

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of SIRAORN PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of SIRAORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of SIRAORN PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of SIRAORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SIRAORN PUBLIC COMPANY LIMITED as at December 31, 2020, and their 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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Recognition of revenues from construction contracts business on a percentage of completion

In 2020, the Company has revenues from construction contract amount of Baht 247.17 million in the consolidated financial statements and Baht 236.51 million in the separate financial statement recognized on a percentage of completion of each contract. The significant judgment is made in revenues recognition from construction contract on percentage of completion method by calculating on the proportion of construction cost incurred at the reporting date and comparing with total estimated costs of completed construction. It may take risk from deviation in percentage of completion work caused by gathering cost of construction incurred and using of significant judgment in changing and properly updating in estimated costs of completed construction in part of construction work of existing contracts and increase or decrease. The results of deviation have material impact to revenues and profit from operation. Accordingly, I have addressed as key audit matter.

I have obtained an assurance in respect of revenue recognition from construction contracts business on a percentage of completion, by included;

- Assessed the significant internal control system in respect of the accuracy of recognition of cost of construction and estimates of cost of construction to be completed and tested such significant internal control system for taking into consideration whether internal control are effective throughout the year.
- Performed sample test cost of construction transactions for checking with evidences involved the amounts of transactions and relationship of work under construction contracts.

- Selected the contracts in order to observe the construction work on the field site by checking the volume of reported work which compare with the existing work, inquire the controller engineering about the project situation and the proceeding and trouble of construction work for considering the factors which may have the impact on the estimates of cost of completed construction.
- Compared the percentage of completion work and report of results of construction approved by the consultancy engineer and considered the reasonable of discrepancy.
- Evaluated the appropriation of estimated cost of completed construction by discussing with the Management involve the judgment and reviewing the suitability of such estimation.
- Analysis the significant changes in gross profit derived from cumulative costs and the estimates of completion of each project by inquiry the reason and checked the accuracy of information.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

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

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

D I A International Audit Co., Ltd.

(Miss. Somjintana Pholhirunrat)

C.P.A. Thailand

Registration No. 5599

February 24, 2021

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

(Unit : Baht)

Assets	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Current assets					
Cash and cash equivalents	6	89,087,651.86	85,641,336.17	86,747,206.70	79,687,355.01
Current investments	7	0.00	12,724.70	0.00	12,724.70
Trade and other current receivables					
Trade accounts receivable - other companies		71,382,831.77	41,658,948.55	69,391,971.77	41,658,948.55
Other current receivables		16,509,295.14	7,102,487.80	16,545,631.76	6,998,736.12
Trade and other current receivables	8	87,892,126.91	48,761,436.35	85,937,603.53	48,657,684.67
Contract assets - current	9	48,165,856.37	49,647,833.98	47,369,427.85	46,678,848.96
Inventories	10	79,361,163.51	62,460,737.45	68,580,030.32	54,989,286.17
Other non-current financial assets	11	14,838.07	0.00	14,838.07	0.00
Total current assets		304,521,636.72	246,524,068.65	288,649,106.47	230,025,899.51
Non-current assets					
Bank deposits with obligations	12	64,751.02	64,438.53	0.00	0.00
Investments in subsidiary	13	0.00	0.00	22,666,112.97	22,666,112.97
Contract assets - non current	9	25,397,274.68	22,742,127.20	25,397,274.68	22,742,127.20
Property, plant and equipment	14	123,609,648.14	146,205,211.12	105,801,302.77	128,856,365.90
Rights of use assets	15	25,979,690.86	0.00	25,979,690.86	0.00
Other intangible assets	16	748,543.98	1,024,441.04	748,543.98	1,024,441.04
Deferred tax assets	17	5,075,981.24	4,978,310.61	4,912,835.61	4,736,764.95
Other non-current assets	18	1,334,792.19	862,582.65	1,199,400.95	735,260.44
Total non-current assets		182,210,682.11	175,877,111.15	186,705,161.82	180,761,072.50
Total assets		486,732,318.83	422,401,179.80	475,354,268.29	410,786,972.01

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT DECEMBER 31, 2020

(Unit : Baht)

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Current liabilities					
Trade and other current payables					
Trade accounts payable - subsidiary		0.00	0.00	29,498,155.90	25,145,251.45
Trade accounts payable - other companies		49,719,718.69	48,297,565.79	44,532,872.69	41,264,684.31
Other current payables		25,102,499.83	25,494,100.96	23,580,466.29	24,351,437.61
Total trade and other current payables	20	74,822,218.52	73,791,666.75	97,611,494.88	90,761,373.37
Contract liabilities	9	9,223,231.83	21,804,267.64	9,223,231.83	21,804,267.64
Current portion of financial lease liabilities	22	8,166,164.92	6,078,110.70	8,166,164.92	6,078,110.70
Current income tax payable		73,895.93	4,063,367.53	0.00	3,860,880.08
Total current liabilities		92,285,511.20	105,737,412.62	115,000,891.63	122,504,631.79
Non-current liabilities					
Long-term borrowings	21	20,000,000.00	0.00	20,000,000.00	0.00
Financial lease liabilities	22	9,155,478.17	9,745,164.70	9,155,478.17	9,745,164.70
Non-current provisions for employee benefit	23	24,866,599.50	22,909,665.00	22,016,760.50	20,280,231.00
Other non-current provisions		1,708,369.08	1,936,270.63	1,248,369.08	1,306,270.63
Total non-current liabilities		55,730,446.75	34,591,100.33	52,420,607.75	31,331,666.33
Total liabilities		148,015,957.95	140,328,512.95	167,421,499.38	153,836,298.12

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT DECEMBER 31, 2020

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
liabilities and shareholders' equity (Cont'd)				
Shareholders' equity				
Share capital				
Authorized share capital				
460,000,000 common shares of Baht 0.5 each	24	230,000,000.00	230,000,000.00	230,000,000.00
Issued and paid-up share capital				
460,000,000 common shares of Baht 0.5 each	24	230,000,000.00	230,000,000.00	
344,651,880 common shares of Baht 0.5 each	24		172,325,940.00	172,325,940.00
Share premium on ordinary shares		42,699,106.67	42,699,106.67	11,163,065.00
Retained earnings (deficit)				
Appropriated				
Legal reserve		19,500,000.00	17,500,000.00	17,500,000.00
Unappropriated		46,517,058.15	17,733,662.24	55,961,668.89
Total owners of the Company		338,716,164.82	307,932,768.91	256,950,673.89
Non-controlling interests		196.06	0.00	0.00
Total shareholders' equity		338,716,360.88	307,932,768.91	256,950,673.89
Total liabilities and shareholders' equity		486,732,318.83	475,354,268.29	410,786,972.01

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Sales		309,497,147.51	422,656,862.32	308,479,947.51	422,772,124.69
Hire of construction work		247,174,947.84	248,550,169.58	236,511,151.26	233,228,665.48
Services		1,716,300.94	2,820,062.62	1,716,300.94	2,851,062.62
Total revenues		558,388,396.29	674,027,094.52	546,707,399.71	658,851,852.79
Costs of sales and services		(224,417,261.55)	(298,633,371.85)	(231,372,473.27)	(311,570,550.84)
Costs of construction work		(220,220,467.54)	(207,914,572.93)	(210,548,498.50)	(194,650,501.23)
Total costs of sales and services		(444,637,729.09)	(506,547,944.78)	(441,920,971.77)	(506,221,052.07)
Gross profit (loss)		113,750,667.20	167,479,149.74	104,786,427.94	152,630,800.72
Other income		2,582,988.55	3,020,795.09	3,416,873.94	3,897,363.64
Profit before expenses		116,333,655.75	170,499,944.83	108,203,301.88	156,528,164.36
Distribution costs		(38,959,678.43)	(47,017,183.24)	(38,959,678.43)	(47,017,183.24)
Administrative expenses		(53,624,830.82)	(59,322,296.27)	(51,426,391.03)	(56,942,397.72)
Total expenses		(92,584,509.25)	(106,339,479.51)	(90,386,069.46)	(103,959,580.96)
Profit before finance costs and income tax expense		23,749,146.50	64,160,465.32	17,817,232.42	52,568,583.40
Finance income		106,754.09	24,678.12	105,470.70	17,162.41
Finance costs		(1,489,088.70)	(1,665,560.90)	(1,489,088.70)	(1,665,560.90)
Profit before income tax expense		22,366,811.89	62,519,582.54	16,433,614.42	50,920,184.91
Tax expense	17	(3,235,437.53)	(12,262,597.57)	(2,963,839.07)	(11,855,747.62)
Profit for the year		19,131,374.36	50,256,984.97	13,469,775.35	39,064,437.29
Other comprehensive income (expense) :					
Components of other comprehensive income					
that will not be reclassified to profit or loss					
Gains (losses) on remeasurements of defined					
benefit plans	17	0.00	(291,807.63)	0.00	293,043.20
Other comprehensive income (expense)		0.00	(291,807.63)	0.00	293,043.20
for the year-net of tax					
Total comprehensive income for the year		19,131,374.36	49,965,177.34	13,469,775.35	39,357,480.49

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (Cont'd)

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		2020	2019	2020	2019
Profit attributable to:					
Owners of the Company		19,131,356.26	50,256,944.83	13,469,775.35	39,064,437.29
Non-controlling interests		18.10	40.14	0.00	0.00
		<u>19,131,374.36</u>	<u>50,256,984.97</u>	<u>13,469,775.35</u>	<u>39,064,437.29</u>
Total comprehensive income (expense) attributable to :					
Owners of the Company		19,131,356.26	49,965,139.24	13,469,775.35	39,357,480.49
Non-controlling interests		18.10	38.10	0.00	0.00
		<u>19,131,374.36</u>	<u>49,965,177.34</u>	<u>13,469,775.35</u>	<u>39,357,480.49</u>
Earnings per share	33				
Earnings (loss) attributable to owners					
of the Company (Baht)		0.05	0.15	0.04	0.11
Weighted average number of common shares (share)		373,646,489	344,651,880	373,646,489	344,651,880

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

Consolidated financial statements

	Owners of the Company				Total owners of the Company	Non-controlling interests	Total shareholders' equity
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings Appropriated Legal reserve	Unappropriated			
Balance as at January 1, 2019	172,325,940.00	11,163,065.00	19,500,000.00	63,583,532.65	266,572,537.65	139.86	266,572,677.51
Changes in shareholders' equity for the year 2019 :							
Interim dividend paid	0.00	0.00	0.00	(34,465,188.00)	(34,465,188.00)	0.00	(34,465,188.00)
Profit (loss) for the year	0.00	0.00	0.00	50,256,944.83	50,256,944.83	40.14	50,256,984.97
Other comprehensive income (expense)	0.00	0.00	0.00	(291,805.59)	(291,805.59)	(2.04)	(291,807.63)
Balance as at December 31, 2019	<u>172,325,940.00</u>	<u>11,163,065.00</u>	<u>19,500,000.00</u>	<u>79,083,483.89</u>	<u>282,072,488.89</u>	<u>177.96</u>	<u>282,072,666.85</u>
Balance as at January 1, 2020	172,325,940.00	11,163,065.00	19,500,000.00	79,083,483.89	282,072,488.89	177.96	282,072,666.85
Changes in shareholders' equity for the year 2020 :							
Received paid-up share capitals	24 57,674,060.00	31,536,041.67	0.00	0.00	89,210,101.67	0.00	89,210,101.67
Interim dividend paid	25 0.00	0.00	0.00	(51,697,782.00)	(51,697,782.00)	0.00	(51,697,782.00)
Profit (loss) for the year	0.00	0.00	0.00	19,131,356.26	19,131,356.26	18.10	19,131,374.36
Balance as at December 31, 2020	<u>230,000,000.00</u>	<u>42,699,106.67</u>	<u>19,500,000.00</u>	<u>46,517,058.15</u>	<u>338,716,164.82</u>	<u>196.06</u>	<u>338,716,360.88</u>

