rai in 2005, with the salable areas of 1,322 rai. There are sold areas 710 rai and approximately 593 rai available for sale.

Nava Nakorn Industrial Zone, Nakhon Ratchasima is announced the industrial estate zone as per notification of the Ministry of Industry (2005) dated 20 June 2005, as a new industrial zone which property management and public utility system is in accordance with ISO 9001:2015 and ISO 14001:2015. A wastewater treatment and industrial water supply system for the plant. And attention to quality of life and the environment in a radius of 5 km.

The strengths of Nava Nakorn Industrial Zone, Nakhon Ratchasima managed with care and attention to quality check thoroughly. The policy of the executive of Nava Nakorn

Public Company Limited has set a target. Promote the Nava Nakorn Industrial Estate is an investment in the industrial zone level of industrial investment in the Nakhon Industrial Zone joined the Green industry Project and has been certified by the Ministry of Industry as Green Industry Level 3 (Green System). With systematic environmental governance management, regular assessment and review for improvement, the Company received Certificate of Green Factory: Silver Level from the Office of the Permanent Secretary, Ministry of Natural Resource and Environment and the project was awarded the CRS-DIW AWARD and Environmental Governance Project from the Department of Industry. Such reward and certificates reflects determination of the Company to conduct its business in line with policy of quality and environment which has been set as "customers satisfaction and care to environment are our priority".

1.1 Nava Nakorn Industrial Zone (Nakhon Ratchasima)

1. Industrial zone

The industrial zone covers the area of 1,322 rai, or 69.50% of the total area. (Currently, there are factories in more than 25 factories. The sales areas are approximately 593 rai in this zone.)

2. Infrastructure and Green zone

The infrastructure and green zone covers the area of 580 rai or 30.50% of the total area.

Front Industrial



Phase 1

Road and Utility System Phase 1



Main road inbound



Main road outbound



Road A1



Road B1



Crossroad C7



Road C6

2. Infrastructure

2.1 Road network in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Main road is connected to Mittaphab road km.231
The main road in the industrial zone is 4-lane road with road marks at 40 m. and 30 m.

The secondary road is 2-lane road with road market 30 m. and 26 m., which is reinforced concrete with 2-meter asphaltic concrete shoulders.

2.2 Water drainage and flood prevention system in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Nava Nakorn Industrial Zone (Nakhon Ratchasima) will construct soil dam surrounding the project area to protect the flood from outside. Also, the industrial zone will post the project territory and set up the water drainage system, i.e. drainpipe, reservoir, and gutter along both sides of the road, to collect rain and 4 water pumping stations around the project to drain the water to the public canal outside the project.

Phase 2 Road and Utility System Phase 2



Juction B1 and C11



Road B3



Road C9



Road C11

Phase 3 Road and Utility System Phase 3



Road C14



Road C14

2.3 Wastewater treatment system in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Nava Nakorn Industrial Zone (Nakhon Ratchasima) has placed wastewater collection pipes, made from HDPE (PN.4), 1.5-3.0m deep seated along both sides of the road and one 1.6m x 1.6m wastewater reservoirs at every 40 meters to collect all the wastewater from the factories in the industrial zone. Since wastewater released in different factories in the Industrial Zone are different content, therefore, the Company has supervised that wastewater released from factories must be in accordance with the regulations set forth and informed companies since the beginning of factory construction. In case the wastewater intensity exceeding the limit specified, the factory must conduct its own primary wastewater treatment prior releasing to the central wastewater treatment systems as per notification of the Ministry of Industry. In case where the quality of wastewater is not passed



the control criteria, the factory must retain the wastewater until the examination and remedy will be completed. The Nava Nakorn Nakhon Ratchasima has conducted the test on underground water, surface water, noise quality in the building and air quality within scope of 5 kilometer. Monitoring report is conducted and submit to Office of Natural Resources and Environmental Policy and Department of Industrial Works every 6 month. Together with Setting Bod on line to report to the Department of Factory can track and check it at any time.



2.4 Industrial water processing system in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Nava Nakorn Industrial Zone (Nakhon Ratchasima) has prepared one 1mn cubic meter reservoir on the 60 rai area and 500K cubic meter reservoir on 42 rai area and 400K for cubic meter reservoir 24 rai are collecting raw water and set up a raw water pumping station to pump water from Lamtaklong Dam via the project's 13.5 km water pipe to the project's raw water reservoir to be processed into industrial water for use in the project. At the completion of 3 phases, the full capacity of the industrial water processing system will be at 20,000 cubic meter per day. However, at present, the system is running at only 5,000 cubic meter per day,

with the water quality in line with the Metropolitan Waterworks Authority's standard.



2.5 Waste disposal system in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Nava Nakorn (Nakhon Ratchasima) chooses the logistics services and the industrial and hazardous waste disposal services from the companies approved by the Ministry of Industry (factory type 101 and 105). Moreover, the project is in cooperation with companies specializing in separating the industrial waste (factory type 106) for recycling in order to maximize the usage of natural resources and reduce waste. The project has set aside the area of over 1K sqm for waste seating room. Together with the campaign to manage waste management according to government policy.

2.6 Electric system in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Electricity Authority (PEA), set up a 2x50MVA power sub-station in the project to provide both 22KV and 115KV electricity. At present, the total electricity demand in the industrial zone is about 25 MW or 25% adequately served by the plant.

2.7 Communication system in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Communication system in Nava Nakorn Industrial Zone (Nakhon Ratchasima) is provided, with the various forms of services as follows

1. TT&T provides telephone and fax services
2. 3BB provides telephone, fax, high-speed internet, and high-speed data with leased line services
3. Communication network in the industrial zone is linked by fiber optic cables in order to provide high-speed telephone and communication services
4. The system is compatible to various types of networks, such as IP-VPN (3BB leased line to connect data among branches) and data communication through internet services (3BB internet leased line), with various speed of communication from 64K bps to 100M bps.
5. The system makes it possible for an intra-organization communication.
6. Service quality guaranteed by 3BB
7. The monitoring system will alert the customers should any anomaly arise in that the customers can resolve the problem on a timely manner.
8. System specialists are available for analyze and resolve any problem that may arise.
9. The system also provides CAT internet broadband, intranet, CCTV system, and other telecommunication services.
10. The system provides internet access via UIH, fiber optic cable, and leased wireless.
11. TOT broadband telecommunications system Enterprise Systems Data communication system, CCTV system. And other telecommunication services.
12. Sympony operated fiber optic. Leased line service, wireless and services internet. Sympony operated fiber optic. Leased line service, wireless and services internet.
13. TRUE Universal's operated fiber optic. Leased line service, wireless.
14. AIS's operates a fiber optic Leased line service, wireless.

2.8 Security system in Nava Nakorn Industrial Zone (Nakhon Ratchasima)

Nava Nakorn Industrial Zone (Nakhon Ratchasima) provides 24-hour security service and 24-hour CCTV to maintain high security standard in the project. Also, fire extinguishers are available along the road, surrounding the project, at every 150 m distant.

3. Summary of key attributes of Nava Nakorn Industrial Zone (Nakhon Ratchasima)

1. Maximum privilege from BOI zone 3.
2. Locating near the business center the Both Skilled labor abundance.
3. Many skilled worker
4. Minimal construction costs given that the area is rock based.
5. 5-year 10% discount granted for electricity usage.
6. Convenient transportation.
7. Infrastructure availability, i.e. power sub-station, industrial water, telecommunication services, roads, flood prevention system, waste treatment system, and security system.
8. 2 mn cubic meter raw water reservoir.
9. Nakhon Ratchasima province is the 2nd most population in Thailand and the labor center of the northeastern region
10. Convenient transportation due to the Bang Pa-in-Nakhon Ratchasima motorway
11. "One Stop Service", supported investment convenient and easy to make decisions

Risk Factors



1. Competitor Risk

At present, the government emphasizes on the eastern region, with the Eastern Economic Corridor (EEC) project providing the most benefits to the economic regulations of the three provinces: Chachoengsao, Rayong and Chonburi cause the most investor interested in their areas before Nava Nakorn Industrial Zone. The EEC area is mainly the automotive and chemical industry which is different from Nava Nakorn, mainly the electronics food and medical equipment industry etc.

In addition, the project also has utilities that are support with the aforementioned industries. Whether it is an industrial water system that is enough for demand and an Emergency Water System, Electricity System from the Electricity Authority of Thailand and the Electricity Authority at Nava Nakorn Zone which are all factors of production with the result that investors more interested Nava Nakorn Industrial Promotion Zone.

2. Economic Risk

At present, the economic downturn and politics are continuously involved in investment. Thai politics that has just on elections and facing global economic problems that obviously slow down. As a result, the bank has slowed down lending and higher interest rates, causing many businesses are currently in trouble. Nava Nakorn have lean the focus on improving the infrastructures that can be used to generate recurring income in addition to expanding into the network of current clients for potential customers.

3. Natural Disaster Risk

Uncontrollable external factors such as: Floods-posts risk to industrial, commercial, and residential area within the industrial zone Drought-posts risk to the Nava Nakorn directly as the production of industrial water and waste water treatment is the core business of the company Risks from these factors are minimized by having the Permanent Flood Protection Wall which is the main component of the total flood protection

system. There are also a cooperative effort from local government agencies and private bodies in sharing information and providing support to Nava Nakorn with an aim to protect the area from flooding or drought.

Risks from these factors are minimized by having the Permanent Flood Protection Wall which is the main component of the total flood protection system. There are also a cooperative effort from local government agencies and private bodies in sharing information and providing support to Nava Nakorn with an aim to protect the area from flooding or drought.

4. Mismanagement Risk

Having over 200 manufacturing facilities and the population over 150,000, the problem sometime escaped unnoticed and can cause negative reputation to the company. A refined management policy is in affect with the goal to identify such issue while creates transparency making sure all involving parties are operating harmoniously together.

5. Risks in acquiring additional land in the original project to develop for sale

For the company business, one of the main businesses is the development, sale and lease of land. Both for industrial purposes and commerce. Thus, it is necessary that the company must find more land to replace the area that has been sold. Therefore, the company has these main following policies:

5.1 Nava Nakorn Industrial Estate Pathumthani

Now, the area is over 6,500 rai and more than 200 factories, including a population of over 150,000 people working and living. Which make the area quite crowded and having sufficient growth plus the growth of its city and Infrastructure that grew to Pathum Thani district including the red line Sky train and elevated expressways that are being built and expected to arrive in Nava

Nakorn in the nearly future. Thus causing the land around which is a large space that is difficult to find and expensive price. The company itself has about 200 rai in the stock, most of which are prime areas and have high value and they are not suitable for industrial development then company has plans to develop the most remaining areas for commercial or residential purposes. Which will provide a better return and generate more regular income for the company. For industrial land, there is still an opportunity to expand further but will have higher costs. Therefore, in order to select a factory to come, it is wise to choose a factory that will provide a high return in terms of using the company's utilities in the long run.

5.2 Nava Nakorn Industrial Estate, Nakhon Ratchasima

There are approximately 600 rai of land available for sale. There is still an opportunity to expand and make profits for the company in the future. For the expansion in other areas, it would be considered in suitable areas for transportation and utilities including having to consider the government's promotion policy such as promoting the creation of a small, specialized settlement in the form of a "Cluster" rather than building a large settlement "Mix Use" which will have a lower cost investment.

6. Liquidity risk

Real estate development business is a business that uses high investment capital. Unfortunately due to the severe events, it may caused liquidity crisis and the company focus on investment project with acceptable risk and possible feasibility study. In case of sourcing of fund, it would be suitable and sufficient source of fund as well as suitable funding cost. 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 company had adequacy credit line of working capital, in case of the severe events had occurred.

7. Interest rate risk

Interest rate risk will affect the results of the Group's operations and its cash flows. Fluctuated interest rates may increase the Company's financial costs and reduce return on investments though decreasing of profits as well as affecting future business expansion. However, the company had managed free cash flow along with approved investment policy by Board of Directors and made decision based on suitable and maximizing return at that time.

General Information



Information

Company	Nava Nakorn Public Company Limited
Symbol	NNCL
Website	www.navanakorn.co.th
Register No.	0107545000322
Authorized Capital	2,048,254,862 Baht
Paid-up Capital	2,048,254,862 Baht

Nature of Business Property & Construction

Head Office 999 Moo 13, Phaholyothin Road,
Klong Nueng, Klong Luang,
Pathumthani 12120

Tel. 66 (0) 2529 0031-5
Fax. 66 (0) 2529 2176

Nakhon Ratchasima Office 999/1 Mittaphap Road, Km.231
Tambol Naklang,
Amphur Soongnuen,
Nakhon Ratchasima 30380

Tel. 66 (0) 4400 0111-5, 66 (0) 4400 1333
Fax. 66 (0) 4433 5478

Project The Nava Privacy 999 Moo 13, Phaholyothin Road,
Klong Nueng, Klong Luang,
Pathumthani 12120

Tel. 66 (0) 2529 2203, 66 (0) 2529 2746,
66 (0) 2529 0600

Fax. 66 (0) 2529 1889
E-Mail: thenavaprivacy@navanakorn.co.th

The Securities Registrar

Company	Thailand Securities Depository Company Limited
Head Office	93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
Tel.	66 (0) 2009 9000
Fax.	66 (0) 2009 9991
SET Contact Center	66 (0) 2009 9999

The Auditor

Auditor's Name	Nareewan Chaibantad Certified Public Accountant Registration No. 9219
Company	KPMG Phoomchai Audit Company Limited
Office	50-51 Empire Tower 1 South Sathorn Road, Bangkok 10120
Tel.	66 (0) 2667 2000
Fax.	66 (0) 2667 2222

Joint Venture Company / Subsidiary Company / Other Related Parties

Nava Nakorn Electricity Generating Company Limited

Industry	Small Power Plant
Shareholder	Nava Nakorn Pcl. Hold 29.99%
Head office	111 Moo 20, Phaholyothin Road, Klong Nueng, Klong Luang, Pathumthani 12120
Tel.	66 (0) 2024 8804-06
Authorized Capital	1,550,000,000 Baht
Paid-up Capital	1,550,000,000 Baht

Security Navanakorn International Guarding Company Limited

Industry	Security
Shareholder	Nava Nakorn Pcl. Hold 15.08%
Head office	101/98 Moo 20, Phaholyothin Road, Klong Nueng, Klong Luang, Pathumthani 12120
Tel.	66 (0) 2529 2176
Authorized Capital	6,300,000 Baht

Thai Thanan Company Limited

Industry	Telecommunications Business by having the first type of internet service license (Providing internet services without its own network) from the National Broadcasting and Telecommunications Commission
Shareholder	Nava Nakorn Pcl. Hold 51%
Head office	999 Moo 13, Phaholyothin Road, Klong Nueng, Klong Luang, Pathumthani 12120
Tel.	66 (0) 2529 0031-5
Fax.	66 (0) 2529 2176
Authorized Capital	10,000,000 Baht
Paid-up Capital	2,500,000 Baht

Sumiso Global Logistics (Thailand) Company Limited

Industry	Business of Cargo and Warehouse Service
Shareholder	Nava Nakorn Pcl. Hold 1.71%
Head office	55/20 Moo 13, Phaholyothin Road, Klong Nueng, Klong Luang, Pathumthani 12120
Tel.	66 (0) 2529 2361
Authorized Capital	180,000,000 Baht

Capital Structure and Shareholders



1. Company's Asset Share capital

As of December 31, 2019, the Company reported its authorized share capital of Baht 2,048,254,862 composing of 2,048,254,862 common shares at a par of one Baht and registered 2,048,254,862 issued and paid-up share capital at a par of one Baht.

The Company's paid-up share capital changed during the last five year as shown below.

Year	Increased share capital (Million Baht)	After the capital increase (Million Baht)	Reason	Ratio and Exercise price
2011	71.36	1,521.41 (Jan 10, 2012)	Working capital	The holders of NNCL-W2 and ESOP-W1 exercised their right to buy a common share for the period of 1-4 at one Baht per share
2012	13.00	1,522.71 (Jan 10, 2013)	Working capital	The holders of NNCL- W2 exercised their right to buy a common share for the period of 5-8 at one Baht per share
2013	23.07	1,545.78 (Jan 8, 2014)	Working capital	The holders of NNCL- W2 exercised their right to buy a common share for the period of 9-12 at one Baht per share
2014	13.59	1,559.37 (Jan 8, 2015)	Working capital	The holders of NNCL- W2 exercised their right to buy a common share for the period of 13-16 at one Baht per share
2015	488.88	2,048.25 (Jan 7, 2016)	For repay BE, Loans, Liabilities and Working capital	The holders of NNCL- W2 exercised their right to buy a common share for the period of 17-20 (the last exercise) at one Baht per share.

Year	Changing items of the capital of the company
2559 - 2561	There was no change in the company's capital item.
2559 - 2561	<p>As of 31 December 2019</p> <p>At the Board of Directors' meeting of the Company held on 13 August 2019, the Board of Directors approved the share re-purchase program not more than 4.15%, or 85 million shares, of the Company's shares then in issue. The purpose of the program is to manage the Company's excess liquidity. The maximum amount approved for share purchase under the program is Baht 150 million. The Company may purchase the shares through the Stock Exchange of Thailand during the period from 28 August 2019 to 27 February 2020. The shares purchased may be resold after 6 months but within 3 years from the date of purchase</p> <p>As of 31 December 2019</p> <p>The Company has been completed period of the share repurchase program, which had the shares totaling 37.0 million shares, comprising 1.8% of the Company's issued and paid-up share capital, at a total cost amount of Baht 76.8 million. As at 31 December 2019, the Company appropriated treasury shares reserved from its retained earnings amount of Baht 76.8 million.</p> <p>As of 27 February 2020</p> <p>The Company has already repurchased shares for the amount of Baht 149.7 which was 70.6 shares or 3.45 % of the total issued shares.</p>

The Company's Top 20 Shareholders as of the latest closing of register on January 31, 2020 compared with shareholders of register on January 31, 2019 as follows:

No.	Name of Shareholders*	Shareholding (January 31, 2020)		Shareholding (January 31, 2019)	
		Number of share	%	Number of share	%
1	Mr. Taweechat Julangkul	506,006,000	24.704	506,006,000	24.704
2	NEP Realty and Industry Public Company Limited	245,950,000	12.008	220,950,000	10.787
3	Mr. Nattaphol Jurangkul	182,234,800	8.897	182,234,800	8.897
4	Miss Srangluck Chandawanich	144,803,805	7.070	144,803,805	7.070
5	Miss Rattanaporn Chandawanich	101,723,505	4.966	101,723,505	4.966
6	Mr. Veerachai Dejamornthan	99,795,500	4.872	101,598,400	4.960
7	Thai NVDR Company Limited	65,106,100	3.179	66,572,400	3.250
8	Nava Nakorn Public Company Limited**	55,221,600	2.696	0	0
9	Rangsit Industrial Estate Company Limited	31,100,000	1.518	31,100,000	1.518
10	National Housing Authority	30,000,000	1.465	30,000,000	1.465
11	Miss. Warangkana Devahastin Na Ayudhya	28,810,700	1.407	3,500,000	0.170
12	Mr. Waranyu Devahastin Na Ayudhya	25,310,720	1.236	50,621,420	2.471
13	Mr. Pordej Chandawanich	23,363,655	1.141	23,363,655	1.141
14	Mr. Suthiporn Chandawanich	22,799,055	1.113	22,799,055	1.113
15	Mrs. Perayaluk Tangsunawan	22,553,805	1.101	22,553,805	1.101
16	Mr. Popporn Chandawanich	22,046,905	1.076	22,046,905	1.076
17	Mr. Pichai Othayakul	20,000,000	0.976	918,800	0.004
18	Mr. Krit Orsirivigorn	18,100,000	0.884	18,100,000	0.884
19	Mr. Komwich Charusorn	15,898,800	0.776	13,500,000	0.659
20	Anyapattana Company Limited	15,000,000	0.732	15,000,000	0.732
	Total	1,675,824,950	81.817	1,577,392,550	76.968

Note: * Comparison only top 20 shareholders of register on January 31, 2020

** Nava Nakorn Public Company Limited has repurchases for financial management purposes project starting from August 28, 2019 to February 27, 2020 (with in 6 month).

