

Attachment 8

Financial Statement of Tender Offeror



บริษัท สหยูเนียน จำกัด (มหาชน)

1828 ถนนสุขุมวิท แขวงพระโขนงใต้ เขตพระโขนง กรุงเทพฯ 10260 โทร. 0-2311-5111, 0-2332-5600 แฟกซ์ : 662-332-5616

หนังสือรับรองสำเนาถูกต้องของงบการเงิน

วันที่ 7 ธันวาคม 2564

เรียน สำนักงานคณะกรรมการกำกับหลักทรัพย์และตลาดหลักทรัพย์

เรื่อง การรับรองสำเนาถูกต้องของงบการเงินสำหรับปีสิ้นสุดวันที่ 31 ธันวาคม 2563 เพื่อเป็นเอกสารสำหรับประกอบการ

ยื่นคำขอให้แบบคำเสนอซื้อหลักทรัพย์ของบริษัท ยูเนียนอุตสาหกรรมสิ่งทอ จำกัด (มหาชน) มีผลบังคับใช้

เพื่อประโยชน์ในการใช้เป็นเอกสารประกอบการยื่นคำขอให้แบบคำเสนอซื้อหลักทรัพย์ของบริษัท ยูเนียนอุตสาหกรรมสิ่งทอ จำกัด (มหาชน) มีผลบังคับใช้ ตามที่ บริษัท สหยูเนียน จำกัด (มหาชน) (บริษัทฯ) ในฐานะผู้ทำคำเสนอซื้อหลักทรัพย์ทั้งหมดของบริษัท ยูเนียนอุตสาหกรรมสิ่งทอ จำกัด (มหาชน) เพื่อเพิกถอนหลักทรัพย์จากการเป็นหลักทรัพย์จดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย จากผู้ถือหุ้นทุกรายของบริษัท ยูเนียนอุตสาหกรรมสิ่งทอ จำกัด (มหาชน) บริษัทฯขอรับรองว่างบการเงินของบริษัท สหยูเนียน จำกัด (มหาชน) สำหรับปีสิ้นสุดวันที่ 31 ธันวาคม 2563 ที่ผ่านการตรวจสอบจากผู้สอบบัญชีรับอนุญาต จากบริษัท สำนักงาน อีวาย จำกัด ตามที่แนบมานี้เป็นสำเนาที่ถูกต้อง

จึงเรียนมาเพื่อโปรดทราบ



ขอแสดงความนับถือ

(กรรมการผู้มีอำนาจลงนาม)

Saha-Union Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2020

Independent Auditor's Report

To the Shareholders of Saha-Union Public Company Limited

Opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saha-Union Public Company Limited and its subsidiaries and of Saha-Union Public Company Limited as at 31 December 2020, 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 Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

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

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

Revenue recognition

The Group has sales and service income for the year ended 31 December 2020 amounting to Baht 8,728 million, which is significant to the income statement. The Group has a large number of customers and there are a variety of conditions of sale in the agreements made with these customers. There are therefore risks with respect to the amount and timing of revenue recognition.

In examining the revenue recognition of the Group, I assessed and tested the IT system and the internal controls of the Group with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with considerations given to testing related to the accuracy and timing of revenue recognition. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year, near the end of the accounting period, with special consideration given to expanding the scope of the examination of supporting documentation for transactions occurring near the end of the accounting period. In addition, I reviewed credit notes issued by the Group after the period-end and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Goodwill

As discussed in Note 20 to the financial statements, as at 31 December 2020, the Group has goodwill amounting to Baht 522 million, which is significant to the statement of financial position. Thus, the assessment of impairment of goodwill is a significant accounting estimate requiring the subsidiary's management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill.

I assessed the identification of cash generating units and the financial models selected by the subsidiary's management by gaining an understanding of decision-making process to assess whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by the subsidiary's management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of the subsidiary's management judgement in preparing the cash flow projections. I also evaluated the discount rate applied by the subsidiary's management through an analysis of the weighted average finance costs of the subsidiary and of the industry, and I tested the calculation of the realisable value of the goodwill using the selected financial models and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rate. Moreover, I reviewed the disclosures made with respect to the impairment assessment for goodwill.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Khitsada Lerdwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

Bangkok: 25 February 2021

Saha-Union Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	7	2,877,160,999	2,700,034,677	489,225,894	306,170,093
Current investments	11	-	1,580,974,527	-	-
Trade and other receivables	9	1,490,376,819	1,707,870,623	80,773,280	155,816,848
Inventories	10	940,546,509	1,018,071,689	-	-
Short-term loans to related parties	8	-	500,000	568,327,000	463,001,000
Other current financial assets	11	1,459,712,565	-	1,545,154	-
Other current assets		360,551,172	276,760,471	1,207,062	1,270,320
Total current assets		7,128,348,064	7,284,211,987	1,141,078,390	926,258,261
Non-current assets					
Restricted investments	12	31,849,126	34,585,559	1,000,000	1,000,000
Long-term loans to related party	8	-	171,972,000	-	-
Investments in subsidiaries	13	-	-	10,010,623,269	9,928,482,445
Investments in joint ventures	14	1,931,585,688	1,666,306,669	806,918,210	610,223,135
Investments in associates	15	3,751,181,527	3,638,517,270	1,022,733,216	1,079,733,216
Other non-current financial assets	16	3,287,506,985	-	2,135,151,001	-
Other long-term investments	16	-	2,692,212,723	-	1,992,298,788
Investment properties	17	2,401,996,260	2,390,722,643	1,487,748,413	1,494,132,932
Property, plant and equipment	18	6,154,082,889	6,531,731,499	33,011,252	39,071,035
Right-of-use assets	19	245,787,459	-	-	-
Goodwill	20	521,724,374	521,724,374	-	-
Intangible assets - computer software		8,784,076	8,554,667	4,983,515	5,856,157
Deferred tax assets	30	91,459,114	76,587,069	3,988,012	2,925,394
Other non-current assets	21	162,613,655	186,455,634	5,261,702	7,011,815
Total non-current assets		18,588,571,153	17,919,370,107	15,511,418,590	15,160,734,917
Total assets		25,716,919,217	25,203,582,094	16,652,496,980	16,086,993,178

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

Saha-Union Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	22	84,471,639	231,928,576	-	-
Short-term loan from related party	8	10,000,000	-	-	-
Trade and other payables	23	1,478,995,011	1,479,598,053	50,875,987	66,289,204
Current portion of long-term loans	24	314,867,200	428,620,911	-	-
Current portion of liabilities under finance lease agreements		-	36,960,739	-	-
Current portion of lease liabilities	19	57,892,263	-	-	-
Deposits from related parties	8	-	4,000,000	422,207,316	356,714,324
Income tax payable		41,908,058	37,319,523	-	-
Other current liabilities		87,632,520	91,558,184	9,809,642	10,891,827
Total current liabilities		2,075,766,691	2,309,985,986	482,892,945	433,895,355
Non-current liabilities					
Long-term loans, net of current portion	24	162,577,476	277,791,983	-	-
Liabilities under finance lease agreements, net of current portion		-	60,285,005	-	-
Lease liabilities, net of current portion	19	148,099,233	-	-	-
Provision for long-term employee benefits	25	301,730,636	296,831,823	23,821,804	18,508,714
Deferred tax liabilities	30	158,595,616	141,858,187	163,626,723	135,483,224
Other non-current liabilities		37,960,942	41,602,819	-	-
Total non-current liabilities		808,963,903	818,369,817	187,448,527	153,991,938
Total liabilities		2,884,730,594	3,128,355,803	670,341,472	587,887,293

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

Saha-Union Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Shareholders' equity					
Share capital					
Registered					
300,000,000 ordinary shares of Baht 10 each		3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Issued and fully paid					
300,000,000 ordinary shares of Baht 10 each		3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Share premium		2,599,000,000	2,599,000,000	2,599,000,000	2,599,000,000
Retained earnings					
Appropriated					
Statutory reserve	27	980,518,350	979,095,287	750,000,000	750,000,000
Other reserve		349,704,147	303,242,076	-	-
Unappropriated		14,212,327,892	13,882,352,822	8,978,304,409	8,608,172,987
Other components of shareholders' equity		(69,147,127)	(465,058,850)	654,851,099	541,932,898
Equity attributable to owners of the Company		21,072,403,262	20,298,631,335	15,982,155,508	15,499,105,885
Non-controlling interests of the subsidiaries		1,759,785,361	1,776,594,956	-	-
Total shareholders' equity		22,832,188,623	22,075,226,291	15,982,155,508	15,499,105,885
Total liabilities and shareholders' equity		25,716,919,217	25,203,582,094	16,652,496,980	16,086,993,178
		-	-	-	-

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

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Directors
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Saha-Union Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Revenues					
Sales and service income	33	8,728,119,662	10,150,753,775	575,755,600	929,339,998
Dividend income	11, 13, 14, 15, 16	375,932,978	245,200,610	922,601,664	874,480,579
Rental income		36,196,619	35,903,201	48,389,775	41,992,329
Interest income		28,976,496	50,111,022	34,107,677	27,049,384
Unrealised gains from revaluation of trading securities		-	28,014,790	-	-
Gain on derivatives designated at fair value through profit or loss		6,844,740	-	791,898	-
Other income		191,870,848	235,468,780	22,448,445	24,906,839
Total revenues		9,367,941,343	10,745,452,178	1,604,095,059	1,897,769,129
Expenses					
Cost of sales and services		7,736,218,494	8,780,622,492	566,215,486	919,050,817
Selling and distribution expenses		268,401,723	279,542,795	6,071,764	6,823,920
Administrative expenses		659,290,317	829,395,694	103,341,410	110,981,167
Loss on investments designated at fair value through profit or loss		195,900,062	-	430,257	-
Loss on impairment of property, plant and equipment (reversal)	18	45,291,559	(7,773,876)	-	-
Loss on impairment of investments		-	-	78,000,000	-
Expenses of withholding tax write-off		38,530,973	20,645,029	25,137,907	20,645,029
Total expenses		8,943,633,128	9,902,432,134	779,196,824	1,057,500,933
Operating profit		424,308,215	843,020,044	824,898,235	840,268,196
Share of profit from investments in joint ventures	14	495,280,579	535,277,391	-	-
Share of profit (loss) from investments in associates	15	116,036,945	(12,741,445)	-	-
Finance cost	28	(43,160,838)	(29,040,528)	(2,538,966)	(2,373,674)
Profit before income tax income (expenses)		992,464,901	1,336,515,462	822,359,269	837,894,522
Income tax income (expenses)	30	(125,174,273)	(161,537,243)	322,715	858,747
Profit for the year		867,290,628	1,174,978,219	822,681,984	838,753,269
Profit attributable to					
Equity holders of the Company		845,089,726	1,111,991,978	822,681,984	838,753,269
Non-controlling interests of the subsidiaries		22,200,902	62,986,241		
		867,290,628	1,174,978,219		
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	31	2.91	3.83	2.74	2.80

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

Saha-Union Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the year	867,290,628	1,174,978,219	822,681,984	838,753,269
Other comprehensive income				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	210,084,868	-407,839,629	-	-
Loss on changes in value of available-for-sale investments - net of income tax	-	(159,582,191)	-	(117,833,748)
Share of other comprehensive income from investments in joint ventures and associates - net of income tax	139,468,309	(202,209,023)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	349,553,177	(769,630,843)	-	(117,833,748)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss) - net of income tax	(24,870,858)	(5,880,667)	(3,303,818)	1,533,264
Loss on change in value of equity investments designated at fair value through other comprehensive income - net of income tax	(146,987,163)	-	(103,081,799)	-
Share of other comprehensive income from investments in joint ventures and associates - net of income tax	(12,448,214)	(41,129)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(184,306,235)	(5,921,796)	(106,385,617)	1,533,264
Other comprehensive income for the year	165,246,942	(775,552,639)	(106,385,617)	(116,300,484)
Total comprehensive income for the year	1,032,537,570	399,425,580	716,296,367	722,452,785
Total comprehensive income attributable to				
Equity holders of the Company	994,012,694	367,448,602	716,296,367	722,452,785
Non-controlling interests of the subsidiaries	38,524,876	31,976,978		
	1,032,537,570	399,425,580		

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

Saha-Union Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
					Other components of equity									
					Other comprehensive income				Other change by the owners					
Issued and paid-up share capital	Share premium	Retained earnings			Exchange differences on translation of financial statements in foreign currency	Surplus on changes in value of available-for-sale investments	Gain (loss) on change in value of equity investments designated at fair value	Share of other comprehensive income from joint ventures and associates	The Company's shares held by the subsidiaries (Note 26)	Total other components of equity shareholders'	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total equity attributable to shareholders'	
		Appropriated - statutory reserve	Appropriated - other reserve	Unappropriated										
Balance as at 1 January 2019	3,000,000,000	2,599,000,000	973,612,218	265,097,911	13,397,843,017	(357,906,366)	724,024,460	-	111,468,515	(234,404,410)	243,182,199	20,478,735,345	1,891,971,947	22,370,707,292
Profit for the year	-	-	-	-	1,111,991,978	-	-	-	-	-	-	1,111,991,978	62,986,241	1,174,978,219
Other comprehensive income for the year	-	-	-	-	(3,900,327)	(379,023,182)	(159,410,844)	(202,209,023)	-	(740,643,049)	(744,543,376)	(31,009,263)	(775,552,639)	
Total comprehensive income for the year	-	-	-	-	1,108,091,651	(379,023,182)	(159,410,844)	-	(202,209,023)	(740,643,049)	(740,643,049)	367,448,602	31,976,978	399,425,580
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	39,827,986	39,827,986
Dividend paid (Note 35)	-	-	-	-	(600,000,000)	-	-	-	-	-	-	(600,000,000)	(187,181,955)	(787,181,955)
Less: Dividend paid in respect of the Company's shares held by subsidiaries	-	-	-	-	20,045,388	-	-	-	-	-	-	20,045,388	-	20,045,388
Dividend paid - net	-	-	-	-	(579,954,612)	-	-	-	-	-	-	(579,954,612)	(187,181,955)	(767,136,567)
Decreased in the Company's shares held by the subsidiaries	-	-	-	-	-	-	-	-	32,402,000	32,402,000	32,402,000	-	-	32,402,000
Unappropriated retained earnings transferred to statutory reserve	-	-	5,483,069	-	(5,483,069)	-	-	-	-	-	-	-	-	-
Unappropriated retained earnings transferred to other reserve	-	-	-	38,144,165	(38,144,165)	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2019	3,000,000,000	2,599,000,000	979,095,287	303,242,076	13,882,352,822	(736,929,548)	564,613,616	-	(90,740,508)	(202,002,410)	(465,058,850)	20,298,631,335	1,776,594,956	22,075,226,291
Balance as at 1 January 2020	3,000,000,000	2,599,000,000	979,095,287	303,242,076	13,882,352,822	(736,929,548)	564,613,616	-	(90,740,508)	(202,002,410)	(465,058,850)	20,298,631,335	1,776,594,956	22,075,226,291
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	(2,449,533)	-	(564,613,616)	780,613,616	-	-	216,000,000	213,550,467	1,413,607	214,964,074
Balance as at 1 January 2020 - as restated	3,000,000,000	2,599,000,000	979,095,287	303,242,076	13,879,903,289	(736,929,548)	-	780,613,616	(90,740,508)	(202,002,410)	(249,058,850)	20,512,181,802	1,778,008,563	22,290,190,365
Profit for the year	-	-	-	-	845,089,726	-	-	-	-	-	-	845,089,726	22,200,902	867,290,628
Other comprehensive income for the year	-	-	-	-	(30,274,244)	187,272,185	-	(146,681,081)	138,606,108	-	179,197,212	148,922,968	16,323,974	165,246,942
Gain on disposals of equity investments	-	-	-	-	1,673,264	-	-	(481,093)	(1,192,171)	-	(1,673,264)	-	-	-
Total comprehensive income for the year	-	-	-	-	816,488,746	187,272,185	-	(147,162,174)	137,413,937	-	177,523,948	994,012,694	38,524,876	1,032,537,570
Decreased in the Company's shares held by the subsidiaries	-	-	-	-	-	-	-	-	2,387,775	2,387,775	2,387,775	-	-	2,387,775
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	53,924,174	53,924,174
Dividend paid (Note 35)	-	-	-	-	(450,000,000)	-	-	-	-	-	-	(450,000,000)	(110,672,252)	(560,672,252)
Less: Dividend paid in respect of the Company's shares held by subsidiaries	-	-	-	-	13,820,991	-	-	-	-	-	-	13,820,991	-	13,820,991
Dividend paid - net	-	-	-	-	(436,179,009)	-	-	-	-	-	-	(436,179,009)	(110,672,252)	(546,851,261)
Unappropriated retained earnings transferred to statutory reserve	-	-	1,423,063	-	(1,423,063)	-	-	-	-	-	-	-	-	-
Unappropriated retained earnings transferred to other reserve	-	-	-	46,462,071	(46,462,071)	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2020	3,000,000,000	2,599,000,000	980,518,350	349,704,147	14,212,327,892	(549,657,363)	-	633,451,442	46,673,429	(199,614,635)	(69,147,127)	21,072,403,262	1,759,785,361	22,832,188,623

