

T.A.C. Consumer Public Company Limited
Report and financial statements
31 December 2020

Independent Auditor's Report

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

Opinion

I have audited the accompanying financial statements of T.A.C. Consumer Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2020, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

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

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

Revenue recognition

Sales are significant accounting transactions as the volume of transactions and the amounts recognised in each period are material and directly affect profit or loss of the Company. In addition, the Company's sales transactions are made with local and overseas customers and there is a variety of arrangements and conditions, pertaining to matters such as sales promotions, discounts and special discounts to boost sales. As a result, the Company's recognition of revenue from sales regarding sale promotions and discounts are complex. I therefore focused my audit on the revenue recognition of the Company.

I examined the Company's revenue recognition by assessing and testing the Company's internal controls with respect to the revenue cycle by making inquiries of responsible executives, gaining an understating of the controls and selecting representative samples to test the operation of the designed controls. In addition, I applied a sampling method to select sales transactions occurring during the year and near the end of the accounting period to examine the supporting documents and reviewed credit notes that the Company issued after the period-end. I also performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

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

S. Ratananurak

Satida Ratananurak

Certified Public Accountant (Thailand) No. 4753

EY Office Limited

Bangkok: 18 February 2021

T.A.C. Consumer Public Company Limited

Statement of financial position

As at 31 December 2020


		(Unit: Baht)	
	Note	<u>2020</u>	<u>2019</u>
Assets			
Current assets			
Cash and cash equivalents	8	203,566,425	16,094,791
Current investments	9	-	540,583,646
Trade and other receivables	10	241,624,361	302,661,349
Inventories	11	34,920,104	39,631,255
Other current financial assets	12	396,463,090	-
Other current assets		<u>2,864,519</u>	<u>11,688,672</u>
Total current assets		<u>879,438,499</u>	<u>910,659,713</u>
Non-current assets			
Property, plant and equipment	13	98,347,463	104,311,438
Right-of-use assets	14	20,842,899	-
Intangible assets	15	56,224	261,620
Deferred tax assets	22	8,540,129	9,292,864
Other non-current financial assets		4,281,200	-
Other non-current assets		<u>-</u>	<u>4,250,818</u>
Total non-current assets		<u>132,067,915</u>	<u>118,116,740</u>
Total assets		<u>1,011,506,414</u>	<u>1,028,776,453</u>

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

T.A.C. Consumer
Public Company Limited

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)


.....Director
Mr. Chatchawe Vatanasuk


.....Director
Mrs. Chirapan Khotcharit Choosang

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

	Note	2020	2019
(Unit: Baht)			
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	17	214,430,573	266,546,691
Advance received from customers		5,287,741	7,406,416
Current portion of long-term financial lease liabilities		-	1,317,702
Current portion of lease liabilities	14	4,991,881	-
Income tax payable		23,490,568	26,480,887
Other current liabilities		6,321,804	8,449,661
Total current liabilities		254,522,567	310,201,357
Non-current liabilities			
Long-term financial lease liabilities, net of current portion		-	1,533,670
Lease liabilities, net of current portion	14	15,663,158	-
Provision for long-term employee benefits	18	18,632,301	18,575,050
Total non-current liabilities		34,295,459	20,108,720
Total liabilities		288,818,026	330,310,077
Shareholders' equity			
Share capital			
Registered			
608,000,000 ordinary shares of Baht 0.25 each		152,000,000	152,000,000
Issued and fully paid up			
608,000,000 ordinary shares of Baht 0.25 each		152,000,000	152,000,000
Share premium		426,988,701	426,988,701
Retained earnings			
Appropriated - statutory reserve	20	15,200,000	15,200,000
Unappropriated		128,499,687	104,277,675
Total shareholders' equity		722,688,388	698,466,376
Total liabilities and shareholders' equity		1,011,506,414	1,028,776,453

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

T.A.C. Consumer
Public Company Limited
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

.....
Mr. Chatchawe Vatanasuk Director

.....
Mrs. Chirapan Khotcharit Choosang Director

T.A.C. Consumer Public Company Limited
Statement of comprehensive income
For the year ended 31 December 2020

