

Salee Printing Public Company Limited
Report and financial statements
31 December 2019

Independent Auditor's Report

To the Shareholders of Salee Printing Public Company Limited

Opinion

I have audited the accompanying financial statements of Salee Printing Public Company Limited ("the Company"), which comprise the statement of financial position as at 31 December 2019, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Salee Printing Public Company Limited as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue recognition

Revenues from sales of goods are significant accounts of the Company because the amounts that are recorded in the accounts directly affect the Company's annual profit or loss. In addition, the economic volatility may have a direct impact on the competition in the industry overall. Therefore, I have focused on revenue recognition of the Company in terms of both the amount and timing of revenue recognition.

I have examined the revenue recognition of the Company by

- Assessing and testing of the Company's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above matter.
- Applying a sampling method to select sales document to assess whether revenue recognition was consistent with the relevant conditions, and whether it was in compliance with the Company's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Company issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Inventory

Estimating the net realisable value of inventory, as disclosed in Note 10 to the financial statements, is an area of significant management judgement, particularly with regard to the estimation of provision for diminution in the value of slow-moving and obsolete inventory. This requires detailed analysis of the product life cycle, the competitive environment, economic circumstances and the situation within the industry. There is a risk with respect to the amount of provision set aside for diminution in the value of inventory.

I assessed and tested the internal controls of the Company relevant to the determination of provision for diminution in the value of inventory. I also assessed the method and the assumptions applied by management in determining such provision. The procedures that I performed included:

- Gaining an understanding of the basis applied in determining the provision for diminution in value of inventory, and reviewing the rationale and consistency of the application of that basis.
- Analysing the inventory holding periods and inventory movements to identify products with indicators of lower than normal inventory turnover.
- Comparing details of sales transactions occurring after the date of the financial statements with the cost of inventory for each product.
- Comparing historical data of actual losses on sales and write-offs of inventory during each of the previous 3 years with the provision for diminution in value of inventory recorded at the preceding year-end.

Other Information

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

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



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

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

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

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

In preparing the financial statements, management is responsible for assessing the 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



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

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

A handwritten signature in black ink, reading 'Sumalee Reewarabandith'.

Sumalee Reewarabandith

Certified Public Accountant (Thailand) No. 3970

EY Office Limited

Bangkok: 21 February 2020

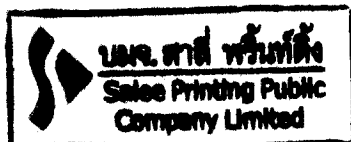
Salee Printing Public Company Limited

Statement of financial position

As at 31 December 2019

		(Unit: Baht)	
	Note	2019	2018
Assets			
Current assets			
Cash and cash equivalents	7	13,273,225	34,417,486
Current investments	8	419,409,713	428,795,569
Trade and other receivables	9	102,844,716	105,003,572
Inventories	10	60,180,473	82,520,050
Other current assets		1,790,525	1,822,870
Total current assets		597,498,652	652,559,547
Non-current assets			
Restricted bank deposit	11	935,824	934,898
Other long-term investments	12	79,969,587	69,948,544
Deposits for machinery and intangible assets		9,138,762	994,200
Equipment	13	218,119,930	257,003,551
Intangible assets	14	3,613,624	3,683,671
Deferred tax assets	21	19,289,391	4,747,522
Other non-current assets		19,094,874	12,618,025
Total non-current assets		350,161,992	349,930,411
Total assets		947,660,644	1,002,489,958

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





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(นายประภูทร์ จิระพรทิพย์)

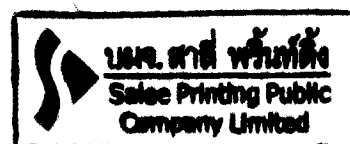
Salee Printing Public Company Limited
Statement of financial position (continued)
As at 31 December 2019

