

**SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS
SUBSIDIARIES**

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019**

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
Siam Steel International Public Company Limited

Opinion

I have audited the consolidated financial statements of Siam Steel International Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of Siam Steel International Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2019, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Siam Steel International Public Company Limited and its subsidiaries as at December 31, 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of Siam Steel International Public Company Limited as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to the following notes to the financial statements. As mentioned in Note 3.4 to the financial statements in relation to the restatement of prior year's financial statements, the Company restated the statement of financial position as at December 31, 2018 and the statements of comprehensive income, cash flows and changes in shareholders' equity for the period as from January 1, 2018 to June 30, 2018 presented as comparative figures. The restatement reflects the adjustments the transaction of revenue recognition on consignment sale. My opinion is not modified in respect of these matters.

Key Audit Matter

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statement 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.

Allowance for decline in value of inventories

The Group's inventories which are measured at the lower of cost and net realizable value. The group has provided an allowance for decline in value of inventories from the estimates of the management which requires using considerable judgment as such products have high market competition. It depends on the inventory life cycle which may cause a risk in the recognition of such estimate. As at December 31, 2019, inventories presented in the consolidated statement of financial position and separate statement of financial position amounted to Baht 219.64 million and Baht 170.22 million, respectively, which are material to the consolidated and separate financial statements. Therefore, I consider this is an area of focus.

Risk response by the auditor

My audit procedures were designed to assess the appropriateness of the allowance for decline in value of inventories and obsolescence understanding the policies and procedures that the Group's management applied for setting up allowance for decline in value of inventories, reasonableness testing on methodology used, information on holding period and movement of slow moving inventory that is appropriately classified, performing test on a sample basis of net realisable value of inventories, analyzing and comparing past and information during the year for the allowance estimate of actual loss, considering the sale of goods after the financial statement date, comparing the allowance for decline in value of inventory to assess the appropriateness of the allowance and enquiring the management plan of such product group.

Revenue recognition from sales and service

The Group has revenue from sales and service that is significant and a large customer base. Sales of goods or service were under different conditions and revenue recognition depends on the conditions in the agreement or various types of business agreement such as production with installation agreement, production by order of the customer, sale agreement with distributor group. Therefore, it is considered that revenue is a significant matter in the audit. The importance is given to the recognition of revenue from sales and service that it has recognized transaction including disclosure of information according to the financial reporting standards. The accounting policy for revenue has been disclosed in Note 4

Response by the auditor

I understood and tested the internal control system related to revenue cycle, audited the revenue recognition of each company type taking into account of the timing in handing over the control of goods and service to assess the recognition of revenue in accordance with the financial reporting standards No. 15 agreement made with customer. I had audited the revenue adjustment during the year and checked revenue cut off near the end of the year and the document issued by the company after year end.

Revenue recognition from construction agreement and cost of construction

Referring to Note 4 on revenue recognition from construction agreement, the Company recognized revenue from construction agreement when the performance obligation is completed under the contract condition by transferring the promised service to customer over time. The service are transferred when the customer obtain control of those service by measuring progress by assessing the stage of work completion from the obligation to be performed through input factor. revenue recognition, percentage of completion, cost estimation and loss estimate of the project that may arise requires using judgment from the management which may cause the risk with the revenue recognition, cost and loss estimate that may arise from the construction contract.

Response by the auditor

I have enquired to understand and tested the internal control for revenue recognition, project cost estimation, and ratio of the construction stage of completion, audited the actual cost that arises with document to compare with the cost estimate and audited the basis of project cost estimates, tested the calculation of the stage of work completion, joined the physical investigation by visiting the project near year end and compare the progress of the actual construction against the stage of work completion. In addition, I used the comparative analysis of the stage of work completion assessed by the engineer with the stage of work completion that arises from the actual cost and enquired the cause of the difference, analyzed, compared gross profit and assessed the loss estimate that may arise by comparing the actual cost and the total estimate.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report 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 will 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 identified above when it becomes available 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, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct 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 consolidated financial statements and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company 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 consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and separate financial statements.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements and separate 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 and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate 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 we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Wannisa Ngambuathong.

(Miss Wannisa Ngambuathong)
Certified Public Accountant
Registration No. 6838

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 27, 2020

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

ASSETS

Baht

	Note	Baht					
		Consolidated Financial Statements			Separate Financial Statements		
		As at December 31, 2019	As at December 31, 2018 (Restated)	As at January 1, 2018 (Restated)	As at December 31, 2019	As at December 31, 2018 (Restated)	As at January 1, 2018 (Restated)
CURRENT ASSETS							
Cash and cash equivalents	6	826,018,488	1,126,631,863	425,070,778	278,148,544	581,388,761	213,592,578
Trade accounts receivable from sales and services							
- general customers	7	242,702,511	218,432,659	282,218,017	120,477,835	110,883,796	132,213,154
- related companies	5, 7	5,306,350	4,497,869	8,299,292	7,312,238	7,651,005	9,393,199
Trade accounts receivable from construction work	7	23,939,842	-	-	23,939,842	-	-
Unbilled accrued income - general customers		19,077,571	3,810,785	-	19,077,571	3,810,785	-
Inventories	8	219,638,678	243,718,339	291,729,122	170,219,867	169,158,071	208,930,229
Advance for purchase of inventories		89,162,740	103,139,336	-	89,162,740	102,429,817	-
Receivables from and advances to							
- general customers		29,463,606	56,855,245	-	-	-	-
- related companies	5	1,601,936	1,646,716	4,773,958	339,509,363	83,631,288	69,274,307
Short-term loan to related companies	5	-	-	-	185,000,000	185,000,000	185,000,000
Assets for sale		-	-	10,811,715	-	-	10,811,715
Other current assets	9	75,952,365	196,499,229	48,593,450	59,869,727	72,356,086	27,660,194
Total current assets		1,532,864,087	1,955,232,041	1,071,496,332	1,292,717,727	1,316,309,609	856,875,376

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2019

ASSETS (CONT.)

Baht

	Note	Consolidated Financial Statements			Separate Financial Statements		
		As at December	As at December	As at January	As at December	As at December	As at January
		31, 2019	31, 2018	1, 2018	31, 2019	31, 2018	1, 2018
		(Restated)	(Restated)		(Restated)	(Restated)	
NON-CURRENT ASSETS							
Restricted deposit with bank	10	5,033,928	1,903,481	487,895	4,911,939	876,551	404,299
Retentions receivable		25,175,636	2,982,899	6,382,056	25,175,637	2,982,899	6,382,056
Investment							
- subsidiaries companies	11	-	-	-	186,206,833	186,206,833	194,399,200
- associated companies	11	782,751,915	783,804,276	774,439,728	162,627,400	162,627,400	162,627,400
- other companies	11	49,712,400	49,712,400	49,712,400	49,712,400	49,712,400	49,712,400
Goodwill		-	618,265	618,265	-	-	-
Advance for purchase of assets		1,517,224	15,078,867	8,745,870	1,517,224	15,078,867	8,745,870
Property, plant and equipment	13	2,787,031,806	2,563,112,079	1,196,848,043	883,581,786	722,070,962	527,199,714
Assets not used in operation	14	-	2,360,042	165,399,730	-	2,360,042	165,399,730
Income tax withheld at sources		27,174,369	28,169,855	25,860,250	20,841,093	15,866,527	9,819,275
Deferred tax assets	15	11,842,844	3,153,840	99,248,565	3,885,149	-	90,907,396
Other non-current assets		16,556,921	16,205,929	24,309,095	691,400	1,064,565	9,549,390
Total non-current assets		3,706,797,043	3,467,101,933	2,352,051,897	1,339,150,861	1,158,847,046	1,225,146,730
TOTAL ASSETS		5,239,661,130	5,422,333,974	3,423,548,229	2,631,868,588	2,475,156,655	2,082,022,106

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht					
		Consolidated Financial Statements			Separate Financial Statements		
		As at December	As at December	As at January	As at December	As at December	As at January
		31, 2019	31, 2018	1, 2018	31, 2019	31, 2018	1, 2018
Note			(Restated)	(Restated)		(Restated)	(Restated)
CURRENT LIABILITIES							
	Short - term loans from other person	-	-	100,000,000	-	-	-
	Short-term loans from related companies	53,500,000	54,500,000	57,000,000	-	-	-
	Current portion of						
	- Long-term loan from financial institutions	16 260,950,407	68,001,225	5,784,000	189,508,481	5,784,000	5,784,000
	- Liabilities under employee benefits obligation	18 19,655,462	16,408,315	13,132,578	19,439,229	16,192,082	12,916,345
	Trade accounts payable - general suppliers	159,639,251	131,647,559	102,303,672	130,597,436	103,327,174	75,042,109
	Payables to and advances from						
	- general customers	-	86,116,078	-	-	-	-
	- related companies	5 37,149,990	34,735,180	30,891,525	83,002,213	63,101,599	10,196,797
	Advances and deposits from customers						
	- general customers	127,650,512	114,706,136	26,134,066	125,904,494	113,120,742	25,865,586
	- related companies	5 5,839,266	3,847,140	3,659,205	5,924,136	6,408,765	5,366,955
	Other current liabilities	17 279,435,587	347,426,275	116,788,104	78,436,149	65,346,661	101,139,662
	Total current liabilities	943,820,475	857,387,908	455,693,150	632,812,138	373,281,023	236,311,454
NON-CURRENT LIABILITIES							
	Long-term loans from financial institutions	16 1,396,181,992	1,722,367,169	216,245,502	12,967,279	207,076,293	216,245,502
	Employee benefit obligations	18 38,991,212	33,306,591	22,447,221	34,397,056	28,378,440	18,265,999
	Deferred tax liabilities	15 -	-	-	-	2,673,170	-
	Other non-current liabilities	36,337,777	7,499,285	20,635,765	35,740,111	7,496,320	10,316,305
	Total non-current liabilities	1,471,510,981	1,763,173,045	259,328,488	83,104,446	245,624,223	244,827,806
	TOTAL LIABILITIES	2,415,331,456	2,620,560,953	715,021,638	715,916,584	618,905,246	481,139,260

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
THE STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		Baht					
		Consolidated Financial Statements			Separate Financial Statements		
		As at December	As at December	As at January	As at December	As at December	As at January
		31, 2019	31, 2018	1, 2018	31, 2019	31, 2018	1, 2018
Note			(Restated)	(Restated)		(Restated)	(Restated)
SHAREHOLDERS' EQUITY							
Share capital - common share at Baht 1 par value							
	- Registered 593,125,849 shares	593,125,849	593,125,849	593,125,849	593,125,849	593,125,849	593,125,849
	- Issued and paid - up 593,125,849 shares	593,125,849	593,125,849	593,125,849	593,125,849	593,125,849	593,125,849
	Premium on ordinary shares	72,403,683	72,403,683	72,403,683	72,403,683	72,403,683	72,403,683
Retained earnings							
	- Appropriated legal reserve	59,312,585	59,312,585	59,312,585	59,312,585	59,312,585	59,312,585
	- Unappropriated	1,743,340,295	1,743,374,088	1,508,347,734	1,191,109,887	1,131,409,292	876,040,729
	Other components of equity	13,060,963	19,254,592	11,863,382	-	-	-
	Total shareholder's equity of the parent company	2,481,243,375	2,487,470,797	2,245,053,233	1,915,952,004	1,856,251,409	1,600,882,846
	Non-controlling interests	343,086,299	314,302,224	463,473,358	-	-	-
	TOTAL SHAREHOLDERS' EQUITY	2,824,329,674	2,801,773,021	2,708,526,591	1,915,952,004	1,856,251,409	1,600,882,846
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5,239,661,130	5,422,333,974	3,423,548,229	2,631,868,588	2,475,156,655	2,082,022,106

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2019

		Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2019	2018	2019	2018
		(Restated)		(Restated)	
	Note				
REVENUES					
Sales and services income	5, 27	2,200,749,950	1,706,464,856	1,244,664,050	897,319,686
Construction income	27	86,480,050	52,283,710	86,480,050	52,283,710
Total revenues		2,287,230,000	1,758,748,566	1,331,144,100	949,603,396
Cost					
Cost of sales and services	5, 14	(1,666,815,287)	(1,364,204,882)	(985,910,983)	(713,169,815)
Cost of construction	24	(68,133,256)	(45,930,275)	(68,133,256)	(45,930,275)
Total cost		(1,734,948,543)	(1,410,135,157)	(1,054,044,239)	(759,100,090)
Gross profit		552,281,457	348,613,409	277,099,861	190,503,306
Dividend income	5, 11	27,296,725	34,023,651	55,001,713	60,428,819
Gain from sale of assets		1,959,615	350,340,082	16,286,484	350,325,348
Gain on foreign exchange rates		3,168,065	-	1,510,140	-
Other income	23	85,413,966	68,103,733	93,379,287	95,828,847
Profit before expenses		670,119,828	801,080,875	443,277,485	697,086,320
Selling expenses		(220,573,882)	(126,744,626)	(166,955,542)	(136,042,722)
Administrative expenses	5	(379,143,267)	(350,088,231)	(190,966,937)	(181,222,433)
Loss on foreign exchange rates		-	(7,133,941)	-	(223,888)
Total expenses		(599,717,149)	(483,966,798)	(357,922,479)	(317,489,043)
Profit from operations		70,402,679	317,114,077	85,355,006	379,597,277
Equity in net income of associated companies	11	24,710,777	35,157,845	-	-
Profit before finance cost and income tax		95,113,456	352,271,922	85,355,006	379,597,277
Finance costs	5, 27	(40,520,704)	(11,504,865)	(17,533,665)	(18,152,631)
Profit before income tax expense		54,592,752	340,767,057	67,821,341	361,444,646
Income tax income (expense)	25	(2,816,928)	(100,813,280)	4,808,747	(94,893,422)
Profit for the year		51,775,824	239,953,777	72,630,088	266,551,224

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF COMPREHENSIVE INCOME (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2019

