

THAI PLASPAC PLC.
ANNUAL REPORT
2019





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& GROUP CEO

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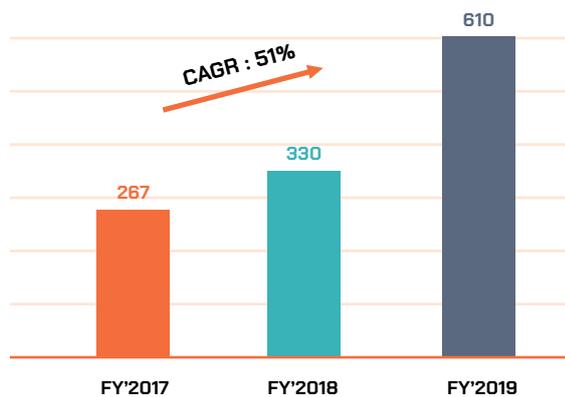
MESSAGE FROM CHAIRMAN & GROUP CEO

Mr. Kevin Qumar Sharma
Chairman of Board of Directors
and Group CEO

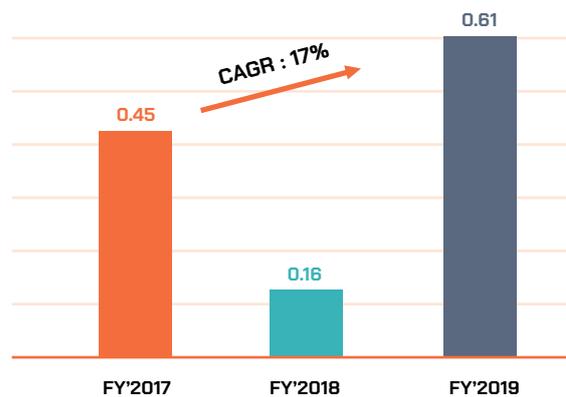


Dear Stakeholders,

Core EBITDA



Core EPS



TPAC ended 2019 with core EBITDA at THB 610 million, core EPS at THB 0.61 per share.

At the end of my 2018 letter, I commented that the stage had been set for TPAC to unlock value, and I am proud of our team that our 2019 earnings have delivered, as we said we would.

Looking back, at that point of time at the end of '18, we had recently closed on our first ever acquisition(s). In Q2'18 we acquired a loss-making packaging company, in need of a turnaround. Then, a few months later in August '18 we completed on our Indian acquisition, our 2nd ever acquisition.

For the first time in our history we now had operations beyond Thailand and we had now a presence in the worlds most exciting packaging market of India. This marked a proud and transformative milestone for our company.

After these 2 transformative acquisitions, we had a lot on our plate.

The opportunity for us to make entry into the Middle East market came at a time when we were knee deep with the integration of our first 2 acquisitions.

But, life is about grabbing opportunities and not letting them pass you by, even if you're not quite ready for them.

We asked ourselves 2 questions:

- 1 How determined is our incumbent management team to make this work, and to upskill ourselves.
- 2 Do TPAC and the target share the same values. Because if yes, then there is limited work to do on cultural integration (which from my experience is the most difficult, and the most important aspect of any acquisition).

With answers to our soul searching positive, in H1 '19 we cemented our entry into the middle east. This marked the completion of our 3rd acquisition, and number 3 in quick succession!

Our business in the Middle East is led by Mr. Nimit Bhatia who's family have built the business ground up, from scratch. With Nimit leading our charge in this region, we believe we will build a world class franchise in the Emirates.

On the topic of leadership, I must say we are very fortunate to have the strong leaders across all our markets.

In Thailand, our business is led by Mr. Theerawit Busayapoka. Mr. Theerawit is an industry veteran and long standing TPAC executive with a career at TPAC spanning over 30 years. Mr. Theerawit packaging experience and level of technical competence are a result of many decades of dedication to his craft.

His mentoring of our younger managers is priceless, and we are lucky to have such seasoned expert within our ranks.

In India, Mr. Shrinath Kasi leads our business. He is relatively new into our organisation, having joined us only post our Indian acquisition but he has hit the ground running and has demonstrated leadership. It is early days of course, but Shrinath and his team have big dreams for what TPAC India will evolve into over the next decade. We will work very hard to create something special in India.

So today TPAC is a transformed company, with a transformed earnings profile. Most importantly however we have emerged a stronger, healthier company and a better partner to our customers.

Many more transformative initiatives will be kickstarted this year, inching us closer to the world class global company we aspire to be.

Some of the transformative initiatives being spearheaded from my office are:

- Investor relations/communication: We can perform better here. We have been steadily building our communication infrastructure and we will improve here.
- Equity Capital Markets: Target to move from the MAI to the main board of the SET.
- IT & digitalization: ERP transformation is already complete in Thailand and the UAE. Our teams have done a fantastic job here. India ERP transformation target to be complete '20. Tableau dashboard analytics to be layered above to help our teams understand our business better.