Dividend Policy



Nava Nakorn Public Company Limited has a dividend policy of at least 50.00 % of net profit after tax. However, the payment should be obligated under the condition that there is no impact for the Company's operation. In addition, the payment should not consider as apriority if there are more significant issues such as a big investment.

The Company paid dividend during the last 4 years as follow;

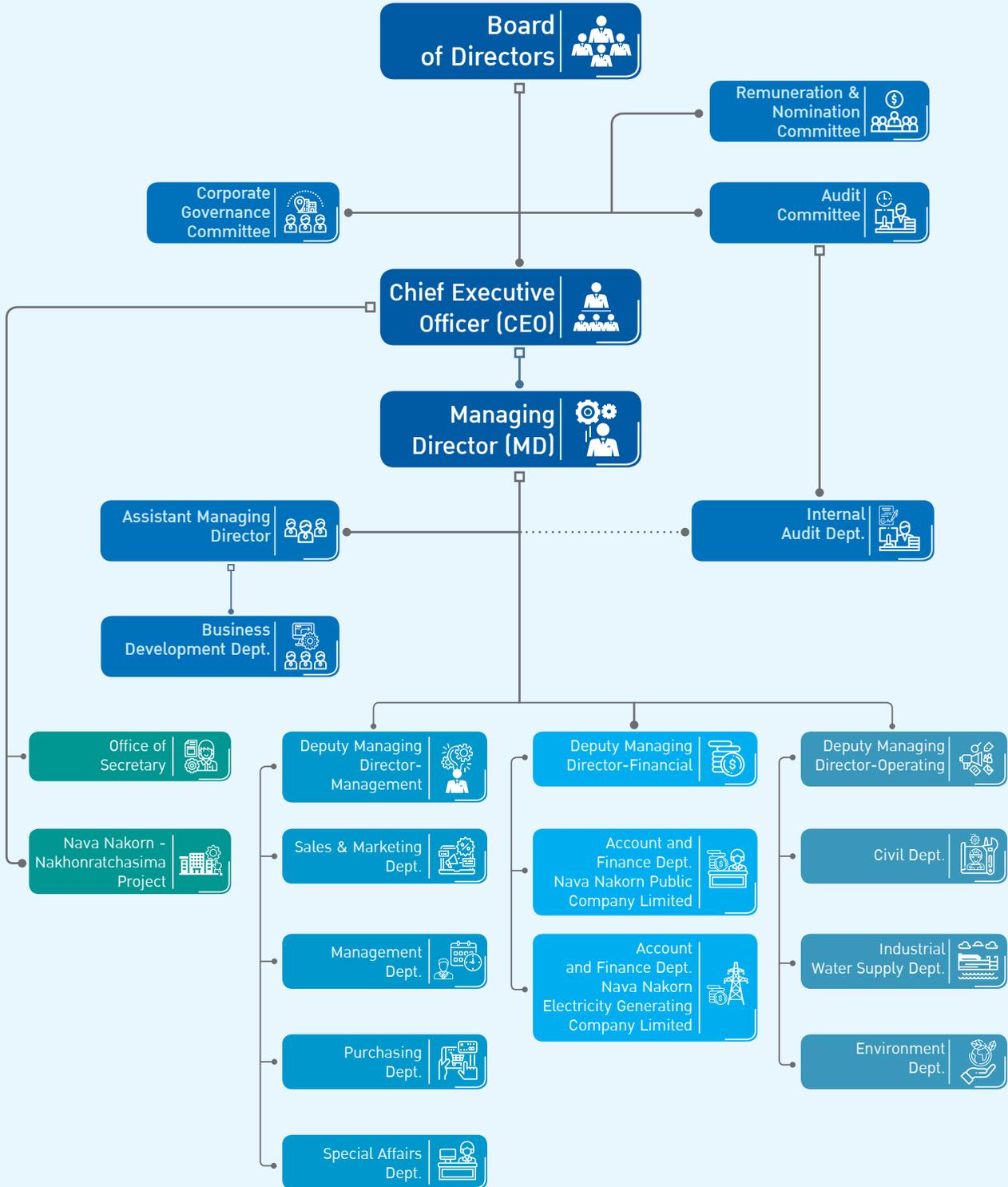
2020 (2019 Operating Result)	2019 (2018 Operating Result)	2018 (2017 Operating Result)	ปี 2017 (2016 Operating Result)
158	184	163	75

- Note:
- During 2017, The Company paid dividend for the fiscal year 2016 at 0.037 per share or Baht 75 million
 - During 2018, The Company paid dividend for the fiscal year 2017 at 0.08 per share or Baht 163 million
 - During 2019, The Company paid dividend for the fiscal year 2018 at 0.09 per share or Baht 184 million
 - During 2020, The Company paid dividend for the fiscal year 2019 at 0.08 per share or Baht 158 million

Organization Structure



Organization Structure of Nava Nakorn Public Company Limited



Corporate Governance



Corporate Governance Policy

It has conducted written guidelines for good governance concerning organization structure, roles and responsibilities, and practices of the company's board by focusing on risk management, transparency, accountability so that the board, management, and employees can follow accordingly. Key substances of the guidelines are:

1. Corporate Governance Policy

The board practices good governance following guidelines set by the Stock Exchange of Thailand. It lays out clear duties and responsibilities with constant supervision and monitoring. Moreover, it also stipulates constant improvement of its business procedures and human resources development.

2. Rights and equality of shareholders

The Board of Directors recognizes the fundamental rights of shareholders as investors and as the owner of the company as follows

1. Encourage shareholders to have the right to participate in making decisions on important matters of the company such as the company gave the shareholders an opportunity to vote on the agenda, to consider every agenda with an important consideration agenda, including the appointment of directors' consideration of directors' remuneration appointment of auditor's, determination of the remuneration of the auditor Approving financial statements, etc.
2. The company sent the notice of the meeting together with the information for the meeting to shareholders and registrar not less than 7 days before the meeting. Also publish the newspaper to inform the meeting for at least 3 consecutive days before the meeting date including revealing details of the essence of the meeting and the opinions of the Board of Directors in each agenda clearly.

3. In the event that shareholders cannot attend the meeting by themselves The Company allows shareholders to appoint an independent director or any person to attend the meeting on their behalf by using the proxy form provided by the company which sent to the shareholders together with the meeting invitation letter.
4. Before the meeting started, the company explained the voting method and vote counting method for shareholders to acknowledge. The Board of Directors allows shareholders to freely express their opinions, suggestions and votes as well as being able to exercise the right to vote for the board and receive clear information as well acting to supervise, see and improve to meet the general standard.
5. During the meeting, The Chairman allocated appropriate time and encouraged shareholders to ask questions and express opinions on various issues related to the company equally by the Board of Directors, especially the President Sub-committee, Chief Executive Officer, Representative from the auditor and related Executives attended the meeting and answer questions from shareholders on all issues.
6. After the shareholders' meeting, the company has completed the minutes of the meeting within 14 days from the date of the meeting, in which the minutes of the meeting were presented with accurate and complete information and disclosed on the company's website. So that the shareholders can determine accuracy.

3. Roles of various stakeholders

There is a supervision and management system by respecting the rights and fairness to all stakeholders in business operations, shareholders, employees, partners, customers and creditors. The Board of Directors realize that supports and comments from all stakeholders will be beneficial in the operation and business development of the company and promote cooperation between the company and all groups of stakeholders, including

1. Establish clues or complaints from all stakeholders, customers and the general public. In particular, the complaint against the Board of Directors (Whistle Blowing) through a variety of complaints such as postage, phone, fax and email and when receiving company clues, the company has a process of verifying the truth, editing process including the protection of complainants or informants In order to create confidence for the complainant and the whistleblower. In 2019, there were no stakeholders reporting clues or complaints to the company.
2. Employees' section on social and environmental issues, has encouraged employees to participate in various activities such as energy conservation days, Safety day of the company and continuous CSR activities in addition the management and employees of the company Has cooperated to participate in such activities
3. Setup policies and guidelines for personnel development which clear and concrete picture and Sending personnel to attend training and seminars in order to apply knowledge and develop the company.

4. Disclosure and transparency

The Board of Directors attaches importance to the disclosure of information that is accurate, complete and transparent, both financial and general information reports. According to the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand As well as other important information that affects the decision-making process of investors and stakeholders. In the year 2019, the company has disclosed the information and transparency as follows.

1. The company's focus on investor relations. Which is the main agency to contact, coordinate and provide information of the company with external parties including shareholders, institutional investors, general investors, analysts and related government sectors.
2. The Board of Directors has disclosed current information. Significance and disclosure Both Thai and English Through the website of the Stock Exchange of Thailand Company web-site Annual Report (Form 56-2) and Annual Registration Statement (Form 56-1). The information that the company is complete and in accordance with the guidelines of the corporate governance policy of the company.

5. Leadership and vision

The board is due to set vision, mission, and competitive business policy. It is responsible for business security to ensure balanced and sustainable benefits for all

stakeholders as well as to constantly create additional value to shareholders.

6. Conflicts of interest

The board emphasizes on elimination of conflicts of interest among relevant parties, with transparency and fairness as well as full disclosures of the matter. It is also stipulated that any concerned parties, who may have any conflicts of interest, be barred from attending the meeting or abstain from voting.

7. Business ethics

The board promotes business ethics among employees as well as to encourage them to be good citizens and contribute to the public. The executives are to set good examples for the rest of the staffs while the company also aims to encourage employees to strictly follow rules and regulations to ensure business excellence, transparency, and merit.

8. Balance of non-executive directors (Board)

The composition of the Board to determine the appropriate number of directors representing the shareholders, Directors from internal executives and one-third of the number of Independent Directors

9. Combining or separating position

The Chairman and Managing Director are not the same person. By clearly defining the authority and duties of the Managing Director In addition, there is also a selection of management with transparency and independence from major shareholders.

10. Remuneration of the board and management

The company pays remuneration to the board in cash and fringe benefits, compatible with remuneration paid in the same industry and subject to approval from shareholders. Such remuneration is disclosed in the annual report. In the year 2562, the Company paid remuneration to directors totaled Baht 13.68 million without exceeding the limits approved by the General Meeting of the Shareholders.

11. Board meeting

The board holds at least 11 meetings each year and sets prior meeting agenda throughout the year. The board of directors will have sufficient information seven days ahead of the meeting, allowing them adequate time to consider and provide discreet opinions on the agenda. Moreover, the management will also attend the meeting to provide information and suggestions. The secretary office will conduct a draft of the meeting, leaving out the board's

decision, one day ahead of the meeting. On the meeting date, the secretary office will take minutes of the meeting, indicating the board's decision, suggestion, and arguments of all members in written statement while recording voices during the meeting for later verification. After the meeting ends, the secretary office will prepare the minutes and verify decision on each agenda of the meeting. It will take 3-5 day to complete the minutes and will propose to the board for ratification at the following meeting. The board may seek amendment in parts of the minutes of the previous meeting. The management will then file

the minutes as well as keeping it in the digital file, which can be examined by the board or relevant parties.

12. Subcommittee

Subcommittees on specific issues will help study details and screen works as necessary. The subcommittees, including the Audit Committee Remuneration Committee and Nomination Committee, are obliged to report their performance to the Board within the specified timeline and each member of the committees will hold a 3-year 2-year term and 2-year term respectively.

2019 Board Meeting

No.	Board list	Numbers of attendance			Taking office
		2019 ³	2018 ²	2017 ¹	
1	Gen. Akaradej Sasiprapha	-	2	10	Apr 2001
2	ACM. Dr. Nopporn Chandawanich	11	12	11	1 Dec 2009
3	Pol. Gen. Somchai Vanichsenee	11	12	11	1 Oct 2002
4	Mrs. Suvalai Chandawanich	7	10	10	26 Jan 2001
5	Gen. Sommai Wichaworn	-	6	11	Sep 2002
6	Mrs. Leena Charernsri	11	11	11	10 Dec 2002
7	Gen. Somdhat Attanand	11	11	10	10 May 2016
8	Mrs. Chuanpis Chaimueanwong	9	12	2	7 Nov 2017
9	Mr. Prinya Waiwatana	11	6	-	31 Mar 2018
10	Mr. Thanit Thamsukati*	5	4	-	7 Aug 2018
11	Ms. Warangkana Devahastin Na Ayudhya	9	12	10	22 Feb 2006
12	Mr. Nipit Arunvongse Na Ayudhya	11	12	11	1 Jan 2001
13	Mr. Suthiporn Chandawanich**	5	-	-	10 Jul 2019
14	Mrs. Perayaluk Tangsunawan	10	12	11	1 Mar 2015

- Remark**
- 1 In 2017, 11 board meeting were held
 - 2 In 2018, 12 board meeting were held
 - 3 In 2019, 11 board meeting were held
- * Mr. Thanit Thamsukati (Resigned on July 10, 2019)
- ** Mr. Suthiporn Chandawanich (Appointment on July 10, 2019)

2019 Attendance Meeting

Board List	Annual General Meeting of Shareholders	Board Meeting	Audit Committee Meeting	Nomination and Remuneration Committee Meeting	Corporate Governance Committee*
1. ACM. Dr. Nopporn Chandawanich	1/1	11/11			
2. Pol. Gen. Somchai Vanichsenee	1/1	11/11		2/2	1/1
3. Mrs. Suvalai Chandawanich	1/1	7/11		2/2	
4. Mrs. Leena Charemsri	1/1	11/11	5/5	2/2	
5. Gen. Somdhat Attanand	1/1	11/11	5/5		
6. Mrs. Chuanpis Chaimueanwong	1/1	9/11	5/5		1/1
7. Mr. Prinya Waiwatana	1/1	11/11			
8. Ms. Warangkana Devahastin Na Ayudhya	1/1	9/11			
9. Mr. Nipit Arunvongse Na Ayudhya	1/1	11/11			
10. Mr. Suthiporn Chandawanich*	1/1**	5/11			
11. Mrs. Perayaluk Tangsunawan	1/1	10/11			

* Mr. Suthiporn Chandawanich appointed as a director on 10 July 2019. In 2019, He attended 5 times in the meeting.

** Mr. Suthiporn Chandawanich attended the annual general meeting of shareholders as management team of the company which is Deputy Managing Director-Operating

13. Internal control and internal audit

The company promotes an efficient internal control and audit system while maintaining operation flexibility with systematic risk management method.

14. Reports by the Board

The board prepares Statements of financial position and Statement of comprehensive income at the end of accounting period in the form of an annual report and proposes to shareholders at a meeting as stipulated by law. Moreover, it also conducts a report explaining the financial statements along with report by the auditor in the annual report. The board has assigned the Audit Committee to supervise and improve the company's financial statements to ensure that they are up to date and meet generally accepted accounting standard.

15. Relationship with shareholders

Nava Nakorn PCL emphasizes the promotion of knowledge, understanding, and maintaining good relationship with investors, shareholders, analysts, and other relevant institutions both domestically and abroad. The company's Investor Relation Department acts as a center to disclose accurate, transparent, and up to date financial and business information to all stakeholders. It aims to bolster confidence corporate image as a listed company with good governance and a board that runs business effectively for the utmost benefit of shareholders. It also clarifies any queries from outsiders, including investors, analysts, local and foreign shareholders, to ensure complete, accurate, and equitable information.

The company has sent interested board members to attend the "Director Certification Program of the Thai Institute of Directors" to ensure they understand their roles, duties, and responsibilities as a board member. At present, Seven board members have completed the training program.

To communicate with investors, the company provides its data and information to all stakeholders through financial statements and other reports filed to the Stock Exchange of Thailand via its website www.navanakorn.co.th

Contact person, Investor Relation Department:

Mrs. Wannisa Hatthamas

Tel : 66 (0) 529 0031 ext. 227 and 299

Fax : 66 (0) 529 2176

E-mail : ird@navanakorn.co.th

Corporate Social Responsibilities: CSR



As the company is a company which invests in the land development and emphasizes on the investment concerning facilities, the company's committee has a policy to operate the business and the subsidiaries to be responsible for interested persons in all sectors, as well as for the society and environment as clearly illustrated in 2019, Nava Nakorn have initiated an environment improvement initiative for the residential and the commercial areas within the industrial zone. The aim was to improve the living condition by better the environment quality. This initiative however, was applied to community bordering Nava Nakorn including the neighboring areas as well. The resources was divided and used equally for the internal and the neighboring area.

Policies and overall

The company places importance on the social responsibilities and the interested persons in all sectors, by observing the laws and having the responsibility under the effective business operation, and building the turnover to be good for the interested persons. From the operation of responsibilities towards the interested persons to the sustainable development according to the 8 principles as practiced in the main process of business operation:

1. Operation with fairness
2. Opposition to corruption
3. Respect of human rights
4. Treatment to labor with fairness
5. Responsibility towards consumers
6. Environmental care
7. Co-development of community or society
8. Having and spreading innovations as a result of the operation with responsibilities towards the society, environment and interested persons.

1. Operation with fairness

Entrepreneurs within Nava Nakorn industrial promotion zone at the price as fair to both sides; and it is a way for the interested persons to file a claim to the company's officers and report to the executive immediately.

Regarding the respect of right in the others' asset, the company has conducted the business with fairness as with equal price agreement approved by both sides. Also, the company strictly performs under the commercial terms and conditions, and never makes use of the customers' information for our own profit or the associated persons'.

