

T.A.C. Consumer Public Company Limited
Review report and interim financial information
For the three-month period ended 31 March 2020

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of T.A.C. Consumer Public Company Limited

I have reviewed the accompanying statement of financial position of T.A.C. Consumer Public Company Limited as at 31 March 2020, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Emphasis of Matter

I draw attention to Note 1.4 to the interim financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month period ended 31 March 2020, the Company has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic announced by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

Other Matter

Due to the impact of COVID-19 outbreak situation, the Company has postponed the annual general meeting of the Company's shareholders which results in no resolution for the appointment of the auditor of the Company for the accounting period of 2020 yet. However, the Board of Director of the Company has a resolution to propose to the annual general meeting of the Company's shareholders to appoint me as the auditor of the Company for the accounting period of 2020. I therefore have conducted my review on the interim financial information for first quarter of 2020 which is in compliance with the notification of the Capital Market Supervisory Board (CMSB) No. TorChor 28/2563 dated 27 March 2020.

S. Ratananurak

Satida Ratananurak
Certified Public Accountant (Thailand) No. 4753

EY Office Limited
Bangkok: 14 May 2020

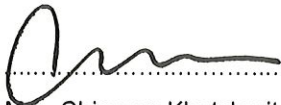
T.A.C. Consumer Public Company Limited
Statement of financial position
As at 31 March 2020

(Unit: Thousand Baht)

| | Note | 31 March 2020 (Unaudited but reviewed) | 31 December 2019 (Audited) |
|------------------------------------|------|--|-------------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 4 | 79,696 | 16,095 |
| Current investments | | - | 540,584 |
| Trade and other receivables | 5 | 262,181 | 311,972 |
| Inventories | 6 | 43,926 | 39,631 |
| Other current financial assets | 7 | 578,555 | - |
| Other current assets | | 783 | 2,378 |
| Total current assets | | 965,141 | 910,660 |
| Non-current assets | | | |
| Property, plant and equipment | 8 | 100,987 | 104,311 |
| Right-of-use assets | | 21,740 | - |
| Intangible assets | | 167 | 262 |
| Deferred tax assets | | 9,107 | 9,293 |
| Other non-current financial assets | | 4,243 | - |
| Other non-current assets | | - | 4,250 |
| Total non-current assets | | 136,244 | 118,116 |
| Total assets | | 1,101,385 | 1,028,776 |

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


.....Director
Mr. Chatchawe Vatanasuk


.....Director
Mrs. Chirapan Khotcharit Choosang

T.A.C. Consumer Public Company Limited
Statement of financial position (continued)
As at 31 March 2020

(Unit: Thousand Baht)

| | <u>Note</u> | <u>31 March 2020</u> (Unaudited but reviewed) | <u>31 December 2019</u> (Audited) |
|---|-------------|---|--------------------------------------|
| Liabilities and shareholders' equity | | | |
| Current liabilities | | | |
| Short-term loans from financial institutions | 9 | 49,448 | - |
| Trade and other payables | 10 | 300,896 | 266,547 |
| Advance received from customers | | 7,598 | 7,406 |
| Current portion of long-term financial lease liabilities | | - | 1,318 |
| Current portion of lease liabilities | | 4,223 | - |
| Income tax payable | | 36,678 | 26,481 |
| Other current liabilities | | 10,248 | 8,449 |
| Total current liabilities | | <u>409,091</u> | <u>310,201</u> |
| Non-current liabilities | | | |
| Long-term financial lease liabilities, net of current portion | | - | 1,534 |
| Lease liabilities, net of current portion | | 16,960 | - |
| Provision for long-term employee benefits | | 19,349 | 18,575 |
| Total non-current liabilities | | <u>36,309</u> | <u>20,109</u> |
| Total liabilities | | <u>445,400</u> | <u>330,310</u> |
| Shareholders' equity | | | |
| Share capital | 11 | | |
| Registered | | | |
| 608,000,000 ordinary shares of Baht 0.25 each | | 152,000 | 152,000 |
| Issued and fully paid up | | | |
| 608,000,000 ordinary shares of Baht 0.25 each | | 152,000 | 152,000 |
| Share premium | | 426,989 | 426,989 |
| Retained earnings | | | |
| Appropriated - statutory reserve | | 15,200 | 15,200 |
| Unappropriated | | 61,796 | 104,277 |
| Total shareholders' equity | | <u>655,985</u> | <u>698,466</u> |
| Total liabilities and shareholders' equity | | <u>1,101,385</u> | <u>1,028,776</u> |

