

Thai President Foods Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2020

Independent Auditor's Report

To the Shareholders of Thai President Foods Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thai President Foods Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai President Foods Public Company Limited.

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

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants 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.

Emphasis of Matter

I draw attention to Note 5 to the financial statements, which describes of the prior year's adjustment. To reflect such adjustment, the Company restated the statements of financial position for the year ended 31 December 2019, presented as comparative information and also presented the statements of financial position as at 1 January 2019 for comparative purposes. My opinion is not modified in respect of this matter.

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, 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 this matter. 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 matter and how audit procedures respond for this matter are described below.

Revenue recognition

The Group disclosed accounting policies for revenue recognition in Note 6.1 to the financial statements. The group's revenue from sales represented significant amounts in the financial statements, and directly affect profit or loss of the Group. In addition, there are both domestic and export sales with a variety of conditions in the revenue recognition. As a result, there are risks with respect to the amount and timing of revenue recognition. I therefore gave significant attention to the revenue recognition of the Group.

I assessed and tested the Group'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. I applied a sampling method to select sales transactions to assess whether the recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy. On a sampling basis, I examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period. I also reviewed of credit notes that were issued after the end of accounting period. In addition, I performed analytical procedures of disaggregated data to detect possible irregularities in sales transactions throughout the accounting period, particularly for accounting entries made through journal vouchers.

Other Information

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

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

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

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

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

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

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

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

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

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

Saifon Inkaew
Certified Public Accountant (Thailand) No. 4434

EY Office Limited
Bangkok: 24 February 2021

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
		2020	2019	2019	2020	2019	2019
			(Restated)		(Restated)		
Assets							
Current assets							
Cash and cash equivalents	8	3,695,417,204	3,320,231,441	3,344,574,174	2,016,174,341	1,979,253,036	2,331,086,531
Current investments	9	-	5,932,175,252	4,643,000,067	-	2,907,941,558	2,188,797,995
Trade and other receivables	10, 11	3,237,726,603	3,554,338,707	3,651,931,910	2,030,351,780	2,114,411,395	2,218,123,444
Short-term loan to related parties	11	-	1,000,000	47,636,000	-	1,000,000	1,000,000
Short-term loan to unrelated party		-	-	250,000,000	-	-	250,000,000
Inventories	12	1,420,942,930	1,454,719,309	1,375,926,001	629,416,201	553,885,010	577,417,518
Other current financial assets	13	7,766,743,541	-	-	3,497,685,347	-	-
Other current assets		104,360,698	104,880,605	80,210,236	27,364,409	10,551,186	10,661,032
Total current assets		16,225,190,976	14,367,345,314	13,393,278,388	8,200,992,078	7,567,042,185	7,577,086,520
Non-current assets							
Restricted bank deposit		-	36,348,041	53,399,370	-	-	-
Long-term loan to related party	11	8,000,000	-	-	8,000,000	-	-
Investments in subsidiaries	14	-	-	-	3,530,249,005	3,424,721,569	3,426,593,446
Investments in associates	15	3,018,630,055	2,984,018,204	2,669,540,735	410,673,729	324,164,042	252,095,575
Investments in joint venture	16	29,819,188	28,424,125	29,356,950	-	-	-
Investments in other companies	17	-	191,955,294	194,445,503	-	76,455,294	78,945,503
Other long-term investments	18	-	7,695,457,783	5,601,376,714	-	5,115,603,745	4,045,394,365
Other non-current financial assets	13	8,460,702,257	-	-	5,453,412,870	-	-
Advance payment for investments							
in related parties	14	-	-	-	294,707	96,280,198	294,707
Investment properties	19	406,403,397	101,882,400	98,257,750	427,843,642	125,087,640	123,227,985
Property, plant and equipment	20	9,051,885,097	8,488,192,384	8,532,251,050	3,132,533,203	2,648,544,014	2,343,461,883
Right-of-use assets	24	93,360,402	-	-	14,895,644	-	-
Downpayment for purchase of machinery		542,149	135,533,146	52,883,576	-	-	-
Intangible assets	21	24,078,888	29,908,269	36,747,158	8,281,141	13,366,929	17,104,962
Leasehold rights		-	450,820	617,486	-	-	-
Goodwill		42,006,719	42,052,990	45,824,048	-	-	-
Deferred tax assets	31	40,816,357	82,116,412	63,876,966	-	47,782,627	33,641,081
Other non-current assets		15,131,747	37,418,445	37,395,246	3,458,053	4,566,590	10,954,007
Total non-current assets		21,191,376,256	19,853,758,313	17,415,972,552	12,989,641,994	11,876,572,648	10,331,713,514
Total assets		37,416,567,232	34,221,103,627	30,809,250,940	21,190,634,072	19,443,614,833	17,908,800,034

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
		2020	2019	2019	2020	2019	2019
			(Restated)		(Restated)		
Liabilities and shareholders' equity							
Current liabilities							
Trade and other payables	11, 22	1,781,038,449	1,813,245,905	1,921,019,933	1,167,437,827	1,043,074,238	1,201,372,911
Current portion of liabilities under							
finance lease agreements	11, 23	-	35,455,065	65,882,600	-	3,560,376	1,254,029
Current portion of long-term lease liabilities	11, 24	36,628,973	-	-	3,691,022	-	-
Income tax payable		321,181,735	389,867,243	306,751,078	163,016,061	208,148,633	170,834,458
Accrued bonus		368,515,339	356,608,497	312,920,052	206,378,160	193,027,961	169,286,224
Advance receipt from non-controlling interests							
for investments in a subsidiary		38,711	91,641,176	42,282	-	-	-
Other accrued expenses	11	335,797,585	345,701,535	332,579,448	122,637,147	111,174,157	137,421,735
Other current liabilities		95,042,036	70,724,253	64,276,570	48,847,360	43,170,312	35,014,117
Total current liabilities		2,938,242,828	3,103,243,674	3,003,471,963	1,712,007,577	1,602,155,677	1,715,183,474
Non-current liabilities							
Liabilities under finance lease agreements							
- net of current portion	11, 23	-	54,645,733	45,825,460	-	14,904,746	-
Long-term lease liabilities,							
net of current portion	11, 24	57,239,639	-	-	11,213,724	-	-
Long-term loans from director		-	-	71,391,764	-	-	-
Long-term loans from employees		-	-	39,547,138	-	-	-
Provision for long-term employee benefits	25	1,005,079,183	989,629,325	797,541,413	664,062,449	660,405,170	558,967,449
Deferred tax liabilities	31	20,723,341	-	-	19,612,317	-	-
Other non-current liabilities		3,830,402	61,170,477	60,838,018	-	57,340,835	57,340,835
Total non-current liabilities		1,086,872,565	1,105,445,535	1,015,143,793	694,888,490	732,650,751	616,308,284
Total liabilities		4,025,115,393	4,208,689,209	4,018,615,756	2,406,896,067	2,334,806,428	2,331,491,758

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	31 December	31 December	1 January	31 December	31 December	1 January
	Note	2020	2019	2020	2019	2019
			(Restated)		(Restated)	
Liabilities and shareholders' equity (continued)						
Shareholders' equity						
Share capital						
Registered share capital						
329,704,014 ordinary shares of						
Baht 1 each						
		329,704,014	329,704,014	329,704,014	329,704,014	329,704,014
Issued and fully paid-up share capital						
329,704,014 ordinary shares of						
Baht 1 each						
		329,704,014	329,704,014	329,704,014	329,704,014	329,704,014
Share premium		712,962,638	712,962,638	712,962,638	712,962,638	712,962,638
Surplus of investment over fair value of						
net assets of subsidiary						
		(1,377,594,707)	(1,377,594,707)	(1,377,291,971)	-	-
Retained earnings						
Appropriated - statutory reserve						
26		39,000,000	39,000,000	39,000,000	39,000,000	39,000,000
Unappropriated						
		25,884,952,495	23,433,741,122	20,962,974,673	17,218,807,631	15,713,515,541
Other components of shareholders' equity		386,385,956	221,827,334	200,129,400	483,263,722	313,626,212
Equity attributable to owners of the Company		25,975,410,396	23,359,640,401	20,867,478,754	18,783,738,005	17,108,808,405
Non-controlling interests of the subsidiaries		7,416,041,443	6,652,774,017	5,923,156,430	-	-
Total shareholders' equity		33,391,451,839	30,012,414,418	26,790,635,184	18,783,738,005	17,108,808,405
Total liabilities and shareholders' equity		37,416,567,232	34,221,103,627	30,809,250,940	21,190,634,072	19,443,614,833
		-	-	-	-	-

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

Directors

Thai President Foods Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit or loss:					
Revenues					
Sales	11, 32, 34	23,580,478,011	23,999,084,453	13,985,009,234	13,642,065,509
Dividend income		74,901,434	128,095,767	768,113,941	698,889,970
Other income					
Exchange gain		22,097,675	13,871,887	12,872,420	13,014,390
Gain on disposals of property, plant and equipment		10,173,113	202,333,516	3,338,513	4,335,159
Others	11	183,158,425	168,406,171	93,973,643	95,692,500
Total other income	27	215,429,213	384,611,574	110,184,576	113,042,049
Total revenues		23,870,808,658	24,511,791,794	14,863,307,751	14,453,997,528
Expenses					
Cost of sales	11	14,849,957,443	15,300,601,117	10,018,666,977	9,841,155,796
Selling and distribution expenses	11	1,749,082,790	1,734,191,658	330,848,756	261,822,975
Administrative expenses	11	1,861,997,240	2,096,681,249	1,168,511,337	1,169,194,589
Total expenses		18,461,037,473	19,131,474,024	11,518,027,070	11,272,173,360
Profit from operating activities		5,409,771,185	5,380,317,770	3,345,280,681	3,181,824,168
Share of profit from investments in associates and joint venture	15, 16	294,978,578	274,164,869	-	-
Finance income	28	275,901,741	222,776,992	180,106,798	135,092,125
Finance cost	29	(2,831,397)	(4,985,906)	(610,891)	(79,955)
Profit before income tax expenses		5,977,820,107	5,872,273,725	3,524,776,588	3,316,836,338
Income tax expenses	31	(725,686,491)	(728,868,052)	(385,899,193)	(381,838,760)
Profit for the year		5,252,133,616	5,143,405,673	3,138,877,395	2,934,997,578

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		19,813,340	(68,540,299)	-	-
Loss on investments in debt instruments designated at fair value through other comprehensive income - net of income tax		(27,527,718)	-	(23,119,985)	-
Gain on change in value of available-for-sale investments - net of income tax	31	-	86,779,132	-	50,879,260
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(7,714,378)	18,238,833	(23,119,985)	50,879,260
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax	31	(69,072)	(79,481,180)	(61,763)	(46,540,569)
Loss on investments in equity instruments designated at fair value through other comprehensive income - net of income tax		(146,688,696)	-	(112,680,241)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(146,757,768)	(79,481,180)	(112,742,004)	(46,540,569)
Other comprehensive income for the year		(154,472,146)	(61,242,347)	(135,861,989)	4,338,691
Total comprehensive income for the year		5,097,661,470	5,082,163,326	3,003,015,406	2,939,336,269
Profit attributable to:					
Equity holders of the Company		4,090,005,921	3,943,065,724	3,138,877,395	2,934,997,578
Non-controlling interests of the subsidiaries		1,162,127,695	1,200,339,949		
		5,252,133,616	5,143,405,673		
Total comprehensive income attributable to:					
Equity holders of the Company		3,944,738,307	3,900,300,523	3,003,015,406	2,939,336,269
Non-controlling interests of the subsidiaries		1,152,923,163	1,181,862,803		
		5,097,661,470	5,082,163,326		
Earnings per share					
33					
Basic earnings per share					
Profit attributable to equity holders of the Company		12.41	11.96	9.52	8.90
Weighted average number of ordinary shares (shares)		329,704,014	329,704,014	329,704,014	329,704,014

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
Other components of shareholders' equity												
Other comprehensive income												
Exchange												
differences on												
translation of												
financial												
statements in												
foreign currency												
Surplus												
on changes												
in value of												
available-for-sale												
investments												
Fair value												
reserve of												
financial assets												
at FVOCI												
Total other												
components of												
shareholders'												
equity												
Total equity												
attributable to												
shareholders of												
the Company												
Equity attributable												
to non-controlling												
interests of												
the subsidiaries												
Total												
shareholders'												
equity												
Note	Issued and paid-up share capital	Share premium	Surplus of investment over fair value of net assets of subsidiary	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Surplus on changes in value of available-for-sale investments	Fair value reserve of financial assets at FVOCI	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	329,704,014	712,962,638	(1,377,291,971)	39,000,000	20,995,297,855	(59,379,764)	259,509,164	-	200,129,400	20,899,801,936	5,923,156,430	26,822,958,366
	Cumulative effects of prior years'											
	adjustment											
5	-	-	-	-	(32,323,182)	-	-	-	-	(32,323,182)	-	(32,323,182)
	329,704,014	712,962,638	(1,377,291,971)	39,000,000	20,962,974,673	(59,379,764)	259,509,164	-	200,129,400	20,867,478,754	5,923,156,430	26,790,635,184
	Profit for the year											
	-	-	-	-	3,943,065,724	-	-	-	-	3,943,065,724	1,200,339,949	5,143,405,673
	Other comprehensive income for the year											
	-	-	-	-	(64,463,135)	(47,446,761)	69,144,695	-	21,697,934	(42,765,201)	(18,477,146)	(61,242,347)
	Total comprehensive income for the year											
	-	-	-	-	3,878,602,589	(47,446,761)	69,144,695	-	21,697,934	3,900,300,523	1,181,862,803	5,082,163,326
	Net decrease in the Company's equity											
	from change in the Company's											
	investment											
	-	-	(302,736)	-	-	-	-	-	-	(302,736)	-	(302,736)
	Net increase in non-controlling interests											
	of the subsidiary from change in investments											
	of subsidiary											
	-	-	-	-	-	-	-	-	-	-	7,273,534	7,273,534
	Dividend paid											
36	-	-	-	-	(1,407,836,140)	-	-	-	-	(1,407,836,140)	(459,518,750)	(1,867,354,890)
	329,704,014	712,962,638	(1,377,594,707)	39,000,000	23,433,741,122	(106,826,525)	328,653,859	-	221,827,334	23,359,640,401	6,652,774,017	30,012,414,418