The company has a policy to select customers with fairness and clearness, with the process in writing; the practice of purchase and employment has the price comparison and bidding as well as the clear determination of authorized power, the assignment of bidding committee and employment inspection committee, for the fairness to all parties.

2. Opposition to corruption

The Board of Directors Meeting No. 9/2016 on October 20, 2016 has considered and approved the policy against corrupt corruption. Policy and Procedure on Political Assistance Donation to charity Funding Paying for gifts Welcome fees and expenses and Complainant Protection Policy Or report clues about corruption, illegal corruption and ethics. The company operates with transparency. Cultivate executives and employees to comply with applicable laws and regulations. To guide the business. (For more information, visit www.navanakorn.co.th) In this regard, the meeting of the Collective Action Committee No. 3/2018 On Monday, November 5, 2018, approved the Nava Nakorn Public Company Limited as a member of the Thai Private Sector Collective Action Coalition Against Corruption and received certification on February 26, 2019 that the certificate will be valid for 3 years from the date of approval.

3. Respect of human rights

The company respects the human rights and the treatment to employees, trading partners, and other persons equally. Also, the company promotes and takes care of the employees' living in terms of health, industrial hygiene, work safety, receipt of compensation and indemnity, personnel development and retirement.

4. Treatment to labor with fairness

The company is always aware of the fact that each employee is the company's valuable resource, a factor for success to reach the company's goal; therefore, the company takes care and treats them with fairness regarding opportunity, reward, designation, displacement, and welfare as fair and appropriate in different aspects such as:

Regarding the management of wage, reward, and welfare

It is based on the principle of convincing the employees to perform their work with full effort, fairness and observance of laws and regulations as the same standard. There is an assessment and update of work value to match the levels of responsibility in line with the business operation, and to be in the level capable of competition or to be equal to the compensation rate of other companies in the same business. In 2019, there has been an accident insurance to employees from the existing welfare. The money invested in the fund was changed to Pool Fund so that employees have a choice on their own.

Regarding the development of employees' capacity,

The company places importance on the development of knowledge, capability, competency and management skill through the process of training, seminar, and study activities by using the personnel development principles based on 3 competencies: core competency, management competency and functional competency. Also, the company aims to build the development framework in order to increase the ability of employees in all levels in a continual manner.

Regarding the employment, operation, career advancement

The company has determined a clear policy to be the standard on the principle of no discrimination and in line with related laws, by providing an opportunity to everyone equally, in terms of proportion in gender, race, nationality, religion, hometown, age, disability, social and economic status, qualification, education, or different political view.

The entry and exit of employees

Year	Branch	Entry			Exit		
		Total	Male	Female	Total	Male	Female
2562	Pathum Thani	6	5	1	7	6	1
	Nakhon Ratchasima	2	1	1	7	2	5

Regarding the safety and sanitation in the workplace

The company concerns about life and health of all employees, therefore the management of safety and environment in working does not only comply with the standard as specified by the law, but also the company supports and promotes safety activities continually, as well as to always survey and improve safety and environment conditions, and to assign a committee of environment and occupational health to control the observance of ISO 14001 Standard.

The company has a project to upgrade the lighting in the work environment. By changing the bulbs are LED lamps for office buildings, which will reduce the use of electricity. Costs about reduced.

5. Responsibility towards customers

The company conducts the business of land development and facilities services, therefore the company underlines the safety and improvement of facilities to the customers

continually, such as road improvement, to match the standard of the Highways Department, allocation of security guards for the safety of the habitants within the industrial promotion zone. Development and improvement of environmental quality in order to have a better quality of life such as dredging the canal, weeding, including the confidentiality of customers and their business not to be used for own profit or the associated persons'.

6. Environmental care

The company is aware of the problem in protection and reduction of pollution effect from the industrial factories within Nava Nakorn industrial promotion zone, which must be under the Enhancement and Conservation of National Environmental Act B.E.2535, which is strictly investigated by the company; for example the control of wastewater drainage with standard value as specified in the Notification of the Ministry of Science, Technology and Environment No.3 (B.E.2539) regarding the specification of standard to control the drainage from sources of industrial factories

and industrial estates, with the approval from the Notification of the Department of Industrial Works regarding the criteria of approve factories with the drainage system to install special or additional tools or devices B.E.2550 along with the measurement of BOD and COD value from a government's laboratory or a private laboratory registered with the Department of Industrial Works. From the drainage of the factories within Nava Nakorn industrial promotion zone to different canals, there is no abnormality found in the value as specified by the law, and no complains found from the surrounding communities. The company also improved the capacity of drainage by building the efficient and modern wastewater treatment system. The central wastewater treatment system will work 24 hours a day and be able to support the highest quantity of wastewater at 46,000 cubic meters per day, while at present the quantity of wastewater into the treatment system is only 28,780 cubic meters.

At the same time, for certainty of quality insurance regarding wastewater through the central treatment, the company has provided a polishing pond to support the wastewater through the treatment prior to draining it to the public water source or common environment, which is considered as one of the standards in environmental care.

Moreover, Nava Nakorn recognized the importance of efficiency in energy consumption and has formed a committee to specifically overseeing this matter. The Energy Conservation Committee has been creating a new norm and best practice for the organization. The committee has planned and executed the energy conservation initiative by providing education through seminars as well as replaced inefficient equipment such as lighting system and pumping system.

Water consumption and wastewater into the public treatment system central Navanakorn of 2019

Month	The amount of water production and water supply. Sold m ³	Wastewater into the treatment system. Central Navanakorn Sold m ³
January	1,200,368	824,869
February	1,385,385	797,877
March	1,284,635	898,576
April	1,272,402	828,233
May	1,367,222	966,688
June	1,374,213	980,655
July	1,328,635	920,669
August	1,325,856	902,197
September	1,403,840	907,472
October	1,264,673	905,427
November	1,345,760	792,508
December	1,300,028	778,390
Total	15,853,017	10,503,561

Besides, the company has installed the online monitoring systems to send out the signal of the wastewater quality already treated to the Department of Industrial Works continually 24 hours a day.



7. Co-development of community and society

The company emphasizes on the importance of the communities around Nava Nakorn industrial promotion zone in a continual manner; for instance the drainage to public water sources has the legal treatment, Teach the community to recognize household waste separation, Donate molasses for treatment Waste water in the community, Big Cleaning Day cleaning with the community and factory in Nava Nakorn. Also, the company holds to the principle of happy and sustainable coexistence.

8. Having and spreading innovation

As a result of the business operation with responsibility towards the society, environment and interested persons. As the company conducts the business in terms of land development and facilities services, there is no new innovation to be distributed.

9. Operation with stakeholders, both internal and external.

With the growth and equitable share in the joint venture and work together. Creating a good relationship between the operators informs satisfaction surveys. Needs and expectations of customers.

The data were adjusted for the future. Nava Nakorn Industrial Estate (Pathum Thani) has been operating for more than 49 years, together with the local community. Promote the area and surrounding communities. Company to focus on business growth and returns are fairly common. With stakeholders Along with social responsibility and community. Communicated to the community Radio community and get to know the needs of the community, the company has turned the route. Access to the community around. To provide easy access and secure Improvements within the area of health promotion. To build a facility to serve the public. Causing a common experience.

Nava Nakorn Industrial Zone (Nakhorn Ratchasima) has joined industry a social responsibility and shared with the community in a sustainable manner. The Department of Industry Coordinating and training the participants. The project has provided community information in a radius of 5 kilometers on the community / village / school or other measured characteristics of the community as a group of people in the community. Local product and prepare topics The plant will feature activities to share with the community. To achieve concrete and sustainable.

Remark: For more information, visit Form 56-1 or www.navanakorn.co.th

Internal Control



In the meeting of the Board of Directors No. 2/2020 on February 25, 2020 with the board of directors and the audit committee attended the meeting. The Audit Committee evaluated the company's internal control systems in 5 key elements: 1) Internal Control 2) Risk assessment 3) Operation Control 4) Information Technology and Communication Systems 5) Monitoring system By questioning the information from the management and the internal audit department, it was found that the company has provided sufficient and appropriate regulations and personnel. Efficiency and effectiveness from operations Reliability of financial reports Accurate, transparent, shows financial status and results of operations in accordance with generally accepted accounting principles. Including the compliance with relevant laws and regulations therefore, proposed to the board of directors to acknowledge that the company has sufficient internal control.

Furthermore, the Audit Committee and the company's auditor, Mrs. Nareewan Chaibantad from KPMG Phoomchai Audit Ltd., haven't found any significant flaws in internal control system from auditing and evaluating the company's accounting reports for the year 2019.

Part 1 Organization and Environment Internal Control

The company arranged a good organization structure and circumstances, with clear division of roles and responsibilities. It also prepared concise written regulations in financial, procurement, and general administration to prevent any malpractices and be fair with its trading partners. The company determines Code of Conduct for executives and employees, Key Performance Indicator for motivation and provide appropriate reward.

Part 2 Risk assessment

The company assigned each division to evaluate risk factors that might affect the company's operation risk. Should any divisions find any risks that could damage the company; it would instantly inform the board. Moreover, the company also set

measures to track and manage risks in the operational level to inform its staff and roll out the measures so that the company is alerted of any potential risk in a timely manner.

Part 3 Operation control

The company clearly set duties, responsibilities, procedures, and ceiling of budget approval for each level of board and management. It clearly separated duties and responsibilities, with accounting department responsible for booking account while the financial department responsible for revenue collection. The roles of issuing invoice and collection of revenues are clearly divided so as the roles of debt collection, filing of land deeds and the improvement of land information system, and the booking of effect from differences in land sales income and utilities income. In addition, the company also has clear and concise procedures in dealing with transactions that involve major shareholders, board, management or related persons. These procedures are in accordance with regulations of relevant authorities.

Part 4 Information Technology and Communication Systems

To propose an agenda for the board's consideration, the company will submit an invitation letters along with meeting agenda and related documents to the board members at an average of not less than 7 days prior to the meeting date. The company takes minutes on any notes or opinions mentioned by the board in any agenda and file all accounting and related documents in order. The management applied generally accepted accounting standard that suits types of the company's business. The company also invested to develop information technology in relation to the accounting system so that the Accounting Department can conclude accounting data and quickly report to the management. The company determines to have appropriate and effective communication of information. As well as providing communication channels for various people to safely report and complain cheating or corruption in the company (Whistle-blower).

Part 5 Monitoring systems

The company assigned management in various departments to join management meetings to constantly update progress in their departments and inform reasons that the fail to meet specified targets or budgets. Moreover, the company also has Internal Audit department to conduct internal auditing practices of each department and report to the Audit Committee and the company's board periodically and track progresses in fixing any flaws. In auditing the company's financial statements ended December 31, 2019, Mrs. Nareewan Chaibantad, an auditor at KPMG Poomchai Audit Ltd., has provided her opinion on the auditing report without any conditions.

Internal Audit Director

During 7/2007 meeting dated 8 August 2007, the Audit Committee had appointed Ms. Sureerat Sroysoontorn as the Internal Audit Director to be active on 1 September 2007, due to her prior 10 years' experience as an Internal Auditor for listed companies and received training certificates for Internal Audit training from Thailand Internal Audit Association, Fundamental Provident Fund from Provident Fund Association and CSR for Corporate Sustainability P01-P06, Social Investment

Course, Training "Implementing BSC and KPI technologies as a strategy tool Course", Technology Promotion Association (Thailand-Japan), Training "Growing awareness of energy conservation in the workplace course", Training "Business sector standards Anti-corruption bribery course", Training "Facilitation and Efficiency Development of the Customs Department Course", Training "Investment confident and health care course" Krungthai Asset Management Public Co., Ltd, Training "Update accounting standards course" KPMG Phoomchai Audit Co., Ltd and training with from The Stock Exchange of Thailand such as Smart Disclosure Program Course, Understanding C symbol and Back Door Course, Training "The Committee of Occupational Safety, Health and Work Environment of the Workplace.", Training "360° Leadership Development", Seminar SETLink, The Stock Exchange of Thailand etc. And possess the genera understanding in the Company's affairs.

Moreover, nomination, appointment, or dismissal of the Company's Internal Audit Director must pass the approval of (or agreeable by) the Audit Committee, regardless of the qualification of the Internal Audit Director.

Report of the Audit Committee



Dear Shareholders of Nava Nakorn Public Company Limited

The Audit Committee of Nava Nakorn Public Company Limited consists of three independent directors who is completely qualified as stipulated in the audit committee charter, in accordance with the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), with the Vice President Internal Audit Department's secretary. In 2019, the Audit Committee held 5 meetings. All members of the Audit Committee is required to attend the Meeting with senior executives, auditors, and internal auditors as appropriate, details of which can be summarized as follows;

- Reviewed the quarterly and annually financial statements, of the year 2019 the Audit Committee has asked and listened to the explanation from the management and auditors for the accuracy and completeness of financial statements, and the adequacy of disclosure, which the Audit Committee had the same opinion as the external auditors that such financial statements are accurate, as appropriate in accordance with generally accepted accounting standards.
- Reviewed completeness of the internal control system by considering from the internal audit results including evaluation of the internal control results in compliance with the regulations of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as, is of the opinion that the Company's operations system was adequate, appropriate and effective.
- Considered the mission, scope of work, duties and responsibilities, independency, manpower and budget of the Internal Audit Department, as well as considered review of the Internal Audit Charter to be appropriate, up to date and comply with the internal audit guidelines manual of the Stock Exchange of Thailand, and approved the audit plans each year.
- Considered the selection and ruminantion of the auditors in 2019 by considered performance, independence, qualifications, abilities and experience in the real estate business. The Audit Committee to propose the Board of Directors to propose the Annual General Meeting of

Shareholders for approval to appoint the auditor from KPMG Phoomchai Co., Ltd. it is appropriate to propose the appointment as follows

- Ms. Nareewan Chaibantad,
Certified Public Accountant No. 9219
- Ms. Vilaivan Pholprasert,
Certified Public Accountant No. 8420
- Ms. Vipavan Pattavanvivek,
Certified Public Accountant No. 4795

with the remuneration in the amount of Baht 2,250,000

- In the previous year, the Company has connected transaction and types of business support with regular programs there are no transactions that may lead to conflict of interest in compliance with the regulations of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).

In summary, the performance of the Audit Committee in 2019 has followed the operation of the company by using knowledge, ability and Independent in according to the duties and responsibilities specified in the charter commented that the Company disclosed financial and operation information correctly, had appropriate and effective internal control systems, complied with laws, disclosed the connected transactions correctly, performed duties in compliance with the Good Corporate Governance principles with adequacy, transparency and reliability.

On behalf of The Audit Committee

Mr. Prinya Waiwatana
Chairman of the Audit Committee
February 25, 2020

Connected Transaction



Nava Nakorn Public Company Limited had connected transactions with companies or individuals that may generate conflicts of interest during 2019 and 2018 as detailed below:

Transaction	Counter party	Relationship	Transaction Size (THB MN)		Rationality
			2019	2018	
Revenue from rendering of services	NEP Realty and Industry Public Company Limited	Major shareholder, 12.00% shareholding, and common directors	0.64	0.70	Market price
Revenue from rendering of services	Nava Nakorn Electricity Generating Co., Ltd.	Joint venture, the Company invests 29.99% shareholding and common directors	44.13	45.32	Market price
Income from areas and infrastructure utilisation			39.37	35.79	Contractually agreed price
Management income			3.01	3.77	Contractually agreed price
Dividend income			119.98	107.99	Dividend declaration
Revenue from rendering of services	Security Navanakorn International Guarding Co., Ltd. (Formerly Navanakorn International Guard Co., Ltd.)	Related party, the Company invests 15.08% shareholding and common directors	0.01	0.03	Market price
Rental income			0.12	0.36	Contractually agreed price
Security service fee			3.38	21.41	Contractually agreed price
Revenue from rendering of services	Sumisho Global Logistics (Thailand) Co., Ltd. (Formerly Navanakorn Distribution Centre Co., Ltd)	Related party, the Company invests 1.71% shareholding and common directors	0.94	0.68	Market price
Dividend income			1.77	0.65	Dividend declaration
Purchase of equipment	Construction Accessories Co., Ltd.	common directors	-	0.77	Market price

The company has outstanding balance from trading and other transactions with related parties as appeared in the 2019 financial statements below:

Details	Types of transactions	Counter parties	Size (THB mn)
Trade accounts receivable	Revenue from rendering of services (utilities services)	NEP Realty and Industry Public Company Limited	0.05
		Sumisho Global Logistics (Thailand) Co., Ltd. (Formerly Navanakorn Distribution Centre Co., Ltd.)	0.10
		Nava Nakorn Electricity Generating Co., Ltd.	4.13
		Security Navanakorn International Guarding Co., Ltd.	0.005
Total			4.28
Accrued service income	Revenue from rendering of services	Nava Nakorn Electricity Generating Co., Ltd.	0.34
Total			0.34
Retention Payable	Retention	Construction Accessories Co., Ltd.	0.05
Total			0.05
Deferred income	Income from areas and infrastructure utilisation of 25 years and 23 years	Nava Nakorn Electricity Generating Co., Ltd.	351.27
Total			351.27
Deposits	Deposits from customers for utilities-related parties	Nava Nakorn Electricity Generating Co., Ltd.	0.030
		Security Navanakorn International Guarding Co., Ltd.	0.030
		NEP Realty and Industry Public Company Limited	0.007
		Sumisho Global Logistics (Thailand) Co., Ltd.	0.002
Total			0.069

Summary of the Audit Committee's opinion on connected transactions

The Audit Committee has examined connected transactions between the company and connected companies or connected persons in 2019 and came up with an opinion that the financial aid item was considered to be reasonable, fair, and not causing any damages to the company. Should the company need to engage in future connected transactions; the Audit Committee will examine and provide opinion on the reasonability of engaging in such transactions as well as fairness of pricing and conditions. It will also ensure that connected persons must not take part in the decision making process to engage in such transactions and strictly follow relevant rules, announcement and laws.

Policies and guidelines on future connected transactions

Nava Nakorn (PCL) has no policy to engage in connected transaction. But should there be any necessity and that the transaction generates utmost benefits to the company, it will concisely consider the reasonability as well as fairness of pricing and conditions indifference to engaging in transactions with external parties. The company has set procedures for connected transactions as follows:

1. The corporate secretary will take care of transactions with persons which might generate conflicts of interest and will suggest practical guidelines to comply with relevant rules, regulations, and announcement and inform the Audit Committee and Independent directors soon as the transaction take place.
2. The engagement in any connected transaction must go through approval process in hierarchy order, complying with rules and announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand on information disclosure and operation of listed companies concerning connected transactions BE 2003 and relevant announcement.
3. To seek opinion from external experts on the rationality and fair price (if necessary).
4. The transaction must be examined by the Internal Audit Department and the Audit Committee, who will consider proper procedures in seeking approvals and relevant regulations while ensuring disclosure and provide complete and accurate opinion on the transactions and propose to the board for further consideration.
5. To consider the connected transaction with any board member, the member with potential conflicts of interest must not take part in the consideration and/or approve the transaction. Managing Director and the board has no authority to approve the connected transaction and/or gain and disposal of assets as stipulated in regulations of the Stock Exchange of Thailand.
6. Follow procedures and steps required before engaging in the connected transaction.
7. The Corporate Secretary will take care of the transaction to ensure it is conducted as being approved.
8. The Audit Committee will take care and randomly audit the approval of connected transactions to ensure it follows resolutions of the board and/or shareholders' meeting. It will also have to disclose the result of the random audit in the Audit Committee's Corporate Governance report.