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements
		2019	2020	2019
Profit or loss:				
Revenues				
Sales and service income		1,520,276,775	1,314,737,938	1,520,276,775
Gain on disposal of investment in joint venture		75,751	-	-
Other income		7,088,458	2,002,797	7,088,458
Total revenues		1,527,440,984	1,316,740,735	1,527,365,233
Expenses				
Cost of sales and services	21	1,053,373,191	869,490,793	1,053,373,191
Selling and distribution expenses		193,207,454	140,915,611	193,207,454
Administrative expenses		72,623,672	72,307,614	72,623,672
Loss on exchange		4,177,893	134,475	4,177,893
Loss on disposal of investment in joint venture		-	-	5,219,615
Total expenses		1,323,382,210	1,082,848,493	1,328,601,825
Operating profit		204,058,774	233,892,242	198,763,408
Share of loss from investment in joint venture		(2,389,682)	-	-
Finance income		2,518,191	1,988,815	2,518,191
Finance cost		(352,438)	(1,185,735)	(352,438)
Profit before income tax expenses		203,834,845	234,695,322	200,929,161
Income tax expenses	22	(41,744,188)	(46,314,753)	(41,744,188)
Profit for the year		162,090,657	188,380,569	159,184,973
Other comprehensive income:				
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial loss	18	(6,553,474)	-	(6,553,474)
Less: Income tax effect	22	1,310,695	-	1,310,695
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(5,242,779)	-	(5,242,779)
Other comprehensive income for the year		(5,242,779)	-	(5,242,779)
Total comprehensive income for the year		156,847,878	188,380,569	153,942,194
Basic earnings per share				
Profit for the year	23	0.27	0.31	0.26
Weighted average number of ordinary shares (shares)		608,000,000	608,000,000	608,000,000

The accompanying notes are an integral part of the financial statements.
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

T.A.C. Consumer Public Company Limited
Statement of changes in shareholders' equity
For the year ended 31 December 2020

(Unit: Baht)

	Financial statements in which the equity method is applied				
	Issued and paid up share capital	Share premium	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2019	152,000,000	426,988,701	15,200,000	62,948,822	657,137,523
Profit for the year	-	-	-	162,090,657	162,090,657
Other comprehensive income for the year	-	-	-	(5,242,779)	(5,242,779)
Total comprehensive income for the year	-	-	-	156,847,878	156,847,878
Dividend paid (Note 26)	-	-	-	(115,519,025)	(115,519,025)
Balance as at 31 December 2019	152,000,000	426,988,701	15,200,000	104,277,675	698,466,376

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

T.A.C. Consumer
Public Company Limited

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



Director

Mr. Chatchawe Vatanasuk



Director

Mrs. Chirapan Khotcharit Choosang

T.A.C. Consumer Public Company Limited
Statement of changes in shareholders' equity
For the year ended 31 December 2020

(Unit: 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	152,000,000	426,988,701	15,200,000	65,854,506	660,043,207
Profit for the year	-	-	-	159,184,973	159,184,973
Other comprehensive income for the year	-	-	-	(5,242,779)	(5,242,779)
Total comprehensive income for the year	-	-	-	153,942,194	153,942,194
Dividend paid (Note 26)	-	-	-	(115,519,025)	(115,519,025)
Balance as at 31 December 2019	<u>152,000,000</u>	<u>426,988,701</u>	<u>15,200,000</u>	<u>104,277,675</u>	<u>698,466,376</u>
Balance as at 1 January 2020	152,000,000	426,988,701	15,200,000	104,277,675	698,466,376
Profit for the year	-	-	-	188,380,569	188,380,569
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	188,380,569	188,380,569
Dividend paid (Note 26)	-	-	-	(164,158,557)	(164,158,557)
Balance as at 31 December 2020	<u>152,000,000</u>	<u>426,988,701</u>	<u>15,200,000</u>	<u>128,499,687</u>	<u>722,688,388</u>

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

T.A.C. Consumer
Public Company Limited
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

T.A.C. Consumer Public Company Limited

Cash flow statement

For the year ended 31 December 2020

(Unit: Baht)

