

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020**

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Siam Steel International Public Company Limited

Opinion

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

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Siam Steel International Public Company Limited and its subsidiaries as at December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Siam Steel International Public Company Limited as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

In Note 3.2 to the financial statements due to the impact from pandemic situation of COVID-19, the Group had prepared the financial information for the year ended December 31, 2020 by applying the accounting guidelines on temporary relief measures for additional accounting options to support the impact of the pandemic situation of COVID-19 announced by the Federation of Accounting Professions. My opinion is not modified in respect of these matters.

Key Audit Matter

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

Allowance for decline in value of inventories

The Group's inventories which are measured at the lower of cost and net realizable value. The group has provided an allowance for decline in value of inventories from the estimates of the management which requires using considerable judgment as such products have high market competition. It depends on the inventory life cycle which may cause a risk in the recognition of such estimate. As at December 31, 2020, inventories presented in the consolidated statement of financial position and separate statement of financial position amounted to Baht 241.81 million and Baht 219.64 million, respectively, which are material to the consolidated and separate financial statements. Therefore, I consider this is an area of focus.

Risk response by the auditor

My audit procedures were designed to assess the appropriateness of the allowance for decline in value of inventories and obsolescence understanding the policies and procedures that the Group's management applied for setting up allowance for decline in value of inventories, reasonableness testing on methodology used, information on holding period and movement of slow moving inventory that is appropriately classified, performing test on a sample basis of net realisable value of inventories, analyzing and comparing past and information during the year for the allowance estimate of actual loss, considering the sale of goods after the financial statement date, comparing the allowance for decline in value of inventory to assess the appropriateness of the allowance and enquiring the management plan of such product group.

Sales of investment in indirect subsidiary

As discussed in Note 13.5 to the financial statements, during the year a indirect subsidiary of the Group Company had disposed its total investment in its overseas indirect subsidiary and recognized gain from disposal of the investment in the consolidated financial statements amounting to Baht 119.70 million. Because the value of such disposal of investment transaction is material, it was considered as my key audit matter.

Response by the auditor

My audit approach on such matter includes inquiry, understanding the management to obtain an understanding of the objective for the disposal of investments in the subsidiary and the authorization for that transaction, reviewing the terms and conditions of the disposals agreement and other related agreements and verifying receipt documents. For the loss of control in the indirect subsidiary, I examined legal documents involved in the disposal of indirect investments in the subsidiary and other relevant information and the compliance of the transaction with the relevant Thai Financial Reporting Standard as well as considered the adequacy of the information disclosure in accordance with the financial reporting standard.

Business combination

On January 31, 2020, the Company has acquired 11% additional shares of Siam Okamura Steel Company Limited from the original shareholders which the Company formerly held 40% of the shares. As a result, the total shareholding is 51% of the total sold shares of such company. The objective of investment is to implement the Company's asset rotation strategy for Baht 33.97 million. After the share transfer, such company will change from the associate to the subsidiary and it has been included in the consolidated financial statements preparation from January 31, 2020 onwards. The Company regard this transaction is accounted for as a business combination. The Company regards this transaction as a business combination by completing the fair value measurement of the net identifiable assets as at the business acquisition date by an independent appraiser which is already completed during the year 2020. I considered this matter to significant on this business acquisition as it has materiality to the overall consolidated financial statements. The management needs to use significant judgement in assessing the fair value of the assets acquired and liabilities assumed as well as negative goodwill.

Risk response by auditor

I have audited the value of the business acquisition with the acquisition supporting documents and related payments to assess whether it reflected the fair value of the consideration transferred and did not include acquisition-related costs. I have also assessed the fair value of assets acquired and liabilities assumed as specified in the measurement documentation under the acquisition method as prepared by an independent appraiser by considering the methods and significant assumptions used by the independent appraiser in calculating the fair value of assets and liabilities and evaluating the expertise, ability and objectivity of the appraiser. I have also assessed the rationale of the negative goodwill, the fair value of building and machinery recorded by the group and examined the disclosure of information related to such business acquisition as mentioned in the notes to the consolidated financial statements.

Revenue recognition from sales and service

The Group has revenue from sales and service that is significant and a large customer base. Sales of goods or service were under different conditions and revenue recognition depends on the conditions in the agreement or various types of business agreement such as production with installation agreement, production by order of the customer, sale agreement with distributor group. Therefore, it is considered that revenue is a significant matter in the audit. The importance is given to the recognition of revenue from sales and service that it has recognized transaction including disclosure of information according to the financial reporting standards. The accounting policy for revenue has been disclosed in Note 4.

Response by the auditor

I understood and tested the internal control system related to revenue cycle, audited the revenue recognition of each company type taking into account of the timing in handing over the control of goods and service to assess the recognition of revenue in accordance with the financial reporting standards No. 15 agreement made with customer. I had audited the revenue adjustment during the year and checked revenue cut off near the end of the year and the document issued by the company after year end.

Revenue recognition from construction agreement and cost of construction

Referring to Note 4 on revenue recognition from construction agreement, the Company recognized revenue from construction agreement when the performance obligation is completed under the contract condition by transferring the promised service to customer over time. The service are transferred when the customer obtain control of those service by measuring progress by assessing the stage of work completion from the obligation to be performed through input factor. revenue recognition, percentage of completion, cost estimation and loss estimate of the project that may arise requires using judgment from the management which may cause the risk with the revenue recognition, cost and loss estimate that may arise from the construction contract.

Response by the auditor

I have enquired to understand and tested the internal control for revenue recognition, project cost estimation, and ratio of the construction stage of completion, audited the actual cost that arises with document to compare with the cost estimate and audited the basis of project cost estimates, tested the calculation of the stage of work completion, joined the physical investigation by visiting the project near year end and compare the progress of the actual construction against the stage of work completion. In addition, I used the comparative analysis of the stage of work completion assessed by the engineer with the stage of work completion that arises from the actual cost and enquired the cause of the difference, analyzed, compared gross profit and assessed the loss estimate that may arise by comparing the actual cost and the total estimate.

Other Information

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

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon. In connection with my audit of the financial statements.

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct 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 consolidated financial statements and separate 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 consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate 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 we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Wannisa Ngambuathong.

(Miss Wannisa Ngambuathong)

Certified Public Accountant

Registration No. 6838

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 25, 2021

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

		<u>ASSETS</u>				
		In Baht				
		Consolidated financial statements		Separate financial statements		
		As at December	As at December	As at December	As at December	
Note		31, 2020	31, 2019	31, 2020	31, 2019	
CURRENT ASSETS						
	Cash and cash equivalents	7	460,506,590	826,018,488	254,843,601	278,148,544
	Trade accounts receivable from sales and services					
	- general companies	8	155,667,159	242,702,511	99,886,579	120,477,835
	- related companies	6, 8	12,294,398	5,306,350	2,828,178	7,312,238
	Other current receivables					
	- general companies		73,006,527	29,463,606	-	-
	- related companies	6	449,805	1,601,936	211,527,403	339,509,363
	Trade accounts receivable from construction work	8	55,727,288	23,939,842	55,727,288	23,939,842
	Current contract assets		30,202,669	19,077,571	30,202,669	19,077,571
	Inventories	9	241,806,176	219,638,678	128,138,066	170,219,867
	Advance for purchase of inventories		80,813,954	89,162,740	80,813,954	89,162,740
	Short-term loan to related companies	6	-	-	98,439,223	185,000,000
	Other current assets	10	32,292,217	75,952,365	7,898,084	59,869,727
	Total current assets		1,142,766,783	1,532,864,087	970,305,045	1,292,717,727

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2020

ASSETS (CONT.)

		In Baht			
		Consolidated financial statements		Separate financial statements	
		As at December	As at December	As at December	As at December
Note		31, 2020	31, 2019	31, 2020	31, 2019
NON-CURRENT ASSETS					
	Restricted deposit with bank	5,448,498	5,033,928	5,420,000	4,911,939
	Trade and other non-current receivables	51,336,366	53,867,229	51,336,366	47,533,954
	Other non-current financial assets	78,127,797	-	78,127,797	-
	Investment				
	- subsidiaries companies	-	-	245,172,117	186,206,833
	- associated companies	814,380,011	782,751,915	137,227,300	162,627,400
	- other companies	-	49,712,400	-	49,712,400
	Property, plant and equipment	1,546,232,265	2,787,031,806	930,948,895	883,581,786
	Right-of-use assets	27,192,469	-	12,151,173	-
	Deferred tax assets	-	11,842,844	-	3,885,149
	Other non-current assets	1,053,475	16,556,921	388,751	691,400
	Total non-current assets	2,523,770,881	3,706,797,043	1,460,772,399	1,339,150,861
	TOTAL ASSETS	3,666,537,664	5,239,661,130	2,431,077,444	2,631,868,588

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Baht			
		Consolidated financial statements		Separate financial statements	
		As at December	As at December	As at December	As at December
Note		31, 2020	31, 2019	31, 2020	31, 2019
CURRENT LIABILITIES					
	Short-term loans from financial institutions	18	40,000,000	-	-
	Short-term loans from related companies	6	64,550,000	53,500,000	-
	Trade accounts payable - general companies		177,862,165	159,639,251	124,026,912
	Trade and other current payables - related companies	6	28,582,461	42,989,256	28,813,465
	Other current payable - general companies		119,893,780	127,650,512	109,484,457
	Current contract liabilities		5,774,876	14,265,158	5,774,876
	Current portion of				
	- Long-term loan from financial institutions	19	6,984,000	260,950,407	5,784,000
	- Lease liabilities	21	9,027,799	-	3,845,870
	Current provisions for employee benefits		16,673,428	19,655,462	16,377,436
	Other current liabilities	20	108,448,454	265,170,429	60,326,394
	Total current liabilities		577,796,963	943,820,475	354,433,410
NON-CURRENT LIABILITIES					
	Long-term loans from financial institutions	19	70,044,857	1,396,181,992	7,183,279
	Lease liabilities	21	16,340,939	-	8,636,471
	Non-current provisions for employee benefits	22	51,784,012	38,991,212	32,616,278
	Deffered Tax liabilities	17	35,621,621	-	1,045,619
	Other non-current liabilities		47,513,399	36,337,777	47,513,400
	Total non-current liabilities		221,304,828	1,471,510,981	96,995,047
	TOTAL LIABILITIES		799,101,791	2,415,331,456	451,428,457

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	In Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
SHAREHOLDERS' EQUITY				
Share capital - common share at Baht 1 par value				
- Registered 593,125,849 shares	593,125,849	593,125,849	593,125,849	593,125,849
- Issued and paid - up 593,125,849 shares	593,125,849	593,125,849	593,125,849	593,125,849
Premium on ordinary shares	72,403,683	72,403,683	72,403,683	72,403,683
Retained earnings				
- Appropriated legal reserve	59,312,585	59,312,585	59,312,585	59,312,585
- Unappropriated	1,891,520,754	1,743,340,295	1,254,806,870	1,191,109,887
Other components of equity	32,843,351	13,060,963	-	-
Total shareholder's equity of the parent company	2,649,206,222	2,481,243,375	1,979,648,987	1,915,952,004
Non-controlling interests	218,229,651	343,086,299	-	-
TOTAL SHAREHOLDERS' EQUITY	2,867,435,873	2,824,329,674	1,979,648,987	1,915,952,004
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,666,537,664	5,239,661,130	2,431,077,444	2,631,868,588

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

		Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		(Restated)			
	Note				
Continued Operation					
Profit or loss					
Revenues					
Sales and services income	6, 32	1,576,645,743	1,988,930,507	931,997,265	1,244,664,050
Construction income	32	163,870,431	86,480,050	163,870,431	86,480,050
Total revenues		1,740,516,174	2,075,410,557	1,095,867,696	1,331,144,100
Cost					
Cost of sales and services	29	(1,279,571,411)	(1,582,567,870)	(704,740,199)	(985,910,983)
Cost of construction	29	(114,001,857)	(68,133,256)	(114,001,857)	(68,133,256)
Total cost		(1,393,573,268)	(1,650,701,126)	(818,742,056)	(1,054,044,239)
Gross profit		346,942,906	424,709,431	277,125,640	277,099,861
Dividend income	6, 13	15,533,388	27,296,725	78,747,189	55,001,713
Other income	28	106,515,892	79,702,739	114,047,754	93,379,287
Gain from sale of assets		482,089	1,959,615	131,463	16,286,484
Profit from on sales of investment in indirect subsidiary	13	119,404,432	-	5,842,960	-
Negative goodwill		16,200,440	-	-	-
Gain from revalued of investment	13	69,017,269	-	-	-
Gain on foreign exchange rates		1,632,363	3,168,065	2,029,366	1,510,140
Profit before expenses		675,728,779	536,836,575	477,924,372	443,277,485
Selling expenses		(158,614,866)	(220,573,882)	(153,162,365)	(166,955,542)
Administrative expenses	6	(364,907,575)	(322,003,916)	(230,812,486)	(190,966,937)
Other expense	40	(12,165,107)	-	-	-
Total expenses		(535,687,548)	(542,577,798)	(383,974,851)	(357,922,479)
Profit (loss) from operations		140,041,231	(5,741,223)	93,949,521	85,355,006
Finance costs	6, 32	(19,178,300)	(19,717,388)	(15,013,792)	(17,533,665)
Profit (loss) before equity in net income of associated companies		120,862,931	(25,458,611)	78,935,729	67,821,341
Share of profit from investment in associated companies	14	13,545,138	24,710,777	-	-
Profit (loss) before income tax expense		134,408,069	(747,834)	78,935,729	67,821,341
Income tax income (expense)	30	(5,832,601)	(49,277)	(5,973,878)	4,808,747
Profit (loss) from continued operation for the year		128,575,468	(797,111)	72,961,851	72,630,088
Discontinued Operation					
Profit (loss) from discontinued operation for the year		29,277,164	52,572,935	-	-
Profit (loss) for the year		157,852,632	51,775,824	72,961,851	72,630,088

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF COMPREHENSIVE INCOME (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		(Restated)		
Note				
The comprehensive income (expense) for the year				
Equity holder of the Company				
Profit (loss) from continued operation	135,163,892	(20,389,055)	68,789,411	65,631,802
Profit (loss) from discontinued operation	20,651,534	20,092,841	-	-
Owner of the parent company	155,815,426	(296,214)	68,789,411	65,631,802
Non-controlling interests of the subsidiaries				
Profit (loss) from continued operation	(10,760,863)	12,219,487	-	-
Profit (loss) from discontinued operation	20,651,534	20,092,839	-	-
	9,890,671	32,312,326	-	-
Total	165,706,097	32,016,112	68,789,411	65,631,802
Earnings per share				
Basic earnings per share				
Profit (loss) attributable to equity				
holders of the Company (Baht per share)	0.260	0.022	0.123	0.122
Weighted average number of common shares (share)	593,125,849	593,125,849	593,125,849	593,125,849
Earnings per share from continued operation				
Basic earnings per share				
Profit (loss) attributable to equity				
holders of the Company (Baht per share)	0.235	(0.022)	0.123	0.122
Weighted average number of common shares (share)	593,125,849	593,125,849	593,125,849	593,125,849