Note

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

		Separate financial statements					
		<i>Issued and paid-up share capital</i>	<i>Share premium on ordinary shares</i>	Retained earnings (deficit)		Total	
<u>Note</u>	<i>Appropriated</i>			Unappropriated			
				Legal reserve			
	Balance as at January 1, 2019	172,325,940.00	11,163,065.00	17,500,000.00	51,069,376.40	252,058,381.40	
	Changes in shareholders' equity for the year 2019 :						
	<i>Interim dividend paid</i>	0.00	0.00	0.00	(34,465,188.00)	(34,465,188.00)	
	<i>Profit (loss) for the year</i>	0.00	0.00	0.00	39,064,437.29	39,064,437.29	
	<i>Other comprehensive income (expense)</i>	0.00	0.00	0.00	293,043.20	293,043.20	
	Balance as at December 31, 2019	172,325,940.00	11,163,065.00	17,500,000.00	55,961,668.89	256,950,673.89	
	Balance as at January 1, 2020	172,325,940.00	11,163,065.00	17,500,000.00	55,961,668.89	256,950,673.89	
	Changes in shareholders' equity for the year 2020 :						
	Received paid-up share capitals	24	57,674,060.00	31,536,041.67	0.00	0.00	89,210,101.67
	<i>Interim dividend paid</i>	25	0.00	0.00	0.00	(51,697,782.00)	(51,697,782.00)
	<i>Profit (loss) for the year</i>		0.00	0.00	0.00	13,469,775.35	13,469,775.35
	Balance as at December 31, 2020		230,000,000.00	42,699,106.67	17,500,000.00	17,733,662.24	307,932,768.91

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<i>Cash flows from operating activities</i>				
Profit (loss) for the year	19,131,374.36	50,256,984.97	13,469,775.35	39,064,437.29
<i>Adjustment net profit to cash receipt (disbursement)</i>				
from operating activities				
Income tax expenses	3,235,437.53	12,262,597.57	2,963,839.07	11,855,747.62
<i>Depreciation</i>	14,218,321.54	12,588,757.35	13,693,689.96	12,115,181.57
Amortization of intangible assets	324,947.06	316,276.51	324,947.06	316,276.51
Amortization expenses	16,942.68	136,445.57	16,942.68	15,905.71
Loss on devaluation of inventories	(551,813.11)	1,037,598.99	(489,217.48)	1,006,543.03
<i>(Gain) loss on disposal of fixed assets</i>	(842,507.24)	(194,075.11)	(717,469.87)	(123,316.89)
(Gain) loss on terminate of assets	0.00	36,283.00	0.00	8,044.95
<i>Non-current provisions for employee benefit</i>	4,858,847.50	5,042,597.00	4,638,442.50	4,554,947.00
<i>Other non-current provisions</i>	(227,901.55)	781,270.63	(57,901.55)	556,270.63
<i>Finance costs</i>	1,505,604.66	1,682,076.86	1,505,604.66	1,682,076.86
<i>Decrease (Increase) in changes of operating assets</i>				
<i>Trade and other current receivables</i>	(41,062,790.56)	(22,112,956.22)	(39,212,018.86)	(22,056,650.55)
<i>Inventories</i>	(16,348,612.95)	9,848,818.45	(13,101,526.67)	9,350,630.73
<i>Contract assets</i>	(1,173,169.87)	(3,244,952.73)	(3,345,726.37)	(1,159,359.57)
<i>Other non-current assets</i>	283,250.97	444,175.39	132,206.55	(58,250.00)
<i>Increase (Decrease) in changes of operating liabilities</i>				
<i>Trade and other current payables</i>	2,962,651.77	14,049,934.61	8,782,221.51	24,735,100.94
<i>Contract liabilities</i>	(12,581,035.81)	(1,236,248.87)	(12,581,035.81)	(1,236,248.87)
Employee benefit paid	(2,901,913.00)	(954,790.00)	(2,901,913.00)	(954,790.00)
<i>Cash generated (paid) from operation</i>	(29,152,366.02)	80,740,793.97	(26,879,140.27)	79,672,546.96
<i>Income tax paid</i>	(8,145,179.22)	(8,311,961.84)	(7,664,275.82)	(7,470,610.70)
Interest expenses	(674,491.13)	(924,895.82)	(674,491.13)	(924,895.82)
<i>Net cash provided by (used in) operating activities</i>	(37,972,036.37)	71,503,936.31	(35,217,907.22)	71,277,040.44

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont'd)
FOR THE YEAR ENDED DECEMBER 31, 2020

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<i>Cash flows from investing activities</i>				
<i>Current investments, (increase) decrease</i>	0.00	(112.37)	0.00	(112.37)
<i>Other non-current financial assets</i>	(2,113.37)	0.00	(2,113.37)	0.00
<i>Payments for acquire of fixed asset</i>	(8,048,375.53)	(7,380,177.05)	(7,059,362.48)	(6,837,672.38)
<i>Proceeds from disposal of fixed assets</i>	895,153.73	923,651.87	765,235.04	852,890.64
<i>Payments for acquire of intangible assets</i>	(49,050.00)	(341,190.00)	(49,050.00)	(341,190.00)
<i>Bank deposits with obligations, (increase) decrease</i>	(312.49)	(539.40)	0.00	0.00
<i>Net cash provided by (used in) investing activities</i>	(7,204,697.66)	(6,798,366.95)	(6,345,290.81)	(6,326,084.11)
<i>Cash flows from financing activities</i>				
<i>Dividend paid</i>	(51,697,782.00)	(34,465,188.00)	(51,697,782.00)	(34,465,188.00)
<i>Received paid-up share capitals</i>	89,210,101.67	0.00	89,210,101.67	0.00
<i>Proceeds from short-term borrowings from financial institution</i>	26,981,082.43	39,680,000.00	26,981,082.43	39,680,000.00
<i>Proceeds from short-term borrowings- related party</i>	0.00	36,000,000.00	0.00	36,000,000.00
<i>Proceeds from long-term borrowings from financial institution</i>	20,000,000.00	0.00	20,000,000.00	0.00
<i>Payments for short-term borrowings from financial institution</i>	(26,981,082.43)	(39,680,000.00)	(26,981,082.43)	(39,680,000.00)
<i>Payments for short-term borrowings- related party</i>	0.00	(36,000,000.00)	0.00	(36,000,000.00)
<i>Financial lease payables</i>	(8,889,269.95)	(10,202,800.36)	(8,889,269.95)	(10,202,800.36)
<i>Net cash provided by (used in) financing activities</i>	48,623,049.72	(44,667,988.36)	48,623,049.72	(44,667,988.36)
<i>Net increase (decrease) in cash and cash equivalents</i>	3,446,315.69	20,037,581.00	7,059,851.69	20,282,967.97
<i>Cash and cash equivalents at the beginning of the year</i>	85,641,336.17	65,603,755.17	79,687,355.01	59,404,387.04
<i>Cash and cash equivalents at the end of the year</i>	89,087,651.86	85,641,336.17	86,747,206.70	79,687,355.01

Supplemental disclosure of cash flows information are detailed in notes 29 to financial statements.

Notes to financial statements are integral parts of these financial statements

SIRAKORN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

1 GENERAL INFORMATION

- 1.1 Sirakorn Public Company Limited ("the Company") was registered as a company limited on December 18, 1989 and was converted to a public company limited on February 28, 2019 with registration No. 0107562000033.
- 1.2 Head office is location at 53/35 Moo 8, Tambol Bang Krang, Amphur Muang Nonthaburi, Nonthaburi 11000.
- 1.3 The Company has 5 branches as follows :
- Branch # 1 is located 231 Moo 4, Tambol Khothapra, Amphur Muang, Chainat 17000.
- Branch # 2 is located 132 Moo 5, Tambol Nonlamethong, Amphur Sahudsakhun, Karasin 46140.
- Branch # 3 is located 125/1 Moo 1, Tambol Hangsung, Amphur Nongyai, Cholburi 20190.
- Branch # 4 is located 76/1 Moo 1, Tambol Pong Santhong, Amphur Muang, Lumpang 52100.
- Branch # 5 is located 9-10 Moo 7, Sailongpod Road, Tambol Tha-uthae, Amphur Kanchanadit, Suratthanee 84160.
- 1.4 Sirakorn Public Company Limited and subsidiaries ("the Group) engaged in business of manufacturing and distribution of concrete products and construction work services.
- 1.5 Coronavirus disease 2019 Pandemic
- The Coronavirus disease 2019 pandemic is currently impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management continuously monitored the ongoing development 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. PREPARATION OF FINANCIAL STATEMENTS BASIS

2.1 Financial statements preparation basis

The Group's financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS); including interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP) and the regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017 regarding the preparation and submission of financial statements and reports for the financial performance of the listed companies B.E. 2560. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding the condensed form should be included in the financial statements (No. 3) B.E. 2562 dated December 26, 2019.

These financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

The financial statements in Thai language are statutory financial statements, the English version have been translated from Thai financial statements.

2.2 These consolidated financial statements have been included the financial statements of Sirakorn Public Company Limited and its subsidiaries in which the Company has ability to control in making financial and operating decisions until the controllable is ceased as follows:

	Incorporated in	Percentage of investment (%)		Type of business
		December 31, 2020	December 31, 2019	
Subsidiaries				
4A Concrete Co., Ltd.	Thai	99.99%	99.99%	Concrete products and concrete distribution
Sirikamol Construction Co., Ltd.	Thai	99.99%	99.99%	Construction contractual

2. PREPARATION OF FINANCIAL STATEMENTS BASIS (Cont'd)

2.3 The consolidated financial statements have been prepared in conformity with the same accounting policy for the same accounts and accounting events of the Company and subsidiaries.

2.4 The balance of accounts and transactions between Sirakorn Public Company Limited and subsidiaries, unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the consolidated financial statements.

2.5 Financial reporting standards that became effective in the current period

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

Thai Financial Reporting Standards

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Thai Accounting Standard

TAS 32	Financial Instruments: Presentation
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Thai Financial Reporting Interpretations Committee

TFRIC 16	Hedges of a Net Investments in a Foreign Operation
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TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments
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2. PREPARATION OF FINANCIAL STATEMENTS BASIS (Cont'd)

The above set of Thai Financial Reporting Standards (TFRSs) sets out the requirements for the classification and measurement of financial instrument at the fair value or amortized cost by considering from the type of instruments, contractual cash flow characteristics and the entity's business model, including the impairment methodology by using the expected credit loss, and the general hedge accounting, as well as the presentation and disclosures of financial instrument. When this set of TFRSs are effective, as a result, some currently effective accounting standards, interpretations and guidance will be cancelled. These standards will have no impact on the financial statements of the Group.

