

**SABINA PUBLIC COMPANY LIMITED**  
**AND ITS SUBSIDIARY**

INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

AND

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

### **To The Shareholders and Board of Directors of Sabina Public Company Limited**

(1) I have reviewed the accompanying consolidated statements of financial position of Sabina Public Company Limited and its subsidiary as of September 30, 2020, the related consolidated statements of changes in shareholders' equity, and cash flows for the nine - month period ended September 30, 2020, the consolidated statements of income, and comprehensive income for the three - month and nine - month periods ended September 30, 2020, as well as the condensed notes to the consolidated financial statements, and I have also reviewed the separate financial information for the same periods of Sabina Public Company Limited. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 "Interim Financial Reporting" My responsibility is to express a conclusion on this interim financial information based on my reviews.

**(2) Scope of review**

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

**(3) Conclusion**

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

(NATSARAK SAROCHANUNJEEN)

Certified Public Accountant

Registration No. 4563

A.M.T. & ASSOCIATES

Bangkok, Thailand

November 13, 2020

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF FINANCIAL POSITION

AS OF September 30, 2020

	NOTE	Baht			
		Consolidated Financial Statement		Separarate Financial Statement	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
<u>A S S E T S</u>					
CURRENT ASSETS					
Cash and cash equivalents	4	51,895,333.87	65,146,522.43	25,623,742.15	20,028,265.15
Trade receivables and other current receivables					
Trade receivable - net					
- Related parties	3.1	-	-	217,666,812.62	353,201,045.77
- Other parties	6	387,896,223.70	417,414,629.02	7,645,576.08	10,168,548.84
Other receivables					
- Other parties		51,850,418.85	74,224,921.64	10,377,670.52	786,238.75
Short-term loan to related party	3.2	-	-	137,000,000.00	104,000,000.00
Inventories - net	7	1,453,090,325.70	1,563,787,868.43	121,025,375.11	114,693,847.25
Other current financial assets	5	111,821,563.11	177,945,533.02	111,821,563.11	177,945,533.02
Other current assets					
Value added taxes		8,390,695.37	-	-	-
Prepaid output VAT		77,320,988.50	105,104,185.82	-	-
Others		38,432,971.76	3,434,073.07	360,500.00	307,332.03
Total current assets		2,180,698,520.86	2,407,057,733.43	631,521,239.59	781,130,810.81
NON-CURRENT ASSETS					
Investment in subsidiary company	1.5	-	-	144,849,500.00	144,849,500.00
Other non-current financial saats	8	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Property, plant and equipment - net	9	270,428,274.17	282,087,545.41	62,949,987.73	71,510,283.97
Intangible asset	10	10,354,996.80	8,689,511.42	1,933,759.00	1,040,049.00
Assets usage rights	11,12	64,401,669.89	8,672,531.13	5,967,218.53	-
Deferred tax assets	20.4	215,856,517.93	257,694,338.93	29,188,412.18	25,912,214.16
Others non-current assets - Deposit		49,885,285.80	48,705,790.28	171,840.00	171,840.00
Total non-current assets		615,926,744.59	610,849,717.17	250,060,717.44	248,483,887.13
TOTAL ASSETS		2,796,625,265.45	3,017,907,450.60	881,581,957.03	1,029,614,697.94

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

(Signed).....Director

(Signed).....Director

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF FINANCIAL POSITION

AS OF September 30, 2020

		Baht			
		Consolidated Financial Statement		Separarate Financial Statement	
NOTE		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from					
financial institutions	13	621,913,419.95	565,067,721.84	-	-
Trade payables and other current payables					
Trade payable					
- related parties	3.3	-	-	2,806,961.32	2,465,680.27
- other parties		158,522,681.34	170,144,570.64	52,402,811.02	61,534,382.15
Other payables	14	66,943,979.76	196,388,170.51	19,271,792.56	70,094,388.92
Finance leasw liabilities - Assets usage rights					
-current portion of- Assets usage rights	15	37,955,857.15	-	3,286,283.29	-
Other current liabilities					
Accrued income tax		12,407,252.58	82,020,569.48	12,407,252.58	7,438,383.23
Others		15,834,232.62	20,961,702.15	13,515,997.46	6,065,468.02
Total current liabilities		913,577,423.40	1,034,582,734.62	103,691,098.23	147,598,302.59
NON-CURRENT LIABILITIES					
Liabilities under lease agreements - Assests usage rights	15	21,510,852.65	-	2,699,184.17	-
Non-current liabilities budget for employees' benefit ol	16	131,490,700.67	115,653,128.67	73,272,266.33	65,561,276.33
Employees' deposit		6,651,500.00	6,731,500.00	54,000.00	54,000.00
Total non-current liabilities		159,653,053.32	122,384,628.67	76,025,450.50	65,615,276.33
Total liabilities		1,073,230,476.72	1,156,967,363.29	179,716,548.73	213,213,578.92

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## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF FINANCIAL POSITION

AS OF September 30, 2020

		Baht			
		Consolidated Financial Statement		Separarate Financial Statement	
NOTE		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		<i>(Unaudited but Reviewed)</i>	<i>(Audited)</i>	<i>(Unaudited but Reviewed)</i>	<i>(Audited)</i>
SHAREHOLDERS' EQUITY					
Share capital - Par value Baht 1 each	17				
Authorized share capital					
Common share 347,500,000 shares of Baht 1 each		347,500,000.00	347,500,000.00	347,500,000.00	347,500,000.00
Issued and paid - up share capital					
Common share 347,500,000 shares of Baht 1 each		347,500,000.00	347,500,000.00	347,500,000.00	347,500,000.00
Premium on share capital		275,164,000.00	275,164,000.00	275,164,000.00	275,164,000.00
Retained earnings					
Appropriated – legal reserve	18	49,250,000.00	49,250,000.00	34,750,000.00	34,750,000.00
Unappropriated		1,117,963,624.36	1,248,572,922.94	110,934,243.93	218,533,954.65
Total other components of equity		(66,482,835.63)	(59,546,835.63)	(66,482,835.63)	(59,546,835.63)
Total equity of the Parent		1,723,394,788.73	1,860,940,087.31	701,865,408.30	816,401,119.02
Non-controlling interests		-	-	-	-
Total shareholders' equity		1,723,394,788.73	1,860,940,087.31	701,865,408.30	816,401,119.02
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,796,625,265.45	3,017,907,450.60	881,581,957.03	1,029,614,697.94

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

(Signed).....Director

(Signed).....Director

(Unaudited / but Reviewed)

(Unaudited / but Reviewed)

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

## CONSOLIDATED FINANCIAL STATEMENT

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2020

## BAHT

	Retained earnings				Other components of equity						
	Issued and paid - up share capital	Premium on share capital	Appropriated legal reserve	Unappropriated	Net book value of subsidiary company which exceed cost of investment ( Note 1.5 )	Others		Total Other components of equity	Total Equity of the Parent	Non Controlling Interests	Total Shareholders' Equity
						Comprehensive Income					
						Gain (loss) from valuation of available-for-sale investment	Gain (loss) on actuarial estimates.				
Balance as of January 1, 2019	347,500,000.00	275,164,000.00	49,250,000.00	1,018,848,523.49	51,792,039.16	(57,818,962.19)	-	144,616,556.97	1,835,379,080.46	-	1,835,379,080.46
Changes in shareholders' equity for the period											
Total comprehensive income (loss) for the period	-	-	-	316,587,813.87	(51,792,039.16)	4,837,726.56	-	4,837,726.56	321,425,540.43	-	321,425,540.43
Dividend Paid	-	-	-	(385,901,570.00)	-	-	-	-	(385,901,570.00)	-	(385,901,570.00)
Balance of September 30, 2019	347,500,000.00	275,164,000.00	49,250,000.00	949,534,767.36	-	(52,981,235.63)	-	149,454,283.53	1,770,903,050.89	-	1,770,903,050.89
Balance as of January 1, 2020	347,500,000.00	275,164,000.00	49,250,000.00	1,248,572,922.94	-	(59,546,835.63)	-	(59,546,835.63)	1,860,940,087.31	-	1,860,940,087.31
Changes in shareholders' equity for the period											
Total comprehensive income (loss) for the period	-	-	-	206,656,836.42	-	(6,936,000.00)	-	(6,936,000.00)	199,720,836.42	-	199,720,836.42
Dividend Paid	-	-	-	(337,266,135.00)	-	-	-	-	(337,266,135.00)	-	(337,266,135.00)
Balance as of September 30, 2020	347,500,000.00	275,164,000.00	49,250,000.00	1,117,963,624.36	-	(66,482,835.63)	-	(66,482,835.63)	1,723,394,788.73	-	1,723,394,788.73

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

(Signed).....Director

(Signed).....Director

(Unaudited / but Reviewed)

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
SEPARARATE FINANCIAL STATEMENT  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2020