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

Saha-Union Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Separate financial statements							
	Issued and paid-up share capital		Retained earnings		Other component of equity			Total shareholders' equity
					Other comprehensive income		Total other components of shareholders' equity	
	Share premium		Appropriated -		Surplus on change in value of available-for-sale investments	Gain (loss) on changes in value of equity investments designated at fair value		Total equity
share capital	Share premium	statutory reserve	Unappropriated					
Balance as at 1 January 2019	3,000,000,000	2,599,000,000	750,000,000	8,367,886,454	659,766,646	-	659,766,646	15,376,653,100
Profit for the year	-	-	-	838,753,269	-	-	-	838,753,269
Other comprehensive income for the year	-	-	-	1,533,264	(117,833,748)	-	(117,833,748)	(116,300,484)
Total comprehensive income for the year	-	-	-	840,286,533	(117,833,748)	-	(117,833,748)	722,452,785
Dividend paid (Note 35)	-	-	-	(600,000,000)	-	-	-	(600,000,000)
Balance as at 31 December 2019	<u>3,000,000,000</u>	<u>2,599,000,000</u>	<u>750,000,000</u>	<u>8,608,172,987</u>	<u>541,932,898</u>	<u>-</u>	<u>541,932,898</u>	<u>15,499,105,885</u>
Balance as at 1 January 2020	3,000,000,000	2,599,000,000	750,000,000	8,608,172,987	541,932,898	-	541,932,898	15,499,105,885
Cumulative effect of change in accounting policy (Note 4)	-	-	-	753,256	(541,932,898)	757,932,898	216,000,000	216,753,256
Balance as at 1 January 2020 - as restated	3,000,000,000	2,599,000,000	750,000,000	8,608,926,243	-	757,932,898	757,932,898	15,715,859,141
Profit for the year	-	-	-	822,681,984	-	-	-	822,681,984
Other comprehensive income for the year	-	-	-	(3,303,818)	-	(103,081,799)	(103,081,799)	(106,385,617)
Total comprehensive income for the year	-	-	-	819,378,166	-	(103,081,799)	(103,081,799)	716,296,367
Dividend paid (Note 35)	-	-	-	(450,000,000)	-	-	-	(450,000,000)
Balance as at 31 December 2020	<u>3,000,000,000</u>	<u>2,599,000,000</u>	<u>750,000,000</u>	<u>8,978,304,409</u>	<u>-</u>	<u>654,851,099</u>	<u>654,851,099</u>	<u>15,982,155,508</u>

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

Saha-Union Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	992,464,901	1,336,515,462	822,359,269	837,894,522
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	858,989,683	820,597,690	15,433,678	15,121,705
Allowance for doubtful accounts	-	1,993,451	-	-
Reversal of allowance for expected credit losses	(1,789,694)	-	-	-
Reversal of allowance for loss on impairment of other non-current assets	(7,000)	(212,000)	(7,000)	(212,000)
Reduction of cost of inventories to net realisable value (reversal)	(14,385,361)	17,665,826	-	-
Loss (gain) on disposals/write-off of property, plant and equipment	13,078,239	33,767,411	(229,879)	(97,144)
Gain on disposals/write-off of investment properties	(591,356)	(34,525)	(591,418)	(34,525)
Loss on impairment of property, plant and equipment (reversal)	45,291,559	(7,773,876)	-	-
Reversal of losses on impairment of investment properties	(1,500,000)	-	-	-
Loss on impairment of investments	-	-	78,000,000	-
Expenses of withholding tax write-off	38,530,973	20,645,029	25,137,907	20,645,029
Loss on investments designated at fair value through profit or loss	195,900,062	-	430,257	-
Unrealised gains from revaluation of trading securities	-	(28,014,790)	-	-
Gain on derivatives designated at fair value through profit or loss	(6,844,740)	-	(791,898)	-
Share of profit from investments in joint ventures	(495,280,579)	(535,277,391)	-	-
Share of loss (profit) from investments in associates	(116,036,945)	12,741,445	-	-
Gain on disposals of investments	(662,125)	(2,134,215)	-	-
Unrealised loss (gain) on exchange	4,623,854	6,929,635	370,169	(275,902)
Dividend received from investments	(375,932,978)	(245,200,610)	(922,601,664)	(874,480,579)
Provision for long-term employee benefits	14,013,318	75,935,016	1,887,808	5,777,673
Finance income	(28,976,496)	(50,111,022)	(34,107,677)	(27,049,384)
Finance cost	43,160,838	29,040,528	2,538,966	2,373,674
Profit (loss) from operating activities before changes in operating assets and liabilities	1,164,046,153	1,487,073,064	(12,171,482)	(20,336,931)
Operating assets (increase) decrease				
Trade and other receivables	197,433,218	215,660,464	18,335,148	89,366,495
Inventories	91,910,541	89,981,640	-	39,409,906
Other current assets	(83,783,701)	(81,017,829)	70,258	66,745
Other non-current assets	(23,777,386)	6,758,661	36,980	(47,269)
Operating liabilities increase (decrease)				
Trade and other payables	2,262,998	(19,526,273)	(13,287,213)	(57,652,041)
Other current liabilities	(3,925,664)	15,185,340	(1,082,185)	10,030,160
Payment of provision for long-term employee benefits	(40,817,307)	(9,774,745)	(704,491)	(2,462,762)
Other non-current liabilities	2,166,757	(407,251)	-	-
Cash from (used in) operating activities	1,305,515,609	1,703,933,071	(8,802,985)	58,374,303
Cash paid for interest	(40,341,465)	(29,377,376)	(4,664,971)	(1,543,480)
Cash paid for income tax	(197,218,706)	(293,240,942)	(28,119,895)	(23,793,392)
Cash refund from income tax	15,551,586	33,747,128	4,861,496	-
Net cash from (used in) operating activities	1,083,507,024	1,415,061,881	(36,726,355)	33,037,431

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

Saha-Union Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Decrease (increase) in short-term loans to related parties	500,000	-	(105,326,000)	(186,562,000)
Increase in current investments	-	(166,427,246)	-	-
Increase in other current financial assets	(27,466,094)	-	-	-
Decrease in restricted investments	2,736,433	87,884	-	-
Decrease in long-term loans to related party	185,434,000	-	-	-
Acquisition of investments in subsidiaries	-	-	(128,137,624)	(95,192,306)
Acquisition of investment in joint venture	(199,500,000)	-	(199,500,000)	-
Acquisition of investments in associates	-	(167,502,595)	-	(192,740,035)
Acquisition of investments in other long-term investments	-	(131,781,537)	-	(3,457,641)
Acquisition of other non-current financial assets	(522,707,913)	-	(2,134,718)	-
Proceeds from disposals of property, plant and equipment	12,536,802	5,908,878	229,886	98,595
Proceeds from disposals of investment properties	594,425	41,465	594,425	41,465
Proceeds from return of investments in subsidiary	-	-	24,996,800	-
Proceeds from return of investments in joint venture	2,804,925	-	2,804,925	-
Cash receipt from disposals of investment in available-for-sale securities	-	19,750,000	-	-
Proceeds from disposals of investments	15,536,173	-	-	-
Dividend received from investments	931,769,912	683,867,700	979,648,078	817,434,165
Interest income	29,276,357	50,588,000	33,233,140	25,725,947
Acquisition of investment properties	(28,962,608)	(370,322,326)	(110,001)	(358,435,000)
Acquisition of property, plant and equipment	(396,144,926)	(636,731,249)	(1,906,248)	(1,881,850)
Acquisition of computer software	(3,123,106)	(2,083,187)	(103,499)	(913,641)
Net cash from (used in) investing activities	3,284,380	(714,604,213)	604,289,164	4,117,699
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(147,456,937)	(165,344,949)	-	-
Increase in short-term loan from related party	10,000,000	-	-	-
Increase (decrease) in deposits from related parties	(4,000,000)	4,000,000	65,492,992	41,271,537
Cash receipt from disposals of the Company's shares held by subsidiaries	2,387,775	32,402,000	-	-
Cash receipt for share capital receipt from non-controlling interests of the subsidiaries	53,924,174	39,827,986	-	-
Dividend paid	(546,851,261)	(767,136,567)	(450,000,000)	(600,000,000)
Cash receipt from long-term loans	17,215,259	36,582,692	-	-
Repayment of long-term loans	(278,204,799)	(245,669,096)	-	-
Cash paid for liabilities under finance lease agreements	-	(44,178,649)	-	-
Payment of principal portion of lease liabilities	(54,612,347)	-	-	-
Interest paid of lease liabilities	(7,864,474)	-	-	-
Net cash used in financing activities	(955,462,610)	(1,109,516,583)	(384,507,008)	(558,728,463)
Increase (decrease) in translation adjustments	45,797,528	(137,137,439)	-	-
Net increase (decrease) in cash and cash equivalents	177,126,322	(546,196,354)	183,055,801	(521,573,333)
Cash and cash equivalents at beginning of year	2,700,034,677	3,246,231,031	306,170,093	827,743,426
Cash and cash equivalents at end of year	2,877,160,999	2,700,034,677	489,225,894	306,170,093
	-	-	-	-
Supplemental cash flows information				
Non-cash transaction				
Purchases of property, plant and equipment for which no cash has been paid	1,520,453	99,028,375	-	3,483
Purchases of computer software for which no cash has been paid	-	820,360	-	820,360
Right-of-use assets acquired under lease agreement	117,007,699	-	-	-

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

Saha-Union Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2020

1. General information

1.1 Corporate information

Saha-Union Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in investment, distribution of raw materials and products manufactured by group companies. The registered address of the Company is at 1828 Sukhumvit Road, Phrakanong Tai, Phrakanong, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely 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 has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Corporate information and fundamental accounting assumptions of a subsidiary - Union Textile Industries Public Company Limited

On 22 December 2020, Union Textile Industries Public Company Limited (“Union Textile”) submitted the notification on the Resolutions of the Board of Directors’ Meeting No. 12/2020 to The Stock Exchange of Thailand related to the cessation of textile operations (spinning and weaving) and the seeking of a new business. Union Textile’s core business is textile business which has incurred loss due to the intense competition in the textile business, the economic downturns in Europe which is the Company main customer and the COVID-19 pandemic that has affected Thailand and other countries worldwide and it is expected that the situation will not improve in the year 2021. Union Textile’s management has considered that if the Company continues to operate in the textile business in the future, this will pose a major risk to the shareholders. In this regard, Union Textile has a plan to cease the textile operations (spinning and weaving) within year 2021 and to consider and study the feasibility of investing in new businesses in the future. However, Union Textile still has other income from the lease of land and partial of factory buildings. The subsidiary’s management believes that the Company will be able to continue as a going concern. The operating result of textile business is described in Note 32 to the consolidated financial statements.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Saha-Union Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company	Nature of business	Country of incorporation	Percentage of Shareholding	
			2020 (percent)	2019 (percent)
Textile business				
Union Textile Industries Plc.	Manufacture and distribution of textiles	Thailand	51.42	51.42
Union Garment Co., Ltd.	Manufacture and distribution of garments	Thailand	99.99	99.99
Plastic, rubber and metal business				
Union Pioneer Plc.	Manufacture and distribution of elastic products	Thailand	52.73	52.73
Union Plastic Plc.	Contract manufacture of plastic products, manufacture and repair of molds	Thailand	49.69	49.69
Union Zojirushi Co., Ltd.	Manufacture and distribution of vacuum stainless bottles	Thailand	51.00	51.00
Union Stainless Steel Products Co., Ltd.	Manufacture and distribution of stainless steel kitchenware	Thailand	98.00	98.00

Company	Nature of business	Country of incorporation	Percentage of Shareholding	
			<u>2020</u> (percent)	<u>2019</u> (percent)
<i>Plastic, rubber and metal business (continued)</i>				
Union Rubber Products Corp., Ltd.	Manufacture and distribution of rubber products	Thailand	99.99	99.99
Thai Rubber Enterprise Co., Ltd.	Rubber estates	Thailand	50.85	50.69
<i>Trading business</i>				
Computer Union Co., Ltd.	Computer and accessories dealer	Thailand	98.49	98.49
Computer Union Systems Co., Ltd. (99.99 percent owned by Computer Union Co., Ltd.)	Computer and accessories dealer	Thailand	99.99	99.99
<i>Energy business</i>				
Zhejiang Jiashan-Union Cogeneration Co., Ltd.	Power generation	China	75.96	75.96
<i>Hotel business</i>				
The Royal Hotel Co., Ltd.	Hotel	Thailand	96.38	96.26
<i>Investment and others business</i>				
Saha-Union International Ltd.	Investment	Hong Kong	99.99	99.99
Saha-Union Investment (China) Co., Ltd.	Investment	China	100.00	100.00
Union Energy (Hong Kong) Co., Ltd. (100.00 percent owned by Saha-Union International Ltd.)	Investment	Hong Kong	100.00	100.00
Shanghai Dacity Co., Ltd. (100.00 percent owned by Saha-Union Investment (China) Co., Ltd.)	Sales and services	China	100.00	100.00
Saha-Union Holding Co., Ltd.	Investment	Thailand	99.54	99.54
Venus Shoes Co., Ltd.	Dormitory rental and services	Thailand	99.99	99.99
Union Printing Corp., Ltd.	Rental services	Thailand	94.74	94.74
Union Equity Co., Ltd.	Investment	Thailand	99.79	99.79
Union Shoes Co., Ltd.	Rental services	Thailand	98.23	98.23
Union Construction Corp., Ltd.	Real estate development	Thailand	99.99	99.99
Saha-Union Property Co., Ltd.	Investment	Thailand	99.99	99.99
Saha-Union Wealth Plus Co., Ltd.	Investment	Thailand	99.99	99.99
Union Nakhon Co., Ltd.	Real estate development	Thailand	77.49	77.49

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
 - f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
 - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

3. New financial reporting standards

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

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

Financial reporting standards related to financial instruments

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

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

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

The impact of the adoption of these standards on the Company and its subsidiaries' financial statements is as follows:

Classification and measurement of investments in equity instruments of non-listed companies

The Company and its subsidiaries measure investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value, through other comprehensive income.