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


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited
Statement of comprehensive income
For the three-month period ended 31 March 2020

(Unit: Thousand Baht, except earnings per share expressed in Baht)

| | Note | Financial statements in which the equity method is applied | | |
|---|------|--|----------------|----------------|
| | | 2019 | 2020 | 2019 |
| Revenues | | | | |
| Sales and service income | | 352,996 | 328,161 | 352,996 |
| Interest income | | 573 | 713 | 573 |
| Gain on exchange | | - | 4,965 | - |
| Other income | | 1,137 | 324 | 1,137 |
| Total revenues | | 354,706 | 334,163 | 354,706 |
| Expenses | | | | |
| Cost of sales and services | | 248,559 | 217,986 | 248,559 |
| Selling and distribution expenses | | 42,788 | 41,749 | 42,788 |
| Administrative expenses | | 17,622 | 20,828 | 17,622 |
| Loss on exchange | | 1,111 | - | 1,111 |
| Total expenses | | 310,080 | 280,563 | 310,080 |
| Profit from operating activities | | 44,626 | 53,600 | 44,626 |
| Share of loss from investment in joint venture | | (2,392) | - | - |
| Finance cost | | (96) | (299) | (96) |
| Profit before income tax expenses | | 42,138 | 53,301 | 44,530 |
| Income tax expenses | 12 | (8,695) | (10,662) | (8,695) |
| Profit for the period | | 33,443 | 42,639 | 35,835 |
| Other comprehensive income | | | | |
| Other comprehensive income for the period | | - | - | - |
| Total comprehensive income for the period | | 33,443 | 42,639 | 35,835 |
| Basic earnings per share | | | | |
| Profit for the period (Baht) | 13 | 0.06 | 0.07 | 0.06 |
| Weighted average number of ordinary shares (Thousand shares) | | 608,000 | 608,000 | 608,000 |

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



..... Director
 Mr. Chatchawe Vatanasuk



..... Director
 Mrs. Chirapan Khotcharit Choosang

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited
Statement of changes in shareholders' equity
For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

| | Financial statements in which the equity method is applied | | | | |
|---|--|------------------|--|-------------------------------------|----------------|
| | Issued and paid up share capital | Share premium | Appropriated - statutory reserve | Retained earnings Unappropriated | Total |
| Balance as at 1 January 2019 | 152,000 | 426,989 | 15,200 | 62,949 | 657,138 |
| Profit for the period | - | - | - | 33,443 | 33,443 |
| Other comprehensive income for the period | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 33,443 | 33,443 |
| Balance as at 31 March 2019 | <u>152,000</u> | <u>426,989</u> | <u>15,200</u> | <u>96,392</u> | <u>690,581</u> |

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



..... Director

Mr. Chatchawe Vatanasuk



..... Director

Mrs. Chirapan Khotcharit Choosang

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited
Statement of changes in shareholders' equity (continued)
For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

| | Separate financial statements | | | | |
|---|--|------------------|-------------------|----------------|----------------|
| | Issued and paid up share capital | Share premium | Retained earnings | | Total |
| Appropriated - statutory reserve | | | Unappropriated | | |
| Balance as at 1 January 2019 | 152,000 | 426,989 | 15,200 | 65,855 | 660,044 |
| Profit for the period | - | - | - | 35,835 | 35,835 |
| Other comprehensive income for the period | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 35,835 | 35,835 |
| Balance as at 31 March 2019 | <u>152,000</u> | <u>426,989</u> | <u>15,200</u> | <u>101,690</u> | <u>695,879</u> |
| | | | | | |
| Balance as at 1 January 2020 | 152,000 | 426,989 | 15,200 | 104,277 | 698,466 |
| Profit for the period | - | - | - | 42,639 | 42,639 |
| Other comprehensive income for the period | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 42,639 | 42,639 |
| Dividend paid (Note 15) | - | - | - | (85,120) | (85,120) |
| Balance as at 31 March 2020 | <u>152,000</u> | <u>426,989</u> | <u>15,200</u> | <u>61,796</u> | <u>655,985</u> |