		Baht				
		Consolidated Financial Statements		Separate Financial Statements		
		2019	2018	2019	2018	
			(Restated)		(Restated)	
Note						
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss						
	Actuarial gains (loss) on defined employee benefit plan, net of tax	18, 25.1	(5,642,558)	(5,321,770)	(6,998,286)	(5,251,424)
	Equity in comprehensive income of associated company		(1,729,899)	-	-	-
Items subsequently reclassifiable to profit or loss						
	Exchange differences from foreign currency financial statement translation, net of tax		(12,387,255)	14,782,420	-	-
	Other comprehensive income (expense) for the year		(19,759,712)	9,460,650	(6,998,286)	(5,251,424)
	Total comprehensive income for the year		32,016,112	249,414,427	65,631,802	261,299,800
Profit attributable for the year						
	Owner of the parent company		13,269,870	246,279,361	72,630,088	266,551,224
	Non-controlling interests		38,505,954	(6,325,584)	-	-
	Total		51,775,824	239,953,777	72,630,088	266,551,224
Attribution of comprehensive income for the year						
	Owner of the parent company		(960,522)	248,348,801	65,631,802	261,299,800
	Non-controlling interests		32,976,634	1,065,626	-	-
	Total		32,016,112	249,414,427	65,631,802	261,299,800
Earnings per share						
	Profit (Baht per share)	26	0.02	0.41	0.12	0.45
	Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE PERIOD ENDED DECEMBER 31, 2019

		In Baht									
		Consolidated Financial Statements									
		Shareholders' equity of the parent company						Total	Non-controlling interests	Total	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of equity					
				Appropriated - Legal reserve	Unappropriated	Other comprehensive income (expense)					
						Surplus from change in proportion of investment in subsidiary company	Exchange differences on translating financial statement	Total			
Note											
	Balance as at January 1, 2018 - As previously reported	593,125,849	72,403,683	59,312,585	1,513,381,435	32,843,351	(20,979,969)	11,863,382	2,250,086,934	463,473,358	2,713,560,292
	Adjustment										
	Cumulate effect from change in accounting policy										
	- Revenue recognition - Consignment sales	-	-	-	(5,033,701)	-	-	-	(5,033,701)	-	(5,033,701)
	Balance as at January 1, 2018 - Restated	593,125,849	72,403,683	59,312,585	1,508,347,734	32,843,351	(20,979,969)	11,863,382	2,245,053,233	463,473,358	2,708,526,591
	Transaction with shareholder										
	Dividend	-	-	-	(5,931,237)	-	-	-	(5,931,237)	-	(5,931,237)
	Dividend paid by subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	(588,043)	(588,043)
	Non - controlling interest (decrease)	-	-	-	-	-	-	-	-	(149,648,717)	(149,648,717)
	Comprehensive income (expense) for the year										
	Profit (loss) for the year - Restated	-	-	-	246,279,361	-	-	-	246,279,361	(6,325,584)	239,953,777
	Profit (loss) comprehensive for the year - Restated	-	-	-	(5,321,770)	-	7,391,210	7,391,210	2,069,440	7,391,210	9,460,650
	Balance as at December 31, 2018 - Restated	593,125,849	72,403,683	59,312,585	1,743,374,088	32,843,351	(13,588,759)	19,254,592	2,487,470,797	314,302,224	2,801,773,021
	Balance as at January 1, 2019 - As previously reported	593,125,849	72,403,683	59,312,585	1,747,084,352	32,843,351	(13,588,759)	19,254,592	2,491,181,061	314,302,224	2,805,483,285
	Adjustment										
	Cumulate effect from change in accounting policy										
	- Revenue recognition - Consignment sales	-	-	-	(3,710,264)	-	-	-	(3,710,264)	-	(3,710,264)
	Balance as at January 1, 2019 - Restated	593,125,849	72,403,683	59,312,585	1,743,374,088	32,843,351	(13,588,759)	19,254,592	2,487,470,797	314,302,224	2,801,773,021
	Transaction with shareholder										
	Dividend	-	-	-	(5,931,207)	-	-	-	(5,931,207)	-	(5,931,207)
	Dividend paid by subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	(3,528,252)	(3,528,252)
	Comprehensive income (expense) for the year										
	Profit (loss) for the year	-	-	-	13,269,870	-	-	-	13,269,870	38,505,954	51,775,824
	Profit (loss) comprehensive for the year	-	-	-	(7,372,456)	-	(6,193,629)	(6,193,629)	(13,566,085)	(6,193,627)	(19,759,712)
	Balance as at December 31, 2019	593,125,849	72,403,683	59,312,585	1,743,340,295	32,843,351	(19,782,388)	13,060,963	2,481,243,375	343,086,299	2,824,329,674

Notes to interim financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE PERIOD ENDED DECEMBER 31, 2019

		In Baht				
		Separate Financial Statements				
		Shareholders' equity of the parent company			Total	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
				Appropriated - legal reserve	Unappropriated	
Note						
	Balance as at January 1, 2018 - As previously reported	593,125,849	72,403,683	59,312,585	881,074,430	1,605,916,547
	Adjustment					
	Cumulate effect from change in accounting policy					
	- Revenue recognition - Consignment sales	-	-	-	(5,033,701)	(5,033,701)
	Balance as at January 1, 2018 - Restated	593,125,849	72,403,683	59,312,585	876,040,729	1,600,882,846
	Transaction with shareholder					
	Dividend	-	-	-	(5,931,237)	(5,931,237)
	Comprehensive income for the year					
	Profit for the year - Restated	-	-	-	266,551,224	266,551,224
	Other comprehensive income (expense) for the year	-	-	-	(5,251,424)	(5,251,424)
	Balance as at December 31, 2018 - Restated	<u>593,125,849</u>	<u>72,403,683</u>	<u>59,312,585</u>	<u>1,131,409,292</u>	<u>1,856,251,409</u>
	Balance as at January 1, 2019 - As previously reported	593,125,849	72,403,683	59,312,585	1,135,119,556	1,859,961,673
	Adjustment					
	Cumulate effect from change in accounting policy					
	- Revenue recognition - Consignment sales	-	-	-	(3,710,264)	(3,710,264)
	Balance as at January 1, 2019 - Restated	593,125,849	72,403,683	59,312,585	1,131,409,292	1,856,251,409
	Transaction with shareholder					
	Dividend	-	-	-	(5,931,207)	(5,931,207)
	Comprehensive income for the year					
	Profit for the year	-	-	-	72,630,088	72,630,088
	Other comprehensive income (expense) for the year	-	-	-	(6,998,286)	(6,998,286)
	Balance as at December 31, 2019	<u>593,125,849</u>	<u>72,403,683</u>	<u>59,312,585</u>	<u>1,191,109,887</u>	<u>1,915,952,004</u>

Notes to interim financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS

FOR THE PERIOD ENDED DECEMBER 31, 2019

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Cash flows from operating activities				
Profit before income tax expense	54,592,752	340,767,057	67,821,341	361,444,646
Adjustments to reconcile income (loss) before income tax to net cash provided from (used in) operating activities:				
Depreciation and amortization	171,949,856	53,011,443	24,301,706	28,819,949
Allowance for doubtful debts and bad debt (reversal)	(3,098,465)	1,209,077	207,244	1,754,675
Allowance for doubtful debts and bad debt advance	-	12,223,768	-	12,223,768
Allowance for decline value of inventories (reversal)	(6,797,555)	(10,427,592)	2,184,480	(25,295,439)
Allowance for impairment of investment	-	-	-	8,192,367
Goodwill amortization	618,265	-	-	-
Loss from write-off asset	1,443,138	-	1,416,872	-
Allowance for decline in value of investment in the energy project	20,740,464	-	20,740,464	-
Provisions (reversal)	(2,110,463)	-	(2,110,463)	-
Gain on sales of assets	(2,201,400)	(91,731,578)	(16,286,484)	(91,716,804)
Loss from sales of assets not used	-	(258,608,544)	-	(258,608,544)
Unrealized loss (gain) on foreign exchange	(5,933)	(767,653)	(2,091,852)	81,952
Dividend income	(27,296,725)	(34,023,651)	(55,001,713)	(60,428,819)
Interest income	(6,568,806)	(4,601,102)	(19,255,146)	(20,419,128)
Finance costs	40,520,704	11,504,865	17,533,665	18,152,631
Equity in net income of associated companies	(22,980,878)	(35,157,845)	-	-
Employee benefits obligation expenses	3,253,884	12,906,279	1,791,761	12,230,015
Cash provided from (used in) operations before changes in operating assets and liabilities	222,058,838	(3,695,476)	41,251,875	(13,568,731)
Decrease (increase) in operating assets				
Trade accounts receivable from sales and services				
- general customers	(21,183,549)	62,493,228	(9,811,511)	7,267,862
- related companies	(808,481)	3,801,423	338,767	1,742,194
Trade accounts receivable from construction work	(23,939,842)	-	(23,939,842)	-

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS (CONT.)

FOR THE PERIOD ENDED DECEMBER 31, 2019

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Unbilled accrued income - general customers	(15,266,786)	(3,810,785)	(15,266,786)	(3,810,785)
Inventories	36,038,843	58,420,242	(3,835,709)	65,049,464
Advances for purchase of inventories	13,976,596	(103,139,336)	13,267,078	(102,429,818)
Receivables from advances				
- general customers	27,391,639	(56,855,245)	-	-
- related companies	44,780	8,873,112	6,644,279	(8,611,111)
Other current assets	(9,170,000)	(160,145,457)	(8,254,105)	(33,600,763)
Retention receivable	(22,192,738)	3,399,157	(22,192,738)	3,399,157
Other non - current assets	(350,992)	8,103,166	373,165	8,484,825
Increase (decrease) in operating liabilities				
Trade accounts payable - general suppliers	28,009,788	29,343,887	27,270,263	28,285,065
Payables to and advances from general customers	(86,116,078)	86,116,078	12,783,752	-
Payables to and advances from related companies	2,414,810	(5,833,810)	22,002,696	52,904,802
Advances and deposits from customers				
- general customers	12,944,376	108,572,070	-	107,255,156
- related companies	1,992,126	187,935	(484,629)	1,041,810
Other current liabilities	(98,144,176)	231,422,241	3,237,312	(35,691,084)
Employee benefits obligation paid	(2,515,568)	(6,215,981)	(2,404,200)	(6,209,039)
Other non - current liabilities	27,788,437	(13,136,480)	28,243,790	(2,819,984)
Cash provided from operations	92,972,023	247,899,969	69,223,457	68,689,020
Cash paid for interest	(25,128,927)	(2,074,370)	(16,418,687)	(17,451,626)
Income tax payment	(11,384,664)	(11,036,130)	(4,974,567)	(6,047,251)
Cash received from refund tax	137,753,464	4,281,052	-	-
Net cash provided from (used in) operating activities	194,211,896	239,070,521	47,830,203	45,190,143
Cash flows from investing activities				
Decrease (increase) in restricted deposits with banks	(3,130,447)	(1,415,586)	(4,035,388)	(472,252)
Acquisition of assets	(438,214,218)	(1,423,842,727)	(391,003,600)	(225,444,319)
Proceeds from assets held for sale	-	79,145,203	-	79,145,203
Proceeds from sales of assets	2,282,243	5,169,493	1,974,673	5,154,569
Proceeds from sales assets not used	-	421,648,232	-	421,648,232
Cash paid for advance for purchase of assets	-	(12,078,867)	(1,517,224)	(12,078,867)

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS (CONT.)

FOR THE PERIOD ENDED DECEMBER 31, 2019

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Indirect subsidiary an return investment to non-controlling interests	-	(149,648,717)	-	-
Cash received from interest income	7,109,396	4,618,114	4,825,146	9,325,101
Dividend income	27,296,725	25,793,297	55,001,713	60,428,819
Net cash provided from (used in) investing activities	<u>(404,656,301)</u>	<u>(1,050,611,558)</u>	<u>(334,754,680)</u>	<u>337,706,486</u>
Cash flows from financing activities				
Increase (decrease) in short-term loans from other parties	-	(100,000,000)	-	-
Increase (decrease) in short-term loans from related parties	(1,000,000)	(2,500,000)	-	-
Paid long-term loan from financial institution	(166,358,142)	(9,169,209)	(10,384,533)	(9,169,209)
Increase in long - term loan from financial institution	102,132,700	1,616,508,191	-	-
Dividend paid	(5,931,207)	(5,931,237)	(5,931,207)	(5,931,237)
Dividend paid from subsidiary company	(3,528,252)	(588,043)	-	-
Net cash provided from (used in) financing activities	<u>(74,684,901)</u>	<u>1,498,319,702</u>	<u>(16,315,740)</u>	<u>(15,100,446)</u>
Increase in exchange differences on translating foreign operations	(15,484,069)	14,782,420	-	-
Increase (decrease) in cash and cash equivalents-net	(300,613,375)	701,561,085	(303,240,217)	367,796,183
Cash and cash equivalents at the beginning of the year	1,126,631,863	425,070,778	581,388,761	213,592,578
Cash and cash equivalents at the end of the year	<u>826,018,488</u>	<u>1,126,631,863</u>	<u>278,148,544</u>	<u>581,388,761</u>
Supplemental cash flows information				
Non - cash transaction				
- Capitalized interest to cost of assets	-	20,555,050	-	-
- Advance for purchase assets	14,941,946	-	14,941,946	-
- Advance from customers	1,380,303	-	-	-
- Transfer Inventories be to property	589,432	18,133	589,432	17,344
- Transfer non-operating asset to property, plant and equipment	2,360,042	-	2,360,042	-
- Sale asset as credit to the related company	-	-	221,787,480	-
- Purchase asset by non-cash payment	1,050,053	-	-	-
- Advance from sale assets not used	-	20,000,000	-	20,000,000

Notes to financial statements form an integral part of these statement

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. GENERAL INFORMATION

(a) Legal status and address

Siam Steel International (Public) Company Limited was registered as limited company on August 28, 1979 under Thai law and registered conversion to public company limited on December 27, 1993.

The address of its registered office is as follow :

51 Moo 2 Poochao Road, Bangyaprak, Phrapradaeng, Samuthprakarn.

(b) Nature of the Company's business

The principal activities of the Company and its subsidiary companies is the manufacturing and sales of steel office equipment and furniture and furniture parts, construction services and alternative energy sector.