Thai Financial Reporting Standards No. 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 Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognized as an adjustment to the retained earnings as at January 1, 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Notes 3 to the consolidated financial statements.

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

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

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

2. PREPARATION OF FINANCIAL STATEMENTS BASIS (Cont'd)

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

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

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

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for the financial statements for fiscal year beginning on or after January 1, 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 that included in amendments to references to the Conceptual Framework in Financial Reporting Standards, Definition of a business, Definition of material and Interest Rate Benchmark Reforms.

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

3. CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

As described in Note 2.5 to the interim consolidated financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognized as an adjustment to the right-of-use assets and lease liabilities as at January 1, 2020. Therefore, the comparative information was not restated.

3. CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

The impacts from changes in accounting policies due to the adoption of these standards are presented as follows:

Consolidated financial statements (Baht)			
	The impacts of		
	December 31, 2019	TFRS 16	January 1, 2020
Statement of financial position			
Assets			
Non-current assets			
Property, plant and equipment	146,205,211.12	(25,862,441.49)	120,342,769.63
Right-of-use assets	0.00	29,951,163.46	29,951,163.46
Other non-current assets	23,604,709.85	(67,138.95)	23,537,570.90
Liability and shareholders' equity			
Non-current liability			
Lease liabilities	0.00	19,844,858.42	19,844,858.42
Financial lease liabilities	15,823,275.40	(15,823,275.40)	0.00
Separate financial statements (Baht)			
	The impacts of		
	December 31, 2019	TFRS 16	January 1, 2020
Statement of financial position			
Assets			
Non-current assets			
Property, plant and equipment	128,856,365.90	(25,862,441.49)	102,993,924.41
Right-of-use assets	0.00	29,951,163.46	29,951,163.46
Other non-current assets	23,477,387.64	(67,138.95)	23,410,248.69
Liability and shareholders' equity			
Non-current liability			
Lease liabilities	0.00	19,844,858.42	19,844,858.42
Financial lease liabilities	15,823,275.40	(15,823,275.40)	0.00

3. CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS (Cont'd)

3.1 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 : Baht)

	Carrying amounts under the former basis	Consolidated financial statements			
		Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	85,641,336.17	0.00	0.00	85,641,336.17	85,641,336.17
Current investment – deposit account	12,724.70	0.00	0.00	12,724.70	12,724.70
Trade and other receivables	48,761,436.35	0.00	0.00	48,761,436.35	48,761,436.35
Contract assets – non-current	22,742,127.20	0.00	0.00	22,742,127.20	22,742,127.20
Bank deposits with obligations	64,438.53	0.00	0.00	64,438.53	64,438.53
Total financial assets	157,222,062.95	0.00	0.00	157,222,062.95	157,222,062.95

3. CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS (Cont'd)

(Unit : Baht)

	Carrying amounts under the former basis	Separate financial statements			
		Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
Cash and cash equivalents	79,687,355.01	0.00	0.00	79,687,355.01	79,687,355.01
Current investment - deposit account	12,724.70	0.00	0.00	12,724.70	12,724.70
Trade and other receivables	48,657,848.67	0.00	0.00	48,657,848.67	48,657,848.67
Contract assets – non-current	22,742,127.20	0.00	0.00	22,742,127.20	22,742,127.20
Total financial assets	151,100,055.58	0.00	0.00	151,100,055.58	151,100,055.58

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

3. CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING POLICIES FROM THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS (Cont'd)

3.2 Leases

Upon initial application of TFRS 16 the Group recognized lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as at January 1, 2020. For leases previously classified as finance leases, the Group recognized 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 : Baht)	
	Consolidated	Separate
	financial statements	financial statements
Operating lease commitments as at December 31, 2019	2,386,500.00	2,386,500.00
Add: Obligations from renewal of lease	2,142,000.00	2,142,000.00
Less: Short-term leases and leases of low-value assets	0.00	0.00
Less: Deferred interest expenses	(506,916.98)	(506,916.98)
Increase in lease liabilities due to initial adoption TFRS 16	4,021,583.02	4,021,583.02
Liabilities under finance lease agreements as at December 31, 2019	15,823,275.40	15,823,275.40
Lease liabilities as at January 1, 2020	19,844,858.42	19,844,858.42
The above lease liabilities comprise of:		
Current lease liabilities	7,390,110.70	7,390,110.70
Non-current lease liabilities	12,454,747.72	12,454,747.72
	19,844,858.42	19,844,858.42

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

	Consolidated	Separate
	financial statements	financial statements
Land - hired	4,088,721.97	4,088,721.97
Motor vehicles and machinery	25,862,441.49	25,862,441.49
Total right-of-use assets	29,951,163.46	29,951,163.46

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenues and Expense Recognition

4.1.1 Revenues from construction contract are recognized as income over time of construction contract by using input method to measure the stage of completion of the contract which compared the actual costs at the end of the reporting period and total estimated costs of construction contract. The Company shall provide the provision for loss on construction when the expected losses incurred for revenues recognized in the reporting period immediately. The excess over contract revenue is presented as "contract assets" in statements of position.

4.1.2 Revenues from the sales of goods are recognized as income whenever the goods, the significant risks and rewards have been transferred to the buyer.

4.1.3 Revenues from services are recognized as income whenever the services are rendered.

4.1.4 Income and expenses are recognized on an accrual basis.

4.1.5 Cost of construction comprise material cost, direct labor and operating expenses are recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents mean cash and deposit at banks which the maturity is less than three months from the deposit date and are not subject to the restriction on withdrawal.

4.3 Inventories

Inventories are valued at the lower of cost or net realizable value.

Cost is determined on a first-in, first-out (FIFO) basis. Cost of inventories comprises cost of raw materials, production overheads in converting direct materials into finished goods. The allocation of fixed production overheads to the costs of conversion is based on the normal capacity. Work in process consist of construction costs expected to be recovered only.

4.4 Investments in subsidiaries

Investments in subsidiaries are stated at cost less provision for impairment of investment (if any).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.5 Property, plants and equipment

The Group stated land at cost less provision for impairment (if any).

Building and equipment are stated at cost less accumulated depreciation and provision for impairment (if any). Cost includes initially estimated cost of dismantlement, removal and restoration the site on which it is located, the obligation for which the Company incurs.

The Group determined depreciation on a straight-line basis over the estimated useful lives of assets and the depreciation charge has to be determined separately for each significant parts of assets with the cost that is significant in relation to the total cost of the assets item. In addition the Group are required to review the useful lives, residual value and depreciation method at least of each financial year-end.

The estimated useful lives of the assets are as follows:

	Number of years
Building and factory	10 - 40
Buoy	5 - 10
Machinery and equipment	5 - 10
Office equipment	5 - 20
Vehicles	5 - 10
Factory improvement	5 - 30

4.6 Intangible assets and amortization

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and provision for impairment (if any). Amortization is recognized on a straight-line basis over the expected economic benefit generating period from the date when they will be available for use.

The expected economic benefit generating period is below:

	Number of years
Computer software	5 - 10

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.7 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the non-financial 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.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement.

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 Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.8 Leases

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

The Group as a lessee

Accounting policies adopted since 1 January 2020

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

Right-of-use assets

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

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

Land	6 years
Motor vehicles	3 years

If ownership of the leased asset is transferred to the Group 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

The Group as a lessor

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Accounting policies adopted before 1 January 2020

Financial lease

The Group records vehicles under financial lease as assets and liabilities in the statements of financial position in an amount equal to the fair value of the lease assets at the inception of the agreement. Interest expenses are recorded to each period over the term of agreement based on the outstanding balance of the financial lease liabilities during each period.

Operating lease

Long-term lease that transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

4.9 Financial instruments

Accounting policies adopted since 1 January 2020

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 the income statement when the asset is derecognised, modified or impaired.

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

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

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

Impairment of financial assets

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

Offsetting of financial instruments

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

Accounting policies adopted before 1 January 2020

Trade and other receivables

Trade and other receivables are stated at the invoice amount less allowance for doubtful accounts.

The Group provided the allowance for doubtful accounts equal to the estimated uncollectible receivable based on historical collection experience. Receivables will be written-off when the bad debts is indicated.

Unbilled construction in progress

Unbilled construction in progress is the excess of cumulative revenues over the amounts currently billed from customers. The Group will record allowance for impairment loss of unbilled income for the estimated loss incurred from uncollectability receivables. Unbilled income is classified as trade accounts receivables when the entity had a right to receive the payment without conditions, such as when the services are rendered and the works are assigned.

Retention receivables are retention under services contract which had no interest and any collaterals. Retention receivables are classified as non-current under condition of the contract by the customers deducted the retention from the amounts paid to the Group at the agreed rate indicated in contract and will be returned to the Group when the performance obligations and conditions as stipulated in the contract are satisfied.

Unearned revenues and advance received from customers

Unearned revenues are the excess amounts of currently collected from customers over accumulated income. The Group still has an obligation to transfer the goods or services to the customers. Unearned revenues will be recognized as income when the performance obligation under the contract is completely satisfied. Advance received from customers are part of advance payment as stipulated in the contract and will be gradually deducted from each work statement at the concerned rate.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.10 Employee benefits

4.10.1 Provident fund

The Group and their employees have jointly established a provident fund under the Provident Fund Act B.E. 2530. The fund consist of the accumulation by the employees on a monthly basis at a rate of 2.5-5 percent of basic salaries, and the Group's contribution at a rate of 2 .5 -5 percent. The Company's fund is managed by Bangkok Bank Public Company Limited.

4.10.2 Employee benefits

The Group provides for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions. The assumptions used in determining the net period cost for employee benefits include the discount rate, the rate of salary increment, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis, the Group determines the appropriate discount rate, which represents the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Group considers the market yield based on Thai government bonds with currency and term similar to the estimated term of benefit obligation.

The principles actuarial assumption can be summarized as follows :

	As at December 31, 2020		As at December 31, 2019	
	Consolidated financial statements	Separate 1 financial statements	Consolidated financial statements	Separate financial statements
Discount rate for employees				
and daily employees	1.26 - 1.84	1.26 - 1.71	1.26 - 1.84	1.26 - 1.71
Increase in salaries rate of				
employees and daily employees	1.57 - 6.03	1.57. - 6.03	1.57 - 6.03	1.57 - 6.03

Mortality and disability rate in according to TMO 17 (B.E. 2560).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.11 Accounting estimates

Preparation of financial statements in conformity with Thai Financial Reporting Standards required management to make several estimation and assumption which affect the reported amounts in the financial statements the and notes related thereto. Consequent actual results may differ from these estimates.

The Group provided the estimates and assumption to the future events that the actual results may differ from these estimates. The estimates and assumptions may have a risk of causing an adjustment to the assets in the next financial year related to allowance for doubtful accounts and allowance for devaluation of assets at the statement of financial position date. Other estimates are further described in the corresponding disclosures.

4.12 Provisions

The Group recognizes a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Group settles the obligation. The amount recognized should not exceed the amount of the provision.