Management Discussion and Analysis



A) Operation Result

Business Overview

Nava Nakorn PLC engages in property development of Nava Nakorn Industrial Zone PathumThani and Nava Nakorn Industrial Zone NakhonRatchasima. Main incomes are from 2 sources which are income from services (recurring income) and income from sales of land provided within the Company's projects.

In 2019, income from services and rent portioned 86% of total income. Service income is stable and consistent and has been growing accordingly to the area sold, number of companies, employees and project residents. For this reason, the Company focuses on generating more income from service provision on public utility. Details of changes and major factors that affect the Company's business operation recently are: government's measures which aim to stimulate economy and support investment such as measures which aim to support investment among medium and small size entrepreneurs; low interest rate which encourages more investment and consumption; economic continually grows creating confidence among local and international investors to extend their production and investment. Furthermore, the Company has improved its internal management within the industrial estate and received Certification of Quality Management from the Thai Industrial Standards Institute/ISO 9001:2015 for property development and fundamental public utility in Industrial Estate Zone from the National Accreditation Council which creates more creditability in the Company's management system. All the mentioned factors support the Company's capability to generate profit to shareholders for all these years.

Overall operation business of the Company is described as follows:

The Company reported the operating results for the year ended December 31, 2019 with the net profit of the Company of Baht 255.6 Million which operating profit results decreased by Baht 119.2 million or 32 % compared with the year 2018 of Baht 374.7 Million which with the major reasons as follows:

1. Net profit

In year 2017 - 2019, the Company reported the operating results for the year of Baht 243.6, 374.7 and 255.6 million respectively.

The Company reported the operating results for the year 2019 with the net profit of the consolidated financial statements of Baht 255.6 million which operating profit results decreased by Baht 119.2 million or operating profit results decreased by 32% compared with the previous year which generated the net profit of the consolidated financial statements of Baht 374.7 million, effect from recurring income generated from customer's utilities usage and Share of profit of investment in a joint venture - NNEG in this year.

Beside, recording compensation of a transmission line, pipeline and infrastructure utilization agreement of Baht 1.92 million per month and compensation of an infrastructure utilisation agreement for the period of 25 years of Baht 0.77 million with straight line method in Navanakorn Industrial Estate, Pathum Thani Province with NNEG in this fully period.

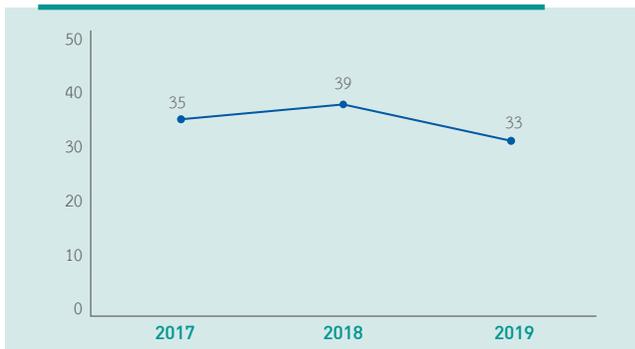
Income from areas and infrastructure utilisation - expansion phase of Baht 0.6 million per month (income per contract was of Baht 165 million with period of 23 years since 1 July 2018).

As well as deferred Income from areas and infrastructure utilisation of Baht 50.0 million- Ratch Cogeneration Co., Ltd., of Baht 0.2 million per month (income per contract was of Baht 50 million with period of 19 years since 21 October 2019).

However the overall managing expenses, restructuring, develop service process improvement were continuously proceeded to reduce operating costs and increase revenue by management team.

Net Profit Margin to total revenues (%) of Year 2019 was 33% compared with the previous year of 39%, decreased by 15%.

Net Profit Margin to total revenues (%)

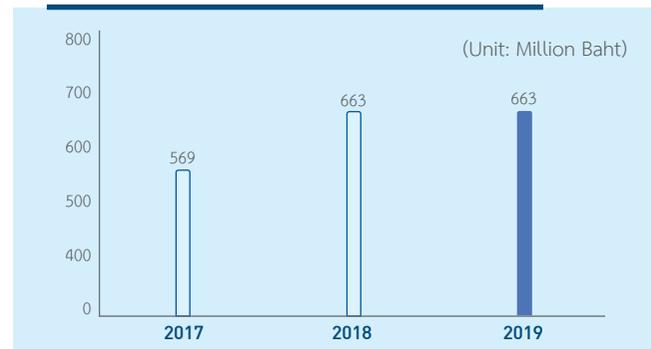


2. Revenue from sale of real estate development projects, Revenue from rendering of services ,Rental income and other income

2.1 The Company had revenue from rendering of services and rental income (recurring income)

For the year ended December 31, 2019 of Baht 663.1 million ,compared with the previous year, there were revenue from rendering of services and rental income amounting to Baht 663.1 million which no significant movement.

Rendering of services, Rental income (Recurring Income)



2.2 Sale of real estate development projects

There was none of sale of real estate development projects in this period while the same period of the previous year, there was sale of real estate development projects of Baht 199.7 million which decreased for the whole amount, during years 2017 - 2019 are as follows:

sale of real estate development projects	2017		2018		2019	
	million baht	increase (decrease) %	million baht	increase (decrease) %	million baht	increase (decrease) %
Total	35.0	(77.0)	199.7	471	-	-
Major Customer *1	35.0	-	70.0	-	-	-

Remarks : ¹In 2017 income from sale of real estate development projects to Ms. Raweewan SengHuad was 35 million THB.

In 2018 income from sale of real estate development projects totally 4 customers, with major customer of Thai Mitsuwa Co.,Ltd was 70 million THB.

2.3 Income from government grants

The Company had other income for the year ended December 31, 2019, comprised of Income from government grants of Baht 33.6 million, due to Income from government grants were recognized by amortization along with the estimated useful lives of flood protection system. This year, some parts of such flood protection system were end of depreciated period such as aqueduct system, dredging canal system, along with decreasing of government grants recognition.

2.4 Income from areas and infrastructure utilisation and other income

Income from areas and infrastructure utilisation of Baht 40.8 million, increasing by Income from areas and infrastructure utilization - expansion phase of Baht 0.6 million per month for the whole year 2019 (income per contract was of Baht 165 million with period of 23 years since 1 July 2018)

As well as deferred Income from areas and infrastructure utilisation of Baht 50.0 million - Ratch Cogeneration Co., Ltd., of Baht 0.2 million per month (income per contract was of Baht 50 million with period of 19 years since 21 October 2019)

and other income of Baht 35.4 million, mainly increasing due to more interest income, dividend receipt and gain from disposal of assets in this year.

3. Cost of Sale of real estate development projects, Cost of rendering of services and Gross Profit

In year 2017 - 2019, the Company reported total costs for the year of Baht 332.7, 437.0 and 332.9 million and gross profit of Baht 270.9, 425.8 and 330.1 million respectively.

3.1 Cost of Sale of real estate development projects

The Company had none of cost of sale of real estate development projects in this period, compared to the same period of previous year, it shown cost of sale of real estate development projects of Baht 95.0 million with profit margin of Baht 104.7 million or 52%, decreased for 100%, along with relative revenues as mentioned above.

3.2 Cost of rendering of services

During the year 2019, the Company had cost of rendering of services of Baht 332.9 million together with gross profit of Baht 330.1 million whereas the same period of the previous year, the Company had cost of rendering of services of Baht 341.9 million together with gross profit of Baht 321.1 million. Gross profits margin increased of Baht 9.0 million.

Gross profit margin-rendering of services and rental income increased from 48% in 2018 to 50% in 2019, compared to the same period of the previous year.

Unit : % of sale of real estate, rendering of service and rental income

Gross profit Margin	2017	2018	2019
- Sales of real estate	98	52	0
- Rendering of services and Rental income	42	48	50
Total	46	45	50

From the above table, cost of sale of real estate fluctuating due to cost of sale of each plot of real estate not equal. Therefore, the increase/decrease of gross profit margin of sale of real estate is depends on cost of each real estate.

Gross profit margin-rendering of services and rental income increased compared to the same period of the previous year, because of the overall managing costs were continuously proceeded to decrease by management team.

4. Selling expenses and administrative expenses

Selling expenses and administrative expenses for year 2019 was Baht 221.4 million compared with the previous year which was Baht 240.5 Million, decreased by Baht 19.0 million or 8%, along with total revenue as mentioned above.

However, the overall managing expenses were continuously proceeded to decrease by management team since year 2015.

5. Depreciation

For year 2019, the Company had depreciation expenses of plant & equipments and Investment Properties of Baht 172.0 million compared with the previous year which was Baht 185.3 million, decreased due to effects from reduction in fully depreciation of assets.

6. Finance costs

For year 2019, the Company had finance costs of Baht 2.2 million, compared with the previous year which was Baht 1.7 million, increased of Baht 0.5 million or 30%.

In overall, finance costs decreased due to the Company had continuously made its financial restructuring since November 2014 to present by reforming loan from financial institution with high interest rate to issuing Bill of Exchange that had lower interest rate, negotiation to meet lower interest rate and fee and repayment for interest bearing debts.

7. Share of profit (loss) of investment in a joint venture

The Company had an investment in a joint venture-Nava Nakorn Electricity Generating Company Limited (NNEG) with Ownership interest at 29.99%. Interests in joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. The Company's share of the profit or loss of equity-accounted investees are accounted for using the equity method, calculated by net profit(loss)-NNEG with Ownership interest at 29.99% as "Share of profit (loss) of investment in a joint venture" in Financial statements in which the equity method is applied.

NNEG had commenced Commercial Operation Date in June 2016.

For year 2019, the Company had recorded Share of profit (loss) of investment in a joint venture - NNEG of Baht 41.8 million (calculated by profit-NNEG-COD phase of Baht 139.6 million X 29.99%, according to IFRS 11 : Joint Arrangements) decreased from the same period of previous year due to it had minor maintenance.

While the previous year, 2018, the Company had recorded Share of profit (loss) of investment in a joint venture - NNEG of Baht 111.6 million (calculated by profit-NNEG-COD phase of Baht 372.1 million X 29.99%, according to IFRS 11 : Joint Arrangements).

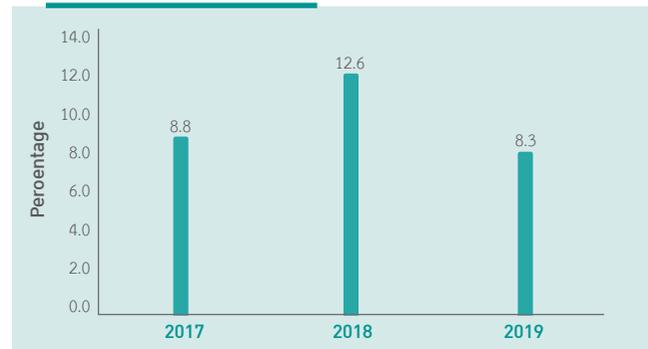
8. Income tax expenses

For year 2019, the Company had recorded income tax expenses of Baht 4.4 million,, compared with the previous year which was income tax expenses of Baht 26.8 million, decreased of Baht 22.4 million or 84% along with less taxable income in this year.

9. Return of equity

In 2017 - 2019, the Company's return of equity were 8.8% ,12.6% and 8.3% respectively, by the year 2019, the Company's return of equity is decreasing, due to decreasing of profit generated from business turnover as mentioned above.

Return on equity (%)



B) Liquidity

1. Cash Flows

Cash flow during years 2017 - 2019 are as follows:

Unit : Million Baht

Item	2017	2018	2019
Net profit	243.6	374.7	255.6
Net cash received from (used in) operating activities	332.8	626.1	405.9
Net cash received from (used in) investing activities	10.7	(178.3)	(225.2)
Net cash received from (used in) financing activities	(148.0)	(175.9)	(307.1)
Net cash and cash equivalents increase (decrease)	195.5	271.9	(126.5)

As at December 31, 2019, the Group had cash and cash equivalents of Baht 345.8 million, a decrease of Baht (126.5) million from December 31, 2018 of Baht 472.3 million.

During the year 2019, Net cash received from operating activities was Baht 405.9 million, primarily came from Net cash received from operating activities, offset with cash payments for operating liabilities and reserve for payment along with debt maturity

net cash used in investment activities of Baht 225.2 million, mainly generated from investment in short term investment of Baht 256.1 million, dividend receipt from a joint venture of Baht 120 million and purchase of equipment of Baht 58.2 million.

Net cash used in financing activities was the amount of Baht 307.1 million, primarily came from loan repayment of Baht 36 million, dividend payment of Baht 184.0 million and share repurchase of Baht 76.8 million.

In overall, net cash was generated from operating, recurring income in this year as mentioned above to settle interest bearing debts, operating liabilities. The excess cash was sufficient for NNCL dividend payment.

2. Liquidity Ratio

For the year 2019, the Company's liquidity ratio was 9.5 times decreased from 10.5 times in 2018 and liquidity quick ratio in 2019 was 4.2 times with no significant movement from 4.2 times in 2018, shown that the liquidity of the company is maintain improving.

3. Capital expenditure

Currently, the company has invested in the development of industrial policy is the main one

The Company has a policy of investment in each project before deciding whether to invest in any new projects. The company is studying the possibility of a return worth the investment or not. The financial, social and environmental impact. The decision was correct and more accurate. It will take into account the benefits to be received is the maximum.

C) Financial Position

Assets

As at December 31, 2019, the Company had total consolidated assets of Baht 4,312.5 million, increase by Baht 4.9 million, compared with the December 31,2018 of Baht 4,307.6 million, mainly caused by

- **Cash and cash equivalents, Current investments**
cash and cash equivalents, Current investments of Baht 801.9 million, increased of Baht 129.6 million as a result of from excess of working capital after repayment operating liabilities.
- **Current assets**
Mainly consists of real estate development was Baht 1,056.5 million, real estate for sale at PathumThani and Nakhon Ratchasima.
- **Non-current assets**
Primarily comprise the property, plant and equipment and investment properties decreased of Baht (85.0) million as a result of its depreciation during the year.

And also investment in joint venture-NNEG of Baht 521.0 million decreased of Baht 77.2 million, due to share of profit from joint ventures-NNEG in 2019 ,according to IFRS 11 : Joint Arrangements, and dividend receipt of Baht 120 million in April 2019.

Quality of assets

- **Trade receivables**
For the year 2019, the Company had net trade receivables of Baht 54.4 million, decreased from year 2018 by THB 1.7 million and average collection period was 33 days, likely as previous year.

However, the Company had closely monitored receipt customers. Policy of setting allowance of doubtful debt was considered by an analytical review for both of past collection and capability of payment.

- **Real estate development project**
For the year 2019, the Company had real estate development projects of Baht 1,056.5 million and inventory turnover was 0.00 times, due to none of sale of real estate development projects in this year.

- **Property, plant and equipment and investment property**

For the year 2019 the Company had property, plant and equipment and investment property of Baht 1,726.0 million decreased from year 2018 by THB (85.0) million because depreciation during year 2019.

- **investment in a joint venture**

And also investment in joint venture-NNEG of Baht 521.0 million decreased of Baht 77.2 million, due to share of profit from joint ventures-NNEG in 2019, according to IFRS 11 : Joint Arrangements, of Baht 41.8 million and dividend receipt of Baht 120 million in April 2019.

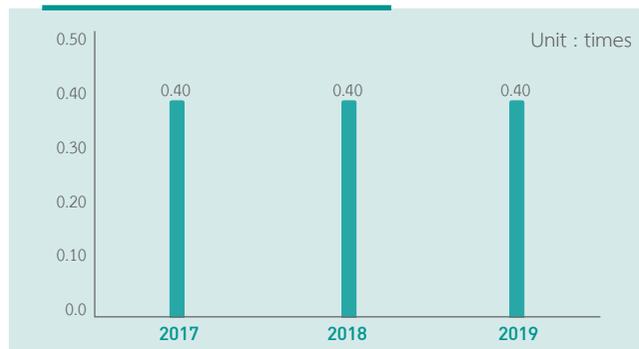
D) Source of fund

The Company's source of fund which received from operating activities, loans from financial institutions as follows:

- **Debt to equity ratio**

In 2019, the Company's debt to equity ratio was 0.40 times, no change from 2018.

Debt to Equity ratio (Time)



- **Share holders' equity**

The share holders' equity had shown of THB 3,071.8 million, decreased by Baht 8.0 million, compared with the previous year as of December 31, 2018 Baht 3,079.8 million, mainly caused by net profit for the year of Baht 255.6 million, dividend payment year 2019 of Baht 184.3 million in May 2019 and also Treasury shares of Baht 76.8 million.

- **Liabilities**

As at December 31, 2019, the Company had total consolidated liabilities of Baht 1,240.7 million, increase by Baht 13.0 million, compared with the December 31, 2018 of Baht 1,227.7 million, mainly caused by loan repayment of interest bearing debts and also payment of operating

liabilities with cash flow from operating activities and advance compensation from entering infrastructure utilization agreement as mentioned above.

- **Interest Coverage Ratio**

In 2017-2019, The company's Interest Coverage Ratio were of 111.2%, 368.7% and 190.3% respectively, In the years 2019, the company's Interest Coverage Ratio was still maintain, due to there were operating profit as mentioned above.

E) Factors that may impact the business operation or financial position in the future

Cost of new plot of land may rise in the future

The Company was established in 1971 to operate Businesses in industrial promotion zone, with an initial area of around 5,000 rai. In 2015, the Company is a total area of 6,485 rai and the area 168 rai of land available for sale. As the company gradually acquired new land, each plot has different costs where the land acquired (especially during the beginning of project) earlier would have lower costs than the land acquired later. Therefore, once the Company has sold the land previous acquired, the profit from sale will be reduced as the cost of purchasing new plot of land will cost significantly more. In 2002, the Company acquired 1,175 rai of land in Sungnern district, NakhonRatchasima and 728 rai during 2003 - 31 December 2005, making a total land of 1,903 rai to be developed at Nava Nakorn (NakhonRatchasima) industrial zone. In each purchase of new plots of land, the Company will conduct a feasibility study before transactions. Key determination factor is the land price, which have to be competitive enough and generate proper return on investment. The Company believes that despite lower gross profit margin in the future, the margin will still be at competitive levels and could constantly generate profit and dividend to shareholders continually

Project Layout

Nava Nakorn (Pathumthani) industrial promotion zone is Thailand's first industrial estate project that has been well established and being continuously expanded. As the Company has in the past sold some plots of land in the industrial zones to general investors, who develop the plots into commercial and residential area, making the current planning of the project less orderly and could be a constraint in selling some plots to investors. However, the Company has currently set a clear master plan of the project and it will consider the planned usage of land plots before selling to investors to ensure the usage fits the location specified in the master plan.