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

		In Baht									
		Consolidated financial statements									
		Shareholders' equity of the parent company							Non-controlling	Total	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of equity			Total	interests	
				Appropriated - Legal reserve	Unappropriated	Other comprehensive income					
						Surplus from change in proportion of investment in subsidiary company	Exchange differences on translating financial statement	Total			
Note											
		593,125,849	72,403,683	59,312,585	1,743,374,088	32,843,351	(13,588,759)	19,254,592	2,487,470,797	314,302,224	2,801,773,021
		Transaction with shareholder									
	29	-	-	-	(5,931,207)	-	-	-	(5,931,207)	-	(5,931,207)
	29	-	-	-	-	-	-	-	-	(3,528,252)	(3,528,252)
		Comprehensive income (expense) for the year									
		-	-	-	13,269,870	-	-	-	13,269,870	38,505,954	51,775,824
		-	-	-	(7,372,456)	-	(6,193,629)	(6,193,629)	(13,566,085)	(6,193,627)	(19,759,712)
		593,125,849	72,403,683	59,312,585	1,743,340,295	32,843,351	(19,782,388)	13,060,963	2,481,243,375	343,086,299	2,824,329,674
		Cumulate effect from change in accounting policies due to the adoption of new financial reporting standards									
	5	-	-	-	28,034,169	-	-	-	28,034,169	-	28,034,169
		593,125,849	72,403,683	59,312,585	1,771,374,464	32,843,351	(19,782,388)	13,060,963	2,509,277,544	343,086,299	2,852,363,843
	13	-	-	-	-	-	13,769,435	13,769,435	13,769,435	(271,208,218)	(257,438,783)
	13	-	-	-	-	-	-	-	-	223,465,052	223,465,052
		Transaction with shareholder									
	27	-	-	-	(29,656,183)	-	-	-	(29,656,183)	-	(29,656,183)
	27	-	-	-	-	-	-	-	-	(67,717,055)	(67,717,055)
		-	-	-	-	-	-	-	-	(19,287,098)	(19,287,098)
		Comprehensive income (expense) for the year									
		-	-	-	153,974,913	-	-	-	153,974,913	3,877,719	157,852,632
		-	-	-	(4,172,440)	-	6,012,953	6,012,953	1,840,513	6,012,952	7,853,465
		593,125,849	72,403,683	59,312,585	1,891,520,754	32,843,351	-	32,843,351	2,649,206,222	218,229,651	2,867,435,873

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2020

In Baht						
Separate financial statements						
	Note	Shareholders' equity of the parent company			Total	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
				Appropriated - legal reserve		Unappropriated
Balance as at January 1, 2019		593,125,849	72,403,683	59,312,585	1,131,409,292	1,856,251,409
Transaction with shareholder						
Dividend	28	-	-	-	(5,931,207)	(5,931,207)
Comprehensive income (expense) for the year						
Profit for the year		-	-	-	72,630,088	72,630,088
Other comprehensive income (expense) for the year		-	-	-	(6,998,286)	(6,998,286)
Balance as at December 31, 2019		593,125,849	72,403,683	59,312,585	1,191,109,887	1,915,952,004
Cumulate effect from change in accounting policies due to the adoption of new financial reporting standards	5	-	-	-	24,563,755	24,563,755
Balance as at January 1, 2020 - Restated		593,125,849	72,403,683	59,312,585	1,215,673,642	1,940,515,759
Transaction with shareholder						
Dividend	28	-	-	-	(29,656,183)	(29,656,183)
Comprehensive income (expense) for the year						
Profit for the year		-	-	-	72,961,851	72,961,851
Other comprehensive income (expense) for the year		-	-	-	(4,172,440)	(4,172,440)
Balance as at December 31, 2020		<u>593,125,849</u>	<u>72,403,683</u>	<u>59,312,585</u>	<u>1,254,806,870</u>	<u>1,979,648,987</u>

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
Cash flows from operating activities				
Profit (loss) before income tax expense. From continued operation	134,408,069	(747,834)	78,935,729	67,821,341
Profit (loss) before income tax expense. From discontinued operation	31,952,214	-	-	-
Profit (loss) before income tax expense	166,360,283	55,340,586	78,935,729	67,821,341
Adjustments to reconcile income (loss) before income tax to net cash provided from (used in) operating activities:				
Depreciation and amortization	183,635,531	171,949,856	30,596,668	24,301,706
Expected Credit losses				
Loss allowance/allowance for doubtful debts and bad debt (reversal)	921,054	(3,098,465)	1,727,471	207,244
Allowance for decline value of inventories (reversal)	3,048,030	(6,797,555)	516,549	2,184,480
Allowance for advance	14,230,000	-	-	-
Goodwill amortization	-	618,265	-	-
Loss from write-off asset	21,457,507	1,443,138	17,343,375	1,416,872
Allowance for decline in value of investment in the energy project	(20,740,464)	20,740,464	(20,740,464)	20,740,464
Loss from investment in the energy project	42,790,071	-	66,005,104	-
Provisions (reversal)	-	(2,110,463)	-	(2,110,463)
Gain on sales of assets	(482,089)	(2,201,400)	(131,463)	(16,286,484)
(Gain) loss on sales of investment in subsidiary company	(119,404,333)	-	(5,842,860)	-
Gain from revalued of investment	(69,017,269)	-	-	-
Negative goodwill	(16,200,440)	-	-	-
Unrealized (gain) loss on foreign exchange rate	779,618	(5,933)	(220,953)	(2,091,852)
Dividend income	(15,533,388)	(27,296,725)	(78,747,189)	(55,001,713)
Interest income	(1,990,106)	(6,568,806)	(15,995,626)	(19,255,146)
Finance costs	39,642,816	40,520,704	15,013,792	17,533,665
Equity in net income of associated companies	(13,545,138)	(22,980,878)	-	-
Provision for employee benefits expenses	3,624,815	3,253,884	2,047,844	1,791,761
Other expense from the fire	12,165,107	-	-	-
Cash provided from (used in) operations before changes in operating assets and liabilities	231,741,605	222,058,838	90,507,977	41,251,875
(Increase) decrease in operating assets				
Trade accounts receivable from sales and services				
- general companies	7,221,911	(21,183,549)	20,187,462	(9,811,511)
- related companies	(2,273,086)	(808,481)	4,484,060	338,767
Other current receivables				
- general companies	(36,955,398)	27,391,639	-	-
- related companies	1,153,329	44,780	(2,424,054)	6,644,279
Trade accounts receivable from construction work	(31,787,446)	(23,939,842)	(31,787,446)	(23,939,842)

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2020

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		(Restated)		
Current contract assets	(11,125,098)	(15,266,786)	(11,125,098)	(15,266,786)
Inventories	63,020,512	36,038,843	41,565,252	(3,835,709)
Advances for purchase of inventories	8,348,786	13,976,596	8,348,786	13,267,078
Other current assets	(35,273,403)	(9,170,000)	5,815,480	(8,254,105)
Trade and other non-current receivables	(17,889,757)	(22,192,738)	(4,453,084)	(22,192,738)
Other non - current assets	1,868,518	(350,992)	302,650	373,165
Increase (decrease) in operating liabilities				
Trade accounts payable - general companies	3,913,666	28,009,788	(6,370,231)	27,270,263
Trade and other current payables - related companies	(1,737,151)	4,406,936	(60,112,884)	21,518,067
Other current payable - general companies	(5,176,685)	(73,171,702)	(16,420,037)	12,783,752
Current contract liabilities	(8,490,281)	-	(8,490,281)	-
Other current liabilities	35,881,709	(98,144,176)	(3,830,499)	3,237,312
Employee benefits obligation paid	(12,832,691)	(2,515,568)	(12,817,870)	(2,404,200)
Other non - current liabilities	11,773,289	27,788,437	11,773,289	28,243,790
Cash provided from (used in) operations	201,382,329	92,972,023	25,153,472	69,223,457
Cash paid for interest	(64,458,072)	(25,128,927)	(12,772,317)	(16,418,687)
Income tax payment	(14,992,644)	(11,384,664)	(6,519,026)	(4,974,567)
Cash received from refund tax	5,671,162	137,753,464	5,652,474	-
Net cash provided from (used in) operating activities	127,602,775	194,211,896	11,514,603	47,830,203
Cash flows from investing activities				
(Increase) decrease in restricted deposit with bank	(414,570)	(3,130,447)	(508,061)	(4,035,388)
Acquisition of assets	(152,028,870)	(438,214,218)	(113,589,171)	(391,003,600)
Proceeds from sales of assets	23,256,706	2,282,243	122,859,509	1,974,673
Cash paid for advance for purchase of assets	-	-	-	(1,517,224)
Cash receipt (payment) for investment in subsidiary	(191,658,552)	-	(33,965,184)	-
Cash receipt from sale of investment in indirect subsidiary	54,614,553	-	-	-
Cash receipt (payment) from non-controlling interests in subsidiary	19,849,333	-	6,242,860	-

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2020

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
(Increase) in short-term loans to related company	-	-	(100,000,000)	-
Indirect subsidiary an return investment to non-controlling interests	-	-	185,000,000	-
Cash received from interest income	2,094,619	7,109,396	42,799,280	4,825,146
Dividend income	15,533,388	27,296,725	78,747,189	55,001,713
Net cash provided from (used in) investing activities	<u>(228,753,393)</u>	<u>(404,656,301)</u>	<u>187,586,422</u>	<u>(334,754,680)</u>
Cash flows from financing activities				
Increase in short-term loan from financial institution	40,000,000	-	-	-
Increase in short-term loans from related parties	52,750,000	74,500,000	-	-
Cash paid for short-term loans from related parties	(41,700,000)	(75,500,000)	-	-
Cash paid for lease liabilities	(18,820,417)	-	(3,241,304)	-
Increase in long-term loan from financial institution	16,803,933	102,132,700	-	-
Cash paid for long-term loans from financial institution	(269,632,932)	(166,358,142)	(189,508,481)	(10,384,533)
Dividend paid	(29,656,183)	(5,931,207)	(29,656,183)	(5,931,207)
Dividend paid by subsidiary to non-controlling interest	(67,717,055)	(3,528,252)	-	-
Net cash provided from (used in) financing activities	<u>(317,972,654)</u>	<u>(74,684,901)</u>	<u>(222,405,968)</u>	<u>(16,315,740)</u>
Unrealized gain (loss) on exchange rate of cash at banks	(4,128,781)	-	-	-
Increase in exchange differences on translating foreign operations	57,740,155	(15,484,069)	-	-
Increase (decrease) in cash and cash equivalents-net	<u>(365,511,898)</u>	<u>(300,613,375)</u>	<u>(23,304,943)</u>	<u>(303,240,217)</u>
Cash and cash equivalents at the beginning of the year	826,018,488	1,126,631,863	278,148,544	581,388,761
Cash and cash equivalents at the end of the year	<u>460,506,590</u>	<u>826,018,488</u>	<u>254,843,601</u>	<u>278,148,544</u>
Supplemental cash flows information				
Non - cash transaction				
- Advance for purchase assets	(1,517,224)	14,941,946	(1,517,224)	14,941,946
- Advance from customers	-	1,380,303	-	-
- Transfer Inventories be to property	-	589,432	-	589,432
- Acquisition of right-of-use assets under lease contract	235,881,356	-	15,079,977	-
- Transfer non-operating asset to property, plant and equipment	-	2,360,042	-	2,360,042
- Sale asset as credit to the related company	-	-	(100,000,000)	221,787,480
- Purchase asset by non-cash payment	-	1,050,053	-	-

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
DECEMBER 31, 2020

1. GENERAL INFORMATION

(a) Legal status and address

Siam Steel International Public Company Limited was registered as limited company on August 28, 1979 under Thai law and registered conversion to public company limited on December 27, 1993.

The address of its registered office is as follow :

51 Moo 2 Poochao Road, Bangyaprak, Phrapradaeng, Samuthprakarn.

(b) Nature of the Company's business

The principal activities of the Company and its subsidiary companies is the manufacturing and sales of steel office equipment and furniture parts, construction services and alternative energy sector.

(c) Major shareholder

As at December 31, 2020 and 2019, the Company's major shareholders are as follows :

	Percentage (%)	
	2020	2019
Family "Kunanantakul"	35.41	35.41
Family "Pongphundacha"	29.24	29.24
Family "Witchayawilat"	2.40	2.41

2. Basis for consolidated interim financial statements and operation

2.1 There financial statements were prepared by consolidating the financial statement of Siam Steel International (Public) Company Limited and subsidiaries which Siam Steel International (Public) Company Limited held direct and indirect shares as follows :

Company	Percentage of shareholding (%)		Type of business
	As at December 31, 2020	As at December 31, 2019	
<u>Subsidiary companies</u>			
Siam Okamura International Co., Ltd.	-	51	Distribution of office furniture and furniture used for public
Sri Chareon International Co., Ltd.	99.99	99.99	Distribution of office furniture and furniture parts
Siam Steel OC Co., Ltd.	51	51	Distribution of equipment, office furniture and industrial parts
Siam International Energy Co., Ltd.	99.99	99.99	Investment in alternative energy
Siam Okamura Steel Co., Ltd.	51	-	Manufacturing of steel office furniture

Company	Percentage of shareholding (%)		Type of business
	As at December 31, 2020	As at December 31, 2019	
<u>Indirect subsidiary companies - held by</u>			
<u>Siam International Energy Co., Ltd.</u>			
Bangphra Green Energy Co., Ltd.	99.99	99.99	Manufacturing and distribution of solar equipment and investment in solar energy plant project
Siam International Biomass Co., Ltd.	99.99	99.99	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel
Siam Biomass Product Co., Ltd.	99.99	99.99	Purchase, manufacturing and distribution of fuel stick from waste biomass and other fuel for use as fuel
Siam Forest Management Co., Ltd.	60.00	60.00	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel
<u>Indirect subsidiary companies - held by</u>			
<u>Siam Biomass Product Co., Ltd.</u>			
Siam Biomass Manufacturing Ltd.	99.99	99.99	Manufacturing and distribution of renewable energy
<u>Indirect subsidiary companies - held by</u>			
<u>Bangphra Green Energy Co., Ltd.</u>			
Rich Solar Energy Godo Kaisha Co., Ltd.	-	50.00	Manufacturing and distribution of solar energy

Significant change in the subsidiary and associated during the period for 2020

- 1) On January 31, 2020, the Company had sold some of the ordinary shares held in Siam Okamura International Co., Ltd. for 2% of all ordinary shares of Siam Okamura International Co., Ltd. As a result, the Company had the outstanding shareholding proportion in Siam Okamura International Co., Ltd. at 49 % of all ordinary shares of Siam Okamura International Co., Ltd. After selling the shares, the Company had lost its control due to the status change of Siam Okamura International Co., Ltd. from a subsidiary to an associated company. As a result, the Company had prepared the consolidated financial statements by consolidating the financial statements of Siam Okamura International Co., Ltd. for the period from January 1, 2020 to January 31, 2020 and the Company had prepared the consolidated financial statements that stated the investment in an associated company of Siam Okamura International Co., Ltd. under the equity method from February 1, 2020.

- 2) On January 31, 2020, the Company had increased the investment in ordinary shares of Siam Okamura Steel Co., Ltd. for 11% of all ordinary shares of Siam Okamura Steel Co., Ltd. As a result, the Company had the outstanding shareholding proportion in Siam Okamura Steel Co., Ltd. at 51% of all ordinary shares of Siam Okamura Steel Co., Ltd. After the shares purchase, the Company had changed the status from an associated company to a subsidiary. As a result, the Company had prepared the consolidated financial statements under the equity method for the period from January 1, 2020 to January 31, 2020 and had prepared the consolidated financial statements by consolidating the financial statements of Siam Okamura Steel Co., Ltd. from February 1, 2020.
- 3) On December 3, 2020, Bangphra Green Energy Co.,Ltd., an indirect subsidiary, had entered into TK interest transfer Agreement to sell this investment in Rich Solar Energy Godo Kaisha Co.,Ltd., a manufacturer and distributor solar electric power in Japan, 50% of total investment.
- 2.2 As of December 31, 2020 and 2019, the total assets of subsidiary companies represent 37 and 54%, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiary companies for the year ended December 31, 2020 and 2019, represent 46 and 43%, respectively, of the total revenues in the consolidated financial statements.
- 2.3 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.
- 2.4 The consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.
- 2.5 The financial statements of an overseas subsidiary is translated into Thai Baht at the closing exchange rate as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences have been shown under the caption of “Exchange differences on translating financial statements” in shareholders’ equity.
- 2.6 Outstanding balances between The Group, significant intercompany transactions, investment balance in the Company’s books and share capital of the subsidiaries are eliminated from the consolidated financial statements.
- 2.7 Investments in subsidiaries (at cost) and fair value of the subsidiaries at the date of acquisition have been offset and the difference there of has been shown as asset under the heading of “Goodwill” and to consider impairment loss.
- 2.8 Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control.
- 2.9 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.

3. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENT

3.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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 such financial statements in Thai language.

3.2 Financial reporting standards that became effective in the current year

During the period, the Group have adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. Except, the new standard involves changes to key principles, as summarized below.

Financial reporting standards related to financial instruments:

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

Financial Reporting Standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting Standards:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standards 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 amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective is cancelled.