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


..... Director

Mr. Chatchawe Vatanasuk


..... Director

Mrs. Chirapan Khotcharit Choosang

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited

Cash flow statement


For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

| | Financial statements in which the equity method is applied | | Separate financial statements | |
|---|--|---------------|-------------------------------|--|
| | 2019 | 2020 | 2019 | |
| Cash flows from operating activities | | | | |
| Profit before tax | 42,138 | 53,301 | 44,530 | |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: | | | | |
| Depreciation and amortisation | 4,453 | 5,488 | 4,453 | |
| Allowance for doubtful accounts | - | 73 | - | |
| Reduction of inventories to net realisable value | 3 | - | 3 | |
| Gain on sale and change in value of current investments | (1,894) | - | (1,894) | |
| Share of loss from investment in joint venture | 2,392 | - | - | |
| Loss on sales of other current financial assets | - | 6,756 | - | |
| Gain on change in value of investments | - | (4,625) | - | |
| Loss on write-off of equipment | 54 | 57 | 54 | |
| Allowance for impairment loss on property, plant and equipment | - | 562 | - | |
| Provision for long-term employee benefits | 920 | 774 | 920 | |
| Unrealised (gain) loss on exchange | 2,233 | (99) | 2,233 | |
| Interest income | (573) | (713) | (573) | |
| Interest expenses | 96 | 299 | 96 | |
| Profit from operating activities before changes in operating assets and liabilities | 49,822 | 61,873 | 49,822 | |
| Operating assets decrease (increase): | | | | |
| Trade and other receivables | 34,707 | 49,969 | 34,707 | |
| Inventories | (11,713) | (4,295) | (11,713) | |
| Other current assets | 1,504 | 1,595 | 1,504 | |
| Other non-current financial assets and other non-current assets | 1,332 | 7 | 1,332 | |
| Operating liabilities increase (decrease): | | | | |
| Trade and other payables | (46,744) | (50,771) | (46,744) | |
| Advance received from customers | (621) | 192 | (621) | |
| Other current liabilities | (79) | 1,799 | (79) | |
| Cash from operating activities | 28,208 | 60,369 | 28,208 | |
| Cash paid for long-term employee benefits | (5,855) | - | (5,855) | |
| Cash received from interest income | 838 | 462 | 838 | |
| Cash paid for income tax | (545) | (279) | (545) | |
| Net cash from operating activities | 22,646 | 60,552 | 22,646 | |

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


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited
Cash flow statement (continued)
For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

| | Financial statements in which the equity method is applied | Separate financial statements | |
|---|--|-------------------------------|-----------------|
| | <u>2019</u> | <u>2020</u> | <u>2019</u> |
| Cash flows from investing activities | | | |
| Increase in current investments | (19,674) | - | (19,674) |
| Cash paid for purchase of other current financial assets | - | (355,003) | - |
| Proceed from sales of other current financial assets | - | 315,000 | - |
| Acquisitions of plant and equipment | (2,241) | (4,934) | (2,241) |
| Net cash used in investing activities | <u>(21,915)</u> | <u>(44,937)</u> | <u>(21,915)</u> |
| Cash flows from financing activities | | | |
| Increase in short-term loans from financial institution | - | 49,448 | - |
| Repayments of liabilities under financial lease agreements | (735) | - | (735) |
| Repayments of lease liabilities | - | (1,462) | - |
| Net cash from (used in) financing activities | <u>(735)</u> | <u>47,986</u> | <u>(735)</u> |
| Net increase (decrease) in cash and cash equivalents | (4) | 63,601 | (4) |
| Cash and cash equivalents at beginning of period | 79,997 | 16,095 | 79,997 |
| Cash and cash equivalents at end of period (Note 4) | <u>79,993</u> | <u>79,696</u> | <u>79,993</u> |