All of the above are comprise the foundation required to achieve our 'Aspiration '24, which involves the doubling of our '19 EBITDA by 2024.

We also have spent some time dreaming our vision for TPAC, and we hope you like it.

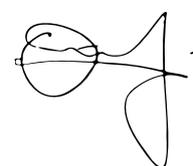
'To be a company whose innovations positively impact our world, and a place attractive to the most passionate packaging minds'

It is of course early days in our journey, and we have a long long way to go, but we will continue to enjoy the journey.

I'd like to take this moment to specifically thank our banking partners who have fully supported and entrusted us through this transformative journey. With each passing year TPAC hopes to demonstrate an exemplary track record and build on our credibility.

Also, as I write this letter the coronavirus is causing a lot of pain. I pray for health and safety for Thailand, our world, and a hope this brings us closer, as one humanity.

Chok Dee,



Mr. Kevin Kumar Sharma

Chairman of Board of Directors and Group CEO

AUDIT COMMITTEE REPORT

Mr. Virasak Sutanthavibul
Chairman of the Audit Committee



Dear, All stakeholders

Audit Committees of Thai Plaspac Public Company Limited (“TPAC”) consists of 3 independent directors, namely Mr. Virasak Suthunthavibul as the Chairman of the Audit Committee, Mr. Kittiphat Suthisamphat as the Member of the Audit Committee, and Mr. Gran Chayavichitsilp as the Member of the Audit Committee. The Audit Committee is appointed by the Board of Directors. The Audit Committee is overseeing the company’s compliance with the principle of the good corporate governance to ensure integrity and confident to the investors, its shareholders and all the stakeholders.

In 2019, the Audit Committee conducted 4 meetings, by which all the Meeting has been conducted follow the Audit Committees’ charter and reported the result of the Meeting to the Board of Directors. The Audit Committee has performed the duties during the year 2019 as summarized below:

- 1 Reviewed the Company’s financial reports, including quarterly and annual financial statement with regards to their accuracy and adequacy of disclosure. The Audit Committee had Meetings with Company’s Auditor and found no causes to believe that such a financial reports were not accurate as referred by the Thai Financial Reporting Standard.
- 2 Reviewed and ensured that the Company has an appropriate and efficient internal control system and also management to monitor Anti-Fraud and Corruption. The

Audit Committee has Meetings with the Internal Audit from the external firm and discussed about the inappropriateness internal system which was found.

- 3 Reviewed the connected transactions or the transaction that may lead to conflict of interest between company and related person(s) or related company(ies) and to determine the business transactions were accordance with the market practice. The Company’s auditors have expressed opinions on such transaction and disclose in the financial statements and notes to the financial statement. The Audit Committee agreed with the auditor on a disclosure.
- 4 Considered and appointed the Company’s auditor and approved the auditor’s fee. The Audit Committee has proposed the Board of Directors to appoint EY Office Limited as the Company’s Auditor for the fiscal year ended December 31st based on any of following certified auditor: Miss Drawan Techawatanasirikul, Miss Rungnapa Lertsuwankul, Mr. Chayapol Suppasedtanon, and Miss Pimjai Manitkajohnkit The audit fee should not exceed THB 2.79 million. Such appointment and audit fee were approved by the Board of Directors and the Annual General Meeting of Shareholders of the Company.
- 5 Considered and appoint the Auditor of the subsidiary and approved the auditor’s fee. The Audit Committee has appointed EY Office U.A.E to be the auditor of Sun Packaging Systems (FZC).

NO.	NAME	POSITION	NUMBER OF ATTENDANCES
1	Mr. Virasak Sutanthavibul	Chairman of the Audit Committee	4/4
2	Mr. Kittiphat Suthisamphat	Audit Committee	4/4
3	Mr. Gran Chayavichitsilp	Audit Committee	3/4

Mr. Virasak Sutanthavibul
Chairman of the Audit Committee

NOMINATION AND REMUNERATION COMMITTEE REPORT

Mr. Gran Chayavichitsilp
Chairman of the Nomination
and Remuneration Committee



Dear, All stakeholders

Nomination and Remuneration Committee of Thai Plaspac Public Company Limited consists of 5 directors, divided into three independent directors and two executive directors, namely Mr. Gran Chayavichitsilp as the Chairman of the Nomination and Remuneration Committee, and Mr. Virasak Suthunthavibul, Mr. Kittiphath Suthunthavibul, Mr. Kevin Kumar Sharma, Mr. Theerawit Busayapoka as the members of the Nomination and Remuneration Committee. The Board of Directors has appointed the Nomination and Remuneration Committee to support performance of the Board of Directors on the nomination of directors and senior executive, determination of the remuneration of directors, the Chief Executive Officer, as well as preparing the director development plan in order to provide the director the knowledge. All of which are to assure the shareholders that the persons who hold the directorship position possess the qualifications in accordance with the laws, and have the knowledge, capability, and efficiency to work for the utmost benefit of the Company and the shareholders.