BAHT

	Retained earnings				Other components of equity			Total Shareholders' Equity
	Issued and paid - up share capital	Premium on share capital	Appropriated legal reserve	Unappropriated	Others	Comprehensive Income	Total	
					Gain (loss) from valuation of available-for-sale investment	Gain (loss) on actuarial estimates	Other components of equity	
Balance as of January 1, 2019	347,500,000.00	275,164,000.00	34,750,000.00	280,286,032.31	(57,818,962.19)	-	(57,818,962.19)	879,881,070.12
Changes in shareholders' equity for the period								
Total comprehensive income (loss) for the period	-	-	-	250,160,784.50	4,837,726.56	-	4,837,726.56	254,998,511.06
Dividend Paid	-	-	-	(385,730,000.00)	-	-	-	(385,730,000.00)
Balance as of September 30, 2019	347,500,000.00	275,164,000.00	34,750,000.00	144,716,816.81	(52,981,235.63)	-	(52,981,235.63)	749,149,581.18
Balance as of January 1, 2020	347,500,000.00	275,164,000.00	34,750,000.00	218,533,954.65	(59,546,835.63)	-	(59,546,835.63)	816,401,119.02
Changes in shareholders' equity for the period								
Total comprehensive income (loss) for the period	-	-	-	229,475,289.28	(6,936,000.00)	-	(6,936,000.00)	222,539,289.28
Dividend Paid	-	-	-	(337,075,000.00)	-	-	-	(337,075,000.00)
Balance as of September 30, 2020	347,500,000.00	275,164,000.00	34,750,000.00	110,934,243.93	(66,482,835.63)	-	(66,482,835.63)	701,865,408.30

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

(Signed).....Director

(Signed).....Director

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF INCOME

FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2020

		B A H T			
		Consolidated Financial Statement		Separate Financial Statement	
		For the three month period ended September 30		For the three month period ended September 30	
NOTE		2020	2019	2020	2019
REVENUES					
	Revenues from sales - net	799,476,770.87	844,432,442.47	159,445,305.57	239,587,309.00
	Revenues from services	9,384,568.10	-	23,064,560.00	26,516,060.00
	Revenues from dividend				
	- related parties	-	-	69,527,760.00	99,946,155.00
	- other parties	2,154,000.00	1,077,000.00	2,154,000.00	1,077,000.00
	Other incomes	4,089,343.31	1,977,428.90	1,969,260.34	843,528.75
	Total Revenues	3.4 815,104,682.28	847,486,871.37	256,160,885.91	367,970,052.75
EXPENSES					
	Cost of sales and services	428,274,073.79	388,090,079.85	155,671,808.41	204,948,360.41
	Cost of distribution	234,882,738.74	258,764,671.18	143,551.52	283,022.16
	Administrative expenses	42,576,114.43	51,623,026.33	14,904,478.23	21,545,943.06
	Total Expenses	3.4 705,732,926.96	698,477,777.36	170,719,838.16	226,777,325.63
	PROFIT BEFORE INCOME TAX	109,371,755.32	149,009,094.01	85,441,047.75	141,192,727.12
	FINANCIAL EXPENSES	(1,977,738.99)	(2,577,100.60)	(28,315.10)	-
	PROFIT BEFORE FINANCIAL EXPENSES AND INCOME TAX	107,394,016.33	146,431,993.41	85,412,732.65	141,192,727.12
	INCOME TAX EXPENSE	20.1,20.3 (21,626,290.90)	(29,858,348.36)	(2,753,555.35)	(8,020,101.67)
	PROFIT FOR THE PERIOD	85,767,725.43	116,573,645.05	82,659,177.30	133,172,625.45
Net income attributable to :					
	Equity holders of the parent	85,767,725.43	116,573,645.05	82,659,177.30	133,172,625.45
	Non - controlling interests	-	-	-	-
		85,767,725.43	116,573,645.05	82,659,177.30	133,172,625.45
BASIC EARNINGS PER SHARE					
	Earnings (loss) per share (Baht)	0.25	0.34	0.24	0.38
	Number of weighted average common shares (shares)	347,500,000	347,500,000	347,500,000	347,500,000

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

(Signed).....Director

(Signed).....Director



## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF INCOME

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2020

		B A H T			
		Consolidated Financial Statement		Separarate Financial Statement	
		For the nine month period ended September 30		For the nine month period ended September 30	
NOTE		2020	2019	2020	2019
REVENUES					
	Revenues from sales - net	2,107,170,851.13	2,476,225,341.34	391,521,913.80	638,281,751.76
	Revenues from services	32,796,069.50	243,000.00	87,217,884.00	79,644,805.00
	Revenues from dividend				
	- related parties	-	-	183,958,865.00	165,128,430.00
	- other parties	2,154,000.00	3,992,852.50	2,154,000.00	3,992,852.50
	Other incomes	12,599,880.57	10,172,721.77	6,078,983.38	6,850,482.74
	Total Revenues	3.4 2,154,720,801.20	2,490,633,915.61	670,931,646.18	893,898,322.00
EXPENSES					
	Cost of sales and services	1,147,835,169.31	1,146,084,860.14	384,917,362.46	556,444,469.31
	Cost of distribution	611,426,126.35	780,520,954.64	575,167.87	581,812.86
	Administrative expenses	129,073,913.87	161,600,797.14	45,015,164.11	66,448,982.19
	Total Expenses	3.4 1,888,335,209.53	2,088,206,611.92	430,507,694.44	623,475,264.36
	PROFIT BEFORE INCOME TAX	266,385,591.67	402,427,303.69	240,423,951.74	270,423,057.64
	FINANCIAL EXPENSES	(7,140,071.45)	(5,514,945.06)	(83,607.90)	-
	PROFIT BEFORE FINANCIAL EXPENSES AND INCOME TAX	259,245,520.22	396,912,358.63	240,340,343.84	270,423,057.64
	INCOME TAX EXPENSE	20.1 , 20.3 (52,588,683.80)	(80,324,544.76)	(10,865,054.56)	(20,262,273.14)
	PROFIT FOR THE PERIOD	206,656,836.42	316,587,813.87	229,475,289.28	250,160,784.50
Net income attributable to :					
	Equity holders of the parent	206,656,836.42	316,587,813.87	229,475,289.28	250,160,784.50
	Non - controlling interests	-	-	-	-
		206,656,836.42	316,587,813.87	229,475,289.28	250,160,784.50
BASIC EARNINGS PER SHARE					
	Earnings (loss) per share (Baht)	0.59	0.91	0.66	0.72
	Number of weighted average common shares (shares)	347,500,000	347,500,000	347,500,000	347,500,000

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2020

	B A H T			
	Consolidated Financial Statement		Separarate Financial Statement	
	For the three month period ended September 30		For the three month period ended September 30	
	2020	2019	2020	2019
PROFIT FOR THE PERIOD	85,767,725.43	116,573,645.05	82,659,177.30	133,172,625.45
Other comprehensive income;				
<i>Item that will be reclassified subsequently to profit or loss :</i>				
Gain (loss) from measurement - fair value of financial assets				
-Marketable equity securities	10,253,000.00	(5,385,000.00)	(8,670,000.00)	(5,385,000.00)
Income tax related to other components of equity	(2,050,600.00)	1,077,000.00	1,734,000.00	1,077,000.00
Other comprehensive income for the period - profit net	8,202,400.00	(4,308,000.00)	(6,936,000.00)	(4,308,000.00)
Total comprehensive income for the period	93,970,125.43	112,265,645.05	75,723,177.30	128,864,625.45
Total comprehensive income attributable to :				
Equity holders of the parent	93,970,125.43	112,265,645.05	75,723,177.30	128,864,625.45
Non - controlling interests	-	-	-	-
	93,970,125.43	112,265,645.05	75,723,177.30	128,864,625.45

*The accompanying notes to interim financial statements are an integral part of these interim financial statements.*

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2020

	B A H T			
	Consolidated Financial Statement		Separate Financial Statement	
	For the nine month period ended September 30		For the nine month period ended September 30	
	2020	2019	2020	2019
PROFIT FOR THE PERIOD	206,656,836.42	316,587,813.87	229,475,289.28	250,160,784.50
Other comprehensive income;				
<i>Item that will be reclassified subsequently to profit or loss :</i>				
Gain (loss) from measurement - fair value of financial assets				
-Marketable equity securities	(8,670,000.00)	6,047,158.20	(8,670,000.00)	6,047,158.20
Income tax related to other components of equity	1,734,000.00	(1,209,431.64)	1,734,000.00	(1,209,431.64)
Other comprehensive income for the period - profit net	(6,936,000.00)	4,837,726.56	(6,936,000.00)	4,837,726.56
Total comprehensive income for the period	199,720,836.42	321,425,540.43	222,539,289.28	254,998,511.06
Total comprehensive income attributable to :				
Equity holders of the parent	199,720,836.42	321,425,540.43	222,539,289.28	254,998,511.06
Non - controlling interests	-	-	-	-
	199,720,836.42	321,425,540.43	222,539,289.28	254,998,511.06