	Financial statements		
	in which		
	the equity method		Separate financial statements
is applied			
	2019	2020	2019
Cash flows from operating activities			
Profit before tax	203,834,845	234,695,322	200,929,161
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Depreciation and amortisation	18,542,170	23,094,832	18,542,170
Allowance for expected credit losses (reversal)	525,290	(430,179)	525,290
Reduction of inventories to net realisable value	17,403,437	(3,941,853)	17,403,437
(Gain) loss on disposal of investment in joint venture	(75,751)	-	5,219,615
Share of loss from investment in joint venture	2,389,682	-	-
Gain on sales and change in value of investments in trading securities	(4,301,073)	-	(4,301,073)
Loss on sales of other current financial assets	-	6,290,866	-
Gain on fair value adjustment of financial assets	-	(507,541)	-
Loss on write-off of non-refundable deposit	1,089,869	-	1,089,869
Gain on disposals of equipment	(1,838,240)	-	(1,838,240)
Loss on write-off of equipment and intangible assets	54,111	47,768	54,111
Allowance for impairment loss on property, plant and equipment	-	562,250	-
Provision for long-term employee benefits	4,782,252	3,097,344	4,782,252
Unrealised loss on exchange	4,213,597	211,426	4,213,597
Finance income	(2,518,191)	(1,988,815)	(2,518,191)
Finance cost	374,810	1,185,735	374,810
Profit from operating activities before changes in operating assets and liabilities	244,476,808	262,317,155	244,476,808
Operating assets decrease (increase):			
Trade and other receivables	5,341,325	61,157,969	5,341,325
Inventories	6,364,433	8,653,004	6,364,433
Other current assets	241,850	8,824,153	241,850
Other non-current assets	3,426,310	(30,382)	3,426,310
Operating liabilities increase (decrease):			
Trade and other payables	10,481,727	(52,891,861)	10,481,727
Advance received from customers	(6,147,637)	(2,118,675)	(6,147,637)
Other current liabilities	4,243,363	(2,127,857)	4,243,363
Cash from operating activities	268,428,179	283,783,506	268,428,179
Cash paid for long-term employee benefits	(6,023,628)	(3,040,093)	(6,023,628)
Interest received	2,459,975	2,286,281	2,459,975
Interest paid	-	(27,568)	-
Corporate income tax paid	(32,510,390)	(48,552,337)	(32,510,390)
Net cash from operating activities	232,354,136	234,449,789	232,354,136

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
Cash flow statement (continued)
For the year ended 31 December 2020

(Unit: Baht)

	Financial statements		
	in which		
	the equity method		Separate financial statements
is applied	2019	2019	
	2019	2020	2019
Cash flows from investing activities			
Increase in current investments	(148,458,189)	-	(148,458,189)
Cash paid for purchase of other current financial assets	-	(1,698,933,864)	-
Proceed from sales of other current financial assets	-	1,837,071,401	-
Proceeds from disposals of investment in joint venture	905,385	-	905,385
Acquisitions of plant and equipment	(32,866,736)	(15,752,030)	(32,866,736)
Proceeds from disposals of equipment	2,676,402	-	2,676,402
Increase in intangible assets	(47,464)	(20,660)	(47,464)
Net cash from (used in) investing activities	(177,790,602)	122,364,847	(177,790,602)
Cash flows from financing activities			
Repayments of liabilities under finance lease agreements	(2,946,659)	-	(2,946,659)
Repayments of lease liabilities	-	(5,960,188)	-
Dividend paid	(115,519,025)	(163,382,814)	(115,519,025)
Net cash used in financing activities	(118,465,684)	(169,343,002)	(118,465,684)
Net increase (decrease) in cash and cash equivalents	(63,902,150)	187,471,634	(63,902,150)
Cash and cash equivalents at beginning of year	79,996,941	16,094,791	79,996,941
Cash and cash equivalents at end of year (Note 8)	16,094,791	203,566,425	16,094,791

Supplemental cash flows information

Non-cash transactions

Acquisitions of assets under financial lease agreements	502,773	-	502,773
Acquisition of right-of-use assets under lease contracts	-	3,611,883	-
Dividend payable	-	775,743	-

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

**T.A.C. Consumer
Public Company Limited**

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



Director

Mr. Chatchawe Vatanasuk



Director

Mrs. Chirapan Khotcharit Choosang

T.A.C. Consumer Public Company Limited

Notes to financial statements

For the year ended 31 December 2020

1. General information

1.1 Corporate 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 beverage, 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 COVID-19 pandemic

A second wave of the COVID-19 pandemic has slowed down the economic recovery, 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.

2. Basis of preparation

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

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

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

**T.A.C. Consumer
Public Company Limited**

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



.....Director
Mr.Chatchawe Vatanasuk



.....Director
Mrs. Chirapan Khotcharit Choosang

3. New financial reporting standards

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

During the year, the Company has adopted the revised (revised 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. They also include stipulations regarding the presentation and disclosure of financial instruments.

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

T.A.C. Consumer
Public Company Limited
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)


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Mr. Chatchawe Vatanasuk


..... 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 4 to the financial statements.

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

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

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

During the period from the first quarter to the third quarter of 2020, the Company elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach and impairment of assets.

In the fourth quarter of 2020, the Company has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Company has decided to discontinue application of the temporary relief measures on accounting alternatives as mentioned. These has no significant impact on the Company's financial statements.