		(Unit: Baht)	
	Note	2019	2018
Liabilities and shareholders' equity			
Current liabilities			
Short-term loan from bank	15	1,020,951	-
Trade and other payables	16	31,177,066	33,097,831
Current portion of liabilities under finance lease agreements	17	91,200	188,253
Other current liabilities		777,340	1,089,960
Total current liabilities		33,066,557	34,376,044
Non-current liabilities			
Liabilities under finance lease agreements	17	76,000	167,200
Provision for long-term employee benefits	18	5,271,474	2,413,474
Total non-current liabilities		5,347,474	2,580,674
Total liabilities		38,414,031	36,956,718
Shareholders' equity			
Share capital			
Registered			
1,200,000,000 ordinary shares of Baht 0.25 each		300,000,000	300,000,000
Issued and paid-up			
1,200,000,000 ordinary shares of Baht 0.25 each		300,000,000	300,000,000
Premium on ordinary shares		619,162,127	619,162,127
Retained earnings (Deficit)			
Appropriated - statutory reserve	19	30,000,000	30,000,000
Unappropriated (Deficit)		(39,915,514)	16,371,113
Total shareholders' equity		909,246,613	965,533,240
Total liabilities and shareholders' equity		947,660,644	1,002,489,958

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


 (นายธนชัย สันติชัยกุล)

 (นายประยุทธ์ จิวะพรทิพย์)

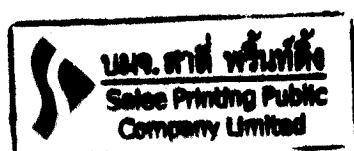
Directors



Salee Printing Public Company Limited
Statement of comprehensive income
For the year ended 31 December 2019

		(Unit: Baht)	
	Note	2019	2018
Profit or loss:			
Revenues			
Sales		375,549,115	439,357,606
Other income		11,104,856	12,280,593
Total revenues		386,653,971	451,638,199
Expenses			
Cost of sales		346,186,313	342,380,086
Selling and distribution expenses		18,439,021	19,068,753
Administrative expenses		79,233,259	56,447,074
Total expenses		443,858,593	417,895,913
Profit (loss) before finance cost and income tax revenue (expenses)		(57,204,622)	33,742,286
Finance cost		(366)	(33,956)
Profit (loss) before income tax revenue (expenses)		(57,204,988)	33,708,330
Income tax revenue (expenses)	21	14,217,167	(3,327,412)
Profit (loss) for the year		(42,987,821)	30,380,918
Other comprehensive income:			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Actuarial gain (loss) - net of income tax		(1,298,806)	184,882
Other comprehensive income for the year		(1,298,806)	184,882
Total comprehensive income for the year		(44,286,627)	30,565,800
Earnings per share	22		
Basic earnings per share			
Profit (loss) attributable to equity holders of the Company		(0.036)	0.025

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



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 (นายธนชัย สันติชัยกุล)

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 (นายประภาศ จิระพรทิพย์)

Salee Printing Public Company Limited

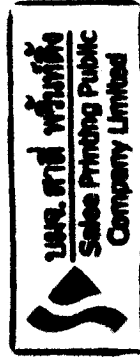
Statement of changes in shareholders' equity

For the year ended 31 December 2019

(Unit: Baht)

	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings (Deficit)		Total
				Appropriated statutory reserve	Unappropriated (Deficit)	
Balance as at 1 January 2018		300,000,000	619,162,127	30,000,000	21,805,313	970,967,440
Profit for the year		-	-	-	30,380,918	30,380,918
Other comprehensive income for the year		-	-	-	184,882	184,882
Total comprehensive income for the year		-	-	-	30,565,800	30,565,800
Dividends paid	25	-	-	-	(36,000,000)	(36,000,000)
Balance as at 31 December 2018		300,000,000	619,162,127	30,000,000	16,371,113	965,533,240
Balance as at 1 January 2019		300,000,000	619,162,127	30,000,000	16,371,113	965,533,240
Profit for the year		-	-	-	(42,987,821)	(42,987,821)
Other comprehensive income for the year		-	-	-	(1,298,806)	(1,298,806)
Total comprehensive income for the year		-	-	-	(44,286,627)	(44,286,627)
Dividends paid	25	-	-	-	(12,000,000)	(12,000,000)
Balance as at 31 December 2019		300,000,000	619,162,127	30,000,000	(39,915,514)	909,246,613

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



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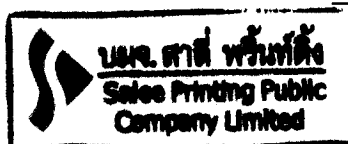
Plly
(นายประภาศน์ จีระพรทิพย์)