Supplemental cash flows information

Non-cash transactions

| | | | |
|--|----|--------|----|
| Assets acquired under financial lease agreements | 97 | - | 97 |
| Dividend payable | - | 85,120 | - |

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


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

T.A.C. Consumer Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2020

1. General information

1.1 Company information

T.A.C. Consumer Public Company Limited (“the Company”) was incorporated as a limited company under Thai laws and registered the change of its status to a public limited company under the Public Limited Companies Act on 26 August 2015. The Company operates in Thailand and its principal activity is the manufacture and distribution of beverages, with the registered office address at 9/231-233, 23rd Floor, UM Tower, Ramkhamhaeng Road, Suanluang, Bangkok, and its factory address is at 99/112 Moo 1, Nongmadaeng, Banbueng, Chonburi.

1.2 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. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders’ equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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


.....Director
Mr.Chatchawe Vatanasuk


.....Director
Mrs. Chirapan Khotcharit Choosang

1.4 New financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, the new standard involves changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

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

Financial Reporting Standards:

| | |
|--------|------------------------------------|
| TFRS 7 | Financial Instruments: Disclosures |
| TFRS 9 | Financial Instruments |

Accounting Standard:

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

Financial Reporting Standard Interpretations:

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

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

These standards do not have any significant impact on the Company's financial statements.


..... Director
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..... Director
Mrs. Chirapan Khotcharit Choosang

TFRS 16 Leases

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

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

The Company adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the financial statements.

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

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

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

The Company has 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 the Company uses a simplified approach to determine expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.


.....Director
Mr.Chatchawe Vatanasuk


.....Director
Mrs. Chirapan Khotcharit Choosang

1.5 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

1.5.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss.

Financial liabilities are classified and measured at amortised cost.

Impairment of financial assets

The Company recognises an allowance for expected credit losses on its financial assets measured at amortised cost without requiring a credit-impaired event to have occurred prior to the recognition. The Company accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Company applies a simplified approach to determine the lifetime expected credit losses.

1.5.2 Leases

Right-of-use assets

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

Unless the Company is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.


.....Director
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.....Director
Mrs. Chirapan Khotcharit Choosang

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

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

As described in Note 1.4 to the financial statements, during the current period, the Company has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

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

(Unit: Thousand Baht)

| | The impacts of | | | 1 January 2020 |
|--|---------------------|---|---------|-------------------|
| | 31 December 2019 | Financial reporting standards related to financial instruments | TFRS 16 | |
| Statement of financial position | | | | |
| Assets | | | | |
| Current assets | | | | |
| Current investments | 540,584 | (540,584) | - | - |
| Other current financial assets | - | 540,584 | - | 540,584 |
| Non-current assets | | | | |
| Property, plant and equipment | 104,311 | - | (3,113) | 101,198 |
| Right-of-use assets | - | - | 22,106 | 22,106 |
| Other non-current financial assets | - | 4,250 | - | 4,250 |
| Other non-current assets | 4,250 | (4,250) | - | - |


..... Director
Mr. Chatchawe Vatanasuk

5


..... Director
Mrs. Chirapan Khotcharit Choosang

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | The impacts of | | | 1 January 2020 |
|--|---------------------|---|---------|-------------------|
| | 31 December 2019 | Financial reporting standards related to financial instruments | TFRS 16 | |
| Liabilities | | | | |
| Current liabilities | | | | |
| Current portion of long-term financial lease liabilities | 1,318 | - | (1,308) | - |
| Current portion of lease liabilities | - | - | 4,258 | 4,258 |
| Non-current liabilities | | | | |
| Long-term financial lease liabilities, net of current portion | 1,534 | - | (1,534) | - |
| Lease liabilities, net of current portion | - | - | 17,587 | 17,587 |