T.A.C. Consumer
Public Company Limited

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

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

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

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

As described in Note 3 to the financial statements, during the current year, 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:

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Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

(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	-	(3,487)	100,824
Right-of-use assets	-	-	22,480	22,480
Other non-current financial assets	-	4,250	-	4,250
Other non-current assets	4,250	(4,250)	-	-
Liabilities				
Current liabilities				
Current portion of long-term financial lease liabilities	1,318	-	(1,318)	-
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

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4.1 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			
		Fair value			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	374,216	-	166,368	540,584
Other non-current financial assets	4,250	-	-	4,250	4,250
Total financial assets	872,901	374,216	-	498,685	872,901

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

4.2 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	(1,814)
Increase in lease liabilities due to TFRS 16 adoption	18,993
Liabilities under finance lease agreements as at 31 December 2019	2,852
Lease liabilities as at 1 January 2020	21,845
Weighted average incremental borrowing rate (percent per annum)	5.01

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(Unit: Thousand Baht)

Comprise of:

Current lease liabilities	4,258
Non-current lease liabilities	17,587
	<u>21,845</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	1,093
Motor vehicles	2,394
Total right-of-use assets	<u>22,480</u>

5. Significant accounting policies

5.1 Revenue and expense recognition

a) Sales of goods

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

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

b) License fee

Revenue from license of cartoon character is recognised systematically over the contract period.

The obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Advance received from customers" in the statement of financial position, which is recognised as revenue when the Company performs under the contract.

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c) Interest income

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

d) Finance cost

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

5.2 Cash and cash equivalents

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

5.3 Inventories

Inventories are valued at the lower of cost (first-in, first-out method) and net realisable value. Cost of finished goods and work in process comprises all production costs and attributable factory overhead.

Raw materials and packing materials are charged to production costs whenever consumed.

The net realisable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

5.4 Property, plant and equipment and depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building	-	20 years
Building improvement	-	3 - 20 years
Machinery and plant equipment	-	5 - 10 years
Furniture and office equipment	-	3 - 5 years
Selling tools and equipment	-	5 years
Motor vehicles		5 years

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Depreciation is included in determining income. No depreciation is provided on land and assets under installation.

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

5.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.6 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses (if any).

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

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	2 - 5 years

5.7 Leases

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

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The Company as lessee

Accounting policies adopted since 1 January 2020

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

Right-of-use assets

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

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

Building and building improvement	5 - 8 years
Machinery plant and equipment	3 - 10 years
Furniture and office equipment	3 - 5 years
Motor vehicles	5 years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

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

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The Company discounted the present value of the lease payments 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 change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

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

Accounting policies adopted before 1 January 2020

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

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

5.8 Related party transactions

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


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

5.9 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.


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5.10 Impairment of non-financial assets

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

An impairment loss is recognised in the profit or loss.

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

5.11 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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.....
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Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

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

5.12 Provisions

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

5.13 Income tax

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

Current tax

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

Deferred tax

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


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

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

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

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5.14 Financial instruments

Accounting policies adopted since 1 January 2020

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

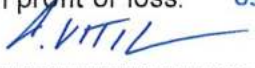
Financial assets at FVTPL

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

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

Classification and measurement of financial liabilities

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


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Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

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

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

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

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Offsetting of financial instruments

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

Accounting policies adopted before 1 January 2020

Trade accounts receivable

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

Investments

Current investments in securities held for trading are stated at fair value. Changes in the fair value of these investments are recorded in profit or loss.

The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association.

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

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

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

5.15 Derivatives

Accounting policies adopted since 1 January 2020

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks.

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

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

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5.16 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

6. Significant accounting judgements and estimates

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

Reduction of inventories to net realisable value

In determining the net realisable value of inventories, the management needs to make judgement and estimates of loss that may be incurred from substandard or deteriorated inventories, and the effect from the reduction of the selling price of inventories.

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Property, plant and equipment and depreciation

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

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

Post-employment benefits under defined benefit plans

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

Leases

Determining the lease term with extension and termination options - The Company as lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Company as lessee

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

7. Related party transactions

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

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.....
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Directors and management's benefits

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

	(Unit: Million Baht)	
	<u>2020</u>	<u>2019</u>
Short-term employee benefits	48.6	58.1
Post-employment benefits	2.8	4.2
Total	<u>51.4</u>	<u>62.3</u>

8. Cash and cash equivalents

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Cash	20	20
Bank deposits	203,407	15,946
Cash in private fund	139	129
Total cash and cash equivalents	<u>203,566</u>	<u>16,095</u>

As at 31 December 2020, bank deposits in savings and fixed deposits carried interests between 0.04 and 0.55 percent per annum (2019: between 0.04 and 0.50 percent per annum).