*T. The accompanying notes to interim financial statements are an integral part of these interim financial statements.*

(Signed).....Director

(Signed).....Director

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF CASH FLOWS

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2020

		B A H T			
		Consolidated Financial Statement		Separarate Financial Statement	
		For the nine month period ended September 30		For the nine month period ended September 30	
	NOTE	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES :					
Net profit		206,656,836.42	316,587,813.87	229,475,289.28	250,160,784.50
Adjustments to reconcile net profit to net cash proceed (paid)					
Depreciation	9	32,976,346.88	31,862,639.47	9,071,588.45	9,000,860.45
Amortization	10 , 11	9,492,485.75	4,232,085.42	-	-
Employees' benefits obligation	16	16,093,572.00	29,486,264.00	7,966,990.00	11,595,231.00
Gain (loss) from measurement - fair value of financial assets		-	92,368.92	-	92,368.92
Loss (gain) from disposal of property		(1,026,567.69)	(441,705.15)	(658,818.60)	(373,956.35)
Unrealised (gain) loss on exchange rate		617,999.85	1,539,819.46	(65,723.48)	(38,984.18)
Interest expenses		7,174,971.00	5,514,945.06	83,607.90	-
Current tax expense	20.1	9,016,862.80	131,360,087.93	12,407,252.58	22,569,979.34
Deferred tax expense (income)	20.1	43,571,821.00	(51,035,543.17)	(1,542,198.02)	(2,307,706.20)
Trade receivable - related parties		-	-	135,534,233.15	(2,353,753.90)
Tade receivable - other parties		29,518,405.32	(14,883,224.82)	2,522,972.76	(1,341,147.31)
Other receivable					
- Other parties		24,543,345.39	(16,221,262.85)	(7,682,433.03)	763,033.25
Inventories		110,697,542.73	(372,865,072.93)	(6,331,527.86)	(9,695,028.67)
Other current assets		(12,216,006.96)	(88,044,060.85)	(53,167.97)	(13,799,115.54)
Other non-current assets					
- Assets usage rights		(64,401,669.89)	-	(5,967,218.53)	-
- Others		(1,179,495.52)	(2,169,374.70)	-	-
Operating liabilities Increase (decrease)					
Trade payables - realted party		-	-	341,281.05	79,871.14
Trade payables - other parties		(12,239,892.14)	4,093,498.22	(9,065,847.63)	(1,136,971.84)
Other payables		(129,479,090.30)	(82,240,135.12)	(50,822,596.36)	(27,938,326.18)
Other current liabilities - others		(5,127,466.53)	6,064,818.44	7,450,529.44	16,664,342.92
Others non-current liabilities					
- Liabilities under lease agreements - Assests usage rights		21,510,852.65	-	2,699,184.17	-
- Employees' benefit obligation	16	(256,000.00)	(1,353,300.00)	(256,000.00)	(56,700.00)
- Employee deposit		(80,000.00)	155,500.00	-	-
Net cash received (paid) from operation		285,864,852.76	(98,263,838.80)	325,107,397.30	251,884,781.35
Payment of interest expenses		(7,140,071.45)	(5,442,878.36)	(83,607.90)	-
Payment of Corporate income tax		(84,189,412.08)	(79,752,435.18)	(9,347,381.98)	(11,508,153.65)
Net cash provided by (Used in) operating activities		194,535,369.23	(183,459,152.34)	315,676,407.42	240,376,627.70

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SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2020

		B A H T			
		Consolidated Financial Statement		Separarate Financial Statement	
		For the nine month period ended September 30		For the nine month period ended September 30	
NOTE		2020	2019	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES :					
	Cash proceed (paid) on other current financial assets	5	57,453,969.91	117,612,788.91	57,453,969.91
	Cash withdrawal (receiving) available-for-sale securities	5.2	-	19,907,631.08	-
	Cash (paid) for short-term loan to subsidiary	3.2	-	-	(33,000,000.00)
	Acquisition of property, plant and equipment	9	(21,317,275.64)	(24,338,669.85)	(511,308.21)
	Cash received from sales of property and equipment		1,026,747.68	442,032.14	658,834.59
	Acquisition of intangible assets		(2,485,420.00)	(1,228,400.00)	(893,710.00)
	Net cash provide by (Used in) investing activities		34,678,021.95	112,395,382.28	23,707,786.29
CASH FLOWS FROM FINANCING ACTIVITIES					
	Dividend Paid	19	(337,266,135.00)	(385,901,570.00)	(337,075,000.00)
	Bank overdrafts and short-term loans received from		-	-	-
	- financial institutions increase(decrease)		56,845,698.11	441,811,530.05	-
	- payment for lease payable - assets usage rights		37,955,857.15	-	3,286,283.29
	Net Cash Provided by (Used in) Financing Activities		(242,464,579.74)	55,909,960.05	(333,788,716.71)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - NET			(13,251,188.56)	(15,153,810.01)	5,595,477.00
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		4	65,146,522.43	60,416,139.44	20,028,265.15
CASH AND CASH EQUIVALENTS, END OF PERIOD		4	51,895,333.87	45,262,329.43	25,623,742.15

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

(Signed).....Director

(Signed).....Director

**SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020**

**1. GENERAL INFORMATION**

**1.1 General matter**

SABINA PUBLIC COMPANY LIMITED (Formerly J & D Apparel Company Limited) was incorporated as a limited company under the Civil and Commercial Code on August 17, 1995, and changed its status to a Public Company Limited under the Public Company Limited Act and changed its name to be SABINA PUBLIC COMPANY LIMITED on May 18, 2007. The address of the head office is 177 Moo 8, Wang kaituen Sub-district, Han- ka District, Chai-nart Province. There is a plant as its branch at 236 Moo 10, Doo Tung Sub-district, Mueng District, Yasothon Province. The company gets privilege in investment promotion from The Board of Investment. On December 28, 2010, the company established two factory's branches which located at 81 and 106 Moo 6, Nhong-Boht Sub-district, Nang-Rong District, Burirum province The company operates its business in Thailand and the main business is producing and distributing ready made clothes which main product is lady's underwear.

SABINA FAREAST COMPANY LIMITED which is a subsidiary, was incorporated as a limited company under the Civil and Commercial Code on January 11, 1977. The address of the head office is 12 Arun-Amarin Road ,Arun-Amarin Sub-district, Bangkok Noi District, Bangkok Province. There are plants, which Ta Pra plant located at 93/8 Soi Pet Ka Seam 7, Pet Ka Seam Road, TA PA Sub-district, Bangkok Yai District, Bangkok Province, and Budhamonthon Soi 5 plant located at Rai Keing Sub-district, Sam Pran District, Nakhonpathom Province. The subsidiary company operates its business in Thailand and the main business is producing and distributing ready made clothes which main product is lady's underwear.

**1.2 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group's management will continue to monitor the ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

**1.3 Basis for preparation of interim financial statements**

These interim financial statements are prepared in accordance with Accounting Standards No. 34 "Interim Financial Reporting", which the Company and its subsidiaries choose to present condensed interim financial statements. However, the Company and its subsidiaries have presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements. The

interim financial statements provide the update information. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2019.

The accounting policies and the calculation basis used in this interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2019, except in the cases that the Group have adopted the new and revised TFRS which are effective for financial statement year beginning on or after 1 January 2020 as disclosed in Note 1.7 However, the adoptions of the said financial reporting standards do not have material effect on the Group's financial statements.

#### **1.4 Basis for preparation of consolidated of interim financial statements**

The consolidated financial statements incorporated the financial statements of Sabina Public Company Limited and Sabina Fareast Company Limited, its subsidiary, which 99.90 % of share hold by the Company (treated 100% in the consolidate preparation), and being under common controls with the Company. For the purpose of the consolidation, all significant inter-company transactions and all inter-company account balances have been eliminated.

The company's financial statements have been prepared in accordance with financial reporting standards including guidelines promulgated by the Federation of Accounting Professional.

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

An English language version of the interim financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the interim financial statements in Thai language shall prevail.

#### **1.5 Related parties**

Enterprises that directly or indirectly control by the Company, or are under common shareholders/ director controls are as follows:

Name	Type of business	Relationship	Share holding (%)
<u>Subsidiary</u>			
- Sabina Fareast Co., Ltd.	Producing and distributing ready made clothes and lady's underwear	Shares holding and joint directors	99.90%

The consolidated financial statements incorporated the financial statements of Sabina Public Company Limited and Sabina Fareast Company Limited, its subsidiary, which 99.90 % of share hold by the Company (treated 100% in the consolidate preparation), and being under common controls with the Company. For the purpose of the consolidation, all significant inter-company transactions and all inter-company account balances have been eliminated.