Salee Printing Public Company Limited

Cash flow statement

For the year ended 31 December 2019

	(Unit: Baht)	
	2019	2018
Cash flows from operating activities		
Profit (loss) before tax	(57,204,988)	33,708,330
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities		
Depreciation and amortisation	49,730,373	53,380,915
Allowance for doubtful accounts (reversal)	322,656	(10,342)
Reduction of cost of inventories to net realisable value	20,103,307	5,630,875
Allowance for impairment loss on equipment and intangible assets	8,091,017	-
Gain on sales of machinery and equipment	(1,378,131)	(3,135,506)
Equipment and intangible assets written off	142,267	-
Provision for long-term employee benefits	1,234,492	1,107,323
Unrealised loss on exchange rate	22,646	30,015
Interest income	(9,474,187)	(8,722,543)
Interest expense	366	33,956
Profit from operating activities before changes in operating assets and liabilities	11,589,818	82,023,023
Operating assets (increase) decrease		
Trade and other receivables	2,204,109	16,413,218
Inventories	2,236,270	(13,876,501)
Other current assets	32,345	8,530,516
Other non-current assets	(2,000)	(8,328,628)
Operating liabilities increase (decrease)		
Trade and other payables	(156,806)	4,767,857
Other current liabilities	(312,620)	(3,375,352)
Cash paid for long-term employee benefits	-	(6,110,000)
Cash flows from operating activities	15,591,116	80,044,133
Cash paid for income tax	(10,752,496)	(13,177,250)
Income tax refunded	4,277,646	-
Net cash flows from operating activities	9,116,266	66,866,883



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

(นายธนชัย สันติชัยกุล)

(นายประภาศ จิระพรทิพย์)

Salee Printing Public Company Limited

Cash flow statement (continued)

For the year ended 31 December 2019

	(Unit: Baht)	
	2019	2018
Cash flows from investing activities		
Cash received from sales of machinery and equipment	1,378,131	3,135,514
Cash payment for acquisitions of machinery and equipment	(16,955,788)	(50,572,966)
Cash paid to other payable from purchase of equipment	(1,762,810)	-
Cash payment for deposits for machinery and intangible assets	(7,367,811)	(994,200)
Acquisitions of intangible assets	(1,810,000)	(1,621,014)
Decrease in current investments	9,385,856	49,951,084
Increase in other long-term investments	(10,021,043)	(69,948,544)
Increase in restricted bank deposit	(926)	(922)
Interest received	9,082,483	11,874,506
Net cash flows used in investing activities	(18,071,908)	(58,176,542)
Cash flows from financing activities		
Cash paid for interest expense	(366)	(33,956)
Decrease in liabilities under finance lease agreements	(188,253)	(1,343,885)
Dividends paid	(12,000,000)	(36,000,000)
Net cash flows used in financing activities	(12,188,619)	(37,377,841)
Net decrease in cash and cash equivalents	(21,144,261)	(28,687,500)
Cash and cash equivalents at beginning of year	34,417,486	63,104,986
Cash and cash equivalents at end of year	13,273,225	34,417,486

Supplemental cash flows information

Non-cash items

Purchases of machinery and equipment for which payments have yet to be made	-	1,762,810
Addition in deposits for equipment with short-term loan from bank	1,020,951	-
Transfer deposits for machinery to machinery account	244,200	-
Actuarial gain (loss)	(1,623,508)	231,103

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



Thammasak V
(นายธนัชชัย สันติชัยกุล)

Ally
(นายประภคร์ จิระพรทิพย์)

Salee Printing Public Company Limited

Notes to financial statements

For the year ended 31 December 2019

1. General information

Salee Printing Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its parent company is Salee Industry Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the provision of label printing services. The registered office of the Company is at 19, Moo 10, Tumbol Klong Si, Amphur Klong Luang, Pathumthani.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

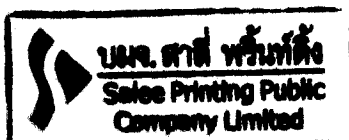
The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

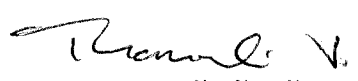
The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. New financial reporting standards

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

During the year, the Company has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, the new standard involves changes to key principles, which are summarised below.