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements												
Equity attributable to the parent's shareholders												
Other components of shareholders' equity												
Other comprehensive income												
Exchange												
differences on												
translation of												
financial												
statements in												
foreign currency												
Surplus												
on changes												
in value of												
available-for-sale												
investments												
Fair value												
reserve of												
financial assets												
at FVOCI												
Total other												
components of												
shareholders' equity												
Total equity												
attributable to												
shareholders of												
the Company												
Equity attributable												
to non-controlling												
interests of												
the subsidiaries												
Total												
shareholders' equity												
Note	Issued and paid-up share capital	Share premium	Surplus of investment over fair value of net assets of subsidiary	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Surplus on changes in value of available-for-sale investments	Fair value reserve of financial assets at FVOCI	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	share capital	premium	of subsidiary	Appropriated - statutory reserve	Unappropriated	foreign currency	investments	at FVOCI	equity	the Company	the subsidiaries	equity
Balance as at 1 January 2020	329,704,014	712,962,638	(1,377,594,707)	39,000,000	23,433,741,122	(106,826,525)	328,653,859	-	221,827,334	23,359,640,401	6,652,774,017	30,012,414,418
Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards	4	-	-	-	30,210,884	-	(328,653,859)	585,024,332	256,370,473	286,581,357	(800,458)	285,780,899
Balance as at 1 January 2020 - as restated	329,704,014	712,962,638	(1,377,594,707)	39,000,000	23,463,952,006	(106,826,525)	-	585,024,332	478,197,807	23,646,221,758	6,651,973,559	30,298,195,317
Profit for the year	-	-	-	-	4,090,005,921	-	-	-	-	4,090,005,921	1,162,127,695	5,252,133,616
Other comprehensive income for the year	-	-	-	-	(66,527)	9,927,143	-	(155,128,230)	(145,201,087)	(145,267,614)	(9,204,532)	(154,472,146)
Total comprehensive income for the year	-	-	-	-	4,089,939,394	9,927,143	-	(155,128,230)	(145,201,087)	3,944,738,307	1,152,923,163	5,097,661,470
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	153,968,316	153,968,316
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings	-	-	-	-	(53,389,236)	-	-	53,389,236	53,389,236	-	-	-
Dividend paid	36	-	-	-	(1,615,549,669)	-	-	-	-	(1,615,549,669)	(542,823,595)	(2,158,373,264)
Balance as at 31 December 2020	<u>329,704,014</u>	<u>712,962,638</u>	<u>(1,377,594,707)</u>	<u>39,000,000</u>	<u>25,884,952,495</u>	<u>(96,899,382)</u>	<u>-</u>	<u>483,285,338</u>	<u>386,385,956</u>	<u>25,975,410,396</u>	<u>7,416,041,443</u>	<u>33,391,451,839</u>

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (Continued)

For the year ended 31 December 2020

(Unit: Baht)

Separate financial statements

	Note	Other components of shareholders' equity							Total shareholders' equity
		Issued and paid-up share capital	Share premium	Retained earnings		Surplus on changes in value of available-for-sale investments	Other comprehensive income		
				Appropriated - statutory reserve	Unappropriated		Fair value reserve of financial assets at FVOCI	Total other components of shareholders' equity	
Balance as at 31 December 2018		329,704,014	712,962,638	39,000,000	14,265,217,854	262,746,952	-	262,746,952	15,609,631,458
Cumulative effects of prior years' adjustment:	5	-	-	-	(32,323,182)	-	-	-	(32,323,182)
Balance as at 31 December 2018 - as restated		329,704,014	712,962,638	39,000,000	14,232,894,672	262,746,952	-	262,746,952	15,577,308,276
Profit for the year		-	-	-	2,934,997,578	-	-	-	2,934,997,578
Other comprehensive income for the year		-	-	-	(46,540,569)	50,879,260	-	50,879,260	4,338,691
Total comprehensive income for the year		-	-	-	2,888,457,009	50,879,260	-	50,879,260	2,939,336,269
Dividend paid	36	-	-	-	(1,407,836,140)	-	-	-	(1,407,836,140)
Balance as at 31 December 2019		329,704,014	712,962,638	39,000,000	15,713,515,541	313,626,212	-	313,626,212	17,108,808,405
Balance as at 1 January 2020		329,704,014	712,962,638	39,000,000	15,713,515,541	313,626,212	-	313,626,212	17,108,808,405
Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards	4	-	-	-	26,639,410	(313,626,212)	574,450,665	260,824,453	287,463,863
Balance as at 1 January 2020 - as restated		329,704,014	712,962,638	39,000,000	15,740,154,951	-	574,450,665	574,450,665	17,396,272,268
Profit for the year		-	-	-	3,138,877,395	-	-	-	3,138,877,395
Other comprehensive income for the year		-	-	-	(61,763)	-	(135,800,226)	(135,800,226)	(135,861,989)
Total comprehensive income for the year		-	-	-	3,138,815,632	-	(135,800,226)	(135,800,226)	3,003,015,406
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings		-	-	-	(44,613,283)	-	44,613,283	44,613,283	-
Dividend paid	36	-	-	-	(1,615,549,669)	-	-	-	(1,615,549,669)
Balance as at 31 December 2020		329,704,014	712,962,638	39,000,000	17,218,807,631	-	483,263,722	483,263,722	18,783,738,005

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Cash flows from operating activities					
Profit before tax		5,977,820,107	5,872,273,725	3,524,776,588	3,316,836,338
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation	19, 20	1,207,201,652	1,191,872,004	470,580,431	429,511,736
Amortisation	21	8,860,374	10,044,254	5,253,938	5,496,793
Gain on disposals of property, plant and equipment		(10,173,113)	(202,333,516)	(3,338,513)	(4,335,159)
Gain on disposals of other long-term investments		-	(27,554,563)	-	(16,032,911)
Gain on disposals of other non-current financial assets		(18,130,552)	-	(7,380,527)	-
Loss from write-off of property, plant and equipment		2,740,359	159,419	430,204	156,541
Loss from write-off of intangible assets		12,300	-	12,300	-
Gain on disposals of investments in associated company		(26,776,015)	-	-	-
Reversal of allowance for deteriorated inventories		(2,216,773)	(359,282)	-	-
Allowance for impairment of investments in subsidiary company	14.1	-	-	54,922,055	11,803,222
Allowance for impairment of investments in associated company (reversal)	15.1	-	(9,677,893)	3,490,313	2,931,533
Allowance for impairment loss on investments in other companies	17	-	9,242,209	-	9,242,209
Gain on fair value adjustments of financial instruments		(20,096,371)	-	(11,131,537)	-
Allowance for expected credit losses		304,217	6,282,736	-	3,371,620
Reversal of allowance for impairment loss on investment properties		-	(3,624,650)	-	(3,624,650)
Share of profit from investments in associates	15.1	(291,536,015)	(270,040,427)	-	-
Share of profit from investments in joint venture	16	(3,442,563)	(4,124,442)	-	-
Dividend received from subsidiary companies	14.1	-	-	(634,772,427)	(514,891,714)
Dividend received from associated companies	15.1	-	-	(86,371,979)	(76,327,369)
Dividend received from other companies and other long-term investments		(74,901,434)	(128,095,767)	(46,969,535)	(107,670,887)
Interest income		(275,901,741)	(222,776,992)	(180,106,798)	(135,092,125)
Finance cost		2,831,397	4,985,906	610,891	79,955
Provision for long-term employee benefits		83,715,101	170,486,089	52,049,526	120,744,305
Profit from operating activities before changes in operating assets and liabilities		6,560,310,930	6,396,758,810	3,142,054,930	3,042,199,437
Operating assets (increase) decrease					
Trade and other receivables		302,571,925	118,173,645	82,416,531	111,364,674
Inventories		35,993,152	(78,434,027)	(75,531,191)	23,532,508
Other current assets		2,212,026	(22,601,432)	(16,813,223)	109,847
Other non-current assets		22,286,697	(3,681,429)	1,108,537	6,387,417
Operating liabilities increase (decrease)					
Trade and other payables		(118,335,067)	(133,874,437)	88,986,446	(219,027,835)
Other current liabilities		24,317,783	6,447,683	5,677,048	8,156,195
Other non-current liabilities		(57,340,075)	18,623,611	(57,340,835)	-
Provision for long-term employee benefits		(68,274,380)	(92,723,026)	(48,392,247)	(72,774,092)
Cash flows from operating activities		6,703,742,991	6,208,689,398	3,122,165,996	2,899,948,151
Cash paid for income tax		(775,628,309)	(665,444,684)	(412,767,814)	(364,459,007)
Net cash flows from operating activities		5,928,114,682	5,543,244,714	2,709,398,182	2,535,489,144

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Cash flows from investing activities					
Increase in current investments		-	(5,818,207,664)	-	(5,058,155,932)
Decrease in current investments		-	4,529,032,480	-	4,339,012,369
Decrease in restricted bank deposit		36,348,041	17,051,329	-	-
Increase in short-term loan to related party	11.2	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Decrease in short-term loan to related parties	11.2	2,000,000	47,636,000	2,000,000	1,000,000
Decrease in short-term loan to unrelated party		-	250,000,000	-	250,000,000
Increase in other current financial assets		(9,882,495,091)	-	(7,737,281,028)	-
Decrease in other current financial assets		8,047,855,389	-	7,147,537,239	-
Increase in long-term loan to related party	11.2	(8,000,000)	-	(8,000,000)	-
Increase in other non-current financial assets		(7,367,182,049)	-	(3,239,222,456)	-
Decrease in other non-current financial assets		7,004,421,535	-	3,197,654,485	-
Increase in investments in subsidiary companies	14.1	-	-	(64,464,000)	(9,931,345)
Increase in investments in associated company	15.1	(150,000,000)	(125,000,000)	(90,000,000)	(75,000,000)
Proceed received from disposal of investment					
in associated company	15	347,581,002	-	-	-
Increase in investments in other companies	17	-	(6,752,000)	-	(6,752,000)
Increase in other long-term investments		-	(7,836,219,938)	-	(4,783,151,081)
Decrease in other long-term investments		-	5,878,167,346	-	3,792,573,687
Increase in advance payment					
for investments in related parties		-	-	-	(95,985,491)
Dividend received from subsidiary companies	14.1	-	-	634,772,427	514,891,714
Dividend received from associated companies	15.1	86,371,979	76,327,369	86,371,979	76,327,369
Dividend received from joint venture	16	2,047,500	5,206,500	-	-
Dividend received from other companies and					
other long-term investments		74,777,378	111,344,298	46,905,164	99,399,823
Dividend received by non-controlling interest of					
subsidiaries		(542,823,595)	(459,518,750)	-	-
Decrease in leasehold rights		450,820	-	-	-
Purchase of property, plant and equipment		(1,747,542,488)	(1,218,721,210)	(911,607,110)	(656,592,349)
Purchase of investment properties		(304,520,997)	-	(304,520,997)	-
Decrease (increase) in downpayment for purchase					
of machinery		134,990,997	(82,649,570)	-	-
Proceeds from disposals of property, plant and equipment		14,878,076	379,447,423	5,863,346	4,513,786
Purchase of intangible assets		(3,042,773)	(3,034,333)	(180,450)	(1,758,760)
Net increase in non-controlling interests of the subsidiary					
from paid-up share capital of subsidiary		153,968,316	-	-	-
Increase (decrease) in advance receipt of non-controlling					
interests for investments in a subsidiary		(91,602,465)	91,598,894	-	-
Proceed received for non-controlling interest of					
the subsidiaries		-	7,273,534	-	-
Surplus of investment over book value of subsidiary		-	(302,736)	-	-
Interest income		272,470,830	212,665,283	181,273,324	132,338,943
Net cash flows used in investing activities		(3,920,047,595)	(3,945,655,745)	(1,053,898,077)	(1,478,269,267)

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

Thai President Foods Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Cash flows from financing activities					
Increase in long-term loans from director		-	9,793,352	-	-
Decrease in long-term loans from director		-	(81,185,116)	-	-
Decrease in long-term loans from employees		-	(39,547,138)	-	-
Repayment of liabilities under lease agreements		(25,413,819)	(70,946,730)	(3,560,376)	(1,892,593)
Dividend paid		(1,614,407,533)	(1,407,080,824)	(1,614,407,533)	(1,407,080,824)
Cash paid for interest expenses		(2,831,397)	(4,985,906)	(610,891)	(79,955)
Net cash flows used in financing activities		(1,642,652,749)	(1,593,952,362)	(1,618,578,800)	(1,409,053,372)
Increase (decrease) in translation adjustments		9,771,425	(27,979,340)	-	-
Net increase (decrease) in cash and cash equivalents		375,185,763	(24,342,733)	36,921,305	(351,833,495)
Cash and cash equivalents at beginning of year		3,320,231,441	3,344,574,174	1,979,253,036	2,331,086,531
Cash and cash equivalents at end of year	8	3,695,417,204	3,320,231,441	2,016,174,341	1,979,253,036

Supplementary disclosures of cash flows information

Non-cash related transactions

Dividend receivable	124,056	16,751,469	64,371	8,271,064
Dividend payable	1,142,136	755,316	1,142,136	755,316
Transferred advance payment for investment in related party to investments in subsidiary	-	-	95,985,491	-
Other payables from purchase of property, plant and equipment	86,988,368	82,155,624	59,048,196	57,468,006
Liabilities under lease agreements - net of deferred interest	22,921,764	43,243,424	-	18,465,122

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

Thai President Foods Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2020

1. Corporate information

1.1 Corporate information

Thai President Foods Public Company Limited (“the Company”) is a public company incorporated from an amalgamation on 16 October 2017 and domiciled in Thailand. Its major shareholder is Sahapatana Interholding Public Company Limited which is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of instant noodles, semi-instant foods and biscuit products. The registered office and head office of the Company is at No. 304, TF Group Building, Srinakarin Road, Huamark Sub-district, Bangkapi District, Bangkok. There are five plants, located at Chonburi Province, Lamphoon Province, Rayong Province and another 2 plants at Ratchaburi Province.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and has an impact on the environment in which the Group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

2.1 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, 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.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Thai President Foods Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”).

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020 (Percent)	2019 (Percent)
<u>Held by the Company</u>				
Thai Sun Foods Company Limited	Manufacture and distribution of fruit juice and distribution of biscuit products	Thailand	52.08	52.08
Thai Anbao Paper Products Company Limited	Manufacture and distribution of paper packaging	Thailand	51.00	51.00
Dai-Ichi Packaging Company Limited	Manufacture and distribution of packaging printing products and provide packaging service for consumable products	Thailand	50.10	50.10
Kallol Thai President Foods (BD) Limited	Manufacture and distribution of instant noodles	Bangladesh	55.00	55.00
President Flour Mills Company Limited	Manufacture and distribution of wheat flour-related products	Thailand	60.00	60.00
Thai President Foods (Hungary) Company Limited	Manufacture and distribution of instant noodles	Hungary	65.00	65.00
President Kourakuen Company Limited	Restaurant and drink	Thailand	70.00	70.00
President Bakery Public Company Limited	Manufacture and distribution of bakery products	Thailand	51.99	51.99
President D Venture Company Limited	Investing and/or lending in real estate business	Thailand	70.00	70.00
Ayeyarwaddy Success Venture Foods Co., Ltd	Manufacture and distribution of instant noodles	Myanmar	51.00	51.00
President Interfood Company Limited	Agent	Thailand	59.67	59.67
<u>Held by subsidiaries</u>				
Siam Sincere Company Limited	Trading of rice bran	Thailand	99.97	99.97
Aksorn Art Paper Cup and Packaging Company	Printing	Thailand	99.99	99.99
President D Venture Company Limited	Investing and/or lending in real estate business	Thailand	29.00	29.00
President Flour Mills Company Limited	Manufacture and distribution of wheat flour-related products	Thailand	10.00	10.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries and associated companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- h) In connection with the acquisition of additional shares of subsidiaries (repurchase of share from non-controlling interests), the excess of the cost of investment over fair value of net asset at the acquisition date has been presented in shareholders’ equity under “Surplus of investment over fair value of net assets of subsidiary”.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

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

During the year, the Group has adopted the revised (revised 2019) and new 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. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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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.