The project's ground is lower than adjacent area

The location of the Nava Nakorn industrial promotion zone was originally a basin that set on low ground. Therefore, the Company had to build dyke surrounding the project and develop drainage to prevent floods. As the Company purchase more land to develop, it would need to build additional dykes and drainage, making its land development costs and maintenance expenses for the dykes and drainage relatively higher than its competitors, whose location set on higher grounds and don't have to incur such expenses. However, as the company has completed the building of dykes and internal drainage, it will now book only maintenance expenses and additional costs on additional construction along newly acquired land. Each year, it record around 1- 2 million THB in maintenance expenses of the dykes and drainage, accounting for around 1-3% of total expenses which is considered marginal to overall costs. Therefore, the Company believes this factor will not affect the performance.

Land for sale not connected to the project

In the past, the Company let individuals acted as an agent to collect land plots and re-sell to the Company to bring down acquisition cost as land owners usually set higher prices for corporate buyers. The Company gradually purchased small plots of land, not huge plot all at once. In 1987, the Company bought 22-2-16 rai of land worth around THB 4.20 million, adjacent to a canal with no connection to road and located 390 meters away from the company's project. Back then, the Company expected to be able to purchase adjacent plots and combine the land into the project. However, it failed to do so and therefore the plot does not connect with the project. The Company will continue to consider buying adjacent plots to connect the plot with the project for further development and will at the meantime try to sell the plot to any interested person to reduce land development constraints.

Sustainable Development Goals

Sustainability of Our Goal



Our priority is the target toward sustainability and as an illustration of our effort, we are ranked among the ten attractive securities for investment. We performed public services that yields benefits and long-term positive impact. These are what we strive for to cultivate Nava Nakorn Industrial Estate into a land of happiness for operators, factories and all residents.

Independent Auditor's Report

To the Shareholders of Nava Nakorn Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Nava Nakorn Public Company Limited and its subsidiary (the "Group") and of Nava Nakorn Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2019, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2019 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

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

Key Audit Matters

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

Valuation of investment properties and property, plant and equipment	
Refer to Notes 3 (f), 3 (g), 3 (h), 12 and 13	
The key audit matter	How the matter was addressed in the audit
<p>Investment properties are measured at cost less accumulated depreciation and impairment losses. Certain investment properties of the Company which are commercial building and residential building for lease have not been fully occupied.</p> <p>Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Certain property, plant and equipment of the Company have not operated in full capacity. These factors are considered as impairment indicators.</p> <p>In considering the impairment of assets, the management is required to make significant judgment in determining the recoverable amount. The recoverable amount is determined by the value in use which is calculated from discounted future cash flows. This is the area that my audit is concentrated on.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> Assessing management's procedures for identify potential impairment and understanding the processes of impairment testing and determining the recoverable amount; In respect of each asset for which an impairment indicator exists, I obtained the discounted future cash flows. In case that the Company engaged independent property valuer for appraisal, I evaluated the competency, independence and objectivity of independent property valuer by considering of professional qualification and read the term of engagement letters between independent property valuer and the Company. I inquired management and tested calculation and considered the appropriateness of key assumptions. I have also considered the adequacy of disclosures according to Thai Financial Reporting Standards.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made. *Na*

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation. *Nav*

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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



(Nareewan Chaibantad)
Certified Public Accountant
Registration No. 9219

KPMG Phoomchai Audit Ltd.
Bangkok
25 February 2020

Nava Nakorn Public Company Limited and its Subsidiary Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Current assets					
Cash and cash equivalents	5	345,841,516	472,316,668	343,430,117	471,058,770
Current investments	6	456,101,822	200,000,000	456,101,822	200,000,000
Trade accounts receivable	4, 7	54,414,123	56,081,970	54,414,123	56,081,970
Accrued service income	4	20,367,193	23,314,691	20,367,193	23,314,691
Other current receivables	4	14,254,973	7,410,061	16,642,426	7,039,080
Short-term loans to subsidiary	4	-	-	-	4,000,000
Real estate projects under development	8	1,056,511,003	1,053,559,703	1,056,511,003	1,053,559,703
Other current assets		1,555,446	1,147,714	1,555,446	1,147,714
Total current assets		1,949,046,076	1,813,830,807	1,949,022,130	1,816,201,928
Non-current assets					
Fixed deposit at financial institution		60,000,000	60,000,000	60,000,000	60,000,000
Restricted deposits at financial institutions	14, 17	28,006,621	-	28,006,621	-
Revenue department receivable		1,840,790	346,699	1,840,790	346,699
Investment in subsidiary	9	-	-	-	2,499,925
Investments in joint ventures	10	521,002,153	598,156,452	465,930,042	464,938,150
Other long-term investments	11	3,404,319	3,404,319	3,404,319	3,404,319
Investment properties	12	125,486,093	115,207,618	125,486,093	115,207,618
Property, plant and equipment	13	1,600,477,250	1,695,752,661	1,600,477,250	1,690,425,558
Deferred tax assets	22	21,400,362	14,642,408	21,400,362	14,642,408
Other non-current receivables		1,834,556	6,221,120	1,834,556	6,221,120
Total non-current assets		2,363,452,144	2,493,731,277	2,308,380,033	2,357,685,797
Total assets		4,312,498,220	4,307,562,084	4,257,402,163	4,173,887,725

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

Nava Nakorn Public Company Limited and its Subsidiary
Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2019	2018	2019	2018
		(in Baht)			
Current liabilities					
Bank overdrafts	14	36,620	37,540	36,620	37,540
Trade accounts payable	4	15,242,113	20,255,592	15,242,113	20,255,592
Other current payables	4, 15	91,740,041	50,444,054	91,716,166	49,919,036
Payables on purchase of equipment		12,700,718	2,284,026	12,700,718	2,284,026
Current portion of deferred income from government grants	13	24,643,514	40,087,985	24,643,514	40,087,985
Current portion of deferred income from related party	4	16,373,913	16,373,913	16,373,913	16,373,913
Current portion of deferred income	27	3,564,854	937,500	3,564,854	937,500
Current portion of long-term loan from financial institution	14	36,000,000	36,000,000	36,000,000	36,000,000
Current portion of finance lease liabilities	14	5,870,685	6,353,819	5,870,685	6,353,819
Total current liabilities		206,172,458	172,774,429	206,148,583	172,249,411
Non-current liabilities					
Retention payables	4	5,522,192	5,233,790	5,522,192	5,233,790
Other non-current payables		142,408	996,856	142,408	996,856
Deferred income from government grants	13	280,209,621	298,378,165	280,209,621	298,378,165
Deferred income from related party	4	334,898,552	351,272,465	334,898,552	351,272,465
Deferred income	27	58,729,474	12,812,500	58,729,474	12,812,500
Long-term loan from financial institution	14	271,993,649	307,960,728	271,993,649	307,960,728
Finance lease liabilities	14	9,316,733	14,087,046	9,316,733	14,087,046
Provisions for employee benefits	16	34,611,934	24,886,456	34,611,934	24,886,456
Deposits from customers for utilities	4	39,146,577	39,344,275	39,146,577	39,344,275
Total non-current liabilities		1,034,571,140	1,054,972,281	1,034,571,140	1,054,972,281
Total liabilities		1,240,743,598	1,227,746,710	1,240,719,723	1,227,221,692

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

Nava Nakorn Public Company Limited and its Subsidiary
Statement of financial position

Liabilities and equity <i>(Continued)</i>	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Equity					
Share capital					
Authorised share capital <i>(2,048,254,862 ordinary shares, par value at Baht 1 per share)</i>		<u>2,048,254,862</u>	<u>2,048,254,862</u>	<u>2,048,254,862</u>	<u>2,048,254,862</u>
Issued and paid-up share capital <i>(2,048,254,862 ordinary shares, par value at Baht 1 per share)</i>		2,048,254,862	2,048,254,862	2,048,254,862	2,048,254,862
Treasury shares	17	(76,781,522)	-	(76,781,522)	-
Share premium on ordinary shares	18	283,563,867	283,563,867	283,563,867	283,563,867
Retained earnings					
Appropriated					
Legal reserve	18	165,225,038	152,444,899	165,225,038	152,444,899
Treasury shares reserve	17, 18	76,781,522	-	76,781,522	-
Unappropriated		<u>574,710,783</u>	<u>595,551,673</u>	<u>519,638,673</u>	<u>462,402,405</u>
Equity attributable to owners of the parent		<u>3,071,754,550</u>	<u>3,079,815,301</u>	<u>3,016,682,440</u>	<u>2,946,666,033</u>
Non-controlling interests		<u>72</u>	<u>73</u>	<u>-</u>	<u>-</u>
Total equity		<u>3,071,754,622</u>	<u>3,079,815,374</u>	<u>3,016,682,440</u>	<u>2,946,666,033</u>
Total liabilities and equity		<u>4,312,498,220</u>	<u>4,307,562,084</u>	<u>4,257,402,163</u>	<u>4,173,887,725</u>

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

Nava Nakorn Public Company Limited and its Subsidiary Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2019	2018	2019	2018
<i>(in Baht)</i>					
Revenues					
Revenue from sale of real estate development projects	19	-	199,745,625	-	199,745,625
Revenue from rendering of services	4, 19	633,238,905	632,811,414	633,238,905	632,811,414
Rental income	4	29,841,224	30,244,776	29,841,224	30,244,776
Income from government grants	13	33,613,015	39,936,351	33,613,015	39,936,351
Income from areas and infrastructure utilisation	4, 27	40,829,625	36,724,496	40,829,625	36,724,496
Dividend income	4	1,764,756	649,996	121,748,794	108,635,596
Other income	4	35,400,565	28,907,032	35,392,189	28,908,698
Total revenues		774,688,090	969,019,690	894,663,752	1,077,006,956
Expenses					
Cost of sale of real estate development projects	8, 21	-	95,027,883	-	95,027,883
Cost of rendering of services	4, 21	332,941,353	341,946,560	332,941,353	341,946,560
Distribution costs	21	10,094,028	22,562,823	10,094,028	22,562,823
Administrative expenses	21	211,264,541	217,943,442	211,325,197	217,876,072
Finance costs		2,229,700	1,713,538	2,229,700	1,713,538
Total expenses		556,529,622	679,194,246	556,590,278	679,126,876
Share of profit of investments in joint ventures	10	41,837,847	111,608,201	-	-
Profit before income tax expense		259,996,315	401,433,645	338,073,474	397,880,080
Income tax expense	22	4,393,532	26,764,526	4,393,532	26,764,526
Profit for the year		255,602,783	374,669,119	333,679,942	371,115,554
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Losses on remeasurements of defined benefit plans	16	(3,173,855)	-	(3,173,855)	-
Income tax relating to item that will not be reclassified subsequently to profit or loss	22	634,771	-	634,771	-
Other comprehensive income for the year, net of income tax		(2,539,084)	-	(2,539,084)	-
Total comprehensive income for the year		253,063,699	374,669,119	331,140,858	371,115,554
Profit attributable to:					
Owners of the parent		255,602,784	374,669,121	333,679,942	371,115,554
Non-controlling interests		(1)	(2)	-	-
Profit for the year		255,602,783	374,669,119	333,679,942	371,115,554
Total comprehensive income attributable to:					
Owners of the parent		255,063,700	374,669,121	331,140,858	371,115,554
Non-controlling interests		(1)	(2)	-	-
Total comprehensive income for the year		255,063,699	374,669,119	331,140,858	371,115,554
Basic earnings per share	23	0.13	0.18	0.16	0.18

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

Nava Nakorn Public Company Limited and its Subsidiary
Statement of changes in equity

Consolidated financial statements

	Retained earnings					Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	(in Baht)			
For the year ended 31 December 2018								
Balance at 1 January 2018	2,048,254,862	283,563,867	133,711,443	403,476,389	2,869,006,561	-	2,869,006,561	
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the parent</i>								
Dividends to owners of the Company	-	-	-	(163,860,381)	(163,860,381)	-	(163,860,381)	
Total distributions to owners of the parent	-	-	-	(163,860,381)	(163,860,381)	-	(163,860,381)	
Changes in ownership interests in subsidiary								
Capital received from non-controlling interests in subsidiary	-	-	-	-	-	75	75	
Total changes in ownership interests in subsidiary	-	-	-	-	-	75	75	
Comprehensive income for the year								
Profit	-	-	-	374,669,121	374,669,121	(2)	374,669,119	
Other comprehensive income	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	374,669,121	374,669,121	(2)	374,669,119	
Transfer to legal reserve	-	-	18,733,456	(18,733,456)	-	-	-	
Balance at 31 December 2018	2,048,254,862	283,563,867	152,444,899	595,551,673	3,079,815,301	73	3,079,815,374	

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

Nava Nakorn Public Company Limited and its Subsidiary
Statement of changes in equity

		Consolidated financial statements								
		Retained earnings								
	Note	Issued and paid-up share capital	Treasury shares	Share premium on ordinary shares	Legal reserve	Treasury shares reserve (in Baht)	Unappropriated	Equity attributable to owners of the parent	Non-controlling interests	Total equity
For the year ended 31 December 2019										
		2,048,254,862	-	283,563,867	152,444,899	-	595,551,673	3,079,815,301	73	3,079,815,374
Balance at 1 January 2019										
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the parent</i>										
	17	-	(76,781,522)	-	-	-	-	(76,781,522)	-	(76,781,522)
	24	-	-	-	-	-	(184,342,929)	(184,342,929)	-	(184,342,929)
		-	(76,781,522)	-	-	-	(184,342,929)	(261,124,451)	-	(261,124,451)
Comprehensive income for the year										
		-	-	-	-	-	255,602,784	255,602,784	(1)	255,602,783
		-	-	-	-	-	(2,539,084)	(2,539,084)	-	(2,539,084)
		-	-	-	-	-	253,063,700	253,063,700	(1)	253,063,699
	18	-	-	-	12,780,139	-	(12,780,139)	-	-	-
	17, 18	-	-	-	-	76,781,522	(76,781,522)	-	-	-
		2,048,254,862	(76,781,522)	283,563,867	165,225,038	76,781,522	574,710,783	3,071,754,550	72	3,071,754,622

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

Nava Nakorn Public Company Limited and its Subsidiary
Statement of changes in equity

	Separate financial statements					Total equity
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		
				Legal reserve	Unappropriated	
For the year ended 31 December 2018						
Balance at 1 January 2018		2,048,254,862	283,563,867	133,711,443	273,880,688	2,739,410,860
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the parent</i>						
Dividends to owners of the Company	24	-	-	-	(163,860,381)	(163,860,381)
Total distributions to owners of the parent		-	-	-	(163,860,381)	(163,860,381)
Comprehensive income for the year						
Profit		-	-	-	371,115,554	371,115,554
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	371,115,554	371,115,554
Transfer to legal reserve	18	-	-	18,733,456	(18,733,456)	-
Balance at 31 December 2018		2,048,254,862	283,563,867	152,444,899	462,402,405	2,946,666,033

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

Nava Nakorn Public Company Limited and its Subsidiary
Statement of changes in equity

Separate financial statements

	Note	Issued and paid-up share capital	Treasury shares	Share premium on ordinary shares	Legal reserve (in Baht)	Retained earnings			Total equity
						Treasury shares reserve	Unappropriated		
For the year ended 31 December 2019									
Balance at 1 January 2019		2,048,254,862	-	283,563,867	152,444,899	-	462,402,405		2,946,666,033
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the parent</i>									
Treasury shares purchased	17	-	(76,781,522)	-	-	-	-	-	(76,781,522)
Dividends to owners of the Company	24	-	-	-	-	(184,342,929)	-	-	(184,342,929)
Total distributions to owners of the parent		-	(76,781,522)	-	-	(184,342,929)	-	-	(261,124,451)
Comprehensive income for the year									
Profit		-	-	-	-	-	333,679,942	-	333,679,942
Other comprehensive income		-	-	-	-	-	(2,539,084)	-	(2,539,084)
Total comprehensive income for the year		-	-	-	-	-	331,140,858	-	331,140,858
Transfer to legal reserve	18	-	-	-	12,780,139	-	(12,780,139)	-	-
Transfers to treasury shares reserve	17, 18	-	-	-	-	76,781,522	(76,781,522)	-	-
Balance at 31 December 2019		2,048,254,862	(76,781,522)	283,563,867	165,225,038	76,781,522	519,638,673	-	3,016,682,440

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

Nava Nakorn Public Company Limited and its Subsidiary Statement of cash flows

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2019	2018	2019	2018
<i>(in Baht)</i>					
Cash flows from operating activities					
Profit for the year		255,602,783	374,669,119	333,679,942	371,115,554
<i>Adjustments to reconcile profit to cash receipts</i>					
Income tax expense	22	4,393,532	26,764,526	4,393,532	26,764,526
Finance costs		2,229,700	1,713,538	2,229,700	1,713,538
Depreciation	12, 13	172,028,163	185,326,482	172,028,163	185,326,482
Reversal of allowance for doubtful accounts	7	(87,308)	(30,536)	(87,308)	(30,536)
Provisions for employee benefits	16	11,387,405	4,064,618	11,387,405	4,064,618
Gain on disposal of equipment		(1,742,954)	(737,718)	(1,742,954)	(737,718)
Recognised deferred income from					
government grants to income	13	(33,613,015)	(39,936,351)	(33,613,015)	(39,936,351)
Recognised deferred income to income		(17,829,585)	(13,724,456)	(17,829,585)	(13,724,456)
Loss from the liquidation of subsidiary		-	-	112,473	-
Gain on fair value adjustment	6	(456,822)	-	(456,822)	-
Share of profit of investments in joint ventures	10	(41,837,847)	(111,608,201)	-	-
Dividend income		(1,764,756)	(649,996)	(121,748,794)	(108,635,596)
Interest income		(11,592,120)	(5,161,281)	(11,585,662)	(5,161,281)
		<u>336,717,176</u>	<u>420,689,744</u>	<u>336,767,075</u>	<u>420,758,780</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		1,755,155	(7,894,975)	1,755,155	(7,894,975)
Accrued service income		2,947,498	(6,594,248)	2,947,498	(6,594,248)
Other current receivables		1,317,644	(634,594)	944,745	(263,611)
Real estate projects under development		(2,951,300)	95,027,883	(2,951,300)	95,027,883
Other current assets		(407,732)	(292,505)	(407,732)	(292,505)
Other non-current receivables		4,386,564	(2,428,194)	4,386,564	(2,428,194)
Trade accounts payable		(5,013,479)	1,443,532	(5,013,479)	1,443,532
Other current payables		41,296,471	(32,354,998)	41,797,614	(32,880,017)
Retention payables		288,402	335,535	288,402	335,535
Other non-current payables		(854,448)	(854,448)	(854,448)	(854,448)
Provisions for employee benefits paid	16	(4,835,782)	(598,947)	(4,835,782)	(598,947)
Deposits from customers for utilities		(197,698)	977,758	(197,698)	977,758
Proceed from compensation for area and					
infrastructure utilisation		50,000,000	165,000,000	50,000,000	165,000,000
Net cash generated from operating		<u>424,448,471</u>	<u>631,821,543</u>	<u>424,626,614</u>	<u>631,736,543</u>
Income tax paid		<u>(18,584,650)</u>	<u>(5,704,165)</u>	<u>(18,584,650)</u>	<u>(5,704,165)</u>
Net cash from operating activities		<u>405,863,821</u>	<u>626,117,378</u>	<u>406,041,964</u>	<u>626,032,378</u>