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TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

Accounting Standards

TAS 11 (revised 2017) Construction Contracts

TAS 18 (revised 2017) Revenue

Standard Interpretations Committee

TSIC 31 (revised 2017) Revenue - Barter Transactions Involving Advertising Services

Financial Reporting Standard Interpretations

TFRIC 13 (revised 2017) Customer Loyalty Programmes

TFRIC 15 (revised 2017) Agreements for the Construction of Real Estate

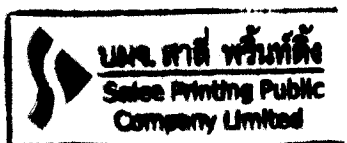
TFRIC 18 (revised 2017) Transfers of Assets from Customers


Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Company's financial statements.

b) Financial reporting standards that will be effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.




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(นายประภุทร์ จิระพรทิพย์)

Financial reporting standards related to financial instruments

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

Financial Reporting Standards

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting Standard

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

The management of the Company is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TFRS 16 Leases

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

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The Company plans to adopt TFRS 16 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The management of the Company expects the effect of the adoption of this accounting standard to the statement of financial position as at 1 January 2020 to be to increase the Company's assets by approximately Baht 60 million and the Company's liabilities by approximately Baht 60 million.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Interest income

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

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

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

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

4.6 Equipment/Depreciation

Equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of equipment is calculated by reference to its costs on the straight-line basis over the following estimated useful lives.

Utility system and building improvement	5 and 10 years
Machinery and equipment	5, 10 and 15 years
Office equipment	3 and 5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on assets under installation.

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

4.7 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and allowance for loss on impairment of assets (if any).

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

The estimated useful lives of computer software are 3 and 5 years.

4.8 Related party transactions

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

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

4.9 Long-term leases

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

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

4.10 Foreign currencies

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

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

Gains and losses on exchange rate are included in determining income.

4.11 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.12 Employee benefits

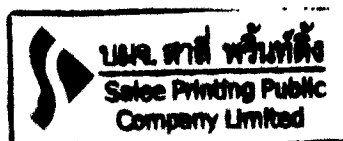
Short-term employee benefits


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

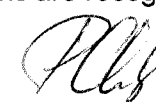
Post-employment benefits

Defined contribution plans

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




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Defined benefit plans

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

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

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

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

4.13 Provisions

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

4.14 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.15 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

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

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Provision for diminution in the value of inventory

In determining a provision for diminution in the value of inventory, the management needs to make judgement and estimates for slow-moving and obsolete inventory based upon, among other things, the product life cycle, the competitive environment, economic circumstances and the situation within the industry.

Equipment/Depreciation

In determining depreciation of equipment, the management is required to make estimates of the useful lives and residual values of the equipment and to review estimate useful lives and residual values when there are any changes.

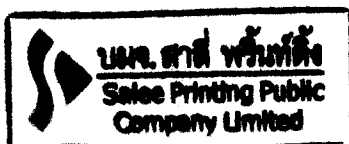
In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.


Deferred tax assets

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

Post-employment benefits under defined benefit plans

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




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(นายประกฤษ จิระพรทิพย์)

6. Related party transactions

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

	(Unit: Thousand Baht)		
	2019	2018	Transfer pricing policy
<u>Transactions with parent company</u>			
Sales of goods	18	-	Market price
Rental and service expenses	21,229	20,952	Contract price
Utilities expenses	380	252	Cost plus margins
Dividend paid	7,800	23,400	As declared
<u>Transactions with related parties</u>			
Sales of goods	1,540	1,774	Market price

The balances of the accounts as at 31 December 2019 and 2018 between the Company and those related parties are as follows.

	(Unit: Thousand Baht)	
	2019	2018
<u>Trade receivables - related parties (Note 9)</u>		
Related company (related by common shareholders)	158	152
Total	158	152
<u>Other payables - related parties (Note 16)</u>		
Parent company	26	22
Total	26	22
<u>Accrued expenses - related parties (Note 16)</u>		
Parent company	8,265	7,767
Total	8,265	7,767

Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	2019	2018
Short-term employee benefits	13,324	16,580
Post-employment benefits	792	345
Total	14,116	16,925

7. Cash and cash equivalents

	(Unit: Thousand Baht)	
	2019	2018
Cash	69	23
Bank deposits	13,204	34,394
Total	13,273	34,417

As at 31 December 2019, bank deposits in savings accounts carried interest at rates between 0.1% and 1.0% per annum (2018: between 0.1% and 1.1% per annum).