The impact of the adoption of these standards on the Group's financial statements is as follows:

- Classification and measurement of non-listed equity investments - The Group has decided to measure these investments at fair value and classify them as financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income.
- Classification and measurement of investments in available-for-sale equity securities - The Group has elected to irrevocably classify these investments as financial assets at fair value through other comprehensive income.
- Classification and measurement of investments in available-for-sale debt securities - The Group has decided to classify these investments as financial assets at amortised cost or fair value through other comprehensive income or fair value through profit or loss based on their characteristics of the contractual cash flows and the Group's business model on the TFRS 9 transition date.
- Recognition of expected credit losses - The Group recognises an allowance for expected credit losses on its debt instruments measured at amortised cost or fair value through other comprehensive income and it is no longer necessary for a credit-impaired event to have occurred.
- Recognition of derivatives - The Group initially recognises derivatives at their fair value on the contract date and subsequently measures them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Group recognised the cumulative effect of the adoption of these standards as an adjustment to the retained earnings and other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the financial statements.

IFRS 16 Leases

IFRS 16 supersedes IAS 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 IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this standard as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

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

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to fair value measurement of unquoted equity investments using the fair value as at 1 January 2020.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of fair value measurement of unquoted equity investments. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. 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 management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

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

As described in Note 3 to the financial statements, during the current year, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings and other comprehensive income as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The effect of		1 January 2020
		Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Current investments	5,932,175	(5,932,175)	-	-
Trade and other receivables	3,635,618	(17,945)	-	3,617,673
Other current financial assets	-	5,932,175	-	5,932,175

(Unit: Thousand Baht)

Consolidated financial statements				
	31 December 2019	The effect of Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Non-current assets				
Investments in other companies	191,955	(191,955)	-	-
Other long-term investments	7,695,458	(7,695,458)	-	-
Other non-current financial assets	-	8,262,585	-	8,262,585
Property, plant and equipment	8,520,516	-	(138,185)	8,382,331
Right-of-use assets	-	-	169,141	169,141
Deferred tax assets	82,116	(71,446)	-	10,670
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under finance lease agreements	35,455	-	(35,455)	-
Current portion of lease liabilities	-	-	48,173	48,173
Non-current liabilities				
Liabilities under finance lease agreements, net of current portion	54,646	-	(54,646)	-
Lease liabilities, net of current portion	-	-	72,884	72,884
Shareholders' equity				
Retained earnings - unappropriated	23,466,064	30,211	-	23,496,275
Other components of shareholders' equity	221,827	256,370	-	478,197
Non-controlling interests of the subsidiaries	6,652,774	(800)	-	6,651,974

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2019	The effect of Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Current assets				
Current investments	2,907,942	(2,907,942)	-	-
Trade and other receivables	2,124,202	(1,195)	-	2,123,007
Other current financial assets	-	2,907,942	-	2,907,942
Non-current assets				
Investments in other companies	76,455	(76,455)	-	-
Other long-term investments	5,115,604	(5,115,604)	-	-
Other non-current financial assets	-	5,552,584	-	5,552,584
Property, plant and equipment	2,680,867	-	(19,077)	2,661,790
Right-of-use assets	-	-	19,077	19,077
Deferred tax assets	47,783	(47,783)	-	-
Liabilities and shareholders' equity				
Current liabilities				
Current portion of liabilities under finance lease agreements	3,560	-	(3,560)	-
Current portion of lease liabilities	-	-	3,560	3,560
Non-current liabilities				
Liabilities under finance lease agreements, net of current portion	14,905	-	(14,905)	-
Lease liabilities, net of current portion	-	-	14,905	14,905
Deferred tax liabilities	-	24,083	-	24,083
Shareholders' equity				
Retained earnings - unappropriated	15,745,839	26,640	-	15,772,479
Other components of shareholders' equity	313,626	260,824	-	574,450

4.1 Financial instruments

- a) Details of the impact on retained earnings and other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Classification of available-for-sale investments as financial assets at fair value through profit or loss	28,608	26,640
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	28,608	26,640
Fair value measurement of investments in equity securities of non-listed companies	264,250	266,216
Classification of available-for-sale investments as financial assets at fair value through profit or loss	(7,077)	(5,392)
Impacts on other components of shareholders' equity due to the adoption of financial reporting standards related to financial instruments	257,173	260,824

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

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	3,320,232	-	-	3,320,232	3,320,232
Trade and other receivables	3,635,618	-	-	3,617,673	3,617,673
Short-term loans to related party	1,000	-	-	1,000	1,000
Other current financial assets	5,932,175	275,219	3,604,495	2,052,461	5,932,175
Other current assets	23,601	-	-	23,601	23,601
Other non-current financial assets	7,887,413	2,103,141	5,966,249	193,195	8,262,585
Other non-current assets	37,419	-	-	37,419	37,419
Total financial assets	20,837,458	2,378,360	9,570,744	9,245,581	21,194,685

(Unit: Thousand Baht)

		Separate financial statements			
Carrying amounts under the former basis		Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	1,979,253	-	-	1,979,253	1,979,253
Trade and other receivables	2,124,202	-	-	2,123,007	2,123,007
Short-term loans to related party	1,000	-	-	1,000	1,000
Other current financial assets	2,907,942	-	54,978	2,852,964	2,907,942
Other current assets	760	-	-	760	760
Other non-current financial assets	5,192,059	1,482,141	3,947,248	123,195	5,552,584
Other non-current assets	4,567	-	-	4,567	4,567
Total financial assets	12,209,783	1,482,141	4,002,226	7,084,746	12,569,113

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

4.2 Leases

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	35,928	2,578
Less: Short-term leases and leases of low-value assets	(2,208)	(289)
Add: Option to extend lease term	17,356	(2,289)
Less: Contracts reassessed as service agreements	(18,064)	-
Less: Deferred interest expenses	(2,056)	-
Increase in lease liabilities due to TFRS 16 adoption	30,956	-
Liabilities under finance lease agreements as at 31 December 2019	90,101	18,465
Lease liabilities as at 1 January 2020	<u>121,057</u>	<u>18,465</u>
Comprise of:		
Current lease liabilities	48,173	3,560
Non-current lease liabilities	72,884	14,905
	<u>121,057</u>	<u>18,465</u>
Weighted average incremental borrowing rate (percent per annum)	3.00 - 9.00	4.00

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Warehouse	20,941	-
Furniture, fixtures and office equipment	10,015	-
Motor vehicles	78,280	19,077
Total right-of-use assets	<u>109,236</u>	<u>19,077</u>

5. Prior years' adjustment

A switch to a new accounting program in 2004 resulted in under recording of depreciation of some buildings, machinery and equipment at an immaterial amount each year. The cumulative effect of those transactions led to the overstatement of property, plant and equipment of Baht 32.3 million and retained earnings of the same amount in the consolidated and separate statements of financial position as at 31 December 2019. However, there were no effects to the consolidated and separate statements of comprehensive income for the year ended 31 December 2019.

The Company restated the 2019 consolidated and separate statements of financial position, presented as comparative information, to reflect the effect of the adjustment and also presented the statement of financial position as at 1 January 2020 for comparative purpose. The cumulative effect of the prior years' adjustment had been separately presented in the statement of changes in shareholders' equity.

6. Significant accounting policies

6.1 Revenue and expense 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 upon 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, discounts, allowances and price promotions to customers.

When a contract provides a customer with a right to return the goods within a specified period, the Group recognises the amount ultimately expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Rental income

Rental income is recognised on an accrual basis in accordance with the terms and conditions specified in the contracts.

Dividend income

Dividends are recognised when the right to receive the dividends is established.

6.2 Cash and cash equivalents

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

6.3 Inventories

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

The net realisable value of inventory is estimated from the estimated selling price in the ordinary course of business, less the costs to complete the sale.

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

Allowance for deteriorated inventories will be set up for deteriorated inventories.

6.4 Investments in subsidiaries, associates and joint ventures

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, associates and joint ventures are accounted for in the separate financial statements using the cost method.

6.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

6.6 Property, plant and equipment and depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs over the following estimated useful lives as follows:

	The Company		The Subsidiaries
	Since 2004	Before 2004	
	<u>Method</u>	<u>Method</u>	<u>Method</u>
<u>Building and equipment</u>			
<u>acquired before 2001</u>			
Building	Straight-line 20 years	Declining 20 years	Straight-line 20 years
Machinery	Straight-line 5 years	Straight-line 5 years	Straight-line 10 years
Tools and equipment	Straight-line 5 years	Declining 5 years	Straight-line 5 years
Furniture and fixtures	Straight-line 5 years	Declining 5 years	Straight-line 5 years
Motor vehicles	Straight-line 5 years	Straight-line 5 years	Straight-line 5 years
<u>Building and equipment</u>			
<u>acquired since 2001</u>			
Building	Straight-line 10, 20 years	Straight-line 20 years	Straight-line 20 years
Machinery	Straight-line 5, 10, 15 years	Straight-line 5 years	Straight-line 10 years
Tools and equipment	Straight-line 3, 5, 8, 10, 15 years	Straight-line 5 years	Straight-line 5, 7 years
Furniture and fixtures	Straight-line 5 years	Straight-line 5 years	Straight-line 5, 7 years
Motor vehicles	Straight-line 5 years	Straight-line 5 years	Straight-line 5 years

Depreciation is included in determining income.

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

An item of property, plant and 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

6.7 Intangible assets

Intangible assets are measured at cost on the date of acquisition. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the useful 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 intangible assets (i.e. computer software) have useful lives of 3 - 10 years.

6.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

6.9 Related party transactions

Related parties comprise individuals and 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 individual 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.

6.10 Leases

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

The Group as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	20 years
Warehouse	2 - 3 years
Furniture, fixtures and office equipment	3 - 4 years
Motor vehicles	5 years

In case that ownership of the leased asset will be transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation of right-of-use assets is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of plant and equipment 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 long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the useful life of the asset.

Leases of plant and 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.

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

6.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling on 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 are included in determining income.

6.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use asset, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. 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. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment except for goodwill, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

.6.13 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 and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans 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.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

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 Group recognises restructuring-related costs.

6.14 Provisions

Provisions are recognised when the Group 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.

6.15 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 Group 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 Group reviews and reduce 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 Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

6.16 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVOCI (debt instruments)

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

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

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

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

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

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020

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.

Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The discount on debt securities is amortised/accreted by the effective interest rate method with the accreted amount presented as an adjustment to the interest income.
- d) Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association or yield rate of government bond adjusted by an appropriate risk factor, as the case may be. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

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

6.17 Derivatives

The Group uses derivatives, such as forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

6.18 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 Group applies a quoted market price in an active market to measure their 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 Group 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 observable 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 Group 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.

7. 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:

7.1 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

7.2 Investment properties, property, plant and equipment/Depreciation

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

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

7.3 Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans 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.

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash in hand	4,841	4,844	1,434	1,518
Bank deposits	3,510,576	3,265,388	1,834,740	1,927,735
Promissory notes and bills of exchange	180,000	50,000	180,000	50,000
Total	3,695,417	3,320,232	2,016,174	1,979,253

As at 31 December 2020, bank deposits in savings accounts, fixed accounts, promissory notes and bills of exchange carried interests at the rates between 0.01% and 0.5% per annum (2019: between 0.1% and 1.5% per annum).

9. Current investments

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2019</u>	<u>2019</u>
Fixed deposits	2,035,740	1,160,974
Promissory note	2,372,000	1,338,000
Short-term fund	275,219	-
Local quoted bonds	100,000	100,000
Current investments (in private fund)	1,149,216	308,968
Total	5,932,175	2,907,942

As at 31 December 2019, bank deposits in fixed account, promissory note, short-term fund, local quoted bonds and current investment (in private fund) carried interests at the rates at 0.1% and 5.14% per annum.

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,339,298	1,296,160	1,443,816	1,402,568
Past due				
Not over 3 months	58,634	14,182	65,264	25,382
Total trade receivables - related parties	1,397,932	1,310,342	1,509,080	1,427,950
<u>Other receivables - related parties</u>				
Accrued income and interest receivable	720	1,768	6,377	10,162
Total other receivables - related parties	720	1,768	6,377	10,162
Total trade and other receivables - related parties (Note 11.2)	1,398,652	1,312,110	1,515,457	1,438,112
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,144,671	1,307,955	429,839	462,140
Past due				
Not over 3 months	580,928	775,464	76,482	165,007
3 - 6 months	51,694	40,103	2,012	24
6 - 12 months	17,913	2,714	1,785	2,714
Over 12 months	16,432	13,805	14,693	12,029
Total	1,811,638	2,140,041	524,811	641,914
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(21,820)	(21,516)	(17,001)	(17,001)
Total trade receivables - unrelated parties, net	1,789,818	2,118,525	507,810	624,913
<u>Other receivables - unrelated parties</u>				
Accrued income and interest receivable	49,257	123,703	7,085	51,387
Total other receivables - unrelated parties	49,257	123,703	7,085	51,387
Total trade and other receivables - unrelated parties, net	1,839,075	2,242,228	514,895	676,300
Total trade and other receivables - net	3,237,727	3,554,338	2,030,352	2,114,412

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 1 January 2020	21,516	17,001
Provision for expected credit losses	304	-
As at 31 December 2020	<u>21,820</u>	<u>17,001</u>

11. Related party transactions

11.1 Transactions incurred during the year

During the years, the Group 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)				
	Consolidated financial statements		Separate financial statements		Pricing Policy
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)					
Sales	-	-	480,167	472,805	Cost plus margin
Dividend income	-	-	634,772	514,892	At the announced rate
Rental and other income	-	-	34,368	29,927	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	-	-	2,904,433	2,935,916	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	-	141,702	102,695	Agreed price
Sales of equipment	-	-	1,861	-	Agreed price
Transactions with associated companies					
Sales	115,683	75,199	115,648	75,199	Cost plus margin
Dividend income	-	-	86,372	76,327	At the announced rate
Rental and other income	10,081	9,604	9,840	9,604	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	657,277	634,573	187,914	178,576	Approximately market price with reference to purchase volume
Purchase of machinery and equipment	3,040	862	3,030	862	Agreed price