In 2019, the Nomination and Remuneration Committees held a total of two meetings which were in line with the Nomination and Remuneration Committees' charter and the good Corporate Governance principle, the resolution of the meeting were regularly reported to the Board of Directors for their acknowledgement. In regards, the activities of the Nomination and Remuneration Committee in 2019 can be summarized as follows;

① Considered the qualification of the directors who would retire by rotation at the Annual General Meeting of shareholders by considering the qualification according to the laws and other criteria of the Company, as well as knowledge, capability, experience, and skill would be beneficial to the Company's operations, and nominated those persons to the Board of Directors in order to propose the name to the Annual General Meeting of Shareholders to consider and the re-election of such persons as directors of the Company for another term of office.

② Provided the shareholders an opportunity to nominate candidate to be elected as directors of the Company for the 2019 Annual General Meeting of Shareholders in order to promote the practice of good corporate governance principles on the rights of shareholders.

③ Considered and determined the remuneration of the directors by taking into the account the Company's operating results, and the responsibilities of the directors, as well as other details and proposed the same to the Board of Directors and the Annual General Meeting of shareholders for consideration and approval

④ Considered and reviewed the Nomination and Remuneration Committees' Charter to be in accordance with the Corporate Governance and proposed the same to the Board of Directors for consideration and approval.

⑤ Evaluated the performance of the Nomination and Remuneration Committee for the year 2019 and viewed that was complete their duty as assigned and reported such evaluation result to the Board of Directors.

⑥ Evaluated the performance of the Chief Executive Officer for the year 2019, and determined the amount and form of remuneration, both short term and long term, of the Chief Executive Officer by taking into the account the indicators as well as the performance evaluation result and key success, and the CEO self-assessment form which was completed by the directors, and proposed the same to the Board of Directors for consideration and approval.

⑦ Prepared this Nomination and Remuneration Committee report and disclosed the same in the Annual Report 2019.

NO.	NAME	POSITION	NUMBER OF ATTENDANCES
1	Mr. Gran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee	2/2
2	Mr. Kittiphath Suthisamphat	Nomination and Remuneration Committee	2/2
3	Mr. Virasak Sutanthavibul	Nomination and Remuneration Committee	2/2
4	Mr. Kevin Qumar Sharma	Nomination and Remuneration Committee	2/2
5	Mr. Theerawit Busayapoka	Nomination and Remuneration Committee	2/2



Mr. Gran Chayavichitsilp
Chairman of the Nomination and Remuneration Committee

RISK MANAGEMENT COMMITTEE REPORT

Mr. Kevin Qumar Sharma
Chairman of the Risk Management Committee



Dear, All Stakeholders

The Risk Management Committees of Thai Plaspac Public Company Limited consists of three executive directors, namely Mr. Kevin Qumar Sharma as the Chairman of the Risk Management Committee, and Mr. Theerawit Busayapoka and Mr. Anil Kumar Kohli as the members of the Risk Management Committee. The Board of Directors has appointed the Risk Management Committee to support the Board of Directors' risk management functions e.g., business risk, financial risk, and operation risk, etc.

In 2019, the Risk Management Committee held a total of two meetings, which were in line with the risk management committees' charter. In accordance with the good corporate governance principles, the resolutions of the meeting were regularly reported to the Board of Directors for their acknowledgement. In regard, the activities of the Risk Management Committee in 2019 can be summarized as follows;

- 1 Overseen the deployment of and continuously driving TPAC's sustainability framework, performance and engagement across the organization by integrating corporate sustainability into our business.
- 2 Reviewed the financial risk and opportunity including debt compliance covenants, liquidity, fluctuation in currency, interest rate and taxation before acquiring the new Company.
- 3 Reviewed the reputation risk in corruption risk, bribery, environmental and regulatory compliance.
- 4 Prepared this Risk Management Committees' report and disclosed the same in Annual Report 2019.

NO.	NAME	POSITION	NUMBER OF ATTENDANCES
1	Mr. Kevin Qumar Sharma	Chairman of the Risk Management Committee	2/2
2	Mr. Theerawit Busayapoka	Risk Management Committee	2/2
3	Mr. Anil Kumar Kohli	Risk Management Committee	2/2

Mr. Kevin Qumar Sharma
Chairman of the Risk Management Committee

MESSAGE FROM THE CHAIRMAN OF CORPORATE GOVERNANCE COMMITTEE

Mr. Kevin Qumar Sharma
Chairman of the Corporate Governance Committee



Dear, All Stakeholders

The Corporate Governance Committee of Thai Plaspac Public Company Limited consists of three executive directors, namely Mr. Kevin Qumar Sharma as the Chairman of the Corporate Governance Committee, and Mr. Theerawit Busayapoka and Mr. Worapong Woottipruk as the members of the Corporate Governance Committees. The Board of Directors has appointed the Corporate Governance Committee to support the Board of Directors' corporate governance functions as well as determining the policies and guidelines on good corporate governance e.g., the Corporate Governance Policy, Business Ethics and Anti-Corruption policy, etc. to be suitable with the Company's business operation and in accordance with the good corporate governance practice.