8. Current investments

As at 31 December 2019, current investments are fixed deposits at banks carrying interest at rates between 1.65% and 1.80% per annum (2018: between 1.40% and 1.65% per annum).

9. Trade and other receivables

	(Unit: Thousand Baht)	
	2019	2018
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	82,499	87,552
Past due		
Up to 3 months	15,667	13,897
3 - 6 months	866	816
6 - 12 months	-	85
Over 12 months	508	142
Total	99,540	102,492
Less: Allowance for doubtful accounts	(508)	(185)
Trade receivables - unrelated parties - net	99,032	102,307
Trade receivables - related parties	158	152
Trade receivables - net	99,190	102,459
<u>Other receivables</u>		
Accrued income	1,053	357
Interest receivable	2,602	2,188
Total other receivables	3,655	2,545
Total trade and other receivables - net	102,845	105,004

10. Inventories

(Unit: Thousand Baht)

	Cost		Reduction of cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	61,835	75,974	(26,417)	(18,705)	35,418	57,269
Raw materials	27,426	29,008	(2,664)	(3,757)	24,762	25,251
Total	89,261	104,982	(29,081)	(22,462)	60,180	82,520

During the current year, the Company reduced cost of inventories by Baht 20.1 million (2018: Baht 14.0 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Company reversed the write-down of cost of inventories by Baht 13.5 million (2018: Baht 8.3 million), and reduced the amount of inventories recognised as expenses during the year.

11. Restricted bank deposit

This represents savings deposit pledged with the bank to secure electricity use.

12. Other long-term investments

On 22 February 2018, the meeting of the Company's Board of Director approved the investments in mutual funds and/or government, and/or state enterprise, and/or private sector debt securities which the management intended to hold until maturity. Other long-term investments as at 31 December 2019 and 2018 are summarised below.

(Unit: Thousand Baht)

Held-to-maturity investments	Term	Maturity date	Interest rate	31 December 2019	31 December 2018
			(% per annum)		
Unsubordinated and unsecured debenture	4 years	24 March 2023	3.20	10,000	-
Unsubordinated and unsecured debenture	5 years	7 September 2022	2.65	19,900	19,863
Unsubordinated and unsecured debenture	6 years	24 May 2024	3.24	20,070	20,086
Unsubordinated and unsecured debenture	7 years	22 March 2025	3.15	15,000	15,000
Subordinated and unsecured note	10.5 years	23 September 2028	3.50	15,000	15,000
Total				79,970	69,949



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13. Equipment

(Unit: Thousand Baht)

	Utility system and building improvement	Machinery and equipment	Office equipment	Motor vehicles	Assets under installation	Total
Cost						
1 January 2018	49,231	747,427	26,769	17,616	76	841,119
Additions	1,828	39,312	3,708	4,907	2,581	52,336
Disposals	-	(5,424)	(244)	(7,731)	-	(13,399)
31 December 2018	51,059	781,315	30,233	14,792	2,657	880,056
Additions	1,633	13,076	1,427	820	-	16,956
Disposals/write-off	(1,780)	(11,405)	(3,898)	(3,989)	(76)	(21,148)
Transfer in (out)	386	2,439	-	-	(2,581)	244
31 December 2019	51,298	785,425	27,762	11,623	-	876,108
Accumulated depreciation						
1 January 2018	41,086	502,967	23,255	16,903	-	584,211
Depreciation for the year	2,943	46,450	2,059	788	-	52,240
Depreciation on disposals	-	(5,424)	(244)	(7,731)	-	(13,399)
31 December 2018	44,029	543,993	25,070	9,960	-	623,052
Depreciation for the year	2,955	42,218	1,881	1,283	-	48,337
Depreciation on disposals/write-off	(1,760)	(11,370)	(3,898)	(3,989)	-	(21,017)
31 December 2019	45,224	574,841	23,053	7,254	-	650,372
Allowance for impairment loss						
1 January 2018	-	-	-	-	-	-
31 December 2018	-	-	-	-	-	-
Increase during the year	-	7,616	-	-	-	7,616
31 December 2019	-	7,616	-	-	-	7,616
Net book value						
31 December 2018	7,030	237,322	5,163	4,832	2,657	257,004
31 December 2019	6,074	202,968	4,709	4,369	-	218,120
Depreciation for the years						
2018 (Baht 47.9 million included in manufacturing cost, and the balance in selling and administrative expenses)						52,240
2019 (Baht 43.7 million included in manufacturing cost, and the balance in selling and administrative expenses)						48,337

As at 31 December 2019, certain office equipment of the Company with a net book value of Baht 0.2 million (2018: Baht 0.5 million) were acquired under finance lease agreements.