Recognition of credit losses

The Company and its subsidiaries recognise an allowance for expected credit losses on its debt instruments measured at amortised cost and it is no longer necessary for a credit-impaired event to have occurred.

Recognition of derivatives

The Company and its subsidiaries initially recognise derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Company and its subsidiaries adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings or other components of shareholders' equity as at 1 January 2020, and the comparative information was not restated.

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

TFRS 16 Leases

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

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

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

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

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

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

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

During the period from the first quarter to the third quarter of 2020, the Company and its subsidiaries elected to apply the temporary relief measures on accounting alternatives relating to:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Company and its subsidiaries use a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing goodwill for impairment.

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

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

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

The management of the Company and its subsidiaries have evaluated that these standards do not have any significant impact on the Company and its subsidiaries' financial statements in the year when they are adopted.

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

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiaries have adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings or other components of shareholders' equity as at 1 January 2020. Therefore, the comparative information was not restated.

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2019	The impacts of Financial reporting standards related to financial instruments		1 January 2020
		TFRS 16		
Statement of financial position				
Assets				
Current assets				
Current investments	1,580,975	(1,580,975)	-	-
Trade and other receivables	1,707,871	(8,289)	-	1,699,582
Other current financial assets	-	1,587,576	-	1,587,576
Non-current assets				
Other non-current financial assets	-	2,962,213	-	2,962,213
Other long-term investments	2,692,213	(2,692,213)	-	-
Property, plant and equipment	6,531,731	-	(88,268)	6,443,463
Right-of-use assets	-	-	191,999	191,999
Other non-current assets	186,456	-	(56,510)	129,946
Liabilities and shareholders' equity				
Current liabilities				
Trade and other payables	1,479,598	-	(3,618)	1,475,980
Current portion of liabilities under finance lease agreements	36,961	-	(36,961)	-
Current portion of lease liabilities	-	-	45,197	45,197
Non-current liabilities				
Liabilities under finance lease agreements, net of current portion	60,285	-	(60,285)	-
Lease liabilities, net of current portion	-	-	102,888	102,888
Deferred tax liabilities	141,858	53,349	-	195,207
Shareholders' equity				
Retained earnings - unappropriated	13,882,353	(2,450)	-	13,879,903
Other components of shareholders' equity	(465,059)	216,000	-	(249,059)
Non-controlling interests of the subsidiaries	1,776,595	1,413	-	1,778,008

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2019	The impacts of	
		Financial reporting standards related to financial instruments	
Statement of financial position			
Assets			
Current assets			
Other current financial assets	-	753	753
Non-current assets			
Other non-current financial assets	-	2,262,299	2,262,299
Other long-term investments	1,992,299	(1,992,299)	-
Liabilities and shareholders' equity			
Non-current liabilities			
Deferred tax liabilities	135,483	54,000	189,483
Shareholders' equity			
Retained earnings - unappropriated	8,608,173	753	8,608,926
Other components of shareholders' equity	541,933	216,000	757,933

4.1 Financial instruments

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	Other components of shareholders' equity	financial statements	Other components of shareholders' equity
Fair value measurement of investments in equity instruments of non-listed companies - net of income tax	-	216,000	-	216,000
Recognition of an allowance for expected credit losses on financial assets - net of income tax	(3,675)	-	-	-
Recognition of derivatives at fair value through profit or loss - net of income tax	2,638	-	753	-
Total	(1,037)	216,000	753	216,000
Non-controlling interests of the subsidiaries	(1,413)	-	-	-
Impacts on retained earnings and other components of shareholders' equity due to the adoption of financial reporting standards related to financial instruments	(2,450)	216,000	753	216,000

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

(Unit: Thousand Baht)

Consolidated financial statements					
Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9				Total
	Fair value through profit or loss	Fair value through other comprehensive income		Amortised cost	
Financial assets as at 1 January 2020					
Cash and cash equivalents	2,700,035	-	-	2,700,035	2,700,035
Current investments	1,580,975	-	-	-	-
Trade and other receivables	1,707,871	-	-	1,699,582	1,699,582
Short-term loans to related parties	500	-	-	500	500
Other current financial assets	-	1,202,564	-	385,012	1,587,576
Restricted investments	34,586	-	-	34,586	34,586
Long-term loans to related party	171,972	-	-	171,972	171,972
Other non-current financial assets	-	-	2,962,213	-	2,962,213
Other long-term investments	2,692,213	-	-	-	-
Total financial assets	8,888,152	1,202,564	2,962,213	4,991,687	9,156,464

(Unit: Thousand Baht)

Separate financial statements					
Carrying amounts	Classification and measurement in accordance with TFRS 9				
under the former basis	Fair value through	Fair value through	Amortised cost	Total	
	profit or loss	other comprehensive			
		income			
Financial assets as at 1 January 2020					
Cash and cash equivalents	306,170	-	-	306,170	306,170
Trade and other receivables	155,817	-	-	155,817	155,817
Short-term loans to related party	463,001	-	-	463,001	463,001
Other current financial assets	-	753	-	-	753
Restricted investments	1,000	-	-	1,000	1,000
Other non-current financial assets	-	-	2,262,299	-	2,262,299
Other long-term investments	1,992,299	-	-	-	-
Total financial assets	2,918,287	753	2,262,299	925,988	3,189,040

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

4.2 Leases

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

	(Unit: Thousand Baht)
	Consolidated financial statements
Operating lease commitments as at 31 December 2019	47,740
Less: Short-term leases and leases of low-value assets	(6,907)
Add: Option to extend lease term	34,250
Less: Contracts reassessed as service agreements	(15,262)
Add: Others	3,618
Less: Deferred interest expenses	(12,600)
Increase in lease liabilities due to TFRS 16 adoption	50,839
Liabilities under finance lease agreements as at 31 December 2019	97,246
Lease liabilities as at 1 January 2020	<u>148,085</u>
Comprise of:	
Current lease liabilities	45,197
Non-current lease liabilities	102,888
	<u>148,085</u>

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

	(Unit: Thousand Baht)
	Consolidated financial statements
Land	70,615
Buildings	25,221
Equipment	88,268
Vehicles	7,895
Total right-of-use assets	<u>191,999</u>

5. Significant accounting policies

5.1 Revenue and expense recognition

Sales of goods

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

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Revenues from hotel operations

Revenues from hotel operations, which are a part of service revenues, consisted of room rental revenues, food and beverage sales and other related services which represented with invoiced value (excluding value added tax) for delivered products and services revenues after deducting discounts and adding service charges.

Dividends

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

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis.

Rental income

Rental income is recognised on an accrual basis based on the contract period.

Finance cost

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

5.2 Cash and cash equivalents

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

5.3 Inventories

Finished goods, semi products and work in process are valued at the lower of cost (under the average/ first-in, first-out method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, chemicals, spare parts and factory supplies are valued at the lower of cost (under the average/ first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

5.4 Investments in subsidiaries, joint ventures and associates

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

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

5.5 Investment properties

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

Depreciation of investment properties are calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 years
Land improvement awaiting development	-	5, 20 years
Facilities	-	5 years

Depreciation of investment properties is included in determining income.

No depreciation is provided on land and assets under construction which are classified as investment properties.

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

5.6 Property, plant and equipment/Depreciation

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

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

Buildings	-	20	years
Land improvement	-	5, 10, 20	years
Machinery and equipment	-	3, 5, 10, 20	years
Molds	-	5	years
Building improvements and facilities	-	5	years
Furniture and fixtures	-	3, 5, 10	years
Motor vehicles	-	5, 10	years
Computers	-	3, 5	years
Power plants	-	5, 10, 25	years

Depreciation of machinery and equipment of a subsidiary acquired in the year 2015, is calculated by reference to its net book value on a double-declining basis, over the useful lives of 10 years.

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

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

5.7 Intangible assets - Computer software

Computer Software of the Company and its subsidiaries is recognised at cost. Following the initial recognition, Computer Software is carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Computer Software with finite lives, which has an estimated useful life of three and five years, is amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software is reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

No amortisation is provided on computer software in progress.

5.8 Goodwill

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

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

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

5.9 Leases

At inception of contract, the subsidiaries assess 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 subsidiaries as a lessee

Accounting policies adopted since 1 January 2020

The subsidiaries 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 subsidiaries recognise right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses (if any), 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	10, 14 years
Buildings	5, 10 years
Equipment	1, 6 years
Vehicles	4, 5 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.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term.

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

Short-term leases and leases of low-value assets

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

Accounting policies adopted before 1 January 2020

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

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

5.10 Related party transactions

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

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

5.11 Foreign currencies

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

5.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment, investment properties, investments and include intangible assets and other non-current assets whenever events or changes in circumstances indicate that an asset may be impaired and also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

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

5.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law and resignation fund plan. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

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

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

Defined benefit liability (asset) is the present value of the defined benefit obligation less the fair value of plan assets which are available to pay the employee benefits obligation directly.

Plan assets are assets held by a long-term employee benefit fund. They are not available to the Company and its subsidiaries' creditors and cannot be returned to the Company and its subsidiaries, except the portion which reference to the provident fund's rules. The Company and its subsidiaries measure the fair value of plan assets by using market price and, in case that plan assets are debt instruments in active market, the Company and its subsidiaries measure them by using quoted price.

5.14 Provisions

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

5.15 Income tax

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

Current tax

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

Overseas subsidiaries calculate corporate income tax in accordance with tax rates mandated under the tax law of those countries.

Deferred tax

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

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

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

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.16 Financial instruments

Accounting policies adopted since 1 January 2020

The Company and its subsidiaries initially measure financial assets at their fair value. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

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

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

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

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

Financial assets at FVTPL

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

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

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

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

Accounting policies adopted before 1 January 2020

Trade accounts receivable

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

Investments

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

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

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

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

5.17 Derivatives

The Company and its subsidiaries use derivatives, such as forward currency contracts, to hedge its foreign currency risks.

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

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

5.18 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

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

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

6. Significant accounting judgements and estimates

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

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, 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 Company and its subsidiaries' 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, and investment properties/Depreciation

In determining depreciation of plant and equipment, and investment properties, the management is required to make estimates of the useful lives and residual values of those assets 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, and investment properties for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill

The initial recognition and measurement of goodwill, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised 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 utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

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

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash	1,265	1,500	110	65
Bank deposits	2,795,965	2,501,862	489,116	306,105
Bonds	79,931	196,673	-	-
Total cash and cash equivalents	<u>2,877,161</u>	<u>2,700,035</u>	<u>489,226</u>	<u>306,170</u>

As at 31 December 2020, bank deposits in saving accounts, fixed deposits and bonds carried interests between 0.01 and 0.45 percent per annum (2019: between 0.01 and 2.11 percent per annum).

8. Related party transactions

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

Consolidated financial statements

(Unit: Million Baht)

	For the years ended		Pricing policy
	31 December		
	<u>2020</u>	<u>2019</u>	
<u>Transactions with joint ventures</u>			
Sales of merchandise	46	61	Cost plus margin
Service income	1	1	Contract price
Rental income	3	3	Contract price
Purchases of merchandise	14	19	Resale price reduced by a margin
Short-term lendings (weighted average from outstanding balances at month end)	-	1	Interest rate with reference to the loan interest rate of local commercial bank and China
<u>Transactions with associates</u>			
Sales of merchandise	107	83	Cost plus margin
Service income	3	3	Contract price
Rental income	5	3	Contract price
Short-term loans (weighted average from outstanding balances at month end)	4	-	Interest rate with reference to the loan interest rate of local commercial bank
Purchases of merchandise	392	431	Resale price reduced by a margin
Long-term lendings (weighted average from outstanding balances at month end)	127	180	Interest rate with reference to the loan interest rate of commercial bank in China
Interest income	9	12	Interest rate with reference to the loan interest rate of commercial bank in China
Deposits (weighted average from outstanding balances at month end)	2	1	Interest rate with reference to the deposit interest rate of local commercial bank

Separate financial statements

(Unit: Million Baht)

	For the years ended		Pricing policy
	31 December		
	<u>2020</u>	<u>2019</u>	
<u>Transactions with subsidiaries</u>			
Sales of merchandise	182	491	Cost plus margin
Service income	5	5	Contract price
Rental income	37	37	Contract price
Short-term lendings (weighted average from outstanding balances at month end)	591	335	Interest rate with reference to the loan interest rate of local commercial bank
Interest income	34	22	Interest rate with reference to the loan interest rate of local commercial bank
Deposits (weighted average from outstanding balances at month end)	394	337	Interest rate with reference to the deposit interest rate of local commercial bank
Finance cost	3	3	Interest rate with reference to the deposit interest rate of local commercial bank
<u>Transactions with joint ventures</u>			
Rental income	3	3	Contract price
<u>Transactions with associates</u>			
Sales of merchandise	14	13	Cost plus margin
Purchases of merchandise	373	421	Resale price reduced by a margin
Deposits (weighted average from outstanding balances at month end)	2	1	Interest rate with reference to the deposit interest rate of local commercial bank