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing Policy
	financial statements		financial statements		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Transactions with joint venture					
Sales	2,472	3,158	-	-	Agreed price which approximate the market price
Service income	3,295	3,274	-	-	Agreed price which approximate the market price
Dividend income	2,048	5,207	-	-	At the announced rate
Purchase of raw material	271	-	-	-	Approximately market price with reference to purchase volume
Transactions with related companies					
Sales	9,399,383	9,264,887	9,363,333	9,221,846	Cost plus margin
Dividend income	11,481	11,406	11,481	11,406	At the announced rate
Rental and other income	5,149	11,335	204	4,758	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	395,719	407,680	296,385	315,090	Approximately market price with reference to purchase volume
Commission and other expenses (included in selling and administrative expenses)	85,772	92,620	6,908	16,800	Contract price
Purchase of machinery and equipment	83,160	59,387	83,066	59,387	Agreed price

11.2 Outstanding balance at end of year

As at 31 December 2020 and 2019, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade and other receivables - related parties (Note 10)				
Subsidiaries	-	-	121,395	131,251
Associated companies	24,404	28,764	24,066	28,278
Related companies (related by common shareholders)	1,374,248	1,283,346	1,369,996	1,278,583
Total trade and other receivables - related parties	1,398,652	1,312,110	1,515,457	1,438,112
Trade and other payables - related parties (Note 22)				
Subsidiaries	-	-	389,285	336,631
Associated companies	141,811	141,458	14,237	13,261
Related companies (related by common shareholders)	20,376	33,833	10,180	17,324
Total trade and other payables - related parties	162,187	175,291	413,702	367,216
Liabilities under finance lease agreements - related parties				
<i>Related companies</i>				
Liabilities under finance lease agreements	59,309	58,588	-	-
Less: Current portion	(21,067)	(20,034)	-	-
Liabilities under finance lease agreements - net of current portion	38,242	38,554	-	-
Other accrued expenses - related parties				
<i>Related companies</i>	15,395	15,350	15,395	15,350
Total other accrued expenses - related parties	15,395	15,350	15,395	15,350

Short-term loans to related parties

As at 31 December 2020 and 2019, the balance of short-term loans to related parties and the movement are as follows:

(Unit: Thousand Baht)

Company's name	Consolidated and Separate financial statements			
	Balance	During the year		Balance
	as at			as at
	31 December	Increase	Decrease	31 December
	2019			2020
<u>Associated companies</u>				
Thai Instant Products Company Limited	1,000	1,000	(2,000)	-
Total	1,000	1,000	(2,000)	-

Long-term loans to related party

As at 31 December 2020 and 2019, the balance of long-term loans to related party and the movement are as follows:

(Unit: Thousand Baht)

Company's name	Consolidated and Separate financial statements			
	Balance	During the year		Balance
	as at			as at
	31 December	Increase	Decrease	31 December
	2019			2020
<u>Associated companies</u>				
Thai Instant Products Company Limited	-	8,000	-	8,000
Total	-	8,000	-	8,000

11.3 Directors and management's remuneration

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	167	152	51	57
Post-employment benefits and other long-term benefits	5	8	-	1
Total	172	160	51	58

12. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduced cost to net realisable value		Inventories-net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	Finished goods	383,116	357,557	(511)	(2,728)	382,605
Work in process	39,901	33,526	-	-	39,901	33,526
Raw materials	655,970	682,918	-	-	655,970	682,918
Supplies	183,808	193,154	-	-	183,808	193,154
Goods in transit	62,248	94,707	-	-	62,248	94,707
Spare parts and consumables	96,411	95,585	-	-	96,411	95,585
Total	1,421,454	1,457,447	(511)	(2,728)	1,420,943	1,454,719

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduced cost to net realisable value		Inventories-net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	Finished goods	220,103	146,897	-	-	220,103
Raw materials	208,540	202,801	-	-	208,540	202,801
Supplies	154,493	168,359	-	-	154,493	168,359
Goods in transit	21,270	9,235	-	-	21,270	9,235
Spare parts and consumables	25,010	26,593	-	-	25,010	26,593
Total	629,416	553,885	-	-	629,416	553,885

13. Other current financial assets

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
Debt instruments at amortised cost:		
Fixed deposit	3,832,582	1,845,887
Corporate bonds, certificate of deposit and notes	3,290,940	1,545,457
Debt instruments at fair value through OCI		
Bank of Thailand bonds	2,061,145	1,012,944
Corporate bonds, certificate of deposit and notes or debt instruments	2,893,662	1,664,632
Equity instruments at fair value through OCI		
Listed equity instruments		
Sahapatana Interholding Public Company Limited	497,649	497,649
Others	902,868	497,958
Non-listed equity instruments		
Kewpie (Thailand) Company Limited	375,688	375,688
Others	95,642	71,384
Foreign equity instruments	32,318	32,318
Mutual funds and unit trusts		
Digital Telecommunications Infrastructure fund	144,319	85,852
Others	344,557	278,156
Financial assets at fair value through profit or loss		
Open-end funds	430,399	147,497
Subordinated bonds	1,205,201	895,676
Preferred shares	120,476	-
Total	16,227,446	8,951,098
Classified as:		
Other current financial assets	7,766,744	3,497,685
Other non-current financial assets	8,460,702	5,453,413

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

During the year 2020, the Group sold its equity interest in some listed equity investments as this investment no longer coincides with the Group's investment strategy. The fair value on the date of sale was Baht 1,388.4 million and the Company only of Baht 779.4 million and the accumulated gain recognised in other comprehensive income of Baht 64.2 million and the Company only of Baht 46.8 million was transferred to retained earnings.

In 2020, the Group received dividends in the amount of Baht 53.4 million and the Company only of Baht 40.2 million from listed equity investments.

As at 31 December 2020, the Group have pledged government bonds with maturity date over 1 year of approximately Baht 45 million and the Company only of Baht 39 million as a guarantee for electricity and steam use of the Group.

In June 2020, the Company and a subsidiary purchased each 1 ordinary share of XET Company Limited, which operates the business of an international school, with a par value of Baht 100 per share, amounting to Baht 100. On 15 July 2020 and 20 July 2020, the Board of Directors Meeting of the Company and a subsidiary passed a resolution approving the Company and subsidiary to purchase additional 299,999 ordinary shares in this company with a par value of Baht 100 per share, amounting to Baht 29,999,900, and 99,999 ordinary shares in this company with a par value of Baht 100 per share, amounting to Baht 9,999,900, respectively, and made a payment for the shares in July 2020. As a result, the Company and subsidiary's total investment in this company is 300,000 ordinary shares with a par value of Baht 100 per share, amounting to Baht 30,000,000, or equivalent to 2.17% interest and 100,000 ordinary shares with a par value of Baht 100 per share, amounting to Baht 10,000,000, or equivalent to 0.73% interest, respectively. The investment has been classified as an investment in equity instruments measured at fair value through other comprehensive income.

In late March 2020, TMBAM Eastspring announced the dissolution of TMB Ultra-Short Bond Fund (TMBUSB) and TMB Aggregate Bond Fund (TMBABF), in which the subsidiary had the investment of Baht 259.8 million and Baht 24 million, respectively, as at a date of dissolution (31 December 2019: Baht 234 million and Nil, respectively). TMBAM Eastspring repaid during the year 2020 amounting to Baht 240.4 million and Baht 23.3 million, respectively.

As at 3 July 2020, TMBAM Eastspring extended the liquidation period for another 90 days (end date: 7 October 2020).

On 27 August 2020, TMBAM Eastspring extended the liquidation period until February 2023, which is now the last day on which assets of the fund will mature. After 7 October 2020, TMBAM Eastspring will hold assets of the fund until they mature or all assets of the fund can be sold.

14. Investments in subsidiaries

14.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name (Nature of business)	Paid up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	2020	2019	2020	2019	2020	2019	2020	2019
			(Percent)	(Percent)				
Thai Sun Foods Company Limited (Manufacture and distribution of fruit juice and distribution of biscuit products)	Baht 50 million	Baht 50 million	52.08	52.08	26,038	26,038	781	781
Thai Anbao Paper Products Company Limited (Manufacture and distribution of paper packaging)	Baht 20 million	Baht 20 million	51.00	51.00	10,200	10,200	20,400	30,600
Dai-Ichi Packaging Company Limited (Manufacture and distribution of packaging printing products and provide packaging service for consumable products)	Baht 150 million	Baht 150 million	50.10	50.10	75,721	75,721	52,605	39,078
Kallol Thai President Foods (BD) Limited (Manufacture and distribution of instant noodles)	Taka 630 million	Taka 630 million	55.00	55.00	142,150	142,150	-	-
President Flour Mills Company Limited (Manufacture and distribution of wheat flour-related products)	Baht 600 million	Baht 600 million	60.00	60.00	360,000	360,000	28,800	39,600
Thai President Foods (Hungary) Company Limited (Manufacture and distribution of instant noodles)	Forint 2,350 million	Forint 2,350 million	65.00	65.00	209,185	209,185	15,237	16,465
President Kourakuen Company Limited (Restaurant and drink)	Baht 25 million	Baht 25 million	70.00	70.00	17,500	17,500	-	-
President Bakery Public Company Limited (Manufacture and distribution of bakery products)	Baht 450 million	Baht 450 million	51.99	51.99	1,925,529	1,925,529	479,621	388,368
President D Venture Company Limited (Investing and/or lending in real estate business)	Baht 1,010 million	Baht 1,010 million	70.00	70.00	707,000	707,000	34,643	-
Ayeyarwaddy Success Venture Foods Co., Ltd (Manufacture and distribution of instant noodles)	USD 10 million	USD 100 million	51.00	51.00	160,451	2	-	-
President Interfood Company Limited (Agent)	Baht 3 million	Baht 3 million	59.67	59.67	9,622	9,622	2,685	-
					<u>3,643,396</u>	<u>3,482,947</u>	<u>634,772</u>	<u>514,892</u>
Less: Allowance for loss on impairment of investments					<u>(113,147)</u>	<u>(58,225)</u>		
Total					<u>3,530,249</u>	<u>3,424,722</u>		

During the years 31 December 2020 and 2019, the Company has invested in the following subsidiaries:

- a. On 21 September 2016, the meeting of the Company's Board of Directors No.9/2016 passed a resolution approving the investment in a new company in Myanmar, i.e. Ayeyarwaddy Success Venture Foods Co., Ltd, who has the registered share capital of USD 10 million (or equivalent to approximately Baht 350 million), with 51 percent interest of registered capital. As at 31 December 2019, that company called for share subscription of USD 100 and the Company paid USD 51 (or equivalent to Baht 2 thousand), according to the Company's interest. In addition, the Company has paid USD 3,059,949 (or equivalent to Baht 96 million) for advance payments and included in "Advance payment for investments in related parties" in the statement of financial position as at 31 December 2019.

During the current year, Ayeyarwaddy Success Venture Foods Co., Ltd called for advance payment for additional shares of USD 4 million, and the Company paid USD 2.04 million (or equivalent to Baht 64.46 million) in proportion to the Company's interest. On 18 June 2020, this subsidiary already registered the paid capital. The Company transferred "Advance payment for investments in related parties" of USD 5.10 million (or equivalent to Baht 160.45 million) to "Investments in subsidiary companies".

- b. On 19 June 2019, the meeting of the Company's Board of Directors No. 6/2019 passed a resolution approving the additional investment in ordinary shares of President Interfood Company Limited, of 153,000 shares (at the value of Baht 60 each) from a former shareholder, amounting to Baht 9.18 million. As a result, the shareholding percentage in such company changed from 8.67 percent to 59.67 percent.

Fair value of the assets acquired and liabilities assumed of President Interfood Company Limited at the acquisition date were set out below:

	(Unit: Thousand Baht)
Cash and cash equivalents	4,517
Current investments	24,001
Trade and other receivables	8,119
Property, plant and equipment	1,982
Deferred tax assets	3,658
Other non-current assets	945
Trade and other payables	(6,887)
Provision for long-term employee benefits	(18,291)
Fair value of net assets at acquisition date	<u>18,044</u>
Less: Cash paid for acquisition of investment in subsidiary	(9,180)
Fair value of investment held by the Company before acquisition	(442)
Fair value of non-controlling interests	<u>(7,277)</u>
Gain from acquisition	<u><u>1,145</u></u>

During 2020, allowance for loss on impairment was provided for Kallol Thai President Foods (BD) Limited amounted to Baht 55 million (2019: Baht 12 million).

14.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(Percent)	(Percent)						
President Bakery Public Company Limited	48.01	48.01	4,737	4,374	806	817	443	359
Dai-Ichi Packaging Company Limited	49.90	49.90	1,931	1,791	192	248	52	39

14.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Million Baht)

	President Bakery Public Company Limited		Dai-Ichi Packaging Company Limited	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current assets	5,124	3,993	1,423	1,332
Non-current assets	5,175	5,487	2,891	2,727
Current liabilities	919	1,007	322	338
Non-current liabilities	130	103	121	118

Summarised information about comprehensive income

(Unit: Million Baht)

For the year ended 31 December

	President Bakery Public Company Limited		Dai-Ichi Packaging Company Limited	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue	7,186	7,784	2,283	2,474
Profit	1,679	1,701	408	508
Other comprehensive income	(8)	(6)	(34)	25
Total comprehensive income	1,671	1,695	374	534

Summarised information about cash flows

(Unit: Million Baht)

For the year ended 31 December

	President Bakery Public Company Limited		Dai-Ichi Packaging Company Limited	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities	2,190	2,155	483	379
Cash flows used in investing activities	(1,243)	(1,042)	(221)	(372)
Cash flows used in financing activities	(945)	(900)	(106)	(80)
Net increase (decrease) in cash and cash equivalents	<u>2</u>	<u>213</u>	<u>156</u>	<u>(73)</u>

15. Investments in associated companies

15.1 Details of investments in associated companies are as follows:

(Unit: Thousand Baht)

Company's name (Nature of business)	Country of incorporation	Paid up capital	Shareholding percentage		Consolidated financial statements				Separate financial statements					
			2020	2019	Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Cost		Dividend received during the year	
					2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(Percent)	(Percent)										
Kerry Flour Mills Company Limited (Manufacture of wheat flour)	Thailand	Baht 200 million	39.00	39.00	92,630	92,630	1,608,822	1,486,774	200,048	201,203	92,630	92,630	78,000	68,250
Anbao Environmental Science & Technology Company Limited (Manufacture of paper products)	China	RMB 50 million	35.00	35.00	87,324	87,324	211,202	183,313	35,736	17,589	87,324	87,324	7,847	7,552
Thai-Myanmar Success Venture Company Limited (Investment holding)	Thailand	Baht 100 million	35.00	35.00	35,040	35,040	42,892	42,121	771	832	35,040	35,040	-	-
Sanko Machinery (Thailand) Company Limited (Assembly of automatic packaging machines)	Thailand	Baht 15 million	35.00	35.00	5,587	5,587	74,725	65,353	9,897	3,629	5,587	5,587	525	525
President Foods (Cambodia) Company Limited (Manufacture of instant noodles)	Cambodia	USD 1.5 million	30.00	30.00	19,692	19,692	78,406	63,524	14,882	7,536	19,692	19,692	-	-