4.13 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:

Revenues from construction contract

The Group recognized revenues from construction contract overtime of construction. The management used input method to measure the percentage of completion by comparing the actual costs incurred for the transaction at the end of the reporting period with the estimated total costs of construction contract. Therefore, the management used the significant judgment for estimating actual costs of construction of the completion work until present, assessment of contract revenue and total construction costs.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Estimated costs of project

In determining the cost of each project from the details of services work and calculates the labor, wages, and overhead costs required to complete the services as well as considering the tendency of changes prices of wages and other costs, actual costs expected to be received including the assessment of the deduction of income arising from delay of works assignment and contractual fines based on the historical experience and information. The Group will regularly review the estimated costs and every time of actual costs are significantly differed from the estimated costs.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

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

Property, plant and equipment/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 judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Intangible assets

The initial recognition and measurement of intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Deferred tax assets

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

Post-employment benefits under defined benefit plans

The obligations under the defined benefit plans are 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 Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Provision for devaluation of inventories.

In determining provision for devaluation of inventories, the management is required to make estimates of the expected loss incurred of inventories. The provision for devaluation of inventories is considered by normal expected selling price less selling expenses and provision for devaluation of inventories slow movement or obsolete by the age of each inventories.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess the results of the litigation and believes that the provision made would be sufficient. However, actual results could differ from the estimates.

4.14 Income tax expenses and deferred tax

Income tax expenses for the accounting period comprises current tax and deferred tax.

4.14.1 Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, using the tax rates enacted and any adjustment to tax payable in respect of previous years.

4.14.2 Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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 utilized.

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

4.15 Earnings per share

Earnings per share which is determined by dividing the net profit for the year by the weighted average number of common shares issued and paid-up during the year.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

4.16 Measurement of fair values

A number of the Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

5. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

Related party	Relationship	Transactions	Pricing policy
4A Concrete Co., Ltd.	Subsidiary	Acquire of goods	Cost plus margin at 1 - 25% depend on products
		Acquire of raw materials	Cost plus margin at 1 - 25% depend on products
		Sales of raw materials/supplies	Cost plus margin at 1 - 25% depend on products
		Equipment rental income	At the agreed rate
		Transportation expenses	At the agreed rate by reference to the distance
		Management fee	At the rate in agreement
		Equipment rental	At the agreed rate
		Interest income	At the rate of 4%
Sirikamol Construction Co., Ltd.	Subsidiary	Management fee	At the rate in agreement
Mr. Jin Tangnukulkit	Director/ Shareholder	Interest expenses	At the rate of 4%
	Shareholder		
Mr. Pakorn Tangnukulkit	Director/ Shareholder	Interest expenses	At the rate of 4%
	Shareholder		

5. TRANSACTIONS WITH RELATED PERSONS AND PARTIES (Cont'd)

5.1 Transactions and amounts with related persons and parties in statements of financial position are as follow :

	Separate financial statements (Baht)	
	2020	2019
Sirikamol Construction Co., Ltd.		
Other receivables	128,400.00	64,200.00
Undue input tax	8,400.00	0.00
4A Concrete Co., Ltd.		
Trade accounts payable	29,498,155.90	25,145,251.45

5.2 Transactions and amounts with related party in statements of comprehensive income for the year ended December 31, 2020 and 2019 are as follows:

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2020	2019	2020	2019
4A Concrete Co., Ltd.				
Sales of raw materials / supplies income	0.00	0.00	39,320.00	322,854.00
Hire of work income - transportation expenses	0.00	0.00	0.00	31,000.00
Other income				
Management fee	0.00	0.00	240,000.00	240,000.00
Equipment rental income	0.00	0.00	654,000.00	673,000.00
Other	0.00	0.00	12,654.00	11,700.00
Acquire of goods	0.00	0.00	47,008,330.00	69,747,985.00
Acquire of raw material	0.00	0.00	0.00	4,278.00
Equipment rental	0.00	0.00	661,000.00	730,000.00
Sirikamol Construction Co., Ltd.				
Other income				
Management fee	0.00	0.00	60,000.00	60,000.00
Mr. Jin Tangnukulkit				
Finance costs - interest expenses	0.00	64,438.36	0.00	64,438.36
Mr. Pakorn Tangnukulkit				
Finance costs - interest expenses	0.00	384,657.53	0.00	384,657.53

6. CASH AND CASH EQUIVALENTS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2020	2019	2020	2019
Cash	502,243.75	503,681.25	361,009.75	354,995.25
Current accounts	78,101,519.49	56,850,394.48	76,755,386.84	52,631,738.68
Savings deposit	10,483,888.62	10,855,887.17	9,630,810.11	9,269,247.81
Non-deposited notes receivable	0.00	17,431,373.27	0.00	17,431,373.27
Total	<u>89,087,651.86</u>	<u>85,641,336.17</u>	<u>86,747,206.70</u>	<u>79,687,355.01</u>

7. CURRENT INVESTMENT

As at December 31, 2019, the Group has bank deposits in the amount of Baht 0.01 million (Separate : Baht 0.01 million).

8. TRADE AND OTHER CURRENT RECEIVABLES

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	2020	2019	2020	2019
Trade accounts receivable - other companies				
Trade accounts receivable	75,450,841.52	43,365,099.86	73,459,981.52	43,365,099.86
Notes receivable	184,635.56	614,394.00	184,635.56	614,394.00
Total	75,635,477.08	43,979,493.86	73,644,617.08	43,979,493.86
Less Allowance for expected credit loss /				
allowance for doubtful accounts	(4,252,645.31)	(2,320,545.31)	(4,252,645.31)	(2,320,545.31)
Total trade accounts receivable – other				
companies	<u>71,382,831.77</u>	<u>41,658,948.55</u>	<u>69,391,971.77</u>	<u>41,658,948.55</u>

8. TRADE AND OTHER CURRENT RECEIVABLES (Cont'd)

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	2020	2019	2020	2019
Other receivables - subsidiaries	0.00	0.00	128,400.00	64,200.00
Other receivables - other companies				
Prepaid expenses	7,351,100.44	2,559,049.93	7,328,198.52	2,535,355.56
Prepaid for raw materials	5,414,008.00	3,861,022.52	5,414,008.00	3,861,022.52
Deposit	2,064,405.61	119,437.38	2,064,405.61	119,437.38
Retention	75,500.00	0.00	20,000.00	0.00
Others	1,604,281.09	562,977.97	1,590,619.63	418,720.66
Total other current receivables	<u>16,509,295.14</u>	<u>7,102,487.80</u>	<u>16,545,631.76</u>	<u>6,998,736.12</u>
Total trade and other current receivables	<u>87,892,126.91</u>	<u>48,761,436.35</u>	<u>85,937,603.53</u>	<u>48,657,684.67</u>

Movements in the allowance for expected credit loss / allowance for doubtful accounts during in the period are as follows:

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	2020	2019	2020	2019
Brought forward	(2,320,545.31)	(8,782,151.06)	(2,320,545.31)	(8,782,151.06)
Additional	(1,932,100.00)	0.00	(1,932,100.00)	0.00
Amortized bad debt	0.00	6,461,605.75	0.00	6,461,605.75
Total	<u>(4,252,645.31)</u>	<u>(2,320,545.31)</u>	<u>(4,252,645.31)</u>	<u>(2,320,545.31)</u>

8. Trade accounts receivable separated by aging as follows : (Cont'd)

Trade accounts receivable separated by aging as follows :

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	2020	2019	2020	2019
Undue	56,006,385.67	31,344,896.87	54,015,525.67	31,344,896.87
Overdue				
- Less than 3 months	14,047,433.47	7,602,570.14	14,047,433.47	7,602,570.14
- Over 3 - 6 months	499,758.99	280,023.76	499,758.99	280,023.76
- Over 6 - 12 months	817,997.24	263,029.02	817,997.24	263,029.02
- Over 12 months	4,263,901.71	4,488,974.07	4,263,901.71	4,488,974.07
Total	<u>75,635,477.08</u>	<u>43,979,493.86</u>	<u>73,644,617.08</u>	<u>43,979,493.86</u>

9. Contract assets/Contract liabilities

9.1 Contract assets/Contract liabilities as at December 31, 2020 and 2019 as follows:

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	2020	2019	2020	2019
Contract assets - current				
Unbilled work in progress	48,097,756.37	49,647,833.98	47,369,427.85	46,678,848.96
Retention receivables	<u>68,100.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total contract assets – current	<u>48,165,856.37</u>	<u>49,647,833.98</u>	<u>47,369,427.85</u>	<u>46,678,848.96</u>
Contract assets – non-current				
Retention receivables	<u>25,397,274.68</u>	<u>22,742,127.20</u>	<u>25,397,274.68</u>	<u>22,742,127.20</u>
Total contract assets – non-current	<u>25,397,274.68</u>	<u>22,742,127.20</u>	<u>25,397,274.68</u>	<u>22,742,127.20</u>

9. Contract assets/Contract liabilities (Cont'd)

	Consolidated financial statements		Separate financial statements	
	(Baht)		(Baht)	
	2020	2019	2020	2019
Contract liabilities				
Construction revenue received in advance	1,799,316.07	2,935,403.66	1,799,316.07	2,935,403.66
Advance received from employers	3,103,299.74	13,515,200.82	3,103,299.74	13,515,200.82
Advance received – goods	934,029.81	2,781,023.40	934,029.81	2,781,023.40
Retention	3,386,586.21	2,572,639.76	3,386,586.21	2,572,639.76
Total contract liabilities	9,223,231.83	21,804,267.64	9,223,231.83	21,804,267.64

9.2 Recognized income related to contract balance

Recognized income related to contract balance for the year ended December 31, 2020 are as follows:

(Unit : Baht)

	Consolidated financial	Separate financial
	statements	statements
Recognized income included in unearned services income brought forwards	13,515,200.82	13,515,200.82

9.3 Revenues expected to recognize for performance obligations which were not satisfied

As at December 31, 2020 and 2019, the Group expected that the future revenues to be recognized for unsatisfied performance obligations (or partially unsatisfied) of contract with customers amount of Baht 186.73 million and Baht 164.67 million respectively (Separate : Baht 182.69 million and Baht 164.10 million respectively). The Company expected to satisfy the performance obligations under the contract to be completed within 1 year (Separate : 1 year).

10. INVENTORIES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Finished goods	52,695,146.41	47,367,615.99	44,267,713.28	41,205,070.48
Goods in transit	10,402,869.84	2,699,544.05	10,402,869.84	2,699,544.05
Raw materials	17,828,766.05	11,848,204.79	15,196,631.21	10,188,354.60
Construction work	1,495,017.98	4,157,822.50	1,485,103.97	4,157,822.50
Total	82,421,800.28	66,073,187.33	71,352,318.30	58,250,791.63
Less Allowance for devaluation of inventories	(3,060,636.77)	(3,612,449.88)	(2,772,287.98)	(3,261,505.46)
Total	79,361,163.51	62,460,737.45	68,580,030.32	54,989,286.17

11. OTHER NON-CURRENT FINANCIAL ASSETS

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current portion of fixed deposits	14,838.07	0.00	14,838.07	0.00
Total	14,838.07	0.00	14,838.07	0.00

12. BANK DEPOSITS WITH OBLIGATIONS

As at December 31, 2020 and 2019, the subsidiary's bank deposits with three month maturity amount of Baht 0.06 million was used as guarantee against electricity usage with the Provincial Electricity Authority as stated in note 30.4.