TFRS 16 Leases

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

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

January 1, 2020, The Group have adopted TFRSs related to financial instruments and TFRS 16 in its financial statements by applying modified retrospective approach. The impact from the first-time adoption has been disclosed in Note 5 to the financial statements.

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

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

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

The Group have elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where use a simplified approach to determine expected credit losses.
- Not to include information relating to the COVID-19 situation that may affect financial forecasts. In the future, used in conjunction with relevant fair value measurement techniques TFRS 13, Fair Value.
- Not to account for any reduction in lease payments by lessors (if any) as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognized in each period reversed in proportion to the reduction, with any differences then recognized in profit or loss.
- Not to include information relating to the uncertain COVID-19 situation, which may affect the estimation of future taxable profits. Into data to estimate the adequacy of future taxable profits in order to take advantage of deferred tax assets.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing goodwill for impairment.

3.3 Financial reporting standards that will become effective in the future

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 are in the process to assess the impact of these TFRSs to the financial statements in the year when they are adopted.

4. SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

Sale of goods

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

Goods sales and installation

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts. which the Group will recognize revenue when install completely and already deliver to the customer.

Revenue from construction

Revenue from construction is recognized when the Group satisfies a performance obligation identified in contract by transferring services to customers over time. The services are transferred when the customers obtain control of those services. The Group measures progress towards complete satisfaction of a performance obligation by input method. If the payments exceed the services rendered, a contract liability is recognized. On the other hand, if payments less than the service rendered, a contract asset is recognized.

Revenue recognised but not due for payment under the agreement is presented as unbilled revenue in the statement of financial position which will be classified as trade accounts receivable when the company is entitled to receive payment without conditions such as when the company's service is complete and work is delivered to the customer.

The amount received or entitled to receive from the customer but still has an obligation to transfer product or service to the customer is presented as "advance received" in the statement of financial position which is recognised as revenue when the obligation has been performed as specified by the agreement.

Sale of electricity

Revenue from sale of electricity is recognised in the statement of comprehensive income based on the units of sales delivered at the applicable tariff rates and excludes value added taxes. Sales are the invoiced value, excluding value added tax, of goods supplied

Dividends

Dividends are recognize as income when having the rights to receive the dividends.

Interest income

Interest income is recognized in profit or loss as it accrues.

Other income

Other income is recognized on an accrual basis.

4.2 Financial assets and financial liabilities

Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classify its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassify debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Group measure a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classify its debt instruments:

- Amortized cost: A financial assets will be measured at amortized cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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 from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognized on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognized in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Classification and measurement of financial liabilities and equity

Financial instruments issued by the Group must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Group have an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group have no contractual obligation or have an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Group measure financial liabilities at fair value. The Group reclassify all financial liabilities as subsequently measured at amortised cost, except for derivatives.

Recognition and derecognition

The Group shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the Group become party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commit to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group have transferred substantially all the risks and rewards of ownership of the financial assets.

Impairment

The Group assess on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group apply general approach for credit-impaired consideration.

4.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

Restricted deposit with bank is presented under non - current assets in the statement of financial position.

4.4 Accounts receivable and allowance for doubtful accounts

Applicable from to January 1, 2020

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade receivables are stated at the amount expected to be collectible, the Group apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group have identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognized in profit or loss within administrative expenses.

Applicable prior to January 1, 2020

Accounts receivable are stated at net realizable value. Allowance for doubtful accounts is based on the accounts receivable which are expected to be uncollectible, based on the past experience in debt collection and the current status of accounts receivable outstanding at end of the period

4.5 Inventories

Inventory is stated at cost or net realisable value, whichever is lower.

The Group value their inventory by the following methods :

	<u>Appraisal Method</u>
Finished goods bought per sale - the Company	Stated at cost (moving average) or net realisable value, whichever is lower.
- subsidiary	Stated at cost (moving average and FIFO) or net realisable value, whichever is lower.
Finished goods own - production	Stated at cost (moving average) or net realisable value, whichever is lower.
Goods during production	Stated at cost (moving average)
Raw material	Stated at cost (specific price)
Material	Stated at cost (moving average)

Cost of inventory consist of total purchase cost, conversion cost and other cost incurred for that inventory to be in the present location and condition. Such conversion cost includes the allowcation of appropriate manufacturing expense taking into account of normal production capacity

Cost of purchase consist of purchase price and related expense to the product purchase such as import duty, transportation and other cost directly involved with the acquisition of product and deducted of trade discounts and rebates.

Net realisable value is the estimate of expected selling price in the normal course of business less production cost estimate to complete the production and cost necessary to pay for selling the goods.

4.6 Investments in related companies

Investments in subsidiary companies and associated companies in separate financial statements are presented by the cost method. The Company recognizes gain or loss on sale in the statement of profit or loss and other comprehensive income in the period which investments are sold. When there is an indication of impairment on investment, the Company will recognize loss from impairment as expense out rightly in the statement of comprehensive income. The Company recognizes dividends income when the subsidiary companies declare the payments of their dividends.

Applicable prior to January 1, 2020

Investments in securities of related and other companies that are not subsidiary companies, not associated companies and/or not joint ventures, held as “General investment”, are valued at costs.

The Company makes the adjustments to devalue those investments when there is an indication of impairment.

Subsidiary companies

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

Loss of control

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

Interests in equity-accounted investees

The Company’s interests in equity-accounted investees comprise interests in associates.

Associated

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates is accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company’s share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence.

Transactions eliminated on consolidation

Intra-company balances and transactions, and any unrealized income or expenses arising from intra-company transactions, are eliminated. Unrealized gains arising from transactions with associate companies and jointly control entity are eliminated against the investment to the extent of the Company’s interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

4.7 Goodwill

Goodwill represents the excess of the cost of investment over the fair value of investment, which the Company shares in the net identifiable assets of the subsidiary or associate at the date of acquisition. Goodwill on acquisition of a subsidiary is presented as a separate line in the consolidated financial statement. Goodwill on acquisition of an associate is included in investments in associates and is tested for impairment as part of the overall balance.

The goodwill recognized is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment of goodwill is determined by calculating the realizable value based on the value-in-use calculation or fair value less costs to sell. Such calculation requires the use of estimates made by management. The allowance for impairment loss on goodwill is not reversed.

As for the cost of acquiring an investment that is lower than the fair value of the share of net assets of the subsidiary, the difference is negative goodwill and will be recognized immediately in the statement of comprehensive income.

4.8 General investments

Applicable prior to January 1, 2020

Investments in non-marketable equity securities are general investments, which are stated at cost net from allowance on impairment (if any).

The Group records the loss on impairment (if any) of these investments in the statement of comprehensive income.

On disposal of an investment, the difference between the net proceeds and the book value of the investment is recognized as income or expense in the statement of comprehensive income. If partial investments are sold, the book value of the investment is determined by the weighted average method.

4.9 Property, plant and equipment and depreciation

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance on impairment (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company.

Depreciation of plant and equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Building and improvements	5 - 50 years
Improvements of leased factory	5 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 years
Transportation equipment.	5 years

The Group has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

4.10 Assets not used in operation

Assets not used in operations are presented at carrying amount at the date when the assets are retired from active use, less allowance for impairment.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period when the asset is derecognized.

4.11 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

4.12 Leases

Applicable from to January 1, 2020

At inception of a contract, the Group assess whether the 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 assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

Right-of-use assets-as a lessee

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

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also 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 the option to terminate.

In calculating the present value of lease payments, the Group use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, 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

The Group apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

Applicable prior to January 1, 2020

Operating leases

Leases where most of substantial risks and rewards of ownership of assets still remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to expenses in the statements of comprehensive income over the leases term.

Financial leases

Leases which transfer to the Company most of substantial risks and rewards of ownership other than legal title are accounted for as financial leases. At the inception of the lease, the fair value of the leased assets is recorded together with the obligation, excluding interest element, to pay future rentals. Interest or financial charges are recognized in the statements of comprehensive income in proportion to the principal balance.

4.13 Foreign currencies

Transactions in foreign currencies are translated into Baht at the rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currency outstanding at the statement of financial position date are translated into Baht at the rates ruling on the statement of financial date.

Exchange gains and losses are included in determining earnings.

Financial statements of foreign subsidiary

The financial statements of a subsidiary in foreign currency are translated into Baht for consolidation as follows:

Assets and liabilities	At closing rate
Share capital	At the rate the transaction was executed
Income and expenses	At average rate of exchange during the year
Cumulative translation adjustments	Shown under shareholders' equity in the consolidated financial statements

The above rates should not be construed that all assets, liabilities, income and expenses can be actually realized at those rates.

4.14 Impairment of assets

As at the statement of financial position date, the Group assesses whether there is an indication of asset impairment. If any such indication exists, the Group will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell. In determining fair value 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 Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

4.15 Employee benefits

Short-term employment benefits

The Group recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Group and its 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 recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Group has obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate and mortality rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.

4.16 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets that are recognized in profit or loss.

Cost of borrowing that does not relate to the acquisition, construction or asset production that falls into the condition is recognized in the profit or loss using the effective rate

4.17 Income tax expense

Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Group records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. And less certain transactions which are exemption or allowable from income tax.

Some subsidiary records income tax expense, if any, based on the amount currently payable under the Revenue Code. Income tax is calculated at the tax rates from net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. And less certain transactions which are exemption or allowable from income tax. Income tax is calculated at the rates as follows.

	<u>Tax rate</u>
<u>Net profit before income tax</u>	
Less than 300,000 Baht	exempted
300,000 - 3,000,000 Baht	15%
More than 3,000,000 Baht	20%

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Group expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4.18 Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling on the balance sheet. Gains and losses from the translation are included in determining the statement of comprehensive income. Premiums or discounts on forward exchange contracts are amortized on a straight-line basis over the term of the agreement.

4.19 Provision

A liability provision is recognized when there is a present obligation which arises as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.20 Earnings per share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares which are issued during the year and held by outside party.

Diluted earnings per share is computed by dividing profit for the year by the aggregate amount of weighted average number of ordinary shares which are issued during the year and the weighted average number of ordinary shares which the Company may have to issue for conversion of warrants to ordinary shares.

4.21 Critical accounting estimates, assumption and judgments

Construction revenues

The stage of completion of any construction contract is assessed by management by taking into consideration all information available at the reporting date. In this process, management carries out significant judgement about milestone, actual work performed and the estimated costs to complete the work. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion. Actual outcome, in terms of actual costs or revenues, may be higher or lower than estimates at the reporting date, which would affect the revenues and profit to be recognized in future years will be accounted for as an adjustment to the amounts recorded to date.

Allowance for project losses

The Company reviews its construction work in progress to determine whether there is any indication of foreseeable losses. Identified possible losses are recognized immediately in the statement of comprehensive income when it is probable that total contract costs will exceed total contract revenues as determined by the management.

Allowance for decline value, slow-moving and defective inventories

The Group estimates allowances for decline value, slow-moving and defective inventories to reflect impairment of inventories. The allowances are based on the consideration of inventory turnovers and deterioration of each category.

Allowance for expected credit losses of account receivables

Applicable prior to January 1, 2020

In determining an allowance for expected credit losses of account receivables, the management needs to make judgement in selecting a method and make assumption as disclosed in Note 4.4 to the financial statement.

Impairment of receivables

Applicable prior to January 1, 2020

The Group account for allowance for doubtful accounts equal to the estimated collection losses that may incur should the customers be unable to pay for their accounts. The estimated losses are based on historical collection experiences couple with a review of outstanding receivables at the reporting date.

Impairment of investments

The Group treats investments as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is “significant” or “prolonged” requires management judgment.

Plant equipment and computer software

Management regularly determines the estimated useful lives and residual values of plant equipment and computer software and will revise the depreciation and amortization charge where useful lives and residual values previously estimated have changed or subject to be written down or if asset is no longer in used.

Impairment of non Financial Assets

The Group treat asset as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.

Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuation. Inherent within this calculation is assumption as to discount rate, future salary adjustment, mortality rate and other demographic factor. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality table for the country. Actual post-retirement cost may ultimately differ from this estimate.

Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Determining the lease term of contracts with renewal and termination options

The Group determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

5. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

As described in Note 3.2 to the interim financial statements, during the current period, the Group has impacts from the adoption of TFRSs related to financial instruments and TFRS 16. The cumulative effect of the changes in accounting policies are recognized as an adjustment to retained earnings as at January 1, 2020 and the comparative information was not restated.

The changes in accounting policies due to the adoption of above financial reporting standards are summarized below.

	In Thousand Baht			
	Consolidated financial statements			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
Statement of financial position				
Current assets				
Trade accounts receivable from sales and services - general companies	242,703	(381)	-	242,322
Other current assets	75,953	-	(10,555)	65,398
Non-current assets				
Other non-current financial assets	-	78,128	-	78,128
Investment-other companies	49,712	(49,712)	-	-
Right-of-use assets	-	-	215,884	215,884
Property, plant and equipment	2,787,032	-	(847)	2,786,185
Current liabilities				
Current portion of lease liabilities	-	-	15,790	15,790
Other current liabilities	265,170	-	(253)	(264,917)
Non-current liabilities				
Long-term loans from financial institutions	1,396,182	-	24,634	1,420,816
Lease liabilities	-	-	164,906	164,906
Other non-current liabilities	36,338	-	(595)	35,743
Unappropriated retained earnings	1,743,340	28,035	-	1,771,375

	In Thousand Baht			
	Separate financial statements			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
Statement of financial position				
Current assets				
Trade accounts receivable from sales and services - general companies	120,478	(381)	-	120,097
Other current receivables - related companies	339,509	(3,471)	-	336,039
Non-current assets				
Other non-current financial assets	-	78,128	-	78,128
Investment-other companies	49,712	(49,712)	-	-
Right-of-use assets	-	-	8,431	8,431
Current liabilities				
Current portion of lease liabilities	-	-	1,592	1,592
Non-current liabilities				
Lease liabilities	-	-	6,839	6,839
Unappropriated retained earnings	1,191,110	24,564	-	1,215,674

5.1 Financial instruments

The total impact on the retained earnings as at January 1, 2020 is as follows:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Unappropriated retained earnings as at December 31, 2019	1,743,340	1,191,110
Declining in allowance for loss of trade accounts receivable from sales and services	(381)	(381)
Declining from expected credit loss allowance of other current receivables	-	(3,471)
Increasing the valuation of fair value in equity instrument of the Company that is not listed company	28,416	28,416
Adjustment unappropriated retained earnings from adopting TFRS 9 as at January 1, 2020	28,035	24,564
Unappropriated retained earnings as at January 1, 2020 impacted only from TFRS 9 to adopt before adjust the impact from TFRS 16	1,771,375	1,215,674

On January 1, 2020 (the date of initial application), the Group's management has assessed which business models applied to the financial assets and liabilities held by the Group and has classified the financial assets and liabilities as below.