## **1.6 Restructure of company and its subsidiary's shareholders structure**

In March 2007, the Company acquired 448,495 shares of a subsidiary's capital shares from its existing shareholder, who is the related parson, at par value of Baht 100 per share, while the book value of the share as of December 31, 2006 is approximately Baht 247.29 million and booked as investment in subsidiary amounting to Baht 44.85 million. The Company has presented the difference between book value of the subsidiary company and cost of the investment in others components of equity.

In 2018 and 2019, the subsidiary company paid dividend to the Company in amount of Baht 150.64 million and Baht 223.06 million, resulting in the difference is eliminated.

## **1.7 Financial Reporting Standards which are effective in the current period**

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

### **1.7.1 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 amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.



**The impact of the adoption of these standards on the Group's financial statements is as follows.**

### **1.7.2 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 recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

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

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

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

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

The Group has elected to apply the following temporary relief measures on accounting alternatives as follows:

- Use the fair value as of January 1, 2020 for measurement of investment in non-marketable equity which cost is an appropriate estimate of fair value.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36
- Take into the COVID-19 situation as less weight of input used in the valuation techniques for measuring Level 2 and Level 3 fair values of financial assets that are debt instruments, defined in TAS 32: Financial Instruments: Presentation.
- Not to consider the COVID-19 situation as likely impact to future financial forecast used in the valuation techniques for measuring fair value of non-financial assets such as property, plant and equipment, investment property, etc.

### **1.7.3 Financial Reporting Standards which are not effective for the current period**

The Federation of Accounting Professions has issued the new accounting standard, financial reporting standards accounting standard interpretations and financial reporting standard interpretations, which are effective for financial statements period beginning on or after January 1, 2021 is as follows:

#### **Accounting Standard**

TAS	1	Presentation of Financial Statements
TAS	8	Accounting Policies, Changes in Accounting Estimates and Errors
TAS	10	Events after the Reporting Period

TAS	34	Interim Financial Reporting
TAS	37	Provisions, Contingent Liabilities and Contingent Assets
TAS	38	Intangible Assets

Financial Reporting Standard

TFRS	2	Share - based Payment
TFRS	3	Business Combinations
TFRS	6	Exploration for and Evaluation of Mineral Resources
TFRS	7	Financial Instruments: Disclosures
TFRS	9	Financial Instruments

Accounting Standard Interpretations

TSIC	32	Intangible Assets - Web Site Costs
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Financial Reporting Standard Interpretations

TFRIC	12	Service Concession Arrangements
TFRIC	19	Extinguishing Financial Liabilities with Equity Instruments
TFRIC	20	Stripping Costs in the Production Phase of a Surface Mine
TFRIC	22	Foreign Currency Transactions and Advance Consideration

The management of the Company has assessed that TAS 1, TAS 8, TAS 10, TAS 34, TAS 37, TAS 38, TFRS 7 and TFRS 9 will not have material impact on the financial statements when it is applied. For the other TAS, TFRS, TSIC and TFRIC are not relevant to the Company's business, therefore they do not have impact on the financial statement when they are applied.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

### **2.1 Financial instruments**

#### **Classification and measurement**

Financial assets that are debt instruments are measured at amortized cost.

Financial assets which are the equity instruments are measured at fair value through profit or loss. Equity securities which intends to hold for the long-term strategic purposes are measured at fair value through other comprehensive income. The accumulated gain(loss) on measurement of these investments will not be reclassified to profit or loss.

Financial liabilities are classified and measured at amortized cost.

Derivatives are classified and measured at fair value through profit or loss.

### **Impairment of financial assets**

The Group assesses on a forward-looking basis the expected credit loss associated with its financial assets measured at amortized cost. The Group applies general or simplified approach for credit-impaired consideration which depends on the significant of credit risk.

### **Initial adoption**

The Group adopted these financial reporting standards. The Group's management assessed and considered that it will not have any significant impact. Therefore, the financial reporting standards do not have any impact on the adjustment of retained earnings as of January 1, 2020, The Company has reclassified as disclosed in Note 1.7 to the interim financial statements.

## **2.2 Leases**

The Group has leases previously categorized as operating leases. Which has been recorded as assets usage rights and liabilities under lease agreements in Since 1 January 2020, the accounting policies are as follows

### **Right-of-use assets**

The Group recognizes use rights assets at the first application date. For leases previously, classified as operating lease rental contract the renter must measure the contractual asset value on a contract basis by choosing the amount equal to the liabilities under the lease contract, adjusted by the amount of the prepaid or accrued lease payments related to the lease agreement recognized in the statement of financial position. Before the date of first use.

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

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

### **Lease liabilities**

The Group recognizes the lease liabilities as at the first application date for the lease. Previously, classified as operating lease The Group measures the liabilities under the lease contract at the present value of the remaining lease payment, discounted by the interest rate of the additional borrowing of the lessee on the first implementation date.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the

lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease liabilities are subsequently measured using the effective interest method and by reducing the carrying amount to reflect the lease payments made. The Group recognizes interest from lease liability in the statement of income. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

#### **Short-term leases and Leases of low-value assets**

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

#### **Initial adoption**

The Group's management assessed and considered that low value assets are quite low and prices do not have any significant impact. Therefore, the financial reporting standards do not have any impact on the adjustment of retained earnings as of January 1, 2020.

### **3. RELATED PARTY TRANSACTIONS**

The Company had certain accounting transactions with its subsidiary and related persons, which were considered as a normal business practice. The transactions were based on the general market price and in cases where market price was not available, the contract price was used.

Balance of assets and liabilities, accounting and business transactions with subsidiary and related person presented in the statements of financial position as of September 30, 2020 and December 31, 2019 are as follows:

	BAHT			
	<u>Consolidated Financial Statement</u>		<u>Separate Financial Statement</u>	
	<u>Sep-30, 2020</u>	<u>Dec-31, 2019</u>	<u>Sep-30, 2020</u>	<u>Dec-31, 2019</u>
<b>3.1 Trade Receivable</b>				
<u>Subsidiary Company</u>				
Sabina Fareast Co., Ltd.	-	-	217,666,812.62	353,201,045.77
Less : Allowance for doubtful account	-	-	-	-
Trade receivable – Related parties net	<u>-</u>	<u>-</u>	<u>217,666,812.62</u>	<u>353,201,045.77</u>

The outstanding balance of above trade receivable is undue amount.

**3.2 Short-term loan to related party**

Movement of short - term loan to related party is as follows;

	Baht				Transfer Pricing Policy
	Balance As of			Balance As of	
	December 31, 2019	Increase	Decrease	September 30, 2020	
<b><u>Subsidiary Company</u></b>					
Sabina Fareast Co., Ltd.	104,000,000.00	223,000,000.00	(190,000,000.00)	137,000,000.00	3% p.a.
	<u>104,000,000.00</u>	<u>223,000,000.00</u>	<u>(190,000,000.00)</u>	<u>137,000,000.00</u>	

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<b><u>Subsidiary Company</u></b>				
Sabina Fareast Co., Ltd.	-	-	2,806,961.32	2,465,680.27
Accounts payable – Related parties	<u>-</u>	<u>-</u>	<u>2,806,961.32</u>	<u>2,465,680.27</u>

**3.3 Account Payable**

**3.4 Related party transactions** for the nine month periods ended September 30, 2020 and 2019 are as follows:

	BAHT				Transfer
	Consolidated Financial Statement		Separate Financial Statement		Pricing
	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	Policy
<u>Subsidiary company</u>					
Sales of finished goods	-	-	364,358,180.39	607,215,519.00	Contract price
Sawing service cost	-	-	54,441,355.00	79,644,805.00	"
Purchase of raw materials	-	-	13,666,376.53	14,357,107.38	"
Rent of office space and warehouse	-	-	1,107,000.00	1,107,000.00	"
Cutting service cost	-	-	8,560,422.48	16,651,781.59	"
Interest income	-	-	3,333,863.03	552,794.49	"
Dividend received	-	-	183,958,865.00	165,128,430.00	"

**3.5 MANAGEMENT REMUNERATIONS**

Management remunerations consist of salary, bonus, director attendance fee etc.