The balances of the accounts as at 31 December 2020 and 2019 between the Company, its subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade and other receivables - related parties (Note 9)</u>				
<i>Trade receivables</i>				
Subsidiaries	-	-	41,806	52,078
Joint ventures	8,887	9,301	-	-
Associates	9,722	9,653	1,418	-
Related companies (related by shareholding)	-	177	-	-
Total trade receivables - related parties	<u>18,609</u>	<u>19,131</u>	<u>43,224</u>	<u>52,078</u>
<i>Other receivables</i>				
Subsidiary	-	-	-	57,046
Total other receivables - related party	-	-	-	57,046
Total trade and other receivables - related parties	<u>18,609</u>	<u>19,131</u>	<u>43,224</u>	<u>109,124</u>
<u>Trade payables - related parties (Note 23)</u>				
Joint venture	2,847	3,267	-	-
Associates	29,706	34,100	27,955	32,591
Related companies (related by shareholding)	56	-	-	-
Total trade payables - related parties	<u>32,609</u>	<u>37,367</u>	<u>27,955</u>	<u>32,591</u>
<u>Deposits from related parties</u>				
Subsidiaries	-	-	422,207	352,714
Associate	-	4,000	-	4,000
Total deposits from related parties	<u>-</u>	<u>4,000</u>	<u>422,207</u>	<u>356,714</u>

Short-term loans to related parties

As at 31 December 2020 and 2019, the balances of short-term loans between the Company, its subsidiaries and those related parties and the movement are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance			Balance
	as at	Decrease	Translation	as at
	31 December 2019	during the year	adjustments	31 December 2020
<u>Short-term loans to related parties</u>				
<i>Joint ventures</i>				
Yunnan Energy Luliang-Union Cogeneration Co., Ltd.	5,374	-	378	5,752
Soldev Co., Ltd.	500	(500)	-	-
Total	5,874	(500)	378	5,752
Less: Allowance for expected credit losses (2019: Allowance for doubtful accounts)	(5,374)	-	(378)	(5,752)
Total short-term loans to related parties - net	500	(500)	-	-

(Unit: Thousand Baht)

	Separate financial statements			
	Balance			Balance
	as at	Increase	Decrease	as at
	31 December 2019	during the year	during the year	31 December 2020
<u>Short-term loans to related party</u>				
<i>Subsidiary</i>				
Computer Union Co., Ltd.	463,001	2,715,000	(2,609,674)	568,327
Total short-term loans to related party	463,001	2,715,000	(2,609,674)	568,327

Long-term loans to related party

As at 31 December 2020 and 2019, the balances of long-term loans between a subsidiary and a related party and the movements are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance			Balance
	as at	Decrease	Translation	as at
	31 December 2019	during the year	adjustments	31 December 2020
<u>Long-term loans to related party</u>				
<i>Associate</i>				
Zhuji-Union Real Estate Co., Ltd.	171,972	(185,434)	13,462	-
Total long-term loans to related party	171,972	(185,434)	13,462	-

Set out below is the movement in the allowance for expected credit losses of loans to related parties.

	(Unit: Thousand Baht)
	Consolidated financial statements
As at 1 January 2020	5,374
Translation adjustments	378
As at 31 December 2020	5,752

Short-term loan from related party

As at 31 December 2020 and 2019, the balances of short-term loan between a subsidiary and a related party and the movements are as follows:

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Balance as at 31 December 2019	Increase during the year	Balance as at 31 December 2020
<u>Short-term loan from related party</u>			
Associate			
Union Thread Industries Co., Ltd.	-	10,000	10,000
Total short-term loan from related party	-	10,000	10,000

Directors and management's benefits

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

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	127	127	23	22
Post-employment benefits	5	6	-	1
Total	132	133	23	23

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<u>Trade receivables - related parties (Note 8)</u>				
Aged on the basis of due dates				
Not yet due	17,451	18,905	43,224	52,078
Past due				
Up to 3 months	616	226	-	-
3 - 6 months	107	-	-	-
6 - 12 months	435	-	-	-
Total trade receivables - related parties	<u>18,609</u>	<u>19,131</u>	<u>43,224</u>	<u>52,078</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	978,037	1,162,086	19,141	28,608
Past due				
Up to 3 months	325,880	238,714	-	-
3 - 6 months	31,701	39,695	-	-
6 - 12 months	14,775	21,358	-	-
Over 12 months	23,300	19,068	-	-
Total	<u>1,373,693</u>	<u>1,480,921</u>	<u>19,141</u>	<u>28,608</u>
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	<u>(15,046)</u>	<u>(12,301)</u>	-	-
Total trade receivables - unrelated parties, net	<u>1,358,647</u>	<u>1,468,620</u>	<u>19,141</u>	<u>28,608</u>
Total trade receivables - net	<u>1,377,256</u>	<u>1,487,751</u>	<u>62,365</u>	<u>80,686</u>
<u>Other receivables</u>				
Dividend receivables - related party (Note 8)	-	-	-	57,046
Input tax refundable	44,694	103,107	7,608	7,001
Import duty refundable	403	763	-	-
Accrued income	14,741	31,761	7,612	7,473
Prepaid corporate income tax	29,209	39,046	2,982	3,148
Others	24,074	45,443	206	463
Total other receivables	<u>113,121</u>	<u>220,120</u>	<u>18,408</u>	<u>75,131</u>
Total trade and other receivables - net	<u>1,490,377</u>	<u>1,707,871</u>	<u>80,773</u>	<u>155,817</u>

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

	(Unit: Thousand Baht)
	Consolidated
	financial statements
As at 1 January 2020	12,301
Provision for expected credit losses	2,745
As at 31 December 2020	15,046

10. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Finished goods	505,489	356,642	(21,569)	(25,294)	483,920	331,348
Semi products	12,516	14,500	(483)	(347)	12,033	14,153
Work in process	57,984	97,806	(1,533)	(3,173)	56,451	94,633
Raw materials	252,052	398,435	(4,216)	(8,320)	247,836	390,115
Packing materials	17,075	29,608	(1,368)	(1,130)	15,707	28,478
Spare parts and factory supplies	100,715	123,351	(52,602)	(57,892)	48,113	65,459
Goods in transit	76,487	93,886	-	-	76,487	93,886
Total	<u>1,022,318</u>	<u>1,114,228</u>	<u>(81,771)</u>	<u>(96,156)</u>	<u>940,547</u>	<u>1,018,072</u>

During the current year, the subsidiaries reduced cost of inventories by Baht 22 million (2019: Baht 44 million) to reflect the net realisable value. This was included in cost of sales. In addition, the subsidiaries reversed the write-down of cost of inventories by Baht 36 million (2019: Baht 28 million) and reduced the amount of inventories recognised as expenses during the year.

11. Other current financial assets/Current investments

11.1 As at 31 December 2020, the balances of other current financial assets are as follows:

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
<u>Debt instruments at amortised cost</u>		
Fixed deposits	335,776	-
Bonds	70,896	-
Total debt instruments at amortised cost	406,672	-
<u>Financial assets at FVTPL</u>		
Overseas listed equity investments	1,043,558	-
Derivative assets (Note 38.1)	9,483	1,545
Total financial assets at FVTPL	1,053,041	1,545
Total other current financial assets - net	1,459,713	1,545

As at 31 December 2020, bonds and the fixed bank deposits with an original maturity within one year carried interests between 0.33 and 0.63 percent per annum.

During the year 2020, the subsidiaries received dividends amounting to Baht 31 million.

11.2 As at 31 December 2019, the balances of current investments are as follows:

	(Unit: Thousand Baht)	
	31 December 2019	
	Consolidated financial statements	
	Cost/ Book value	Fair value
Trading securities		
Overseas marketable equity securities	1,179,444	1,195,963
Unrealised gains from revaluation of investments	23,906	
Translation adjustments	(7,387)	
Total trading securities - net	1,195,963	
Debt securities held to maturity - current portion		
Bonds	43,794	
Total debt securities held to maturity - current portion	43,794	
Fixed bank deposits with an original maturity within one year		
Fixed deposits of commercial bank	341,218	
Total fixed bank deposits with an original maturity within one year	341,218	
Current investments - net	1,580,975	

As at 31 December 2019, bonds and the fixed bank deposits with an original maturity within one year carried interests between 1.16 and 1.65 percent per annum.

During the year 2019, the subsidiaries have gains on disposals of current investments amounting to Baht 2 million and received dividends amounting to Baht 37 million.

12. Restricted investments

These represent bank deposits and the bonds of the Company and its subsidiaries which pledged with the local banks to guarantee electricity use.

13. Investments in subsidiaries

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

Company	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2020</u> (Million Baht)	<u>2019</u> (Million Baht)	<u>2020</u> (%)	<u>2019</u> (%)	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Textile business								
Union Textile Industries Plc.	600	600	49.88	49.88	321,181	321,181	-	-
Union Garment Co., Ltd.	25	50	99.99	99.99	45,348	70,345	-	-
					<u>366,529</u>	<u>391,526</u>	<u>-</u>	<u>-</u>
Plastic, rubber and metal business								
Union Pioneer Plc.	75	75	48.96	48.96	53,084	53,084	477	8,849
Union Plastic Plc.	250	250	49.52	49.52	235,433	235,433	-	-
Union Zojirushi Co., Ltd.	600	600	51.00	51.00	306,659	306,659	38,556	113,220
Union Stainless Steel Products Co., Ltd.	40	40	98.00	98.00	52,411	52,411	8,820	35,280
Union Rubber Products Corp., Ltd.	20	20	99.99	99.99	16,111	16,111	-	-
Thai Rubber Enterprise Co., Ltd.	32	32	50.85	50.69	17,307	17,179	486	-
					<u>681,005</u>	<u>680,877</u>	<u>48,339</u>	<u>157,349</u>
Trading business								
Computer Union Co., Ltd.	100	100	98.49	98.49	103,571	103,571	98,486	121,137
					<u>103,571</u>	<u>103,571</u>	<u>98,486</u>	<u>121,137</u>

Company	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(Million Baht) (Except for other specified currencies)	(Million Baht)	(%)	(%)				
Energy business								
Zhejiang Jiashan-Union Cogeneration Co., Ltd.	37	30	56.93	56.93	726,355	598,345	167,909	158,318
	(Million USD)							
					<u>726,355</u>	<u>598,345</u>	<u>167,909</u>	<u>158,318</u>
Hotel business								
The Royal Hotel Co., Ltd.	3,000	3,000	96.00	96.00	2,880,000	2,880,000	-	-
					<u>2,880,000</u>	<u>2,880,000</u>	<u>-</u>	<u>-</u>
Investment and others business								
Saha-Union International Ltd.	405	405	99.99	99.99	1,907,801	1,907,801	-	-
	(Million HKD)							
Saha-Union Investment (China) Co., Ltd.	45	45	100.00	100.00	1,572,809	1,572,809	-	-
	(Million USD)							
Saha-Union Holding Co., Ltd.	1,300	1,300	99.54	99.54	1,294,019	1,294,019	-	-
Venus Shoes Co., Ltd.	72	72	76.00	76.00	44,007	44,007	4,378	-
Union Printing Corp., Ltd.	30	30	94.74	94.74	29,466	29,466	-	-
Union Equity Co., Ltd.	160	160	99.79	99.79	159,771	159,771	-	-

Company	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(Million Baht) (Except for other specified currencies)	(Million Baht)	(%)	(%)				
<i>Investment and others business (continued)</i>								
Union Shoes Co., Ltd.	24	24	61.91	61.91	22,087	22,087	-	3,095
Union Construction Corp., Ltd.	600	600	62.49	62.49	375,457	375,457	-	-
Saha-Union Property Co., Ltd.	125	125	99.99	99.99	125,000	125,000	-	-
Saha-Union Wealth Plus Co., Ltd.	125	125	99.99	99.99	125,000	125,000	-	-
Union Nakhon Co., Ltd.	210	210	75.00	75.00	157,499	157,499	-	-
					<u>5,812,916</u>	<u>5,812,916</u>	<u>4,378</u>	<u>3,095</u>
Total					10,570,376	10,467,235	319,112	439,899
Less: Allowance for impairment of investments in subsidiaries					(559,753)	(538,753)		
Total investments in subsidiaries - net					10,010,623	9,928,482		

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

(Unit: Million Baht)

Company	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(%)	(%)						
Union Textile Industries Plc.	48.58	48.58	38	51	(19)	(27)	-	-
Union Pioneer Plc.	47.27	47.27	141	113	32	1	1	9
Union Plastic Plc.	50.31	50.31	(25)	(13)	(31)	(36)	-	-
Union Zojirushi Co., Ltd.	49.00	49.00	198	241	(1)	38	37	109
Zhejiang Jiashan-Union Cogeneration Co., Ltd.	24.04	24.04	84	95	37	80	71	67

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

Summarised information about financial position

(Unit: Million Baht)

	As at 31 December									
	Union Textile Industries Plc.		Union Pioneer Plc.		Union Plastic Plc.		Union Zojirushi Co., Ltd.		Zhejiang Jiashan-Union Cogeneration Co., Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current assets	458	438	440	353	307	377	399	613	564	621
Non-current assets	747	725	121	97	323	251	1,050	1,292	1,723	1,668
Current liabilities	104	32	75	56	105	112	346	657	470	640
Non-current liabilities	85	80	81	48	46	51	109	157	326	335

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December									
	Union Textile Industries Plc.		Union Pioneer Plc.		Union Plastic Plc.		Union Zojirushi Co., Ltd.		Zhejiang Jiashan-Union Cogeneration Co., Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue	471	750	693	563	546	713	2,151	2,931	1,197	1,572
Profit (loss)	(38)	96	67	1	(26)	(35)	(20)	76	153	331
Other comprehensive income	(89)	(2)	(7)	(3)	(23)	-	-	-	95	(114)
Total comprehensive income	(127)	94	60	(2)	(49)	(35)	(20)	76	248	217

Summarised information about cash flow

(Unit: Million Baht)

For the year ended 31 December

	Union Textile Industries Plc.		Union Pioneer Plc.		Union Plastic Plc.		Union Zojirushi Co., Ltd.		Zhejiang Jiashan-Union Cogeneration Co., Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	Cash flow from (used in)									
operating activities	188	(34)	78	50	(38)	(29)	455	529	315	621
Cash flow from (used in)										
investing activities	(193)	26	(49)	(5)	(19)	(77)	(81)	(138)	(163)	(242)
Cash flow used in financing										
activities	-	-	(5)	(18)	-	-	(374)	(391)	(148)	(364)
Net increase (decrease) in										
cash and cash equivalents	(5)	(8)	24	27	(57)	(106)	-	-	4	15

During the current year, there were the following significant changes in the investments in subsidiaries accounts.

Increase in share capital

On 27 May 2020, the meeting of Board of Directors of Zhejiang Jiashan-Union Cogeneration Co., Ltd. approved to increase share capital totaling USD 7 million. As a result, the registered and paid-up share capital will increase to USD 37 million and this was registered on 20 July 2020. The Company pay for the share subscription in proportion to existing investments totaling Baht 128 million.

Decrease in share capital

On 1 July 2020, the meeting of Extraordinary General Meeting of Union Garment Co., Ltd. approved to decrease share capital of Baht 50 million (500,000 ordinary shares of Baht 100 per share), to Baht 25 million (500,000 ordinary shares of Baht 50 per share). As a result, the paid-up share capital will decrease to Baht 25 million. The Company received for the deducted share subscription in proportion to existing investments totaling Baht 25 million on 18 August 2020.