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

Nava Nakorn Public Company Limited and its Subsidiary Statement of cash flows

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2019	2018	2019	2018
<i>(in Baht)</i>					
Cash flows from investing activities					
Acquisition of current investments		(405,645,000)	(200,000,000)	(405,645,000)	(200,000,000)
Proceeds from sale of current investments		150,000,000	-	150,000,000	-
Cash inflow on short-term loans to subsidiary	4	-	-	12,200,000	-
Cash outflow on short-term loans to subsidiary	4	-	-	(8,200,000)	(4,000,000)
Cash outflow from fixed deposit at financial institution		-	(60,000,000)	-	(60,000,000)
Restricted deposits at financial institutions		(28,006,621)	-	(28,006,621)	-
Acquisition of subsidiary		-	-	-	(2,499,925)
Cash outflow on paid-up capital of investments in joint venture	10	(991,892)	(7,500,000)	(991,892)	(7,500,000)
Proceeds from sale of equipment		1,743,832	737,794	1,743,832	737,794
Acquisition of property, plant and equipment		(58,225,953)	(21,595,376)	(63,553,056)	(16,268,274)
Acquisition of investment properties		(15,874,740)	(2,374,000)	(15,874,740)	(2,374,000)
Dividend received		121,748,794	108,635,596	121,748,794	108,635,596
Interest received		10,003,408	3,784,705	9,998,867	3,784,705
Net cash used in investing activities		(225,248,172)	(178,311,281)	(226,579,816)	(179,484,104)
Cash flows from financing activities					
Decrease in bank overdrafts		(920)	(603,265)	(920)	(603,265)
Payment by a lessee for reduction of the outstanding liability relating to finance lease		(7,768,167)	(3,684,903)	(7,768,167)	(3,684,903)
Repayment of long term loan from financial institution		(35,967,079)	(5,994,272)	(35,967,079)	(5,994,272)
Cash outflow on purchase of treasury shares	17	(76,781,522)	-	(76,781,522)	-
Dividends paid to owners of the Company	24	(184,342,929)	(163,860,381)	(184,342,929)	(163,860,381)
Proceeds from issue of ordinary shares of subsidiary to non-controlling interests		-	75	-	-
Interest paid		(2,230,184)	(1,713,591)	(2,230,184)	(1,713,591)
Net cash used in financing activities		(307,090,801)	(175,856,337)	(307,090,801)	(175,856,412)
Net increase (decrease) in cash and cash equivalents		(126,475,152)	271,949,760	(127,628,653)	270,691,862
Cash and cash equivalents at 1 January		472,316,668	200,366,908	471,058,770	200,366,908
Cash and cash equivalents at 31 December	5	345,841,516	472,316,668	343,430,117	471,058,770
Non-cash transactions					
Equipment purchased under finance lease liabilities		2,514,720	9,892,149	2,514,720	9,892,149
Acquisition of equipment for which payment had not been made		10,416,692	2,284,026	10,416,692	2,284,026

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

Nava Nakorn Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2019

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 25 February 2020.

1 General information

Nava Nakorn Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 18 May 2004. The Company’s registered head office and branch office as follows:

- Head office : 999 Moo 13, Phaholyothin Road, Tambol Klong Nueng, Amphur Klong Luang, Phatumthani 12120, Thailand
- Branch office : 999/1 Mittraphap Road (Km. 231) Moo 1, Tambol Naklang, Amphur Soongnuen, Nakhon Ratchasima 30380, Thailand

As at 31 December 2019, the Company’s major shareholders were Mr. Taweechat Jurangkool, owned 24.70% of the Company’s share capital and NEP Realty and Industry Public Company Limited, incorporated in Thailand, and owned 12.01% of the Company’s share capital (2018: 24.70% and 10.79%, respectively).

The principal businesses of the Company are the property development and industrial promotion zone projects for trading and leasing, and providing utilities and other facilities services in the industrial promotion zone. Details of the Company’s subsidiary and joint ventures as at 31 December 2019 and 2018 are given in notes 9 and 10 to the financial statements, respectively.

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2019. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. There is no material impact on the Group’s financial statements. The Group has initial applied TFRS 15 *Revenue from Contracts with Customers* (“TFRS 15”) which replaces TAS 18 *Revenue* (“TAS 18”) and related interpretations. The details of accounting policies are disclosed in note 3 (q) to the financial statements.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 29 to the financial statements.

(b) Functional and presentation currency

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

(c) Use of judgments and estimates

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

(i) Judgments

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in note 10 to the financial statements *Classification of the joint arrangement*.

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2019 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 8	Measurement of real estate projects under development;
Notes 12 and 13	Impairment test: key assumptions underlying recoverable amounts; and
Note 16	Measurement of defined benefit obligations: key actuarial assumptions.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in joint ventures.

Subsidiary

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

Non-controlling interests

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

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

Loss of control

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

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in joint ventures.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Cash and cash equivalents

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

(c) Trade and other accounts receivable

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

A receivable is stated at invoice value less allowance for doubtful accounts which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(d) Real estate projects under development

Real estate projects under development are projects for the development of properties with the intention of sale in the ordinary course of business. They are measured at the lower of cost and estimated net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the properties.

The cost of real estate projects under development comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding real estate projects under development are capitalised, on a specific identification basis, as part of the cost of the property until the completion of development.

(e) Investments

Investments in subsidiary and joint ventures

Investments in subsidiary and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in joint ventures in the consolidated financial statements are accounted for using the equity method.

Investments in other debt and equity securities

Marketable debt securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading is determined as the quoted bid price at the reporting date.

Disposal of investments

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

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of total holding of investments.

(f) Investment properties

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

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

Cost includes expenditure that is directly attributable to the acquisition of the investment property. 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 property. The estimated useful lives of investment properties are 5, 10 and 33 years.

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

(g) Property, plant and equipment

Recognition and measurement

Owned assets

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

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

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

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

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. 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.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at carrying amount.

Subsequent costs

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

Depreciation

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

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

Buildings and building improvements	5, 10, 20 and 25 years
Commercial buildings	5, 10 and 33 years
Water production for industry system	5, 10 and 25 years
Utilities systems and flood protection system	5, 10, 20 and 25 years
Machinery and equipment	3, 5, 10 and 14 years
Furniture, fixtures and office equipment	3, 5 and 10 years
Vehicles	5 years

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

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

(h) Impairment

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

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

Calculation of recoverable amount

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

Reversals of impairment

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

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

(i) Interest-bearing liabilities

Interest-bearing liabilities are recognised at stated in the a agreement.

(j) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(k) Employee benefits

Defined contribution plans

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

Defined benefit plans

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

The calculation of defined benefit obligations is regularly performed by a qualified actuary using the projected unit credit method.

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

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

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

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

(l) Provisions

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

(m) Deferred income from government grants

Deferred income from government grants represented grants for flood protection construction project from the Ministry of Industry and government grants for machine development for energy conservation from the Department of Alternative Energy Development and Efficiency. The Group recorded the grants as deferred income from government grants in the statement of financial position and recognised as income by a straight-line basis over the useful lives of the related assets of 4 to 25 years. Income from government grants presented separately in profit or loss.

(n) Deferred income

Deferred income represented compensation in advance according to the agreements of areas and infrastructure utilisation in Nava Nakorn Industrial Promotion Zone. The Group recorded as deferred income in the statement of financial position and recognised as income by a straight-line basis according to the term of the agreements and presented as income from areas and infrastructure utilisation in profit or loss.

(o) **Measurement of fair values**

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. 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.

(p) **Repurchase of share capital (treasury shares)**

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

(q) **Revenue**

Accounting policies for revenue recognition in 2019

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.

Sale of real estate development projects and rendering of services

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

Accounting policies for revenue recognition in 2018

Revenue excludes value added taxes or other tax sales and is arrived at after deduction of trade discounts.

Sale of real estate development projects and rendering of services

Revenue from sale of real estate development projects is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Revenue from rendering of services is recognised as services are provided.

(r) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(s) Investment income

Investment income comprises dividend and interest income from investments and financial institutions. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

(t) Finance costs

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

(u) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(v) **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 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 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 joint ventures 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.

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

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

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

(w) Earnings per share

The Group presents basic earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

(x) Related parties

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

(y) Segment reporting

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

4 Related parties

Relationships with subsidiary and joint ventures are described in notes 9 and 10 to the financial statements. Relationships with key management and other related parties that the Group had significant transactions with during the year were as follows:

Name of parties	Country of incorporation/ nationality	Nature of relationships
NEP Realty and Industry Public Company Limited	Thailand	Major shareholder, 10.79% shareholding, and common directors
Security Navanakorn International Guarding Co., Ltd.	Thailand	Related party, the Company invests 15.08% shareholding and common directors
Sumisho Global Logistics (Thailand) Co., Ltd.	Thailand	Related party, the Company invests 1.71% shareholding and common directors
Construction Accessories Co., Ltd.	Thailand	Related party and common directors
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

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

Transactions	Pricing policies
Revenue from rendering of services	Contractually agreed price
Rental income	Contractually agreed price
Income from areas and infrastructure utilisation	Contractually agreed price
Management income	Contractually agreed price
Dividend income	Dividend declaration
Interest income	Interest rate at 2.5% per annum
Security service fee	Contractually agreed price
Purchase of equipment	Contractually agreed price
Purchase of investment properties	Contractually agreed price

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

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiary				
Interest income	-	-	130	2
Purchase of equipment	-	-	14,337	-
Joint venture				
Revenue from rendering of services	44,128	45,317	44,128	45,317
Income from areas and infrastructure utilisation	39,374	35,787	39,374	35,787
Management income	3,012	3,771	3,012	3,771
Dividend income	-	-	119,984	107,986
Other related parties				
Revenue from rendering of services	1,586	1,418	1,586	1,418
Rental income	120	360	120	360
Dividend income	1,765	650	1,765	650
Security service fee	3,375	21,406	3,375	21,406
Purchase of equipment	-	770	-	770
Key management personnel				
Purchase of investment properties	-	824	-	824
Key management personnel compensation				
Short-term employee benefits	41,088	42,188	41,088	42,188
Post-employment benefits	4,047	1,992	4,047	1,992
Total key management personnel compensation	45,135	44,180	45,135	44,180

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

<i>Trade accounts receivable</i>	Consolidated financial statements		Separate financial statements		
	2019	2018	2019	2018	
	<i>(in thousand Baht)</i>				
Joint venture	4,131	4,220	4,131	4,220	
Other related parties	146	132	146	132	
Total	4,277	4,352	4,277	4,352	
 <i>Accrued service income</i>					
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Joint venture	335	314	335	314	
Other related parties	-	270	-	270	
Total	335	584	335	584	

<i>Other current receivables</i>		Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Subsidiary		-	-	2,387	2
Total		-	-	2,387	2
<i>Movement of short-term loans</i>		Interest rate	Separate financial statements		
	At	At	Increase	Decrease	At
	31 December	1 January	(in thousand Baht)		31 December
	(% per annum)				
2019					
Subsidiary	2.50	4,000	8,200	(12,200)	-
Total		4,000	8,200	(12,200)	-
2018					
Subsidiary	2.50	-	4,000	-	4,000
Total		-	4,000	-	4,000
<i>Trade accounts payable</i>		Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related party		-	1,978	-	1,978
Total		-	1,978	-	1,978
<i>Other current payables</i>		Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Key management personnel		5,504	7,824	5,504	7,824
Total		5,504	7,824	5,504	7,824
<i>Retention payable</i>		Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related party		45	45	45	45
Total		45	45	45	45

Deferred income from related party

Deferred income from areas and infrastructure utilisation were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Joint venture				
At 1 January	367,646	215,433	367,646	215,433
Received compensation from areas and infrastructure utilisation during the year	-	165,000	-	165,000
Recognised as income during the year	(16,374)	(12,787)	(16,374)	(12,787)
At 31 December	351,272	367,646	351,272	367,646
- current	16,374	16,374	16,374	16,374
- non-current	334,898	351,272	334,898	351,272
Total	351,272	367,646	351,272	367,646

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Deposits from customers for utilities				
Joint venture	30	30	30	30
Other related parties	39	39	39	39
Total	69	69	69	69

Significant agreements with related parties**Infrastructure utilisation agreement**

The Company entered into an infrastructure utilisation agreement with joint venture (Nava Nakorn Electricity Generating Company Limited), for a period of 25 years effective on 28 June 2016, in which the Company provided areas and infrastructure utilisation in Nava Nakorn Industrial Promotion Zone in Phatumthani province, as stated condition in the agreement. The Company received compensation in advance of Baht 230 million which recorded as deferred income in the statement of financial position and recognised as income by a straight-line basis according to the term of the agreement.

The Company entered into a transmission line, pipeline and infrastructure utilisation agreement with joint venture (Nava Nakorn Electricity Generating Company Limited), for a period of 25 years effective on 1 August 2016, in which the Company provided areas and infrastructure utilisation in Nava Nakorn Industrial Promotion Zone in Phatumthani province, as stated condition in the agreement. The Company shall receive compensation of Baht 1.92 million per month according to the term of the agreement.

The Company entered into an infrastructure utilisation agreement (extended phase) with joint venture (Nava Nakorn Electricity Generating Company Limited), for a period of 23 years effective on 1 July 2018, in which the Company provided areas and infrastructure utilisation in Nava Nakorn Industrial Promotion Zone in Phatumthani province, as stated condition in the agreement. The Company received compensation in advance of Baht 165 million which recorded as deferred income in the statement of financial position and recognised as income by a straight-line basis according to the term of the agreement.

The Company entered into a transmission line, pipeline and infrastructure utilisation agreement (extended phase) with joint venture (Nava Nakorn Electricity Generating Company Limited), for a period of 23 years effective on 1 July 2018, in which the Company provided areas and infrastructure utilisation in Nava Nakorn Industrial Promotion Zone in Phatumthani province, as stated condition in the agreement. The Company shall receive compensation of Baht 0.70 million per month starting from August 2020.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Cash on hand	30	30	30	30
Cash at financial institutions				
- current accounts	1,584	1,597	1,584	1,577
Cash at financial institutions				
- savings accounts	341,816	470,690	341,816	469,452
Cheque on hand	2,412	-	-	-
Total	345,842	472,317	343,430	471,059

6 Current investments

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Fixed deposits with financial institutions	320,000	200,000
Debt securities held for trading	136,102	-
Total	456,102	200,000

	Consolidated financial statements/Separate financial statements				
	At 1 January	Purchase	Disposal	Fair value adjustment	At 31 December
	<i>(in thousand Baht)</i>				
2019					
Debt securities held for trading	-	155,645	(20,000)	457	136,102
	-	155,645	(20,000)	457	136,102

7 Trade accounts receivable

	Note	Consolidated financial statements/ Separate financial statements	
		2019	2018
		<i>(in thousand Baht)</i>	
Related parties			
Within credit term		4,272	4,352
Overdue:			
3 - 6 months		1	-
6 - 12 months		4	-
	4	4,277	4,352
Other parties			
Within credit term		48,222	49,363
Overdue:			
Less than 3 months		2,100	2,614
3 - 6 months		40	16
6 - 12 months		34	26
Over 12 months		5,172	5,229
Total		55,568	57,248
<i>Less allowance for doubtful accounts</i>		<i>(5,431)</i>	<i>(5,518)</i>
		50,137	51,730
Net		54,414	56,082
Reversal of allowance for doubtful accounts for the year		(87)	(31)

The normal credit term granted by the Group is 30 days.

8 Real estate projects under development

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Developed land available for sales		
<i>Nava Nakorn Industrial Promotion Zone Project (Phatumthani Province)</i>		
Cost of land	100,177	100,177
Project development costs	13,459	13,459
Capitalised interest	8,241	8,241
Total	121,877	121,877
<i>Less allowance for decline in value</i>	<i>-</i>	<i>-</i>
Net	121,877	121,877
 <i>Premium Zone Project (Phatumthani Province)</i>		
Cost of land	99,016	99,016
Project development costs	28,099	28,099
Capitalised interest	17,109	17,109
Total	144,224	144,224
<i>Less allowance for decline in value</i>	<i>(814)</i>	<i>(814)</i>
Net	143,410	143,410
 <i>Nava Nakorn Industrial Promotion Zone Project (Nakhon Ratchasima Province)</i>		
Cost of land	266,625	266,625
Project development costs	490,425	487,474
Capitalised interest	32,057	32,057
Total	789,107	786,156
<i>Less allowance for decline in value</i>	<i>(817)</i>	<i>(817)</i>
Net	789,290	785,339
Developed land available for sales, net	1,053,577	1,050,626
 Residential under development		
<i>The Nava Privacy Project (Phatumthani Province)</i>		
Cost of land	2,934	2,934
Project development costs	166,316	166,316
Capitalised interest	4,447	4,447
Total	173,697	173,697
<i>Less allowance for decline in value</i>	<i>(170,763)</i>	<i>(170,763)</i>
Total residential under development, net	2,934	2,934
 Grand total	 1,056,511	 1,053,560
 Carrying amount of real estate projects under development subject to retention of title clauses or otherwise pledged to secure liabilities (note 14 to the financial statements)	 17,799	 125,769
	17,799	125,769

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Real estate projects under development recognised in 'cost of sale of real estate development projects':		
- Cost of sale	-	95,028
	<u>-</u>	<u>95,028</u>

The Company mortgaged certain plots of its developed land available for sales and land used for public utilities, as collateral for credit facilities obtained from local financial institutions.