In 2019, the Corporate Governance Committee held a total of two meetings, which were in line with the corporate governance committees' charter. In accordance with the good corporate governance principles, the resolutions of the meeting were regularly reported to the Board of Directors for their acknowledgement. In regard, the activities of the Corporate Governance Committees in 2019 can be summarized as follows;

1 Reviewed the Corporate Governance Policy to be in line with the laws, the Principle of Good Corporate Governance

for listed Companies, and proposed the same to the Board of Directors for consideration and approval.

2 Reviewed the action plan of the Company to be in line with Corporate Governance, which will result in long-term to upgrade the Corporate Governance evaluated result, and considered the missing point to achieve the target, and proposed the same to the Board of Directors for consideration and approval.

3 Evaluated the performance of the Corporate Governance Committees for 2019 and view that the Corporate Governance Committees was able to complete their duties as assigned and reported such evaluation result to the Board of Directors.

4 Reviewed and determined the policy and plan on Corporate Social Responsibility (CSR). The policy emphasizes on operation the business for sustainable growth along with the participating in social community, and environmental development.

5 Prepared this Corporate Governance Committees' report and disclosed the same in Annual Report 2019.

NO.	NAME	POSITION	NUMBER OF ATTENDANCES
1	Mr. Kevin Qumar Sharma	Chairman of the Corporate Governance Committee	2/2
2	Mr. Theerawit Busayapoka	Corporate Governance Committee	2/2
3	Mr. Worapong Woottipruk	Corporate Governance Committee	2/2

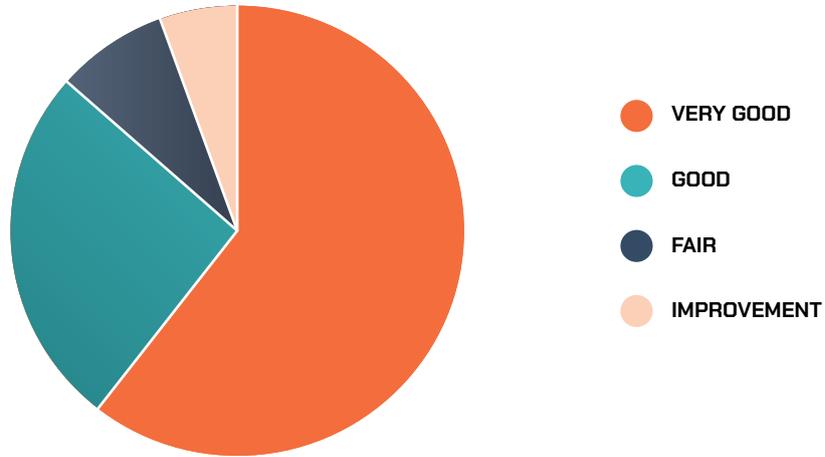
Mr. Kevin Qumar Sharma
Chairman of the Corporate Governance Committee



PERFORMANCE HIGHLIGHT

PERFORMANCE HIGHLIGHT

Customers' satisfaction measurement.



In 2019, TPAC had asked the customer to complete the satisfaction assessment form which divided to 3 parts e.g., product quality, service, and logistics. The average score of the satisfaction assessment form can be summarized as follows;

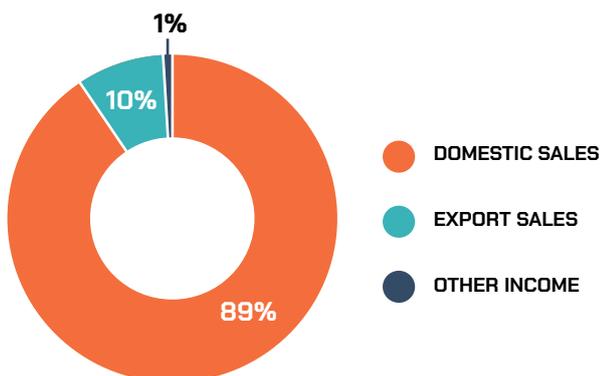
	FULL SCORE	AVERAGE SCORE	HIGHEST SCORE	LOWEST SCORE
Product Quality	40	35.6	40	19
Service	40	36.3	40	25
Logistics	20	18.8	20	12
Total	100	90.3	100	61

*Criteria, 91 – 100 means very good, 81 – 90 means good, 71 – 80 means fair, and below 71 means improvement.