9. Current investments

As at 31 December 2019, current investments consisted of the following:

	(Unit: Thousand Baht)
	<u>2019</u>
Investments in trading securities	319,508
Current investments in private fund	54,708
Fixed deposits	166,368
Total current investments	<u>540,584</u>

As at 31 December 2019, the Company had current investments in 6-month and 12-month fixed deposits totaling Baht 166.4 million, carrying interests between 1.00 and 1.75 percent per annum and due for redemption during January 2020 to May 2020.

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10. Trade and other receivables

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
<u>Trade accounts receivable - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	229,393	295,378
Past due		
Up to 3 months	4,510	5,834
3 - 6 months	189	-
6 - 12 months	-	284
Over 12 months	284	1
Total	<u>234,376</u>	<u>301,497</u>
Less: Allowance for expected credit losses		
(2019: Allowance for doubtful accounts)	(60)	(200)
Total trade accounts receivable - unrelated parties - net	<u>234,316</u>	<u>301,297</u>
<u>Other receivables</u>		
Other receivables - unrelated parties	7,243	1,291
Less: Allowance for expected credit losses		
(2019: Allowance for doubtful accounts)	(254)	(544)
Total other receivables - unrelated parties - net	<u>6,989</u>	<u>747</u>
Interest receivable	319	617
Total other receivables - net	<u>7,308</u>	<u>1,364</u>
Total trade and other receivables - net	<u>241,624</u>	<u>302,661</u>

Movements of allowance for expected credit losses of trade and other receivables are summarised as follows:

	(Unit: Thousand Baht)
As at 1 January 2020	744
Allowance for expected credit losses (reversal)	(430)
As at 31 December 2020	<u>314</u>

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Mr. Chatchawe Vatanasuk Director

.....
Mrs. Chirapan Khotcharit Choosang Director
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11. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	40,654	39,282	(14,661)	(10,828)	25,993	28,454
Work in process	151	125	-	-	151	125
Raw and packing materials	10,232	20,442	(1,615)	(9,390)	8,617	11,052
Goods in transit	159	-	-	-	159	-
Total inventories	51,196	59,849	(16,276)	(20,218)	34,920	39,631

During the current year, the Company reduced cost of inventories by Baht 5.9 million (2019: Baht 18.5 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Company reversed the write-down of cost of inventories by Baht 9.9 million (2019: Baht 1.1 million), and reduced the amount of inventories recognised as expenses during the year.

12. Other current financial assets

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

(Unit: Thousand Baht)

Fixed deposits at amortised cost	1
Debt instrument at fair value through profit or loss	
Investments in mutual fund	396,462
Total other current financial assets	396,463

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 December 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 0.5 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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13. Property, plant and equipment

(Unit: Thousand Baht)

	Land	Buildings and building improvement	Machinery and plant equipment	Furniture and office equipment	Selling tools and equipment	Motor vehicles	Assets under installation	Total
Cost								
1 January 2019	10,704	31,108	10,373	17,695	48,219	15,092	12,272	145,463
Additions	14,874	6,986	3,582	1,421	-	5,689	817	33,369
Transfer in (transfer out)	-	158	285	130	205	-	(778)	-
Disposals/write-off	-	-	(143)	(612)	-	(10,995)	(54)	(11,804)
31 December 2019	25,578	38,252	14,097	18,634	48,424	9,786	12,257	167,028
Adjustment from TFRS 16 adoption	-	-	-	(2,695)	-	(3,600)	-	(6,295)
Additions	-	7,536	2,866	2,986	-	-	2,364	15,752
Transfer in (transfer out)	-	-	-	65	210	-	(275)	-
Write-off	-	(223)	(58)	(111)	-	-	-	(392)
31 December 2020	25,578	45,565	16,905	18,879	48,634	6,186	14,346	176,093
Accumulated depreciation								
1 January 2019	-	8,637	5,744	11,123	19,148	10,979	-	55,631
Depreciation for the year	-	2,453	1,334	2,777	9,674	1,760	-	17,998
Depreciation on disposals/write-off	-	-	(143)	(254)	-	(10,515)	-	(10,912)
31 December 2019	-	11,090	6,935	13,646	28,822	2,224	-	62,717
Adjustment from TFRS 16 adoption	-	-	-	(1,602)	-	(1,206)	-	(2,808)
Depreciation for the year	-	3,217	1,884	1,900	9,684	934	-	17,619
Depreciation on write-off	-	(178)	(55)	(111)	-	-	-	(344)
31 December 2020	-	14,129	8,764	13,833	38,506	1,952	-	77,184
Allowance for impairment loss								
31 December 2019	-	-	-	-	-	-	-	-
31 December 2020	-	-	-	-	-	-	562	562
Net book value								
31 December 2019	25,578	27,162	7,162	4,988	19,602	7,562	12,257	104,311
31 December 2020	25,578	31,436	8,141	5,046	10,128	4,234	13,784	98,347
Depreciation for the year								
2019 (Baht 3.2 million included in cost of sales, and the balance in selling and administrative expenses)								17,998
2020 (Baht 4.7 million included in cost of sales, and the balance in selling and administrative expenses)								17,619