(Unit: Thousand Baht)

Company's name (Nature of business)	Country of incorporation	Paid up capital	Shareholding percentage		Consolidated financial statements				Separate financial statements					
			2020 (Percent)	2019 (Percent)	Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Cost		Dividend received during the year	
					2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Thai Instant Products Company Limited (Manufacturing and sales of products from tapioca, corn and other agriculture crops)	Thailand	Baht 240 million	25.00	25.00	21,500	21,500	5,411	8,441	(3,030)	(2,924)	21,500	21,500	-	-
Ideo Mobi Rangnam Company Limited (Real estate development and lending)	Thailand	Baht 795.99 million	49.00	49.00	390,035	390,035	415,211	400,567	14,644	14,857	-	-	-	-
Ideo Q Sukhumvit 36 Company Limited (Real estate development and lending)	Thailand	Baht 664.43 million	49.00	49.00	325,571	325,571	341,036	321,563	19,473	(1,188)	-	-	-	-
Ideo New Rama 9 Company Limited (Real estate development and lending)	Thailand	Baht 599.67 million	-	49.00	-	293,838	-	320,804	-	28,363	-	-	-	-
Saha Capital Tower Company Limited (Property rental and development business)	Thailand	Baht 1,100 million	25.00	25.00	275,000	125,000	274,258	125,143	(885)	143	165,000	75,000	-	-
					<u>1,252,379</u>	<u>1,396,217</u>	<u>3,051,963</u>	<u>3,017,603</u>	<u>291,536</u>	<u>270,040</u>	<u>426,773</u>	<u>336,773</u>	<u>86,372</u>	<u>76,327</u>
Less: Allowance for loss on impairment of investments							-	-			(16,099)	(12,609)		
Translation adjustments							(33,333)	(33,585)			-	-		
Total investments in associates - net							<u>3,018,630</u>	<u>2,984,018</u>			<u>410,674</u>	<u>324,164</u>		

During 2020, allowance for loss on impairment was provided for Thai Instant Products Company Limited amounted to Baht 3.5 million (2019: Baht 2.9 million).

Share of profit from investments in three associated companies (2019: two associated companies) accounted for under the equity method for the year ended 31 December 2020, totaling approximately Baht 47 million or 0.9% of consolidated net profit for the year (2019: Baht 25 million or 0.5%) was calculated from financial statements which had not been audited by the auditors of these associated companies.

On 18 September 2019, the meeting of the Company's Board of Directors No. 9/2019 passed a resolution approving the investment of a new company in Thailand, named Saha Capital Tower Co., Ltd., to engage in property rental and development business with a registered share capital of Baht 2,000 million. The Company and a subsidiary hold 15 percent interest and 10 percent interest, respectively. Saha Capital Tower Co., Ltd. called up 55 percent of its registered share capital and the Company and a subsidiary made payment for share subscription of Baht 75 million and Baht 50 million, respectively in September 2019 and Baht 90 million and Baht 60 million, respectively in March 2020. This company was incorporated as a limited company with the Ministry of Commerce on 30 September 2019.

On 4 August 2020, the meeting of the subsidiary's Board of Directors No. 3/2020 passed a resolution approving to dispose the investment in Ideo New Rama 9 Company Limited in full amount of Baht 347.6 million. The subsidiary recognised gain on disposal this investment of Baht 26.8 million in profit or loss for this year.

15.2 Summarised financial information about material associates

Summarised information about financial position

	(Unit: Million Baht)	
	Kerry Flour Mills Company Limited	
	<u>2020</u>	<u>2019</u>
Current assets	2,810	2,918
Non-current assets	1,469	1,035
Current liabilities	116	106
Non-current liabilities	19	16
Net assets	<u>4,144</u>	<u>3,831</u>
Shareholding percentage (%)	39	39
Share of net assets	<u>1,616</u>	<u>1,494</u>
Adjustment transactions in consolidated financial statements	(7)	(7)
Carrying amounts of associates based on equity method	<u>1,609</u>	<u>1,487</u>

Summarised information about comprehensive income

	(Unit: Million Baht)	
	Kerry Flour Mills Company Limited	
	<u>2020</u>	<u>2019</u>
Revenue	2,845	2,888
Profit	513	516
Total comprehensive income	513	516

16. Investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by a subsidiary company and other companies. Details of this investment are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements												
Joint venture	Nature of business	Paid up capital (Million Baht)	Shareholding percentage		Carrying amount based on cost method		Carrying amount based on equity method		Share of profit from investment in joint venture during the year ended		Share of other comprehensive income from investment in joint venture during the year ended		Dividend received during the year ended	
			2020 (Percent)	2019 (Percent)	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
President Green House Foods Co., Ltd.	Operating the Japanese restaurant	15	39	39	5,850	5,850	29,819	28,424	3,443	4,124	-	149	2,048	5,206
Total investment in joint venture					<u>5,850</u>	<u>5,850</u>	<u>29,819</u>	<u>28,424</u>	<u>3,443</u>	<u>4,124</u>	<u>-</u>	<u>149</u>	<u>2,048</u>	<u>5,206</u>

In May 2008, a subsidiary company, together with a foreign company and a local company, jointly established President Green House Foods Company Limited to operate a Japanese restaurant. A subsidiary company had invested in 585,000 ordinary shares of this company at par value Baht 10 per share, amounting to Baht 5.85 million, or equivalent to 39% interest, and has treated this investment as investment in joint venture.

17. Investments in other companies

(Unit: Thousand Baht)

Company's name (Nature of business)	Paid up capital (Million Baht)	Consolidated financial statements			Separate financial statements		
		Shareholding percentage (Percent)	Carrying	Dividend	Shareholding percentage (Percent)	Carrying	Dividend
			amounts based	received during		amounts based	received during
			on cost method	the year		on cost method	the year
2019	2019	2019	2019	2019	2019		
Kewpie (Thailand) Company Limited (Manufacture of sauce and dried vegetables)	263.00	10.00	26,300	6,500	10.00	26,300	6,500
Treasure Hill Company Limited (Real estate development)	200.00	3.00	6,000	-	2.00	4,000	-
Winstore Retail Network Company Limited (Information technology management)	62.65	0.60	2,500	-	0.60	2,500	-
The Bangkok Club Company Limited (Club)	450.00	0.44	3,000	-	0.44	3,000	-
Noble Place Company Limited (Real estate development)	296.25	0.08	1,500	-	0.08	1,500	-
Saha Lawson Company Limited (Convenience store)	1,367.00	7.66	104,724	-	7.66	104,724	-
Sahachol Food Supplies Company Limited (Non-alcoholic beverage retailer)	325.00	6.62	28,775	-	4.42	21,875	-
American Food Company Limited (Manufacture of ice-cream)	140.00	18.00	25,200	-	9.00	12,600	-
Maruto (Thailand) Company Limited (Trading of packaging products)	10.00	10.00	1,000	-	-	-	-
Ashton Asoke Praram 9 Company Limited (Real estate development)	1,170.00	6.00	75,000	6,675	-	-	-
IDEO Q Victory Company Limited (Real estate development)	510.00	4.00	20,000	1,700	-	-	-
Total			293,999	14,875		176,499	6,500
Less: Allowance for loss on impairment of investments			(102,044)			(100,044)	
Total investments in other company - net			191,955			76,455	

18. Other long-term investments

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	
	Cost	Fair value
Available-for-sale investments		
Local marketable equity securities	190,353	519,008
Government bonds	46,000	46,000
Long-term funds	201,972	210,818
Available-for-sale investments (in private fund)	5,782,091	5,873,632
	<u>6,220,416</u>	<u>6,649,458</u>
Add: Surplus on changes in value of available-for-sale investments	429,042	
Total investment in available-for-sale securities	<u>6,649,458</u>	
Others		
Subordinated bonds	850,000	850,000
Local quoted bonds	192,000	192,000
Fixed deposit (in private fund)	4,000	4,000
Total	<u>1,046,000</u>	<u>1,046,000</u>
Total other long-term investments in the consolidated financial statements	<u><u>7,695,458</u></u>	<u><u>7,695,458</u></u>

	(Unit: Thousand Baht)
	Consolidated financial statements
	2019
Surplus on changes in value of available-for-sale investments	
Portion of the Company	392,033
Portion of the Subsidiary	37,009
	<u>429,042</u>
Add (less): Portion of the subsidiary attributable to non-controlling of the subsidiary	(18,225)
Deferred tax effect	(82,163)
Total surplus on changes in value of available-for-sale investments in the consolidated financial statements	<u><u>328,654</u></u>

	(Unit: Thousand Baht)	
	Separate financial statements	
	2019	
	Cost	Fair value
Available-for-sale investments		
Local marketable equity securities	190,353	519,008
Government bonds	40,000	40,000
Long-term funds	99,903	106,644
Available-for-sale investments (in private fund)	3,421,315	3,477,952
	<u>3,751,571</u>	<u>4,143,604</u>
Add: Surplus on changes in value of available-for-sale investments	392,033	
Total investment in available-for-sale securities	<u>4,143,604</u>	
Others		
Subordinated bonds	850,000	850,000
Local quoted bonds	122,000	122,000
Total	<u>972,000</u>	<u>972,000</u>
Total other long-term investments in the separate financial statements	<u><u>5,115,604</u></u>	<u><u>5,115,604</u></u>

	(Unit: Thousand Baht)
	Separate financial statements
	2019
Surplus on changes in value of available-for-sale investments	392,033
Less: Deferred tax effect	(78,407)
Total surplus on changes in value of available-for-sale investments in the separate financial statements	<u><u>313,626</u></u>

As at 31 December 2019, the Group has pledged government bonds with maturity date over 1 year of approximately Baht 43 million and the Company only of Baht 37 million as a guarantee for electricity and steam use of the Group and guarantee for retroactive tax assessment of the Company.

19. Investment properties

The net book value of investment properties as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial		Separate financial statements		
	statements		Land	Plant	Total
	Land	Total			
31 December 2020					
Cost	107,427	107,427	128,287	35,300	163,587
Additions	304,521	304,521	304,521	-	304,521
<u>Less</u> Accumulated depreciation	-	-	-	(34,720)	(34,720)
<u>Less</u> Allowance for impairment loss	(5,544)	(5,544)	(5,544)	-	(5,544)
Net book value	<u>406,404</u>	<u>406,404</u>	<u>427,264</u>	<u>580</u>	<u>427,844</u>
31 December 2019					
Cost	107,427	107,427	128,287	35,300	163,587
<u>Less</u> Accumulated depreciation	-	-	-	(32,955)	(32,955)
<u>Less</u> Allowance for impairment loss	(5,544)	(5,544)	(5,544)	-	(5,544)
Net book value	<u>101,883</u>	<u>101,883</u>	<u>122,743</u>	<u>2,345</u>	<u>125,088</u>

A reconciliation of the net book value of investment properties for the years 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	101,883	98,258	125,088	123,228
Addition	304,521	-	304,521	-
Reversal of allowance for impairment loss	-	3,625	-	3,625
Depreciation charged	-	-	(1,765)	(1,765)
Net book value at end of year	<u>406,404</u>	<u>101,883</u>	<u>427,844</u>	<u>125,088</u>

Based on the latest valuation performed by an independent valuer, using the market approach, the fair value of an investment properties in respect of land amounted to approximately Baht 520 million. The Company believed that the fair value as at the end of reporting period did not materially differ from the latest valuation. The fair value of an investment property regarding plant held for rent did not materially differ from the book value.

20. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements									
	Land				Tool and plant and office equipment	Motor vehicles	Assets under installation and under construction	Total	
	Land	improvement	Buildings	Machinery					
Cost:									
1 January 2019	1,566,010	22,690	4,509,905	10,067,318	3,047,213	1,411,164	352,531	20,976,831	
Additions	68,621	-	5,475	8,051	90,148	51,534	1,122,337	1,346,166	
Increase from acquisition	-	-	-	-	5,811	5,457	-	11,268	
Transfer in (out)	-	-	91,081	515,739	156,380	33,122	(796,322)	-	
Disposals and write-off	(175,716)	-	(9,522)	-	(25,818)	(44,450)	-	(255,506)	
Translation adjustment	(4,773)	-	(11,574)	(14,448)	(2,199)	(367)	(511)	(33,872)	
31 December 2019	1,454,142	22,690	4,585,365	10,576,660	3,271,535	1,456,460	678,035	22,044,887	
Reclassification to right-of-use assets	-	-	-	-	-	(131,316)	-	(131,316)	
1 January 2020	1,454,142	22,690	4,585,365	10,576,660	3,271,535	1,325,144	678,035	21,913,571	
Additions	59,762	-	886	3,657	76,016	12,440	1,535,678	1,688,439	
Transfer in (out)	-	-	149,954	809,403	301,605	11,397	(1,272,359)	-	
Reclassification	-	-	-	188	546	19,930	117,577	138,241	
Disposals and write-off	-	-	(4,680)	(79,849)	(65,323)	(48,104)	-	(197,956)	
Translation adjustment	(240)	-	(803)	(1,029)	(93)	(21)	10,672	8,486	
31 December 2020	1,513,664	22,690	4,730,722	11,309,030	3,584,286	1,320,786	1,069,603	23,550,781	
Accumulated depreciation:									
1 January 2019	-	8,366	1,971,113	6,781,303	2,444,844	1,206,631	-	12,412,257	
Adjustments	-	-	6,659	3,525	22,137	2	-	32,323	
Increase in accumulated depreciation from acquisition	-	-	-	-	4,836	4,450	-	9,286	
Depreciation for the year	-	670	204,160	628,978	261,606	96,458	-	1,191,872	
Accumulated depreciation on disposals and write-off	-	-	(9,367)	-	(25,011)	(43,854)	-	(78,232)	
Translation adjustment	-	-	(1,286)	(7,914)	(1,258)	(354)	-	(10,812)	
31 December 2019	-	9,036	2,171,279	7,405,892	2,707,154	1,263,333	-	13,556,694	
Reclassification to right-of-use assets	-	-	-	-	-	(53,036)	-	(53,036)	
1 January 2020	-	9,036	2,171,279	7,405,892	2,707,154	1,210,297	-	13,503,658	
Depreciation for the year	-	652	209,901	643,574	258,405	56,876	-	1,169,408	
Accumulated depreciation on disposals and write-off	-	-	(4,672)	(79,251)	(61,169)	(47,942)	-	(193,034)	
Reclassification	-	-	-	188	546	19,322	-	20,056	
Translation adjustment	-	-	(147)	(924)	(101)	(20)	-	(1,192)	
31 December 2020	-	9,688	2,376,361	7,969,479	2,904,835	1,238,533	-	14,498,896	
Net book value:									
31 December 2019	1,454,142	13,654	2,414,086	3,170,768	564,381	193,127	678,035	8,488,193	
31 December 2020	1,513,664	13,002	2,354,361	3,339,551	679,451	82,253	1,069,603	9,051,885	
Depreciation for the year									
2019 (Baht 1,018 million included in manufacturing cost, and the balance in administrative expenses)									1,191,872
2020 (Baht 1,026 million included in manufacturing cost, and the balance in administrative expenses)									1,169,408