(c) Major shareholder

As at December 31, 2019 and 2018, the Company's major shareholders are as follows :

	Percentage (%)	
	2019	2018
Family "Kunanantakul"	35.41	35.41
Family "Pongphundacha"	29.24	29.24
Family "Witchayawilat"	2.41	2.34

2. Basis for consolidated financial statements and operation

2.1 There financial statements were prepared by consolidating the financial statement of Siam Steel International (Public) Company Limited and subsidiaries which Siam Steel International (Public) Company Limited held direct and indirect shares as follows :

Company	Percentage of shareholding (%)		Type of business
	As at December	As at December	
	31, 2019	31, 2018	
<u>Subsidiary companies</u>			
Siam Okamura International Co., Ltd.	51	51	Distribution of office furniture and furniture used for public
Sri Chareon International Co., Ltd.	99.99	99.99	Distribution of office furniture and furniture parts
Siam Steel OC Co., Ltd.	51	51	Distribution of equipment, office furniture and industrial parts
Siam International Energy Co., Ltd.	99.99	99.99	Investment in alternative energy

Company	Percentage of shareholding (%)		Type of business
	As at December 31, 2019	As at December 31, 2018	
<u>Indirect subsidiary companies - held by</u>			
<u>Siam International Energy Co., Ltd.</u>			
Bangphra Green Energy Co., Ltd.	99.99	99.99	Manufacturing and distribution of solar equipment
Siam International Biomass Co., Ltd.	99.99	99.99	Investment in alternative energy
Siam Biomass Product Co., Ltd.	99.99	99.99	Investment in alternative energy
Siam Forest Management Co., Ltd.	60.00	60.00	Investment in alternative energy
<u>Indirect subsidiary companies - held by</u>			
<u>Siam Biomass Product Co., Ltd.</u>			
Siam Biomass Manufacturing Ltd. (Formerly Siam Biomass Product - South Pra Sang Co., Ltd.)	99.99	99.99	Investment in alternative energy
<u>Indirect subsidiary companies - held by</u>			
<u>Bangphra Green Energy Co., Ltd.</u>			
Rich Solar Energy Godo Kaisha Co., Ltd.	50.00	50.00	Investment in alternative energy

Movements of investments in subsidiary companies during year 2018

Rich Solar Energy Godo Kaisha Co., Ltd, an indirect subsidiary company returned capital of Baht 152.77 million, as described in note 11.

On 2 July 2018, at the Extraordinary General Shareholder Meetings No. 1/2018 of indirect subsidiary companies, Siam Wealth Energy Co., Ltd., Siam New Power Co., Ltd. and Siam Green Energy Plus Co., Ltd., the Shareholders approved to dissolve companies because the indirect subsidiary companies stopped their business plan in accordance with the registration purpose. The dissolutions were registered with the Department of Business Development on 2 July 2018 and the liquidation was subsequently registered with the Department of Business Development on 23 July 2018.

Siam Biomass Product Co., Ltd., (the indirect subsidiary), increased their paid up share capital from Baht 91,089,970 to Baht 92,079,970 (9,207,997 shares at par value of Baht 10 each). The holding percentage did not change.

- 2.2 As of December 31, 2019 and 2018, the total assets of subsidiary companies represent 54% and 52%, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiary companies for the year ended December 31, 2019 and 2018, represent 43% and 49%, respectively, of the total revenues in the consolidated financial statements.

- 2.3 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.
- 2.4 The consolidated financial statements are prepared by using uniform accounting policies. So that the transaction and the others event which are the same or the similar circumstances have been used the identical policies to record those transaction.
- 2.5 The financial statements of an overseas subsidiary is translated into Thai Baht at the closing exchange rate as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences have been shown under the caption of “Exchange differences on translating financial statements” in shareholders’ equity.
- 2.6 Outstanding balances between the Company and the subsidiaries, significant intercompany transactions, investment balance in the Company’s books and share capital of the subsidiaries are eliminated from the consolidated financial statements.
- 2.7 Investments in subsidiaries (at cost) and fair value of the subsidiaries at the date of acquisition have been offset and the difference there of has been shown as asset under the heading of “Goodwill” and to consider impairment loss.
- 2.8 Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control.
- 2.9 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.

3. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

3.1 Basis for the preparation of interim financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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

3.2 Thai Financial Reporting Standards that become effective in the current year

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Group financial statements.

3.3 Financial reporting standards that will become effective in the future

During the year, the Federation of Accounting Professions issued a number of the revised and new financial reporting standards, interpretations and the accounting guidance, 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. Except, the new standard involves changes to key principles, as summarized below.

Financial reporting standards related to financial instruments:

A set of TFRSs related to financial instruments, which 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. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

IFRS 16 Leases

These IFRSs supersede 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 IFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

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

- 3.4 During the year, the Company has adjusted the previous period's financial statements as the record for revenue recognition on consignment sales was incorrect. Summary of cumulative effect from adjusting the accounting policy on revenue recognition from consignment sales. The Company has restated the previous period's financial statements presented for comparative purpose as if the Company has always recorded the revenue recognition on consignment sales from the beginning. The cumulative effects of the accounting adjustment with effect on the statement of financial position and the comprehensive statement of income are as follows:

	Bath	
	<u>Consolidated /Separate Financial Statements</u>	
	<u>Balance As at December 31, 2018</u>	<u>Balance As at January 1, 2018</u>
<u>THE STATEMENTS OF FINANCIAL POSITION</u>		
<u>ASSETS</u>		
Trade accounts receivable from sales and services		
- general customers increase (decrease)	(8,484,318)	(10,601,429)
Inventories increase (decrease)	3,515,629	4,309,303
Deferred tax assets from consignment sale increase (decrease)	<u>1,258,425</u>	<u>1,258,425</u>
	<u><u>(3,710,264)</u></u>	<u><u>(5,033,701)</u></u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
<u>Retained earnings increase (decrease)</u>	<u>(3,710,264)</u>	<u>(5,033,701)</u>
	<u><u>(3,710,264)</u></u>	<u><u>(5,033,701)</u></u>

	Baht
	Consolidated /Separate Financial Statements
	For the year ended December 31, 2018
<u>THE STATEMENTS OF COMPREHENSIVE INCOME</u>	
<u>Profit or loss</u>	
Sales and services income increase	2,117,111
Cost of sales and services increase	793,674
Profit for the year increase	<u>1,323,437</u>
<u>Earnings per share</u>	
Profit (Baht per share) increase	0.002
Weighted average number of common shares (share)	593,125,849

3.5 Correction of financial statements for the year ended December 31, 2018 and 2017

The Company has adjusted the transactions of revenue recognition on consignment sales and reclassified some accounting transactions in the financial statements of 2018 and 2017 to conform with current classification with effect on the consolidated and separate financial statements as follows:

	Baht					
	Consolidated Financial Statements					
	As at December 31, 2018			As at December 31, 2017		
	As previously reported	increase (decrease)	Restated	As previously reported	increase (decrease)	Restated
<u>THE STATEMENTS OF FINANCIAL POSITION</u>						
<u>ASSETS</u>						
Trade accounts receivable from sales and services						
- general customers						
- Consignment	30,409,471	(8,484,318)	21,925,153	34,243,204	(10,601,429)	23,641,775
- General customers	223,472,793	(26,965,287)	196,507,506	266,576,505	(8,000,263)	258,576,242
	<u>253,882,264</u>	<u>(35,449,605)</u>	<u>218,432,659</u>	<u>300,819,709</u>	<u>(18,601,692)</u>	<u>282,218,017</u>
Inventories						
- Consignment goods	-	3,515,629	3,515,629	-	4,309,303	4,309,303
- General goods	384,111,334	(143,908,624)	240,202,710	287,419,819	-	287,419,819
	<u>384,111,334</u>	<u>(140,392,995)</u>	<u>243,718,339</u>	<u>287,419,819</u>	<u>4,309,303</u>	<u>291,729,122</u>
Property, plant and equipment	2,430,353,455	132,758,624	2,563,112,079	1,203,998,043	(7,150,000)	1,196,848,043
Deferred tax assets	5,827,010	(2,673,170)	3,153,840	97,990,140	1,258,425	99,248,565
Other non-current assets	5,055,929	11,150,000	16,205,929	17,159,095	7,150,000	24,309,095
	<u>3,079,229,992</u>	<u>(34,607,146)</u>	<u>3,044,622,846</u>	<u>1,907,386,806</u>	<u>(13,033,964)</u>	<u>1,894,352,842</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>						
Advances and deposits from customers						
- general customers	141,671,423	(26,965,287)	114,706,136	34,134,329	(8,000,263)	26,134,066
Deferred tax liabilities	3,931,595	(3,931,595)	-	-	-	-
Retained earnings	1,747,084,352	(3,710,264)	1,743,374,088	1,153,381,435	(5,033,701)	1,148,347,734

<u>1,892,687,370</u>	<u>(34,607,146)</u>	<u>1,858,080,224</u>	<u>1,187,515,764</u>	<u>(13,033,964)</u>	<u>1,174,481,800</u>
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Baht

Consolidated Financial Statements

for the year ended December 31, 2018

	As previously reported	increase (decrease)	Restated
<u>THE STATEMENTS OF COMPREHENSIVE INCOME</u>			
Sales and services income	1,704,347,745	2,117,111	1,706,464,856
Cost of sales and services	1,363,411,208	793,674	1,364,204,882
Profit for the year	238,630,340	1,323,437	239,953,777
Earnings per share			
Profit (Baht per share)	0.41	0.002	0.41
Weighted average number of common shares (share)	593,125,849	593,125,849	593,125,849

Baht

Separate Financial Statements

	As at December 31, 2018			As at December 31, 2017		
	As previously reported	increase (decrease)	Restated	As previously reported	increase (decrease)	Restated
<u>THE STATEMENTS OF FINANCIAL POSITION</u>						
<u>ASSETS</u>						
Trade accounts receivable from sales and services						
- general customers						
- Consignment	30,409,471	(8,484,318)	21,925,153	34,243,204	(10,601,429)	23,641,775
- General customers	115,923,930	(26,965,287)	88,958,643	116,571,642	(8,000,263)	108,571,379
	<u>146,333,401</u>	<u>(35,449,605)</u>	<u>110,883,796</u>	<u>150,814,846</u>	<u>(18,601,692)</u>	<u>132,213,154</u>
Inventories						
- Consignment goods	-	3,515,629	3,515,629	-	4,309,303	4,309,303
- General goods	309,551,066	(143,908,624)	165,642,442	204,620,926	-	204,620,926
	<u>309,551,066</u>	<u>(140,392,995)</u>	<u>169,158,071</u>	<u>204,620,926</u>	<u>4,309,303</u>	<u>208,930,229</u>
Property, plant and equipment	578,162,338	143,908,624	722,070,962	527,199,714	-	527,199,714
Deferred tax assets	-	-	-	89,648,971	1,258,425	90,907,396
	<u>1,034,046,805</u>	<u>(31,933,976)</u>	<u>1,002,112,829</u>	<u>972,284,457</u>	<u>(13,033,964)</u>	<u>959,250,493</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>						
Advances and deposits from customers - general customers	140,086,029	(26,965,287)	113,120,742	33,865,849	(8,000,263)	25,865,586
Deferred tax liabilities	3,931,595	(1,258,425)	2,673,170	-	-	-
Retained earnings	1,135,119,556	(3,710,264)	1,131,409,292	881,074,430	(5,033,701)	876,040,729
	<u>1,279,137,180</u>	<u>(31,933,976)</u>	<u>1,247,203,204</u>	<u>914,940,279</u>	<u>(13,033,964)</u>	<u>901,906,315</u>

	Baht		
	Separate Financial Statements		
	for the year ended December 31,2018		
	As previously reported	increase (decrease)	Restated
<u>THE STATEMENTS OF COMPREHENSIVE INCOME</u>			
Sales and services income	895,202,575	2,117,111	897,319,686
Cost of sales and services	712,376,141	793,674	713,169,815
Profit for the year	265,227,787	1,323,437	266,551,224
Earnings per share			
Profit (Baht per share)	0.45	0.002	0.45
Weighted average number of common shares (share)	593,125,849	593,125,849	593,125,849

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all fiscal periods presented in these financial statements.

4.1 Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

Sale of goods

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

Goods sales and installation

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts. which the Group will recognize revenue when install completely and already deliver to the customer.

Revenue from construction

Revenue from construction is recognized when the Group satisfies a performance obligation identified in contract by transferring services to customers over time. The services are transferred when the customers obtain control of those services. The Group measures progress towards complete satisfaction of a performance obligation by input method. If the payments exceed the services rendered, a contract liability is recognized. On the other hand, if payments less than the service rendered, a contract asset is recognized.

Revenue recognised but not due for payment under the agreement is presented as unbilled revenue in the statement of financial position which will be classified as trade accounts receivable when the company is entitled to receive payment without conditions such as when the company's service is complete and work is delivered to the customer.

The amount received or entitled to receive from the customer but still has an obligation to transfer product or service to the customer is presented as "advance received" in the statement of financial position which is recognised as revenue when the obligation has been performed as specified by the agreement.

Sale of electricity

Revenue from sale of electricity is recognised in the statement of comprehensive income based on the units of sales delivered at the applicable tariff rates and excludes value added taxes. Sales are the invoiced value, excluding value added tax, of goods supplied

Interest income

Interest income is recognized in profit or loss as it accrues.

Other income

Other income is recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

Restricted deposit with bank is presented under non - current assets in the statement of financial position.

4.3 Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realizable value. The Group provides allowance for doubtful accounts equal to the estimated collection losses that may incur in the collection process. The estimated losses are based on historical collection experiences coupled with a review of the current status of receivables.

4.4 Inventories

Inventory is stated at cost or net realisable value, whichever is lower.

The Group value their inventory by the following methods :

	<u>Appraisal Method</u>
Finished goods bought per sale - the Company	Stated at cost (moving average) or net realisable value, whichever is lower.
- subsidiary	Stated at cost (moving average and FIFO) or net realisable value, whichever is lower.
Finished goods own - production	Stated at cost (moving average) or net realisable value, whichever is lower.
Goods during production	Stated at cost (moving average)
Row material	Stated at cost (specific price)
Material	Stated at cost (moving average)

Cost of inventory consist of total purchase cost, coversion cost and other cost incurred for that inventory to be in the present lacion and condition. Such conversion cost includes the allowcation of appropriate manufacturing expense taking into account of narmal production capacity

Cost of purchase consist of purchase price and related expense to the product purchase such as import duty, transportation and other cost direcly involved with the acquisition of product and deducted of trade discounts and rebates.

Net realisable value is the estimate of expected selling price in the narmal course of business less production cost estimate to complete the production and cost necessary to pay for selling the goods.

4.5 Investments in related companies

Investments in subsidiary companies and associated companies in separate financial statements are presented by the cost method. The Company recognizes gain or loss on sale in the statement of profit or loss and other comprehensive income in the period which investments are sold. When there is an indication of impairment on investment, the Company will recognize loss from impairment as expense out rightly in the statement of comprehensive income. The Company recognizes dividends income when the subsidiary companies declare the payments of their dividends.