2.1 Financial instruments

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

(Unit: Thousand Baht)

| | Carrying amounts under the former basis | Classification and measurement in accordance with TFRS 9 | | | Total |
|--|--|--|--|-------------------|----------------|
| | | Fair value through profit or loss | Fair value through other comprehensive income | Amortised cost | |
| Financial assets as at 1 January 2020 | | | | | |
| Cash and cash equivalents | 16,095 | - | - | 16,095 | 16,095 |
| Trade and other receivables | 311,972 | - | - | 311,972 | 311,972 |
| Other current financial assets | 540,584 | 540,584 | - | - | 540,584 |
| Other non-current financial assets | 4,250 | - | - | 4,250 | 4,250 |
| Total financial assets | 872,901 | 540,584 | - | 332,317 | 872,901 |

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


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang


2.2 Leases

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

| | (Unit: Thousand Baht) |
|---|-----------------------|
| Operating lease commitments as at 31 December 2019 | 7,750 |
| Less: Short-term leases and leases of low-value assets | (529) |
| Add: Option to extend lease term | 15,602 |
| Less: Contracts reassessed as service agreements | (2,016) |
| Less: Deferred interest expenses | <u>(1,814)</u> |
| Increase in lease liabilities due to TFRS 16 adoption | 18,993 |
| Liabilities under finance lease agreements as at 31 December 2019 | <u>2,852</u> |
| Lease liabilities as at 1 January 2020 | <u><u>21,845</u></u> |
| Comprise of: | |
| Current lease liabilities | 4,258 |
| Non-current lease liabilities | <u>17,587</u> |
| | <u><u>21,845</u></u> |

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

| | (Unit: Thousand Baht) |
|------------------------------------|-----------------------|
| Buildings and building improvement | 18,917 |
| Machinery and plant equipment | 76 |
| Furniture and office equipment | 862 |
| Motor vehicles | <u>2,251</u> |
| Total right-of-use assets | <u><u>22,106</u></u> |


.....Director
Mr. Chatchawe Vatanasuk


.....Director
Mrs. Chirapan Khotcharit Choosang

3. Related party transactionsDirectors and management's benefits

During the three-month periods ended 31 March 2020 and 2019, the Company had employee benefit expenses payable to its directors and management as below.

| | (Unit: Thousand Baht) | |
|------------------------------|-----------------------------|---------------|
| | For the three-month periods | |
| | ended 31 March | |
| | <u>2020</u> | <u>2019</u> |
| Short-term employee benefits | 13,324 | 11,228 |
| Post employee benefits | 698 | 976 |
| Total | <u>14,022</u> | <u>12,204</u> |

4. Cash and cash equivalents

| | (Unit: Thousand Baht) | |
|---------------------------------|-----------------------|---------------|
| | 31 March | 31 December |
| | 2020 | 2019 |
| Cash | 20 | 20 |
| Bank deposits | 79,583 | 15,946 |
| Cash in private fund | 93 | 129 |
| Total cash and cash equivalents | <u>79,696</u> | <u>16,095</u> |

As at 31 March 2020, bank deposits in savings accounts carried interests between 0.04 and 0.25 percent per annum (31 December 2019: savings accounts and fixed deposits between 0.04 and 0.50 percent per annum).


.....Director
Mr.Chatchawe Vatanasuk


.....Director
Mrs. Chirapan Khotcharit Choosang

(Unaudited but reviewed)