13. INVESTMENT IN SUBSIDIARIES

(Unit : Bath)

Name of subsidiaries	Paid-up share capital		Percentage of		Separate financial statement	
	(Million Baht)		investment		Cost	
	2020	2019	2020	2019	2020	2019
4A Concrete Co., Ltd.	20.00	20.00	99.99%	99.99%	19,999,930.00	19,999,930.00
Sirikamol Construction Co., Ltd.	2.10	2.10	99.99%	99.99%	2,666,182.97	2,666,182.97
Total					22,666,112.97	22,666,112.97

14. PROPERTY, PLANT AND EQUIPMENT

	Consolidated financial statements								(Unit : Baht)
	Land and improvement	Building and factory	Buoy	Machinery and equipment	Office equipment	Vehicles	Building and factory improvement	Machinery under installation	Total
Cost:									
As at January 1, 2019	37,556,304.23	32,569,286.49	46,687,009.54	135,696,474.41	8,344,952.86	88,496,147.65	7,692,672.46	1,436,828.00	358,479,675.64
Acquisition	0.00	0.00	0.00	2,009,727.40	374,158.42	1,073,831.77	42,626.00	3,879,833.46	7,380,177.05
Disposal	0.00	0.00	0.00	(4,538,382.61)	(349,475.57)	(1,415,140.18)	0.00	0.00	(6,302,998.36)
Reclassify / Transfer in (out)	0.00	0.00	0.00	4,742,751.46	0.00	0.00	0.00	(4,742,751.46)	0.00
As at December 31, 2019	37,556,304.23	32,569,286.49	46,687,009.54	137,910,570.66	8,369,635.71	88,154,839.24	7,735,298.46	573,910.00	359,556,854.33
Acquisition	0.00	24,000.00	0.00	4,263,953.46	372,287.75	4,879,392.53	4,450.00	2,344,946.00	11,889,029.74
Disposal	0.00	(120,020.14)	0.00	(5,436,466.88)	(187,132.21)	(750,000.00)	0.00	0.00	(6,493,619.23)
Reclassify / Transfer in (out)	0.00	0.00	0.00	2,630,185.29	0.00	0.00	50,979.11	(2,681,164.40)	0.00
Reclassify to right of use-assets	0.00	0.00	0.00	(6,944,399.14)	0.00	(19,975,468.15)	0.00	0.00	(26,919,867.29)
As at December 31, 2020	37,556,304.23	32,473,266.35	46,687,009.54	132,423,843.39	8,554,791.25	72,308,763.62	7,790,727.57	237,691.60	338,032,397.55

14. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Consolidated financial statements								(Unit : Baht)
	Land and improvement	Building and factory	Buoy	Machinery and equipment	Office equipment	Vehicles	Building and factory improvement	Machinery under installation	Total
Accumulated depreciation :									
As at January 1, 2019	0.00	(11,428,160.11)	(46,686,998.54)	(109,411,019.42)	(4,413,570.47)	(30,552,845.58)	(3,807,430.34)	0.00	(206,300,024.46)
Depreciation for the year	0.00	(665,170.89)	0.00	(5,907,660.38)	(604,290.61)	(5,213,971.43)	(197,664.04)	0.00	(12,588,757.35)
Depreciation of disposal	0.00	0.00	0.00	4,358,792.39	330,137.92	848,208.29	0.00	0.00	5,537,138.60
As at December 31, 2019	0.00	(12,093,331.00)	(46,686,998.54)	(110,959,887.41)	(4,687,723.16)	(34,918,608.72)	(4,005,094.38)	0.00	(213,351,643.21)
Depreciation for the year	0.00	(660,511.31)	0.00	(6,203,253.70)	(557,762.82)	(5,417,732.24)	(203,736.98)	0.00	(13,042,997.05)
Depreciation of disposals	0.00	120,019.11	0.00	5,390,637.44	180,317.19	749,999.00	0.00	0.00	6,440,972.74
Reclassify to right of use-assets	0.00	0.00	0.00	2,596,110.33	0.00	2,934,807.78	0.00	0.00	5,530,918.11
As at December 31, 2020	0.00	(12,633,823.20)	(46,686,998.54)	(109,176,393.34)	(5,065,168.79)	(36,651,534.18)	(4,208,831.36)	0.00	(214,422,749.41)
Net book value :									
As at December 31, 2019	37,556,304.23	20,475,955.49	11.00	26,950,683.25	3,681,912.55	53,236,230.52	3,730,204.08	573,910.00	146,205,211.12
As at December 31, 2020	37,556,304.23	19,839,443.15	11.00	23,247,450.05	3,489,622.46	35,657,229.44	3,581,896.21	237,691.60	123,609,648.14
Depreciation in statements of comprehensive income									
For the year ended December 31, 2019									12,588,757.35
For the year ended December 31, 2020									13,042,997.05

As at December 31, 2020 and 2019, the Group has fixed assets at cost of Baht 179.66 million and Baht 173.98 million respectively which were depreciated but are still in use.

As at December 31, 2020 and 2019, the Group used land with its construction and part of machinery at carrying value of Baht 34.65 million to mortgage as guarantee against bank overdrafts (note 19) and bank issuance of letter of guarantee (note 30.3).

14. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Separate financial statements								(Unit : Baht)
	Land and improvement	Building and factory	Buoy	Machinery and equipment	Office equipment	Vehicles	Building and factory improvement	Machinery under installation	Total
Cost:									
As at January 1, 2019	23,746,502.00	29,961,538.58	37,637,009.54	119,791,227.82	7,962,269.40	87,573,904.66	7,038,072.07	1,365,208.00	315,075,732.07
Acquisition	0.00	0.00	0.00	1,819,679.73	374,158.42	1,073,831.77	42,626.00	3,527,376.46	6,837,672.38
Disposal	0.00	0.00	0.00	(3,745,121.55)	(339,597.07)	(1,415,140.18)	0.00	0.00	(5,499,858.80)
Reclassify / Transfer in (out)	0.00	0.00	0.00	4,318,674.46	0.00	0.00	0.00	(4,318,674.46)	0.00
As at December 31, 2019	23,746,502.00	29,961,538.58	37,637,009.54	122,184,460.46	7,996,830.75	87,232,596.25	7,080,698.07	573,910.00	316,413,545.65
Acquisition	0.00	24,000.00	0.00	3,799,519.83	319,322.33	4,664,392.53	0.00	2,092,782.00	10,900,016.69
Disposal	0.00	(120,020.14)	0.00	(4,698,963.83)	(131,392.49)	(750,000.00)	0.00	0.00	(5,700,376.46)
Reclassify / Transfer in (out)	0.00	0.00	0.00	2,378,021.29	0.00	0.00	50,979.11	(2,429,000.40)	0.00
Reclassify to right of use-assets	0.00	0.00	0.00	(6,944,399.14)	0.00	(19,975,468.15)	0.00	0.00	(26,919,867.29)
As at December 31, 2020	23,746,502.00	29,865,518.44	37,637,009.54	116,718,638.61	8,184,760.59	71,171,520.63	7,131,677.18	237,691.60	294,693,318.59

14. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Separate financial statements								(Unit : Baht)
	Land and improvement	Building and factory	Buoy	Machinery and equipment	Office equipment	Vehicles	Building and factory improvement	Machinery under installation	Total
Accumulated depreciation :									
As at January 1, 2019	0.00	(8,820,416.20)	(37,637,000.54)	(96,215,096.64)	(4,118,810.22)	(30,260,080.73)	(3,152,833.95)	0.00	(180,204,238.28)
Depreciation for the year	0.00	(665,170.89)	0.00	(5,506,545.98)	(576,933.52)	(5,168,867.13)	(197,664.04)	0.00	(12,115,181.56)
Depreciation of disposal	0.00	0.00	0.00	3,592,618.13	321,413.67	848,208.29	0.00	0.00	4,762,240.09
As at December 31, 2019	0.00	(9,485,587.09)	(37,637,000.54)	(98,129,024.49)	(4,374,330.07)	(34,580,739.57)	(3,350,497.99)	0.00	(187,557,179.75)
Depreciation for the year	0.00	(660,511.31)	0.00	(5,760,666.31)	(530,403.77)	(5,363,431.23)	(203,352.85)	0.00	(12,518,365.47)
Depreciation of disposals	0.00	120,019.11	0.00	4,656,413.60	126,179.58	749,999.00	0.00	0.00	5,652,611.29
Reclassify to right of use-assets	0.00	0.00	0.00	2,596,110.33	0.00	2,934,807.78	0.00	0.00	5,530,918.11
As at December 31, 2020	0.00	(10,026,079.29)	(37,637,000.54)	(96,637,166.87)	(4,778,554.26)	36,259,364.02	(3,553,850.84)	0.00	188,892,015.82
Net book value :									
As at December 31, 2019	23,746,502.00	20,475,951.49	9.00	24,055,435.97	3,622,500.68	52,651,856.68	3,730,200.08	573,910.00	128,856,365.90
As at December 31, 2020	23,746,502.00	19,839,439.15	9.00	20,081,471.74	3,406,206.33	34,912,156.61	3,577,826.34	237,691.60	105,801,302.77
Depreciation in statements of comprehensive income									
For the year ended December 31, 2019									12,115,181.56
For the year ended December 31, 2020									12,518,365.47

As at December 31, 2020 and 2019, the Company has fixed assets at cost of Baht 155.47 million and Baht 149.39 million respectively which were depreciated but are still in use.

As at December 31, 2020 and 2019, the Company used land with its construction and part of machinery at carrying value of Baht 21.36 million to mortgage as guarantee against bank overdrafts (note 19) and bank issuance of letter of guarantee (note 30.3).

15. RIGHT-OF-USE ASSETS

Movements in the right-of-use assets account during for the year ended December 31, 2020 were summarized below.