Investments in securities of related and other companies that are not subsidiary companies, not associated companies and/or not joint ventures, held as “General investment”, are valued at costs.

The Company makes the adjustments to devalue those investments when there is an indication of impairment.

Subsidiary companies

Subsidiary companies are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of Subsidiary companies are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Company’s interests in equity-accounted investees comprise interests in associates and a joint venture.

Associated

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Company has joint control, whereby the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-company balances and transactions, and any unrealized income or expenses arising from intra-company transactions, are eliminated. Unrealized gains arising from transactions with associate companies and jointly control entity are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

4.6 Goodwill

Goodwill represents the excess of the cost of investment over the fair value of investment, which the Company shares in the net identifiable assets of the subsidiary or associate at the date of acquisition. Goodwill on acquisition of a subsidiary is presented as a separate line in the consolidated financial statement. Goodwill on acquisition of an associate is included in investments in associates and is tested for impairment as part of the overall balance.

The goodwill recognized is tested annually for impairment and carried at cost less accumulated impairment losses. The impairment of goodwill is determined by calculating the realizable value based on the value-in-use calculation or fair value less costs to sell. Such calculation requires the use of estimates made by management. The allowance for impairment loss on goodwill is not reversed.

As for the cost of acquiring an investment that is lower than the fair value of the share of net assets of the subsidiary, the difference is negative goodwill and will be recognized immediately in the statement of comprehensive income.

4.7 General investments

Investments in non-marketable equity securities are general investments, which are stated at cost net from allowance on impairment (if any).

The Group records the loss on impairment (if any) of these investments in the statement of comprehensive income.

On disposal of an investment, the difference between the net proceeds and the book value of the investment is recognized as income or expense in the statement of comprehensive income. If partial investments are sold, the book value of the investment is determined by the weighted average method.

4.8 Properly, plant and equipment and depreciation

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

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company.

Depreciation of plant and equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Building and improvements	5 - 20 years
Improvements of leased factory	5 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 years
Transportation equipment.	5 years

The Group has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

Property, plant and equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

4.9 Assets not used in operation

Assets not used in operations are presented at carrying amount at the date when the assets are retired from active use, less allowance for impairment.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period when the asset is derecognized.

4.10 Borrowing costs

Borrowing costs directly attributed to the acquisition or construction of an asset that necessarily takes long time to put in ready to use or available for sale state are capitalized as part of the cost of the respective asset until that asset condition is ready for its intended use. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs arising from such borrowing.

4.11 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.12 Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense on a systematic basis over the lease term.

4.13 Financial leases

The Group records assets under finance leases as assets and liabilities at the amounts equal to the fair value of the leased assets at the inception of the lease or the present value of the minimum lease payments, whichever is lower. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease agreements. The interest charge is recorded to the different periods over the entire lease term based on the remaining balance of payable under financial lease agreement in each period.

4.14 Foreign currencies

Transactions in foreign currencies are translated into Baht at the rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currency outstanding at the statement of financial position date are translated into Baht at the rates ruling on the statement of financial date.

Exchange gains and losses are included in determining earnings.

Financial statements of foreign subsidiary

The financial statements of a subsidiary in foreign currency are translated into Baht for consolidation as follows:

Assets and liabilities	At closing rate
Share capital	At the rate the transaction was executed
Income and expenses	At average rate of exchange during the year
Cumulative translation adjustments	Shown under shareholders' equity in the consolidated financial statements

The above rates should not be construed that all assets, liabilities, income and expenses can be actually realized at those rates.

4.15 Impairment of assets

As at the statement of financial position date, the Group assesses whether there is an indication of asset impairment. If any such indication exists, the Group will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell. In determining fair value 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 transactions between knowledgeable, willing parties, after deducting the costs of disposal.

4.16 Employee benefits

Short-term employment benefits

The Group recognizes salary, wage, bonus and contributions to social security fund and provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

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

Post-employment benefits (Defined benefit plans)

The Group has obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate and mortality rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.

4.17 Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets that are recognized in profit or loss.

Cost of borrowing that does not relate to the acquisition, construction or asset production that falls into the condition is recognized in the profit or loss using the effective rate

4.18 Income tax expense

Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Group records income tax expense, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. And less certain transactions which are exemption or allowable from income tax.

Some subsidiary records income tax expense, if any, based on the amount currently payable under the Revenue Code. Income tax is calculated at the tax rates from net profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax. And less certain transactions which are exemption or allowable from income tax. Income tax is calculated at the rates as follows.

	<u>Tax rate</u>
<u>Net profit before income tax</u>	
Less than 300,000 Baht	exempted
300,000 - 3,000,000 Baht	15%
More than 3,000,000 Baht	20%

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Group expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

4.19 Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling on the balance sheet. Gains and losses from the translation are included in determining the statement of comprehensive income. Premiums or discounts on forward exchange contracts are amortized on a straight-line basis over the term of the agreement.

4.20 Provision

A liability provision is recognized when there is a present obligation which arises as a result of a past event and 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.

4.21 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances, affecting the amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

4.22 Earnings per share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares which are issued during the year and held by outside party.

Diluted earnings per share is computed by dividing profit for the year by the aggregate amount of weighted average number of ordinary shares which are issued during the year and the weighted average number of ordinary shares which the Company may have to issue for conversion of warrants to ordinary shares.

4.23 Critical accounting estimates, assumption and judgments

Construction revenues

The stage of completion of any construction contract is assessed by management by taking into consideration all information available at the reporting date. In this process, management carries out significant judgement about milestone, actual work performed and the estimated costs to complete the work. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion. Actual outcome, in terms of actual costs or revenues, may be higher or lower than estimates at the reporting date, which would affect the revenues and profit to be recognized in future years will be accounted for as an adjustment to the amounts recorded to date.

Allowance for project losses

The Company reviews its construction work in progress to determine whether there is any indication of foreseeable losses. Identified possible losses are recognized immediately in the statement of comprehensive income when it is probable that total contract costs will exceed total contract revenues as determined by the management.

Impairment of receivables

The Group account for allowance for doubtful accounts equal to the estimated collection losses that may incur should the customers be unable to pay for their accounts. The estimated losses are based on historical collection experiences couple with a review of outstanding receivables at the reporting date.

Allowance for decline value, slow-moving and defective inventories

The Group estimates allowances for decline value, slow-moving and defective inventories to reflect impairment of inventories. The allowances are based on the consideration of inventory turnovers and deterioration of each category.

Impairment of investments

The Group treats investments as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is “significant” or “prolonged” requires management judgment.

Plant equipment and computer software

Management regularly determines the estimated useful lives and residual values of plant equipment and computer software and will revise the depreciation and amortization charge where useful lives and residual values previously estimated have changed or subject to be written down or if asset is no longer in used.

Impairment of assets

The Group treat asset as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management judgment.

Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuation. Inherent within this calculation is assumption as to discount rate, future salary adjustment, mortality rate and other demographic factor. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality table for the country. Actual post-retirement cost may ultimately differ from this estimate.

Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

5. RELATED PARTY TRANSACTIONS

During the year, the Company had significant business transactions with its subsidiaries (which have already been eliminated in the preparation of consolidated financial statements) and related companies (related by ways of common shareholders and/or common directors). These transactions follow the trade terms and rules agreed between the Company and those companies in the normal course of business.

Detail of relation between the Company and its related parties and companies are summarized as follows :

Name	Country of incorporation	Type of Business	Relationship
Sri Chareon International Co., Ltd.	Thailand	Distribution of office furniture	Subsidiary company
Siam Okamura International Co., Ltd.	Thailand	Distribution of office furniture and furniture used for public	Subsidiary company
Siam Steel OC Co., Ltd.	Thailand	Distribution of equipment, office furniture and industrial parts	Subsidiary company
Siam International Energy Co., Ltd.	Thailand	Investment in alternative energy	Subsidiary company
Bangphra Green Energy Co., Ltd.	Thailand	Manufacturing and distribution of solar equipment and investment in solar plant	Indirect subsidiary company
Siam International Biomass Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Biomass Product Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Forest Management Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Biomass Manufacturing Ltd. (Formerly Siam Biomass Product - South Pra Sang Co., Ltd.)	Thailand	Investment in alternative energy	Indirect subsidiary company
Rich Solar Energy Godo Kaisha Co., Ltd.	Japan	Investment in alternative energy	Indirect subsidiary company
Siam Okamura Steel Co., Ltd.	Thailand	Manufacturing and distribution of office automation furniture for export	Associated company
Siam Steel Service Center Plc.	Thailand	Manufacturing and distribution of primary steel parts for various industries	Associated company
Unity Service Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Co-director
Formica (Thailand) Ltd.	Thailand	Manufacturing and distribution of plastic laminate products	Co-director
Panasonic SPT (Thailand) Co., Ltd (Formerly Panasonic Eco Solutions Steel (Thailand) Co., Ltd).	Thailand	Manufacturing and distribution of electrical appliance and supplies for construction such as electric wire, pipe and downstream equipment	Co-director
Siam Chitose Co., Ltd	Thailand	Manufacturing and distribution of furniture and furniture parts.	Co-director
Lucky-Kingdom Center (Nakornratchasima) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Lucky-Kingdom Center (Chiangmai) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Union Autoparts Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of motorcycles and motorcycle parts.	Co-director
Hirokoh (Thailand) Co., Ltd.	Thailand	Distribution and rental of movable instant office, movable instant restroom	Co-shareholder

As at December 31, 2019 and 2018 the account balances with related companies are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Trade accounts receivable from sales and services				
Subsidiary companies	-	-	2,006	3,257
Associated companies	51	50	51	48
Related companies	5,255	4,448	5,255	4,346
Total trade accounts receivable from sales and services - related companies	<u>5,306</u>	<u>4,498</u>	<u>7,312</u>	<u>7,651</u>
Receivables from and advances				
Subsidiary companies	-	-	337,907	81,984
Associated companies	1,602	1,637	1,602	1,637
Related companies	-	10	-	10
Total receivables from and advances - related companies	<u>1,602</u>	<u>1,647</u>	<u>339,509</u>	<u>83,631</u>
There is no interest charge for the above receivables and advances				
Other current asstes - investment in energy project				
Subsidiary companies	<u>-</u>	<u>-</u>	<u>47,510</u>	<u>51,855</u>
Short-term loans				
Subsidiary companies	<u>-</u>	<u>-</u>	<u>185,000</u>	<u>185,000</u>

Movements in short-term loans to subsidiary companies for the years ended December 31, 2019 and 2018 are as follows :

	In Thousand Baht			
	Separate Financial Statements			
	As at December 31, 2018	Increase	Decrease	As at December 31, 2019
Siam International Energy Co., Ltd.	185,000	-	-	185,000
Siam Biomass Manufacturing Ltd.	-	51,000	(51,000)	-
Total Short-term loans	<u>185,000</u>	<u>51,000</u>	<u>(51,000)</u>	<u>185,000</u>
	In Thousand Baht			
	Separate Financial Statements			
	As at December 31, 2017	Increase	Decrease	As at December 31, 2018
Siam International Energy Co., Ltd.	185,000	185,000	(185,000)	185,000
Total Short-term loans	<u>185,000</u>	<u>185,000</u>	<u>(185,000)</u>	<u>185,000</u>

Short-term loans from related companies as at December 31, 2019 and 2018 the subsidiary and indirect subsidiary companies have issued promissory note to the Company of Baht 185 million. The repayment is due May 17, 2020 and repayment on demand, has an interest at the rate of 7.80% per annum.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Short-term loans related companies	53,500	54,500	-	-

Movements in short-term loans of the indirect subsidiary companies for the years ended December 31, 2019 and 2018 are as follows :

	In Thousand Baht			
	Consolidated Financial Statements			
	As at December 31, 2018	Increase	Decrease	As at December 31, 2019
Short term loans - related companies	54,500	74,500	(75,500)	53,500

	In Thousand Baht			
	Consolidated Financial Statements			
	As at December 31, 2017	Increase	Decrease	As at December 31, 2018
Short term loans - related companies	57,000	67,500	(70,000)	54,500

As at December 31, 2019 and 2018, the indirect subsidiary companies have been granted short-term loans from related companies with interest between 1.48% - 2.50% per annum and 1.48% - 2.50% per annum, respectively. The loans are repayable between January 20, 2020 - September 11, 2020 and repayable between December 31, 2018 - September 27, 2019, respectively.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Accounts payable				
Associated companies	21,482	23,394	11,185	4,292
Related companies	12,796	8,407	4,842	2,397
Total account payable from - related companies	34,278	31,801	16,027	6,689

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Advances from				
Subsidiary companies	-	-	65,060	55,545
Associated companies	60	60	60	60
Related companies	2,812	2,874	1,855	808
Total advances from related companies	2,872	2,934	66,975	56,413
Total account payable and advances from - related companies	37,150	34,735	83,002	63,102
Advances and deposits from customers				
Subsidiary companies	-	-	85	2,562
Associated companies	1,793	-	1,793	-
Related companies	4,046	3,847	4,046	3,847
Total advances and deposits from customers - related companies	5,839	3,847	5,924	6,409
Key management personnel compensation				
Accrued bonus	1,587	1,197	1,564	1,179
Post - employment benefits	15,362	12,782	15,268	12,706
Total key management personnel compensation	16,949	13,979	16,832	13,885

The significant transactions with related companies for the year ended December 31, 2019 and 2018 have pricing policy as follows :

	The Policy of Pricing
Sales and services	Cost plus margin or agreed price
Income from sales of raw materials, factory supplies and others	Cost plus margin
Rental revenue	Agreed price
Interest income	Agreed rate
Dividend income	As announced
Purchases of raw materials	Cost plus margin or agreed price
Purchases of finished goods	Agreed price
Purchases of assets	Agreed price
Administrative and other expenses	Cost plus margin or agreed price
Financial cost	Agreed rate

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Sales and services income				
Subsidiary companies	-	-	16,648	46,425
Associated companies	646	939	94	533
Related companies	33,144	62,904	33,144	62,896
	<u>33,790</u>	<u>63,843</u>	<u>49,886</u>	<u>109,854</u>
Revenues from sales of raw materials, factory supplies and others				
Subsidiary companies	-	-	21,038	5,828
Associated companies	6,104	8,023	5,399	5,856
Related companies	15,572	10,351	15,537	10,189
	<u>21,676</u>	<u>18,374</u>	<u>41,974</u>	<u>21,873</u>
Rental revenue				
Subsidiary companies	-	-	3,680	10,395
Associated companies	7,173	-	7,173	-
Related companies	15,641	15,509	15,641	15,509
	<u>22,814</u>	<u>15,509</u>	<u>26,494</u>	<u>25,904</u>
Interest income				
Subsidiary companies	-	-	14,980	15,680
	<u>-</u>	<u>-</u>	<u>14,980</u>	<u>15,680</u>
Dividend income				
Subsidiary companies	-	-	3,672	621
Associated companies	-	-	24,033	25,793
Related companies	27,297	34,024	27,297	34,024
	<u>27,297</u>	<u>34,024</u>	<u>55,002</u>	<u>60,429</u>
Purchases of finished goods				
Subsidiary companies	-	-	170	120
Associated companies	164,725	202,160	20,921	20,538
Related companies	34,122	69,628	2,807	5,638
	<u>198,847</u>	<u>271,788</u>	<u>23,898</u>	<u>26,296</u>
Purchases of raw materials				
Associated companies	9,814	816	9,814	816
Related companies	8,865	5,668	8,865	5,668
	<u>18,679</u>	<u>6,484</u>	<u>18,679</u>	<u>6,484</u>
Purchases of assets				
Associated companies	800	-	800	-
Related companies	2,873	-	2,873	-
	<u>3,673</u>	<u>-</u>	<u>3,673</u>	<u>-</u>
Administrative and other expenses				
Subsidiary companies	-	-	240	242
Associated companies	21,871	20,393	84	652
Related companies	11,128	17,655	11,140	13,594
	<u>32,999</u>	<u>38,048</u>	<u>11,464</u>	<u>14,488</u>
Finance cost				
Related companies	1,596	1,539	-	-
	<u>1,596</u>	<u>1,539</u>	<u>-</u>	<u>-</u>

Management benefit expenses

Management benefit expenses represent the benefits paid to the Group's management such as salaries and related benefit including the benefit paid by other means. The Group's management is the persons who are defined under the Securities and Exchange Act.