As of 31 December 2019, certain machinery, vehicles and equipment of the Company have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 393.3 million (2018: Baht 404.8 million).

As at 31 December 2019, the Company performed impairment reviews in respect of the equipment expected to be sold in 2020 and recognised an impairment loss of Baht 7.6 million (2018: None) based on their fair value (net of direct selling expenses).

14. Intangible assets

The net book values of intangible assets as at 31 December 2019 and 2018 are presented below.

	(Unit: Thousand Baht)	
	2019	2018
Cost - computer software	9,154	8,504
Less: Accumulated amortisation	(5,065)	(4,821)
Less: Allowance for impairment loss	(475)	-
Net book value	3,614	3,683

A reconciliation of the net book values of intangible assets for the years 2019 and 2018 is presented below.

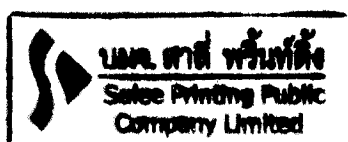
	(Unit: Thousand Baht)	
	2019	2018
Net book value at beginning of year	3,683	3,203
Addition	1,810	1,621
Write-off	(11)	-
Amortisation	(1,393)	(1,141)
Impairment loss	(475)	-
Net book value at end of year	3,614	3,683

As at 31 December 2018, certain computer software of the Company with a net book value of Baht 0.1 million (2019: None) were acquired under finance lease agreement.

15. Short-term loan from bank

	(Unit: Thousand Baht)		
	Interest rate	2019	2018
	(% per annum)		
Trust receipts	2.85	1,021	-
Total		1,021	-

The short-term loan from bank was unsecured loan.



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16. Trade and other payables

	(Unit: Thousand Baht)	
	2019	2018
Trade payables - unrelated parties	12,742	14,218
Payables for purchase of assets - unrelated parties	-	1,763
Other payables - related parties	26	22
Other payables - unrelated parties	7,256	5,418
Accrued expenses - related parties	8,265	7,767
Accrued expenses - unrelated parties	2,888	3,910
Total	31,177	33,098

17. Liabilities under finance lease agreements

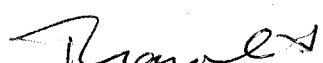
	(Unit: Thousand Baht)	
	2019	2018
Liabilities under finance lease agreements	167	355
Less: Portion due within one year	(91)	(188)
Portion due more than one year	76	167

The Company entered into the finance lease agreements with leasing companies for rental of office equipment and intangible assets for use in its operations, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 4 and 5 years. Finance lease agreements cannot be cancelled.

18. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)	
	2019	2018
Provision for long-term employee benefits at beginning of year	2,413	7,647
Included in profit or loss:		
Current service cost	762	962
Interest cost	62	145
Past service costs	410	-
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	726	(179)
Financial assumptions changes	399	(32)
Experience adjustments	499	(20)
Benefits paid during the year	-	(6,110)
Provision for long-term employee benefits at end of year	5,271	2,413


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(นายประภาต์ จิระพรทิพย์)

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company has additional long-term employee benefit liabilities of Baht 0.4 million. The Company reflects the effect of the change by recognising past service costs as expenses in the statement of comprehensive income of the current year.

As at 31 December 2019, the Company expects to pay Baht 0.03 million of long-term employee benefits during the next year (2018: Baht 0.1 million).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefits is 11 years (2018: 10 years).

Significant actuarial assumptions are summarised below.

	(% per annum)	
	2019	2018
Discount rate	1.57	2.57
Salary increase rate	4.00	4.00
Turnover rate	5.00 - 25.00	0.00 - 38.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below.