(Unit : Baht)

	Consolidated / Separate financial statements		
	Motor vehicles		
	Land - hired	and machinery	Total
Net book value as at December 31, 2019	0.00	0.00	0.00
Effects of adoption TFRS 16 as at January 1, 2020	4,088,721.97	25,862,441.49	29,951,163.46
Net book value as at January 1, 2020	4,088,721.97	25,862,441.49	29,951,163.46
Increase during the period	1,694,286.88	3,840,654.21	5,534,941.09
Transfer out right-of-use assets	0.00	(5,479,172.64)	(5,479,172.64)
Amortization for the period	(1,192,267.17)	(2,834,973.88)	(4,027,241.05)
Net book value as at December 31, 2020	4,590,741.68	21,388,949.18	25,979,690.86

16. OTHER INTANGIBLE ASSETS

	(Unit : Baht)	
	Consolidated	Separate financial
	<u>financial statements</u>	<u>statements</u>
Cost :	<u>Software copyright</u>	
As at January 1, 2019	2,442,470.00	2,442,470.00
Acquisition	<u>341,190.00</u>	<u>341,190.00</u>
As at December 31, 2019	2,783,660.00	2,783,660.00
Acquisition	<u>49,050.00</u>	<u>49,050.00</u>
As at December 31, 2020	<u>2,832,710.00</u>	<u>2,832,710.00</u>
Accumulated amortization:		
As at January 1, 2019	(1,442,942.45)	(1,442,942.45)
Amortization for the year	<u>(316,276.51)</u>	<u>(316,276.51)</u>
As at December 31, 2019	(1,759,218.96)	(1,759,218.96)
Amortization for the year	<u>(324,947.06)</u>	<u>(324,947.06)</u>
As at December 31, 2020	<u>(2,084,166.02)</u>	<u>(2,084,166.02)</u>
Net book value:		
As at December 31, 2019	<u>1,024,441.04</u>	<u>1,024,441.04</u>
As at December 31, 2020	<u><u>748,543.98</u></u>	<u><u>748,543.98</u></u>

17. DEFERRED TAX/TAX EXPENSE

17.1 Deferred assets and liabilities after offsetting included in statements of financial position are detailed as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for expected credit loss				
(2019 : Allowance for doubtful accounts)	850,529.06	464,109.06	850,529.06	464,109.06
Allowance for devaluation of inventories	563,108.06	662,829.42	554,457.60	652,301.09
Depreciation	(32,054.47)	(145,332.18)	(32,054.47)	(145,332.18)
Financial lease liabilities	(1,113,122.50)	(551,613.35)	(1,113,122.50)	(551,613.35)
Employee benefit provisions	4,488,847.27	4,134,929.22	4,403,352.10	4,056,046.20
Long-term provisions	318,673.82	355,754.13	249,673.82	261,254.13
Others	0.00	57,634.31	0.00	0.00
Total	<u>5,075,981.24</u>	<u>4,978,310.61</u>	<u>4,912,835.61</u>	<u>4,736,764.95</u>

17.2 Tax expense for the year ended December 31, 2020 and 2019 are summarized as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current tax :				
Income tax for the year	3,333,108.16	11,693,410.75	3,139,909.73	11,256,366.94
Deferred tax :				
Deferred tax resulted from temporary difference and reversal of temporary difference	(97,670.63)	569,186.82	(176,070.66)	599,380.68
Tax expense	<u>3,235,437.53</u>	<u>12,262,597.57</u>	<u>2,963,839.07</u>	<u>11,855,747.62</u>

17. DEFERRED TAX/TAX EXPENSE (Cont'd)

17.3 Tax expense recognized in other comprehensive income for the year ended December 31, 2020 and 2019 as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Actuarial gain (loss) on defined for				
employee benefit plan	0.00	(236,635.00)	0.00	366,304.00
Tax (expense) income	<u>0.00</u>	<u>(55,172.63)</u>	<u>0.00</u>	<u>(73,260.80)</u>
Net of income tax	<u><u>0.00</u></u>	<u><u>(291,807.63)</u></u>	<u><u>0.00</u></u>	<u><u>293,043.20</u></u>

Reconciliation between tax expense and multiplication of accounting profit and tax rate used for the year ended December 31, 2020 and 2019 can be presented as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Taxable profit before income tax	22,366,811.89	62,519,582.54	16,433,614.42	50,920,184.91
Income tax rate	<u>3% - 20%</u>	<u>3% - 20%</u>	<u>20%</u>	<u>20%</u>
Taxable profit before income tax				
multiply with tax rate	3,475,116.87	10,538,887.36	3,286,722.88	10,184,036.98
Taxable effects for :				
Taxable deduction (after tax)	(142,008.71)	1,154,523.39	(146,813.15)	1,072,329.96
Deferred tax resulted from temporary				
difference and reversal of				
temporary difference	<u>(97,670.63)</u>	<u>569,186.82</u>	<u>(176,070.66)</u>	<u>599,380.68</u>
Total	<u>(239,679.34)</u>	<u>1,723,710.21</u>	<u>(322,883.81)</u>	<u>1,671,710.64</u>
Tax expense presented in				
statements of income	<u><u>3,235,437.53</u></u>	<u><u>12,262,597.57</u></u>	<u><u>2,963,839.07</u></u>	<u><u>11,855,747.62</u></u>
Effective income tax rate	14.47%	19.61%	18.04%	23.28%

18. OTHER NON-CURRENT ASSETS

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2020	2019	2020	2019
Deposit	54,864.94	54,864.94	54,564.94	54,564.94
Guarantee	507,350.00	686,100.00	481,350.00	609,100.00
Guarantee under contract work	0.00	4,456.55	0.00	4,456.55
Income tax deducted at source	772,577.25	50,022.21	663,486.01	0.00
Other	0.00	67,138.95	0.00	67,138.95
Total	<u>1,334,792.19</u>	<u>862,582.65</u>	<u>1,199,400.95</u>	<u>735,260.44</u>

19. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTION

As at December 31, 2020 and 2019, the Company has overdraft line with two commercial banks of Baht 32million at the interest rate of MRR+2% and MOR and promissory notes line in the amount of Baht 50 million at the interest rate of MLR-1%, mortgaged part of land with its construction as collateral (note 14) and land with its construction of related company and personal guarantee by the Company's directors.

20. TRADE AND OTHER CURRENT PAYABLES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade accounts payable - subsidiary	0.00	0.00	25,894,984.40	25,145,251.45
Trade accounts payable - other companies				
Trade accounts payable	49,193,315.47	48,226,398.81	44,066,035.30	41,193,517.33
Trade notes payable	526,403.22	71,166.98	466,837.39	71,166.98
Total trade accounts payable - other companies	49,719,718.69	48,297,565.79	44,532,872.69	41,264,684.31
Other current payables				
Accrued expenses	18,356,367.77	9,510,108.26	17,555,049.20	8,648,565.58
Withholding tax	1,729,241.46	5,658,798.72	1,681,356.79	5,603,970.09
Revenue Department payable	1,487,525.28	3,965,284.49	1,056,027.76	3,908,840.79
Undue output tax	1,058,185.02	543,823.70	936,341.84	543,823.70
Current provisions for employee benefits	0.00	1,370,600.00	0.00	1,220,600.00
Other notes payables	131,819.40	1,710,350.34	86,352.40	1,698,955.00
Others	2,339,360.90	2,735,135.45	2,265,338.30	2,726,682.45
Total other current payables	25,102,499.83	25,494,100.96	23,580,466.29	24,351,437.61
Total	74,822,218.52	73,791,666.75	97,611,494.88	90,761,373.37

21. LONG-TERM BORROWINGS

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Loans from financial institutions	20,000,000.00	0.00	20,000,000.00	0.00
<u>Less</u> Current portion of long loans	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net	<u>20,000,000.00</u>	<u>0.00</u>	<u>20,000,000.00</u>	<u>0.00</u>

As at December 31, 2020, the Group has borrowings from financial institutions in the amount of Baht 20 million by granting interest rate from the bank at the special rate at 2.00 per annum.

22. LEASE LIABILITIES

22.1 The increase and decrease of lease liabilities for the year ended December 31, 2020 are summarized as follows:

(Unit : Baht)

	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Book value as at December 31, 2019	15,823,275.40	15,823,275.40
Effects of adoption TFRS 16	<u>4,021,583.02</u>	<u>4,021,583.02</u>
Book value as at January 1, 2020	19,844,858.42	19,844,858.42
Increase during the period	3,840,654.21	3,840,654.21
Adjustment for new contract	1,694,286.89	1,694,286.89
Repayment during the period	<u>(8,058,156.43)</u>	<u>(8,058,156.42)</u>
Book value as at December 31, 2020	17,321,643.09	17,321,643.09
Less : Current portion	<u>(8,166,164.92)</u>	<u>(8,166,164.92)</u>
Lease liabilities - net from current portion	<u>9,155,478.17</u>	<u>9,155,478.17</u>

22. LEASE LIABILITIES (Cont'd)

22.2 The minimum amounts to be paid for lease are as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Within 1 year	8,769,762.48	6,532,300.33	8,769,762.48	6,532,300.33
Over 1 year to 3 years	7,989,174.65	10,064,078.39	7,989,174.65	10,064,078.39
Over 3 year to 5 years	1,687,950.00	0.00	1,687,950.00	0.00
Total	18,446,887.13	16,596,378.72	18,446,887.13	16,596,378.72
Less Future interest under lease	(1,125,244.04)	(773,103.32)	(1,125,244.04)	(773,103.32)
Present value of lease liabilities	<u>17,321,643.09</u>	<u>15,823,275.40</u>	<u>17,321,643.09</u>	<u>15,823,275.40</u>

22.3 Lease liabilities exclude future interest are as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Lease liabilities	17,321,643.09	15,823,275.40	17,321,643.09	15,823,275.40
Less Current portion of lease liabilities	<u>(8,166,164.92)</u>	<u>(6,078,110.70)</u>	<u>(8,166,164.92)</u>	<u>(6,078,110.70)</u>
Lease liabilities - net	<u>9,155,478.17</u>	<u>9,745,164.70</u>	<u>9,155,478.17</u>	<u>9,745,164.70</u>

23. EMPLOYEE BENEFIT OBLIGATIONS

The Group had obligations relating to employee benefit obligation based on the requirement of Thai Labour Protection Act. B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service and long-term service awards.

The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The statement of financial position obligation was determined as follow:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Present value of obligations	24,866,559.50	22,909,665.00	22,016,760.00	20,280,231.00

23. EMPLOYEE BENEFIT OBLIGATIONS (Cont'd)

Movement in the present value of the employee benefit obligations

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Employee benefit obligations at the beginning of year	22,909,665.00	18,585,223.00	20,280,231.00	17,046,378.00
Current cost of service	3,041,473.00	1,883,355.00	2,872,430.00	1,753,303.00
Interest on obligation	436,776.00	678,564.00	385,414.00	619,588.00
Actuarial losses (gains) in other comprehensive income	0.00	236,635.00	0.00	(366,304.00)
Previous cost of services recognized during the period	0.00	3,851,278.00	0.00	3,402,656.00
Transfer to other current payables	0.00	(1,370,600.00)	0.00	(1,220,600.00)
Loss (gain) from employee benefit expenses	159,998.50	0.00	159,998.50	0.00
Employee benefit expenses	<u>(1,681,313.00)</u>	<u>(954,790.00)</u>	<u>(1,681,313.00)</u>	<u>(954,790.00)</u>
Employee benefit obligations at the end of year	<u>24,866,599.50</u>	<u>22,909,665.00</u>	<u>22,016,760.50</u>	<u>20,280,231.00</u>

Employee benefits realized in following transaction in statements of comprehensive income for the year ended December 31, 2020 and 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cost of sales	1,289,330.00	1,906,772.00	1,068,925.00	1,266,092.00
Selling expenses	358,356.00	320,340.00	358,356.00	320,340.00
Administrative expenses	<u>1,830,563.00</u>	<u>4,186,085.00</u>	<u>1,830,563.00</u>	<u>4,189,115.00</u>
Total	<u>3,478,249.00</u>	<u>6,413,197.00</u>	<u>3,257,844.00</u>	<u>5,775,547.00</u>