	In Baht		
	Consolidated financial statements		
	FVPL	Amortized cost	Total
Financial assets as at January 1, 2020			
Cash and cash equivalents	-	826,018	826,018
Trade accounts receivable from sales and services			
- general companies	-	242,703	242,703
- related companies	-	5,306	5,306
Other current receivables			
- general companies	-	29,464	29,464
- related companies	-	1,602	1,602
Trade accounts receivable from construction work	-	23,940	23,940
Current contract assets	-	19,077	19,077
Other current assets	-	75,952	75,952
Restricted deposit with bank	-	5,034	5,034
Trade and other non-current receivables	-	53,867	53,867
Other non-current financial assets	78,128	-	78,128
Other non-current assets	-	16,557	16,557
	<u>78,128</u>	<u>1,299,520</u>	<u>1,377,648</u>

Financial assets valued at fair value through profit and loss as at December 31, 2020 had transactions as follows:

	In Thousand Baht	
	Consolidated financial statements	
Other non-current financial assets as at January 1, 2020		
Equity instrument		78,128
Total other non-current financial assets		<u>78,128</u>

	In Thousand Baht	
	Consolidated financial statements	
	Amortized cost	Total
Financial liabilities as at January 1, 2020		
Short-term loans from related companies	53,500	53,500
Trade accounts payable - general companies	159,639	159,639
Trade and other current payables - related companies	42,989	42,989
Other current payable - general companies	127,651	127,651
Current contract liabilities	14,265	14,265
Other current liabilities	264,917	264,917
Long-term loans from financial institutions	1,420,816	1,420,816
Lease liabilities	180,696	180,696
Other non-current liabilities	35,743	35,743
	<u>2,300,216</u>	<u>2,300,216</u>

	In Thousand Baht		
	Separate financial statements		
	FVPL	Amortized cost	Total
Financial assets as at January 1, 2020			
Cash and cash equivalents	-	278,149	278,149
Trade accounts receivable from sales and services			
- general companies	-	120,478	120,478
- related companies	-	7,312	7,312
Other current receivables			
- related companies	-	339,509	339,509
Trade accounts receivable from construction work	-	23,940	23,940
Current contract assets	-	19,077	19,077
Advance for purchase of inventories	-	185,000	185,000
Short-term loan to related companies	-	59,870	59,870
Other current assets	-	4,912	4,912
Restricted deposit with bank	-	47,534	47,534
Trade and other non-current receivables	-		
Other non-current financial assets	78,128	-	78,128
Other non-current assets	-	691	691
	<u>78,128</u>	<u>1,086,472</u>	<u>1,164,600</u>

Financial assets valued at fair value through profit and loss as at December 31, 2020 had transactions as follows:

	In Thousand Baht
	Separate financial statements
Other non-current financial assets as at January 1, 2020	
Equity instrument	78,128
Total other non-current financial assets	<u>78,128</u>

	In Thousand Baht	
	Separate financial statements	
	Amortized cost	Total
Financial liabilities as at January 1, 2020		
Trade accounts payable - general companies	130,597	130,597
Trade and other current payables - related companies	88,926	88,926
Other current payable - general companies	125,904	125,904
Current contract liabilities	14,265	14,265
Other current liabilities	64,171	64,171
Long-term loans from financial institutions	12,967	12,967
Lease liabilities	8,431	8,431
Other non-current liabilities	35,740	35,740
	<u>481,001</u>	<u>481,001</u>

Impairment of financial assets

The Group have trade receivables that are subject to the expected credit loss model. The Company and its subsidiaries have trade receivables and long-term loans to related parties that are subject to the expected credit loss model.

Trade receivables

The Group apply the simplified approach to measuring expected credit losses, which use a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced and the impact of potential factor to the expected loss rates.

Trade receivables and other current receivables

The loss allowance for trade receivables and other current receivables as at December 31, 2019 is reconciled to the opening loss allowance for trade receivables as at January 1, 2020 as follow:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
<u>Loss allowance for trade receivables and other current receivables</u>		
As at December 31, 2019	3,129	2,233
Amounts restated through opening unappropriated retained earnings	381	3,851
Opening loss allowance as at January 1, 2020	<u>3,510</u>	<u>6,084</u>

5.2 Leases

These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. The Group incremental borrowing rates applied to the lease liabilities as at January 1, 2020 rates 6.013 per annum.

For leases previously classified as finance leases applying TAS 17, the Group reclassified the carrying amount of the lease assets and lease liabilities immediately before adoption of TFRS 16 as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Operating lease commitments disclosed as at December 31, 2019	212,836	8,475
<u>Less</u> Short-term leases recognized on a straight-line basis as expenses	(222)	(195)
<u>Add</u> Purchase or extension options reasonably certain to be exercised	5,567	5,178
<u>Less</u> Contracts reassessed as service agreements	(8,069)	-
Difference from exchange rate	(5,600)	-
	204,512	13,458
<u>Less</u> : Deferred interest expenses	(24,664)	(5,027)
Additional lease liabilities from TFRS 16 adoption	179,848	8,431
Finance lease liabilities as at December 31, 2019	848	-
Lease liabilities recognized as at January 1, 2020	180,696	8,431
Of which are:		
Current lease liabilities	15,790	1,592
Non-current lease liabilities	164,906	6,839
	180,696	8,431

The recognized right-of-use assets relate to the following types of assets:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
As at January 1, 2020		
Land	192,721	3,678
Building and building improvements	10,827	-
Machinery and equipment	1,858	-
Vehicles	10,478	4,753
Total right-of-use assets	215,884	8,431

6. RELATED PARTY TRANSACTIONS

During the period, the Company had significant business transactions with its subsidiaries (which have already been eliminated in the preparation of consolidated financial statements) and related companies (related by ways of common shareholders and/or common directors). These transactions follow the trade terms and rules agreed between the Company and those companies in the normal course of business.

Detail of relation between the Company and its related parties and companies are summarized as follows :

Name	Country of incorporation	Type of Business	Relationship
Sri Chareon International Co., Ltd.	Thailand	Distribution of office furniture, office furniture and industrial parts	Subsidiary company
Siam Steel OC Co., Ltd.	Thailand	Distribution of equipment, office furniture and industrial parts	Subsidiary company
Siam International Energy Co., Ltd.	Thailand	Investment in alternative energy	Subsidiary company
Siam Okamura Steel Co., Ltd.	Thailand	Manufacturing of steel office furniture	Subsidiary company
Bangphra Green Energy Co., Ltd.	Thailand	Manufacturing and distribution of solar equipment and investment in solar energy plant project	Indirect subsidiary company
Siam International Biomass Co., Ltd.	Thailand	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel	Indirect subsidiary company
Siam Biomass Product Co., Ltd.	Thailand	Purchase, manufacturing and distribution of fuel stick from waste biomass and other fuel for use as fuel	Indirect subsidiary company
Siam Forest Management Co., Ltd.	Thailand	Manufacturing and distribution of fuel stick from waste biomass and other for use as fuel	Indirect subsidiary company
Siam Biomass Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of renewable energy	Indirect subsidiary company
Rich Solar Energy Godo Kaisha Co., Ltd.	Japan	Manufacturing and distribution of solar energy	Indirect subsidiary company
Siam Steel Service Center Plc.	Thailand	Manufacturing and distribution of primary steel parts for various industries	Associated company
Siam Okamura International Co., Ltd.	Thailand	Distribution of office furniture and furniture used for public	Associated company
Unity Service Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Co-director
Formica (Thailand) Ltd.	Thailand	Manufacturing and distribution of plastic laminate products	Co-director

Name	Country of incorporation	Type of Business	Relationship
Panasonic SPT (Thailand) Co., Ltd.	Thailand	Manufacturing and distribution of electrical appliance and supplies for construction such as electric wire, pipe and downstream equipment	Co-director
Siam Chitose Co., Ltd.	Thailand	Manufacturing and distribution of furniture and furniture parts.	Co-director
Lucky-Kingdom Center (Nakomratchasima) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Lucky-Kingdom Center (Chiangmai) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Union Autoparts Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of motorcycles and motorcycle parts.	Co-director
Hirokoh (Thailand) Co., Ltd.	Thailand	Distribution and rental of movable instant office, movable instant restroom	Co-shareholder

As at December 3, 2020 and December 31, 2019 the account balances with related companies are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade accounts receivable from sales and services				
Subsidiary companies	-	-	1,444	2,006
Associated companies	10,946	51	36	51
Related companies	1,348	5,255	1,348	5,255
Total trade accounts receivable from sales and services - related companies	<u>12,294</u>	<u>5,306</u>	<u>2,828</u>	<u>7,312</u>
Other current receivables				
Subsidiary companies	-	-	214,548	337,907
Associated companies	573	1,602	573	1,602
Total other current receivables	573	1,602	215,121	339,509
<u>Less</u> Allowance for expected credit losses / Allowance for doubtful debts	(123)	-	(3,594)	-
Net	<u>450</u>	<u>1,602</u>	<u>211,527</u>	<u>339,509</u>
There is no interest charge for the above other current receivables				

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Other current asstes - investment in energy project				
Subsidiary companies	-	-	-	47,510
Short-term loans	-	-	100,000	185,000
<u>Less</u> Allowance for expected credit losses /				
Allowance for doubtful debts	-	-	(1,561)	-
Subsidiary companies	-	-	98,439	185,000

Movements in short-term loans to subsidiary companies for the years ended December 31, 2020 and 2019 are as follows :

	In Thousand Baht			
	Separate financial statements			
	As at December 31, 2019	Increase	Decrease	As at December 30, 2020
Siam International Energy Co., Ltd.	185,000	100,000	(185,000)	100,000
Total short-term loans	185,000	100,000	(185,000)	100,000

	In Thousand Baht			
	Separate Financial Statements			
	As at December 31, 2018	Increase	Decrease	As at December 31, 2019
Siam International Energy Co., Ltd.	185,000	-	-	185,000
Siam Biomass Manufacturing Ltd.	-	51,000	(51,000)	-
Total Short-term loans	185,000	51,000	(51,000)	185,000

Short-term loans from related companies as at December 31, 2020 and 2019 the subsidiarity and indirect subsidiary companies have issued promissory note to the Company of Baht 100.00 million and Baht 185 million. The repayment period in June 30, 2021 and in May 17, 2020 respectively. The interest rate is 1.50 per annum and 7.80 per annum, respectively.

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 30, 2020	As at December 31, 2019	As at December 30, 2020	As at December 31, 2019
Short term loans - related companies	64,550	53,500	-	-

Movements in short-term loans of the indirect subsidiary companies for the years ended December 31, 2020 and 2019 are as follows :

	In Thousand Baht			
	Consolidated financial statements			
	As at December 31, 2019	Increase	Decrease	As at December 30, 2020
Short term loans - related companies	53,500	52,750	(41,700)	64,550

	In Thousand Baht			
	Consolidated Financial Statements			
	As at December 31, 2018	Increase	Decrease	As at December 31, 2019
Short term loans - related companies	54,500	74,500	(75,500)	53,500

As at December 31, 2020 and December 31, 2019, the indirect subsidiary received short-term loan from the related company in the amount of Baht 64.55 million and Baht 53.50 million, respectively. The repayment period is during January 18, 2021 - December 31, 2021 and January 20, 2020 - September 11, 2020, respectively. The interest rate is 1.00 - 2.50 per annum and 1.48 - 2.50% per annum, respectively.

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade and other current payables				
- related companies				
Accounts payables				
Subsidiary companies	-	-	8,070	-
Associated companies	14,601	21,482	14,601	11,185
Related companies	6,696	12,796	696	4,842
Total account payable - related companies	21,297	34,278	23,367	16,027
Advances from				
Subsidiary companies	-	-	-	65,060
Associated companies	-	60	-	60
Related companies	2,550	2,812	626	1,855
Total advances - related companies	2,550	2,872	626	66,975
Advances and deposits from customers				
Subsidiary companies	-	-	85	85
Associated companies	689	1,793	689	1,793
Related companies	4,046	4,046	4,046	4,046
Total advances and deposits from customers - related companies	4,735	5,839	4,820	5,924
Total trade and other current payables - related companies	28,582	42,989	28,813	88,926

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Lease liabilities				
Related companies	5,622	-	5,622	-
Key management personnel compensation				
Accrued bonus	1,650	1,587	1,628	1,564
Post - employment benefits	824	15,362	755	15,268
Total key management personnel compensation	2,474	16,949	2,383	16,832

The significant transactions with related companies for the year ended December 31, 2020 and 2019 have pricing policy as follows :

	The Policy of Pricing
Sales and services	Cost plus margin or agreed price
Revenues from sales of raw materials, factory supplies and others	Cost plus margin
Rental revenue	Agreed price
Interest income	Agreed rate
Dividend income	As announced
Purchases of finished goods	Agreed price
Purchases of raw materials	Cost plus margin or agreed price
Purchases of assets	Agreed price
Administrative and other expenses	Cost plus margin or agreed price
Financial cost	Agreed rate

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Sales and services income				
Subsidiary companies	-	-	12,381	16,648
Associated companies	113,179	646	1,980	94
Related companies	3,610	33,144	3,610	33,144
	116,789	33,790	17,971	49,886
Revenues from sales of raw materials, factory supplies and others				
Subsidiary companies	-	-	6,304	21,038
Associated companies	4,078	6,104	3,400	5,399
Related companies	11,596	15,572	11,596	15,537
	15,674	21,676	59,523	41,974

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Rental revenue				
Subsidiary companies	-	-	3,053	3,680
Associated companies	3,653	7,173	3,653	7,173
Related companies	16,181	15,641	16,184	15,641
	<u>19,837</u>	<u>22,814</u>	<u>22,890</u>	<u>26,494</u>
Interest income				
Subsidiary companies	-	-	14,563	14,980
	<u>-</u>	<u>-</u>	<u>14,563</u>	<u>14,980</u>
Dividend income				
Subsidiary companies	-	-	34,575	3,672
Associated companies	-	-	28,639	24,033
Related companies	15,533	27,297	15,533	27,297
	<u>15,533</u>	<u>27,297</u>	<u>78,747</u>	<u>55,002</u>
Purchases of finished goods				
Subsidiary companies	-	-	20,527	170
Associated companies	10,083	164,725	1,394	20,921
Related companies	9,974	34,122	7,606	2,807
	<u>20,056</u>	<u>198,847</u>	<u>29,527</u>	<u>23,898</u>
Purchases of raw materials				
Subsidiary companies	-	-	8,610	-
Associated companies	17,765	9,814	17,743	9,814
Related companies	7,969	8,865	6,186	8,865
	<u>25,734</u>	<u>18,679</u>	<u>32,539</u>	<u>18,679</u>
Purchases of assets				
Associated companies	3,224	800	3,224	800
Related companies	2,136	2,873	2,136	2,873
	<u>5,360</u>	<u>3,673</u>	<u>5,360</u>	<u>3,673</u>
Administrative and other expenses				
Subsidiary companies	-	-	3	240
Associated companies	2,216	21,871	-	84
Related companies	13,117	11,128	9,073	11,140
	<u>15,334</u>	<u>32,999</u>	<u>9,076</u>	<u>11,464</u>
Finance costs				
Related companies	1,449	1,596	-	-
	<u>1,449</u>	<u>1,596</u>	<u>-</u>	<u>-</u>

Management benefit expenses

Management benefit expenses represent the benefits paid to the Group's management such as salaries and related benefit including the benefit paid by other means. The Group's management is the persons who are defined under the Securities and Exchange Act.

Management benefit expenses for the year ended December 31, 2020 and 2019, are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Management				
Management benefit expenses				
Short-term employee benefits	24,523	21,666	22,944	19,887
Post-employment benefits	824	2,579	755	2,562
Total	<u>25,347</u>	<u>24,245</u>	<u>23,699</u>	<u>22,449</u>

7. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2020	2019	2020	2019
Cash	245	329	165	180
Deposits with financial institutions				
- Current accounts	22,547	255,168	4,753	1,850
- Savings accounts	431,405	570,521	249,926	276,119
- Fixed accounts	6,310	-	-	-
Total	<u>460,507</u>	<u>826,018</u>	<u>254,844</u>	<u>278,149</u>

Savings deposits with banks bear interest at the floating rates determined by banks.

8. TRADE ACCOUNTS RECEIVABLE FROM SALES AND SERVICES

As at December 31, 2020 and 2019, the aged analysis of trade accounts receivable are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
<u>Trade accounts receivable - general companies</u>				
Current	136,190	172,968	93,190	112,574
Overdue :				
Less than 3 months	14,926	59,284	2,146	4,085
3 months - 6 months	144	5,410	144	23
6 months - 12 months	118	611	118	423
Over 12 months	3,367	4,139	2,489	2,186
Total	154,745	242,412	98,087	119,291
<u>Less</u> Allowance for doubtful debts	(3,535)	(3,129)	(2,658)	(2,233)
Net	151,210	239,283	95,429	117,058
Accrued income	4,457	3,420	4,457	3,420
Total	155,667	242,703	99,886	120,478
<u>Trade accounts receivable - related companies</u>				
Current	12,186	5,263	2,250	5,985
Overdue :				
Less than 3 months	108	43	108	706
3 months - 6 months	-	-	-	20
Total	12,294	5,306	2,358	6,711
Accrued income	-	-	470	601
Total	12,294	5,306	2,828	7,312
Trade accounts receivable from construction work				
<u>Trade accounts receivable - general companies</u>				
Current	55,727	23,940	55,727	23,940
Total	55,727	23,940	55,727	23,940

During the year, the movements in allowance for doubtful accounts are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Beginning as at January 1,	3,129	6,339	2,233	2,026
Adjustment to unappropriated retained earnings from adoption of TFRS 9	381	-	381	-
<u>Add</u> Additional allowances	921	238	44	238
<u>Less</u> Reversing of allowances	-	(1,177)	-	(31)
Written-off allowances	-	(111)	-	-
Decrease from the loss of control in subsidiary	(896)	-	-	-
Transfer allowance for doubtful debts to non-current assets	-	(2,160)	-	-
Ending as at December 31,	<u>3,535</u>	<u>3,129</u>	<u>2,658</u>	<u>2,233</u>

During 2019, the Group had a reversal of allowance for doubtful accounts caused by receiving a refund from customer amounted Baht 1,177,172.43 and written-off amounted Baht 110,957.80 (Company only caused by receiving a refund from customer amounted Baht 31,192.16). And transfer allowance for doubtful debts to non-current assets amounted Baht 2,159,728.97.

9. INVENTORIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	118,984	149,052	68,536	95,676
Work in process	38,707	35,608	25,563	35,608
Raw materials and supplies	106,849	60,292	53,983	58,363
Total	264,540	244,952	148,082	189,647
<u>Less</u> Allowance for decline in value, slow-moving and defective inventories	(22,733)	(25,313)	(19,944)	(19,427)
Net	<u>241,807</u>	<u>219,639</u>	<u>128,138</u>	<u>170,220</u>

Movement in allowance for decline in value, slow-moving and defective inventories for the year end December 31, 2020 and 2019 are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Beginning as at January 1,	25,313	32,111	19,427	17,243
<u>Add</u> Additional allowances	3,168	2,286	517	2,184
<u>Less</u> Decrease	(120)	(9,084)	-	-
<u>Add</u> Net asset from the business acquisition	136	-	-	-
<u>Less</u> Decrease from the loss of control in subsidiary	(5,764)	-	-	-
Ending as at December 31,	<u>22,733</u>	<u>25,313</u>	<u>19,944</u>	<u>19,427</u>

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Cost of inventory recorded as expense in cost of sales				
- Cost	1,276,540	1,583,238	704,223	983,727
- Additional allowances	3,166	2,286	517	2,184
- Reversing of allowances	(135)	(2,956)	-	-
Ending as at December 31,	<u>1,279,571</u>	<u>1,582,568</u>	<u>704,740</u>	<u>985,911</u>

10. OTHER CURRENT ASSETS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Prepaid expenses	4,418	22,348	2,276	4,626
Prepaid insurance	2,915	1,455	1,025	1,113
Undue input VAT	4,307	6,861	2,406	5,234
Refundable value added tax	10,474	29,945	-	-
Advance payment	13,084	16,917	12,782	13,316
Investment in Energy Project	-	-	-	68,250
Others	9,398	31,390	1,632	295
Total	<u>44,596</u>	<u>108,916</u>	<u>20,121</u>	<u>92,834</u>
<u>Less</u> Allowance for doubtful debts of loan				
accrued interest	(12,224)	(12,223)	(12,223)	(12,223)
Allowance for decline in value of investment in the energy project		(20,741)	-	(20,741)
Allowance for advance receivable	(80)	-	-	-
Total	<u>(12,304)</u>	<u>(32,964)</u>	<u>(12,223)</u>	<u>(32,964)</u>
Net	<u><u>32,292</u></u>	<u><u>75,952</u></u>	<u><u>7,898</u></u>	<u><u>59,870</u></u>

The indirect subsidiary company have entered into the Technical Service Agreement for Torrefaction Biomass Pellet with 2 third - party and the Company. This agreement has the objective for research and development of Torrefaction biomass pellet with FSC certificate. It is operated by the indirect subsidiary company. The monthly fee for service shall be calculated according to the actual cost, which the indirect subsidiary company took to provide service in the month. The Company and the third - party make payment for one third of the actual cost for each company. Moreover, the indirect subsidiary company called for investment from 3 companies equally. Baht 68.78 million each. The Company has recognized the billing amount in “Investment in Energy Project” and the indirect subsidiary company has recognized it in Cash received for using in “Energy Project” (Refer to Note 34).

On December 22, 2019, the indirect subsidiary terminated the agreement so the Company has considered the recovery value from investment in the energy project. The management has estimated an allowance for decline in value of investment to Baht 20.74 million as presented in the statement of comprehensive income under administrative expenses.

In 2020, the Company had considered write off investment in energy projects as a loss due to such investment was unable to provide the Company with future economic benefits and the Company recognized the loss from the investment in additional energy projects in the year 2020 amounted Baht 45.26 million as presented in the statement of comprehensive income under administrative expenses.

11. RESTRICTED DEPOSITS WITH BANK

As at December 31, 2020 and 2019, the Company has fixed deposits totaling Baht 5.42 million and Baht 4.91 million, respectively, which are restricted for usage as they have been placed as collaterals for long-term loan from financial institutions, insurance of guarantee letter and credit card limit (Note 19).

As at December 31, 2020 and 2019, the subsidiaries company have fixed deposits totaling Baht 0.03 million and Baht 0.12 million, respectively, which are restricted for usage as they have been placed as collaterals for bank guarantees in respect of certain agreements required in the normal course of business of the subsidiaries company.

12. OTHER NON-CURRENT FINANCIAL ASSETS

As at December 31, 2020 and January 1, 2020, details of other non-current financial assets are as follows :

		In Thousand Baht									
		Consolidated / Separate financial statements									
		Paid-up share capital		Percentage of shareholding (%)		Cost method		Fair Value method		Dividend income	
		As at	As at	As at December	As at	As at	As at	As at	As at	As at	As at
		December	January	31, 2020	January	December	December	December	January	December	December
Type of business		31, 2020	1, 2020		1, 2020	31, 2020	31, 2019	31, 2020	1, 2020	31, 2020	31, 2019
<u>Other investment</u>											
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052	42,258	42,258	15,534	25,391
Panasonic SPT (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660	35,870	35,870	-	1,906
Total other non-current financial assets						49,712	49,712	78,128	78,128	15,534	27,297

As at December 31, 2019, present in general investment - related companies.

13. INVESTMENTS IN SUBSIDIARY COMPANIES AND ASSOCIATED COMPANIES

13.1 As at December 31, 2020 and December 31, 2019, the balances of investments in subsidiaries, associated companies and related companies are as follows :

		In Thousand Baht									
		Consolidated financial statements									
		Paid-up share capital		Percentage of shareholding (%)		Cost method		Equity method		Dividend income	
		As at	As at	As at	As at	As at	As at	As at	As at	As at	As at
		December	December	December	December	December	December	December	December	December	December
Type of business		31, 2020	31, 2019	31, 2020	31, 2019	31, 2020	31, 2019	31, 2020	31, 2019	31, 2020	31, 2019
<u>Investments</u>											
<u>Associated companies - equity method</u>											
Siam Okamura Steel Co., Ltd.	Manufacturing of steel office furniture	88,000	88,000	40	40	-	35,199	-	104,421	-	-
Siam Steel Service Center Public Co., Ltd.	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	666,527	673,335	24,033	24,033
Siam Okamura International Co., Ltd.	Distribution of office furniture and furniture used for public	20,000	-	49	-	9,799	-	142,859	-	4,605	-
						<u>137,227</u>	<u>162,627</u>	<u>809,386</u>	<u>777,756</u>	<u>28,638</u>	<u>24,033</u>
<u>Indirect associated company - equity method</u>											
Lucky-Kingdom Center Co., Ltd.	Investment in shares	12,000	12,000	40	40	4,800	4,800	4,994	4,996	-	-
Total investments in associated companies - equity method								<u>814,380</u>	<u>782,752</u>	<u>28,638</u>	<u>24,033</u>
<u>Related companies - cost method</u>											
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated product	199,150	199,150	-	5	-	38,052			-	15,434
Panasonic SPT (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	-	5	-	11,660			-	1,905
Total investment in related companies						<u>-</u>	<u>49,712</u>			<u>-</u>	<u>17,339</u>

		In Thousand Baht							
		Separate financial statements							
Type of business		Paid-up share capital		Percentage of shareholding (%)		Cost method		Dividend income	
		2020	2019	2020	2019	2020	2019	2020	2019
<u>Investments accounted by cost method</u>									
<u>Subsidiary companies</u>									
Sri Chareon International Co., Ltd.	Distribution of steel office furniture and furniture parts	14,000	14,000	99.99	99.99	14,000	14,000	-	-
Siam Okamura International Co., Ltd.	Distribution of office furniture and furniture used for public	-	20,000	-	51	-	10,199	33,148	3,672
Siam Steel OC Co., Ltd.	Distribution of equipment, office furniture and industrial parts	20,000	20,000	51	51	10,200	10,200	-	-
Siam International Energy Co., Ltd.	Investment in alternative energy	160,000	160,000	99.99	99.99	160,000	160,000	-	-
Siam Okamura Steel Co., Ltd.	Manufacturing of steel office furniture	-	-	-	-	69,165	-	1,427	-
Total investment in subsidiary companies						253,365	194,399	34,575	3,672
<u>Less</u> Allowance for impairment of investment						(8,192)	(8,192)	-	-
Net						245,173	186,207	34,575	3,672
<u>Associated companies</u>									
Siam Okamura Steel Co., Ltd.	Manufacturing of steel office furniture	88,000	88,000	-	40	-	35,199	-	-
Siam Steel Service Center Public Co., Ltd.	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	24,033	24,033
Siam Okamura International Co., Ltd.	Distribution of office furniture and furniture used for public	20,000	-	49	-	9,799	-	4,605	-
Total investment in associated companies						137,227	162,627	28,638	24,033
<u>Related companies</u>									
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	-	5	-	38,052	-	25,391
Panasonic SPT (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	-	5	-	11,660	-	1,906
Total investments in related companies						-	49,712	-	27,297
Total dividend income from investments accounted by cost method								63,213	55,002

Associated companies

The following table summarizes the financial information of the significant associated companies as included in their own financial statements. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in these associates.

	In Thousand Baht					
	Siam Okamura Internatioal Co., Ltd.		Siam Okamura Steel Co., Ltd.		Siam Steel Service Center Public Company Limited	
	2020	2019	2020	2019	2020	2019
Revenue	417,863	-	-	510,628	3,171,475	3,977,614
Profit (loss) for the year	(8,401)	-	-	(5,944)	75,421	118,667
Other comprehensive income (loss)	347	-	-	(4,325)	275	118
Total comprehensive income (loss)	(8,054)	-	-	(10,269)	75,696	118,785
Attributable to profit (loss) for the year						
Attributable to non - controlling interest	(4,285)	-	-	(2,378)	58,255	91,750
Attributable to investee's shareholders	(4,116)	-	-	(3,566)	17,166	27,035
Attributable to comprehensive for the year						
Attributable to non - controlling interest	177	-	-	(1,730)	212	91
Attributable to investee's shareholders	170	-	-	(2,595)	63	27
Current assets	321,352	-	-	224,093	2,122,139	2,371,766
Non-current assets	40,530	-	-	183,633	1,175,993	1,220,158
Current liabilities	(38,141)	-	-	(94,716)	(353,738)	(620,025)
Non-current liabilities	(14,770)	-	-	(17,216)	(100,256)	(97,857)
Net assets	308,971	-	-	295,794	2,844,138	2,874,042
Attributable to non - controlling interest	157,575	-	-	118,318	2,196,812	2,219,910
Attributable to investee's shareholders	151,396	-	-	177,476	647,326	654,132

13.2 As at December 31, 2020 and 2019, the fair value of the investment in Siam Steel Service Center Public Company Limited, which is listed on the Stock Exchange of Thailand, amounted to Baht 340.84 million (closing price Baht 2.34 per share, 145,656,000 common shares) and Baht 300.05 million (closing price Baht 2.06 per share, 145,656,000 common shares), respectively. For other investments in associates are not publicly listed on the Stock Exchange of Thailand and consequently do not have published price.

- 13.3 Movements in investments in associated companies for the years ended 31 December 2020 and 2019 are as follows:

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	2020	2019	2020	2019
Book value - beginning as at January 1,	782,752	783,804	162,627	162,627
<u>Add</u> : Share of profit from investment - in associated companies	13,545	22,981	-	-
<u>Less</u> : Dividend income	(28,639)	(24,033)	-	-
<u>Add</u> Loss of control companies	152,939	-	9,799	-
<u>Less</u> Change from the associates to subsidiary	(106,217)	-	(35,199)	-
Book value - net as at December 31,	<u>814,380</u>	<u>782,752</u>	<u>137,227</u>	<u>162,627</u>

- 13.4 Change of the subsidiary and associate companies during the year 2020.

Siam Okamura Steel Company Limited

On January 31, 2020, the Company has acquired 11% additional shares of Siam Okamura Steel Company Limited from the original shareholders which the Company formerly held 40% of the shares. As a result, the total shareholding is 51% of the total sold shares of such company. The objective of investment is implementation of the Company's asset rotation for Baht 33.97 million. After the share transfer, such company will change from the associate to the subsidiary and it has been included in the consolidated financial statements preparation from January 31, 2020, onwards.

Presently the Company is currently completed of valuation of the fair value of the assets acquired and liabilities received as at the acquisition date. This valuation is currently in the process of being prepared, which will be completed within the period of 12 months from the date of acquisition as stipulated in the financial reporting standards No. 3 : Business Combinations. During this valuation period, the Company will retrospectively adjust the estimate previously recognized as at the acquisition date to reflect the additional information obtained regarding the facts and circumstances prevailing as at the acquisition date.

The value of acquired assets and the liabilities received from the shares of Siam Okamura Steel Company Limited as at January 31, 2020, which is the closest date to the business acquisition date, consisted of the following transactions:

	In Thousand Baht		
	Book value	Adjust fair value	Fair value
<u>Assets</u>			
Cash and cash equivalents	53,815	-	53,815
Trade and other current receivables	33,077	-	33,077
Inventory	130,353	-	130,353
Other current assets	4,465	-	4,465
Property, plant and equipment	180,118	194,267	374,385
Right-of-use assets	1,721	-	1,721
Other non-current asset	2,343	-	2,343
<u>Liabilities</u>			
Short-term loans from financial institutions	40,000	-	40,000
Trade and other current payable	49,673	-	49,673
Lease liabilities	1,726	-	1,726
Deferred tax liabilities	(3,465)	38,853	35,388
Non - current provisions for employee benefit	17,321	-	17,321
Net assets acquired	300,637	155,414	456,051
<u>(Less) non-controlling interest 49%</u>			(223,465)
Net assets acquired from the additional purchase			232,586
<u>(Less) Cost of acquiring an investment 11%</u>			(33,965)
Fair value of the subsidiary's shares - previously held 40%			(182,420)
Negative goodwill			16,201
Fair value of shares of subsidiary previously held			182,420
<u>(Less) Investment value under the equity method as at January 31, 2020</u>			(106,188)
Gain from revalued of investment			76,232
Cost of acquiring an investment			33,965
<u>(Less) cash and cash equivalents of the acquired company</u>			(53,814)
Cash inflow on acquisition of investment, net of cash and cash equivalents acquired			(19,849)

Siam Okamura International Company Limited

The Company has sold the investment in Siam Okamura International Company Limited of 4,000 shares at the selling price Baht 1,560.715 per share, totaling Baht 6.24 million. The investment has cost per book value in the amount of Baht 0.40 million. The Company has gain from sale of investment in the subsidiary in the amount of Baht 5.84 million as shown in the separate statement of comprehensive income under “Gain on sale of investment in the subsidiary company”. The Company records the resulting difference that arises from the loss of control in the subsidiary as profit (loss) for the period in the consolidated financial statements that are presented as follows:

	<u>In Thousand Baht</u>
The fair value of the consideration received	6,243
The fair value of the retained investment (49%)	152,939
The carrying amount of non-controlling interests	159,521
<u>(Less) Net assets in the subsidiary that are derecognized</u>	<u>(326,213)</u>
Loss from the loss of control in the subsidiary	<u>(7,510)</u>
Consisted of	
- Loss on sales of investment in subsidiary	(294)
- Loss from revalued of investment	(7,216)
	<u>(7,510)</u>

13.5 Significant change in indirect subsidiary and discontinued operations

The indirect subsidiary had sold the investment in subsidiary, Rich Solar Energy Godo Kaisha Co.,Ltd. On December 3, 2020, Bangphra Green Energy Co.,Ltd., an indirect subsidiary, had entered into TK Interest Transfer Agreement to sell the investment in Rich Solar Energy Godo Kaisha Co.,Ltd., a manufacturer and distributor solar electric power in Japan, at 50% of total investment in Rich Solar Energy Godo Kaisha Co.,Ltd. It was the total investment amount held by the indirect subsidiary under the agreement required to pay on December 28, 2020 amounted JPY 1,011.37 million (or Baht 289.95 million) and the indirect subsidiary had paid such amount. As a result, the indirect subsidiary had gained from sale of investment amounted Baht 119.40 million that stated as profit from on sales of investment in indirect subsidiary in profit and loss for the year in the consolidated financial statements. After such sale of investment, the Company had loss of control and had not been the status as related companies. Therefore, the Company had prepared the consolidated financial statements by consolidating the operation results of Rich Solar Energy Godo Kaisha Co.,Ltd. for the period from January 1, 2020 to December 31, 2020 (the close date to the day when loss of control).