5. Trade and other receivables

(Unit: Thousand Baht)

| | 31 March 2020 | 31 December 2019 |
|---|------------------|---------------------|
| <u>Trade accounts receivable - unrelated parties</u> | | |
| Aged on the basis of due dates | | |
| Not yet due | 250,935 | 295,378 |
| Past due | | |
| Up to 3 months | 1,307 | 5,834 |
| 6 - 12 months | - | 284 |
| Over 12 months | 285 | 1 |
| Total | 252,527 | 301,497 |
| Less: Allowance for doubtful accounts | (303) | (200) |
| Total trade accounts receivable - unrelated parties | 252,224 | 301,297 |
| <u>Other receivables</u> | | |
| Other receivables - unrelated parties | 1,508 | 1,292 |
| Less: Allowance for doubtful accounts | (514) | (544) |
| Other receivables - unrelated parties - net | 994 | 748 |
| Prepaid expenses | 8,095 | 9,310 |
| Interest receivable | 868 | 617 |
| Total other receivables - net | 9,957 | 10,675 |
| Total trade and other receivables - net | 262,181 | 311,972 |

6. Inventories

Movements in the reduction of inventories to net realisable value account during the three-month period ended 31 March 2020 are summarised below.

(Unit: Thousand Baht)

| | |
|--|--------|
| Balance as at 31 December 2019 | 20,218 |
| Reduction of inventory value during the period | - |
| Balance as at 31 March 2020 | 20,218 |


.....Director
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.....Director
Mrs. Chirapan Khotcharit Choosang

7. Other current financial assets

As at 31 March 2020, other current financial assets consisted of the following:

| | |
|---|-----------------------|
| | (Unit: Thousand Baht) |
| Fixed deposits at amortised cost | 166,371 |
| Financial assets at fair value through profit or loss | |
| Investments in mutual fund | 412,184 |
| Total other current financial assets | <u>578,555</u> |

As at 31 March 2020, the Company had 6-month and 12-month fixed deposits totaling Baht 166.4 million, carrying interests between 0.40 and 1.75 percent per annum and due for redemption during May 2020 to March 2021 (31 December 2019: Baht 166.4 million, carrying interests between 1.00 and 1.75 percent per annum).

Movements in the investments in other current financial assets during the three-month period ended 31 March 2020 are summarised below.

| | |
|--|-----------------------|
| | (Unit: Thousand Baht) |
| Balance as at 1 January 2020 | 540,584 |
| Purchase during the period - at cost | |
| Cash paid for investments | 355,003 |
| Sales during the period - at cost | |
| Proceeds from sales | (315,000) |
| Loss on sales | (6,756) |
| Total | (321,756) |
| Gain on change in value of investments | 4,625 |
| Unrealised gain on exchange | 99 |
| Balance as at 31 March 2020 | <u>578,555</u> |

The Company had set up a private fund for its investments which is managed by an asset management company. The investments include convertible bonds and trust securities of foreign companies or corporates.

As at 31 March 2020, the Company assessed the fair value of such investments by referring to the value quoted by the asset management company in which the fair value increased Baht 4.6 million. The change in the fair value of such securities is included in profit or loss in the statement of comprehensive income.


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8. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2020 are summarised below.

| | (Unit: Thousand Baht) |
|--|-----------------------|
| Net book value as at 1 January 2020 | 104,311 |
| Adjustment from TFRS 16 adoption - net book value | <u>(3,113)</u> |
| Net book value as at 1 January 2020 - as adjusted | 101,198 |
| Acquisitions during the period - at cost | 4,934 |
| Write-off during the period - net book value at write-off date | (57) |
| Depreciation for the period | (4,526) |
| Allowance for impairment increased during the period | <u>(562)</u> |
| Net book value as at 31 March 2020 | <u><u>100,987</u></u> |

The Company has mortgaged its land with structures thereon with the net book value as at 31 March 2020 of approximately Baht 16.4 million (31 December 2019: Baht 16.5 million) as collateral for bank overdrafts and credit facilities granted by a commercial bank as discussed in Note 9.

9. Bank overdrafts and short-term loans from financial institutions

| | (Unit: Thousand Baht) | | |
|----------------|--------------------------------------|----------------------|---------------------|
| | Interest rate (percent per annum) | 31 March 2020 | 31 December 2019 |
| Trust receipts | 2.02 | <u>49,448</u> | <u>-</u> |
| Total | | <u><u>49,448</u></u> | <u><u>-</u></u> |

The bank overdrafts are secured by the mortgage of land with structures thereon.