As at 31 December 2020, certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 20.7 million (2019: Baht 16.9 million).

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The Company has mortgaged land with structures thereon with net book value as at 31 December 2020 amounting to approximately Baht 16.1 million (2019: Baht 16.5 million) as collateral for bank overdrafts and credit facilities granted by a commercial bank as discussed in Note 16.

14. Lease

The Company as lessee, has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 - 10 years.

14.1 Right-of-use assets

Movements of right-of-use assets for the year ended 31 December 2020 are summarised below.

(Unit: Thousand Baht)

	Building and building improvement	Machinery and plant equipment	Furniture and office equipment	Motor vehicles	Total
As at 1 January 2020	18,917	76	1,093	2,394	22,480
Increase during the year	567	1,779	1,266	-	3,612
Depreciation for the year	(3,283)	(452)	(938)	(576)	(5,249)
As at 31 December 2020	16,201	1,403	1,421	1,818	20,843

14.2 Lease liabilities

Lease liabilities as at 31 December 2020 are presented below.

(Unit: Thousand Baht)

Lease payment	23,103
Less: Deferred interest expenses	(2,448)
Total	20,655
Less: Portion due within one year	(4,992)
Lease liabilities - net of current portion	15,663

A maturity analysis of lease payments is disclosed in Note 29 under the liquidity risk.

Movements in lease liabilities during the year ended 31 December 2020 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2020 (Note 4)	21,845
Add: New lease contracts during the year	3,612
Accretion of interest	1,158
Less: Payments during the year	(5,960)
Balance as at 31 December 2020	20,655

.....

 Director
 Mr. Chatchawe Vatanasuk

.....

 Director
 Mrs. Chirapan Khotcharit Choosang

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

The following are the amounts relating to lease contracts recognised in profit or loss for the year ended 31 December 2020:

	(Unit: Thousand Baht)
Depreciation expenses of right-of-use assets	5,249
Interest expenses on lease liabilities	1,158
Expense relating to short-term leases	76
Expenses relating to leases of low-value assets	186

14.4 Others

The Company had total cash outflows for leases for the year ended 31 December 2020 of Baht 6.7 million, including the cash outflow related to short-term lease and leases of low-value assets.

15. Intangible assets

The net book value of intangible assets, which are computer software, as at 31 December 2020 and 2019 is presented below.

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Cost	5,715	6,597
Less: Accumulated amortisation	(5,659)	(6,335)
Net book value	<u>56</u>	<u>262</u>

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

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	262	759
Acquisitions - at cost	21	47
Amortisation for the year	(227)	(544)
Net book value at end of year	<u>56</u>	<u>262</u>

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16. Bank overdrafts

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

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

17. Trade and other payables

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Trade payables - unrelated parties	128,380	183,308
Other payables - unrelated parties	42,998	23,777
Accrued expenses	43,053	59,462
Total trade and other payables	<u>214,431</u>	<u>266,547</u>

18. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Provision for long-term employee benefits at beginning year	18,575	13,263
Included in profit or loss:		
Current service cost	2,819	3,634
Interest cost	278	304
Past service costs	-	845
Included in other comprehensive income:		
Actuarial loss arising from:		
Demographic assumptions changes	-	1,899
Financial assumption changes	-	1,473
Experience adjustments	-	3,181
Benefit paid during the year	<u>(3,040)</u>	<u>(6,024)</u>
Provision for long-term employee benefits at end of year	<u>18,632</u>	<u>18,575</u>

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..... Director
Mrs. Chirapan Khotcharit Choosang

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company has additional long-term employee benefit liabilities of Baht 0.8 million as a result. The Company reflected the effect of the change by recognising past service costs as expenses in profit or loss in the statement of comprehensive income in the year 2019.

The Company expects to pay Baht 0.2 million of long-term employee benefits during the next year (2019: Baht 2.0 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefits is 11 years (2019: 11 years).