	(Unit: Thousand Baht)			
	As at 31 December 2019		As at 31 December 2018	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(274)	295	(111)	118
Salary increase rate	284	(268)	114	(108)
Turnover rate	(28)	32	(12)	14

19. Statutory reserve

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

20. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)	
	2019	2018
Salary, wages and other employee benefits	81,327	67,041
Depreciation expense	48,337	52,240
Amortisation expense	1,393	1,141
Loss on impairment of equipment and intangible assets	8,091	-
Utility expenses	15,792	14,077
Rental and service expenses from operating lease agreements	21,748	21,115
Raw materials and consumables used	204,356	224,331
Changes in inventories of finished goods	14,139	8,013

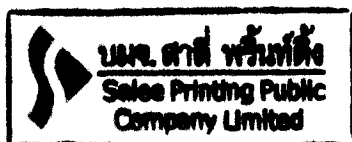
21. Income tax

Income tax expenses (revenue) for the years ended 31 December 2019 and 2018 are made up as follows.

	(Unit: Thousand Baht)	
	2019	2018
Current income tax:		
Current income tax charge	-	4,848
Deferred tax:		
Relating to origination and reversal of temporary differences	(14,217)	(1,521)
Income tax expenses (revenue) reported in profit or loss	(14,217)	3,327

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows.

	(Unit: Thousand Baht)	
	2019	2018
Deferred tax on actuarial gain (loss)	(325)	46



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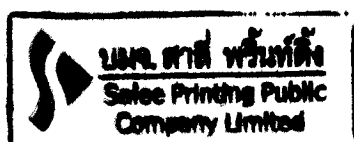
The reconciliation between accounting profit (loss) and income tax expenses is shown below.

	(Unit: Thousand Baht)	
	2019	2018
Accounting profit (loss) before tax	(57,205)	33,708
Applicable tax rate	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(11,441)	6,742
Effects of:		
Non-deductible expenses	263	89
Investment expenditure exemption	(2,964)	(3,447)
Others	(75)	(57)
Total	(2,776)	(3,415)
Income tax expenses (revenue) reported in profit or loss	(14,217)	3,327

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

	(Unit: Thousand Baht)	
	2019	2018
Deferred tax assets		
Allowance for doubtful accounts	102	37
Allowance for diminution in value of inventories	5,816	4,492
Allowance for impairment loss on equipment	1,523	-
Provision for long-term employee benefits	1,054	483
Temporary differences of operating lease agreements	1,653	1,553
Unused tax loss	9,690	-
Total	19,838	6,565
Deferred tax liabilities		
Temporary differences of liabilities under finance lease agreements	549	1,817
Total	549	1,817
Deferred tax assets - net	19,289	4,748

The unused tax losses amounting to Baht 48 million (2018: None) will expire by 2024.



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22. Earnings per share

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

23. Segment information

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

The Company is principally engaged in the label printing segment. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits or loss and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment.

Geographic information

Revenues from external customers are based on locations of the customers.

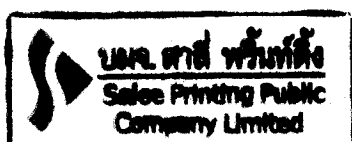
Country	(Unit: Thousand Baht)	
	2019	2018
Thailand	350,099	417,454
Myanmar	17,777	17,067
Others	7,673	4,837
Total	375,549	439,358

Major customers

For the year 2019, the Company has revenues from five major customers in amount of Baht 213 million (2018: Baht 271 million).

24. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3% of basic salary. The fund, which is managed by K Master Pooled Fund (2018: UOB (Thailand) Asset Management Company Limited), will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2019 amounting to Baht 1.2 million (2018: Baht 1.0 million) were recognised as expenses.




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(นายประภาศ จีระพรทิพย์)

25. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividend 2017	Annual General Meeting of the shareholders on 25 April 2018	18,000	0.015
Interim dividends for 2018	Meeting of the Company's Board of Directors on 9 August 2018	18,000	0.015
Total for 2018		36,000	
Final dividend 2018	Annual General Meeting of the shareholders on 24 April 2019	12,000	0.010
Total for 2019		12,000	

26. Commitments and contingent liabilities

26.1 Capital commitments

As at 31 December 2019, the Company had capital commitments of Baht 13.5 million relating to purchases of machinery, equipment and software (2018: Baht 11.5 million).

26.2 Lease and service commitments

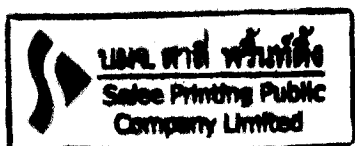
The Company has entered into operating lease agreements with its parent company in respect of the lease of land and building and service agreements. The terms of the agreements are generally between 1 and 10 years.