14. Investments in joint ventures

14.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

Consolidated financial statements

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		(Unit: Thousand Baht) Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
<i>Textile business</i>								
Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.	Contract manufacture and distribution of textile products	China	57.57	57.57	640,940	640,940	-	-
					<u>640,940</u>	<u>640,940</u>	<u>-</u>	<u>-</u>
<i>Plastic, rubber and metal business</i>								
Union Nifco Co., Ltd.	Manufacture and distribution of plastic parts and molds	Thailand	50.00	50.00	51,559	51,559	217,615	246,671
					<u>51,559</u>	<u>51,559</u>	<u>217,615</u>	<u>246,671</u>
<i>Energy business</i>								
Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	748,523	748,523	1,313,544	1,214,301
Yunnan Energy Luliang-Union Cogeneration Co., Ltd.	Power generation	China	50.00	50.00	445,914	445,914	-	-
					<u>1,194,437</u>	<u>1,194,437</u>	<u>1,313,544</u>	<u>1,214,301</u>

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		(Unit: Thousand Baht) Carrying amounts based on equity method	
					2020	2019	2020	2019
					(%)	(%)		
Hospital business								
Sukhumvit 62 Medical Ltd.	Hospital	Thailand	41.83	47.21	400,000	200,500	398,016	200,089
					400,000	200,500	398,016	200,089
Investment and others business								
Soldev Co., Ltd.	Develop and distribution of computer software	Thailand	61.00	61.00	2,210	2,210	-	-
					2,210	2,210	-	-
Liquidation								
Union Universe Co., Ltd.	Distributor of Grand Slam shirts	Thailand	49.87	49.87	946	3,751	2,411	5,246
					946	3,751	2,411	5,246
Total investments in joint ventures					2,290,092	2,093,397	1,931,586	1,666,307

Separate financial statements

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
			2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)						
Textile business										
Zhejiang Saha-Union Feilun Thread Industries Co., Ltd.	Contract manufacture and distribution of textile products	China	39.59	39.59	452,337	452,337	(452,337)	(452,337)	-	-
					452,337	452,337	(452,337)	(452,337)	-	-
Plastic, rubber and metal business										
Union Nifco Co., Ltd.	Manufacture and distribution of plastic parts and molds	Thailand	30.00	30.00	31,556	31,556	-	-	31,556	31,556
					31,556	31,556	-	-	31,556	31,556
Energy business										
Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	Power generation	China	25.00	25.00	374,416	374,416	-	-	374,416	374,416
Yunnan Energy Luliang-Union Cogeneration Co., Ltd.	Power generation	China	40.00	40.00	417,271	417,271	(417,271)	(417,271)	-	-
					791,687	791,687	(417,271)	(417,271)	374,416	374,416
Hospital business										
Sukhumvit 62 Medical Ltd.	Hospital	Thailand	41.83	47.21	400,000	200,500	-	-	400,000	200,500
					400,000	200,500	-	-	400,000	200,500
Liquidation										
Union Universe Co., Ltd.	Distributor of Grand Slam shirts	Thailand	49.87	49.87	946	3,751	-	-	946	3,751
					946	3,751	-	-	946	3,751
Total investments in joint ventures - net					1,676,526	1,479,831	(869,608)	(869,608)	806,918	610,223

14.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income from investments in the joint ventures in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of profit/loss from investments in joint ventures during the year		Share of other comprehensive income from investments in joint ventures during the year		Dividend received during the year	
	2020	2019	2020	2019	2020	2019
Plastic, rubber and metal business						
Union Nifco Co., Ltd.	67,838	92,563	(6,145)	98	54,454	55,174
	67,838	92,563	(6,145)	98	54,454	55,174
Energy business						
Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.	430,641	443,091	87,871	(120,311)	211,877	143,731
	430,641	443,091	87,871	(120,311)	211,877	143,731
Hospital business						
Sukhumvit 62 Medical Ltd.	(1,573)	(459)	-	-	-	-
	(1,573)	(459)	-	-	-	-
Investment and other business						
Soldev Co., Ltd.	(1,615)	82	-	-	-	-
	(1,615)	82	-	-	-	-
Liquidation						
Union Universe Co., Ltd.	(10)	-	-	-	19	-
	(10)	-	-	-	19	-
Total	495,281	535,277	81,726	(120,213)	266,350	198,905

14.3 Summarised financial information about material joint ventures

Summarised information about financial position

(Unit: Million Baht)

Financial position	Union Nifco Co., Ltd.		Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.		Sukhumvit 62 Medical Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	Current assets	565	609	1,265	1,089	310
Non-current assets	161	161	2,277	2,228	685	358
Current liabilities	227	218	907	856	36	10
Non-current liabilities	64	58	-	25	7	-
Net assets	435	494	2,635	2,436	952	428
Shareholding percentage (%)	50.00	50.00	50.00	50.00	41.83	47.21
Share of net assets	218	247	1,318	1,218	398	202
Elimination entries	-	-	(4)	(4)	-	(2)
Carrying amounts of joint ventures based on equity method	218	247	1,314	1,214	398	200

Summarised information about comprehensive income

(Unit: Million Baht)

Comprehensive income	Union Nifco Co., Ltd.		Shaoxing Shangyu Hangzhou-Union Cogeneration Co., Ltd.		Sukhumvit 62 Medical Ltd.	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	Revenue	948	1,173	3,744	3,836	1
Profit (loss)	135	185	861	886	(4)	(1)
Other comprehensive income	(12)	-	176	(241)	-	-
Total comprehensive income	123	185	1,037	645	(4)	(1)

Additional call up in share capital

During the year, Sukhumvit 62 Medical Ltd. approved the second and the third call for payment of the remaining share capital of Baht 25 per share, totaling Baht 209.31 million per time. As a result, the registered and paid-up share capital will increase to Baht 847.25 million. The Company pay for the share subscription in proportion to existing investments totaling Baht 199.5 million on 27 February 2020 and 31 August 2020.

In the fourth quarter, the Extraordinary General Meeting of Shareholders of Sukhumvit 62 Medical Ltd. No. 1/2020, approved an increase in the registered share capital amounting to Baht 109 million. The Company had no intention of paying for the share capital, resulting in the slight decrease in the shareholding percentage.

15. Investments in associates

15.1 Details of material associates:

Consolidated financial statements

(Unit: Thousand Baht)

Carrying amounts based on
equity method

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
Textile business								
Union Spinning Mills Co., Ltd.	Manufacture and distribution of thread	Thailand	51.99	51.99	46,563	46,563	67,879	77,510
Others (3 companies)					2,550	2,550	83,003	74,493
					<u>49,113</u>	<u>49,113</u>	<u>150,882</u>	<u>152,003</u>
Plastic, rubber and metal business								
Union Thai-Nichiban Co., Ltd.	Manufacture of adhesive paper, corrugated adhesive paper, clear tape and OPP tape	Thailand	40.29	40.29	19,320	19,320	174,491	172,240
					<u>19,320</u>	<u>19,320</u>	<u>174,491</u>	<u>172,240</u>
Hospital business								
Navavej International Plc.	Hospital	Thailand	30.00	30.00	405,000	405,000	326,584	353,210
					<u>405,000</u>	<u>405,000</u>	<u>326,584</u>	<u>353,210</u>
Investment and others business								
Taixing Union Zond Chemicals Co., Ltd.	Manufacture of Phthalic anhydride and Fumaric acid and associated products	China	29.65	29.65	273,029	273,029	207,811	216,678
Jiangsu Zhonglian-Union Carpet Co., Ltd.	Manufacture of automotive carpets	China	35.00	35.00	353,054	353,054	250,757	226,280
Uni-Fibre Co., Ltd.	Investment	Thailand	62.35	62.35	79,598	79,598	747,507	748,022
Union Thread Industries Co., Ltd.	Investment	Thailand	36.89	35.99	51,861	51,861	906,652	870,448
Union Industries Corp., Ltd.	Investment and real estate rental	Thailand	29.46	29.46	43,328	43,328	499,967	475,910

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		(Unit: Thousand Baht) Carrying amounts based on equity method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
Investment and others business (continued)								
Union Business Management Co., Ltd. (51.10 percent owned by Union Thread Industries Co., Ltd., 18.99 percent by Union Textile Industries Plc. and 0.50 percent by Union Industries Corp., Ltd.)	Investment	Thailand	37.54	37.54	94,999	94,999	237,067	224,354
Zhuji-Union Real Estate Co., Ltd.	Investment	China	25.00	25.00	180,032	180,032	179,567	147,053
Union Asset Holdings Corp., Ltd. and its subsidiaries (82.67 percent owned by Uni-Fibre Co., Ltd.)	Investment	Thailand	-	-	-	-	3,649	3,765
Others (17 companies) (2019: 14 companies)					213,352	213,352	66,248	48,554
					<u>1,289,253</u>	<u>1,289,253</u>	<u>3,099,225</u>	<u>2,961,064</u>
Total investments in associates					<u>1,762,686</u>	<u>1,762,686</u>	<u>3,751,182</u>	<u>3,638,517</u>

Separate financial statements

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
			2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)						
Textile business										
Union Micronclean Co., Ltd.	Manufacture and distribution of anti-electrostatic and dust clothing	Thailand	25.00	25.00	1,251	1,251	-	-	1,251	1,251
Union Spinning Mills Co., Ltd.	Manufacture and distribution of thread	Thailand	25.00	25.00	46,563	46,563	-	-	46,563	46,563
					<u>47,814</u>	<u>47,814</u>	<u>-</u>	<u>-</u>	<u>47,814</u>	<u>47,814</u>
Plastic, rubber and metal business										
Union Thai-Nichiban Co., Ltd.	Manufacture of adhesive paper, corrugated adhesive paper, clear tape and OPP tape	Thailand	40.29	40.29	19,320	19,320	-	-	19,320	19,320
					<u>19,320</u>	<u>19,320</u>	<u>-</u>	<u>-</u>	<u>19,320</u>	<u>19,320</u>
Hospital Business										
Navavej International Plc.	Hospital	Thailand	30.00	30.00	405,000	405,000	-	-	405,000	405,000
					<u>405,000</u>	<u>405,000</u>	<u>-</u>	<u>-</u>	<u>405,000</u>	<u>405,000</u>
Investment and other business										
Taixing Union Zond Chemicals Co., Ltd.	Manufacture of Phthalic anhydride and Fumaric acid and associated products	China	23.85	23.85	218,958	218,958	(32,129)	(32,129)	186,829	186,829
Jiangsu Zhonglian-Union Carpet Co., Ltd.	Manufacture of automotive carpets	China	25.00	25.00	249,239	249,239	(57,000)	-	192,239	249,239
Uni-Fibre Co., Ltd.	Investment	Thailand	26.87	26.87	56,038	56,038	-	-	56,038	56,038
Union Thread Industries Co., Ltd.	Investment	Thailand	24.90	24.90	51,861	51,861	-	-	51,861	51,861
Union Industries Corp., Ltd.	Investment and real estate rental	Thailand	24.90	24.90	43,328	43,328	-	-	43,328	43,328
Others (2 companies)					20,851	20,851	(547)	(547)	20,304	20,304
					<u>640,275</u>	<u>640,275</u>	<u>(89,676)</u>	<u>(32,676)</u>	<u>550,599</u>	<u>607,599</u>
Total investments in associates - net					<u>1,112,409</u>	<u>1,112,409</u>	<u>(89,676)</u>	<u>(32,676)</u>	<u>1,022,733</u>	<u>1,079,733</u>

15.2 Share of comprehensive income and dividend received in material associates

During the years, the Company has recognised its share of profit/loss from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company	Consolidated financial statements				Separate financial statements	
	Share of profit/loss from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Dividend received during the year	
	2020	2019	2020	2019	2020	2019
Textile business						
Union Spinning Mills Co., Ltd.	(7,920)	(9,797)	(1,653)	(58)	-	-
Others (3 companies)	11,915	5,260	(727)	(1,199)	1,250	2,250
	3,995	(4,537)	(2,380)	(1,257)	1,250	2,250
Plastic, rubber and metal business						
Union Thai-Nichiban Co., Ltd.	30,643	26,925	(1,520)	79	26,952	34,927
	30,643	26,925	(1,520)	79	26,952	34,927
Hospital business						
Navavej International Plc.	(26,626)	(30,114)	-	-	-	-
	(26,626)	(30,114)	-	-	-	-
Investment and others business						
Taixing Union Zond Chemicals Co., Ltd.	(22,786)	(19,626)	13,919	(21,385)	-	-
Jiangsu Zhonglian-Union Carpet Co., Ltd.	8,443	(48,241)	16,033	(24,898)	-	-
Uni-Fibre Co., Ltd.	(153)	13,393	(362)	(26)	-	-
Union Thread Industries Co., Ltd.	49,179	24,479	(1,262)	(2,456)	8,963	8,963
Union Industries Corp., Ltd.	19,825	11,571	(25)	(1,921)	6,723	6,723

(Unit: Thousand Baht)

Company	Consolidated financial statements				Separate financial statements	
	Share of profit/loss from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Dividend received during the year	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<i>Investment and others business (continued)</i>						
Union Business Management Co., Ltd.	12,666	23,627	48	(1,498)	-	-
Zhuji-Union Real Estate Co., Ltd.	22,686	(10,212)	9,828	(14,513)	-	-
Union Asset Holdings Corp., Ltd. and its subsidiaries	(1,898)	2,499	(264)	(270)	-	-
Others (17 companies) (2019: 14 companies)	20,063	(2,505)	11,321	(14,856)	-	-
	<u>108,025</u>	<u>(5,015)</u>	<u>49,236</u>	<u>(81,823)</u>	<u>15,686</u>	<u>15,686</u>
Total	<u>116,037</u>	<u>(12,741)</u>	<u>45,336</u>	<u>(83,001)</u>	<u>43,888</u>	<u>52,863</u>

15.3 Summarised financial information of material associates

Summarised information about financial position

(Unit: Million Baht)