Significant actuarial assumptions are summarised below.

	<u>2020</u>	<u>2019</u>
	(% per annum)	(% per annum)
Discount rate	1.61	1.61
Salary increase rate	5.00	5.00
Staff turnover rate (depending on age of employees)	3 - 34	3 - 34

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

	(Unit: Million Baht)	
	As at 31 December 2020	
	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(1.5)	1.7
Salary increase rate	1.7	(1.5)
	<u>Increase 20%</u>	<u>Decrease 20%</u>
Staff turnover rate	(1.8)	2.1

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(Unit: Million Baht)

As at 31 December 2019

	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(1.5)	1.6
Salary increase rate	1.4	(1.3)
	<u>Increase 20%</u>	<u>Decrease 20%</u>
Staff turnover rate	(1.5)	1.8

19. 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. During this period, no shares were repurchased by the Company.

20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit 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. At present, the statutory reserve has fully been set aside.

21. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Purchases of finished goods and changes in inventories of finished goods and work in process	653,582	800,694
Raw materials and consumables used	161,361	149,601
Advertising and promotion expenses	55,582	103,823
Salaries and wages and other employee benefits	113,592	113,452
Transportation expenses	35,156	36,606
Depreciation and amortisation	23,095	18,542
Consulting fees	2,571	1,355

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..... Director
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22. Income tax

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

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Current income tax:		
Current income tax charge	45,562	46,625
Deferred tax:		
Relating to origination and reversal of temporary differences	753	(4,881)
Income tax expenses reported in the statement of comprehensive income	<u>46,315</u>	<u>41,744</u>

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

	(Unit: Thousand Baht)	
	<u>2020</u>	<u>2019</u>
Deferred tax relating to actuarial loss	-	(1,311)

22.2 The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	203,835	234,695	200,929
Applicable tax rate	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	40,767	46,939	40,186
Effects of:			
Non-deductible expenses	2,245	639	2,826
Additional expense deductions allowed	(1,268)	(1,263)	(1,268)
Total	977	(624)	1,558
Income tax expenses reported in the statement of comprehensive income	41,744	46,315	41,744
Effective income tax rate	20.5%	19.7%	20.8%

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Mrs. Chirapan Khotcharit Choosang

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

(Unit: Thousand Baht)

	Statements of financial position	
	As at	As at
	31 December 2020	31 December 2019
Deferred tax assets		
Allowance for expected credit losses (2019: Allowance for doubtful accounts)	63	149
Allowance for diminution in inventory value	3,255	4,044
Accrued expenses	1,291	1,560
Allowance for goods returns	46	144
Allowance for impairment of property, plant and equipment	112	144
Lease	72	-
Provision for long-term employee benefits	3,726	3,715
Others	2	-
Total	8,567	9,612
Deferred tax liabilities		
Right of return assets	(27)	(120)
Financial leases	-	(199)
Total	(27)	(319)
Deferred tax assets - net	8,540	9,293

23. Earnings per share

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

24. Segment information

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

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The Company organised into business units based on its products and services. During the current year, the Company expended its business to the sales of license of cartoon characters. At present, the Company is engaged in two operating segments, which are the manufacture and distribution of beverage and the sales of license of cartoon characters. Its operations are carried on only in geographical area of Thailand. For the year 2020, the operation of the sales of license of cartoon characters represented 2 percent of total sales (2019: 3 percent of total sales). The Company's distribution channel includes both in domestic and overseas markets. For the year 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.

Major customers

For the year 2020, the Company had revenue from one major customer, with revenue of 95 percent of the Company's revenues (2019: 96 percent).

25. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by AIA Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 3.1 million (2019: Baht 3.0 million) were recognised as expenses.

26. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
<u>2019</u>			
Dividends for 2018	Annual General Meeting of the shareholders on 23 April 2019	54.7	0.09
Interim dividends for 2019	Board of Directors' meeting on 13 August 2019	60.8	0.10
Total for 2019		115.5	
<u>2020</u>			
Interim dividends for 2020	Board of Directors' meeting on 25 March 2020	85.1	0.14
Interim dividends for 2020	Board of Directors' meeting on 18 August 2020	79.0	0.13
Total for 2020		164.1	

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 Mr. Chatchawe Vatanasuk Director

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 Mrs. Chirapan Khotcharit Choosang Director

27. Commitments

27.1 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 December 2020, future minimum payments required under these contracts were as follows:

	(Unit: Million Baht)
Payable	
In up to 1 year	4.3
In over 1 year and up to 3 years	0.1

27.2 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.