As at 31 December 2019 and 2018, future minimum payments required under these contracts were as follows.

	(Unit: Thousand Baht)	
	2019	2018
Payable:		
In up to 1 year	23,053	21,854
In over 1 and up to 5 years	76,733	84,412
Up to 5 years	-	10,476

26.3 Guarantee

As at 31 December 2019 and 2018, there were outstanding bank guarantee of Baht 1.5 million issued by a bank on behalf of the Company to guarantee electricity use.



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27. Fair value hierarchy

As of 31 December 2019, the Company's assets whose disclosed fair values were determined using level 2 inputs consisted of investments in debt securities with fair values of Baht 82 million (2018: Baht 70 million).

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

28. Financial instruments

28.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations" principally comprise cash and cash equivalents, accounts receivable and payable, investments, short-term loan and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk


The Company is exposed to credit risk primarily with respect to trade and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, investments in debt securities, short-term loan and liabilities under finance lease agreements. Most of the Company's financial assets and liabilities bear floating interest rate or fixed interest rate which are close to the market rate.

As at 31 December 2019 and 2018, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.




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(Unit: Thousand Baht)

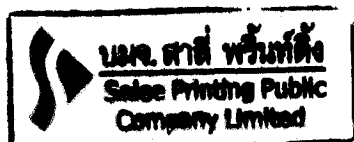
As at 31 December 2019

	Fixed interest rates			Non -		Total	Interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	13,204	69	13,273	0.10 - 1.00
Current investments	419,410	-	-	-	-	419,410	1.65 - 1.80
Trade and other receivables	-	-	-	-	102,845	102,845	-
Restricted bank deposit	-	-	-	936	-	936	-
Other long-term investments	-	29,900	50,070	-	-	79,970	2.65 - 3.50
	419,410	29,900	50,070	14,140	102,914	616,434	
Financial liabilities							
Short-term loan from bank	-	-	-	1,021	-	1,021	2.85
Trade and other payables	-	-	-	-	31,177	31,177	-
Liabilities under finance lease agreements	91	76	-	-	-	167	2.68
	91	76	-	1,021	31,177	32,365	

(Unit: Thousand Baht)

As at 31 December 2018

	Fixed interest rates			Non -		Total	Interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	34,394	23	34,417	0.10 - 1.10
Current investments	428,796	-	-	-	-	428,796	1.40 - 1.65
Trade and other receivables	-	-	-	-	105,004	105,004	-
Restricted bank deposit	-	-	-	935	-	935	-
Other long-term investments	-	19,863	50,086	-	-	69,949	2.85 - 3.50
	428,796	19,863	50,086	35,329	105,027	639,101	
Financial liabilities							
Trade and other payables	-	-	-	-	33,098	33,098	-
Liabilities under finance lease agreements	188	167	-	-	-	355	2.68
	188	167	-	-	33,098	33,453	



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Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2019 and 2018, the significant balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2019	2018	2019	2018	2019	2018
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	60	36	-	67	30.1540	32.2848
Euro	3	28	9	29	33.7311	36.7620

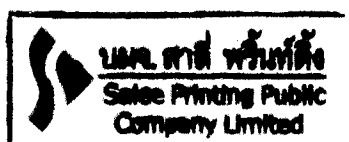
As at 31 December 2019, forward exchange contracts outstanding are summarised below.

Foreign currency	Bought amount	Contractual exchange rate - Bought	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
Euro	226	33.83	February 2020

28.2 Fair values of financial instruments

The estimated fair values of financial instruments, in comparison with the related amounts carried in the statement of financial position, are as follows

	31 December 2019		31 December 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Other long-term investments -				
Debt securities	79,970	82,430	69,949	69,624



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The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows.

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, current investments, short-term loan, accounts receivable, accounts payable and liabilities under finance lease agreements, their carrying amounts in the statement of financial position approximate their fair values.
- b) For investments in debt securities carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.


29. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2019 and 2018, the Company's debt-to-equity ratio was 0.04:1.

30. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2020.




(นายณะชัย สันติชัยกุล)


(นายประภูตร์ จิระพรทิพย์)