The operating results of Rich Solar Energy Godo Kaisha Co.,Ltd. were separately presented under the heading of “Gain (loss) from discontinued operations for the year” in profit or loss in the statement of comprehensive income. The details are as follows:

	In Thousand Baht	
	2020	2019
Revenues	196,233	211,819
Cost of service	(87,959)	(84,247)
Gross profit	108,274	127,572
Other incme	3	5,711
Profit before expenses	108,277	133,283
Administrative expenses	(55,860)	(57,139)
Total expenses	(55,860)	(57,139)
Profit from operations	52,417	76,144
Finance costs	(20,465)	(20,803)
Profit before income tax expenses	31,952	55,341
Income tax expenses	(2,675)	(2,768)
Profit for the year	29,277	52,573
Other comprehensive income	-	-
Item subsequently reclassifiable to profit or loss	-	-
Exchange differences from foreign currency financial statement translation, net of tax	12,026	(12,386)
Other comprehensive income for the year	12,026	(12,386)
Total comprehensive income for the year from discontinued operation	41,303	40,187

Cash flow information from the discontinued operations for the years ended 31 December 2020 and 2019 are as follows:

	In Thousand Baht	
	2020	2019
Cash flows from (used in) operating activities	90,539	124,495
Cash flows used in investing activities	(7,057)	(24,274)
Cash flows from financing activities	(98,045)	(101,298)

Details of earnings per share of the discontinued operation are as below.

	2020	2019
Basic earnings per share (Baht)	0.025	0.044

14. NON - CONTROLLING INTERESTS

The following table summarizes the information relating to each of the Group's subsidiary companies that has a material non-controlling interest, before any intra-group eliminations:

	In Thousand Baht		
	Consolidated Financial Statements		
	Siam Okamura International Co., Ltd.	Siam Steel OC Co., Ltd.	Siam Forest Management Co., Ltd.
Non-controlling interest percentage	49%	49%	40%
Current assets	216,023	65,911	2,346
Non-current assets	175,148	2,066	81
Current liabilities	(94,198)	(43,643)	(13,639)
Non-current liabilities	(24,657)	(1,801)	-
Net assets	272,316	22,533	(11,212)
Book value of non - controlling interest	211,435	11,282	(4,485)
Revenue	452,801	182,763	1,055
Profit (loss) for the year	(16,909)	9,773	(16,065)
Comprehensive income (loss) for the year	-	-	-
Profit (loss) allocated to non-controlling interest	(8,285)	4,789	6,426
Comprehensive income (loss) allocated to non-controlling interest	-	-	-
Cash flows provided from (used in) operating activities	3,694	13,475	355
Cash flows provided from (used in) investing activities	(4,311)	320	-
Cash flows provided from (used in) financing activities	(5,611)	(824)	(250)
Exchange differences from translation of subsidiary	(272)	-	-
Net increase (decrease) in cash and cash equivalents	(6,500)	12,971	105

15. PROPERTY, PLANT AND EQUIPMENT

	In Thousand Baht							Total
	Consolidated Financial Statements							
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Intangibles Assets	Machinery and building under installation	
<u>At Cost</u>								
January 1, 2019	241,541	1,209,268	2,035,119	261,538	29,586	-	266,928	4,043,980
Increase	62,077	65,956	191,522	5,767	7,109	-	331,089	663,520
Disposal	-	(1,960)	-	(30,179)	(8,248)	-	(221,787)	(262,174)
Transfer in (out)	-	-	19,641	589	-	-	(7,092)	13,138
Exchange differences from translation of subsidiary	-	(15,077)	(76,155)	(1,888)	-	-	-	(93,120)
December 31, 2019	303,618	1,258,187	2,170,127	235,827	28,447	-	369,138	4,365,344
Effects of the adoption of TFRS 16 as at January 1, 2020	-	-	-	-	(1,050)	-	-	(1,050)
January 1, 2019	303,618	1,258,187	2,170,127	235,827	27,397	-	369,138	4,364,294
Increase	-	3,417	31,718	3,917	236	200	112,540	152,028
Net asset from the business acquisition	232,678	182,768	648,280	53,757	6,611	17,464	606	1,142,164
Disposal	-	(2,673)	(58,848)	(3,075)	(187)	-	(122,845)	(187,628)
Decrease from the loss of control in subsidiary	-	-	-	(57,510)	(794)	-	-	(58,304)
Declining from sale of indirect subsidiary	-	(267,834)	(1,399,688)	(217)	(2,403)	-	-	(1,670,142)
Transfer in (out)	-	116,341	1,889	1,172	-	-	(119,402)	-
Exchange differences from translation of indirect subsidiary	-	13,102	66,351	1,636	103	-	-	81,192
December 31, 2020	536,296	1,303,308	1,459,829	235,507	30,963	17,664	240,037	3,823,604
<u>Accumulated depreciation</u>								
January 1, 2019	-	637,606	574,849	239,474	22,422	-	-	1,474,351
Increase	-	30,355	76,191	12,218	2,545	-	-	121,309
Disposal	-	(1,960)	-	(30,098)	(8,248)	-	-	(40,306)
Transfer in (out)	-	-	17,281	(1)	-	-	-	17,280
Exchange differences from translation of indirect subsidiary	-	(141)	(635)	(63)	-	-	-	(839)
December 31, 2019	-	665,860	667,686	221,530	16,719	-	-	1,571,795
Effects of the adoption of TFRS 16 as at January 1, 2020	-	-	-	-	(203)	-	-	(203)

	In Thousand Baht							Total
	Consolidated Financial Statements							
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Intangibles Assets	Machinery and building under installation	
January 1, 2019	-	665,860	667,686	221,530	16,516	-	-	1,571,592
Increase	-	40,908	105,906	13,998	3,127	783	-	164,722
Net asset from the business acquisition	-	116,961	592,226	40,132	4,841	13,618	-	767,778
Disposal	-	(504)	(6,450)	(3,072)	(187)	-	-	(10,213)
Decrease from the loss of control in subsidiary	-	-	-	(39,953)	(470)	-	-	(40,423)
Declining from sale of indirect subsidiary	-	(31,349)	(14,2255)	(12,897)	(423)	-	-	(186,924)
Transfer in (out)	-	-	-	-	-	-	-	-
Exchange differences from translation of indirect subsidiary	-	726	3,276	323	(2)	-	-	4,323
December 31, 2020	-	792,602	1,220,389	220,061	23,402	14,401	-	2,270,855
<u>Allowance for impairments</u>								
January 1, 2019	6,517	-	-	-	-	-	-	6,517
Disposal	-	-	-	-	-	-	-	-
December 31, 2019	6,517	-	-	-	-	-	-	6,517
Disposal	-	-	-	-	-	-	-	-
December 31, 2020	6,517	-	-	-	-	-	-	6,517
<u>Net book value</u>								
December 31, 2019	297,101	592,327	1,502,441	14,297	11,728	-	369,138	2,787,032
December 31, 2020	529,779	510,706	239,440	15,446	7,561	3,263	240,037	1,546,232

As at December 31, 2020 and December 31, 2019, the indirect subsidiary has pledged land and machines that are currently and will increase in the future as collaterals for loan from banks (Note 19).

	In Thousand Baht							Total
	Separate Financial Statements							
	Land	Buildings and improvements	Leasehold right and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Machinery and building under installation	
<u>At Cost</u>								
January 1, 2019	220,581	915,150	-	587,886	206,106	27,550	180,635	2,137,908
Increase	62,077	4,183	-	6,311	1,339	3,995	328,041	405,946
Disposal	-	(1,960)	-	-	(27,871)	(8,000)	(221,788)	(259,619)
Transfer in (out)	-	-	-	19,641	589	-	(1,280)	18,950
December 31, 2019	282,658	917,373	-	613,838	180,163	23,545	285,608	2,303,185
Increase	-	3,334	-	1,020	1,314	-	109,437	115,105
Disposal	-	-	-	-	(2,565)	(187)	(40,069)	(42,821)
Transfer in (out)	-	114,512	-	-	-	-	(114,512)	-
December 31, 2020	282,658	1,035,219	-	614,858	178,912	23,358	240,464	2,375,469
<u>Accumulated depreciation</u>								
January 1, 2019	-	632,361	-	555,713	200,365	20,881	-	1,409,320
Increase	-	15,006	-	4,848	2,293	2,155	-	24,302
Disposal	-	(1,960)	-	-	(27,857)	(8,000)	-	(37,817)
Transfer in (out)	-	-	-	17,281	-	-	-	17,281
December 31, 2019	-	645,407	-	577,842	174,801	15,036	-	1,413,086
Increase	-	16,718	-	6,530	2,215	2,205	-	27,668
Disposal	-	-	-	-	(2,565)	(186)	-	(2,751)
Transfer in (out)	-	-	-	-	-	-	-	-
December 31, 2020	-	662,125	-	584,372	174,451	17,055	-	1,438,003

	In Thousand Baht							
	Separate Financial Statements							
	Land	Buildings and improvements	Leasehold right and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Machinery and building under installation	Total
<u>Allowance for impairments</u>								
January 1, 2019	6,517	-	-	-	-	-	-	6,517
Disposal	-	-	-	-	-	-	-	-
December 31, 2019	6,517	-	-	-	-	-	-	6,517
Disposal	-	-	-	-	-	-	-	-
December 31, 2020	6,517	-	-	-	-	-	-	6,517
<u>Net book value</u>								
December 31, 2019	276,141	271,966	-	35,996	5,362	8,509	285,608	883,582
December 31, 2020	276,141	373,094	-	30,486	4,461	6,303	240,464	930,949
<u>Depreciation for the year 2019</u>								
Cost of goods sold								12,654
Administrative expenses								11,648
Total								24,302
<u>Depreciation for the year 2020</u>								
Cost of goods sold								14,377
Administrative expenses								13,290
Total								27,667

As at December 31, 2020 and 2019, the gross carrying amount of fully depreciated building and equipment which are still in use amounted to Baht 2,083.25 million and Baht 1,418.76 million, respectively, for the consolidated financial statements, and amounted to Baht 1,388.83 million and Baht 1,389.30 million, respectively, for the separate financial statements.

16. RIGHT-OF-USE ASSETS

Right-of-use assets account during the year ended December 31, 2020 are summarized below.

	In Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at December 31, 2019	847	-
Effects of the adoption of TFRS 16	215,037	8,431
As at January 1, 2020	215,884	8,431
Increase during the year	19,997	6,649
Net asset from the business acquisition	1,721	-
Depreciation for the year	(16,913)	(2,929)
Decrease from the loss of control in subsidiary	(15,028)	-
Translation adjustment	10,026	-
Declining from sale of indirect subsidiary	(188,675)	-
Net book value as at December 31, 2020	<u>27,192</u>	<u>12,151</u>

17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

17.1 Deferred tax assets and deferred tax liabilities are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December	As at December	As at December	As at December
	31, 2020	31, 2019	31, 2020	31, 2019
Deferred tax assets	21,960	30,471	17,739	22,514
Deferred tax liabilities	(57,581)	(18,629)	(18,785)	(18,629)
	<u>(35,621)</u>	<u>11,842</u>	<u>(1,046)</u>	<u>3,885</u>

17.2 Changes in deferred tax assets and deferred tax liabilities for the year ended December 31, 2020 are summarized as follows :

In Thousand Baht							
Consolidated Financial Statements							
Balance as at	Net asset	Decrease from	Decrease from	Recognized as income (expense)		Balance as at	
December	from the	the loss of	sale indirect	Profit/ (Loss)	Other	December	
31, 2019	business	control in	subsidiaries		comprehensiv	31, 2020	
	acquisition	subsidiary			e income		
Deferred tax assets							
Allowance for doubtful accounts of trade							
accounts receivable from sales and service	3,396	-	(483)	-	47	-	2,960
Allowance for decline value in inventories	5,038	-	(1,149)	-	657	-	4,546
Provisions for employee benefit	11,609	3,464	(848)	-	(1,778)	(1,043)	13,490
Exchange differences on translating	5,411	-	-	(2,405)	-	(3,006)	-
Consignment	869	-	-	-	95	-	964
Allowance for decline in value of investment							
in the energy project	4,148	-	-	-	(4,148)	-	-
Total	30,471	3,464	(2,480)	(2,405)	(5,127)	(1,963)	21,960
Deferred tax liabilities							
The difference of depreciation of fixed assets							
between accounting base and tax base	18,629	-	-	-	(156)	-	18,785
Property, plant and equipment	-	38,853	-	-	469	-	38,384
Right-of-use assets	-	(1)	1	-	(412)	-	412
Total	18,629	38,852	1	-	(99)	-	57,581
	11,842	(35,388)	(2,481)	(2,405)	(5,226)	(1,963)	(35,621)

In Thousand Baht				
Consolidated Financial Statements				
Balance as at	Recognized as income (expense)		Balance as at	
December	Profit/ (Loss)	Other	December	
31, 2018		comprehensive	31, 2019	
(Restated)		income		
Deferred tax assets:				
Allowance for doubtful accounts of trade accounts				
receivable from sales and service	3,712	(316)	-	3,396
Allowance for decline value in inventories	5,191	(153)	-	5,038
Reserve for employee benefits obligation	9,822	376	1,411	11,609
Exchange differences on translating	2,314	-	3,097	5,411
Consignment	1,258	(389)	-	869
Allowance for decline in value of investment in the				
energy project	-	4,148	-	4,148
Total	22,297	3,666	4,508	30,471
Deferred income tax liabilities				
The difference of depreciation of fixed assets between				
accounting base and tax base	19,144	515	-	18,629
Total	19,144	515	-	18,629
	3,153	4,181	4,508	11,842

	In Thousand Baht				
	Separate Financial Statements				
	Balance as at	Recognized as income (expense)			Balance as at
	December 31, 2019	Profit/ (Loss)	Other comprehensive income		December 31, 2020
Deferred tax assets:					
Allowance for doubtful accounts of trade accounts receivable from sales and service	2,844	115	-	2,959	
Allowance for decline value in inventories	3,886	103	-	3,989	
Reserve for employee benefits obligation	10,767	(2,011)	1,043	9,799	
Consignment	869	95	-	964	
Allowance for decline in value of investment in the energy project	4,148	(4,148)	-	-	
Lease liabilities	-	28	-	28	
Total	<u>22,514</u>	<u>(5,818)</u>	<u>1,043</u>	<u>17,739</u>	
Deferred income tax liabilities					
The difference of depreciation of fixed assets between accounting base and tax base	18,629	(156)	-	18,785	
Total	<u>18,629</u>	<u>(156)</u>	<u>-</u>	<u>18,785</u>	
	<u>3,885</u>	<u>(5,974)</u>	<u>1,043</u>	<u>(1,046)</u>	

	In Thousand Baht				
	Separate Financial Statements				
	Balance as at	Recognized as income (expense)			Balance as at
	December 31, 2018	Profit/ (Loss)	Other comprehensive income		December 31, 2019
Deferred tax assets:					
Allowance for doubtful accounts of trade accounts receivable from sales and service	2,850	(6)	-	2,844	
Allowance for decline value in inventories	3,448	438	-	3,886	
Reserve for employee benefits obligation	8,914	104	1,749	10,767	
Consignment	1,258	(389)	-	869	
Allowance for decline in value of investment in the energy project	-	4,148	-	4,148	
Total	<u>16,470</u>	<u>4,295</u>	<u>1,749</u>	<u>22,514</u>	
Deferred income tax liabilities					
The difference of depreciation of fixed assets between accounting base and tax base	19,143	514	-	18,629	
Total	<u>19,143</u>	<u>514</u>	<u>-</u>	<u>18,629</u>	
	<u>(2,673)</u>	<u>4,809</u>	<u>1,749</u>	<u>3,885</u>	

As at December 31, 2020 and December 31, 2019, the Group has accumulated tax losses since 2015 unused in the amount of Baht 164.33 million and amount Bath 456.99 million, respectively (Separate financial statement Bath 22.46 million and Bath 264.58 million, respectively) with the Group didn't record deferred tax asset from tax loss as it is still uncertain if the Group will have tax profit adequate for utilizing the deferred tax asset.

18. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

This account consisted of :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Promissory note	40,000	-	-	-
Total short-term loans from financial institutions	40,000	-	-	-

19. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2020 and December 31, 2019, the Group has long-term loans from financial institutions as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Long-term loans from financial institutions beginning period	1,862,334	1,926,559	202,475	212,860
Additional long-term loan from financial institution	16,804	102,133	-	-
Repayment during the year	(269,633)	(166,358)	(189,508)	(10,385)
Net	1,609,505	1,862,334	12,967	202,475
Deferred finance costs	(45,562)	(71,717)	-	-
Translation adjustment	(52,559)	(133,485)	-	-
Declining from sale of indirect subsidiary	(1,434,355)	-	-	-
Total	77,029	1,657,132	12,967	202,475
Less Current portion	(6,984)	(260,950)	(5,784)	(189,508)
Long-term loans from financial Institutions	70,045	1,396,182	7,183	12,967

As at December 31, 2020 and December 31, 2019, the Company had long-term loans from financial institutions amount of Baht 12.97 million and amount Baht 202.48 million, respectively, with interest at a rate of MLR - 0.5% per annum which are collateralized by the pledge of 112,702,000 shares of an associated company. In addition, the Company has to deposit dividends received from such shares into a bank account accumulatively until it reaches Baht 10 million as additional collateral. The Company also has to pledge shares belonging to the Company's directors of 25,000,000 shares as collateral for this loan. This loan is repayable within December 2020 and all collateralized have been redeemed.

As at December 31, 2020 and December 31, 2019, an indirect subsidiaries company has entered into long-term loans from financial institutions which have details as below:

As at December 31, 2020

	Credit Line	Interest rate	Repayment
Loan to expend modulation capacity	Baht 180 million	Prime Rate -1% per annum	First repayment date is November 30, 2020

As at December 31, 2019

	Credit Line	Interest rate	Repayment
Senior loan A	Yen 1,120 million	TIBOR + 0.425% per annum	First repayment date is June 30, 2019 and final
Senior loan B	Yen 4,480 million	1.250% per annum	repayment date is June 30, 2037. Repayment date is June 30 and December 31 each year.
Consumption tax loan	Yen 340 million	TIBOR + 0.400% per annum	Refund of consumption tax
Loan to expend modulation capacity	Baht 180 million	Prime Rate -1% per annum	First repayment date is November 30, 2020

In addition, the indirect subsidiary company has to maintain financial ratios as determined in the loan agreement. These loans are to finance the construction of a power plant project and repay capital to the investors.

20. OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	2020	2019	2020	2019
Cash received for using in energy project (Note 10, 34)	-	138,100	-	-
Accrued employee expenses	14,097	27,165	13,439	18,869
Accrued construction costs	6,614	20,386	6,614	20,386
Accrued incentive expenses	4,939	6,164	4,939	6,164
Accrued rental and utilities expenses	1,341	2,082	1,090	1,469
Accrued transportation	1,052	1,386	1,052	1,386
Accrued consulting service	1,265	5,039	1,265	5,039
Others	79,140	64,848	31,927	10,858
Total	<u>108,448</u>	<u>265,170</u>	<u>60,326</u>	<u>64,171</u>

As at December 2020, the indirect subsidiary had terminated the agreement and had recognized the gain from the energy project amounted Baht 23.21 million. The Group had stated the net of loss from the investment in the energy project (Notes 10 and 34).

21. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2020 are presented below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
As at December 31, 2019	848	-
Effects of the adoption of TFRS16	179,848	8,431
As at January 1, 2020	180,696	8,431
Addition	16,957	6,649
Acquisition	1,726	-
Accretion of interest	2,944	644
Payments	(16,028)	(3,241)
Decrease from the loss of control in subsidiary	(15,035)	-
Declining from sale of indirect subsidiary	(145,891)	-
As at December 31, 2020	<u>25,369</u>	<u>12,483</u>
<u>Less</u> Current portion	<u>(9,028)</u>	<u>(3,846)</u>
Lease liabilities - net of current portion	<u>16,341</u>	<u>8,637</u>

The following are the amounts recognized in profit or loss :

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Depreciation of right-of-use assets	16,913	2,929
Interest expense on lease liabilities	2,944	644
Expense relating to short-term lease	105	105
Leases of low-value assets	1,093	1,053
Total	21,055	4,731

The Group had total payment of cash flow of lease agreements amounted Baht 18.18 million (separate Baht 3.24 million) and had the increase of non-cash leasehold assets and lease liabilities amounted Baht 16.96 million (separate Baht : 6.65 million).

22. EMPLOYEE BENEFIT OBLIGATIONS

Movements of employee benefit obligations for the years ended December 31, 2020 and 2019 are as follow:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2020	2019	2020	2019
The statements of financial position				
Defined benefit obligations as at January 1,	58,646	49,715	53,836	44,570
Loss (gain) estimation over actuarial principles	5,216	7,053	5,216	8,748
- change a considered a post - employment plan amendment	-	905	-	-
Current Service costs and interest	4,345	3,489	2,760	2,922
Net asset from the business acquisition	(12,833)	(2,516)	(12,818)	(2,404)
Decrease from the loss of control in subsidiary	17,321	-	-	-
Declining from sale of indirect subsidiary	(4,238)	-	-	-
Defined benefit obligations, as at December 31,	68,457	58,646	48,994	53,836
Reclassified to current portion	(16,673)	(19,655)	(16,377)	(19,439)
Net	51,784	38,991	32,617	34,397

The Group recognized actuarial gain or loss in the statements of other comprehensive income.

Revenues and expenses recognized in the statement of comprehensive income for the years ended December 31, 2020 and 2019 are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2020	2019	2020	2019
The statement of comprehensive income				
Recognized in profit or loss				
Past service costs and interest	-	905	-	-
Current service costs and interest				
Cost of sales	1,747	674	766	674
Selling expenses	279	203	278	200
Administrative expenses	1,598	1,472	1,004	918
Interest on obligation	721	1,140	712	1,130
Total	4,345	4,394	2,760	2,922
Recognized in other comprehensive income				
Loss (gain) estimation over actuarial principles	5,216	7,053	5,216	8,748
Total	5,216	7,053	5,216	8,748
Total	9,561	11,447	7,976	11,670

Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the year ended December 31, 2020 arise from

Recognize in the statement of comprehensive income

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Improvement from experience	1,136	4,449	1,136	4,625
Population assumption	2,843	202	2,843	(751)
Financial assumption	1,237	2,402	1,237	4,874
Total	5,216	7,053	5,216	8,748

Significant assumptions based on actuarial techniques

Significant assumptions based on actuarial techniques as at report date are as follows;

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
Discount rate : Monthly staff	0.36% - 1.82%	1.44% - 3.37%	0.92%	1.44%
Discount rate : Daily staff	0.36% - 1.96%	1.50%	1.36%	1.50%
Average future salary increment rate	3.46% - 5.45%		5.40% - 5.45%	
		3.85% - 5.45%		5.40% - 5.45%
Mortality rate	TMO 2017	TMO 2017	TMO 2017	TMO 2017
Normal retirement age	60 years	60 years	60 years	60 years

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 and 2019 are summarized below:

	In Thousand Baht			
	2020			
	Consolidated Financial Statements		Separate Financial Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (percentage of change 0.5%)	(2,314)	2,460	(1,350)	1,423
Future salary increase rate (percentage of change 0.5%)	2,427	(2,304)	1,384	(1,327)
Staff turnover rate (percentage of change 1.0%)	(5,112)	5,776	(2,943)	3,273

	In Thousand Baht			
	2019			
	Consolidated Financial Statements		Separate Financial Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (percentage of change 0.5%)	(1,723)	1,808	(1,484)	1,564
Future salary increase rate (percentage of change 0.5%)	1,752	(1,688)	1,521	(1,458)
Staff turnover rate (percentage of change 1.0%)	3,504	3,859	(3,234)	3,596

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
	Within one year	16,689	20,217	16,378
Between 2 - 5 years	16,718	12,064	12,742	11,187
Between 6 - 10 years	32,981	27,160	23,068	25,523
Between 11 - 15 years	18,716	16,907	9,897	14,105
More than 16 years	17,818	-	-	-
Total	102,922	76,348	62,085	70,254

23. Assets and financial liabilities classification

As at January 1, 2020 (initial adoption date), the management of the Group had evaluated the business model used to manage financial assets and liabilities and classified the assets and financial liabilities with balances as at January 1, 2020 disclosed in Note 5.

Financial assets valued at fair value through profit and loss as at December 31, 2020 had transactions as follows:

	Thousand Baht
Other non-current financial assets	
Equity instruments	78,128
Total other non-current financial assets	78,128

24. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the consolidated statements of financial position as at December 31, 2020 and 2019, the Company and its subsidiaries's debt-to-equity ratio was 0.28 : 1 and 0.86 : 1, respectively.

According to the separate statements of financial position as at December 31, 2020 and 2019, the Company's debt-to-equity ratio was 0.23 : 1 and 0.37 : 1, respectively.

25. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside as 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 capital. The statutory reserve is not available for dividend distribution.

Under the terms of the Civil and Commercial Code, ten subsidiaries are required to set aside as statutory reserve at least 5 percent of its net income at each dividend declaration as the statutory reserve until the statutory reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

26. PROVIDENT FUND

The Company established a provident fund under the Provident Fund Act (B.E. 2530). The fund is contributed to by the employees and the Company and is managed by Kasikorn Asset Management. The fund will be paid to the employees upon termination in accordance with the rules of the fund. The Company has contributed to provident fund for the year ended December 31, 2020 and 2019 as follow:

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	2020	2019	2020	2019
Provident fund	<u>5,256</u>	<u>4,567</u>	<u>3,006</u>	<u>3,476</u>

27. DIVIDEND

Details of the Company's dividends declaration and payments for the years ended December 31, 2020 and 2019 is as follows :

	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)	Paid date
Annual dividend	Annual General Meeting of the shareholders held on July 10, 2020	593,125,849	0.05	<u>29,656</u>	August 4, 2020

	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)	Paid date
Annual dividend	Annual General Meeting of the shareholders held on April 29, 2019	593,125,849	0.01	<u>5,931</u>	May 27, 2019

Details of the subsidiary's dividends declaration and payments for the years ended December 31, 2020 and 2019 are as follows :

2020	Approved by	Qualified common share (Shares)	Dividend pers hare (Baht)	Dividend paid (In Thousand Baht)			Paid date
				Portion of the Company	Portion of non- controlling interest	Total	
<u>Siam Okamura International Co., Ltd.</u>							
Interim dividend	Extraordinary General Meeting of the shareholders No.1 held on January 30, 2020	200,000	325	33,148	31,852	65,000	January 30, 2020
<u>Siam Okamura Steel Co., Ltd.</u>							
Annual dividend	Annual General Meeting of the shareholders held on March 31, 2020	880,000	3.18	1,427	1,372	2,799	April 30, 2020
Indirect subsidiary Companies - held by Bangphra Green Energy Co. Ltd. Rich Solar Energy Godokaisha Co', Ltd.				17,264	34,493	51,757	December 2020
Total				<u>51,839</u>	<u>67,717</u>	<u>119,556</u>	

2019	Approved by	Qualified common share (Shares)	Dividend pers hare (Baht)	Dividend paid (Thousand Baht)			Paid date
				Portion of the Company	Portion of non- controlling interest	Total	
Annual dividend	Annual General Meeting of the shareholders held on March 22, 2019	200,000	36	<u>3,672</u>	<u>3,528</u>	<u>7,200</u>	April 19, 2019

28. OTHER INCOME

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
		(Restated)		
Continued operation				
Rental revenue	30,480	33,554	33,533	37,054
Reveral of provision in litigation	203	2,331	203	2,331
Other service income	64,610	33,599	54,322	21,588
Utilities income	6,507	8,140	6,657	8,370
Interest income	1,641	1,613	15,996	19,255
Tax compensation income	302	466	302	466
Commission income	2,773	-	3,034	4,314
Total	106,516	79,703	114,047	93,378

29. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019	2020	2019
		(Restated)		
Continued operation				
Raw materials and supplies used	288,562	350,406	288,562	350,406
Changes in inventories of finished goods and work in process	64,650	27,096	37,185	(6,194)
Cost of sales in finished goods	145,804	467,019	-	-
Salaries, wages and other employee benefits	337,834	332,935	226,382	239,318
Subcontractor expenses	45,820	66,268	45,597	64,697
Allowance (reversal of allowance) for doubtful debts	16,835	(1,228)	1,727	207
Depreciation and amortization	151,422	171,950	27,668	24,302
Costs of construction	114,002	68,133	114,002	68,133
Transportation fee	77,655	70,301	69,309	60,404
Rental expenses	4,197	24,962	4,020	5,725
Utilities expenses	17,578	26,486	11,317	16,105
Consulting fees	18,879	42,821	16,812	41,523
Loss from investment in the energy project	22,050	-	45,265	-
Loss from fire incident	12,113	-	-	-
Allowance (reversal of allowance) for decline value of inventories	2,167	2,192	(364)	2,184
Allowance for decline in value of investment in the energy project	-	20,741	-	20,741

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019 (Restated)	2020	2019
Discontinued operation				
Depreciation and amortization	87,953	84,247	-	-
Costs of services	10,519	11,707	-	-
Utilities expenses	2,377	2,412	-	-
Property tax	12,578	13,536	-	-

30. Tax expense (income)

30.1 Major components of tax expense (income)

For the years ended December 31, 2020 and 2019 consisted of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019 (Restated)	2020	2019
Income tax expense (income) shown in profit or loss :				
Current tax expense:				
Income tax expense for the year	607	4,230	-	-
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	5,226	(4,279)	5,974	(4,809)
Total	5,833	(49)	5,974	(4,809)
Income tax relating to components of other comprehensive income :				
Deferred tax relating to :				
Loss estimation over actuarial principle	1,043	1,411	1,043	1,749
Exchange differences on translating	(3,006)	-	-	-
Total	(1,963)	1,411	1,043	1,749

30.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

For the years ended December 31, 2020 and 2019 which are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2020	2019 (Restated)	2020	2019
Accounting profit (loss) for the period	134,408	(748)	78,936	67,821
The applicable tax rate (%)	20	20	20	20
Tax expense (income) at the applicable tax rate	26,882	(149)	15,787	13,564
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	5,683	4,118	10,267	3,559
Tax effect of income or profit that are not required in determining taxable profit:				
- Exemption of non-taxable dividend income	(6,559)	(5,459)	(15,749)	(11,000)
- Others	(31,839)	1,441	(16,279)	(10,932)
Total reconciliation items	(32,715)	100	(21,761)	(18,373)
Total tax expense (income)	(5,833)	(49)	(5,974)	(4,809)

30.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2019 and 2018 are summarized as follows:

	Consolidated Financial Statements			
	2020		2019 (Restated)	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	134,408		(748)	
Tax expense (income) at the applicable tax rate	26,882	20.00	(149)	20.00
Reconciliation items	(32,715)	(24.34)	100	(13.37)
Tax expense (income) at the average effective tax rate	(5,833)	(4.34)	(49)	6.63

	Separate Financial Statements			
	2020		2019	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	78,935		67,821	
Tax expense (income) at the applicable tax rate	15,787	20.00	13,564	20.00
Reconciliation items	(21,761)	(27.57)	(18,373)	(27.09)
Tax expense (income) at the average effective tax rate	(5,974)	(7.57)	(4,809)	(7.09)

31. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing profit for the year attributable to equity holders of the parent company for the year by the weighted average number of ordinary shares which are issued during the year and held by outside party.