Company	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Net assets		Shareholding percentage (%)		Share of net assets based on equity method		Elimination entries		Carrying amounts of associates based on equity method	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Textile business																		
Union Spinning Mills Co., Ltd.	218	226	60	60	28	20	16	13	234	253	51.99	51.99	122	132	(54)	(54)	68	78
Others (3 companies)	659	632	325	236	75	81	130	136	779	651	-	-	207	174	(124)	(100)	83	74
Plastic, rubber and metal business																		
Union Thai-Nichiban Co., Ltd.	431	442	90	93	54	77	34	30	433	428	40.29	40.29	174	172	-	-	174	172
Hospital business																		
Navavej International Plc.	70	90	3,008	2,040	330	14	1,647	939	1,101	1,177	30.00	30.00	330	353	(4)	-	326	353
Investment and other business																		
Taixing Union Zond Chemicals Co., Ltd.	457	375	663	672	427	324	-	-	693	723	29.65	29.65	205	214	3	2	208	216
Jiangsu Zhonglian-Union Carpet Co., Ltd.	472	472	817	777	578	608	-	-	711	641	35.00	35.00	249	224	2	2	251	226
Uni-Fibre Co., Ltd.	3	11	1,252	1,252	25	33	-	-	1,230	1,230	62.35	62.35	767	767	(19)	(19)	748	748
Union Thread Industries Co., Ltd.	265	383	2,155	2,110	3	4	135	189	2,282	2,300	36.89	35.99	842	828	65	43	907	871
Union Industries Corp., Ltd.	313	587	1,510	1,293	1	37	75	110	1,747	1,733	29.46	29.46	515	511	(15)	(35)	500	476
Union Business Management Co., Ltd.	3	2	1,040	1,102	65	100	102	158	876	846	37.54	37.54	329	318	(92)	(94)	237	224
Zhuji-Union Real Estate Co., Ltd.	983	1,169	2	2	267	583	-	-	718	588	25.00	25.00	180	147	-	-	180	147
Union Asset Holdings Corp., Ltd. and its subsidiaries	345	430	2,635	2,361	1	4	-	-	2,979	2,787	-	-	1,200	1,122	(1,206)	(1,127)	(6)	(5)
Others (17 companies) (2019: 14 companies)	600	638	1,246	880	297	363	23	14	1,526	1,141	-	-	473	353	(410)	(305)	63	48

Summarised information about comprehensive income

(Unit: Million Baht)

Company	Revenue		Profit (loss)		Other comprehensive income		Total comprehensive income	
	2020	2019	2020	2019	2020	2019	2020	2019
Textile business								
Union Spinning Mills Co., Ltd.	264	355	(15)	(19)	(3)	-	(18)	(19)
Others (3 companies)	671	718	34	6	(1)	-	33	6
Plastic, rubber and metal business								
Union Thai-Nichiban Co., Ltd.	697	803	76	67	(4)	-	72	67
Hospital business								
Navavej International Plc.	2	2	(89)	(86)	-	-	(89)	(86)
Investment and other business								
Taixing Union Zond Chemicals Co., Ltd.	1,568	1,842	(77)	(66)	48	(72)	(29)	(138)
Jiangsu Zhonglian-Union Carpet Co., Ltd.	687	1,041	24	(138)	46	(71)	70	(209)
Uni-Fibre Co., Ltd.	1	105	-	97	(1)	1	(1)	98
Union Thread Industries Co., Ltd.	70	87	22	49	(4)	-	18	49
Union Industries Corp., Ltd.	86	410	41	33	-	-	41	33
Union Business Management Co., Ltd.	44	58	30	50	-	-	30	50
Zhuji-Union Real Estate Co., Ltd.	1,121	-	91	(41)	39	(58)	130	(99)
Union Asset Holdings Corp., Ltd. and its subsidiaries	12	188	(5)	139	(1)	(1)	(6)	138
Others (17 companies)	686	729	11	(13)	(21)	(50)	(10)	(63)
(2019: 14companies)								

Increase in registered share capital

On 24 April 2020, the Annual General Meeting of Navavej International Plc. approved an increase of Baht 450 million in the registered share capital, to Baht 1,800 million, with the additional capital to be offered by Private Placement Method. On 28 January 2021, the Company has subscribed in right offering, amounting to Baht 75 million. As a result, following the increase in share capital the Company's investment in this associate is Baht 480 million and shareholding percentage slightly decreased.

16. Other non-current financial assets/Other long-term investments

16.1 As at 31 December 2020, the balances of other non-current financial assets are as follows:

Consolidated financial statements

	(Unit: Thousand Baht)	
	31 December 2020	
	Cost	Fair value
<u>Equity instruments designated at FVOCI</u>		
Quoted equity investments		
Saha Pathana Inter-Holding Plc.	27,508	616,396
Bangkok Bank Plc.	1,088,334	1,172,905
Electricity Generating Plc.	30,514	54,285
Ratch Group Plc.	33,001	42,400
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	119,857
Bangchak Corporation Plc.	48,479	32,902
Others	203,384	182,207
Non-listed equity instruments		
Ratchaburi Power Co., Ltd.	732,500	702,500
Value Creation Inc.	328,280	-
Processing Center Co., Ltd.	10,000	290,000
Union Button Corp., Ltd.	14,714	38,714
Others	15,850	4,182
Total equity instruments designated at FVOCI	2,804,446	3,256,348
<u>Financial assets at FVTPL</u>		
Open-end Fund	30,966	31,159
Total financial assets at FVTPL	30,966	31,159
Total other non-current financial assets	2,835,412	3,287,507

Separate financial statements

(Unit: Thousand Baht)

	31 December 2020	
	Cost	Fair value
<u>Equity instruments designated at FVOCI</u>		
Quoted equity investments		
Saha Pathana Inter-Holding Plc.	27,508	616,396
Bangkok Bank Plc.	215,885	325,689
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	119,857
Bangchak Corporation Plc.	4,874	3,075
Others	17,843	17,539
Non-listed equity instruments		
Ratchaburi Power Co., Ltd.	732,500	702,500
Value Creation Inc.	328,280	-
Processing Center Co., Ltd.	10,000	290,000
Union Button Corp., Ltd.	14,714	38,714
Others	10,900	1,811
Total equity instruments designated at FVOCI	1,634,386	2,115,581
<u>Financial assets at FVTPL</u>		
Open-end Fund	20,000	19,570
Total financial assets at FVTPL	20,000	19,570
Total other non-current financial assets	1,654,386	2,135,151

During the year 2020, the Company and its subsidiaries received dividends from other non-current financial assets amounting to Baht 345 million and the Company received Baht 294 million.

16.2 As at 31 December 2019, the balances of other long-term investments are as follows:

Consolidated financial statements

Investments in ordinary shares

(Unit: Thousand Baht)

Company	31 December 2019	
	Shareholding percentage (%)	Cost method
Ratchaburi Power Co., Ltd.	10.00	732,500
Value Creation Inc.	0.18	328,280
Others		40,565
Total investments in ordinary shares		1,101,345
Less: Allowance for impairment of investments		(339,824)
Total investments in ordinary shares - net		761,521

Investments in available-for-sale securities

(Unit: Thousand Baht)

Company	31 December 2019		
	Cost	Surplus (deficit) on changes in value of investments	Fair value
Saha Pathana Inter-Holding Plc.	27,508	595,590	623,098
Bangkok Bank Plc.	583,257	157,928	741,185
Electricity Generating Plc.	30,514	61,982	92,496
Ratch Group Plc.	33,001	21,999	55,000
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	(141,490)	130,392
Bualuang Thanatavee Fixed Income Fund	21,080	1,101	22,181
Buakaew Open-end Fund	20,000	1,634	21,634
Bangchak Corporation Plc.	48,479	(3,940)	44,539
Others	188,937	11,230	200,167
Total investments in available-for-sale securities	1,224,658	706,034	1,930,692
Total other long-term investments - net			2,692,213

Separate financial statements

Investments in ordinary shares

(Unit: Thousand Baht)

31 December 2019

Company	Shareholding percentage (%)	Cost method
Ratchaburi Power Co., Ltd.	10.00	732,500
Value Creation Inc.	0.18	328,280
Others		35,614
Total investments in ordinary shares		1,096,394
Less: Allowance for impairment of investments		(337,369)
Total investments in ordinary shares - net		759,025

Investments in available-for-sale securities

(Unit: Thousand Baht)

31 December 2019

Company	Cost	Surplus (deficit) on changes in value of investments	Fair value
Saha Pathana Inter-Holding Plc.	27,508	595,590	623,098
Bangkok Bank Plc.	215,885	222,490	438,375
Banyan Tree Indochina Hospitality Fund, L.P.	271,882	(141,490)	130,392
Buakaew Open-end Fund	20,000	1,634	21,634
Bangchak Corporation Plc.	4,874	(712)	4,162
Others	15,709	(96)	15,613
Total investments in available-for-sale securities	555,858	677,416	1,233,274
Total other long-term investments - net			1,992,299

During the year 2019, the Company and its subsidiaries received dividends from their investments in ordinary shares and available-for-sale securities totaling Baht 208 million, with the Company received Baht 183 million.

17. Investment properties

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

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements		
	Land and land improvement awaiting development	Factory and office building for rent	Assets under construction	Total	Land and land improvement awaiting development	Factory and office building for rent	Total
As at 31 December 2020							
Cost	2,101,062	2,461,973	111,921	4,674,956	1,545,232	1,794,547	3,339,779
<u>Less</u> Accumulated depreciation	(72,619)	(2,020,620)	-	(2,093,239)	(61,993)	(1,646,918)	(1,708,911)
<u>Less</u> Allowance for impairment loss	(4,413)	(150,308)	(25,000)	(179,721)	(4,413)	(138,707)	(143,120)
Net book value	<u>2,024,030</u>	<u>291,045</u>	<u>86,921</u>	<u>2,401,996</u>	<u>1,478,826</u>	<u>8,922</u>	<u>1,487,748</u>
As at 31 December 2019							
Cost	2,100,756	2,592,840	93,884	4,787,480	1,545,124	1,794,583	3,339,707
<u>Less</u> Accumulated depreciation	(66,739)	(2,148,797)	-	(2,215,536)	(56,114)	(1,646,340)	(1,702,454)
<u>Less</u> Allowance for impairment loss	(4,413)	(151,808)	(25,000)	(181,221)	(4,413)	(138,707)	(143,120)
Net book value	<u>2,029,604</u>	<u>292,235</u>	<u>68,884</u>	<u>2,390,723</u>	<u>1,484,597</u>	<u>9,536</u>	<u>1,494,133</u>

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	2,390,723	2,072,096	1,494,133	1,142,178
Acquisition of assets	28,963	370,322	110	358,435
Disposals/write-off - net book value	(3)	(7)	(3)	(7)
Transferred from property, plant and equipment - net book value	197	-	-	-
Depreciation for the year	(30,580)	(30,020)	(6,492)	(6,473)
Decrease in allowance for impairment loss during the year	1,500	-	-	-
Translation adjustments	11,196	(21,668)	-	-
Net book value at end of year	<u>2,401,996</u>	<u>2,390,723</u>	<u>1,487,748</u>	<u>1,494,133</u>

The fair value of the investment properties as at 31 December 2020 and 2019 stated below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land and land improvement awaiting development	4,113,742	4,010,832	2,541,898	2,541,788
Factory and office building for rent	1,530,104	1,393,635	29,964	29,964

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land and land improvement awaiting development has been determined based on market prices, while that of the factory and office building for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

18. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Consolidated financial statements						Total
	Land	Land improvement	Buildings, building improvements and facilities	Machinery and equipment	Power plants	Others	
Cost							
As at 1 January 2019	1,896,985	20,571	3,496,276	6,440,735	2,019,011	1,251,652	15,125,230
Additions	-	511	48,042	74,184	247,143	365,880	735,760
Disposals/write-off	-	-	(13,487)	(149,243)	(89,188)	(81,154)	(333,072)
Transfers	-	-	1,854	33,047	-	(34,901)	-
Translation adjustments	-	-	(55,588)	-	(175,466)	(3,147)	(234,201)
As at 31 December 2019	1,896,985	21,082	3,477,097	6,398,723	2,001,500	1,498,330	15,293,717
Adjustments of right-of-use assets due to TFRS 16 (Note 4)	-	-	-	-	-	(158,232)	(158,232)
As at 1 January 2020	1,896,985	21,082	3,477,097	6,398,723	2,001,500	1,340,098	15,135,485
Additions	-	819	27,051	90,303	156,535	122,957	397,665
Disposals/write-off	-	-	(15,857)	(320,540)	(47,925)	(31,009)	(415,331)
Transfers to investment properties	(197)	-	(3,338)	-	-	-	(3,535)
Transfers	-	491	35,899	84,139	-	(120,529)	-
Translation adjustments	-	-	29,634	-	140,640	1,577	171,851
As at 31 December 2020	1,896,788	22,392	3,550,486	6,252,625	2,250,750	1,313,094	15,286,135

(Unit: Thousand Baht)

Consolidated financial statements (continued)

	Buildings, building					Total	
	Land	Land improvement	improvements and facilities	Machinery and equipment	Power plants		Others
Accumulated depreciation							
As at 1 January 2019	-	7,788	1,720,523	5,284,096	410,234	909,099	8,331,740
Depreciation for the year	-	1,194	185,408	333,642	113,935	139,708	773,887
Depreciation on disposals/write-off	-	-	(12,135)	(138,177)	(69,823)	(73,261)	(293,396)
Translation adjustments	-	-	(18,392)	-	(35,652)	(2,845)	(56,889)
As at 31 December 2019	-	8,982	1,875,404	5,479,561	418,694	972,701	8,755,342
Adjustments of right-of-use assets due to TFRS 16 (Note 4)	-	-	-	-	-	(69,964)	(69,964)
As at 1 January 2020	-	8,982	1,875,404	5,479,561	418,694	902,737	8,685,378
Depreciation for the year	-	1,194	185,964	304,590	143,776	110,271	745,795
Depreciation on disposals/write-off	-	-	(15,601)	(311,794)	(33,847)	(28,474)	(389,716)
Transfers to investment properties	-	-	(3,338)	-	-	-	(3,338)
Translation adjustments	-	-	11,379	-	29,421	1,394	42,194
As at 31 December 2020	-	10,176	2,053,808	5,472,357	558,044	985,928	9,080,313

(Unit: Thousand Baht)

Consolidated financial statements (continued)

	Land	Land improvement	Buildings, building improvements and facilities	Machinery and equipment	Power plants	Others	Total
Allowance for impairment loss							
As at 1 January 2019	-	-	-	1,072	-	13,346	14,418
Decrease from disposals	-	-	-	-	-	(7,774)	(7,774)
As at 31 December 2019	-	-	-	1,072	-	5,572	6,644
Increase during the year	-	-	-	-	45,778	-	45,778
Decrease during the year	-	-	-	-	-	(487)	(487)
Translation adjustments	-	-	-	-	(196)	-	(196)
As at 31 December 2020	-	-	-	1,072	45,582	5,085	51,739
Net book value							
As at 31 December 2019	1,896,985	12,100	1,601,693	918,090	1,582,806	520,057	6,531,731
As at 31 December 2020	1,896,788	12,216	1,496,678	779,196	1,647,124	322,081	6,154,083
Depreciation for the year							
2019 (Baht 721 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)							773,887
2020 (Baht 745 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)							745,795

(Unit: Thousand Baht)

Separate financial statements

	Land	Buildings and facilities	Machinery and equipment	Others	Total
Cost					
As at 1 January 2019	18,550	143,061	84,498	296,158	542,267
Additions	-	-	-	1,885	1,885
Disposals/write-off	-	(26)	(180)	(3,380)	(3,586)
As at 31 December 2019	18,550	143,035	84,318	294,663	540,566
Additions	-	-	-	1,906	1,906
Disposals	-	-	-	(3,287)	(3,287)
As at 31 December 2020	18,550	143,035	84,318	293,282	539,185
Accumulated depreciation					
As at 1 January 2019	-	134,093	84,032	272,964	491,089
Depreciation for the year	-	2,626	-	5,979	8,605
Depreciation on disposals/write-off	-	(26)	(180)	(3,379)	(3,585)
As at 31 December 2019	-	136,693	83,852	275,564	496,109
Depreciation for the year	-	2,367	-	5,599	7,966
Depreciation on disposals	-	-	-	(3,287)	(3,287)
As at 31 December 2020	-	139,060	83,852	277,876	500,788

(Unit: Thousand Baht)

Separate financial statements (continued)

	Land	Buildings and facilities	Machinery and equipment	Others	Total
Allowance for impairment loss					
As at 1 January 2019	-	-	464	4,922	5,386
As at 31 December 2019	-	-	464	4,922	5,386
As at 31 December 2020	-	-	464	4,922	5,386
Net book value					
As at 31 December 2019	18,550	6,342	2	14,177	39,071
As at 31 December 2020	18,550	3,975	2	10,484	33,011
Depreciation for the year					
2019 (included in administrative expenses)					8,605
2020 (included in administrative expenses)					7,966

As at 31 December 2020, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 5,143 million (2019: Baht 5,198 million) and the Company only Baht 233 million (2019: Baht 222 million).