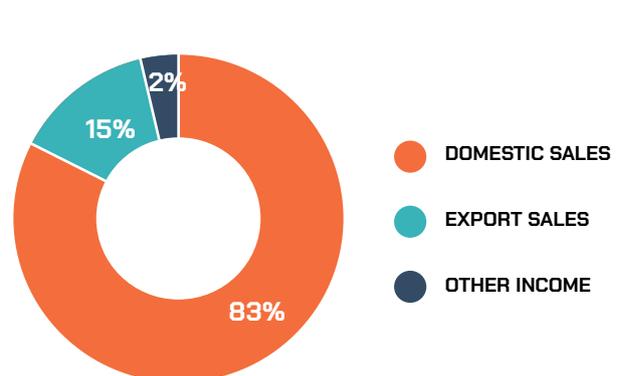
Revenue Breakdown

Revenue breakdown by region

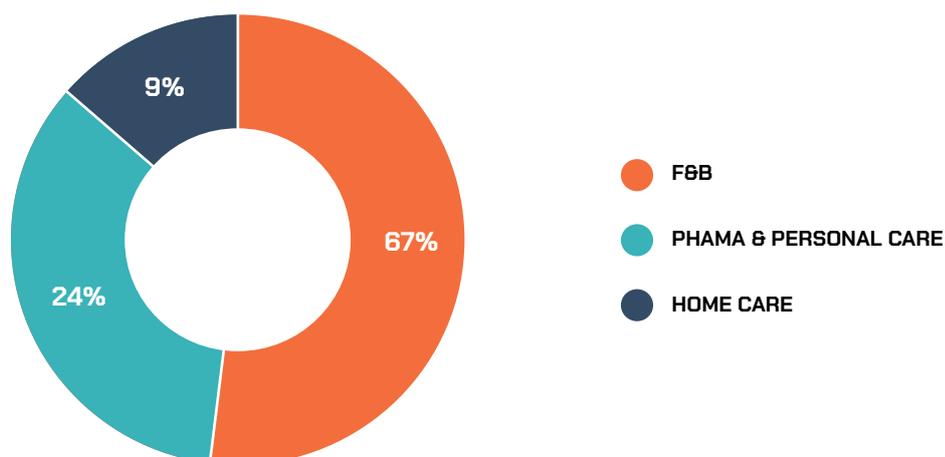
Thailand Operation



Oversea Operation



Revenue breakdown by product



Key Stats

Consolidated Statement of Comprehensive Income

EBITDA	Core EBITDA	Net Profit	Core Net Profit
THB Million	THB Million	THB Million	THB Million
584	610	163	184
2562	2562	2562	2562
280	330	23	43
2561	2561	2561	2561
CHANGE	CHANGE	CHANGE	CHANGE
108.9%	84.7%	619.3%	330.7%

Profitability Return

Gross Profit Margin	Core EBITDA Margin	Core Net Profit Margin	EPS
(%)	(%)	(%)	THB
17.6	16.0	4.8	0.53
2562	2562	2562	2562
14.6	12.8	1.6	0.12
2561	2561	2561	2561
CHANGE	CHANGE	CHANGE	CHANGE
3.0%	3.2%	3.2%	342%

● Consolidated Statement of Financial Position

Total Asset	Total Equity	Net Debt/Equity	Paid-up Capital
THB Million	THB Million		THB Million
4,387	1,849	0.89x	326.5
2562	2562	2562	2562
4,190	1,073	2.08x	253.8
2561	2561	2561	2561
CHANGE 4.7%	CHANGE 72.4%	CHANGE -	CHANGE 28.7%

● Consolidated Statement of Cash Flows

Cash Flow from Operating Activities	Cash Flow from Investing Activities	Cash Flow from Financing Activities
THB Million	THB Million	THB Million
537	-631	119
2562	2562	2562
434	-2,404	1,985
2561	2561	2561
CHANGE 23.9%	CHANGE -73.8%	CHANGE -94%

Financial Highlight

UNIT: THB MILLION	2016	2017	2018	2019
Sale	1,523.80	1,584.14	2,528.00	3,755.78
Total Revenue	1,534.16	1,597.33	2,584.70	3,802.06
Gross Profit	257.46	275.94	368.47	659.59
EBITDA	257.10	258.66	279.65	584.28
Core EBITDA	257.10	266.77	330.42	610.10
EBIT	128.31	126.17	90.12	295.46
Net Profit	104.93	107.41	22.67	163.06
Core Net Profit	104.93	113.90	42.69	183.71
Total Assets	1,261.61	1,273.38	4,189.84	4,386.67
Total Liabilities	251.18	208.83	3,117.24	2,537.19
Interest Bearing Debt	-	-	2,232.84	1,642.27
Total Equities	1,010.44	1,064.55	1,072.60	1,849.48
Net Cash Flow from Operating Activities	107.58	251.52	433.66	537.33

*Core profit is deducted one-time expense related with merger and acquisition transactions



MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

THAI PLASPAC PUBLIC COMPANY LIMITED “TPAC”

Management Discussion and Analysis for Q4'19

Core Financials of Consolidation Business

THB MILLION (EXCEPT WHERE STATED OTHERWISE)	QUARTERLY			THREE YEARS PERFORMANCE				
	Q4'19	Q3'19	Q4'18	YOY ¹	FY19	FY18	FY17	CAGR%
Consolidated Revenue ²	946	877	968	-2%	3,756	2,528	1,584	54%
EBITDA	163	131	107	53%	584	280	259	48%
Core EBITDA ³	165	137	134	23%	610	330	267	51%
Core EBIT ³	88	60	59	48%	321	141	134	55%
Core Net Profit ³	53	27	-4	1461%	184	43	114	27%
TPAC Core Net Profit ³	47	22	-3	1686%	159	41	114	18%
EPS	0.16	0.07	-0.07	340%	0.53	0.12	0.42	12%
Core EPS ³	0.17	0.09	-0.01	1530%	0.61	0.16	0.45	17%
ROE ⁴	17%	7%	3%	471%	13%	3%	10%	11%
Debt to Equity (times) ⁵	0.89	2.31	2.08	-57%	0.89	2.08	0.00	N/A
Net Debt to Equity (times) ⁶	0.87	2.26	2.02	-57%	0.87	2.02	0.00	N/A

1. YoY: Q4'18 vs Q4'19

2. Revenue growth may not present a clear picture of actual sales growth, as our sales prices are a function of underlying feedstock (polymer) prices due to pass through pricing mechanism. Therefore, if polymer prices come down, our absolute sales value will also follow a similar trend.

3. Core excludes non-recurring income and expenses. Details of which are given in the segment analysis.

4. ROE = Profit attributable to equity / Avg. Equity excluded NCI, ROE (Qn) = Profit attributable to equity for last 4Qs / Avg. Equity excluded NCI and ROE (Q4'19) = Profit attributable to equity for Q4 (annualized) / Avg. Equity excluded NCI

5. Debt to Equity = IBD / Equity, 6. Net Debt to Equity = (IBD - Cash) / Equity

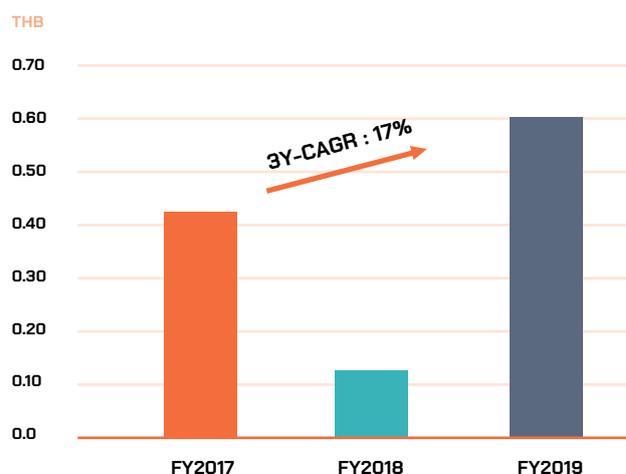
6. Net Debt to Equity = (IBD - Cash) / Equity

*Equity during Q4'19 has been pro-rated to accurately reflect completed rights issuance.

Core EBITDA



Core EPS



TPAC began operations in 1983 from our headquarters of Bangkok, Thailand. For over 3 decades we have been a packaging partner to some of the world's leading brands and entrepreneurs. Our specialty focus is FMCG and pharmaceutical rigid plastic packaging. Our team of technical experts evaluate a products technical design, engineering and sustainability considerations, before applying the right technologies to ensure the most efficient and reliable production. Our production facilities are

certified with world class hygiene controls. TPACs packaging solutions use a select range of plastic polymers that are all recyclable and / or made from recycled material. Our plants are equipped with the full range of plastic processing technologies (injection, extrusion blow, PET single stage and 2-stage). TPAC has production 11 production facilities spread across Thailand, India and the United Arab Emirates.

Post a period of steady organic growth, in 2005 TPAC listed itself on the Stock Exchange of Thailand¹.

In Q4'15, under new leadership (post a change of control at the shareholder level), a new bolder vision was outlined for TPAC. TPAC would aspire to be a global company, working with our customers globally, with a strong innovation focus.

In Q2'18 TPAC made its first ever acquisition, with the acquisition of Custompack (1 plant in Bangkok, Thailand).

In Q3'18 TPAC acquired Sunrise Containers (6 plants across the west and north of India).

In Q3'19 TPAC acquired Sun packaging Systems, (1 plant in the UAE).

In Q4'19, TPAC completed a fully subscribed THB 800m rights issue to prepare our balance sheet to for further growth opportunities.