Management benefit expenses for the year ended December 31, 2019 and 2018, are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Management				
Management benefit expenses				
Short-term employee benefits	21,666	22,246	19,887	19,472
Post-employment benefits	2,579	589	2,562	546
Total	<u>24,245</u>	<u>22,835</u>	<u>22,449</u>	<u>20,018</u>

6. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2019	2018	2019	2018
Cash	329	356	180	176
Deposits with financial institutions				
- Current accounts	255,168	61	1,850	49
- Savings accounts	570,521	1,026,215	276,119	481,164
- Fixed accounts	-	100,000	-	100,000
Total	<u>826,018</u>	<u>1,126,632</u>	<u>278,149</u>	<u>581,389</u>

Savings deposits with banks bear interest at the floating rates determined by banks.

The currencies denomination of cash and cash equivalents as at December 31, 2019 and 2018 are as follows:

	In Thousand Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	2019	2018	2019	2018
THB	551,484	1,108,321	258,197	563,078
USD	18,112	18,129	18,113	18,129
JPY	256,422	182	1,839	182
Total	<u>826,018</u>	<u>1,126,632</u>	<u>278,149</u>	<u>581,389</u>

7. TRADE ACCOUNTS RECEIVABLE

As at December 31, 2019 and 2018, the aged analysis of trade accounts receivable are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018 (Restated)	2019	2018 (Restated)
<u>Trade accounts receivable - general customers</u>				
Current	172,968	134,478	112,574	102,056
Overdue :				
Less than 3 months	59,284	77,571	4,085	8,456
3 months - 6 months	5,410	4,653	23	139
6 months - 12 months	611	1,331	423	68
Over 12 months	4,139	6,739	2,186	2,191
Total	242,412	224,772	119,291	112,910
<u>Less</u> Allowance for doubtful debts	(3,129)	(6,339)	(2,233)	(2,026)
Net	239,283	218,433	117,058	110,884
Accrued income	3,420	-	3,420	-
Total	242,703	218,433	120,478	110,884
<u>Trade accounts receivable - related companies</u>				
Current	5,263	4,385	5,985	6,900
Overdue :				
Less than 3 months	43	113	706	751
3 months - 6 months	-	-	20	-
Net	5,306	4,498	6,711	7,651
Accrued income	-	-	601	-
Total	5,306	4,498	7,312	7,651
Trade accounts receivable from construction work				
<u>Trade accounts receivable - general customers</u>				
Current	23,940	-	23,940	-
Total	23,940	-	23,940	-

The currencies denomination of trade accounts receivable as at December 31, 2019 and 2018 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
		(Restated)		(Restated)
THB	268,038	218,216	147,367	109,507
USD	7,040	9,510	6,596	9,510
JPY	-	1,544	-	1,544
Total	275,078	229,270	153,963	120,561
<u>Less</u> Allowance for doubtful accounts	(3,129)	(6,339)	(2,233)	(2,026)
Net	271,949	222,931	151,730	118,535

During the year, the movements in allowance for doubtful accounts are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Beginning as at January 1,	6,339	5,129	2,026	271
<u>Add</u> Additional allowances	238	2,032	238	1,995
<u>Less</u> Reversing of allowances	(1,177)	(822)	(31)	(240)
Written-off allowances	(111)	-	-	-
Transfer allowance for doubtful debts to non-current assets	(2,160)	-	-	-
Ending as at December 31,	3,129	6,339	2,233	2,026

During 2019, the Group had a reversal of allowance for doubtful accounts caused by receiving a refund from customer amounted Baht 1,177,172.43 and written-off amounted Baht 110,957.80 (Company only caused by receiving a refund from customer amounted Baht 31,192.16). And transfer allowance for doubtful debts to non-current assets amounted Baht 2,159,728.97.

During 2018, the Group had a reversal of allowance for doubtful accounts caused by receiving a refund from customer amounted.

8. INVENTORIES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Finished goods	149,052	160,986	95,676	74,320
Work in process	35,608	50,770	35,608	50,770
Raw materials and supplies	60,292	64,073	58,363	61,311
Total	244,952	275,829	189,647	186,401
<u>Less</u> Allowance for decline in value, slow-moving and defective inventories	(25,313)	(32,111)	(19,427)	(17,243)
Net	219,639	243,718	170,220	169,158

Movement in allowance for decline in value, slow-moving and defective inventories for the year end December 31, 2019 and 2018 are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Beginning as at January 1,	32,111	42,539	17,243	42,539
<u>Add</u> Additional allowances	2,286	53,942	2,184	39,043
<u>Less</u> Decrease	(9,084)	(64,370)	-	(64,339)
Ending as at December 31,	25,313	32,111	19,427	17,243

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Cost of inventory recorded as expense and total income in cost of sales				
- Cost	1,667,485	1,374,633	983,727	738,466
- Additional allowances	2,286	53,942	2,184	39,043
- Reversing of allowances	(2,956)	(64,370)	-	(64,339)
Ending as at December 31,	1,666,815	1,364,205	985,911	713,170

9. OTHER CURRENT ASSETS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Prepaid expenses	22,348	31,165	4,626	12,475
Prepaid insurance	1,455	997	1,113	634
Undue input VAT	6,861	11,935	5,234	5,417
Refundable value added tax	29,945	6,270	-	403
Advance payment	16,917	15,057	13,316	13,074
Investment in Energy Project	-	-	68,250	51,855
Refundable consumption tax	-	131,518	-	-
Others	31,390	11,780	295	721
Total	<u>108,916</u>	<u>208,722</u>	<u>92,834</u>	<u>84,579</u>
<u>Less</u> Allowance for doubtful debts of loan				
accrued interest	(12,223)	(12,223)	(12,223)	(12,223)
Allowance for decline in value of investment in the energy project	(20,741)	-	(20,741)	-
Total	<u>(32,964)</u>	<u>(12,223)</u>	<u>(32,964)</u>	<u>(12,223)</u>
Net	<u><u>75,952</u></u>	<u><u>196,499</u></u>	<u><u>59,870</u></u>	<u><u>72,356</u></u>

The indirect subsidiary company have entered into the Technical Service Agreement for Torrefaction Biomass Pellet with 2 third - party and the Company. This agreement has the objective for research and development of Torrefaction biomass pellet with FSC certificate. It is operated by the indirect subsidiary company. The monthly fee for service shall be calculated according to the actual cost, which the indirect subsidiary company took to provide service in the month. The Company and the third - party make payment for one third of the actual cost for each company. Moreover, the indirect subsidiary company called for investment from 3 companies equally. Baht 68.78 million each. The Company has recognized the billing amount in “Investment in Energy Project” and the indirect subsidiary company has recognized it in Cash received for using in “Energy Project” (Refer to Note 17).

On December 22, 2019, the subsidiary terminated the agreement so the Company has considered the recovery value from investment in the energy project. The management has estimated an allowance for decline in value of investment to Baht 20.74 million as presented in the statement of comprehensive income under administrative expenses.

10. RESTRICTED DEPOSITS WITH BANK

As at December 31, 2019 and 2018, the Company has fixed deposits totaling Baht 4.91 million and Baht 0.88 million, respectively, which are restricted for usage as they have been placed as collaterals for long-term loan from financial institutions, insurance of guarantee letter and credit card limit (Note 16).

As at December 31, 2019 and 2018, the subsidiaries company have fixed deposits totaling Baht 0.12 million and Baht 1.03 million, respectively, which are restricted for usage as they have been placed as collaterals for bank guarantees in respect of certain agreements required in the normal course of business of the subsidiaries company.

11. INVESTMENTS IN SUBSIDIARY COMPANIES, ASSOCIATED COMPANIES AND RELATED COMPANIES

As at December 31, 2019 and 2018, the balances of investments in subsidiaries, associated companies and related companies are as follows :

		In Thousand Baht									
		Consolidated Financial Statements									
Type of business		Paid-up share capital		Percentage of shareholding (%)		Cost method		Equity method		Dividend income	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<u>Investments</u>											
<u>Associated companies - equity method</u>											
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	104,421	108,575	-	1,760
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	673,335	670,347	24,033	24,033
						<u>162,627</u>	<u>162,627</u>	<u>777,756</u>	<u>778,922</u>	<u>24,033</u>	<u>25,793</u>
<u>Indirect associated company - equity method</u>											
Lucky-Kingdom Center Co., Ltd.	Investment in shares	12,000	12,000	40	40	4,800	4,800	4,996	4,882	-	-
Total investments in associated companies								<u>782,752</u>	<u>783,804</u>	<u>24,033</u>	<u>25,793</u>
<u>Related companies - cost method</u>											
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated product	199,150	199,150	5	5	38,052	38,052			25,391	32,260
Panasonic SPT (Thailand) Co.,Ltd (Formerly Panasonic Eco Solutions Steel (Thailand) Co., Ltd.)	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660			1,906	1,764
Total investment in related companies						<u>49,712</u>	<u>49,712</u>			<u>27,297</u>	<u>34,024</u>

During the year 2018 , Rich Solar Energy Godo Kaisha Co., Ltd, an indirect subsidiary, reduced its capital from Baht 603.59 million to Baht 301.17 million, and obtained financing to complete the construction of the power plant through a long - term loan from a financial institution of Baht 1,171.45 million (refer to note 16). The amount of capital returned to the Group was Baht 152.77 million and a further amount was paid to non - controlling interest of Baht 149.65 million. There was no change in the Company's

indirect holding in the subsidiary of 50% .

		In Thousand Baht							
		Separate Financial Statements							
Type of business		Paid-up share capital		Percentage of shareholding (%)		Cost method		Dividend income	
		2019	2018	2019	2018	2019	2018	2019	2018
<u>Investments accounted by cost method</u>									
<u>Subsidiary companies</u>									
Sri Chareon International Co., Ltd.	Distribution of steel furniture	14,000	14,000	99.99	99.99	14,000	14,000	-	-
Siam Okamura International Co., Ltd.	Distribution of steel furniture	20,000	20,000	51	51	10,199	10,199	3,672	612
Siam Steel OC Co., Ltd.	Distribution of finished buildings, wall and relating products	20,000	20,000	51	51	10,200	10,200	-	-
Siam International Energy Co., Ltd.	Investment in alternative energy	160,000	160,000	99.99	99.99	160,000	160,000	-	-
Total investment in subsidiary companies						194,399	194,399	3,672	612
<u>Less Allowance for impairment of investment</u>						(8,192)	(8,192)	-	-
Net						186,207	186,207	3,672	612
<u>Associated companies</u>									
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	-	1,760
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	24,033	24,033
Total investment in associated companies						162,627	162,627	24,033	25,793
<u>Related companies</u>									
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052	25,391	32,260
Panasonic SPT (Thailand) Co.,Ltd (Formerly Panasonic Eco Solutions Steel (Thailand) Co., Ltd.)	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660	1,906	1,764
Total investments in related companies						49,712	49,712	27,297	34,024
Total dividend income from investments accounted by cost method								55,002	60,429

Associated companies

The following table summarizes the financial information of the significant associated companies as included in their own financial statements. The table also reconciles the summarized financial information to the carrying amount of the Company's interest in these associates.

	In Thousand Baht			
	Siam Okamura Steel Co., Ltd.		Siam Steel Service Center Public Company Limited	
	2019	2018	2019	2018
Revenue	510,628	586,262	3,977,614	4,501,993
Profit (loss) for the year	(5,944)	(7,114)	118,667	166,842
Other comprehensive income (loss)	(4,325)	-	118	(958)
Total comprehensive income (loss)	(10,269)	(7,114)	118,785	165,884
Attributable to profit (loss) for the year				
Attributable to non - controlling interest	(2,378)	(2,846)	27,035	37,755
Attributable to investee's shareholders	(3,566)	(4,268)	91,750	128,129
Attributable to comprehensive for the year				
Attributable to non - controlling interest	(1,730)	-	-	-
Attributable to investee's shareholders	(2,595)	-	118	(958)
Current assets	224,093	217,462	2,371,766	2,680,272
Non-current assets	183,633	189,933	1,220,158	1,247,149
Current liabilities	(94,716)	(91,910)	(620,025)	(996,633)
Non-current liabilities	(17,216)	(9,422)	(97,857)	(69,932)
Net assets	<u>295,794</u>	<u>306,063</u>	<u>2,874,042</u>	<u>2,860,856</u>
Attributable to non - controlling interest	118,318	122,425	654,132	651,131
Attributable to investee's shareholders	117,476	183,638	2,219,910	2,209,726

As at December 31, 2019 and 2018, the fair value of the investment in Siam Steel Service Center Public Company Limited, which is listed on the Stock Exchange of Thailand, amounted to Baht 300.05 million (closing price Baht 2.06 per share, 145,656,000 common shares) and Baht 396.18 million (closing price Baht 2.72 per share, 145,656,000 common shares), respectively. For other investments in associates are not publicly listed on the Stock Exchange of Thailand and consequently do not have published price.