Actuarial losses (gains) recognized in other comprehensive income:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As at January 1	0.00	10,493,215.00	0.00	9,959,076.00
Recognized during the year	<u>0.00</u>	<u>236,635.00</u>	<u>0.00</u>	<u>(366,304.00)</u>
As at December 31	<u>0.00</u>	<u>10,729,850.00</u>	<u>0.00</u>	<u>9,592,772.00</u>

23. EMPLOYEE BENEFIT OBLIGATIONS (Cont'd)

Actuarial losses (gains) recognized in other comprehensive income arising from :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Financial assumptions	0.00	(204,505.00)	0.00	(46,522.00)
Demographic assumptions	0.00	(3,618,580.00)	0.00	(4,370,197.00)
Experience adjustment	0.00	4,059,720.00	0.00	4,050,415.00
Total	0.00	236,635.00	0.00	(366,304.00)

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation				
as at December 31, 2020				
Discount rate (0.5% movement)	(1,076,778.00)	1,167,247.00	(916,721.00)	994,116.00
Future salary growth				
(0.5% movement)	1,211,670.00	(1,129,794.00)	1,034,960.00	(964,985.00)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

24. SHARE CAPITAL

According to the minutes of shareholders' extraordinary meeting No.1/2019 held on February 28, 2019, passed the resolution to change the par value of share capital from Baht 10 each to Baht 0.50 each and at the same meeting passed the resolution to increase share capital from Baht 172,325,940 to Baht 230,000,000 by issuing new ordinary shares for 115,348,120 shares at par value of Baht 0.50 each which was not paid-up and the Company has registered with the Ministry of Commerce on February 28, 2019. On October 1, 2020, the Company received an additional paid-up share capital for 115,348,120 ordinary shares with a par value of Baht 0.50 per share from an initial public offering ("IPO") at IPO price of Baht 0.80 per share, total Baht 92,278,496. Resulting in share premium amounting to Baht 31,536,042 net of direct costs attributable to the share offering totaling Baht 3,068,394. The Company additional paid-up share capital with the Ministry of Commerce on October 1, 2020. The Company's shares traded in the Market for Alternative Investment ("mai") commencing on October 8, 2020.

25. RETAINED EARNINGS APPROPRIATION

According to the resolution of the Directors' meeting No. 6/2020 held on June 16, 2020, passed the approval of pay interim dividend at Baht 0.15 per share for 344,651,880 shares, amounting to Baht 51,697,782 Bath which was paid to the shareholders in July 2020.

According to the minutes of shareholders' meeting No. 1/2019 held on December 11, 2019, the Company passed the approval of pay interim dividend at Baht 0.10 per share for 344,651,880 shares, amounting to Baht 34,465,188 which was paid to the shareholders in December 2019.

26. 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, statutory reserve has been set aside exceeding 10 percent of the registered share capital.

27. EXPENSES ANALYZED BY NATURE

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Changes in finished goods	(13,582,669.32)	2,758,751.74	(11,255,186.07)	2,709,637.70
Purchase of goods	645,178.00	6,602,896.29	47,639,648.00	76,347,161.29
Raw materials and consumables used	279,303,234.90	335,346,933.05	247,099,934.58	285,894,049.30
Work performed by entity and capitalized	143,171.00	383,763.46	125,057.00	374,406.46
Contractor Wages	76,483,040.40	65,018,227.81	72,204,519.61	60,696,420.50
Employee benefit expenses	109,256,252.05	117,345,413.72	97,959,300.51	104,144,445.54
Directors' remuneration	2,640,000.00	2,640,000.00	2,640,000.00	2,640,000.00
Directors meeting allowance	445,000.00	435,000.00	445,000.00	435,000.00
Management benefit expenses	15,715,964.00	16,894,953.00	15,715,964.00	16,894,953.00
Depreciation and amortization	14,560,211.28	12,920,939.57	14,035,579.70	12,447,363.78

28. DIRECTORS' REMUNERATION AND MANAGEMENT BENEFIT EXPENSES

Directors' remuneration is the benefits being paid to the Group's directors, excluding salaries and related benefits payable to the executive.

Management benefit is expenses relating to salaries, remunerations and other benefits to be paid the directors who are holding management position, in accordance with the definitions of the Office of Securities and Exchange Commission. The Management under this definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in position comparable to these fourth executive levels.

29. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

29.1 Cash and cash equivalents consist of cash on hand and the remaining balance at bank from transactions in statements of financial position (notes 6).

29.2 Non-cash transaction for the year ended December 31, 2020

The Company entered into financial lease for acquisition of machinery and vehicles for the amount of Baht 3.84 million which was presented as lease liabilities (note 22.1).

30. COMMITMENT AND CONTINGENT LIABILITIES

- 30.1 As at December 31, 2019 the Company entered into operating lease on land and building for its rental payment under lease in the amount of Baht 2.39 million.
- 30.2 As at December 31, 2020 and 2019, the Group has commitment and contingent liabilities from bank issuance of letter of guarantees in the amount of Baht 110.97 million and Baht 115.15 million respectively (Separate : Baht 109.23 million and Baht 113.33 million respectively), mortgage of land with its construction and part of machinery (note 14), land with its construction of related company and personal guarantee by the Company's director.
- 30.3 As at December 31, 2020 and 2019, the Group used land with its construction and part of machinery to mortgage as guarantee against bank overdrafts (note 19) and bank issuance of letter of guarantee (note 14).
- 30.4 As at December 31, 2020 and 2019, subsidiary has contingent liabilities from bank issuance of letter of guarantee to the Provincial Power Authority in the amount of Baht 40,000.00 guaranteed by fixed deposits of the subsidiary (note 12).
- 30.5 As at December 31, 2020 and 2019, subsidiary has contingent liabilities from issuing posted date cheque which will be due on June 30, 2021, in the amount of Baht 1,000,000.00 for guarantee against raw materials trading agreement with Phathong thungsong Co., Ltd., and when the cheque due, the new one will be issued.
- 30.6 As at December 31, 2020, the Company has commitment from acquisition of cars and machineries in the amount of Baht 12.76 million which were not received them yet.

31. PROVIDENT FUND

For the year ended December 31, 2020 and 2019, the Group has paid contribution to the provident fund for approximately Baht 1.33 million and Baht 1.32 million (Separate : Baht 1.19 million and Baht 1.19 million respectively).

32. BUSINESS SEGMENT INFORMATION

Financial information by segment is reported in a manner reviewing of the management.

For the year ended December 31, 2020 and 2019 :

(Unit : Baht)

Type of business	Consolidated financial statements							
	Sale		Construction		Others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Revenues - net	309,497,147.51	422,656,862.32	247,174,947.84	248,550,169.58	1,716,300.94	2,820,062.62	558,388,396.29	674,027,094.52
Cost of sales	(224,417,261.55)	(298,633,371.85)	(220,220,467.54)	(207,914,572.93)	0.00	0.00	(444,637,729.09)	(506,547,944.78)
Gross profit	85,079,885.96	124,023,490.47	26,954,480.30	40,635,596.65	1,716,300.94	2,820,062.62	113,750,667.20	167,479,149.74
Other income	0.00	0.00	0.00	0.00	2,582,988.55	3,020,795.09	2,582,988.55	3,020,795.09
Distribution costs	0.00	0.00	0.00	0.00	(38,959,678.43)	(47,017,183.24)	(38,959,678.43)	(47,017,183.24)
Administrative expenses	0.00	0.00	0.00	0.00	(53,624,830.82)	(59,322,296.27)	(53,624,830.82)	(59,322,296.27)
Finance income	0.00	0.00	0.00	0.00	106,754.09	24,678.12	106,754.09	24,678.12
Finance costs	0.00	0.00	0.00	0.00	(1,489,088.70)	(1,665,560.90)	(1,489,088.70)	(1,665,560.90)
Profit (loss) before income tax	85,079,885.96	124,023,490.47	26,954,480.30	40,635,596.65	(89,667,554.37)	(102,139,504.58)	22,366,811.89	62,519,582.54
Income tax	0.00	0.00	0.00	0.00	(3,235,437.53)	(12,262,597.57)	(3,235,437.53)	(12,262,597.57)
Total comprehensive income (expense) for the year	85,079,885.96	124,023,490.47	26,954,480.30	40,635,596.65	(92,902,991.90)	(114,402,102.15)	19,131,374.36	50,256,984.97
Attributable to								
Owners of the Company							19,131,356.26	50,256,944.83
Non-controlling interests							18.10	40.14
							19,131,374.36	50,256,984.97
Fixed assets	0.00	0.00	0.00	0.00	123,609,648.14	146,205,211.12	123,609,648.14	146,205,211.12

32. BUSINESS SEGMENT INFORMATION (Cont'd)

Contract work income and consulting fee between subsidiary are based on the normal course of business and eliminated from the consolidated financial

The Group has the common selling and administrative expenses, therefore, segment expenses are not presented.

The Group's operation involve virtually in construction business in only domestic geographical segment which had the overseas income less than 10% and has no assets in overseas, thus, the information by geographical segment was not presented. For the year ended December 31, 2020, there is income from two major customers in the amount of Baht 152.19 million (Separate: in 2020 there is income from two major customers amount of Baht 152.19 million).

32. BUSINESS SEGMENT INFORMATION (Cont'd)

For the year ended December 31, 2020 and 2019 :

(Unit : Baht)

Type of business	Separate financial statements							
	Sale		Construction		Others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Revenues - net	308,479,947.51	422,772,124.69	236,511,151.26	233,228,665.48	1,716,300.94	2,851,062.62	546,707,399.71	658,851,852.79
Cost of sales	(231,372,473.27)	(311,570,550.84)	(210,548,498.50)	(194,650,501.23)	0.00	0.00	(441,920,971.77)	(506,221,052.07)
Gross profit	77,107,474.24	111,201,573.85	25,962,652.76	38,578,164.25	1,716,300.94	2,851,062.62	104,786,427.94	152,630,800.72
Other income	0.00	0.00	0.00	0.00	3,416,873.94	3,897,363.64	3,416,873.94	3,897,363.64
Distribution costs	0.00	0.00	0.00	0.00	(38,959,678.43)	(47,017,183.24)	(38,959,678.43)	(47,017,183.24)
Administrative expenses	0.00	0.00	0.00	0.00	(51,426,391.03)	(56,942,397.72)	(51,426,391.03)	(56,942,397.72)
Finance income	0.00	0.00	0.00	0.00	105,470.70	17,162.41	105,470.70	17,162.41
Finance costs	0.00	0.00	0.00	0.00	(1,489,088.70)	(1,665,560.90)	(1,489,088.70)	(1,665,560.90)
Profit (loss) before income tax	77,107,474.24	111,201,573.85	25,962,652.76	38,578,164.25	(86,636,512.58)	(98,859,553.19)	16,433,614.42	50,920,184.91
Income tax	0.00	0.00	0.00	0.00	(2,963,839.00)	(11,855,747.62)	(2,963,839.07)	(11,855,747.62)
Total comprehensive income (expense) for the year	77,107,474.24	111,201,573.85	25,962,652.76	38,578,164.25	(89,600,351.58)	(110,715,300.81)	13,469,775.35	39,064,437.29
Fixed assets	0.00	0.00	0.00	0.00	105,801,302.77	128,856,365.90	105,801,302.77	128,856,365.90

33. EARNINGS PER SHARE

Basic earnings are determined by dividing net profit for the period attributable to the shareholders (excluding other comprehensive income), by the weighted average number of common shares issued and paid-up during the year.