9 Investment in subsidiary

Investment in subsidiaries as at 31 December 2019 and 2018, and dividend income for the years then ended were as follows:

Type of business	Country of operation	Ownership Interest (%)		Separate financial statements (in thousand Baht)				Dividend income for the year
		2019	2018	Paid-up capital 2019	Paid-up capital 2018	Cost 2019	Cost 2018	
Navanakorn Smart Energy Co., Ltd.* Generating and selling electrical energy from solar power	Thailand	-	99.99	-	2,500	-	2,500	-
Total				-	2,500	-	2,500	-

* The Company registered the dissolution with Ministry of Commerce on 3 October 2019.

10 Investments in joint ventures

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
At 1 January	598,156	587,034	464,938	457,438
Share of profit of investments in joint ventures	41,838	111,608	-	-
Acquisition	992	-	992	-
Additional paid-up	-	7,500	-	7,500
Dividend income	(119,984)	(107,986)	-	-
At 31 December	<u>521,002</u>	<u>598,156</u>	<u>465,930</u>	<u>464,938</u>

On 26 September 2019, the Board of Directors approved the acquisition of ordinary shares of Thai Thanan Company Limited (“Thai Thanan”) in the amount of 51,000 shares (paid-up per share of Baht 25) or 51% of Thai Thanan’s share capital amounting to Baht 0.99 million from ALT Telecom Public Company Limited. The acquisition shares of Thai Thanan was completed on 31 October 2019.

On 28 May 2018, the Company paid the additional call up share capital of Nava Nakorn Electricity Generating Company Limited of 16.44 million ordinary shares, at Baht 0.456 per share, totaling Baht 7.50 million.

Investments in joint ventures as at 31 December 2019 and 2018 and dividend income for the years then ended were as follows:

Consolidated financial statements													
Type of business	Country of operation	Ownership interest (%)		Paid-up capital		Cost		Equity		Dividend income for the year			
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018		
<i>(in thousand Baht)</i>													
Nava Nakorn Electricity Generating Company Limited	Thailand	29.99	29.99	1,550,000	1,550,000	464,938	464,938	520,036	598,156	119,984	107,986		
Thai Thanan Company Limited	Thailand	51.00	-	2,500	-	992	-	966	-	-	-		
Total				465,930	464,938	464,938	464,938	521,002	598,156	119,984	107,986		
Separate financial statements													
Type of business	Country of operation	Ownership interest (%)		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<i>(in thousand Baht)</i>													
Nava Nakorn Electricity Generating Company Limited	Thailand	29.99	29.99	1,550,000	1,550,000	464,938	464,938	-	-	464,938	464,938	119,984	107,986
Thai Thanan Company Limited	Thailand	51.00	-	2,500	-	992	-	-	-	992	-	-	-
Total				465,930	464,938	464,938	464,938	-	-	465,930	464,938	119,984	107,986

None of the equity-accounted investees are publicly listed and consequently do not have published price quotations.

Joint ventures

The following table summarises the financial information of the joint ventures as included in their own financial statements, adjusted for differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these Companies.

	Nava Nakorn Electricity Generating Company Limited		Thai Thanan Company Limited	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>		<i>(in thousand Baht)</i>	
Revenue	2,843,943	2,981,681	1	-
Profit (loss) from continuing operations	139,565 ^a	372,076 ^a	(51) ^a	-
Other comprehensive income	-	-	-	-
Total comprehensive income (100%)	139,565	372,076	(51)	-
Total comprehensive income of the Group's interest	41,864	111,608	(26)	-
Current assets	1,995,214 ^b	3,280,300 ^b	1,922 ^b	-
Non-current assets	7,058,101	5,750,314	-	-
Current liabilities	(1,570,870)	(964,569)	(28)	-
Non-current liabilities	(5,748,759)	(6,071,924)	-	-
Net assets (100%)	1,733,686	1,994,121	1,894	-
Group's share of net assets	520,036	598,156	966	-
Carrying amount of interest in joint ventures	520,036	598,156	966	-
Remark:				
a. Includes:				
- depreciation and amortisation	253,154	235,520	-	-
- finance costs	185,509	226,028	-	-
b. Includes cash and cash equivalents	1,047,409	1,963,567	1,907	-

11 Other long-term investments

Other long-term investments as at 31 December 2019 and 2018, and dividend income for the years then ended were as follows:

Cost Related parties	Type of business	Country of operation	Consolidated financial statements/Separate financial statements				Dividend income for the year			
			Ownership interest (%)		Paid-up capital		2019	2018		
			2019	2018	2019	2018	(in thousand Baht)			
Sumisho Global Logistics (Thailand) Co., Ltd.	Transportation services	Thailand	1.71	1.71	180,000	180,000	3,078	3,078	1,765	650
Security Navanakorn International Guarding Co., Ltd.	Security services	Thailand	15.08	15.08	6,300	6,300	871	871	-	-
Allowance for impairment losses							(871)	(871)	-	-
Net							3,078	3,078	1,765	650
Other party										
The Bangkok Club Co., Ltd.	Trading of food and beverage	Thailand	0.11	0.11	450,000	450,000	1,000	1,000	-	-
Allowance for impairment losses							(674)	(674)	-	-
Net							326	326	-	-
Total							3,404	3,404	1,765	650

12 Investment properties

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Cost		
At 1 January	350,934	348,560
Additions	12,174	2,374
Transfer from property, plant and equipment	3,701	-
Disposals	(206)	-
At 31 December	366,603	350,934
Accumulated depreciation		
At 1 January	(69,221)	(64,203)
Depreciation charge for the year	(5,596)	(5,018)
Disposals	(205)	-
At 31 December	(74,612)	(69,221)
Allowance for impairment losses		
At 1 January	(166,505)	(166,505)
At 31 December	(166,505)	(166,505)
Net book value		
At 1 January	115,208	117,852
At 31 December	125,486	115,208
For the year ended 31 December		
	2019	2018
	<i>(in thousand Baht)</i>	
Amounts recognised in profit or loss for investment properties		
Rental income	20,735	14,572
Repair and maintenance expenses:		
- property that generated rental income	5,641	5,031
- property that did not generate rental income	999	1,000
At 31 December	2019	2018
	<i>(in thousand Baht)</i>	
Minimum lease payments under non-cancellable operating lease are receivable:		
Within one year	12,722	15,387
After one year but within five years	750	5,187
Total	13,472	20,574

Investment properties comprise of land, factories, commercial building and residential building for lease. The leases contain an initial non-cancellable period of 1 to 3 years. Renewals are negotiated with the lessee. No contingent rents are charged.

As at 31 December 2019, commercial building for lease with the cost of Baht 214.41 million and accumulated depreciation of Baht 54.47 million, and residential building for lease with the cost of Baht 52.07 million and accumulated depreciation of Baht 3.41 million, have not been fully occupied. This factor is considered as an impairment indicator.

Management reviewed and tested impairment of certain investment properties in which impairment indicator existed by determining recoverable amount from the value in use of commercial building and residential building for lease which are cash-generating units. The discounted cash flow projections (“DCF”) have been prepared with reference to forecasted performance results considering historical data adjusted with projected revenue growth at 13% discount rate for commercial building for lease and at 11% discount rate for residential building for lease. As at 31 December 2019, the recoverable amount of commercial building for lease and residential building for lease were lower than their carrying amount. As a result, the Company had allowance for impairment losses in the amount of Baht 149.51 million and Baht 17.00 million, respectively (2018: Baht 149.51 million and Baht 17.00 million, respectively).

Measurement of fair value

Fair value hierarchy

The fair value of investment properties was determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value of investment properties for land and factories for lease, commercial building and residential building for lease of Baht 144 million have been categorised as a level 3 fair value based on the inputs to the valuation technique used.

Valuation technique

Type of Assets	Valuation technique
Land	Market Approach
Factories for lease	Replacement cost new approach is to estimate new cost of building a replaced property at present price. And considered of building cost, wage, operation cost and profit and deduct depreciation from age of building, condition and obsolete of used.
Commercial building and residential building	Income Approach, the present value of net cash flows to be generated from property.

13 Property, plant and equipment

		Consolidated financial statements								
		<i>(in thousand Baht)</i>								
		Buildings and building improvements	Commercial buildings	Water production for industry system	Utilities systems and flood protection system	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
<i>Cost</i>										
At 1 January 2018	257,943	73,382	1,359	1,060,559	1,824,156	125,328	69,078	77,599	1,271	3,490,675
Additions	-	-	241	-	148	3,254	1,150	12,830	16,023	33,646
Transfers	-	-	-	800	-	6,164	-	-	(6,964)	-
Disposals and write-off	-	-	-	-	-	(69)	(792)	(7,367)	-	(8,228)
At 31 December 2018										
and 1 January 2019	257,943	73,382	1,600	1,061,359	1,824,304	134,677	69,436	83,062	10,330	3,516,093
Additions	3,465	850	-	-	4,758	6,084	549	17,350	41,802	74,858
Transfers	-	-	-	-	25,441	131	-	-	(25,572)	-
Transfers to investment properties	-	-	-	-	-	-	-	-	(3,701)	(3,701)
Disposals and write-off	-	(7,756)	(3)	-	(253,124)	(21,654)	(25,858)	(25,886)	-	(334,281)
At 31 December 2019	261,408	66,476	1,597	1,061,359	1,601,379	119,238	44,127	74,526	22,859	3,252,969

		Consolidated financial statements									
		<i>(in thousand Baht)</i>									
		Land	Buildings and building improvements	Commercial buildings	Water production for industry system	Utilities systems and flood protection system	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
Accumulated depreciation and impairment losses											
At 1 January 2018											
Depreciation charge for the year		(13,552)	(37,760)	(272)	(492,716)	(906,568)	(62,099)	(68,145)	(67,148)	-	(1,648,260)
Disposals and write-off		-	(2,803)	(209)	(51,024)	(109,504)	(12,152)	(901)	(3,715)	-	(180,308)
		-	-	-	-	-	69	792	7,367	-	8,228
	At 31 December 2018	(13,552)	(40,563)	(481)	(543,740)	(1,016,072)	(74,182)	(68,254)	(63,496)	-	(1,820,340)
Depreciation charge for the year											
Disposals and write-off		-	(2,937)	(226)	(50,872)	(92,704)	(12,885)	(681)	(6,127)	-	(166,432)
		-	7,756	3	-	253,124	21,654	25,857	25,886	-	334,280
	At 31 December 2019	(13,552)	(35,744)	(704)	(594,612)	(855,652)	(65,413)	(43,078)	(43,737)	-	(1,652,492)

Consolidated financial statements

	Land	Buildings and building improvements	Commercial buildings	Water production for industry system	Utilities systems and flood protection system <i>(in thousand Baht)</i>	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
Net book value										
At 1 January 2018										
Owned assets	244,391	35,622	1,087	567,843	917,588	56,831	812	831	1,271	1,826,276
Assets under finance leases	-	-	-	-	-	6,398	121	9,620	-	16,139
	244,391	35,622	1,087	567,843	917,588	63,229	933	10,451	1,271	1,842,415
At 31 December 2018 and 1 January 2019										
Owned assets	244,391	32,819	1,119	517,619	808,232	55,522	1,182	2,002	10,330	1,673,216
Assets under finance leases	-	-	-	-	-	4,973	-	17,564	-	22,537
	244,391	32,819	1,119	517,619	808,232	60,495	1,182	19,566	10,330	1,695,753
At 31 December 2019										
Owned assets	247,856	30,732	893	466,747	745,727	50,278	1,049	15,427	22,859	1,581,568
Assets under finance leases	-	-	-	-	-	3,547	-	15,362	-	18,909
	247,856	30,732	893	466,747	745,727	53,825	1,049	30,789	22,859	1,600,477

Separate financial statements

	Land	Buildings and building improvements	Commercial buildings	Water production for industry system	Utilities systems and flood protection system (in thousand Baht)	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
Cost										
At 1 January 2018	257,943	73,382	1,359	1,060,559	1,824,156	125,328	69,078	77,599	1,271	3,490,675
Additions	-	-	241	-	148	3,254	1,150	12,830	10,696	28,319
Transfers	-	-	-	800	-	6,164	-	-	(6,964)	-
Disposals and write-off	-	-	-	-	-	(69)	(792)	(7,367)	-	(8,228)
At 31 December 2018	257,943	73,382	1,600	1,061,359	1,824,304	134,677	69,436	83,062	5,003	3,510,766
At 1 January 2019	3,465	850	-	-	4,758	6,084	549	17,350	47,129	80,185
Additions	-	-	-	-	25,441	131	-	-	(25,572)	-
Transfers to investment properties	-	-	-	-	-	-	-	-	(3,701)	(3,701)
Disposals and write-off	-	(7,756)	(3)	-	(253,124)	(21,654)	(25,858)	(25,886)	-	(334,281)
At 31 December 2019	261,408	66,476	1,597	1,061,359	1,601,379	119,238	44,127	74,526	22,859	3,252,969

		Separate financial statements								
		Buildings and building improvements	Commercial buildings	Water production for industry system	Utilities systems and flood protection system	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
		<i>(in thousand Bahr)</i>								
Accumulated depreciation and impairment losses										
At 1 January 2018		(13,552)	(37,760)	(272)	(492,716)	(906,568)	(62,099)	(68,145)	(67,148)	(1,648,260)
Depreciation charge for the year		-	(2,803)	(209)	(51,024)	(109,504)	(12,152)	(901)	(3,715)	(180,308)
Disposals and write-off		-	-	-	-	-	69	792	7,367	8,228
At 31 December 2018 and 1 January 2019		(13,552)	(40,563)	(481)	(543,740)	(1,016,072)	(74,182)	(68,254)	(63,496)	(1,820,340)
Depreciation charge for the year		-	(2,937)	(226)	(50,872)	(92,704)	(12,885)	(681)	(6,127)	(166,432)
Disposals and write-off		-	7,756	3	-	253,124	21,654	25,857	25,886	334,280
At 31 December 2019		(13,552)	(35,744)	(704)	(594,612)	(855,652)	(65,413)	(43,078)	(43,737)	1,652,492

Separate financial statements

	Land	Buildings and building improvements	Commercial buildings	Water production for industry system	Utilities systems and flood protection system <i>(in thousand Baht)</i>	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
Net book value										
At 1 January 2018										
Owned assets	244,391	35,622	1,087	567,843	917,588	56,831	812	831	1,271	1,826,276
Assets under finance leases	-	-	-	-	-	6,398	121	9,620	-	16,139
	244,391	35,622	1,087	567,843	917,588	63,229	933	10,451	1,271	1,842,415
At 31 December 2018 and 1 January 2019										
Owned assets	244,391	32,819	1,119	517,619	808,232	55,522	1,182	2,002	5,003	1,667,889
Assets under finance leases	-	-	-	-	-	4,973	-	17,564	-	22,537
	244,391	32,819	1,119	517,619	808,232	60,495	1,182	19,566	5,003	1,690,426
At 31 December 2019										
Owned assets	247,856	30,732	893	466,747	745,727	50,278	1,049	15,427	22,859	1,581,568
Assets under finance leases	-	-	-	-	-	3,547	-	15,362	-	18,909
	247,856	30,732	893	466,747	745,727	53,825	1,049	30,789	22,859	1,600,477

The gross amount of the Group and the Company's fully depreciated that was still in use as at 31 December 2019 amounted to Baht 442.05 million (2018: Baht 460.22 million).

Water production for industry system and utility system at Nakhon Ratchasima province with the cost of Baht 434.84 million and accumulated depreciation of Baht 139.02 million as at 31 December 2019 have not operated in full capacity. This factor is considered as an impairment indicator.

Management reviewed and tested impairment of certain assets in which impairment indicator existed by determining recoverable amount from the value in use of water production for industry system and utility system which are cash-generating units. The value was appraised by independent property valuer. The discounted cash flow projections ("DCF") have been prepared with reference to forecasted performance results considering historical data adjusted with projected revenue growth at 14% discount rate. As at 31 December 2019, the recoverable amount of water production for industry system and utility system were lower than their carrying amount. As a result, the Company had allowance for impairment losses in the amount of Baht 77 million and 59 million, respectively (2018: Baht 77 million and Baht 59 million, respectively).

In addition, the Company has certain plots of land which are unable to utilise. This factor is considered as an impairment indicator. As at 31 December 2019, cost of the aforesaid land amounted to Baht 13.55 million. The Company had allowance for impairment losses amounted to Baht 13.55 million (2018: Baht 13.55 million).

Security

The Company mortgaged certain plots of land including the water production for industry system, water treatment system, machinery and equipment, land used for public utilities to secure credit facilities from certain financial institutions (Note 14 to the financial statements).

Deferred income from government grants

The Company received government grants for flood protection construction project from the Ministry of Industry and government grants for machine development for energy conservation from the Department of Alternative Energy Development and Efficiency. The Company recorded the grants as deferred income from government grants in the statement of financial position and recognised as income by a straight-line basis over the useful lives of assets.

Deferred income from government grants were as follows:

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
At 1 January	338,466	378,402
Recognised as income during the year	(33,613)	(39,936)
At 31 December	304,853	338,466
- current	24,643	40,088
- non-current	280,210	298,378
Total	304,853	338,466

14 Interest-bearing liabilities

	Consolidated financial statements/Separate financial statements					
	2019			2018		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in thousand Baht)</i>					
Current						
Bank overdrafts	37	-	37	38	-	38
Long-term loan from financial institution	-	36,000	36,000	-	36,000	36,000
Finance lease liabilities	-	5,871	5,871	-	6,354	6,354
Total current interest-bearing liabilities	37	41,871	41,908	38	42,354	42,392
Non-current						
Long-term loan from financial institution	-	271,994	271,994	-	307,961	307,961
Finance lease liabilities	-	9,317	9,317	-	14,087	14,087
Total non-current interest-bearing liabilities	-	281,311	281,311	-	322,048	322,048
Total	37	323,182	323,219	38	364,402	364,440

Long-term loan from financial institution

Details of long-term loan from local financial institution are as follows:

Loan agreement	Approved credit line <i>(in million Baht)</i>	Interest rate per annum <i>(% per annum)</i>	Term of repayment
For development costs of flood protection system (Phatumthani Province)	350	0.01	15 years from the contract date

The outstanding balance of secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Note	Consolidated financial statements/ Separate financial statements	
		2019	2018
		<i>(in thousand Baht)</i>	
Certain plots of developed land available for sales	8	17,799	125,769
Restricted deposits at financial institutions		26,000	-
Certain plots of land including the water production for industry system, water treatment system, machinery and equipment	13	10,368	10,368
Grand total		54,167	136,137

As at 31 December 2019, the Company had unutilised credit facilities totaling Baht 80.1 million (2018: Baht 12.4 million).