	Consolidated Financial Statements		Separate Financial Statements	
	For the years ended December 31,		For the years ended December 31,	
	2020	2019	2020	2019
Profit (loss) for the years to equity holders (Thousand Baht)				
Profit (loss) attributable to equity holders of the parent company	153,975	13,270	72,962	72,630
Weighted average number of ordinary shares (Thousand shares)	593,126	593,126	593,126	593,126
Basic earnings (loss) per share of the parent company				
Profit (loss) for the years (Thousand Baht per share)	0.260	0.022	0.123	0.122

32. SEGMENTAL FINANCIAL INFORMATION

In Thousand Baht										
For the years ended December 31,										
	2020					2019				
	Furniture	Revenue of construction work	Energy	Eliminated	Total	Furniture	Revenue of construction work	Energy (Restated)	Eliminated	Total
Revenues from sales and service	1,567,055	-	51,108	(41,517)	1,576,646	1,912,186	-	93,431	(16,686)	1,988,931
Revenues from construction work	-	163,870	-	-	163,870	-	86,480	-	-	86,480
Total revenues	1,567,055	163,870	51,108	(41,517)	1,740,516	1,912,186	86,480	93,431	(16,686)	2,075,411
Costs of sales and services	(1,287,665)	-	(34,253)	42,347	(1,279,571)	(1,494,763)	-	(104,933)	17,127	(1,582,569)
Costs of construction work	-	(114,002)	-	-	(114,002)	-	(68,133)	-	-	(68,133)
Total cost	(1,287,665)	(114,002)	(34,253)	42,347	1,393,573	(1,494,763)	(68,133)	(104,933)	17,127	(1,650,702)
Total gross profit - Continued operation	279,390	49,868	16,855	830	346,943	417,423	18,347	(11,502)	441	424,709
Total gross profit - Discontinued operation	-	-	108,274	-	108,274	-	-	127,572	-	127,572
Property, plant and equipment					1,546,232					2,787,032
Other assets					2,120,306					2,452,629
Total assets as at December 31,					3,666,538					5,329,661
Total liabilities as at December 31,					799,102					2,415,331

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements (In Baht)				
	Balance as at January 1, 2020	Cash flows increase (decrease)*	Non-cash transaction		Balance as at December 31, 2020
			Increase decrease	Reverse from selling of subsidiaries	
Short-term loans from related companies	53,500	11,050	-	-	64,550
Long-term loan from financial institution	1,657,132	(252,829)	(1,274,715)	(52,559)	77,029
Total	1,710,632	(241,779)	(1,274,715)	(52,559)	141,579

	Consolidated financial statements (In Baht)				
	Balance as at January 1, 2019	Cash flows increase (decrease)*	Non-cash transaction		Balance as at December 31, 2019
			Increase	Reverse from selling of subsidiaries	
Short-term loans from related companies	54,500	(1,000)	-	-	53,500
Long-term loan from financial institution	1,790,368	(64,225)	25,474	(94,485)	1,657,132
Total	1,844,868	(65,225)	25,474	(94,485)	1,710,632

	Separate Financial Statements (In Baht)			
	Balance as at January 1, 2020	Cash flows increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2020
Long-term loan from financial institution	202,476	(189,508)	-	12,968
Total	202,476	(189,508)	-	12,968

	Separate Financial Statements (In Baht)			
	Balance as at January 1, 2019	Cash flows increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2019
Long-term loan from financial institution	212,860	(10,384)	-	202,476
Total	212,860	(10,384)	-	202,476

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

34. SIGNIFICANT AGREEMENT

The indirect subsidiary company has entered into the Technical Service Agreement for Torrefaction Biomass Pellet with 2 parties and the Company. This agreement has the objective for research and development of Torrefaction biomass pellet with FSC certificate. It is operated by the indirect subsidiary company. The monthly fee for service shall be calculated according to the actual cost, which the indirect subsidiary company took to provide service in the month. The Company and the third party has to make payment for one - third of the actual cost for each company. Moreover, the indirect subsidiary company called for investment from 3 companies equally. Such agreement has ended on December 22, 2019 and recognized the gain from advance received at the amount of Baht 23.21 million, net of loss amounted Baht 22.05 million (Notes 10 and 20).

35. BANK GUARANTEE AND CONTINGENT LIABILITIES

As at December 31, 2020, the Company has outstanding guarantees of approximately Baht 195.97 million which were issued by certain local banks as required in the normal course of business of the Company.

As at December 31, 2020, the subsidiary companies have outstanding guarantees of approximately Baht 2.49 million which were issued by certain local banks as required in the normal course of business of the subsidiary company.

36. COMMITMENT

36.1 As at December 31, 2020, the Group has various operating lease agreement covering its office premises, warehouse and related utility service, vehicles and land for periods of 1-30 years. Under the terms of these agreements, the Company and its subsidiary companies are committed to pay the rental as follows ::

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Within 1 year	2,394	965
Within 2 years - 5 years	1,624	825
Over 5 years	-	-

As at December 31, 2020, the Group had no commitments under the related service lease agreement from the adoption of TFRS 16 as at January 1, 2020. The Group recognized right-of-use assets for the lease agreement and liabilities under the related service lease agreement previously classified as operating lease by the present value of payments under the remaining lease agreement discounted by the additional loan interest rate as described in Note 16.

36.2 As December 31, 2020, the Company and an indirect subsidiary company have obligation under a loan agreement amount of Baht 180 million with a bank for construction of factory and purchase of machinery.

36.3 Obligations under property building agreement

As at December 31, 2020 the Company had the obligations to be paid under property building agreement as buildings and machineries amounted Baht 1.07 million (included VAT).

37. DISCLOSURE OF FINANCIAL INSTRUMENTS

37.1 Interest Rate Risk

As at December 31, 2020 and 2019, the Group has financial assets and financial liabilities with exposure to interest rate risk as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	2020			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	460,262	-	245	460,507
Trade accounts receivable from sales and services				
- general customers	-	-	155,667	155,667
- related companies	-	-	12,294	12,294
Trade accounts receivable from construction work	-	-	55,727	55,727
Current contract liabilities	-	-	30,203	30,203
Restricted deposit with bank	5,448	-	-	5,448
Trade accounts payable - general suppliers	-	-	177,862	177,862
Short - term loan from related companies	-	64,550	-	64,550
Short-term loan from financial institution	-	40,000	-	40,000
Long-term loans from financial institutions	77,044	-	-	77,044
	In Thousand Baht			
	Consolidated Financial Statements			
	2019			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	825,688	-	330	826,018
Trade accounts receivable from sales and services				
- general customers	-	-	242,703	242,703
- related companies	-	-	5,306	5,306
Trade accounts receivable from construction work	-	-	23,940	23,940
Current contract liabilities	-	-	19,078	19,078
Restricted deposit with bank	5,034	-	-	5,034
Trade accounts payable - general suppliers	-	-	159,639	159,639
Short - term loan from related companies	-	53,500	-	53,500
Long-term loans from financial institutions	1,657,132	-	-	1,657,132

	In Thousand Baht			
	Separate Financial Statements			
	2020			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	254,679	-	165	254,844
Trade accounts receivable from sales and services				
- general customers	-	-	99,887	99,887
- related companies	-	-	2,828	2,828
Trade accounts receivable from construction work	-	-	55,727	55,727
Current contract liabilities	-	-	30,203	30,203
Restricted deposit with bank	5,420	-	-	5,420
Trade accounts payable - general suppliers	-	-	124,027	124,027
Long-term loans from financial institutions	12,967	-	-	12,967

	In Thousand Baht			
	Separate Financial Statements			
	2019			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	277,969	-	180	278,149
Trade accounts receivable from sales and services				
- general customers	-	-	120,478	120,478
- related companies	-	-	7,312	7,312
Trade accounts receivable from construction work	-	-	23,940	23,940
Current contract liabilities	-	-	19,078	19,078
Restricted deposit with bank	4,912	-	-	4,912
Trade accounts payable - general suppliers	-	-	130,597	130,597
Long-term loans from financial institutions	202,476	-	-	202,476

As of December 31, 2020 and 2019, the financial instruments classified by the periods of time from the statement of financial position date to their maturity dates are as follows:

	In Thousand Baht					
	Consolidated Financial Statements					
	2020					
	At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	460,507	-	-	-	460,507	
Restricted deposit with bank	-	5,448	-	5,448	5,448	0.625%
Short - term loans from related company	-	-	10,000	54,550	64,550	1.25%
Short-term loan from financial institution	-	25,000	15,000	-	40,000	
Long-term loans from financial institutions	-	3,492	3,492	70,045	77,029	PRIME RATE-1% AF MLR - 1.25%

In Thousand Baht					
Consolidated Financial Statements					
2019					
At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	826,018	-	-	826,018	0.125% - 1.20%
Restricted deposit with bank	-	-	5,034	5,034	0.75%
Short - term loans from related company	-	17,500	36,000	53,500	1.475% - 2.50%
Loans from financial institutions	-	38,613	222,337	1,396,182	PRIME RATE-1% AF MLR - 1.25%

In Thousand Baht					
Separate Financial Statements					
2020					
At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	254,844	-	-	254,844	0.125% - 1.20%
Short-term loans from related companies	6,000	94,000	-	100,000	7.80%
Restricted deposit with bank	-	5,420	-	5,420	1.75%
Loans from financial institutions	-	2,892	2,892	7,183	4.75%

In Thousand Baht					
Separate Financial Statements					
2019					
At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>					
Cash and cash equivalents	278,149	-	-	278,149	0.125% - 1.20%
Short-term loans from related companies	-	185,000	-	185,000	7.80%
Restricted deposit with bank	-	-	4,912	4,912	1.75%
Loans from financial institutions	-	2,892	186,616	12,967	202,475 PRIME RATE-1% AF MLR - 1.25%

37.2 Foreign Exchange Risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies

As at December 31, 2020, the balances of financial assets and liabilities denominated in foreign currencies are as follows :

<u>Foreign currency</u>	<u>Financial assets (Thousand)</u>	<u>Financial liabilities (Thousand)</u>	<u>Average exchange rate as at December 31, 2020 (Baht per 1 foreign currency unit)</u>
USD	401	211	30.0371
JPY	3,299	1,721	0.29068
CNY	-	329	4.61870

37.3 Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Company within the normal terms of trade. To manage this risk, the Company and its subsidiaries periodically assess the financial viability of customers.

37.4 Credit Risk

Credit risk is the risk that a counter party is unable or unwilling to meet a commitment agreed with the Group. To manage this risk, the Group periodically assess the financial viability of customers.

The carrying amount of accounts receivable recorded in the statement of financial position, net of allowance accounts, is the maximum exposure to credit risk.

37.5 Fair value

The Company and its subsidiaries use the market approach to measure and disclosure their assets and liabilities that are required to be measured or disclosure at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

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

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

37.6 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest rates closed 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.

38. LITIGATION

Case No. 1

In 2017, the 2 overseas subcontractors sued the Company as defendant by claim for damage including interest at the rate of 7.50% per annum from August 1, 2017. The Company submitted a counterclaim because they believed the plaintiff was at fault for not completing the job. During year 2018, the Civil Court determined that the Company to pay damage cost plus interest to litigant. The Company, therefore recorded such provision and interest totaling Baht 12.54 million by presenting as other current liabilities in the statement of financial position as at December 31, 2018. On March 26, 2019, the Company has already paid for the damage with interest to the counter party.

Case No. 2

In 2018, the Company sued a receivable because it was unable to pay debt under the agreement for the damage including interest at the rate of 7.50% per annum from April 1, 2018 to the payment date, totaling Baht 12.22 million. The Civil Court determined that the receivable has to pay such damage and interest. However, the receivable was unable to pay, so the Company set up allowance for doubtful debt in full the amount. The Company is in the process of execution.

39. RECLASSIFICATION

Certain amounts in the financial statement for the year ended December 31, 2019 have been reclassified to the current period classification with no effect to the previously reported profit for the period or shareholder's equity.

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Before reclassification	Increase of reclassification (decrease)	After reclassification	Before reclassification	Increase of reclassification (decrease)	After reclassification
The statements of financial position						
Other current receivables						
- general companies	-	29,463	29,463	-	-	-
- related companies	-	1,602	1,602	-	339,509	339,509
Receivables from and advances to						
- general customers	29,463	(29,463)	-	-	-	-
- related companies	1,602	(1,602)	-	339,509	(339,509)	-
Current contract assets	-	19,077	19,077	-	19,077	19,077
Unbilled accrued income - general customers	19,077	(19,077)	-	19,077	(19,077)	-
Trade and other non-current receivables	-	53,868	53,868	-	47,534	47,534
Retentions receivable	25,176	(25,176)	-	25,176	(25,176)	-
Advance for purchase of assets	1,517	(1,517)	-	1,517	(1,517)	-
Income tax withheld at sources	27,175	(27,175)	-	20,841	(20,841)	-
The statements of financial position (Cont.)						
Trade and other current payables						
- related companies	-	42,989	42,989	-	88,926	88,926
Other current payable - general companies	-	127,651	127,651	-	125,905	125,905
Payables to and advances from						
- related companies	37,150	(37,150)	-	83,002	(83,002)	-
Advances and deposits from customers						
- general customers	127,651	(127,651)	-	125,905	(125,905)	-
- related companies	5,839	(5,839)	-	5,924	(5,924)	-
Current contract liabilities	-	14,265	14,265	-	14,265	14,265
Current provisions for employee benefits	-	19,655	19,655	-	19,439	19,439
Current portion of liabilities under employee benefits obligation	19,655	(19,655)	-	19,439	(19,439)	-
Non-current provisions for employee benefit	-	38,991	38,991	-	34,397	34,397
Employee benefits obligations	38,991	(38,991)	-	34,397	(34,397)	-
Other current liabilities	279,435	(14,265)	265,170	78,436	(14,265)	64,171

40. EFFECT FROM THE FIRE INCIDENT

In August 2020 at Siam Biomass Manufacturing Co., Ltd., an indirect subsidiary of the Company, the fire occurred at a factory building partially on the site of the manufacturing plant causing partial damages to finished goods, building and machinery. The indirect subsidiary recorded the loss from the fire incident from inventory group in the amount of Baht 1.35 million and building and machinery group in the amount of Baht 54.52 million, totaling amount of Baht 55.87 million, presented as other expense in the statement of comprehensive income for the year ended December 31, 2020. However, such indirect subsidiary had an asset protection insurance to protect its inventory, construction and machinery from the fire. Later, in January 2021 the Company received a compensation compromise letter from the insurer for Baht 43.71 million. Since the insurance policy specifies the bank as the beneficiary in accordance with the obligation because such asset group is guaranteed by the bank. Therefore, the indirect subsidiary recognised it as other receivable in the statement of financial position and other income in the amount of Baht 43.71 in the statement of comprehensive income and The Company had stated the income net other expenses with the total loss amount of Baht 12.16 million. Presently, the indirect subsidiary is planning the repair of the building and machinery to be completed and complying with the bank's conditions to receive the cheque return in such amount.

41. CORONAVIRUS DISEASE 2019 PANDEMIC

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation affects the results of operations of the Group, recognition and measurement of assets and liabilities in the financial statements. Nevertheless, the management will continue to monitor the ongoing development and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

42. EVENT AFTER THE REPORTING PERIOD

42.1 On February 25, 2020, the Company's Board of Directors passed a resolution to propose the payment of a dividend from operating result for the year ended December 31, 2019 of Baht 0.05 per share, total amount of Baht 29.66 million on May 27, 2020 to the common shareholders. The dividend payments must be approved at the Annual General Meeting of the Company's shareholders.

42.2 On January 4, 2020, Bangphra Green Energy Company Limited's Board of Directors passed a resolution to propose the payment of a dividend of Baht 1.50 per share, total amount of Baht 6.00 million on January 6, 2021 to the common shareholders. The dividend payments must be approved at the Annual General Meeting of the Company's shareholders

43. AUTHORIZATION FOR ISSUE OF INTERIM FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of Directors on February 25, 2021.