28. Fair value hierarchy

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

	(Unit: Million Baht)
	<u>2020</u>
	<u>Level 2</u>
Financial assets measured at fair value	
Investments in mutual fund	396

During the years 2020 and 2019, there were no transfers within the fair value hierarchy.

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29. Financial instruments

29.1 Derivatives

(Unit: Thousand Baht)

	<u>2020</u>	<u>2019</u>
Derivative assets		
Derivative assets not designated as hedging instruments		
Forward exchange contracts	56	-
Total derivative assets	<u>56</u>	<u>-</u>

Derivatives not designated as hedging instruments

The Company uses forward exchange contracts to manage some of its transaction exposures. The forward exchange contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within 12 months.

29.2 Financial risk management objectives and policies

The Company's financial instruments, principally comprise cash and cash equivalents, trade and other receivables, other current financial assets, trade and other payables and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade and other receivables, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Company's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade and other receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade and other receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions.

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An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of customer segments with similar credit risks. The Company classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off when there are no movement and past due for more than one year and not subject to enforcement activity.

Financial instruments and cash deposits

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

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

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk.

Foreign currency risk

The Company's exposure to the foreign currency risk relates primarily to its purchasing transactions and investment in private fund that are denominated in foreign currencies.

The Company manages its foreign currency risk by hedging purchasing transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases and 24-month period for net investment hedges.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

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Forward exchange contracts outstanding as at 31 December 2020 are summarised below.

2020				
Foreign currency	Sold amount (Thousand)	Contractual exchange rate for amount sold (Baht per 1 foreign currency unit)		Contractual maturity date
		US dollar	40	

As at 31 December 2019, the Company had no outstanding of forward exchange contracts outstanding.

The balances of financial assets denominated in foreign currencies as at 31 December 2020 and 2019 are summarised below.

Foreign currency	Financial assets		Average exchange rate	
	2020 (Million)	2019 (Million)	2020 (Baht per foreign currency unit)	2019
US dollar	2	2	29.8674	30.1540

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Company's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2020.

Currency	Increase/decrease (%)	Effect on profit before tax
		(Thousand Baht)
US dollar	+5	3,144
	-5	(3,144)

Interest rate risk

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

**T.A.C. Consumer
Public Company Limited**

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)


..... Director
Mr. Chatchawe Vatanasuk


..... Director
Mrs. Chirapan Khotcharit Choosang

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	As at 31 December 2020						Interest rate (% per annum)
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	62	-	-	135	7	204	0.04 - 0.55
Trade and other receivables	-	-	-	-	242	242	-
Other current financial assets	-	-	-	-	396	396	-
	<u>62</u>	<u>-</u>	<u>-</u>	<u>135</u>	<u>645</u>	<u>842</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	214	214	-
Lease liabilities	5	16	-	-	-	21	3.96 - 11.12
	<u>5</u>	<u>16</u>	<u>-</u>	<u>-</u>	<u>214</u>	<u>235</u>	

(Unit: Million Baht)

	As at 31 December 2019						Interest rate (% per annum)
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	10	6	16	0.04 - 0.50
Current investments	167	-	-	-	374	541	1.00 - 1.75
Trade and other receivables	-	-	-	-	303	303	-
	<u>167</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>683</u>	<u>860</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	267	267	-
Liabilities under financial lease agreements	1	2	-	-	-	3	3.96 - 11.12
	<u>1</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>267</u>	<u>270</u>	

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Liquidity risk

The Company manages liquidity risk to meet its business obligations by maintains an adequate level of cash to meet its liquidity requirements. The Company had working capital cover the liquidity needs and its liquidity risk is low.

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

(Unit: Thousand Baht)

	Less than 1 year	1 - 5 years	Over 5 years	Total
Trade and other payables	214,431	-	-	214,431
Lease liabilities	5,953	16,814	336	23,103
Total	220,384	16,814	336	237,534

29.3 Fair values of financial instruments

Since the majority of the Company'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.

30. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

The Company manages its capital position with reference to its debt-to-equity ratio. As at 31 December 2020, the Company's debt-to-equity ratio was 0.4:1 (2019: 0.5:1)

31. Events after the reporting period

On 18 February 2021, the meeting of the Board of Directors of the Company No. 1/2021 approved the payment of final dividend for 2020 to the Company's shareholders at Baht 0.17 per share or a total dividend of Baht 103.36 million.

The dividend payment will later be proposed for approval in the Annual General Meeting of the Company's shareholders.

32. Approval of financial statements

These financial statements were authorised for issue by the board of directors of the Company on 18 February 2021.

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