During the year 2020, a subsidiary recognises an impairment loss for machinery in part of electric factory amounting to Baht 46 million (2019: Nil) to reduce the carrying amount of the assets to their recoverable amounts due to the out of date of technology and resulted in the production efficiency decrease. In this regard, the subsidiary considers to set the allowance of impairment in fully amount.

19. Leases

19.1 The subsidiaries as a lessee

The subsidiaries have lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 14 years.

a) Right-of-use assets

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

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Land	Buildings	Equipment	Motor vehicles	Total
As at 1 January 2020					
(Note 4)	70,615	25,221	88,268	7,895	191,999
Additions	-	-	115,269	1,739	117,008
Depreciation for the year	(3,175)	(5,045)	(53,904)	(3,019)	(65,143)
Translation adjustments	1,923	-	-	-	1,923
As at 31 December 2020	<u>69,363</u>	<u>20,176</u>	<u>149,633</u>	<u>6,615</u>	<u>245,787</u>

b) Lease liabilities

	(Unit: Thousand Baht)
	Consolidated financial statements
	<u>2020</u>
Lease payments	221,310
Less: Deferred interest expenses	(15,319)
Total	<u>205,991</u>
Less: Current portion	(57,892)
Lease liabilities - net of current portion	<u>148,099</u>

A maturity analysis of lease payments is disclosed in Note 38.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)
	For the year ended
	31 December 2020
	<hr/>
	Consolidated
	financial statements
	<hr/>
Depreciation expense of right-of-use assets	65,143
Interest expense on lease liabilities	7,864
Expense relating to short-term leases	9,726
Expense relating to leases of low-value assets	639

d) Others

The subsidiaries had total cash outflows for leases for the year ended 31 December 2020 of Baht 73 million, including the cash outflow related to short-term leases and leases of low-value assets. Moreover, the subsidiaries had non-cash additions to right-of-use assets and lease liabilities of Baht 117 million.

20. Goodwill

Goodwill of the Royal Hotel Co., Ltd. (subsidiary) ("The Royal Hotel") from business acquisition amounting to Baht 522 million consisted of the business opportunity provided by the acquisition of a five star hotel (Hilton Hua Hin Resort and Spa Hotel) ready to operate immediately from the acquisition date, as well as various physical features are viewed as significant distinctive point of The Royal Hotel when compares with the business competitors in Hua Hin.

The recoverable amount of the CGUs have been determined based on value in use calculation using cash flow projections from financial budgets approved by the subsidiary's management covering a five-year period.

Key assumptions used in value in use calculation are summarised below:

	(Unit: percent per annum)
	<hr/>
	The Royal Hotel
	<hr/>
Growth rates	2.5
Discount rates	8.5

The subsidiary's management determined growth rates based on historical operation results and expected market growth and discount rates is the rate that reflects the risks specific to each CGU.

The management believes that there is no impairment loss for goodwill.

21. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Withholding tax	63,829	40,410	3,148	4,861
Leasehold - net of accumulated amortisation	-	56,510	-	-
Advance for purchase of fixed assets	12,847	7,324	-	-
Others	85,938	82,212	2,114	2,151
Total other non-current assets	162,614	186,456	5,262	7,012

The balances of other non-current assets in the consolidated financial statements above include account receivables, Ten Cate-Union Protective Fabrics Asia Ltd. (“TCUA”), amounting to Baht 39 million. There is uncertainty about the recoverable amount of this receivable because TCUA has filed for deregistration with the Ministry of Commerce and is in the process of liquidation. At present, it still not finalised the net asset value. For prudent reasons, the allowance for doubtful debts for this receivable is fully set aside.

22. Short-term loans from financial institutions

	Interest rate (percent per annum)	(Unit: Thousand Baht)	
		Consolidated	
		financial statements	
		<u>2020</u>	<u>2019</u>
Short-term loans from local financial institutions	MLR minus discount rate as defined in contract	19,300	178,900
Short-term loans from financial institutions in China	Reference from interest rate of bank in China	65,172	53,029
Total short-term loans from financial institutions		84,472	231,929

23. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties (Note 8)	32,609	37,367	27,955	32,591
Trade payables - unrelated parties	1,032,560	992,610	6,096	12,447
Other payables	67,892	90,986	-	882
Accrued expenses	334,195	345,304	16,551	20,094
Others	11,739	13,331	274	275
Total trade and other payables	<u>1,478,995</u>	<u>1,479,598</u>	<u>50,876</u>	<u>66,289</u>

24. Long-term loans

			(Unit: Thousand Baht)	
			Consolidated	
			financial statements	
Loan	Interest rate (%)	Repayment schedule	2020	2019
1. Loan from local bank	Based on MLR minus discount rate as defined in contract	Six-month installments from 2017 to 2021	44,000	133,000
2. Loan from local bank	Market rate minus discount rate as defined in contract	Six-month installments from 2019 to 2022	75,000	125,000
3. Loan from local bank in China	Reference from interest rate of bank in China	Six-month installments from 2019 to 2022	358,444	448,413
Total			<u>477,444</u>	<u>706,413</u>
Less: Current portion			<u>(314,867)</u>	<u>(428,621)</u>
Long-term loans, net of current portion			<u>162,577</u>	<u>277,792</u>

Movement of the long-term loan account during the year ended 31 December 2020 are summarised below:

	(Unit: Thousand Baht)
	Consolidated
	financial statements
Balance as at 1 January 2020	706,413
Add: Additional borrowings	17,215
Less: Repayment	(278,205)
Translation adjustments	32,021
Balance as at 31 December 2020	<u>477,444</u>

The loan agreements contain several covenants which, among other things, require the subsidiaries to maintain debt-to-equity ratio and negative pledges on certain assets that are essential for the subsidiaries' operations.

As at 31 December 2020 and 2019, there are no long-term credit facilities of the subsidiaries which have not yet been drawn down.

25. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents the cash which will be paid to employees after they retire as at 31 December 2020 and 2019, were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Present value of defined benefit obligation	419,125	478,218	31,965	27,369
Fair value of plan assets	(117,394)	(181,386)	(8,143)	(8,860)
Net defined benefit liability	<u>301,731</u>	<u>296,832</u>	<u>23,822</u>	<u>18,509</u>

Changes in present value of defined benefit obligation and fair value of plan assets were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Defined benefit obligation at beginning of year	478,218	397,015	27,369	25,790
Current service cost	30,306	25,908	1,081	1,090
Interest cost	9,048	10,129	604	577
Past service cost	(68,610)	65,747	-	4,377
Transferred from related companies	-	925	-	1,122
Actuarial (gain) loss arising from				
Demographic assumptions changes	(14,078)	-	-	-
Financial assumptions changes	42,536	4,686	6,028	(142)
Experience adjustments	3,245	2,128	(1,899)	(1,775)
Benefits paid during the year	(61,540)	(28,320)	(1,218)	(3,670)
Defined benefit obligation at end of year	<u>419,125</u>	<u>478,218</u>	<u>31,965</u>	<u>27,369</u>
Fair value of plan assets at beginning of year	181,386	173,157	8,860	8,680
Change in fair value	(57,143)	(1,234)	(834)	(592)
Contribution by the Company and its subsidiaries	13,874	27,083	631	858
Benefits paid during the year	(20,723)	(17,620)	(514)	(86)
Fair value of plan assets at end of year	<u>117,394</u>	<u>181,386</u>	<u>8,143</u>	<u>8,860</u>

Plan assets comprise bank deposits, bonds, and equity and local debt instruments in active market.

The Company and its subsidiaries expect to pay Baht 26 million (2019: Baht 44 million) of long-term employee benefits during the next year and the Company only amounting to Baht 1 million (2019: Baht 1 million).

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

Key actuarial assumptions used for the valuation are as follows:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Discount rate	1.4	1.1 - 1.7	1.4	1.5
Future salary increase rate (depending on age of employees)	3.0 - 7.0	3.5 - 5.5	5.0 - 7.0	3.5 - 5.5
Turnover rate	0.0 - 45.0	0.0 - 40.0	0.0 - 30.0	0.0 - 30.0

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

	(Unit: Million Baht)				
	%	Consolidated		Separate	
		financial statement		financial statement	
		Increase	Decrease	Increase	Decrease
Discount rate	1.00	(33)	34	(2)	2
Future salary increase rate	1.00	36	(32)	2	(2)
Turnover rate	20.00	(16)	20	(1)	1

26. The Company's shares held by its subsidiaries

This represents the acquisition cost of the 9,213,994 ordinary shares (3.07 percent of the total number of shares in issue) of the Company acquired and held by Saha-Union Holding Co., Ltd., Union Equity Co., Ltd. and Union Textile Industries Plc., subsidiaries.

27. 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.

However, the Company's regulations require the Company to set aside to the statutory reserve at least 10 percent of its net profit after deducting accumulated deficit brought forward (if any), until such reserve reaches at least 25 percent of the registered capital.

28. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expenses on borrowings	35,297	25,818	2,539	2,374
Interest expenses on lease liabilities	7,864	3,223	-	-
Total	<u>43,161</u>	<u>29,041</u>	<u>2,539</u>	<u>2,374</u>

29. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salary and wages and other employee benefits	1,608,714	1,872,286	60,254	63,255
Depreciation and amortisation expenses	858,990	820,598	15,434	15,122
Rental expenses from operating lease agreements	10,365	22,651	-	-
Transportation expenses	19,722	30,378	738	1,911
Raw materials and consumables used	1,773,187	2,284,234	-	-
Purchase of finished goods and raw materials				
for sales	3,007,579	3,127,771	566,215	879,641
Changes in inventories of finished goods				
and work in process	(152,755)	15,631	-	39,410

30. Income tax

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	132,989	166,115	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>(7,815)</u>	<u>(4,578)</u>	<u>(323)</u>	<u>(859)</u>
Income tax expenses (income) reported in the income statements	<u>125,174</u>	<u>161,537</u>	<u>(323)</u>	<u>(859)</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax on loss from the change in value of financial assets measured at FVOCI	37,350	-	25,770	-
Deferred tax on actuarial loss (gain)	9,301	943	826	(383)
Deferred tax on losses from the change in value of available-for-sale investments	-	41,528	-	29,458
Total	<u>46,651</u>	<u>42,471</u>	<u>26,596</u>	<u>29,075</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Accounting profit before tax	992,465	1,336,515	822,359	837,895
The separation of accounting profit before tax of the Company and its subsidiaries to each applicable tax rate are as follows:				
Applicable tax rate 5.00 percent	172	270	-	-
Applicable tax rate 16.50 percent	(2,991)	148,381	-	-
Applicable tax rate 20.00 percent	698,968	656,626	822,359	837,895
Applicable tax rate 25.00 percent	296,316	531,238	-	-
Accounting profit before tax multiplied by income tax rate	213,388	288,631	164,472	167,579
Effects of:				
Tax exempt dividend revenue	(64,755)	(42,496)	(184,354)	(174,864)
Share of profit from investments in joint ventures	(99,056)	(107,055)	-	-
Share of loss (profit) from investments in associates	(23,207)	2,548	-	-
Additional expense deductions allowed	(39,163)	(33,620)	(1,255)	(1,346)
Non-deductible expenses	23,074	25,223	5,277	4,233
Losses on impairment of assets	11,145	7	15,600	-
Losses on disposals of investments under equity method	-	8,656	-	-
Unrecognised deferred tax on deductible temporary differences and unused tax losses	113,403	30,873	(210)	3,392
Others	(9,655)	(11,230)	147	147
Total	<u>(88,214)</u>	<u>(127,094)</u>	<u>(164,795)</u>	<u>(168,438)</u>
Income tax expenses (income) reported in the income statements	<u>125,174</u>	<u>161,537</u>	<u>(323)</u>	<u>(859)</u>

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

	(Unit: Thousand Baht)			
	Consolidated statements of financial position		Separate statements of financial position	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax assets				
Allowance for diminution in value of inventories	11,451	13,318	-	-
Accumulated depreciation - Plant and equipment	7,915	8,811	-	-
Provision for long-term employee benefits	58,683	47,129	3,988	2,925
Deferred income	7,446	5,723	-	-
Others	5,964	1,606	-	-
Total	91,459	76,587	3,988	2,925
Deferred tax liabilities				
Gain on change in fair value of investments	158,596	141,207	163,627	135,483
Others	-	651	-	-
Total	158,596	141,858	163,627	135,483

As at 31 December 2020, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 693 million (2019: Baht 322 million) and the Company only amounting to Baht 28 million (2019: Baht 33 million) no deferred tax assets have been recognised on these amount as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses and the unused tax losses will expire within 2025.

31. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares held by outside shareholders in issue during the year.

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit attributable to equity holders of the Company (Baht)	845,089,726	1,111,991,978	822,681,984	838,753,269
Weighted average number of ordinary shares (shares)	290,783,025	290,138,993	300,000,000	300,000,000
Basic earnings per share (Baht/share)	2.91	3.83	2.74	2.80

32. Discontinued operation

By resolution of the meeting of Board of Directors of Union Textile Industries Public Company Limited (“Union Textile”) on 22 December 2020 was authorized to cease its textile business (spinning and weaving) within 2021, as mentioned in Note 1.3 to the financial statement. As of 31 December 2020, textile segment of Union Textile was classified as a discontinued operation.