(Unit: Thousand Baht)

Separate financial statements

	Land		Buildings	Machinery	Tool and	Assets under	Total	
	Land	improvement			office	Motor		installation
	Land	improvement	Buildings	Machinery	equipment	vehicles	and under construction	
Cost:								
1 January 2019	212,547	4,224	1,629,360	3,612,033	1,862,460	112,861	144,816	7,578,301
Additions	8,644	-	-	1,967	41,790	21,882	658,880	733,163
Disposals	-	-	(9,522)	-	(10,036)	(18,981)	-	(38,539)
Transfer in (out)	-	-	23,369	270,037	134,963	-	(428,369)	-
31 December 2019	221,191	4,224	1,643,207	3,884,037	2,029,177	115,762	375,327	8,272,925
Reclassification to right-of-use assets	-	-	-	-	-	(22,574)	-	(22,574)
1 January 2020	221,191	4,224	1,643,207	3,884,037	2,029,177	93,188	375,327	8,250,351
Additions	-	-	200	2,040	34,056	3,276	931,083	970,655
Disposals	-	-	(3,754)	(44,363)	(40,133)	(15,404)	-	(103,654)
Transfer in (out)	-	-	130,905	603,098	263,702	-	(997,705)	-
Reclassification	-	-	-	-	-	3,471	-	3,471
31 December 2020	221,191	4,224	1,770,558	4,444,812	2,286,802	84,531	308,705	9,120,823
Accumulated depreciation:								
1 January 2019	-	4,130	996,063	2,615,891	1,486,600	99,832	-	5,202,516
Adjustments	-	-	6,659	3,525	22,137	2	-	32,323
Depreciation for the year	-	52	64,583	212,608	145,128	5,376	-	427,747
Depreciation on disposals	-	-	(9,367)	-	(9,856)	(18,982)	-	(38,205)
31 December 2019	-	4,182	1,057,938	2,832,024	1,644,009	86,228	-	5,624,381
Reclassification to right-of-use assets	-	-	-	-	-	(3,497)	-	(3,497)
1 January 2020	-	4,182	1,057,938	2,832,024	1,644,009	82,731	-	5,620,884
Depreciation for the year	-	33	68,091	239,795	152,099	4,616	-	464,634
Depreciation on disposals	-	-	(3,745)	(43,979)	(37,571)	(15,404)	-	(100,699)
Reclassification	-	-	-	-	-	3,471	-	3,471
31 December 2020	-	4,215	1,122,284	3,027,840	1,758,537	75,414	-	5,988,290
Net book value:								
31 December 2019	221,191	42	585,269	1,052,013	385,168	29,534	375,327	2,648,544
31 December 2020	221,191	9	648,274	1,416,972	528,265	9,117	308,705	3,132,533
Depreciation for the year								
2019 (Baht 398 million included in manufacturing cost, and the balance in administrative expenses)								427,747
2020 (Baht 431 million included in manufacturing cost, and the balance in administrative expenses)								464,634

As at 31 December 2020 and 2019, certain machinery and equipment of the Group have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 8,145 million and Baht 6,970 million, respectively (Separate financial statements: Baht 3,523 million and Baht 3,207 million, respectively).

21. Intangible assets

Details of intangible assets which are computer software are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Cost:		
1 January 2019	117,708	60,982
Additions	3,034	1,759
Translation adjustments	4	-
31 December 2019	120,746	62,741
Additions	3,043	180
Disposals and write-off	(2,095)	(2,095)
31 December 2020	121,694	60,826
Accumulated amortisation:		
1 January 2019	80,961	43,877
Amortisation for the year	9,877	5,497
31 December 2019	90,838	49,374
Amortisation for the year	8,860	5,254
Accumulated amortisation on disposals and write-off	(2,083)	(2,083)
31 December 2020	97,615	52,545
Net book value:		
31 December 2019	29,908	13,367
31 December 2020	24,079	8,281

A reconciliation of the net book value of intangible asset is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at the beginning of the year	29,908	36,747	13,367	17,105
Additions	3,043	3,034	180	1,759
Amortisation for the year	(8,860)	(9,877)	(5,254)	(5,497)
Disposals	(12)	-	(12)	-
Translation adjustments	-	4	-	-
Net book value at the end of the year	<u>24,079</u>	<u>29,908</u>	<u>8,281</u>	<u>13,367</u>

22. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties	159,214	158,630	392,798	336,789
Other payables - related parties	2,973	16,661	20,904	30,427
Total trade and other payables - related parties (Note 11.2)	<u>162,187</u>	<u>175,291</u>	<u>413,702</u>	<u>367,216</u>
Trade payables - unrelated parties	1,289,607	1,308,743	594,428	533,896
Other payables - unrelated parties	329,244	329,212	159,308	141,963
Total trade and other payables - unrelated parties	<u>1,618,851</u>	<u>1,637,955</u>	<u>753,736</u>	<u>675,859</u>
Total trade and other payables	<u>1,781,038</u>	<u>1,813,246</u>	<u>1,167,438</u>	<u>1,043,075</u>

23. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2019</u>	<u>2019</u>
Liabilities under finance lease agreements	93,888	20,161
Less: Deferred interest expenses	(3,787)	(1,696)
Total	<u>90,101</u>	<u>18,465</u>
Less: Portion due within one year	(35,455)	(3,560)
Liabilities under finance lease agreements - net of current portion	<u>54,646</u>	<u>14,905</u>

24. Leases

The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 6 years.

Lease contracts have restriction that the underlying asset must not be subleased or used by others and several lease contracts specify the option to extend or end the lease terms.

24.1 Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Warehouse	Furniture, fixtures and office equipment	Motor vehicles	Total
Net book value as at 1 January 2020				
(Note 4)	20,941	10,015	78,280	109,236
Additions	1,501	509	23,037	25,047
Reclassification	-	-	(608)	(608)
Disposals	(1,002)	(1,093)	(427)	(2,522)
Depreciation for the year	(8,477)	(4,248)	(25,068)	(37,793)
Net book value as at 31 December 2020	12,963	5,183	75,214	93,360

	(Unit: Thousand Baht)			
	Separate financial statements			
	Warehouse	Furniture, fixtures and office equipment	Motor vehicles	Total
Net book value as at 1 January 2020				
(Note 4)	-	-	19,077	19,077
Depreciation for the year	-	-	(4,181)	(4,181)
Net book value as at 31 December 2020	-	-	14,896	14,896

24.2 Lease liabilities

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2020</u>	<u>2020</u>
Lease payments	98,112	15,990
Less: Deferred interest expenses	(4,243)	(1,085)
Total	93,869	14,905
Less: Portion due within one year	(36,629)	(3,691)
Lease liabilities - net of current portion	<u>57,240</u>	<u>11,214</u>

A maturity analysis of lease payments is disclosed in Note 39 under the liquidity risk.

24.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)	
	For the year ended 31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	37,793	4,181
Expense relating to short-term leases	7,843	2,332
Expense relating to leases of low-value assets	275	220
Expense relating to variable lease payments	12,681	-

The Group has lease contracts for office building space that contains variable payments based on sales. The lease term is 1 year.

24.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 46.1 million (Separate financial statement: Baht 6.1 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 22.9 million (separate financial statement: Nil).

25. Provision for long-term employee benefits

Provision for long-term employee benefits was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2020			2019		
	Post employment employee benefits	Other long-term employee benefits	Total	Post employment employee benefits	Other long-term employee benefits	Total
Provision for long-term employee benefits at beginning of year	901,981	87,648	989,629	714,731	82,810	797,541
Increase from acquisitions (Note 14.1)	-	-	-	16,616	1,675	18,291
Included in profit or loss:						
Current service cost	60,866	7,009	67,875	69,560	8,085	77,645
Interest cost	14,672	1,168	15,840	21,415	1,864	23,279
Past service cost	-	-	-	70,531	-	70,531
Benefits paid during the year	(57,320)	(10,954)	(68,274)	(81,564)	(11,159)	(92,723)
Actuarial (gain) loss arising from						
Demographic assumptions changes	-	-	-	-	(800)	(800)
Financial assumptions changes	-	-	-	-	3,227	3,227
Experience adjustments	-	-	-	-	(3,396)	(3,396)
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Demographic assumptions changes	(574)	-	(574)	(20,974)	389	(20,585)
Financial assumptions changes	603	-	603	33,911	(1,066)	32,845
Experience adjustments	(20)	-	(20)	77,755	6,019	83,774
Provision for long-term employee benefits at end of year	920,208	84,871	1,005,079	901,981	87,648	989,629

(Unit: Thousand Baht)

	Separate financial statements					
	2020			2019		
	Post employment employee benefits	Other long-term employee benefits	Total	Post employment employee benefits	Other long-term employee benefits	Total
Provision for long-term employee benefits beginning of year	595,250	65,155	660,405	502,211	56,757	558,968
Included in profit or loss:						
Current service cost	37,170	4,049	41,219	33,671	3,787	37,458
Interest cost	9,947	883	10,830	14,255	1,294	15,549
Past service cost	-	-	-	60,526	-	60,526
Benefits paid during the year	(39,447)	(8,945)	(48,392)	(63,794)	(8,980)	(72,774)
Demographic assumptions changes	-	-	-	-	436	436
Financial assumptions changes	-	-	-	-	2,238	2,238
Experience adjustments	-	-	-	-	4,537	4,537
Included in other comprehensive income:						
Demographic assumptions changes	-	-	-	(22,335)	389	(21,946)
Financial assumptions changes	-	-	-	23,925	(1,097)	22,828
Experience adjustments	-	-	-	46,791	5,794	52,585
Provision for long-term employee benefits at end of year	602,920	61,142	664,062	595,250	65,155	660,405

The Group expects to pay Baht 74 million of long-term employee benefits during the next year (Separate financial statements: Baht 51 million) (2019: Baht 89 million (Separate financial statements: Baht 54 million)).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 3.68 - 21.04 years (Separate financial statements: 4.63 - 12.01 years) (2019: 4.63 - 22.25 years (Separate financial statements: 4.63 - 12.01 year)).

Significant actuarial assumptions are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	0.54 - 2.04	1.22 - 2.67	1.40 - 1.83	1.40 - 1.83
Salary increase rate	2.00 - 7.00	2.00 - 7.00	3.00 - 6.00	3.00 - 6.00
Turnover rate	0 - 57.30	0 - 57.30	1.43 - 57.30	1.43 - 57.30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

(Unit: Million Baht)

	As at 31 December 2020					
	Consolidated financial statements			Separate financial statements		
	Discount rate	Salary increase rate	Turnover rate	Discount rate	Salary increase rate	Turnover rate
Increase 0.5%	(6)	4	-	-	-	-
Increase 1%	(65)	74	(1)	(44)	50	-
Increase 10%	-	-	(9)	-	-	-
Increase 20%	-	-	(58)	-	-	(38)
Decrease 0.5%	7	(3)	-	-	-	-
Decrease 1%	73	(66)	1	49	(45)	-
Decrease 10%	-	-	11	-	-	-
Decrease 20%	-	-	66	-	-	45

(Unit: Million Baht)

	As at 31 December 2019					
	Consolidated financial statements			Separate financial statements		
	Discount rate	Salary increase rate	Turnover rate	Discount rate	Salary increase rate	Turnover rate
Increase 0.5%	(6.38)	3.59	-	-	-	-
Increase 1%	(65.05)	66.84	(0.63)	(44)	45	-
Increase 10%	-	-	(8.50)	-	-	-
Increase 20%	-	-	(49.37)	-	-	(34)
Decrease 0.5%	7.19	(3.25)	-	-	-	-
Decrease 1%	74.56	(59.54)	(0.55)	51	(41)	-
Decrease 10%	-	-	9.84	-	-	-
Decrease 20%	-	-	58.81	-	-	41

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 Group has additional long-term employee benefit liabilities of Baht 71 million (The Company only: Baht 61 million) as a result. The Group reflected the effect of the change by recognising past service costs as expenses in the profit or loss of the year 2019.

26. Statutory reserve

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

27. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Gain arising on FVTPL debt/equity instruments	15,160	-	11,132	-
Gain on sales of FVOCI debt instruments	14,617	-	7,381	-
Gain on sales of available-for-sale investments	-	21,746	-	16,033
Gain on exchange	22,098	13,872	12,872	13,014
Gain on disposals of property, plant and equipment	10,173	202,334	3,339	4,335
Gain on disposals of investment in associated company	26,776	-	-	-
Other	126,605	146,660	75,461	79,660
Total	<u>215,429</u>	<u>384,612</u>	<u>110,185</u>	<u>113,042</u>

28. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest income on bank deposits	88,167	111,867	45,481	67,154
Interest income on loans	88	9,718	88	9,718
Interest income on debt instruments measured at amortised cost	12,154	4,854	8,965	1,021
Interest income on debt instruments measured at FVOCI	92,519	96,339	53,218	57,200
Interest received from debt instruments measured at FVTPL	82,974	-	72,355	-
Total	275,902	222,778	180,107	135,093

29. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expenses on lease liabilities	2,831	4,986	611	80
Total	2,831	4,986	611	80

30. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Raw materials and consumables used	10,189,717	11,061,210	7,915,598	7,721,079
Changes in finished goods and work in process	34,151	(12,195)	73,206	33,298
Salary wages and other employee benefits	4,264,104	4,109,434	1,799,215	1,766,392
Depreciation	1,207,202	1,191,872	470,580	429,512
Advertising and promotion expenses	281,694	349,799	95,396	110,306
Transportation expenses	113,455	65,332	44,818	44,965
Export expenses	127,279	132,147	123,357	75,835
Commission expenses	94,753	65,243	91,864	55,936

31. Income tax

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	707,077	748,741	367,635	401,773
Deferred tax:				
Relating to origination and reversal of temporary differences	18,609	(19,873)	18,264	(19,934)
Income tax expense reported in the statement of comprehensive income	<u>725,686</u>	<u>728,868</u>	<u>385,899</u>	<u>381,839</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax relating to gain on changes in value of available-for-sale investments	-	(21,695)	-	(12,720)
Deferred tax on gain from the change in value of financial assets measured at FVOCI	28,070	-	22,797	-
Deferred tax relating to actuarial gain (losses)	(60)	16,366	(62)	6,927
Total	<u>28,010</u>	<u>(5,329)</u>	<u>22,735</u>	<u>(5,793)</u>

Reconciliation between accounting profit and income tax expenses is shown below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	<u>5,977,820</u>	<u>5,872,274</u>	<u>3,524,777</u>	<u>3,316,836</u>
Applicable tax rate	10%, 20%, 32.50%	10%, 20%, 0.60%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	1,287,825	1,244,109	704,955	663,367
Effects of:				
Promotional privileges (Note 32)	(406,796)	(377,617)	(164,919)	(150,697)
Non-deductible expenses	38,410	12,185	30,981	(7,439)
Additional expense deductions allowed	(1,227)	(15,430)	(1,152)	(2,351)
Dividend income not subject to tax	(153,900)	(126,295)	(142,086)	(115,952)
Other	(38,626)	(8,084)	(41,880)	(5,089)
Total	<u>(562,139)</u>	<u>(515,241)</u>	<u>(319,056)</u>	<u>(281,528)</u>
Income tax expenses reported in the statement of comprehensive income	<u>725,686</u>	<u>728,868</u>	<u>385,899</u>	<u>381,839</u>

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Provision for long-term employee benefits	132,145	132,142	89,687	90,593
Allowance for loss on impairment of investments	21,376	30,671	20,008	31,654
Allowance for expected credit losses (2019: Allowance for doubtful accounts)	130	3,665	-	3,532
Allowance for asset impairment	1,109	1,109	1,109	1,109
Lease	543	882	-	-
Others	72	395	-	-
Total	155,375	168,864	110,804	126,888
Deferred tax liabilities				
Unrealised gain on change in value of investments	134,501	86,183	129,701	78,407
Others	781	564	715	698
Total	135,282	86,747	130,416	79,105
Deferred tax assets - net	20,093	82,117	-	47,783
Deferred tax liabilities - net	-	-	19,612	-

Deferred tax assets and liabilities in statement of financial position were as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets	40,816	82,117	-	47,783
Deferred tax liabilities	20,723	-	19,612	-

32. Promotional privileges

The Group has been granted promotional privileges under the Investment Promotion Act B.E. 2520 as approved by the Board of Investment under certain significant conditions.