Management remuneration for the nine month period ended September 30, 2020 and 2019 as follow;

**Q3.2020**

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2020	2019	2020	2019
Benefits – Short-term	23,278,684.34	31,151,915.48	11,048,699.34	31,151,915.48
Benefits – After retirement	453,130.00	1,279,910.00	453,130.00	1,279,910.00
Benefits – Long-term	-	-	-	-
Total	<u>23,731,814.34</u>	<u>32,431,825.48</u>	<u>11,501,529.34</u>	<u>32,431,825.48</u>

**Q2.2020**

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2020	2019	2020	2019
Benefits – Short-term	9,252,887.73	10,555,517.30	4,299,686.53	10,555,517.30
Benefits – After retirement	151,043.00	426,637.00	151,043.00	426,637.00
Benefits – Long-term	-	-	-	-
Total	<u>9,403,930.73</u>	<u>10,982,154.30</u>	<u>4,450,729.53</u>	<u>10,982,154.30</u>

**4. CASH AND CASH EQUIVALENTS**

For the purpose of preparation of the statement of cash flows with relevant accounting standards, as of September 30, 2020 and December 31, 2019 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Cash	2,647,696.17	8,954,426.46	447,832.25	441,128.25
Cash at banks and financial institution	49,247,637.70	56,192,095.97	25,175,909.90	19,587,136.90
Total Cash and Cash Equivalents	<u>51,895,333.87</u>	<u>65,146,522.43</u>	<u>25,623,742.15</u>	<u>20,028,265.15</u>

**5. TEMPORARY INVESTMENT**

Temporary investment as of September 30, 2020 and December 31, 2019 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
5.1 Investment in mutual fund	41,734,563.11	99,188,533.02	41,734,563.11	99,188,533.02
5.2 Investment in available for sale securities	70,087,000.00	78,757,000.00	70,087,000.00	78,757,000.00
Total Temporary Investments	<u>111,821,563.11</u>	<u>177,945,533.02</u>	<u>111,821,563.11</u>	<u>177,945,533.02</u>

**5.1 INVESTMENT IN MUTUAL FUND**

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Investment in Commercial paper fund				
K-Treasury Fund	41,734,563.11	99,188,533.02	41,734,563.11	99,188,533.02
Total Temporary Investments	41,734,563.11	99,188,533.02	41,734,563.11	99,188,533.02

**5.2 INVESTMENT IN AVAILABLE-FOR-SALE SECURITIES**

As of September 30, 2020 and December 31, 2019 Investment in available-for-sale securities of the Company and its subsidiary are as follow;

	BAHT					
	Consolidated Financial Statement / Separate Financial Statement					
	September 30, 2020			December 31, 2019		
	Cost	Unrealized Profit (loss)	Fair Value	Cost	Unrealized Profit (loss)	Fair Value
Marketable Security	142,756,794.54	(72,669,794.54)	70,087,000.00	142,756,794.54	(63,999,794.54)	78,757,000.00
Total	142,756,794.54	(72,669,794.54)	70,087,000.00	142,756,794.54	(63,999,794.54)	78,757,000.00

Movement of the unrealized profit (loss) of the available-for-sale securities for the nine month period ended September 30, 2020 are as follow;

	BAHT	
	Consolidated Financial Statement	Separate Financial Statement
Balance as of January 1, 2020	78,757,000.00	78,757,000.00
The increase(decrease)during the periods	-	-
Movement during the periods	(8,670,000.00)	(8,670,000.00)
Balance as of September 30, 2020	70,087,000.00	70,087,000.00

**6. TRADE RECEIVABLES – OTHER PARTIES - NET**

Trade receivables – other parties as of September 30, 2020 and December 31, 2019 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Trade receivables– other parties	387,896,223.70	417,414,629.02	7,645,576.08	10,168,548.84
Less: Allowance for doubtful account	-	-	-	-
Trade receivables–other parties - net	387,896,223.70	417,414,629.02	7,645,576.08	10,168,548.84

As of September 30, 2020 and December 31, 2019 trade receivables–other parties were classified by aging of debt outstanding are as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Trade receivables– other parties				
- Current	346,141,904.04	404,965,758.47	7,645,576.08	10,168,548.84
- Overdue 0 - 3 months	28,432,779.40	12,446,091.20	-	-
- Overdue 4 - 6 months	5,873,603.76	2,779.35	-	-
- Overdue 7 - 12 months	7,447,936.50	-	-	-
- Overdue over 12 month	-	-	-	-
Trade receivables–other parties - net	387,896,223.70	417,414,629.02	7,645,576.08	10,168,548.84

## 7. INVENTORIES - NET

As of September 30, 2020 and December 31, 2019 inventories – net are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Finished goods	1,269,160,555.45	1,349,721,365.11	871,659.20	-
Work in process	113,485,256.11	147,318,696.03	83,601,952.57	94,444,579.18
Raw materials	46,774,369.40	46,495,269.95	31,550,766.15	18,239,529.97
Supplies	7,615,503.48	6,496,038.69	5,000,997.19	2,009,738.10
Inventories in transit	32,054,641.26	29,756,498.65	-	-
Total	1,469,090,325.70	1,579,787,868.43	121,025,375.11	114,693,847.25
<u>Less:</u> Allowance for obsolete	(16,000,000.00)	(16,000,000.00)	-	-
Inventories – net	1,453,090,325.70	1,563,787,868.43	121,025,375.11	114,693,847.25

As of September 30, 2020 and December 31, 2019 the balance of inventories in subsidiary's account which purchased from the Company have been presented net from profit in inventories totaling of Baht 189,688,523.00 and Baht 185,864,753.00 respectively (eliminated in consolidated financial statement).

Movement of allowance for obsolete inventories account for the nine month period ended September 30, 2020 is as follow;

	BAHT	
	Consolidated	Separate
Balance as of January 1, 2020	16,000,000.00	-
Increase during the period	-	-
Balance as of September 30, 2020	16,000,000.00	-



**8. LONG-TERM INVESTMENT**

During August 2017 the Company invested in 5,000 units subordinated perpetual debentures of CP All Public Company Limited, face value 1,000 Baht per unit, total amount of Baht 5,000,000, which redeem upon company liquidation with the issue's right to early redemption. The interest will be paid semi annually and unconditional interest deferral. Interest rate is float rate which the rate during 1<sup>st</sup> to 5<sup>th</sup> year is 5% per annum, after that the rate is sum of (a) the rate of 5 years government bond, and (b) Initial Credit Spread, and (c) the stated rate of each periods.

**9. PROPERTY, PLANT AND EQUIPMENT - NET**

	BAHT					
	Consolidated Financial Statement					
	As of					As of
	Dec-31, 2019	Increase	Decrease	Transfer - In	Transfer - Out	Sep-30, 2020
<b><u>COST :</u></b>						
Land	119,012,674.50	-	-	-	-	119,012,674.50
Building & building improvement	335,076,566.05	-	-	50,972.90	-	335,127,538.95
Machinery & equipment	302,559,842.79	-	-	318,716.30	-	302,878,559.09
Tools & supplies	16,464,943.91	201,138.25	(31,101.87)	73,439.70	-	16,708,419.99
Furniture & fixture	167,921,422.54	236,541.21	(13,082.25)	4,688,168.47	-	172,833,049.97
Office equipment	58,918,406.96	1,081,779.13	(1,157,417.70)	9,130,000.50	-	67,972,768.89
Vehicles	26,132,948.02	-	(3,604,448.60)	-	-	22,528,499.42
Other equipment	961,423.58	1,004.67	-	-	-	962,428.25
Construction in progress	-	50,972.90	-	-	(50,972.90)	-
Computer & equipment	54,946,834.62	3,678,729.44	(1,017,311.22)	-	-	57,608,252.84
Assets installation in progress	3,236,875.35	16,067,110.04	-	-	(14,210,324.97)	5,093,660.42
Total cost	<b><u>1,085,231,938.32</u></b>	<b><u>21,317,275.64</u></b>	<b><u>(5,823,361.64)</u></b>	<b><u>14,261,297.87</u></b>	<b><u>(14,261,297.87)</u></b>	<b><u>1,100,725,852.32</u></b>
<b><u>Less: Accumulated depreciation</u></b>						
Building & building improvement	(263,018,574.98)	(8,616,500.18)	-	-	-	(271,635,075.16)
Machinery & equipment	(262,967,102.85)	(6,100,329.49)	-	-	-	(269,067,432.34)
Tools & supplies	(13,502,821.29)	(747,256.18)	31,092.87	-	-	(14,218,984.60)
Furniture & fixture	(139,774,520.66)	(9,213,563.18)	13,078.25	-	-	(148,975,005.59)
Office equipment	(52,094,423.72)	(3,534,627.16)	1,157,349.70	-	-	(54,471,701.18)
Vehicles	(25,312,315.45)	(254,535.22)	3,604,442.60	-	-	(21,962,408.07)
Other equipment	(927,566.89)	(16,196.62)	-	-	-	(943,763.51)
Computer & equipment	(45,547,067.07)	(4,493,338.85)	1,017,198.22	-	-	(49,023,207.70)
Total accumulated depreciation	<b><u>(803,144,392.91)</u></b>	<b><u>(32,976,346.88)</u></b>	<b><u>5,823,161.64</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(830,297,578.15)</u></b>
Property, plants and equipment-net	<b><u>282,087,545.41</u></b>					<b><u>270,428,274.17</u></b>

Depreciation for the nine month period ended September 30, 2020 and 2019 has been included in cost of goods sold, and selling and administrative expenses as follows:

	BAHT	
	2020	2019
Cost of goods sold	17,738,194.28	16,844,415.33
Selling and administrative expenses	15,238,152.60	15,018,224.14
<b>Total</b>	<b>32,976,346.88</b>	<b>31,862,639.47</b>