Operating results and cash flows of the discontinued and continuing operations presented in the consolidated financial statements for the year ended 31 December 2020 and 2019 are as follows:

	(Unit: Million Baht)		
	For the year ended 31 December 2020		
	Continuing operation	Discontinued operation	Consolidated financial statements
Operating result			
Sales and service income	8,295	433	8,728
Other income	622	18	640
Total revenues	8,917	451	9,368
Cost of sales and services	7,300	436	7,736
Selling and distribution expenses	259	10	269
Administrative expenses	880	59	939
Total expenses	8,439	505	8,944
Operating profit (loss)	478	(54)	424
Share of profit from investments in joint ventures	495	-	495
Share of profit from investments in associate	116	-	116
Finance cost	(42)	(1)	(43)
Profit (loss) before income tax income (expenses)	1,047	(55)	992
Income tax income (expenses)	(131)	6	(125)
Profit (loss) for the year	916	(49)	867
Cash flows			
Net cash flows from operating activities	906	178	1,084
Net cash flows from investing activities	-	3	3
Net cash flows from (used in) financing activities	(1,136)	181	(955)

(Unit: Million Baht)

For the year ended 31 December 2019

	Continuing operation	Discontinued operation	Consolidated financial statements
Operating result			
Sales and service income	9,640	511	10,151
Other income	563	32	595
Total revenues	10,203	543	10,746
Cost of sales and services	8,227	554	8,781
Selling and distribution expenses	271	8	279
Administrative expenses	797	45	842
Total expenses	9,295	607	9,902
Operating profit (loss)	908	(64)	844
Share of profit from investments in joint ventures	535	-	535
Share of loss from investments in associate	(13)	-	(13)
Finance cost	(28)	(1)	(29)
Profit (loss) before income tax expenses	1,402	(65)	1,337
Income tax expenses	(162)	-	(162)
Profit (loss) for the year	1,240	(65)	1,175
Cash flows			
Net cash flows from (used in) operating activities	1,460	(45)	1,415
Net cash flows used in investing activities	(713)	(2)	(715)
Net cash flows used in financing activities	(1,063)	(47)	(1,110)

33. Segment information

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

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have six reportable segments as follows:

- Textile segment, which is the contract manufacture and distribution of textile products and garments
- Plastic, rubber and metal segment, which is the manufacture and distribution of rubber, elastic products, finished elastic products, plastic products, vacuum bottles and stainless steel kitchenware
- Trading segment, which is the operation of a computer and equipment dealership
- Energy segment, which is power generation
- Hotel segment, which is the operation of hotel
- Investment and others segment, which is principally the operation of an investment business

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

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Company and its subsidiaries' central administrative activities, financing activities (including finance costs and finance income) and income taxes are managed on a group basis. Therefore, these income and expenses are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2020 and 2019, respectively.

(Unit: Million Baht)

For the years ended 31 December

	Textile segment		Plastic, rubber and metal segment		Trading segment		Energy segment		Hotel segment		Investment and others segment		Elimination of inter-segment revenues		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Revenues															
Revenue from external customers	480	608	3,751	4,565	3,039	2,847	1,211	1,585	227	523	20	23	-	-	8,728	10,151
Inter-segment revenues	7	4	-	-	-	1	-	-	-	-	18	24	(25)	(29)	-	-
Total revenues	487	612	3,751	4,565	3,039	2,848	1,211	1,585	227	523	38	47	(25)	(29)	8,728	10,151
Segment operating profit	19	(19)	310	358	282	286	377	538	(35)	176	39	31	-	-	992	1,370
Unallocated income and expenses:																
Dividend income															376	245
Rental income															36	36
Interest income															29	50
Gain on derivatives designated at FVTPL															7	-
Other income															192	264
Selling and distribution expenses															(269)	(279)
Administrative expenses															(743)	(842)
Loss on investments designated at FVTPL															(196)	-
Share of profit from investments in joint ventures															495	535
Share of profit (loss) from investments in associates															116	(13)
Finance cost															(43)	(29)
Profit before income tax expenses															992	1,337
Income tax expenses															(125)	(162)
Non-controlling interests of the subsidiaries															(22)	(63)
Profit for the year - equity holders of the Company															845	1,112

Below is the segment assets of the Company and its subsidiaries' operating segment as at 31 December 2020 and 2019.

(Unit: Million Baht)

As at 31 December

	Textile segment		Plastic, rubber and metal segment		Trading segment		Energy segment		Hotel segment		Investment and others segment		Elimination of inter-segment revenues		Consolidated financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	Current investments	-	-	-	144	-	-	-	-	-	-	-	1,437	-	-	-
Trade and other receivables	84	125	400	544	785	719	174	243	6	15	92	193	(51)	(131)	1,490	1,708
Inventories	67	218	429	506	423	285	21	7	1	2	-	-	-	-	941	1,018
Other current finance assets	199	-	202	-	(2)	-	-	-	-	-	1,061	-	-	-	1,460	-
Investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	5,925	5,980	(5,925)	(5,980)	-	-
Investments in joint ventures	-	-	87	98	-	-	-	-	-	-	1,845	1,568	-	-	1,932	1,666
Investments in associates	414	406	11	11	-	-	-	-	-	-	3,326	3,222	-	-	3,751	3,639
Other non-current finance assets	2	-	-	-	-	-	-	-	-	-	3,286	-	-	-	3,288	-
Other long-term investments	-	2	-	-	-	-	-	-	-	-	-	2,690	-	-	-	2,692
Investment properties	41	41	4	4	-	-	-	-	-	-	2,357	2,346	-	-	2,402	2,391
Property, plant and equipment	96	128	1,315	1,573	27	120	1,647	1,583	2,633	2,677	436	451	-	-	6,154	6,532
Unallocated assets	145	176	418	381	602	391	445	456	600	714	2,846	2,498	(757)	(639)	4,299	3,977
Total assets	1,048	1,096	2,866	3,261	1,835	1,515	2,287	2,289	3,240	3,408	21,174	20,385	(6,733)	(6,750)	25,717	25,204

Transfer prices between business segments are set out in Note 8 to the financial statements.

Geographic information

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

	(Unit: Million Baht)	
	<u>For the years ended 31 December</u>	
	<u>2020</u>	<u>2019</u>
Revenue from external customers		
Thailand	4,343	4,708
Asia	3,770	4,899
Europe	328	356
America	283	185
Others	4	3
Total	<u>8,728</u>	<u>10,151</u>

Major customer

For the year 2020, a subsidiary has revenue from one major customer in amount of Baht 1,982 million, arising from sales by the plastic, rubber and metal segment (2019: Baht 2,652 million derived from one major customer, arising from sales by the plastic, rubber and metal segment).

34. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company contributes to the fund monthly at the rate of 3 percent of basic salary while the employees contribute to the fund monthly at the rate of 3 - 15 percent of basic salary (2019: the Company contributes to the fund monthly at the rate of 3 percent of basic salary while the employees contribute to the fund monthly at the rate of 3 - 15 percent of basic salary). The fund, which is managed by BBL Asset Management Company Limited, will be paid to employee upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to Baht 1 million (2019: Baht 1 million).

35. Dividends

		(Unit: Baht)	
Dividends	Approved by	Total dividends	Dividend per share
Final dividends for 2018	Annual General Meeting of the shareholders on 25 April 2019	600,000,000	2.00
Total for 2019		<u>600,000,000</u>	<u>2.00</u>
Final dividends for 2019	Annual General Meeting of the shareholders on 23 April 2020	450,000,000	1.50
Total for 2020		<u>450,000,000</u>	<u>1.50</u>

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2020, the Company and its subsidiaries had capital commitments of Baht 37 million (2019: Baht 59 million) and the Company only Baht 0.1 million (2019: Nil), relating to the purchases of machinery and equipment, factory buildings and office buildings.

36.2 Operating lease commitments

The subsidiaries have entered into several lease agreements in respect of the lease of vehicles, equipment and other services. The terms of the agreements are generally between 1 and 3 years. Future minimum lease payments required under these non-cancellable operating leases contracts and services agreements which have not recorded under lease liabilities were Baht 17 million.

36.3 Long-term service agreements

The Royal Hotel Co., Ltd. (subsidiary) entered into a management agreement with a non-related company in respect of managing its hotel business, The Hilton Hua Hin Resort and Spa Hotel. The subsidiary has to pay the related management fee at the rate stated in the agreement.

36.4 Commitment to purchase raw materials

36.4.1 As at 31 December 2020, the Company had commitments to purchase raw materials with overseas companies amounting to 767 Metric tons (2019: 390 Metric tons) with reference to contract prices. Deliveries of raw materials will occur within January 2021.

36.4.2 As at 31 December 2020, a subsidiary had commitments to purchase raw materials with overseas companies amounting to 121 Metric tons (2019: 101 Metric tons) with reference to contract prices. Deliveries of raw materials will occur during March 2021.

36.5 Guarantees

As at 31 December 2020, there were outstanding bank guarantees amounting to Baht 165 million (2019: Baht 167 million) issued by banks on behalf of the Company and its subsidiaries and the Company only amounting to Baht 1 million (2019: Baht 1 million) in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 145 million (2019: Baht 149 million) to guarantee contractual performance, Baht 15 million (2019: Baht 13 million) to guarantee electricity use and Baht 5 million (2019: Baht 5 million) to guarantee others.

37. Fair value hierarchy

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

	(Unit: Million Baht)			
	Consolidated financial statement			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Oversea listed equity investments	1,044	-	-	1,044
Open-end Fund	31	-	-	31
Foreign currency forward contracts	-	9	-	9
<u>Financial assets measured at FVOCI</u>				
Equity investments	2,221	-	1,035	3,256
Assets for which fair value are disclosed				
Investment properties	-	-	5,644	5,644

	(Unit: Million Baht)			
	Consolidated financial statement			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments	1,196	-	-	1,196
Available-for-sale investments	1,931	-	-	1,931
Assets for which fair value are disclosed				
Investment properties	-	-	5,404	5,404

(Unit: Million Baht)

	Separate financial statement			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<u>Financial assets measured at FVTPL</u>				
Open-end Fund	20	-	-	20
Foreign currency forward contracts	-	2	-	2
<u>Financial assets measured at FVOCI</u>				
Equity investments	1,083	-	1,033	2,116
Assets for which fair value are disclosed				
Investment properties	-	-	2,572	2,572

(Unit: Million Baht)

	Separate financial statement			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments	1,233	-	-	1,233
Assets for which fair value are disclosed				
Investment properties	-	-	2,572	2,572

38. Financial instruments

38.1 Derivatives

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
Derivative assets		
Derivative assets not designated as hedging instruments		
Foreign exchange forward contracts	9,483	1,545
Total derivative assets	9,483	1,545

Derivatives not designated as hedging instruments

The Company and its subsidiaries use foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year.

38.2 Financial risk management objectives and policies

The Company and its subsidiaries' financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term loans to related parties, other current financial assets, restricted investments, short-term loans from financial institutions and related party, trade and other payables, deposits from related parties, lease liabilities and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

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

Trade receivables

The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries does not have high concentrations of credit risk.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

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

Market risk

There are 2 types of market risk comprising currency risk and interest rate risk.

Foreign currency risk

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

As at 31 December 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	33	34	23	5	30.0371	30.1540
Japanese yen	3	7	-	15	0.2907	0.2759
Euro	1	1	-	-	36.8764	33.7311
Hong Kong	3	2	-	-	3.8335	3.8328

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their loans to related parties, short-term borrowings, deposits from related parties, lease liabilities and long-term borrowings. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2020

	Fixed interest rates				Total
	Within	1-5	Floating	Non-interest	
	1 year	years	interest rate	bearing	
Financial assets					
Cash and cash equivalents	769	-	2,107	1	2,877
Trade and other receivables	-	-	-	1,490	1,490
Other current financial assets	407	-	-	1,053	1,460
Restricted investments	11	21	-	-	32
	<u>1,187</u>	<u>21</u>	<u>2,107</u>	<u>2,544</u>	<u>5,859</u>
Financial liabilities					
Short-term loans from financial institutions	-	-	84	-	84
Short-term loan from related party	-	-	10	-	10
Trade and other payables	-	-	-	1,479	1,479
Long-term loans	50	25	402	-	477
Lease liabilities	58	148	-	-	206
	<u>108</u>	<u>173</u>	<u>496</u>	<u>1,479</u>	<u>2,256</u>

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2019

	Fixed interest rates				Total
	Within	1-5	Floating	Non-interest	
	1 year	years	interest rate	bearing	
Financial assets					
Cash and cash equivalents	947	-	1,751	2	2,700
Current investments	385	-	-	1,196	1,581
Trade and other receivables	-	-	-	1,708	1,708
Short-term loans to related parties	1	-	-	-	1
Restricted investments	11	24	-	-	35
Long-term loans to related party	-	172	-	-	172
	<u>1,344</u>	<u>196</u>	<u>1,751</u>	<u>2,906</u>	<u>6,197</u>
Financial liabilities					
Short-term loans from financial institutions	-	-	232	-	232
Trade and other payables	-	-	-	1,480	1,480
Long-term loans	50	75	581	-	706
Liabilities under finance lease agreements	37	60	-	-	97
	<u>87</u>	<u>135</u>	<u>813</u>	<u>1,480</u>	<u>2,515</u>

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2020				
Fixed interest rate	Floating	Non-interest		
1 - 5 years	interest rate	bearing	Total	
Financial assets				
Cash and cash equivalents	-	489	-	489
Trade and other receivables	-	-	81	81
Short-term loans to related parties	-	568	-	568
Other current financial assets	-	-	2	2
Restricted investments	1	-	-	1
	1	1,057	83	1,141
Financial liabilities				
Trade and other payables	-	-	51	51
Deposits from related parties	-	422	-	422
	-	422	51	473

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2019				
Fixed interest rate	Floating	Non-interest		
1 - 5 years	interest rate	bearing	Total	
Financial assets				
Cash and cash equivalents	-	306	-	306
Trade and other receivables	-	-	156	156
Short-term loans to related parties	-	463	-	463
Restricted investments	1	-	-	1
	1	769	156	926
Financial liabilities				
Trade and other payables	-	-	66	66
Deposits from related parties	-	357	-	357
	-	357	66	423

Liquidity risk

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

(Unit: Thousand Baht)

	Consolidated financial statements		
	Less than	1 to 5	Total
	1 year	years	
Non-derivatives			
Short-term loans from financial institutions	84,472	-	84,472
Short-term loan from related party	10,000	-	10,000
Trade and other payables	1,478,995	-	1,478,995
Long-term loans	314,867	162,577	477,444
Lease liabilities	57,892	148,099	205,991
Total non-derivatives	1,946,226	310,676	2,256,902

(Unit: Thousand Baht)

	Separated financial statements		
	Less than	1 to 5	Total
	1 year	years	
Non-derivatives			
Trade and other payables	50,876	-	50,876
Total non-derivatives	50,876	-	50,876

38.3 Fair values of financial instruments

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

39. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholders value. As at 31 December 2020, the Company and its subsidiaries' debt-to-equity ratio was 0.13:1 (2019: 0.14:1) and the Company's was 0.04:1 (2019: 0.04:1).

40. Approval of financial statements

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