Movements in investments in associated companies for the years ended 31 December 2019 and 2018 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Book value - beginning as at January 1,	783,804	774,440	162,627	162,627
Share of income of investment - equity method	22,981	35,157	-	-
Dividend income	(24,033)	(25,793)	-	-
Book value - net as at December 31,	<u>782,752</u>	<u>783,804</u>	<u>162,627</u>	<u>162,627</u>

12. Non - controlling interests

The following table summarizes the information relating to each of the Group's subsidiary companies that has a material non-controlling interest, before any intra-group eliminations:

	In Thousand Baht			
	Consolidated Financial Statements			
	Siam Okamura International Co., Ltd.	Siam Steel OC Co., Ltd.	Siam Forest Management Co., Ltd.	Rich Solar Energy Godo Kaisha Co., Ltd.
Non-controlling interest percentage	49%	49%	40%	50%
Current assets	419,968	33,788	3,931	279,698
Non-current assets	24,062	946	14,409	1,426,609
Current liabilities	(49,306)	(21,006)	(13,487)	(97,146)
Non-current liabilities	(5,953)	(968)	-	(1,335,760)
Net assets	<u>388,771</u>	<u>12,760</u>	<u>4,853</u>	<u>273,401</u>
Book value of non - controlling interest	<u>190,498</u>	<u>6,252</u>	<u>1,941</u>	<u>136,701</u>
Revenue	561,886	49,881	-	211,819
Profit (loss) for the year	18,545	7,695	(1,596)	52,573
Comprehensive income (loss) for the year	1,356	-	-	(12,387)
Profit (loss) allocated to non-controlling interest	9,087	3,771	(688)	26,286
Comprehensive income (loss) allocated to non-controlling interest	664	-	-	(6,194)
Cash flows provided from (used in) operating activities	41,174	(4,317)	(6,160)	124,495
Cash flows provided from (used in) investing activities	(1,265)	(1)	-	24,274
Cash flows provided from (used in) financing activities	(7,200)	(389)	6,000	(101,298)
Exchange differences from translation of subsidiary	-	-	-	(27,052)
Net increase (decrease) in cash and cash equivalents	<u>32,709</u>	<u>(4,707)</u>	<u>(160)</u>	<u>20,419</u>

13. PROPERTY, PLANT AND EQUIPMENT - NET

	In Thousand Baht								
	Consolidated Financial Statements								
	Land	Buildings and improvements	Leasehold right and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Work in progress	Machinery and building under installation	Total
<u>At Cost</u>									
January 1, 2018	230,112	948,763	1,746	663,986	275,705	22,241	550,934	43	2,693,530
Increase	11,429	20,769	-	4,882	5,521	7,345	1,103,335	270,562	1,423,843
Financing costs capitalized	-	-	-	-	-	-	20,555	-	20,555
Disposal	-	(31,291)	(1,746)	(17,345)	(19,705)	-	-	-	(70,087)
Transfer in (out)	-	274,892	-	1,403,609	17	-	(1,674,824)	(3,677)	17
Exchange differences from translation of subsidiary	-	(3,865)	-	(20,013)	-	-	-	-	(23,878)
December 31, 2018	241,541	1,209,268	-	2,035,119	261,538	29,586	-	266,928	4,043,980
Increase	62,077	65,956	-	191,522	5,767	7,109	-	331,089	663,520
Disposal	-	(1,960)	-	-	(30,179)	(8,248)	-	(221,787)	(262,174)
Transfer in (out)	-	-	-	19,641	589	-	-	(7,092)	13,138
Exchange differences from translation of subsidiary	-	(15,077)	-	(76,155)	(1,888)	-	-	-	(93,120)
December 31, 2019	303,618	1,258,187	-	2,170,127	235,827	28,447	-	369,138	4,365,344
<u>Accumulated depreciation</u>									
January 1, 2018	-	641,192	1,746	570,673	253,391	21,905	-	-	1,488,907
Increase	-	26,446	-	21,520	5,788	517	-	-	54,271
Disposal	-	(30,032)	(1,746)	(17,344)	(19,705)	-	-	-	(68,827)
December 31, 2018	-	637,606	-	574,849	239,474	22,422	-	-	1,474,351
Increase	-	30,355	-	76,191	12,218	2,545	-	-	121,309
Disposal	-	(1,960)	-	-	(30,098)	(8,248)	-	-	(40,306)
Transfer in (out)	-	-	-	17,281	(1)	-	-	-	17,280
Exchange differences from translation of subsidiary	-	(141)	-	(635)	(63)	-	-	-	(839)
December 31, 2019	-	665,860	-	667,686	221,530	16,719	-	-	1,571,795

	In Thousand Baht								
	Consolidated Financial Statements								
	Land	Buildings and improvements	Leasehold right and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Work in progress	Machinery and building under installation	Total
<u>Allowance for impairments</u>									
January 1, 2018	6,517	1,260	-	-	-	-	-	-	7,777
Disposal	-	(1,260)	-	-	-	-	-	-	(1,260)
December 31, 2018	6,517	-	-	-	-	-	-	-	6,517
Disposal	-	-	-	-	-	-	-	-	-
December 31, 2019	6,517	-	-	-	-	-	-	-	6,517
<u>Net book value</u>									
December 31, 2018	235,024	571,662	-	1,460,270	22,064	7,164	-	266,928	2,563,112
December 31, 2019	297,101	592,327	-	1,502,441	14,297	11,728	-	369,138	2,787,032
Depreciation for the year 2018									
Cost of goods sold									30,690
Administrative expenses									23,581
<u>Less</u> Allowance for impairments amortization									(1,260)
Total									53,011
Depreciation for the year 2019									
Cost of goods sold									98,449
Administrative expenses									25,446
Total									123,895

The indirect subsidiary has pledged land and machines (including present and future structure there on) as collaterals for loan from banks (Note 16).

	In Thousand Baht							Total
	Separate Financial Statements							
	Land	Buildings and improvements	Leasehold right and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Machinery and building under installation	
<u>At Cost</u>								
January 1, 2018	209,152	922,029	1,746	604,357	211,476	20,550	-	1,969,310
Increase	11,429	20,735	-	874	1,095	7,000	184,312	225,445
Disposal	-	(31,291)	(1,746)	(17,345)	(6,482)	-	-	(56,864)
Transfer in (out)	-	3,677	-	-	17	-	(3,677)	17
December 31, 2018	220,581	915,150	-	587,886	206,106	27,550	180,635	2,137,908
Increase	62,077	4,183	-	6,311	1,339	3,995	328,041	405,946
Disposal	-	(1,960)	-	-	(27,871)	(8,000)	(221,788)	(259,619)
Transfer in (out)	-	-	-	19,641	589	-	(1,280)	18,950
December 31, 2019	282,658	917,373	-	613,838	180,163	23,545	285,608	2,303,185
<u>Accumulated depreciation</u>								
January 1, 2018	-	639,742	1,746	567,859	204,437	20,549	-	1,434,333
Increase	-	22,651	-	4,688	2,409	332	-	30,080
Disposal	-	(30,032)	(1,746)	(16,834)	(6,481)	-	-	(55,093)
December 31, 2018	-	632,361	-	555,713	200,365	20,881	-	1,409,320
Increase	-	15,006	-	4,848	2,293	2,155	-	24,302
Disposal	-	(1,960)	-	-	(27,857)	(8,000)	-	(37,817)
Transfer in (out)	-	-	-	17,281	-	-	-	17,281
December 31, 2019	-	645,407	-	577,842	174,801	15,036	-	1,413,086

	In Thousand Baht							Total
	Separate Financial Statements							
	Land	Buildings and improvements	Leasehold right and improvements	Machinery and equipment	Furniture, fixtures and office equipment	Transportation equipment	Machinery and building under installation	
<u>Allowance for impairments</u>								
January 1, 2018	6,517	1,260	-	-	-	-	-	7,777
Disposal	-	(1,260)	-	-	-	-	-	(1,260)
December 31, 2018	6,517	-	-	-	-	-	-	6,517
Disposal	-	-	-	-	-	-	-	-
December 31, 2019	6,517	-	-	-	-	-	-	6,517
<u>Net book value</u>								
December 31, 2018	214,064	282,789	-	32,173	5,741	6,669	180,635	722,071
December 31, 2019	276,141	271,966	-	35,996	5,362	8,509	285,608	883,582
Depreciation for the year 2018								
Cost of goods sold								13,538
Administrative expenses								16,542
<u>Less Allowance for impairments amortization</u>								(1,260)
Total								28,820
Depreciation for the year 2019								
Cost of goods sold								12,654
Administrative expenses								11,648
Total								24,302

As at December 31, 2019 and 2018, the gross carrying amount of fully depreciated building and equipment which are still in use amounted to Baht 1,418.76 million and Baht 1,443.33 million, respectively, for the consolidated financial statements, and amounted to Baht 1,389.30 million and Baht 1,413.16 million, respectively, for the separate financial statements.

14. ASSETS NOT USED IN OPERATION

	In Thousand Baht				
	Consolidated Financial Statements/ Separate Financial Statements				
	Land	Building and Improvements	Machinery and equipment	Furniture, fixtures and office equipment	Total
At Cost					
As at January 1, 2018	37,676	152,161	41,864	3,968	235,669
Increase	-	-	-	-	-
Disposal	(37,676)	(152,161)	(22,223)	(3,968)	(216,028)
As at December 31, 2018	-	-	19,641	-	19,641
Increase	-	-	-	-	-
Transfer to land, plant and equipments	-	-	(19,641)	-	(19,641)
Disposal	-	-	-	-	-
As at December 31, 2019	-	-	-	-	-
Accumulated depreciation					
As at January 1, 2018	-	31,117	36,122	3,030	70,269
Increase	-	-	-	-	-
Disposal	-	(31,117)	(18,841)	(3,030)	(52,988)
As at December 31, 2018	-	-	17,281	-	17,281
Increase	-	-	-	-	-
Transfer to land, plant and equipments	-	-	(17,281)	-	(17,281)
Disposal	-	-	-	-	-
As at December 31, 2019	-	-	-	-	-
Net book value					
December 31, 2018	-	-	2,360	-	2,360
December 31, 2019	-	-	-	-	-

15. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

15.1 Deferred tax assets and deferred tax liabilities are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Deferred tax assets	30,471	22,297	22,514	16,471
Deferred tax liabilities	(18,629)	(19,144)	(18,629)	(19,144)
	<u>11,842</u>	<u>3,153</u>	<u>3,885</u>	<u>(2,673)</u>

15.2 Changes in deferred tax assets and deferred tax liabilities for the years ended December 31, 2019 and 2018 are summarized as follows :

	In Thousand Baht			
	Consolidated Financial Statements			
	Balance as at December 31, 2018 (Restated)	Recognized as income (expense) Profit/ (Loss)		Balance as at December 31, 2019
		Other	comprehensive	
		income		
Deferred tax assets:				
Allowance for doubtful accounts of trade accounts receivable from sales and service	3,712	(316)	-	3,396
Allowance for decline value in inventories	5,191	(153)	-	5,038
Reserve for employee benefits obligation	9,822	376	1,411	11,609
Exchange differences on translating	2,314	-	3,097	5,411
Consignment	1,258	(389)	-	869
Allowance for decline in value of investment in the energy project	-	4,148	-	4,148
Total	<u>22,297</u>	<u>3,666</u>	<u>4,508</u>	<u>30,471</u>
Deferred income tax liabilities				
The difference of depreciation of fixed assets between accounting base and tax base	19,144	515	-	18,629
Total	<u>19,144</u>	<u>515</u>	<u>-</u>	<u>18,629</u>
	<u>3,153</u>	<u>4,181</u>	<u>4,508</u>	<u>11,842</u>

In Thousand Baht				
Consolidated Financial Statements				
	Balance as at	Recognized as income (expense)		Balance as at
	December	Profit/ (Loss)	Other	December
	31, 2017		comprehensive	31, 2018
	(Restated)		income	(Restated)
Deferred tax assets:				
Allowance for doubtful accounts of trade accounts				
receivable from sales and service	1,025	2,687	-	3,712
Allowance for decline value in inventories	8,508	(3,317)	-	5,191
Reserve for employee benefits obligation	7,596	913	1,313	9,822
Difference from financial statement conversion	6,010	-	(3,696)	2,314
Accumulated tax loss carried forward not over				
5 year	99,771	(99,771)	-	-
Consignment	1,258	-	-	1,258
Total	<u>124,168</u>	<u>(99,488)</u>	<u>(2,383)</u>	<u>22,297</u>
Deferred income tax liabilities				
The difference of depreciation of fixed assets				
between accounting base and tax base	24,920	5,776	-	19,144
Total	<u>24,920</u>	<u>5,776</u>	<u>-</u>	<u>19,144</u>
	<u>99,248</u>	<u>(93,712)</u>	<u>(2,383)</u>	<u>3,153</u>

In Thousand Baht				
Separate Financial Statements				
	Balance as at	Recognized as income (expense)		Balance as at
	December	Profit/ (Loss)	Other	December
	31, 2018		comprehensive	31, 2019
	(Restated)		income	
Deferred tax assets:				
Allowance for doubtful accounts of trade accounts				
receivable from sales and service	2,850	(6)	-	2,844
Allowance for decline value in inventories	3,448	438	-	3,886
Reserve for employee benefits obligation	8,914	104	1,749	10,767
Consignment	1,258	(389)	-	869
Allowance for decline in value of investment in the				
energy project	-	4,148	-	4,148
Total	<u>16,470</u>	<u>4,295</u>	<u>1,749</u>	<u>22,514</u>
Deferred income tax liabilities				
The difference of depreciation of fixed assets				
between accounting base and tax base	19,143	514	-	18,629
Total	<u>19,143</u>	<u>514</u>	<u>-</u>	<u>18,629</u>
	<u>(2,673)</u>	<u>4,809</u>	<u>1,749</u>	<u>3,885</u>

	In Thousand Baht			
	Separate Financial Statements			
	Balance as at December 31, 2017	Recognized as income (expense) Profit/ (Loss) Other comprehensive income		
Deferred income tax assets				
Allowance for doubtful accounts of trade accounts receivable from sales and service	54	2,796	-	2,850
Allowance for decline value in inventories	8,507	(5,059)	-	3,448
Reserve for employee benefits obligation	6,236	1,365	1,313	8,914
Accumulated tax loss carried forward not over 5 year	99,771	(99,771)	-	-
Consignment	1,258	-	-	1,258
Total	<u>115,826</u>	<u>(100,669)</u>	<u>1,313</u>	<u>16,470</u>
Deferred income tax liabilities				
The difference of depreciation of fixed assets between accounting base and tax base	24,919	5,776	-	19,143
Total	<u>24,919</u>	<u>5,776</u>	<u>-</u>	<u>19,143</u>
	<u>90,907</u>	<u>(94,893)</u>	<u>1,313</u>	<u>(2,673)</u>

As at December 31, 2019 and 2018, the Group has accumulated tax losses since 2015 unused in the amount of Baht 456.99 million and amount Bath 477.34 million, respectively (Separate financial statement Bath 264.58 million and Bath 320.56 million respectively) with the Group didn't record deferred tax asset from tax loss as it is still uncertain if the Company will have tax profit adequate for utilizing the deferred tax asset.

16. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2019 and 2018, the Company and an indirect subsidiary company has long-term loans from financial institutions as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Long-term loans from financial institutions	1,926,559	212,860	212,860	212,860
Additional long-term loan from financial institution	102,133	1,713,699	-	-
Repayment during the year	(166,358)	-	(10,385)	-
Deferred finance costs	(72,728)	(98,202)	-	-
Amortization of deferred finance costs	1,011	1,011	-	-
Exchange differences from translation of foreign operation	(133,485)	(39,000)	-	-
Total	1,657,132	1,790,368	202,475	212,860
<u>Less</u> Current portion of long-term loans from financial institutions	(260,950)	(68,001)	(189,508)	(5,784)
Long-term loans from financial Institutions	1,396,182	1,722,367	12,967	207,076

As at December 31, 2019 and 2018, the Company had long-term loans from financial institutions amount of Baht 202.48 million and amount Baht 212.86 million, respectively, with interest at a rate of MLR - 0.5% per annum which are collateralized by the pledge of 112,702,000 shares of an associated company. In addition, the Company has to deposit dividends received from such shares into a bank account accumulatively until it reaches Baht 10 million as additional collateral. The Company also has to pledge shares belonging to the Company's directors of 25,000,000 shares as collateral for this loan. This loan is repayable within December 2020.

As at December 31, 2019 and 2018, an indirect subsidiary company has entered into long-term loans from financial institutions which have details as below:

	Credit Line	Interest rate	Repayment
Senior loan A	Yen 1,120 million	TIBOR + 0.425% per annum	First repayment date is June 30, 2019 and final
Senior loan B	Yen 4,480 million	1.250% per annum	repayment date is June 30, 2037. Repayment date is June 30 and December 31 each year.
Consumption tax loan	Yen 340 million	TIBOR + 0.400% per annum	Refund of consumption tax
Loan to expend modulation capacity	Bath 180 million	Prime Rate -1% per annum	First repayment date is November 30, 2020

In addition, the indirect subsidiary company has to maintain financial ratios as determined in the loan agreement. These loans are to finance the construction of a power plant project and repay capital to the investors as disclosed in note 11.

17. OTHER CURRENT LIABILITIES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Account Payable for construction factory	-	152,875	-	-
Cash received for using in energy project (Note 9)	138,100	106,695	-	-
Accrued employee expenses	27,165	29,703	18,869	19,913
Accrued construction costs	20,386	10,124	20,386	10,124
Accrued incentive expenses	6,164	4,802	6,164	4,802
Accrued rental and utilities expenses	2,082	2,305	1,469	1,800
Accrued transportation	1,386	1,958	1,386	1,958
Accrued consulting service	5,039	2,109	5,039	2,110
Others	79,114	36,855	25,123	24,640
Total	<u>279,436</u>	<u>347,426</u>	<u>78,436</u>	<u>65,347</u>

18. EMPLOYEE BENEFIT OBLIGATIONS

Movements of employee benefit obligations for the years ended December 31, 2019 and 2018 are as follow:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
The statements of financial position				
Defined benefit obligations as at January 1,	49,715	35,580	44,570	31,182
Loss (gain) estimation over actuarial principles	7,053	6,635	8,748	6,564
Past service costs and interest				
- change a considered a post - employment plan amendment	905	10,987	-	10,960
Current Service costs and interest	3,489	2,729	2,922	2,073
Employee benefit obligations paid	(2,516)	(6,216)	(2,404)	(6,209)
Defined benefit obligations, as at December 31,	58,646	49,715	53,836	44,570
Reclassified to current portion	(19,655)	(16,408)	(19,439)	(16,192)
Net	38,991	33,307	34,397	28,378

The Group recognized actuarial gain or loss in the statements of other comprehensive income.

Revenues and expenses recognized in the statement of comprehensive income for the years ended December 31, 2019 and 2018 are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
The statement of comprehensive income				
Recognized in profit or loss				
Past service costs and interest	905	10,987	-	10,960
Current service costs and interest				
Cost of sales	674	452	674	452
Selling expenses	203	151	200	151
Administrative expenses	1,472	1,316	918	667
Interest on obligation	1,140	810	1,130	803
Total	4,394	13,716	2,922	13,033
Recognized in other comprehensive income				
Loss (gain) estimation over actuarial principles	7,053	6,635	8,748	6,564
Total	7,053	6,635	8,748	6,564
Total	11,447	20,351	11,670	19,597

Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the year ended December 31, 2019 arise from

Recognize in the statement of comprehensive income

	In Thousand Baht	
	Consolidated	Separate
	Financial	Financial
	Statements	Statements
	2019	2019
Improvement from experience	4,449	4,625
Population assumption	202	(751)
Financial assumption	2,402	4,874
Total	7,053	8,748

Significant assumptions based on actuarial techniques

Significant assumptions based on actuarial techniques as at report date are as follows;

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Discount rate : Monthly staff	1.44% - 3.37%	2.40% - 3.27%	1.44%	2.40%
Discount rate : Daily staff	1.50%	2.66%	1.50%	2.66%
Average future salary increment rate	3.85% - 5.45%	2.86% - 5.66%	5.40% - 5.45%	4.57% - 5.66%
Mortality rate	TMO 2017	TMO 2017	TMO 2017	TMO 2017
Normal retirement age	60 years	60 years	60 years	60 years

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2019 and 2018 are summarized below:

	In Thousand Baht			
	2019			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (percentage of change 0.5%)	(1,723)	1,808	(1,484)	1,564
Future salary increase rate (percentage of change 0.5%)	1,752	(1,688)	1,521	(1,458)
Staff turnover rate (percentage of change 1.0%)	3,504	3,859	(3,234)	3,596

	In Thousand Baht			
	2018			
	Consolidated Financial Statements		Separate Financial Statements	
	Increase	Decrease	Increase	Decrease
Discount rate (percentage of change 0.5%)	(1,511)	1,598	(1,228)	1,295
Future salary increase rate (percentage of change 0.5%)	1,550	(1,478)	1,295	(1,207)
Staff turnover rate (percentage of change 1.0%)	(3,303)	3,258	(2,677)	2,997

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
	Within one year	20,217	16,424	19,439
Between 2 - 5 years	12,064	9,185	11,187	8,993
Between 6 - 10 years	27,160	26,014	25,523	22,481
Between 11 - 15 years	16,907	18,501	14,105	13,680
More than 16 years	-	15,746	-	7,890
Total	76,348	85,870	70,254	69,236

19. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the consolidated statements of financial position as at December 31, 2019 and 2018, the Company and its subsidiaries's debt-to-equity ratio was 0.86 : 1 and 0.94 : 1, respectively.

According to the separate statements of financial position as at December 31, 2019 and 2018, the Company's debt-to-equity ratio was 0.37 : 1 and 0.33 : 1, respectively.

20. LEGAL RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net income 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.

Under the terms of the Civil and Commercial Code, ten subsidiaries are required to set aside as statutory reserve at least 5 percent of its net income at each dividend declaration as the statutory reserve until the statutory reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

21. PROVIDENT FUND

The Company established a provident fund under the Provident Fund Act (B.E. 2530). The fund is contributed to by the employees and the Company and is managed by Kasikorn Asset Management. The fund will be paid to the employees upon termination in accordance with the rules of the fund. The Company has contributed to provident fund for the year ended December 31, 2019 and 2018 as follow:

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	2019	2018	2019	2018
Provident fund	<u>4,567</u>	<u>4,461</u>	<u>3,476</u>	<u>3,409</u>

22. DIVIDEND

Details of the Company's dividends declaration and payments for the years ended December 31, 2019 and 2018 is as follows :

2019	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)	Paid date
Annual dividend	Annual General Meeting of the shareholders held on April 29, 2019	593,125,849	0.01	<u>5,931</u>	May 27, 2019
2018	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)	Paid date
Annual dividend	Annual General Meeting of the shareholders held on April 27, 2018	593,125,849	0.01	<u>5,931</u>	May 25, 2018

Details of subsidiary's dividends declaration and payments for years ended December 31, 2019 and 2018 are as follows :

2019	Approved by	Qualified common share (Shares)	Dividend pers hare (Baht)	Dividend paid (Thousand Baht)			Paid date
				Portion of the Company	Portion of non- controlling interest	Total	
Annual dividend	Annual General Meeting of the shareholders held on March 22, 2019	200,000	36	<u>3,672</u>	<u>3,528</u>	<u>7,200</u>	April 19, 2019

2018	Approved by	Qualified common share (Shares)	Dividend pers hare (Baht)	Dividend paid (Thousand Baht)			Paid date
				Portion of the Company	Portion of non- controlling interest	Total	
Annual dividend	Annual General Meeting of the shareholders held on March 23, 2018	200,000	6	<u>612</u>	<u>588</u>	<u>1,200</u>	April 20, 2018

23. OTHER INCOME

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Rental revenue	33,554	21,430	37,054	31,660
Reveral of provision in litigation	2,331	18,621	2,331	18,621
Other service income	33,599	15,339	21,588	12,798
Utilities income	8,140	6,148	8,370	6,421
Interest income	7,324	6,105	19,255	20,419
Tax compensation income	466	461	466	461
Commission income	-	-	4,314	5,449
Total	<u>85,414</u>	<u>68,104</u>	<u>93,378</u>	<u>95,829</u>

During the year 2018, a litigation against the Company was ruled by the Court in favor of the Company and the provision of Baht 18.62 million was reversed and recorded in other income in the statement of profit or loss for year ended December 31, 2018.

24. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Raw materials and supplies used	350,406	441,813	350,406	441,813
Changes in inventories of finished goods and work in process	27,096	(14,801)	(6,194)	(10,934)
Cost of sales in finished goods	467,019	605,284	-	-
Salaries, wages and other employee benefits	332,935	337,935	239,318	252,670
Subcontractor expenses	66,268	57,723	64,697	57,723
Allowance (reversal of allowance) for doubtful debts	(1,228)	13,433	207	13,978
Depreciation and amortization	171,950	53,011	24,302	28,820
Costs of construction	68,133	45,930	68,133	45,930
Transportation fee	70,301	26,393	60,404	26,393
Rental expenses	24,962	22,325	5,725	5,089
Utilities expenses	26,486	19,579	16,105	17,903
Consulting fees	42,821	14,244	41,523	14,244
Allowance (reversal of allowance) for decline value of inventories	2,192	(10,397)	2,184	(25,295)
Allowance for decline in value of investments	-	-	-	8,192
Allowance for decline in value of investment in the energy project	20,741	-	20,741	-
Others	664,583	274,496	524,416	199,839
Total	2,334,665	1,886,968	1,411,967	1,076,365

25. Tax expense (income)

25.1 Major components of tax expense (income)

For the years ended December 31, 2019 and 2018 consisted of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Income tax expense (income) shown in profit or loss :				
Current tax expense:				
Income tax expense for the year	6,998	7,101	-	-
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(4,181)	93,712	(4,809)	94,893
Total	<u>2,817</u>	<u>100,813</u>	<u>(4,809)</u>	<u>94,893</u>
Income tax relating to components of other comprehensive income :				
Deferred tax relating to :				
Loss estimation over actuarial principle	1,411	1,313	1,749	1,313
Exchange differences on translating	(3,097)	(3,696)	-	-
Total	<u>(1,686)</u>	<u>(2,383)</u>	<u>1,749</u>	<u>1,313</u>

25.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

For the years ended December 31, 2019 and 2018 which are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Accounting profit (loss) for the period	54,593	340,767	67,821	361,445
The applicable tax rate (%)	20	20	20	20
Tax expense (income) at the applicable tax rate	10,919	68,153	13,564	72,289
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	4,118	3,977	3,559	3,339
Tax effect of income or profit that are not required in determining taxable profit:				
- Exemption of non-taxable dividend income	(5,459)	(6,804)	(11,000)	(12,086)
- Others	(6,761)	35,487	(10,932)	31,351
Total reconciliation items	<u>(8,102)</u>	<u>32,660</u>	<u>(18,373)</u>	<u>22,604</u>
Total tax expense (income)	<u>2,817</u>	<u>100,813</u>	<u>(4,809)</u>	<u>94,893</u>

25.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2019 and 2018 are summarized as follows:

	Consolidated Financial Statements			
	2019		2018	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	54,593		340,767	
Tax expense (income) at the applicable tax rate	10,919	20.00	68,153	20.00
Reconciliation items	(8,102)	(14.84)	32,660	9.58
Tax expense (income) at the average effective tax rate	2,817	5.16	100,813	29.58

	Separate Financial Statements			
	2019		2018	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	67,821		361,445	
Tax expense (income) at the applicable tax rate	13,564	20.00	72,289	20.00
Reconciliation items	(18,373)	(27.09)	22,604	6.25
Tax expense (income) at the average effective tax rate	(4,809)	7.09	94,893	26.25

26. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing profit for the year attributable to equity holders of the parent company for the year by the weighted average number of ordinary shares which are issued during the year and held by outside party.