(Unaudited / but Reviewed)

	BAHT					
	Separate Financial Statement					
	As of					As of
	Dec-31, 2019	Increase	Decrease	Transfer - In	Transfer - Out	Sep-30, 2020
COST :						
Land	17,424,744.50	-	-	-	-	17,424,744.50
Building & building improvement	145,703,686.80	-	-	50,972.90	-	145,754,659.70
Machinery & equipment	174,645,773.74	-	-	-	-	174,645,773.74
Tools & supplies	6,250,081.60	123,936.08	(16,901.87)	16,482.60	-	6,373,598.41
Furniture & fixture	10,887,290.05	97,891.21	(13,082.25)	-	-	10,972,099.01
Office equipments	8,319,314.48	221,020.75	(272,794.39)	-	-	8,267,540.84
Vehicles	7,993,018.69	-	(1,991,158.88)	-	-	6,001,859.81
Other equipments	961,423.58	1,004.67	-	-	-	962,428.25
Construction in progress	-	50,972.90	-	-	(50,972.90)	-
Assets installation in progress	-	16,482.60	-	-	(16,482.60)	-
Total cost	372,185,333.44	511,308.21	(2,293,937.39)	67,455.50	(67,455.50)	370,402,704.26
Less: Accumulated depreciation						
Building & building improvement	(117,667,802.45)	(4,743,854.88)	-	-	-	(122,411,657.33)
Machinery & equipment	(152,042,863.34)	(3,343,918.09)	-	-	-	(155,386,781.43)
Tools & supplies	(4,708,390.70)	(371,465.53)	16,896.87	-	-	(5,062,959.36)
Furniture & fixture	(9,864,540.89)	(263,870.13)	13,078.25	-	-	(10,115,332.77)
Office equipments	(7,470,872.51)	(332,283.20)	272,789.39	-	-	(7,530,366.32)
Vehicles	(7,993,012.69)	-	1,991,156.88	-	-	(6,001,855.81)
Other equipments	(927,566.89)	(16,196.62)	-	-	-	(943,763.51)
Total accumulated depreciation	(300,675,049.47)	(9,071,588.45)	2,293,921.39	-	-	(307,452,716.53)
Property, plants and equipment -net	71,510,283.97					62,949,987.73

Depreciation for the nine month period ended September 30, 2020 and 2019 has been included in cost of goods sold, and selling and administrative expenses as follows:

	BAHT	
	2020	2019
Cost of goods sold	8,459,238.50	8,465,361.99
Selling and administrative expenses	612,349.95	535,498.46
Total	<b>9,071,588.45</b>	<b>9,000,860.45</b>

The Company has pledged a part of land, buildings and machineries owned by company and subsidiary as collateral with banks for the Company's credit facilities.

**10. INTANGIBLE ASSETS**

BAHT					
Consolidated Financial Statement					
	As of Dec-31, 2019	Increase	Decrease	Transfer	As of Sep-30, 2020
Cost:					
Computer Software	33,411,394.09	300,000.00	-	398,000.00	34,109,394.09
Software under installation	2,090,000.00	2,185,420.00	-	(398,000.00)	3,877,420.00
Total	35,501,394.09	2,485,420.00	-	-	37,986,814.09
Less: Accumulated amortization expenses					
Computer Software	(26,811,882.67)	(819,934.62)	-	-	(27,631,817.29)
Total	(26,811,882.67)	(819,934.62)	-	-	(27,631,817.29)
Intangible assets – net	8,689,511.42	-	-	-	10,354,996.80

Amortization expenses for the nine month period ended September 30, 2020 and 2019 has been included as selling and administrative expenses in the consolidated financial statement are as follow;

BAHT		
	2020	2019
Cost of goods sold	88,393.29	84,147.12
Selling and administrative expenses	731,541.33	796,326.87
Total	819,934.62	880,473.99

BAHT					
Separate Financial Statement					
	As of Dec-31, 2019	Increase	Decrease	Transfer	As of Sep-30, 2020
Cost:					
Computer Software	2,469,288.38	-	-	-	2,469,288.38
Software under installation	1,040,000.00	893,710.00			1,933,710.00
Total	3,509,288.38	893,710.00	-	-	4,402,998.38
Less: Accumulated amortization expenses					
Computer Software	(2,469,239.38)	-	-	-	(2,469,239.38)
Total	(2,469,239.38)	-	-	-	(2,469,239.38)
Intangible assets – net	1,040,049.00				1,933,759.00

Amortization expenses for the nine month period ended September 30, 2020 and 2019 has been included as selling and administrative expenses in the consolidated financial statement are as follow;

BAHT		
	2020	2019
Cost of goods sold	-	-
Selling and administrative expenses	-	-
Total	-	-

**11. LEASEHOLD RIGHT -NET**

	BATH	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
LEASEHOLD RIGHT (COST)	73,968,316.67	-
<u>Less</u> : Accumulated Amortization	( 65,295,785.54)	-
Net book value as of December 31, 2019 (audited)	8,672,531.13	-
<u>Add</u> Acquisitions during period - at cost	16,633.32	-
<u>Less</u> Reclassification to right - of - use assets due to the adoption of TFRS 16	(8,672,531.13)	-
Disposal - net book value	-	-
Depreciation for the period	(3,073,162.43)	-
Net book value as of September 30, 2020 (unaudited but reviewed)	5,616,002.02	-

**12. RIGHT - OF - USE ASSETS - NET**

The book value of the right-of-use assets for the nine month period ended September 30, 2020 is as follows:

	BATH	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
Net book value as of December 31, 2019 (audited)	-	-
Effects of the adoption of TFRS16 :		
- Reclassification from property, plant and equipment	8,672,531.13	-
- Recognized from operating leases	80,247,234.90	3,406,686.33
Net book value as of January 1, 2020	88,919,766.03	3,406,686.33
<u>Add</u> Increased during period - at cost	8,803,668.10	5,690,600.33
<u>Less</u> Amortization for the period	(33,321,764.24)	( 3,130,068.13)
Net book value as of September 30, 2020 (unaudited but reviewed)	64,401,669.89	5,967,218.53

Amortization for the nine month period ended September 30, 2020 and 2019 have been included in cost of goods sold, and selling and administrative expenses as follows:

		BAHT			
		Consolidated Financial Statement		Separate Financial Statement	
		2020	2019	2020	2019
Selling expenses		33,321,764.24	3,351,611.43	3,130,068.13	-
Total		33,321,764.24	3,351,611.43	3,130,068.13	-

### 13. BANK OVERDRAFTS AND SHORT TERM LOAN S FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short term loans from financial institution as of September 30, 2020 and December 31, 2019 were consisted of the follows:

		BAHT			
		Consolidated Financial Statement		Separate Financial Statement	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Short term loan		445,000,000.00	426,000,000.00	-	-
Loan on trust receipt		176,913,419.95	139,067,721.84	-	-
Total		621,913,419.95	565,067,721.84	-	-

The Company and its subsidiary have entered into the bank overdraft and short term loan agreement with several banks. The interest rate was ranging from 1.10% to 7.675% per annum. The Company and its subsidiary pledged its land, buildings and machinery as collateral with the banks. Besides, the company's director and shareholder are also guarantor for the loans.

### 14. OTHER PAYABLES

As of September 30, 2020 and December 31, 2019 other payables are consisted as follows:

		BAHT			
		Consolidated Financial Statement		Separate Financial Statement	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Advance for merchandise		3,997,019.94	7,966,468.78	3,465,602.95	7,402,360.74
Accrued expenses		62,209,858.42	187,721,650.56	15,069,088.21	61,991,977.01
Accrued dividend		737,101.40	700,051.17	737,101.40	700,051.17
Total		66,943,979.76	196,388,170.51	19,271,792.56	70,094,388.92

**15. LEASE LIABILITIES**

The book value of the lease liabilities for the nine month period ended September 30,2020 is as follows:

	<u>BAHT</u>	
	<u>CONSOLIDATED</u>	<u>SEPARATE</u>
	<u>FINANCIAL</u>	<u>FINANCIAL</u>
Lease liabilities as of January 1, 2020 (Audited)	-	-
Increase (decrease) during the periods:		
<u>Add</u> Lease payments at the commencement date	90,902,381.08	9,291,361.74
<u>Less</u> Deferred interest expenses	(1,701,754.53)	(194,075.08)
<u>Add</u> Amortization of deferred interest expenses	757,275.19	83,607.90
<u>Add</u> Amortization of deferred cost of financing loans	-	-
<u>Less</u> Recognition of deferred gain from sale and leaseback	-	-
<u>Less</u> Payment	(30,491,191.94)	(3,195,427.10)
Lease liabilities as of September 30,2020		
( Unaudited / but Reviewed )	59,466,709.80	5,985,467.46
<u>Less</u> : Current portion	(37,955,857.15)	(3,286,283.29)
Lease liabilities		
- net of current potion	21,510,852.65	2,699,184.17