In '17 and '18 we experienced consecutive upgrades to our CG rating², to 4-star (Very Good)

As of today, TPAC has 11 plants and is has made entry into the emerging markets of the middle east and India.

TPAC 3-year EBITDA CAGR 51%, 3-year EPS CAGR ~ 17%

Management is focused on diversified, defensive, non-cyclical, and high free cash generating revenue streams.

Balance sheet well capitalised with Net Debt / Equity ~ 0.87x³

TPAC aspir ation '24, involves the further doubling of our '19 core EBITDA by 2024, and a listing on the main board of the SET.

¹ Market for Alternative Investments (mai)

² Thai Institute of Directors.

³ As of end Q4'19

Profit and Loss (Consolidated)

THB MILLION	Q4'19	Q3'19	%Δ	Q4'19	Q4'18	%Δ	FY19	FY18	%Δ
Sales	946.1	876.9	7.9%	946.1	968.1	-2.3%	3,755.8	2,528.0	48.6%
Cost of sales	759.6	727.5	4.4%	759.6	810.6	-6.3%	3,096.2	2,159.5	43.4%
Gross Profit	186.4	149.5	24.7%	186.4	157.5	18.3%	659.6	368.5	79.0%
Gross Profit Margin %	19.7%	17.0%	2.7%	19.7%	16.3	3.4%	17.6%	14.6%	3.0%
SG&A	109.6	107.0	2.4%	109.6	130.6	-16.1%	410.4	335.9	22.2%
Other income	9.4	11.4	-17.3%	9.4	5.1	83.5%	46.3	57.6	-19.6%
EBITDA	163.2	131.1	24.5%	163.2	106.7	53.0%	584.3	279.6	108.9%
EBITDA Margin %	17.1%	14.8%	2.3%	17.1%	11.0%	6.1%	15.4%	10.8%	4.6%
Core EBITDA	164.9	137.4	20.0%	164.9	133.9	23.2%	610.1	330.4	84.7%
Core EBITDA Margin %	17.3%	15.5%	1.8%	17.3%	13.8%	3.5%	16.0%	12.8%	3.3%
Depreciation and amortization	76.9	77.2	-0.4%	76.9	74.6	3.1%	288.8	189.5	52.4%
EBIT	86.3	53.9	60.1%	86.3	32.1	168.9%	295.5	90.1	227.8%
Core EBIT	88.0	60.2	46.2%	88.0	59.3	48.4%	321.3	140.9	128.1%
Core EBIT Margin %	9.2%	6.8%	2.4%	9.2%	6.1%	3.1%	8.4%	5.4%	3.0%
Finance costs	34.6	34.1	1.5%	34.6	39.1	-11.4%	141.0	55.9	152.0%
Profit Before Tax	51.7	19.8	160.8%	51.7	-7.0	841.7%	154.5	34.2	351.9%
Core Profit Before Tax	53.3	26.1	104.7%	53.3	20.2	163.9%	180.3	84.9	112.3%
Core Profit Before Tax Margin %	5.6%	2.9%	2.6%	5.6%	2.1%	3.5%	4.7%	3.3%	1.5%
Income tax expense	0.3	-2.6	112.9%	0.3	14.6	-97.7%	-8.6	11.5	-174.3%
Net Profit	51.3	22.4	128.9%	51.3	-21.6	337.8%	163.1	22.7	619.3%
Net Profit Margin %	5.4%	2.5%	2.8%	5.4%	-2.2%	7.6%	4.3%	0.9%	3.4%
Core Net Profit	52.7	27.4	92.1%	52.7	-3.9	1461.2%	183.7	42.7	330.7%
Core Net Profit Margin %	5.5%	3.1%	2.4%	5.5%	-0.4%	5.9%	4.8%	1.6%	3.2%
TPAC Net Profit	45.8	17.5	162.2%	45.8	-17.2	366.1%	138.8	31.5	341.1%
TPAC Net Profit Margin %	0.0	0.0	2.8%	0.0	0.0	6.6%	0.0	0.0	2.4%
TPAC Core Net Profit	47.1	22.5	109.8%	47.1	-3.0	1686.3%	159.5	51.5	209.9%
TPAC Core Net Profit Margin %	4.9%	2.5%	2.4%	4.9%	-0.3%	5.2%	4.2%	2.0%	2.2%

NON-RECURRING INCOME/(EXPENSES) (THB MILLION)	Q4'19	Q3'19	Q4'18	2019	2018
Overseas 1 time Extraordinary Expenses	-	-	(26.8)	-	(82.5)
Thailand 1 time Extraordinary Expenses	(1.7)	(6.2)	(0.4)	(25.8)	(9.4)
Total	(1.7)	(6.2)	(27.2)	(25.8)	(91.9)

Q4'19 consolidated TPAC Core Net Profit Baht 47M, 1,686% increase to same period last year⁴, and 110% against previous quarter.