Significant tax privileges are as follows:

Details	The Company			
	60-1162-0-00-1-2	60-1163-0-00-1-2	60-1164-0-00-1-2	60-1165-0-00-1-2
1. Certificate No.	60-1162-0-00-1-2	60-1163-0-00-1-2	60-1164-0-00-1-2	60-1165-0-00-1-2
Dated	16 October 2017	16 October 2017	16 October 2017	16 October 2017
Transferred from certificate No.	1388(2)/2552	2201(2)/2553	2535(2)/2554	1045(2)/2555
Dated	26 May 2009	9 November 2010	28 December 2011	19 January 2012
2. Promotional privileges for	Manufacturing of biscuits	Manufacturing of instant noodles	Manufacturing of instant noodles	Manufacturing of instant noodles
3. The significant conditions to follow are				
3.1 Plant to be located at	Rayong	Chonburi	Chonburi	Chonburi
4. The granted significant privileges are				
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 3 March 2018 (cancel on 21 October 2020)	Until 9 June 2019	Until 31 October 2020	Until 1 July 2021 (Stop on 10 April 2019)
4.2 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted
4.3 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	1 year	1 year	1 year
5. Date of first earning operating income	4 March 2010	10 June 2011	1 November 2012	2 July 2013

Details	The Company (continued)			
1. Certificate No.	60-1166-0-00-1-2	60-1169-0-00-1-2	60-1167-0-00-1-2	60-1168-0-00-1-2
Dated	16 October 2017	16 October 2017	16 October 2017	16 October 2017
Transferred from certificate No.	1161(2)/2555	1782(2)/2556	1780(2)/2556	1781(2)/2556
Dated	9 February 2012	6 June 2013	6 June 2013	6 June 2013
2. Promotional privileges for	Manufacturing of wafers with stuff	Manufacturing of instant noodles	Manufacturing of wafers with stuff	Manufacturing of instant noodles
3. The significant conditions to follow are				
3.1 Plant to be located at	Rayong	Rayong	Rayong	Chonburi
4. The granted significant privileges are				
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 4 November 2020	Until 30 June 2023	Until 30 September 2024	8 years
4.2 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted
4.3 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	1 year	1 year	1 year
5. Date of first earning operating income	5 November 2012	1 July 2015	1 October 2016	1 November 2019

Details	The Company (continued)				
1. Certificate No. Dated Transferred from certificate No. Dated	60-1171-0-00-1-2 16 October 2017 1017(2)/2558 6 January 2015	60-1172-0-00-1-2 16 October 2017 1018(2)/2558 6 January 2015	60-1173-0-00-1-2 16 October 2017 58-2216-0-00-1-0 22 September 2015	61-0769-1-00-1-0 3 July 2018	62-0858-1-04-1-0 13 August 2019
2. Promotional privileges for	Manufacturing of instant noodles	Manufacturing of instant noodles	Manufacturing of semi-instant noodles and dried noodles	Manufacturing of instant foods	Manufacturing of rice product
3. The significant conditions to follow are					
3.1 Plant to be located at	Rayong	Lampoon	Ratchaburi	Ratchaburi	Ratchaburi
4. The granted significant privileges are					
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 31 August 2024	Until 31 January 2024	Until 6 May 2024	5 years	-
4.2 Reduction of 50% of corporate income tax on net income, commencing from the date which the privilege in 4.1 expire.	5 years	5 years	-	-	-
4.3 Exemption of corporate income tax on net income from the promoted operation, but not over 50 percent of investment for Improve production efficiency and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	-	-	-	-	3 years (stop on 31 May 2020)
4.4 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted
4.5 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	-	-	-	-
4.6 Reduction of 75% of import duty on raw materials and significant supplies used in domestic sales from the first import date	-	1 year	-	-	-
5. Date of first earning operating income	1 September 2016	1 February 2016	7 May 2016	3 January 2020	1 October 2019

Details	A subsidiary - Thai Anbao Paper Products Co., Ltd.				
1. Certificate No. Dated	1611(2)/2552 14 August 2009	1596(5)/2553 3 May 2010	1461(2)/2554 27 April 2011	1084(2)/2556 18 January 2013	2438(2)/2556 15 October 2013
2. Promotional privileges for	Manufacturing of packaging and carton	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material
3. The significant conditions to follow are					
3.1 Plant to be located at	Lamphoon	Rayong	Chonburi	Chonburi	Rayong
4. The granted significant privileges are					
4.1 Exemption of corporate income tax for net income from promotional privileges and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	8 years (Expired in 5 January 2018) (not over 100 percent of investment excluding land and working capital)	8 years (Expired in 2 May 2018)	7 years (Expired in 8 September 2018) (not over 100 percent of investment excluding land and working capital)	7 years (Expired in 5 September 2020) (not over 100 percent of investment excluding land and working capital)	3 years (not over 100 percent of investment excluding land and working capital)
4.2 Exemption of import duty on machinery as approved by the Board.	Granted	Granted	Granted	Granted	Granted
5. Date of first earning operating income	6 January 2010	3 May 2010	9 September 2011	6 September 2013	2 April 2019

Details	A subsidiary - Dai-Ichi Packaging Co., Ltd.	
1. Certificate No. Dated	1855(2)/2555 6 July 2012	62-0295-1-04-1-0 22 March 2019
2. Promotional privileges for	Manufacturing of plastic product, or coated plastic	Manufacturing of plastic product, or coated plastic
3. The significant conditions to follow are		
3.1 Plant to be located at	Chachoengsao	Chachoengsao
4. The granted significant privileges are		
4.1 Exemption from corporate net income tax on income from the promoted operation, but not over 100 percent of investment excluding land and working capital.	7 years	
4.2 Exemption from corporate net income from the promoted operation, but not over 50 percent of investment for improving production efficiency.		3 years
4.3 Exemption of import duty on machinery as approved by the Board.	Granted	Granted
4.4 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	
5. Date of first earning operating income	30 June 2014	Not yet commenced

Details	A subsidiary - President Bakery Public Co., Ltd.	
1. Certificate No. Dated	1343(2)/2555 22 March 2012	2218(2)/2557 25 September 2014
2. Promotional privileges for	Manufacture of bakery products	Manufacture of whole grain products
3. Significant privileges		
3.1 Exemption from import duty on machinery as approved by the Board	Granted	Granted
3.2 Exemption from corporate income tax on net income from promoted operation (commencing from the date of earning operating income) and exemption from income tax on dividend paid from the income of the operations on which the corporate income tax is exempted throughout the corporate income tax exemption period	8 years (not over 100 percent of investment excluding land and working capital)	8 years (not over 100 percent of investment excluding land and working capital)
3.3 Allowance to deduct operating loss incurred during the corporate income tax exemption period from net income incurred thereafter (after exemption period in 3.2)	5 years	5 years
4. Date of first earning operating income	1 June 2017	1 October 2014

The Group has to comply with certain conditions specified under the promotion certificates.

The Group's operating revenues for the years ended 31 December 2020 and 2019, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements							
	Promoted operations				Non-promoted operations		Total	
	Exemption of corporate income tax		Reduction of 50% of corporate income tax					
	2020	2019	2020	2019	2020	2019	2020	2019
Sales								
Export sales	1,373,229	1,330,867	-	-	3,608,314	3,488,026	4,981,543	4,818,893
Domestic sales	8,126,895	8,021,860	56,900	89,768	10,415,140	11,068,563	18,598,935	19,180,191
Total sales	9,500,124	9,352,727	56,900	89,768	14,023,454	14,556,589	23,580,478	23,999,084

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	Exemption of corporate income tax					
	2020	2019	2020	2019	2020	2019
Sales						
Export sales	1,371,284	1,328,219	2,670,106	2,507,251	4,041,390	3,835,470
Domestic sales	3,541,527	3,380,343	6,402,092	6,426,253	9,943,619	9,806,596
Total sales	4,912,811	4,708,562	9,072,198	8,933,504	13,985,009	13,642,066

33. Earnings per share

Basic earnings per share is calculated by dividing profit 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.

34. 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 Chief Operating Decision Makes has been identified as Executive Committee.

For management purposes, the Group is organised into business units based on their products and services and have six reportable segments as follows:

1. Instant noodles and semi-instant foods
2. Biscuits
3. Bakery
4. Packaging
5. Fruit Juice
6. Others

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The Group's has applied the pricing policies described in Note 11 to set the transfer price. Inter-segment revenues are eliminated on consolidation.

The following table presents revenue and profit and total assets/ total liabilities information regarding the Group' operating segments for the years ended 31 December 2020 and 2019:

(Unit: Thousand Baht)

For the year ended 31 December 2020

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	13,499,208	839,676	7,143,397	1,046,466	869,705	182,026	23,580,478	-	23,580,478
Inter-segment revenue	120,607	359,560	80	1,890,322	1,103	999,679	3,371,351	(3,371,351)	-
Finance income	171,419	10,328	60,408	21,744	125	11,878	275,902	-	275,902
Depreciation and amortisation	470,581	28,342	490,666	164,102	28,795	26,106	1,208,592	(1,390)	1,207,202
Share of profit accounted for under the equity method	-	-	-	-	-	294,979	294,979	-	294,979
Income tax expense	381,254	(3,757)	218,369	38,893	26,102	62,365	723,226	2,460	725,686
Segment profit	3,099,826	30,799	1,675,223	510,017	91,038	511,732	5,918,635	(666,502)	5,252,133

(Unit: Thousand Baht)

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Unallocated assets	Total reportable segments	Adjustments and eliminations	Consolidated
Investment in associates and joint venture accounted for under the equity method	-	-	-	-	-	-	3,048,449	3,048,449	-	3,048,449
Additions (decrease) to non-current assets other than deferred tax assets	343,795	66,123	(494,090)	308,635	2,632	215,452	912,353	1,354,900	(16,305)	1,338,595

(Unit: Thousand Baht)

For the year ended 31 December 2019

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	13,126,551	855,778	7,743,869	1,076,088	1,012,970	183,828	23,999,084	-	23,999,084
Inter-segment revenue	105,094	367,711	104	1,928,459	257	1,006,927	3,408,552	(3,408,552)	-
Finance income	128,189	8,250	64,338	20,841	166	993	222,777	-	222,777
Depreciation and amortisation	430,149	31,307	528,018	156,082	29,943	27,807	1,203,306	(1,390)	1,201,916
Share of profit accounted for under the equity method	-	-	-	-	-	274,164	274,164	-	274,164
Income tax expense	374,114	(1,410)	210,555	84,736	25,164	33,348	726,507	2,361	728,868
Segment profit	2,879,591	35,404	1,696,615	619,298	91,794	396,439	5,719,141	(575,735)	5,143,406

(Unit: Thousand Baht)

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Unallocated assets	Total reportable segments	Adjustments and eliminations	Consolidated
Investment in associates and joint venture accounted for under the equity method	-	-	-	-	-	-	3,012,442	3,012,442	-	3,012,442
Additions (decrease) to non-current assets other than deferred tax assets	273,984	(19,467)	330,248	235,750	19,315	185,000	1,551,483	2,576,313	(156,767)	2,419,546

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Revenue from external customers		
Thailand	18,598,935	19,180,191
Others	<u>4,981,543</u>	<u>4,818,893</u>
Total	<u>23,580,478</u>	<u>23,999,084</u>
Non-current assets (other than deferred tax assets)		
Thailand	20,656,285	19,465,540
Others	<u>494,275</u>	<u>338,425</u>
Total	<u>21,150,560</u>	<u>19,803,965</u>

Major customers

For the year 2020, the Group has revenue from a major customer in amount of Baht 9,363 million, arising from sales by the instant noodles, semi-instant foods and biscuits (2019: Baht 9,222 million).

35. Provident fund

The Group, and their employees jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is contributed by both employees and the Company or the subsidiary companies at the rates of 3 - 5 percent of their basic salaries and is managed by Tisco Asset Management Co., Ltd.

Total contributions of the Group for the year 2020 amounting to approximately Baht 68 million (2019: Baht 64 million) and separate financial statements: Baht 27 million (2019: Baht 25 million) were recognised as expenses.