Finance lease liabilities

	Consolidated financial statements/Separate financial statements					
	2019		2018			
	Minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Minimum lease payments	Interest	Present value of minimum lease payments
<i>Maturity period</i>						
Within one year	6,498	627	5,871	7,267	913	6,354
After one year but within five years	9,702	385	9,317	15,037	950	14,087
Total	16,200	1,012	15,188	22,304	1,863	20,441

As at 31 December 2019, the Group had finance lease agreements with local financial institutions to purchase equipment, office equipment and vehicles with interest rates ranging from 1.2 % to 4.0% per annum (2018: 1.2% to 4.0% per annum); and repayable by monthly installments ending in various periods (the last installment is ending in January 2023).

15 Other current payables

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Advance received from customers	45,841	1,764	45,841	1,764
Accrued bonus	18,664	20,424	18,664	20,424
Accrued operating expenses	10,512	11,792	10,489	11,693
Revenue department payable	7,038	7,712	7,037	7,554
Retention payable	5,463	3,533	5,463	3,533
Others	4,222	5,219	4,222	4,951
Total	91,740	50,444	91,716	49,919

16 Provisions for employee benefits

Defined benefit plan

The Group operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plan exposes the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
At 1 January	24,886	21,421
Include in profit or loss:		
Current service cost	4,707	3,482
Past service cost	5,903	-
Interest on obligation	778	583
	11,388	4,065
Included in other comprehensive income		
Actuarial loss		
- Demographic assumptions	2,703	-
- Financial assumptions	(892)	-
- Experience adjustment	1,363	-
	3,174	-
Benefit paid	(4,836)	(600)
At 31 December	34,612	24,886

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised increased.

<i>Principal actuarial assumptions</i>	Consolidated financial statements/ Separate financial statements	
	2019	2018
	(%)	
Discount rate	2.40	2.72
Future salary growth	4.00 - 5.00	5.00
Employee turnover rate	5.00 - 22.00	6.25 - 25.00

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

As at 31 December 2019, the weighted-average duration of employee benefit obligations was 6 years (2018: 7 years).

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 obligation by the amounts shown below:

<i>At 31 December</i>	Consolidated financial statement/ Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Discount rate	(1,811)	(1,482)	2,023	1,662
Future salary growth	2,511	2,249	(2,286)	(2,025)
Employee turnover	(115)	(113)	122	122

17 Treasury shares

At the Board of Directors' meeting of the Company held on 13 August 2019, the Board of Directors approved a treasury share plan ("Plan") to re-purchase not more than 4.15%, or 85 million shares, of the Company's shares then in issue. The purpose of the Plan is to manage the Company's excess liquidity. The maximum amount approved for share purchase under the Plan is Baht 150 million. The Company may purchase the shares through the Stock Exchange of Thailand during the period from 28 August 2019 to 27 February 2020. The shares purchased may be resold after 6 months but within 3 years from the date of purchase.

The treasury shares account within equity comprises the cost of the Company's own shares held by the Company.

As at 31 December 2019, the Company had the treasury shares totaling 37.0 million shares (2018: nil), comprising 1.8% (2018: nil) of the Company's issued and paid-up share capital, at a total cost amount of Baht 76.8 million (2018: nil). As at 31 December 2019, the Company appropriated treasury shares reserve from its retained earnings amount of Baht 76.8 million (2018: nil).

The Company mortgaged deposit at financial institution to secure credit facilities from asset management company.

18 Additional paid-in capital and reserves

Share premium

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

Legal reserve

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

The Company appropriated legal reserve for the year ended 31 December 2019 amounted to Baht 12.78 million (2018: 18.73 million).

Treasury shares reserve

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the Company's own shares held by the Group. The treasury shares reserve is not available for dividend distribution.

19 Segment information and disaggregation of revenue

The Group has 2 reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different 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 : Real estate business
- Segment 2 : Utilities services business

None of other operations meets the quantitative thresholds for determining reportable segments in 2019 or 2018.

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

Consolidated financial statements/Separate financial statements

	Real estate business		Utilities services business		Others		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
<i>For the year ended 31 December</i>								
<i>Information about reportable segments</i>								
External revenue	-	199,746	633,239	632,811	29,841	30,245	663,080	862,802
Total revenues	-	199,746	633,239	632,811	141,449	136,463	774,688	969,020
Segment results	-	104,718	300,298	290,865	-	-	300,298	395,583
Unallocated expenses								
Share of profit of investments in joint ventures							(82,139)	(105,757)
Income tax expense							41,838	111,608
Profit for the year							255,603	374,669
Timing of revenue recognition								
At a point in time	-	199,746	-	-	-	-	-	199,746
Overtime	-	-	633,239	632,811	29,841	30,245	663,080	663,056
Total	-	-	633,239	631,811	29,841	30,245	663,080	862,802
Details of reportable segment assets and liabilities as at 31 December 2019 and 2018 were as follows:								
Segment assets	1,056,511	1,053,560	54,414	56,081	3,201,573	3,197,921	4,312,498	4,307,562
Segment liabilities	45,841	1,764	39,147	39,344	1,155,756	1,186,639	1,240,744	1,227,747

Geographical information

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

Major customer

There was no single external customer that contributed 10% or more of the Group's total revenues for the year 2019 (2018: Revenue from one customer from real estate business represents Baht 70 million).

Promotional privileges

The Group has been granted privileges by the Office of the Board of Investment relating to the real estate and industrial estate development projects (Nakhon Ratchasima Province), water production for consumption in the industrial estate (Phatumthani Province), and water treatment services (Phatumthani Province). The Group has been granted several privileges including exemption from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses for the years ended 31 December 2019 and 2018 were as follows:

	Consolidated financial statements/Separate financial statements					
	2019			2018		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
	<i>(in thousand Baht)</i>					
Revenue from sale of real estate development projects	-	-	-	70,000	129,746	199,746
Revenue from rendering of service	366,885	266,354	633,239	363,719	269,092	632,811

20 Employee benefit expenses

	Note	Consolidated financial statements/ Separate financial statements	
		2019	2018
		<i>(in thousand Baht)</i>	
Salaries and wages		100,386	106,535
Defined benefit plans	16	11,388	4,065
Defined contribution plans		4,871	4,847
Termination benefits		1,036	249
Others		8,019	5,583
Total		125,700	121,279

Defined contribution plans

The Company established a contributory provident fund for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at the rates ranging from 5% to 15% of their basic salaries and by the Company at the rate of 6% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

21 Expenses by nature

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Depreciation		172,028	185,326	172,028	185,326
Employee benefit expenses	20	125,700	121,279	125,700	121,279
Utilities management expenses		55,062	50,711	55,062	50,711
Repair and maintenance expenses		49,585	58,934	49,585	58,934
Electricity expenses		47,993	51,201	47,993	51,201
Security service fees		26,229	24,116	26,229	24,116
Consultancy fees		24,480	18,563	24,480	18,563
Selling expenses for real estate development projects		361	11,987	361	11,987
Cost of sale of real estate development projects		-	95,028	-	95,028
Others		52,862	60,336	52,923	60,268
Total cost of sale of real estate development project, cost of rendering of services, distribution costs and administrative expenses		554,300	677,481	554,361	677,413

22 Income tax expense*Income tax recognised in profit or loss*

	Consolidated financial statements/ Separate financial statements	
	2019	2018
<i>(in thousand Baht)</i>		
Current tax		
Current year	11,523	28,109
Under (over) provided in prior years	(1,006)	3,148
	10,517	31,257
Deferred tax		
Movements in temporary differences	(6,123)	(4,492)
	(6,123)	(4,492)
Total income tax	4,394	26,765

Income tax recognised in other comprehensive income

	Consolidated financial statements/Separate financial statements					
	2019			2018		
	Before tax	Tax benefit	Net of tax (in thousand Baht)	Before tax	Tax benefit	Net of tax
Defined benefit plan actuarial losses	3,174	(635)	2,539	-	-	-
Total	3,174	(635)	2,539	-	-	-

Reconciliation of effective tax rate

	Consolidated financial statements			
	2019		2018	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		259,996		401,434
Income tax using the Thai corporation tax rate	20	51,999	20	80,287
Income not subject to tax		(52,569)		(58,579)
Expenses not deductible for tax purposes		5,961		1,895
Current year losses for which no deferred tax was recognised		9		14
Under (over) provided in prior years		(1,006)		3,148
Total	2	4,394	7	26,765

	Separate financial statements			
	2019		2018	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		338,073		397,880
Income tax using the Thai corporation tax rate	20	67,615	20	79,576
Income not subject to tax		(68,176)		(57,854)
Expenses not deductible for tax purposes		5,961		1,895
Under (over) provided in prior years		(1,006)		3,148
Total	1	4,394	7	26,765

Deferred tax

At 31 December	Consolidated financial statements/Separate financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
	(in thousand Baht)			
Deferred tax assets	21,400	14,642	-	-

Movements in deferred tax assets during the years ended 31 December 2019 and 2018 were as follows:

	Consolidated financial statements/ Separate financial statements			At 31 December
	At 1 January	(Charged) / Credited to		
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
2019				
Deferred tax assets				
Allowance for doubtful accounts	1,103	(17)	-	1,086
Advance received from customers	349	-	-	349
Deferred income	8,213	4,830	-	13,043
Provisions for employee benefits	4,977	1,310	635	6,922
Total	14,642	6,123	635	21,400
2018				
Deferred tax assets				
Allowance for doubtful accounts	1,109	(6)	-	1,103
Advance received from customers	349	-	-	349
Deferred income	4,408	3,805	-	8,213
Provisions for employee benefits	4,284	693	-	4,977
Total	10,150	4,492	-	14,642

Unrecognised deferred tax assets

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Temporary differences		
- Allowance for decline in value of real estate projects under development	172,394	172,394
- Allowance for impairment losses on investment properties	166,505	166,505
- Allowance for impairment losses on property, plant and equipment	149,552	149,552
Total	488,451	488,451

The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that the Group can utilise the benefits therefrom.

23 Basic earnings per share

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht/thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	255,603	374,669	333,680	371,116
Ordinary shares outstanding				
Number of ordinary shares outstanding at 1 January	2,048,255	2,048,255	2,048,255	2,048,255
Effect of treasury shares	(5,292)	-	(5,292)	-
Weighted average number of ordinary shares outstanding (basic) at 31 December	2,042,963	2,048,255	2,042,963	2,048,255
Earnings per share (basic) (in Baht)	0.13	0.18	0.16	0.18

24 Dividends

The shareholders of the Company have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
<i>2019</i>				
Annual dividend 2018	23 April 2019	May 2019	0.09	184.34
<i>2018</i>				
Annual dividend 2017	20 April 2018	May 2018	0.08	163.86

25 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

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. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

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 and also monitors the level of dividends to ordinary shareholders.

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. Interest-bearing financial assets and liabilities, interest rates are mainly adjust in accordance to market rates or are fixed which is close to current market rates.

The interest rates of financial assets and liabilities as at 31 December 2019 and 2018 and the periods in which those assets and liabilities mature were as follows:

	Interest rate (% per annum)	Consolidated financial statements			Total
		Within 1 year	Maturity period After 1 year but within 5 years		
			After 5 years		
			(in thousand Baht)		
2019					
Financial Assets					
Cash and cash equivalents	0.38% - 2.00%	343,400	-	-	343,400
Current investments in fixed deposits	1.50% - 1.73%	320,000	-	-	320,000
Fixed deposit at financial institution	2.00%	-	60,000	-	60,000
Restricted deposits at financial institutions	1.00%	28,007	-	-	28,007
Total		691,407	60,000	-	751,407
Financial Liabilities					
Bank overdrafts	5.50% - 5.87%	37	-	-	37
Long-term loan from financial institution	0.01%	36,000	144,000	127,994	307,994
Finance lease liabilities	2.30% - 7.47%	5,871	9,317	-	15,188
Total		41,908	153,317	127,994	323,219
2018					
Financial Assets					
Cash and cash equivalents	0.37% - 2.00%	472,287	-	-	472,287
Current investments in fixed deposits	1.50%	200,000	-	-	200,000
Fixed deposit at financial institution	2.00%	-	60,000	-	60,000
Total		672,287	60,000	-	732,287
Financial Liabilities					
Bank overdrafts	5.75% - 6.25%	38	-	-	38
Long-term loan from financial institution	0.01%	36,000	144,000	163,961	343,961
Finance lease liabilities	2.30% - 7.47%	6,354	14,087	-	20,441
Total		42,392	158,087	163,961	364,440

	Interest rate (% per annum)	Separate financial statements Maturity period			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
2019					
Financial Assets					
Cash and cash equivalents	0.38% - 2.00%	343,400	-	-	343,400
Current investments in fixed deposits	1.50% - 1.73%	320,000	-	-	320,000
Fixed deposit at financial institution	2.00%	-	60,000	-	60,000
Restricted deposits at financial institutions	1.00%	28,007	-	-	28,007
Total		691,407	60,000	-	751,407
Financial Liabilities					
Bank overdrafts	5.50% - 5.87%	37	-	-	37
Long-term loans from financial institution	0.01%	36,000	144,000	127,994	307,994
Finance lease liabilities	2.30% - 7.47%	5,871	9,317	-	15,188
Total		41,908	153,317	127,994	323,219
2018					
Financial Assets					
Cash and cash equivalents	0.37% - 2.00%	471,029	-	-	471,029
Current investments in fixed deposits	1.50%	200,000	-	-	200,000
Fixed deposit at financial institution	2.00%	-	60,000	-	60,000
Total		671,029	60,000	-	731,029
Financial Liabilities					
Bank overdrafts	5.75% - 6.25%	38	-	-	38
Long-term loans from financial institution	0.01%	36,000	144,000	163,961	343,961
Finance lease liabilities	2.30% - 7.47%	6,354	14,087	-	20,441
Total		42,392	158,087	163,961	364,440

Foreign currency risk

The Group has no assets and liabilities denominated in foreign currency.

Credit risk

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

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

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.

Carrying amount and fair values

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

	Consolidated financial statements/Separate financial statements				
	Carrying amount	Level 1	Fair value		Total
			Level 2	Level 3	
		<i>(in thousand Baht)</i>			
31 December 2019					
<i>Financial assets measured at fair value</i>					
Debt securities held for trading	136,102	-	136,102	-	136,102
<i>Financial liabilities not measured at fair value</i>					
Long-term loans from financial institution	307,964	-	241,674	-	241,674
31 December 2018					
<i>Financial liabilities not measured at fair value</i>					
Long-term loans from financial institution	343,961	-	265,033	-	265,033

26 Commitments with non-related parties

(a) Capital commitments

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Contracted but not provided for (mainly represents real estate development projects and contracts for construction costs of water treatment and water production for industry systems)	322,835	303,784
Total	322,835	303,784

(b) Future minimum lease payments under non-cancellable operating leases

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Within one year	1,188	261
After one year but within five years	2,095	1,117
After five years	3,342	3,592
Total	6,625	4,970

The Group has lease agreements covering vehicles and office equipment for periods of 1 to 5 years, and a plot of land for a period of 30 years, which will expire during 2020 to 2024 and 2036, respectively.

(c) Other commitments

As at 31 December 2019, the Company had commitments under service agreements with local companies totaling Baht 47.8 million (2018: Baht 78.1 million).

(d) Letter of guarantee

As at 31 December 2019, the Company had letters of guarantee issued by a local financial institutions to government agencies for land allocation for utilities and land lease totaling Baht 90.6 million (2018: Baht 59.2 million).

27 Significant agreement with non-related party

On 1 September 2017, the Company entered into an agreement of right to use property to install the high speed fiber optic network with a company in which the Company provided areas and infrastructure utilisation in Nava Nakorn Industrial Promotion Zone in Phatumthani province, as stated condition in the agreement. The Company received compensation in advance of Baht 15 million which recorded as deferred income in the statement of financial position and recognised as income by a straight-line basis over 16 years according to the term of the agreement. As at 31 December 2019, the Company had deferred income from the agreement in the amount of Baht 12.8 million (2018: Baht 13.8 million).

On 21 October 2019, the Company entered into an agreement of infrastructure utilisation with a company in which the Company provided areas and infrastructure utilisation in Nava Nakorn Industrial Promotion Zone in Phatumthani province, as stated condition in the agreement. The Company received compensation in advance of Baht 50 million which recorded as deferred income in the statement of financial position and recognised as income by a straight-line basis over 19 years according to the term of the agreement. As at 31 December 2019, the Company had deferred income from the agreement in the amount of Baht 49.5 million (2018: nil).

28 Contingent liability

The Company is a defendant in a lawsuit involving the unfair termination of a former employee of Baht 10.8 million. As at the reporting date, the legal case was in the process of consideration by the Central Labour Court.

29 Thai Financial Reporting Standards not yet adopted

New and revised TFRS, which are relevant to the Group's operations, expected to have material impact on the consolidated and separate financial statements when initially adopted, and will become effective for the financial statements in annual reporting periods beginning on or after 1 January 2020, are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation

* TFRS - Financial instruments standards

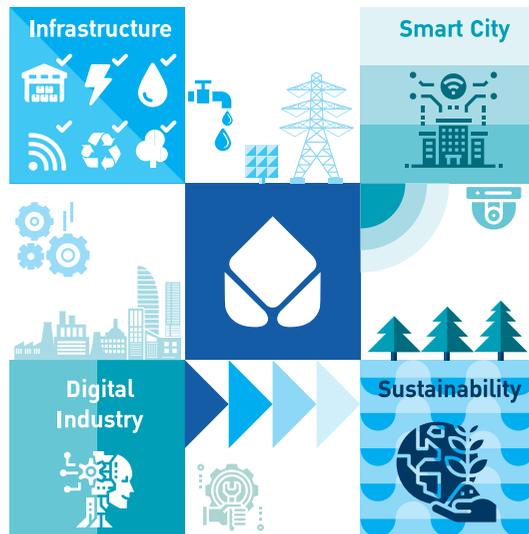
(a) TFRS - Financial instruments standards

These TFRS - Financial instrument standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRS are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability, with recognition exemptions for short-term leases and leases of low-value items. As a result, the Group will recognise new assets and liabilities for its operating leases. As at 31 December 2019, future minimum lease payments under non-cancellable operating leases of the Group and the Company of Baht 6.6 million and Baht 6.6 million, respectively, on an undiscounted basis. Lease accounting for lessor remains similar to the current standard. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is currently considering the potential impact from these TFRS on the financial statements in the initial period adopted.



Going Towards a **SUSTAINABLE** Smart City



NAVA NAKORN
PUBLIC COMPANY LIMITED

Head Office

Address : 999 Moo 13, Phaholyothin Rd., Klong Nueng, Klong Luang,
Pathumthani 12120
Tel : 66-(0)2529-0031-5
Fax : 66-(0)2559-2176
E-mail : sales@navanakorn.co.th

Nakhon Ratchasima Office :

Address : 999/1 Mittaphap Rd. (km.231), Naklang, Soongnuen,
Nakhonratchasima 30380
Tel : 66-(0)4400-0111-5
Fax : 66-(0)4429-1723



www.navanakorn.co.th