	Consolidated Financial Statements		Separate Financial Statements	
	For the years ended December 31,		For the years ended December 31,	
	2019	2018 (Restated)	2019	2018 (Restated)
Profit (loss) for the years to equity holders (Thousand Baht)				
Profit (loss) attributable to equity holders of the parent company	13,270	246,270	72,630	266,551
Weighted average number of ordinary shares (Thousand shares)	593,126	593,126	593,126	593,126
Basic earnings (loss) per share of the parent company				
Profit (loss) for the years (Thousand Baht per share)	0.02	0.41	0.12	0.45

27. SEGMENTAL FINANCIAL INFORMATION

	In Thousand Baht									
	For the years ended December 31,									
	2019					2018				
	Furniture	Revenue of construction work	Energy	Eliminated	Total	Furniture	Revenue of construction work	Energy	Eliminated	Total
Revenues from sales and service	1,912,186	-	305,250	(16,686)	2,200,750	1,696,398	-	56,673	(46,606)	1,706,465
Revenues from construction work	-	86,480	-	-	86,480	-	52,284	-	-	52,284
Total revenues	<u>1,912,186</u>	<u>86,480</u>	<u>305,250</u>	<u>(16,686)</u>	<u>2,287,230</u>	<u>1,696,398</u>	<u>52,284</u>	<u>56,673</u>	<u>(46,606)</u>	<u>1,758,749</u>
Costs of sales and services	(1,494,763)	-	(189,180)	17,127	(1,666,816)	(1,324,421)	-	(56,412)	47,162	(1,333,671)
Costs of construction work	-	(68,133)	-	-	(68,133)	-	(45,931)	-	-	(45,931)
Loss on sale from Deterorated inventory	-	-	-	-	-	(24,405)	-	(6,128)	-	(30,533)
Total cost	<u>(1,494,763)</u>	<u>(68,133)</u>	<u>(189,180)</u>	<u>17,127</u>	<u>(1,734,949)</u>	<u>(1,348,826)</u>	<u>(45,931)</u>	<u>(62,540)</u>	<u>47,162</u>	<u>(1,410,135)</u>
Total gross profit	<u>417,423</u>	<u>18,347</u>	<u>116,070</u>	<u>441</u>	<u>552,281</u>	<u>347,572</u>	<u>6,353</u>	<u>(5,867)</u>	<u>556</u>	<u>348,614</u>
Depreciation					(123,895)					(53,011)
Finance cost					(40,521)					(11,505)
Profit before income tax					54,592					340,767
Property, plant and equipment					2,787,032					2,563,112
Assets not used in operation					-					2,360
Other assets					2,452,629					2,856,862
Total assets as at December 31,					5,329,661					5,422,334
Total liabilities as at December 31,					2,415,331					2,620,561

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2019 and 2018 are as follows:

	Consolidated financial statements (In Baht)				
	Balance as at January 1, 2019	Cash flows increase (decrease)*	Non-cash transaction Increase	Reverse from selling of subsidiaries	Balance as at December 31, 2019
Short-term loans from related companies	54,500	(1,000)	-	-	53,500
Long-term loan from financial institution	1,790,368	(64,225)	25,474	(94,485)	1,657,132
Total	1,844,868	(65,225)	25,474	(94,485)	1,710,632

	Consolidated financial statements (In Baht)				
	Balance as at January 1, 2018	Cash flows increase (decrease)*	Non-cash transaction Increase	Reverse from selling of subsidiaries	Balance as at December 31, 2018
Short-term loans from related companies	57,000	(2,500)	-	-	54,500
Short-term loans from other person	100,000	(100,000)	-	-	-
Long-term loans from related	222,029	1,607,339	-	(39,000)	1,790,368
Total	379,029	1,504,839	-	(39,000)	1,844,868

	Separate Financial Statements (In Baht)			
	Balance as at January 1, 2019	Cash flows increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2019
Long-term loan from financial institution	212,860	(10,384)	-	202,476
Total	212,860	(10,384)	-	202,476

	Separate Financial Statements (In Baht)			
	Balance as at January 1, 2018	Cash flows increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2018
Long-term loan from financial institution	222,029	(9,169)	-	212,860
Total	222,029	(9,169)	-	212,860

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

29. SIGNIFICANT AGREEMENT

The indirect subsidiary company has entered into the Technical Service Agreement for Torrefaction Biomass Pellet with 2 third - party and the Company. This agreement has the objective for research and development of Torrefaction biomass pellet with FSC certificate. It is operated by the indirect subsidiary company. The monthly fee for service shall be calculated according to the actual cost, which the indirect subsidiary company took to provide service in the month. The Company and the third - party make payment for one third of the actual cost for each company. Moreover, the indirect subsidiary company called for investment from 3 companies equally. Such agreement is ended on December 22, 2019.

30. BANK GUARANTEE AND CONTINGENT LIABILITIES

As at December 31, 2019, the Company has outstanding guarantees of approximately Baht 143.76 million which were issued by certain local banks as required in the normal course of business of the Company.

As at December 31, 2019, the subsidiary companies have outstanding guarantees of approximately Baht 3.89 million which were issued by certain local banks as required in the normal course of business of the subsidiary company.

31. COMMITMENT

31.1 As at December 31, 2019, the Group has various operating lease agreement covering its office premises, warehouse and related utility service, vehicles and land for periods of 1-30 years. Under the terms of these agreements, the Company and its subsidiary companies are committed to pay the rental as follows :

	In Thousand Baht	
	Consolidated	Separate
	<u>Financial Statements</u>	<u>Financial Statements</u>
Within 1 year	20,150	345
Within 2 years - 5 years	56,463	794
Over 5 years	136,223	7,336

31.2 As December 31, 2019, the Company and an indirect subsidiary company have obligation under a loan agreement amount of Baht 180 million with a bank for construction of factory and purchase of machinery.

32. DISCLOSURE OF FINANCIAL INSTRUMENTS

32.1 Interest Rate Risk

As at December 31, 2019 and 2018, the Group has financial assets and financial liabilities with exposure to interest rate risk as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	2019			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	825,688	-	330	826,018
Trade accounts receivable from sales and services				
- general customers	-	-	242,703	242,703
- related companies	-	-	5,306	5,306
Trade accounts receivable from construction work	-	-	23,940	23,940
Unbilled accrued income - general customers	-	-	19,078	19,078
Restricted deposit with bank	5,034	-	-	5,034
Trade accounts payable - general suppliers	-	-	159,639	159,639
Short - term loan from related companies	-	53,500	-	53,500
Loans from financial institutions	1,657,132	-	-	1,657,132

	In Thousand Baht			
	Consolidated Financial Statements			
	2018			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	1,126,276	-	356	1,126,632
Trade accounts receivable from sales and services				
- general customers	-	-	218,433	218,433
- related companies	-	-	4,498	4,498
Unbilled accrued income - general customers	-	-	3,811	3,811
Restricted deposit with bank	1,903	-	-	1,903
Trade accounts payable - general suppliers	-	-	131,648	131,648
Short - term loan from related companies	-	54,500	-	54,500
Loans from financial institutions	1,790,368	-	-	1,790,368

	In Thousand Baht			
	Separate Financial Statements			
	2019			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	277,969	-	180	278,149
Trade accounts receivable from sales and services				
- general customers	-	-	120,478	120,478
- related companies	-	-	7,312	7,312
Trade accounts receivable from construction work	-	-	23,940	23,940
Unbilled accrued income - general customers	-	-	19,078	19,078
Restricted deposit with bank	4,912	-	-	4,912
Trade accounts payable - general suppliers	-	-	130,597	130,597
Loans from financial institutions	202,476	-	-	202,476

	In Thousand Baht			
	Separate Financial Statements			
	2018			
	Floating rate	Fixed rate	None - interest	Total
<u>Financial assets / liabilities</u>				
Cash and cash equivalents	580,750	-	172	580,922
Trade accounts receivable from sales and services				
- general customers	-	-	110,884	110,884
- related companies	-	-	7,651	7,651
Unbilled accrued income - general customers	-	-	3,811	3,811
Short - term loan from related company	-	185,000	-	185,000
Restricted deposit with bank	876	-	-	876
Trade accounts payable - general suppliers	-	-	103,327	103,327
Loans from financial institutions	212,860	-	-	212,860

As of December 31, 2019 and 2018, the financial instruments classified by the periods of time from the statement of financial position date to their maturity dates are as follows:

	In Thousand Baht					
	Consolidated Financial Statements					
	2019					
	At call	1 - 6 months	7 - 12 months	Over 12 months	Total	Interest rate
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	826,018	-	-	-	826,018	0.125% - 1.20%
Restricted deposit with bank	-	-	-	5,034	5,034	0.75%
Short - term loans from related company	-	17,500	36,000	-	53,500	1.475% - 2.50%
Loans from financial institutions	-	38,613	222,337	1,396,182	1,657,132	PRIME RATE-1% AF MLR - 1.25%

In Thousand Baht						
Consolidated Financial Statements						
2018						
At call	1 - 6	7 - 12	Over 12	Total	Interest rate	
	months	months	months			
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	1,026,632	100,000	-	-	1,126,632	0.125% - 1.20%
Restricted deposit with bank	-	-	-	1,903	1,903	0.75%
Short-term loans from related companies	54,500	-	-	-	54,500	1.475% - 2.50%
Loans from financial institutions	-	34,000	34,001	1,722,367	1,790,368	5.25%, MLR- 0.50%

In Thousand Baht						
Separate Financial Statements						
2019						
At call	1 - 6	7 - 12	Over 12	Total	Interest rate	
	months	months	months			
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	278,149	-	-	-	278,149	0.125% - 1.20%
Short-term loans from related companies	-	185,000	-	-	185,000	7.80%
Restricted deposit with bank	-	-	-	4,912	4,912	1.75%
Loans from financial institutions	-	2,892	186,616	12,967	202,475	PRIME RATE-1% AF MLR - 1.25%

In Thousand Baht						
Separate Financial Statements						
2018						
At call	1 - 6	7 - 12	Over 12	Total	Interest rate	
	months	months	months			
<u>Financial assets / liabilities</u>						
Cash and cash equivalents	481,389	100,000	-	-	581,389	0.125% - 1.20%
Short-term loans from related companies	-	185,000	-	-	185,000	7.80%
Restricted deposit with bank	-	-	-	877	877	0.75%
Loans from financial institutions	-	2,892	2,892	207,076	212,860	5.25%, MLR-0.50%

32.2 FOREIGN EXCHANGE RISK

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies

As at December 31, 2019, the balances of financial assets and liabilities denominated in foreign currencies are as follows :

Foreign currency	Financial assets (Thousand)	Financia liabilities (Thousand)	Average exchange rate as at December 31, 2019 ((Baht per 1 foreign currency unit)
USD	824	1,297	30.1540
JPY	6,756	-	0.2723
CNY	-	329	4.3736

32.3 Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Company within the normal terms of trade. To manage this risk, the Company and its subsidiaries periodically assess the financial viability of customers.

32.4 Credit Risk

Credit risk is the risk that a counter party is unable or unwilling to meet a commitment agreed with the Group. To manage this risk, the Group periodically assess the financial viability of customers.

The carrying amount of accounts receivable recorded in the statement of financial position, net of allowance for doubtful accounts, is the maximum exposure to credit risk.

32.5 Fair Value of Financial Instruments

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties on an arm's length basis. Fair values are obtained from quoted market prices.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

- The Company presents Level 1 fair values for financial assets such as cash and cash equivalents, trade and other account receivable - net - the carrying values approximate their wfair values due to the relative short-term maturity of these financial instruments.

- The Company presents Level 1 fair values for financial liabilities such as short-term loans from financial institution and trade and other account payable - the carrying amounts of these financial liabilities approximate their fair values due to the relatively short-term maturity of these financial instruments.

- The Company presents Level 2 fair values for long- term investments in equity shares of the subsidiary and associated company, and general investments, the carrying amounts of these the financial assets approximate their fair values.

33. LITIGATION

Case No. 1

In 2017, the 2 overseas subcontractors sued the Company as defendant by claim for damage including interest at the rate of 7.50% per annum from August 1, 2017. The Company submitted a counterclaim because they believed the plaintiff was at fault for not completing the job. During year 2018, the Civil Court determined that the Company to pay damage cost plus interest to litigant. The Company, therefore recorded such provision and interest totaling Baht 12.54 million by presenting as other current liabilities in the statement of financial position as at December 31, 2018. On March 26, 2019, the Company has already paid for the damage with interest to the counter party.

Case No. 2

In 2018, the Company sued a receivable because it was unable to pay debt under the agreement for the damage including interest at the rate of 7.50% per annum from April 1, 2018 to the payment date, totaling Baht 12.22 million. The Civil Court determined that the receivable has to pay such damage and interest. However, the receivable was unable to pay, so the Company set up allowance for doubtful debt in full the amount. The Company is in the process of execution.

34. EVENT AFTER THE REPORTING PERIOD

34.1 On February 27, 2020, the Company's Board of Directors passed a resolution to propose the payment of a dividend from operating result for the year ended December 31, 2019 of Baht 0.05 per share, total amount of Baht 29.66 million on May 27, 2020 to the common shareholders. The dividend payments must be approved at the Annual General Meeting of the Company's shareholders.

34.2 The Board of Directors' Meeting dated November 11, 2019 had a resolution to increase of investment in the ordinary shares of associated company (Siam Okamura Steel Co.,Ltd.) and disposal of investment in ordinary shares of subsidiary company (Siam Okamura International Co.,Ltd.) in January 2020 with the details as follows:

1. To increase of investment in the ordinary shares of associated company (Siam Okamura Steel Co.,Ltd.) from the existing shareholders amounted of Baht 33.9 million. As a result, the percentage of shareholding is from 40 percent to 51 percent. The objectives of additional investment are implementation of Company's asset rotation strategy and expanding exports to Japanese customers and setting up the Okamura's purchasing center for Asian market.
2. To dispose of investment in the ordinary shares of subsidiary company (Siam Okamura International Co.,Ltd.) with disposal value of Baht 6.2 million. As a result, the percentage of shareholding is from 51 percent to 49 percent. The objectives of disposal are implementation of Company's asset rotation strategy and enhancing the financial strength of Siam Okamura International Co.,Ltd. for business expansion including market expansion.

Such transactions caused the ordinary shares of associated company transformed into subsidiary company and the disposition of investment in subsidiary company caused subsidiary company transformed into associated company.

35. AUTHORIZATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of Directors on February 27, 2020.