36. Dividend

			Dividend for 2020		
			Per share	Total	Paid date
			(Baht)	(Thousand Baht)	
The second-half period of 2019					
(Approved by the Annual General Meeting of the Company's shareholders No. 4/2020 on 10 April 2020)					
BOI-promoted operation			1.1	362,674	
Non-BOI-promoted operation			1.1	362,675	
			<u>2.2</u>	<u>725,349</u>	8 May 2020
The first-half period of 2020					
(Approved by the Meeting of the Company's Board of Directors No. 9/2020 on 16 September 2020)					
BOI-promoted operation			1.35	445,101	
Non-BOI-promoted operation			1.35	445,100	
			<u>2.70</u>	<u>890,201</u>	15 October 2020
Total dividend declared in 2020			<u><u>4.90</u></u>	<u><u>1,615,550</u></u>	
			Dividend for 2019		
			Per share	Total	Paid date
			(Baht)	(Thousand Baht)	
The second-half period of 2018					
(Approved by the Annual General Meeting of the Company's shareholders No. 2/2019 on 24 April 2019)					
BOI-promoted operation			2.01	662,705	
			<u>2.01</u>	<u>662,705</u>	23 May 2019
The first-half period of 2019					
(Approved by the Meeting of the Company's Board of Directors No. 9/2019 on 18 September 2019)					
BOI-promoted operation			0.90	296,734	
Non-BOI-promoted operation			1.36	448,397	
			<u>2.26</u>	<u>745,131</u>	17 October 2019
Total dividend declared in 2019			<u><u>4.27</u></u>	<u><u>1,407,836</u></u>	

37. Commitments and contingent liabilities

37.1 Capital commitments

As at 31 December 2020, a subsidiary had capital commitments in respect of procurement agreements for production machinery and equipment of approximately AUD 0.03 million and USD 0.01 million, totaling approximately Baht 0.8 million (2019: Baht 5.3 million and AUD 0.03 million, totaling approximately Baht 5.9 million), in respect of office building agreements of approximately Baht 42.4 million (Separate financial statements: Baht 4.2 million) (2019: Baht 79.5 million) and factory building agreements of approximately Baht 53.5 million (Separate financial statements: Baht 47.1 million) (2019: Baht 39 million (Separate financial statements: Baht 7 million)).

37.2 Operating lease commitments

The Company, its subsidiaries and the joint venture have entered into several lease agreements in respect of the lease of warehouse and other services. The terms of the agreements are generally 1 year to 5 years.

As at 31 December 2020, future lease and service fees payables under these lease and service contracts were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Payable within:				
Less than 1 year	17	24	2	2
1 to 5 years	2	11	-	-
Total	<u>19</u>	<u>35</u>	<u>2</u>	<u>2</u>

37.3 Long-term service commitments

The joint venture entered into the license and technical assistance agreement with an overseas related company for the use of a trademark and the receipt of information related to operation and management of restaurants. Under the conditions of the agreement, the joint venture is to pay an annual license fee as stipulated in the agreement. The license fees for the year 2020 amounted to approximately Baht 1.8 million (2019: Baht 2.3 million).

37.4 Long-term purchase commitments

A subsidiary has commitments under natural gas purchase agreement for a period of 1 - 5 years. Under the agreement, a subsidiary is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

No.	Period (Years)	Expired date	Average minimum quantity purchase (Million BTU)
1.	1	30 November 2021	47,986 per annum
2.	1	30 November 2021	26,256 per annum
3.	5	31 December 2023	296 per day

37.5 Guarantees

37.5.1 As at 31 December 2020, there were outstanding bank guarantees of approximately Baht 70 million (2019: Baht 143 million), issued by banks on behalf of the Company, its subsidiaries and the joint venture and separate financial statements Baht 2 million (2019: Baht 58 million) in respect of certain performance bonds as required in the normal course of business of the Company, its subsidiaries and the joint venture. These included letters of guarantee as follows:

Type of guarantee	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Payment due to creditors	32	31	1	-
Custom duty	1	1	1	1
Retroactive tax assessment	37	111	-	57
	<u>70</u>	<u>143</u>	<u>2</u>	<u>58</u>

37.5.2 As at 31 December 2020, there were outstanding bank guarantees of approximately Baht 65.3 million (2019: Baht 29.0 million) issued by the banks on behalf of the subsidiary in respect of certain performance bonds as required in the normal course of the subsidiary's business. These included letters of guarantee amounting to Baht 36.3 million (2019: Nil) to guarantee tax installment payments, Baht 26.0 million (2019: Baht 26.0 million) to guarantee electricity use, and Baht 3.0 million (2019: Baht 3.0 million) to guarantee contractual performance under the natural gas purchase agreement.

Moreover, the subsidiary already released of a fixed deposit of Baht 36.3 million that the subsidiary pledged with the Revenue Department as a guarantee for a retrospective tax assessment, after the Supreme Court dismissed the petition made and refused to hear the appeal. The subsidiary therefore has to pay tax in the amount assessed, which was Baht 36.3 million.

37.6 Litigation

In March 2020, the subsidiary was sued by the Department of Empowerment of Persons with Disabilities seeking to have the subsidiary pay to the fund for Empowerment of Persons with Disabilities, including interest in total amount of Baht 7.7 million. Currently, the case is in the process of consideration by the Court.

38. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated Financial Statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Financial assets measured at FVTPL				
Open-end funds	-	430,399	-	430,399
Subordinated bonds	-	1,205,201	-	1,205,201
Preferred shares	-	-	120,476	120,476
Financial assets measured at FVOCI				
Investments in listed equity instruments	1,400,517	-	-	1,400,517
Investments in non-listed equity instruments	-	-	471,330	471,330
Foreign equity instruments	-	32,318	-	32,318
Investments in debt instruments	-	4,954,807	-	4,954,807
Investments in mutual funds and unit trusts	-	488,876	-	488,876
Investment properties	-	406	-	406

(Unit: Thousand Baht)

Consolidated Financial Statements			
As at 31 December 2019			
Level 1	Level 2	Total	
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	519,008	-	519,008
Long-term fund	-	210,818	210,818
Available-for-sale investments (in private fund)	-	5,873,632	5,873,632
Assets for which fair value are disclosed			
Investment properties	-	215	215

(Unit: Thousand Baht)

Separate Financial Statements				
As at 31 December 2020				
Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value				
Financial assets measured at FVTPL				
Open-end funds	-	147,497	-	147,497
Subordinated bonds	-	895,676	-	895,676
Financial assets measured at FVOCI				
Investments in listed equity instruments	995,607	-	-	995,607
Investments in non-listed equity instruments	-	-	447,072	447,072
Foreign equity instruments	-	32,318	-	32,318
Investments in debt instruments	-	2,677,576	-	2,677,576
Investments in mutual funds and unit trusts	-	364,008	-	364,008
Investment properties	-	428	-	428

(Unit: Thousand Baht)

	Separate Financial Statements		
	As at 31 December 2019		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Available-for-sale investments			
Local marketable equity securities	519,008	-	519,008
Long-term fund	-	106,644	106,644
Available-for-sale investments (in private fund)	-	3,477,952	3,477,952
Assets for which fair value are disclosed			
Investment properties	-	215	215

39. Financial instruments

39.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

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

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are past due not more than one year.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on a monthly basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising interest rate risk and currency risk. The Group enters into derivatives to manage its risk exposure that are foreign exchange forward contracts to hedge the foreign currency risk arising on the import or export of goods and equipment.

Foreign currency risk

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

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Currency	As at 31 December 2020				
	Consolidated		Separate		Average exchange rate as at 31 December 2020 (Baht per one foreign currency unit)
	financial statements		financial statements		
	Assets	Liabilities	Assets	Liabilities	
(Thousand)	(Thousand)	(Thousand)	(Thousand)		
US dollar	9,325	4,374	9,291	2,537	29.9909
Singapore dollar	-	30	-	30	22.6232
Euro	67	80	67	34	36.8165
Japanese Yen	9,416	25,070	9,416	9,792	0.2902
Ringgit	620	141	620	141	7.4140

As at 31 December 2019					
Currency	Consolidated		Separate		Average exchange rate as at 31 December 2019 (Baht per one foreign currency unit)
	financial statements		financial statements		
	Assets	Liabilities	Assets	Liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	
US dollar	10,338	3,956	10,244	1,532	30.1084
Singapore dollar	-	51	-	51	22.2846
Australian dollar	-	29	-	-	21.0131
Euro	530	183	530	39	33.6780
Japanese Yen	-	138,546	-	132,255	0.2754
Ringgit	443	165	443	165	7.2999
Chinese Yuan	-	35	-	35	4.2993

As at 31 December 2020 and 2019, the Group had outstanding foreign exchange contracts as summarised below.

As at 31 December 2020			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	7,250	30.06 - 31.23	16 April 2021 - 23 June 2021
Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	9,442	29.8101 - 31.3050	6 January 2021 - 30 March 2021
Euro	200	36.5105	4 February 2021
As at 31 December 2019			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2,486	30.1350 - 30.20	7 January 2020 - 17 April 2020
Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	7,500	30.1544 - 30.2894	7 January 2020 - 17 April 2020

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, 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.

(Unit: Million Baht)

	Consolidated financial statements					Effective interest rate (% per annum)
	As at 31 December 2020					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	
Within 1 year	1-5 years					
Financial Assets						
Cash and cash equivalents	259	-	3,157	279	3,695	0.01 - 0.5
Other current financial assets	7,416	-	275	76	7,767	0.1 - 5.14
Trade and other receivables	-	-	-	3,238	3,238	-
Other non-current financial assets	-	5,592	-	2,869	8,461	0.25 - 5.11
	<u>7,675</u>	<u>5,592</u>	<u>3,432</u>	<u>6,462</u>	<u>23,161</u>	
Financial liabilities						
Trade and other payables	-	-	-	1,781	1,781	-
Liabilities under lease agreements	37	57	-	-	94	3.0 - 9.0
	<u>37</u>	<u>57</u>	<u>-</u>	<u>1,781</u>	<u>1,875</u>	

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2019						
Fixed interest rates					Effective interest rate	
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total		
(% per annum)						
Financial Assets						
Cash and cash equivalents	157	-	2,743	420	3,320	0.10 - 1.50
Current investments	5,550	-	107	275	5,932	0.10 - 5.14
Trade and other receivables	-	-	-	3,554	3,554	-
Other long-term investments	-	242	-	7,453	7,695	1.20 - 5.10
	<u>5,707</u>	<u>242</u>	<u>2,850</u>	<u>11,702</u>	<u>20,501</u>	
Financial liabilities						
Trade and other payables	-	-	-	1,813	1,813	-
Liabilities under finance lease agreements	35	55	-	-	90	1.98 - 4.70
	<u>35</u>	<u>55</u>	<u>-</u>	<u>1,813</u>	<u>1,903</u>	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2020						
Fixed interest rates					Effective interest rate	
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total		
(% per annum)						
Financial Assets						
Cash and cash equivalents	180	-	1,815	21	2,016	0.01 - 0.50
Other current financial assets	3,340	-	158	-	3,498	0.20 - 1.50
Trade and other receivables	-	-	-	2,030	2,030	-
Other non-current financial assets	-	3,467	-	1,986	5,453	0.56 - 8.50
	<u>3,520</u>	<u>3,467</u>	<u>1,973</u>	<u>4,037</u>	<u>12,997</u>	
Financial liabilities						
Trade and other payables	-	-	-	1,167	1,167	-
Liabilities under lease agreements	4	11	-	-	15	4.00
	<u>4</u>	<u>11</u>	<u>-</u>	<u>1,167</u>	<u>1,182</u>	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2019						
Fixed interest rates					Total	Effective interest rate (% per annum)
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing			
Financial Assets						
Cash and cash equivalents	68	-	1,854	57	1,979	0.10 - 1.50
Current investments	2,813	-	95	-	2,908	0.90 - 2.55
Trade and other receivables	-	-	-	2,114	2,114	-
Other long-term investments	-	162	-	4,954	5,116	1.20 - 5.10
	2,881	162	1,949	7,125	12,117	
Financial liabilities						
Trade and other payables	-	-	-	1,043	1,043	-
Liabilities under finance lease agreements	4	14	-	-	18	1.98
	4	14	-	1,043	1,061	

Liquidity risk

The Group manages liquidity risk to meet its obligations and maintain cash balances to cover the liquidity needs. The Group has assessed that the Group has sufficient working capital to settle financial liabilities and concluded the risk to be low.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

Consolidated financial statements				
	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives				
Trade and other payables	1,781,038	-	-	1,781,038
Lease liabilities	36,629	57,240	-	93,869
Total non-derivatives	1,817,667	57,240	-	1,874,907

(Unit: Thousand Baht)

	Separate financial statements			Total
	Less than 1 year	1 to 5 years	> 5 years	
Non-derivatives				
Trade and other payables	1,167,438	-	-	1,167,438
Lease liabilities	3,691	11,214	-	14,905
Total non-derivatives	1,171,129	11,214	-	1,182,343

39.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and long-term loans to related company, accounts payable, the carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
- c) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- d) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives.

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

39.3 Reconciliation of recurring fair value measurements, of assets categorised within Level 3 of the fair value hierarchy

(Unit: Thousand Baht)

	Non-listed equity instrument	
	Consolidated Financial Statements	Separate Financial Statements
Balance as of 1 January 2020	96,955	76,455
Adjustment from adoption of financial reporting standards relating to financial instrument (Note 4)	329,908	332,510
Balance as of 1 January 2020 - as restated	426,863	408,965
Acquired during the year	40,000	30,000
Net gain recognised into other comprehensive income	4,467	8,107
Balance as of 31 December 2020	471,330	447,072

Key assumptions used in the valuation are summarised below.

Financial instrument	Valuation technique	Significant unobservable output	Rates
Non-listed equity instrument	Discounted cash flow	Weighted average cost of capital	7.88%, 12.21%

(Unit: Million Baht)

Sensitivity of the input to fair value

	Consolidated financial Statements				Separate financial Statements			
	Increase 0.05%	Decrease 0.05%	Increase 0.10%	Decrease 0.10%	Increase 0.05%	Decrease 0.05%	Increase 0.10%	Decrease 0.10%
Fair value	(2.9)	3.3	(6.0)	6.5	(2.8)	3.2	(5.8)	6.3

40. 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 2020, the Group's debt-to-equity ratio was 0.12:1 (2019: 0.14:1) and the Company's was 0.13:1 (2019: 0.14:1).

41. Reclassification

The Company reclassified the following amounts in the financial statements for the year ended 31 December 2019 to conform with the current period's classification. The reclassifications had no effect to previously reported profit or shareholders' equity.

	(Unit: Thousand Baht)			
	As at 31 December 2019		As at 1 January 2019	
	As reclassified	As previously reported	As reclassified	As brought forward
<u>Consolidated statements of financial position</u>				
Trade and other receivables	3,554,339	3,635,618	3,651,932	3,693,643
Other current assets	104,880	23,601	80,210	38,499
Trade and other payables	1,813,246	1,823,542	1,921,020	1,933,284
Other current liabilities	70,724	60,428	64,276	52,012
<u>Separate statements of financial position</u>				
Trade and other receivables	2,114,411	2,124,202	2,218,124	2,227,967
Other current assets	10,551	760	10,661	818
Trade and other payables	1,043,074	1,053,267	1,201,373	1,213,637
Other current liabilities	43,170	32,977	35,014	22,750

	(Unit: Thousand Baht)	
	For the year ended 31 December 2019	
	As reclassified	As previously reported
<u>Consolidated statements of comprehensive income</u>		
Administrative expenses	2,096,681	2,090,338
Finance cost	4,986	11,329
<u>Separate statements of comprehensive income</u>		
Administrative expenses	1,169,195	1,167,081
Finance cost	80	2,194

42. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2021.