For the year ended December 31, 2020 and 2019, the calculation is presented as follows:

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2020	2019	2020	2019
Profit of common shares of company (Baht)	19,131,356.26	50,256,944.83	13,469,775.35	39,064,437.29
Weighted average number of common shares (Share)	373,646,489	344,651,880	373,646,489	344,651,880
Earnings per shares (Baht per share)	0.05	0.15	0.04	0.11

34. FINANCIAL INSTRUMENT DISCLOSURES

34.1 Accounting policies

The significant accounting policies and method adopted the basis of recognition and measurement relating to each class of financial assets and liabilities have been disclosed in note 4.

34.2 Credit risk

Credit risk derives from failure by counterparties to discharge their obligations resulting in financial loss to the Company. Financial assets shown in statements of financial position at the book value deducted by allowance for expected credit loss is maximum value of credit risk.

34.3 Fair value of financial instruments

Financial assets shown in statements of financial position consist of cash on hand and at banks, current investment, trade and other current receivables. Financial liabilities shown in statements of financial position consist of bank overdrafts, short-term borrowings from financial institutions, trade and other current payables, accrued interest, long-term borrowings and lease liabilities.

The book value of financial assets and liabilities in statements of financial position are closed to their estimated fair value. Besides, the Group believes that it will have not a significant risk from financial instruments.

34. FINANCIAL INSTRUMENT DISCLOSURES (Cont'd)

34.4 Market risk

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows. The Company is primarily exposed to interest rate risk from long-term investments. The management has considered that the interest rate risk is low as the interest rates are mainly fixed.

(Unit : Baht)

Consolidated financial statements as at December 31, 2020

Items	Note	Floating	Fixed	Zero	Total	Interest rate
		interest rate	interest rate	interest rate		
<u>Financial assets</u>						
Cash and cash equivalents	6	10,483,888.62	0.00	78,603,763.24	89,087,651.86	0.00-0.25%
Trade and other current receivables	8	0.00	0.00	87,892,126.91	87,892,126.91	-
Contract assets - current	9	0.00	0.00	48,165,856.37	48,165,856.37	-
Other current financial assets	11	0.00	14,838.07	0.00	14,838.07	0.45-0.50%
Bank deposits with obligations	12	0.00	0.00	64,751.02	64,751.02	-
Contract assets - non-current	9	0.00	0.00	25,397,274.68	25,397,274.68	-
<u>Financial Liabilities</u>						
Trade and other current payables	20	0.00	0.00	74,822,218.52	74,822,218.52	-
Contract liabilities - current	9	0.00	0.00	9,223,231.83	9,223,231.83	-
Long-term borrowings from financial institution	21	0.00	20,000,000.00	0.00	20,000,000.00	2.00%
Lease liabilities	22	0.00	17,321,643.09	0.00	17,321,643.09	2.01-5.84%

34. FINANCIAL INSTRUMENT DISCLOSURES (Cont'd)

(Unit : Baht)

Separate financial statements as at December 31, 2020

Items	Note	Floating	Fixed	Zero	Total	Interest rate
		interest rate	interest rate	interest rate		
<u>Financial assets</u>						
Cash and cash equivalents	6	9,630,810.11	0.00	77,116,396.59	86,747,206.70	0.00-0.25%
Trade and other current receivables	8	0.00	0.00	85,937,603.53	85,937,603.53	-
Contract assets - current	9	0.00	0.00	47,369,427.85	47,369,427.85	-
Other current financial assets	11	0.00	14,838.07	0.00	14,838.07	0.45-0.50%
Contract assets - non-current	9	0.00	0.00	25,397,274.68	25,397,274.68	-
<u>Financial Liabilities</u>						
Trade and other current payables	20	0.00	0.00	97,611,494.88	97,611,494.88	-
Contract liabilities - current	9	0.00	0.00	9,223,231.83	9,223,231.83	-
Long-term borrowings from financial institution	21	0.00	20,000,000.00	0.00	20,000,000.00	2.00%
Lease liabilities	22	0.00	17,321,643.09	0.00	17,321,643.09	2.01-5.84%

34. FINANCIAL INSTRUMENT DISCLOSURES (Cont'd)

(Unit : Baht)

Consolidated financial statements as at December 31, 2019						
Items	Note	Floating interest rate	Fixed interest rate	Zero interest rate	Total	Interest rate
<u>Financial assets</u>						
Cash and cash equivalents	6	10,855,887.17	0.00	72,785,449.00	85,641,336.17	0.00-0.625%
Current investment	7	0.00	12,724.70	0.00	12,724.70	1.05-1.30%
Trade and other current receivables	8	0.00	0.00	48,761,436.35	48,761,436.35	-
Contract assets - current	9	0.00	0.00	49,647,833.98	49,647,833.98	-
Bank deposits with obligations	12	0.00	0.00	64,438.53	64,438.53	-
Contract assets - non-current	9	0.00	0.00	22,742,127.20	22,742,127.20	-
<u>Financial Liabilities</u>						
Trade and other current payables	20	0.00	0.00	73,791,666.75	73,791,666.75	-
Contract liabilities - current	9	0.00	0.00	21,804,267.64	21,804,267.64	-
Lease liabilities	22	0.00	15,823,275.40	0.00	15,823,275.40	2.01-4.55%

(Unit : Baht)

Separate financial statements as at December 31, 2019						
Items	Note	Floating interest rate	Fixed interest rate	Zero interest rate	Total	Interest rate
<u>Financial assets</u>						
Cash and cash equivalents	6	9,269,247.81	0.00	70,418,107.20	79,687,355.01	0.00-0.625%
Current investment	7	0.00	12,724.70	0.00	12,724.70	1.05-1.30%
Trade and other current receivables	8	0.00	0.00	48,657,684.67	48,657,684.67	-
Contract assets – current	9	0.00	0.00	46,678,848.96	46,678,848.96	-
Contract assets – non-current	9	0.00	0.00	22,742,127.20	22,742,127.20	-
<u>Financial Liabilities</u>						
Trade and other current payables	20	0.00	0.00	90,761,373.37	90,761,373.37	-
Contract liabilities - current	9	0.00	0.00	21,804,267.64	21,804,267.64	-
Lease liabilities	22	0.00	15,823,275.40	0.00	15,823,275.40	2.01-4.55%

34. FINANCIAL INSTRUMENT DISCLOSURES (Cont'd)

34.5 Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Detail of due payment of financial assets of the Group which is not derivative as at December 31, 2020 calculated from non-discounted cash flows to present value are presented as follows.

(Unit : Baht)

Consolidated financial statements as at December 31, 2020						
	Note	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives						
Trade and other current payables	20	0.00	74,822,218.52	0.00	0.00	74,822,218.52
Long-term borrowings from financial institution						
	21	0.00	0.00	20,000,000.00	0.00	20,000,000.00
Lease liabilities	22	0.00	8,166,164.93	9,155,478.16	0.00	17,321,643.09
Total non-derivatives		0.00	82,988,383.45	29,155,478.16	0.00	112,143,861.61

(Unit : Baht)

Separate financial statements as at December 31, 2020						
	Note	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives						
Trade and other current payables	20	0.00	97,611,494.88	0.00	0.00	97,611,494.88
Long-term borrowings from financial institution						
	21	0.00	0.00	20,000,000.00	0.00	20,000,000.00
Lease liabilities	22	0.00	8,166,164.93	9,155,478.16	0.00	17,321,643.09
Total non-derivatives		0.00	105,777,659.81	29,155,478.16	0.00	134,933,137.97

35. RECLASSIFICATION

The financial statements for the year ended December 31, 2019 have been reclassified to correspond with the presentation of the financial statements for the year ended December 30, 2020 as follows:

	Consolidated financial statements (Baht)		
	Reclassification of the former items	Increase (Decrease)	Reclassification
Statement of financial position			
Assets			
Current assets			
Unbilled work in progress	49,647,833.98	(49,647,833.98)	0.00
Contract assets - current	0.00	49,647,833.98	49,647,833.98
Non-current assets			
Contract assets – non current	0.00	22,742,127.20	22,742,127.20
Other non-current assets	23,604,709.85	(22,742,127.20)	862,582.65
Liabilities			
Current liabilities			
Other current payables	47,298,368.60	(21,804,267.64)	25,494,100.96
Contract liabilities - current	0.00	21,804,267.64	21,804,267.64
Statement of comprehensive income			
Other income	3,045,473.21	(24,678.12)	3,020,795.09
Finance income	0.00	24,678.12	24,678.12

35. RECLASSIFICATION (Cont'd)

	Consolidated financial statements (Baht)		
	Reclassification of the former items	Increase (Decrease)	Reclassification
Statement of cash flows			
Trade and other current receivables	(22,005,211.61)	(107,744.61)	(22,112,956.22)
Unbilled work in progress	11,666,810.42	(11,666,810.42)	0.00
Contract assets	0.00	(3,244,952.73)	(3,244,952.73)
Other non-current assets	(14,575,332.37)	15,019,507.76	444,175.39
Trade and other current payables	12,813,685.74	1,236,248.87	14,049,934.61
Contract liabilities	0.00	(1,236,248.87)	(1,236,248.87)
Separate financial statements (Baht)			
	Reclassification of the former items	Increase (Decrease)	Reclassification
Statement of financial position			
Assets			
Current assets			
Unbilled work in progress	46,678,848.96	(46,678,848.96)	0.00
Contract assets - current	0.00	46,678,848.96	46,678,848.96
Non-current assets			
Contract assets – non-current	0.00	22,742,127.20	22,742,127.20
Other non-current assets	23,477,387.64	(22,742,127.20)	735,260.44
Liabilities			
Current liabilities			
Other current payables	46,155,705.25	(21,804,267.64)	24,351,437.61
Contract liabilities - current	0.00	21,804,267.64	21,804,267.64
Statement of comprehensive income			
Other income	3,914,526.05	(17,162.41)	3,897,363.64
Finance income	0.00	17,162.41	17,162.41

35. RECLASSIFICATION (Cont'd)

	Separate financial statements (Baht)		
	Reclassification of the former items	Increase (Decrease)	Reclassification
Statement of cash flows			
Unbilled work in process	13,860,148.19	(13,860,148.19)	0.00
Contract assets	0.00	(1,159,359.57)	(1,159,359.57)
Other non-current assets	(15,077,757.76)	15,019,507.76	(58,250.00)
Trade and other current payables	23,498,852.07	1,236,248.87	24,735,100.94
Contract liabilities	0.00	(1,236,248.87)	(1,236,248.87)

36. EVENTS AFTER THE REPORTING PERIOD

According to the resolution of the Board of directors' meeting No. 1/2021 held on February 24, 2021, passed to submit to the Annual General Meeting of shareholders for considering the dividend payment at Baht 0.02 per share for 460,000,000 shares in the amount of Baht 9,200,000 and appropriate net profit as legal reserve in the amount of Baht 675,000, therefore, the approval is dependent upon the meeting of shareholders on April 27, 2021.

37. FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 24, 2021.