As of September 30,2020 and December 31,2019 the Group have committed to pay the lease under the lease agreements is as follows:

	<u>BAHT</u>		
	<u>CONSOLIDATED FINANCIAL STATEMENTS</u>		
	<u>As of September 30,2020 (Unaudited but reviewed)</u>		
	<u>Deferred</u>		
	<u>Interest</u>		
	<u>Principal</u>	<u>expenses</u>	<u>Total</u>
Current portion	38,642,466.23	(686,609.08)	37,955,857.15
1 - 5 years	-	-	-
Over 5 years	21,765,722.91	(254,870.26)	21,510,852.65
Total	60,408,189.14	(941,479.34)	59,466,709.80

BAHT			
SEPARATE FINANCIAL STATEMENTS			
As of September 30,2020 (Unaudited but reviewed)			
	Deferred		
	Interest		
	Principal	expenses	Total
Current portion	3,359,093.73	(72,810.44)	3,286,283.29
1 - 5 years	-	-	-
Over 5 years	2,736,840.91	(37,656.74)	2,699,184.17
Total	6,095,934.64	(110,467.18)	5,985,467.46

The following are the amounts recognised in profit or loss for the nine - month period ended September 30,2020

		BATH	
		CONSOLIDATED	SEPARATE
		FINANCIAL	FINANCIAL
Depreciation of right of use assets		23,907,255.09	3,130,068.13
Interest expense on lease liabilities		589,062.84	83,607.90
Expense relating to short-term lease		-	-
Expense relating to leases of low - value assets		-	-
Total		24,496,317.93	3,213,676.03

#### 16. EMPLOYEES' BENEFIT OBLIGATION

Movements of present value of employee benefit obligation for the nine month period ended September 30, 2020 and December 31, 2019 were as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	For the nine month ended Sep-30, 2020	For the year ended Dec-31, 2019	For the nine month ended Sep-30, 2020	For the year ended Dec-31, 2019
Employee benefits obligation as of beginning of periods	115,653,128.67	95,623,146.00	65,561,276.33	61,521,400.00
Payment of Employees' benefit	(256,000.00)	(14,614,539.33)	(256,000.00)	(10,197,340.67)
Increase due to revising Labour law	-	14,011,496.00	-	3,669,350.00
Current service cost and interest cost	16,093,572.00	20,633,026.00	7,966,990.00	10,567,867.00
Employee benefits obligation as of ending of periods	131,490,700.67	115,653,128.67	73,272,266.33	65,561,276.33



Expenses recognized in statements of income for the nine month period ended September 30, 2020 and 2019 are as follow;

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2020	2019	2020	2019
Current service cost	14,028,777.00	13,541,358.00	6,826,393.00	6,792,757.00
Interest cost	2,064,795.00	1,933,410.00	1,140,597.00	1,133,124.00
Total	16,093,572.00	15,474,768.00	7,966,990.00	7,925,881.00

The principle actuarial assumptions used to calculate the provision under the retirement benefit obligation as of September 30, 2020 are as follows:

	Consolidated Financial Statement	Separate Financial Statement
Discount rate	2.33 %	2.33%
Salary scale increase rate	3.00 %	3.00 %
Employee with voluntary resignation before retirement ratio	0-67 %*	0-52 %*
Mortality rate	TMO 2017 **	TMO 2017 **

\* Based on rate weighted by age group of employee

\*\* Reference to Thai Mortality ordinary Table of 2017 common type

#### **Sensitivity analysis of significant actuarial assumptions**

Significant actuarial assumptions for sensitivity analysis are discount rate, salary increase rate and mortality, while holding all other assumptions constant. The sensitivity analysis of change in the relevant actuarial assumption that was reasonably possible for the year 2020 as follows:

- If the discount rate increases (decreases) by 1.0%, the employee benefit obligation would decrease Baht 6.38 million (increases Baht 7.20 million)
- If the salary increase rate increases (decreases) by 1.0%, the employee benefit obligation would increase Baht 8.93 million (decrease Baht 8.00 million).
- If the Employee with voluntary resignation before retirement increases (decreases) by one year for all employees, the employee benefit obligation would decrease Baht 6.87 million (increases Baht 3.99 million). In presenting the above sensitivity analysis, the present value of the employee benefit obligation has been calculated by using the same method that applied in calculating the employee benefit obligation recognized in the statement of financial position.

**17. REGISTERED CAPITAL**

17.1 On May 15, 2008 the Company common shares have been approved to be a registered security in SET and the share initial trading has been started since that date.

17.2 On July 26, 2012, an extra ordinary shareholder meeting no 1/2012 had approved a resolution to change number of shares and par value of the share capital from; a registered capital of Baht 347,500,000 with 69,500,000 shares at Baht 5.00 par value to a registered capital of Baht 347,500,000 with 347,500,000 shares at Baht 1.00 par value. The change was registered with the Ministry Commerce on July 27, 2012.

**18. LEGAL RESERVE**

According to public company legislation 1992, the Company has to allocate a portion of net profit for the year to be Legal Reserve not less than 5% of profit of the year. The allocation of Legal Reserve should be deducted with the beginning balance of deficit (if any) until the balance of Legal Reserve not less than 10% of registered capital. The Company cannot pay dividend from the Legal Reserve.

**19. DIVIDEND PAYMENT**

On April 23, 2019, the shareholder meeting no. 1/2019 has approved to pay dividend for the year 2018 to shareholders, at Baht 0.54 per share for the 347.50 million shares, total amount of Baht 187.65 million, which was paid in May 2019.

On August 13, 2019, the shareholder meeting no. 3/2019 has approved to pay interim dividend for the six month period to shareholders, at Baht 0.57 per share for the 347.50 million shares, total amount of Baht 198.08 million, which was paid in September 2019.

On February 21, 2020, the shareholder meeting no. 1/2020 has approved to pay dividend for the year 2019 to shareholders, at Baht 0.62 per share for the 347.50 million shares, total amount of Baht 215.45 million.

On April 10 2020, the meeting of the Board of Directors No. 2/2020 resolved to postpone the annual general meeting of shareholders 2020 and approve the payment of interim dividends for the year 2019 according to the latest financial statements ending December 31, 2019, which was paid from retained earnings by paying to shareholders at the rate of 0.62 baht per share of 347.50 million shares, totaling Baht 215.45 million.

On August 13, 2020 , the shareholder meeting no. 5/2020 has approved to pay interim dividend for the six month period to shareholders, at Baht 0.35 per share for the 347.50 million shares, total amount of Baht 121.63 million, which is paid in September 2020.

**20. INCOME TAX EXPENSE**

In accordance with taxable conditions on Thailand's revenue code, the Company and its subsidiaries have calculated its net taxable profit (loss) by taking both any for bidding expenditures and any reduced or exceptionable accounting transactions to adding - up or deducting from net profit (loss) under accounting base.

The Company has calculated income tax on its taxable profit for the years 2019 and 2018 at the rate 20%.

20.1 Income tax expense for the six month period ended September 30, 2020 and 2019, consisted of;

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Income tax charge of current periods	9,016,862.80	131,360,087.93	12,407,252.58	22,569,979.34
Deferred income tax Expense (Revenue)				
from temporary difference	-	-	-	-
Effects of deferred income tax				
from change of tax rates	43,571,821.00	(51,035,543.17)	(1,542,198.02)	(2,307,706.20)
Income tax expense presented				
in the statement of income	52,588,683.80	80,324,544.76	10,865,054.56	20,262,273.14

20.2 Income tax relating to components of statements of comprehensive income – other for the nine month period ended September 30, 2020 and 2019 consisted of :

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax expense (income) presented				
Deferred income tax relating to;				
- Investment in marketable securities	1,734,000.00	(1,209,431.67)	1,734,000.00	(1,209,431.67)
- Actuarial estimates	-	-	-	-
Deferred tax expense (income) presented				
in statement of comprehensive income	1,734,000.00	(1,209,431.67)	1,734,000.00	(1,209,431.67)

20.3 The reconciliation of the income tax expense and the result of the multiplying of the accounting profit with tax rate for the nine month period ended September 30, 2020 and 2019 are presented as the following:

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit before corporate income	259,245,520.22	396,912,358.63	240,340,343.84	270,423,057.64
Corporate income tax rates	20%	20%	20%	20%
Accounting profit before corporate income-				
-Multiply by tax rates	51,849,104.04	79,382,471.73	48,068,068.77	54,084,611.53
Effects to deferred income tax	43,571,821.00	(51,035,543.17)	(1,542,198.02)	(2,307,706.20)
Effects of income and expenses-				
- not related to income tax	456,754.00	1,220,150.60	-	-
Income tax effects that is nondeductible in				
Calculation of profit:				
- Revenue exempted in tax calculation	(47,501,220.82)	44,592,137.06	(37,861,658.42)	(33,842,499.30)
-Nondeductible expenses	4,212,225.58	6,165,328.54	2,200,842.23	2,327,867.11
Income tax expense presented in the -				
Statement of Income	52,588,683.80	80,324,544.76	10,865,054.56	20,262,273.14