As at 31 March 2020, the Company had bank overdrafts which had not yet been drawn down amounting to Baht 119.8 million (31 December 2019: Baht 119.8 million).


.....Director
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.....Director
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10. Trade and other payables

| | (Unit: Thousand Baht) | |
|---------------------------------------|-----------------------|---------------------|
| | 31 March 2020 | 31 December 2019 |
| Trade payables - unrelated parties | 155,279 | 183,308 |
| Other payables - unrelated parties | 29,132 | 23,777 |
| Accrued expenses | 116,485 | 59,462 |
| Total trade and other payables | 300,896 | 266,547 |

11. Share capital

On 23 March 2020, the Meeting of the Board of Directors of the Company No. 2/2563 passed a resolution to approve the share repurchase project (Treasury Stock) with the maximum amount of Baht 50 million for 18 million shares repurchased, representing 3% of the total issued share capital. The repurchase period is from 8 April 2020 to 7 October 2020.

12. Income tax

Interim corporate income tax is calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2020 and 2019 are made up as follows:

| | (Unit: Thousand Baht) | |
|---|-----------------------|--------------|
| | <u>2020</u> | <u>2019</u> |
| Current income tax | | |
| Interim corporate income tax charge | 10,477 | 7,661 |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | 185 | 1,034 |
| Income tax expenses reported in the statements of comprehensive income | 10,662 | 8,695 |

13. Earnings per share

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.


..... Director
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..... Director
Mrs. Chirapan Khotcharit Choosang

14. Segment information

The Company is organised into business units based on its products and services. The Company is engaged in two operating segments, which are the manufacture and distribution of beverages and the sales of license of cartoon characters. Its operations are carried on only in geographical area of Thailand. However, at present the operation of the sales of license of cartoon characters is insignificant. The Company's distribution channel includes both domestic and overseas markets. During the three-month period ended 31 March 2020, domestic sales represented 98 percent of total sales (2019: 97 percent of total sales).

Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segments and geographical area.

15. Dividend

On 25 March 2020, the meeting of the Board of Directors of the Company No. 3/2563 approved the payment of interim dividend for 2019 to the Company's shareholders at Baht 0.14 per share or a total dividend of Baht 85.12 million. The dividend payment was made on 24 April 2020.

16. Commitments**16.1 Operating lease commitments**

The Company has entered into several operating lease agreements in respect of the lease of equipment which are short-term leases and leases of low-value assets and other related service contracts. The terms of the agreements are generally between 1 and 3 years.

As of 31 March 2020, future minimum payments required under these contracts were as follows:

(Unit: Million Baht)

| | |
|----------------------------------|-----|
| Payable | |
| In up to 1 year | 2.1 |
| In over 1 year and up to 3 years | 0.2 |


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16.2 Merchandise sub-license commitments

On 19 October 2017, the Company entered into a merchandise sub-license agreement with an overseas company. Under the terms of the agreement, the Company is granted the privilege to sell licenses of the characters. The Company agrees to pay royalty fee at the percentage of gross license fee receipts as specified in the agreement. The agreement is for a period of 5 years, from 1 January 2018 to 31 December 2022.

On 1 September 2019, the Company entered into a merchandise sub-license agreement with a creator and copyright holder in Thailand. Under the terms of the agreement, the Company is granted the privilege to sell licenses of the characters. The Company agrees to pay royalty fee at the percentage of gross license fee receipts as specified in the agreement. The agreement is for a period of 2 years, from 1 September 2019 to 31 August 2021.

17. Fair value hierarchy

As at 31 March 2020, the Company had the following assets that were measured at fair value.

| | (Unit: Thousand Baht) |
|--|-----------------------|
| | <u>Level 2</u> |
| Financial assets measured at fair value | |
| Investments in mutual fund | 412,184 |

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

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Board of Directors of the Company on 14 May 2020.


.....Director
Mr.Chatchawe Vatanasuk


.....Director
Mrs. Chirapan Khotcharit Choosang