20.4 Components of deferred tax assets and deferred tax liabilities comprised of the following items;

	BAHT			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	Sep-30, 2020	Dec-31, 2019	Sep-30, 2020	Dec-31, 2019
<u>Deferred tax assets</u>				
Investment in marketable securities	14,533,958.91	12,799,958.91	14,533,958.91	12,799,958.91
Consignment receivable	220,917,109.99	300,297,673.76	-	-
Allowance for impairment of	3,200,000.00	3,200,000.00	-	-
Employee benefit obligation	26,298,140.14	23,130,625.72	14,654,453.27	13,112,255.25
Total	264,949,209.04	339,428,258.39	29,188,412.18	25,912,214.16
<u>Deferred tax liabilities</u>				
Consignment inventories	(49,092,691.11)	(81,733,919.46)	-	-
Total	(49,092,691.11)	(81,733,919.46)	-	-
<u>Deferred tax assets – net</u>	215,856,517.93	257,694,338.93	29,188,412.18	25,912,214.16

**21. PROVIDENT FUND**

During year 2005, the Company and its employees agreed to establish employees' provident fund under authorization from Ministry of Finance as per provident fund legislation 1987. This provident fund is comprised of a portion of not less than 3% from employee's salary and a portion that contributed at the same amount from the Company. Employees entitle to receive money from provident fund if he/she resign and comply with its regulation. The provident fund is managed by MFC Public Co., Ltd.

**22. COMMITMENT****22.1 Lease agreement and long term services**

22.1.1 On June 1, 2019, company has entered into the lease of buildings agreement with Sabina Far East Co., Ltd., to use the buildings as company's office and warehouse for 3 years. The Company has a right to renew the lease agreement for 3 times at 3 years each. However the Company has to inform landlord by written in advance not less than 180 days. The rental is Baht 142,500 per month; landlord is responsible for municipal taxes. Landlord promised that it will not sell or dispose the assets in 12 years.

22.1.2 On June 12, 2009, the subsidiary has entered into another lease contract with the department store and for extension the lease period to another 10 years, which will expire in June 2020. The subsidiary had paid for the leasehold right for the 10 years approximately amounting to Baht 13.71 million.

The commitment for the long-term lease, which should be paid the rent and service in the future, as of September 30, 2020 are as follow;

**The Company**

<u>For the period</u>	<u>Unit (Million baht)</u>
Not over 1 year	0.43
Over 1 year but not over 5 years	2.42
Over 5 years	-
Total	<u><u>2.85</u></u>

**The Subsidiary Company**

<u>For the period</u>	<u>Unit (Million baht)</u>
Not over 1 year	72.99
Over 1 year but not over 5 years	33.13
Over 5 years	0.24
Total	<u><u>106.36</u></u>

**22.2 Letter of bank guarantee**

As of September 30, 2020 and December 31, 2019, the Company has letter of guarantee which issuing by the bank on behalf of company as follows:

Objective	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
1. Guarantee for Custom Department	1.10	3.25	-	-
2. Others	3.25	3.25	1.34	1.34
Total	4.35	6.50	1.34	1.34

**23. DISCLOSURE FOR FINANCIAL INSTRUMENTS**Risk from foreign exchange rate

The Company and its subsidiary encounters risk in foreign exchange rate because company has foreign receivables and payables. However, the credit terms given or received from the receivables and payables are short period.

As of September 30, 2020 and 2019, the Company and its subsidiary have assets and liabilities in foreign currencies as follows:

	Amount in Foreign Currencies			
	Consolidated Financial Statement		Separate Financial Statement	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<b><u>ASSETS</u></b>				
US Dollar	471,525.53	1,083,288.26	150,275.18	354,197.16
Hong Kong Dollar	-	-	-	-
Euro Dollar	-	-	-	-
Pound Sterling	589,007.37	805,469.11	-	-
<b><u>LIABILITIES</u></b>				
US Dollar	836,229.53	914,863.24	150,750.10	301,909.54
Hong Kong Dollar	34,908.50	52,951.15	34,908.50	-
Euro Dollar	351.88	20,279.34	-	-
Pound Sterling	24,180.36	11,506.70	-	-

Risk from interest rate

The interest rate risk depends on the fluctuation of interest rate in financial market. The fluctuation of the interest rate may have impact on the company's operation and cash flows. However, management believes that risk is insignificant in the current financial market because company can generate enough income and cash flows to pay interest.

Risk from credit term

Credit risk refers to the risk that trade accounts receivable may default in its obligations resulting in a financial loss to company. However, since the company currently sells its products to creditworthy customers, it does not anticipate any material problem in collecting its debt. The concentration of credit risk with respect to trade receivable is limited because company's debtors are spread over in different area and type of business. Account receivable showed in the statement of financial position, net of a portion of allowance for doubtful debts, represents the maximum exposure to credit risk.

Fair value

The fair value of company's financial assets and liabilities determine by the following basis.

Consolidated and Separate Financial Statement				
(Thousand Baht)				
Cost	Fair value			
	Level 1	Level 2	Level 3	Total
<b>As of September 30, 2020</b>				
<u>Current</u>				
Temporary Investment				
<i>Available-for-sale securities</i>	142,756	72,669	-	70,087

The fair value of the Group's investment were determined to the Level 1 under the fair value hierarchy as such current investment has a published quotation price in an active market.

**24. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS**

Statements of income segmented by business for the nine month period ended September 30, 2020 and 2019 are as follows:

	Consolidated Financial Statement (Million Baht)					
	September 30, 2020			September 30, 2019		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	164.16	1,943.01	2,107.17	260.71	2,215.52	2,476.23
Services income	-	32.80	32.80	-	0.24	0.24
	<u>164.16</u>	<u>1,975.81</u>	<u>2,139.97</u>	<u>260.71</u>	<u>2,215.76</u>	<u>2,476.47</u>
Cost of sales			(1,147.84)			(1,146.08)
Gross profit			992.13			1,330.39
Selling and administrative expenses			(740.50)			(942.12)
Net profit from operation			<u>251.63</u>			<u>388.27</u>
Other income and expenses						
Other income			14.75			14.16
Financial cost			(7.14)			(5.51)
Total other income and expenses			<u>7.61</u>			<u>8.65</u>
Profit before income tax			259.24			396.92
Income tax expense			(52.59)			(80.32)
Net profit			<u>206.65</u>			<u>316.60</u>

Property, plant and equipment of company have been commonly used for export and domestic operations.



Statements of income segmented by business for the three month period ended September 30, 2020 and 2019 are as follows:

Separate Financial Statement (million Baht)						
	September 30, 2020			September 30, 2019		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	16.14	375.38	391.52	28.25	610.03	638.28
Services income	-	87.22	87.22	-	79.64	79.64
Total revenue	<u>16.14</u>	<u>462.60</u>	<u>478.74</u>	<u>28.25</u>	<u>689.67</u>	<u>717.92</u>
Cost of sales			(384.91)			(556.44)
Gross profit			93.83			161.48
Selling and administrative			(45.58)			(67.03)
Net profit from operation			<u>48.25</u>			<u>94.45</u>
Other income and expenses						
Other income			192.19			175.97
Financial cost			( 0.09)			-
Total other income and expenses			<u>192.10</u>			<u>175.97</u>
Profit before income tax			240.35			270.42
Income tax expense			(10.87)			(20.26)
Net profit			<u>229.48</u>			<u>250.16</u>

Property, plant and equipment of the Company have been commonly used for export and domestic operations.

#### **Major customer information**

In nine month period 2020, the Company has earned from 3 major customers amounting to Baht 597 million.

**25. EXPENSE BY NATURE**

The significant expenses for the nine month period ended September 30, 2020 and 2019 classified by nature are as follow;

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2020	2019	2020	2019
Changes in finished goods -				
- and work in process	108,241,709.55	(372,417,401.28)	9,970,967.38	15,578.78
Purchase of finished goods	315,882,944.87	382,859,614.97	-	-
Raw material and supply usage	292,126,805.13	554,577,482.77	157,579,436.03	256,497,861.84
Employees' expenses -				
- (Exclude management)	396,247,252.03	535,218,216.78	75,279,221.02	111,688,654.76
Depreciation and Amortization	61,310,469.06	36,094,724.89	12,229,971.68	9,000,860.45
Transportation expense	15,019,787.70	12,193,508.23	10,259.46	23,982.46
Chemical supplies and				
-cost of analysis	3,733,375.19	6,315,990.85	149,730.00	201,390.00
Advertising and promotion	62,891,603.56	87,770,414.83	340,099.66	158,727.37

**26. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statement has been approved by the Company's board of directors on November 13, 2020

(Signed) .....Director (Signed).....Director