Q4'19 Core EBITDA 20% up versus previous quarter, and 23% up versus same period last year.

Satisfactory performance across both of our segments of 'Thailand' and 'SUNPET' (which comprises operations in

India and the United Arab Emirates) despite the slowing GDP backdrop is encouraging.

TPACs revenue streams are now healthily diversified across 3 countries, with hundreds of customer relationships and different products in production.

Thailand Business

Thailand business comprises 4 plants, 3 in the south-west and 1 in the North East of Bangkok.

THB MILLION	Q4'19	Q3'19	%Δ	Q4'19	Q4'18	%Δ	FY19	FY18	%Δ
Sales	426.2	412.1	3.4%	426.2	442.6	-3.7%	1,747.5	1,787.9	-2.3%
Cost of sales	344.1	343.4	0.2%	344.1	379.6	-9.4%	1,446.0	1,537.9	-6.0%
Gross Profit	82.1	68.6	19.7%	82.1	63.0	30.4%	301.5	250.0	20.6%
Gross Profit Margin %	19.3%	16.7%	2.6%	19.3%	14.2%	5.0%	17.3%	14.0%	3.3%
SG&A	52.7	53.4	-1.4%	52.7	44.6	18.1%	211.8	186.0	13.9%
Other income	4.5	3.0	49.8%	4.5	4.7	-3.8%	14.2	13.7	3.2%
EBITDA	67.4	49.6	35.7%	67.4	55.2	22.1%	232.6	211.1	10.2%
EBITDA Margin %	15.6%	12.0%	3.7%	15.6%	12.3%	3.3%	13.2%	11.7%	1.5%
Core EBITDA	69.0	55.9	23.5%	69.0	55.5	24.3%	258.4	220.5	17.2%
Core EBITDA Margin %	16.0%	13.5%	2.6%	16.0%	12.4%	3.6%	14.7%	12.2%	2.4%

NON-RECURRING INCOME/(EXPENSES) (THB MILLION)	Q4'19	Q3'19	Q4'18	2019	2018
Sunrise Containers / Sun packaging Systems M&A Related Expenses	(1.7)	(6.2)	(0.4)	(17.0)	(7.3)
Custom Pack M&A Related Expenses	-	-	-	-	(2.1)
Employees' benefits	-	-	-	(8.8)	-
Total	(1.7)	(6.2)	(0.4)	(25.8)	(9.4)

Thailand Q4'19 Core EBITDA Baht 69m, 24% up versus the previous quarter, 24% up versus same period last year.

Thailand FY'19 Core EBITDA Baht 258m, 17% up versus the previous year.

Quarterly EBITDA growth versus the previous quarter driven by

- On boarding of volumes from new projects.
- Organic volume growth from existing SKUs.
- A widened raw material spread.

Q4'19 was also a stronger quarter for TPAC Bang Na (Formerly known as Custompack acquired in May '18).

There is still significant free capacity available at this plant which means there is tremendous potential for this asset to contribute meaningfully to our bottom line as we ramp up utilization rates.

Overall 2019 has been a satisfactory year for our Thai business, and management is targeting to deliver double digit EBITDA growth again in 2020.

⁴ 2018 and performance was affected by depreciation step up and tax costs post the amalgamation of TPAC India and Sunrise containers as well as peak quarterly finance costs.

SUNPET Business (India and UAE)

Our production sites across India and UAE operate a branded packaging business under the Brand SUNPET. SUNPET brand is exported to over 10 countries and was

incorporated in 1989. SUNPET boasts a ready wide range of PET packaging consumer and pharmaceutical packaging.

THB MILLION	Q4'19	Q3'19	%Δ	Q4'19	Q4'18	%Δ	FY19	FY18	%Δ
Sales	519.2	464.9	11.7%	519.2	525.5	-1.2%	2,008.3	740.2	171.3%
Cost of sales	412.5	372.3	10.8%	412.5	431.0	-4.3%	1,636.1	621.7	163.2%
Gross Profit	106.6	92.5	15.2%	106.6	94.5	12.8%	372.1	118.5	214.1%
Gross Profit Margin %	20.5%	19.9%	0.6%	20.5%	18.0%	2.5%	18.5%	16.0%	2.5%
SG&A	56.9	53.5	6.4%	56.9	86.1	-33.9%	198.6	149.2	33.1%
Other income	5.0	8.3	-40.6%	5.0	0.6	733.0%	32.1	2.0	1502.9%
EBITDA	93.5	83.8	11.5%	93.5	51.5	81.4%	351.7	27.4	1185.0%
EBITDA Margin %	17.8%	17.7%	0.1%	17.8%	9.8%	8.0%	17.2%	3.7%	13.5%
Core EBITDA	93.5	83.8	11.5%	93.5	78.3	19.3%	351.7	109.8	220.2%
Core EBITDA Margin %	17.8%	17.7%	0.1%	17.8%	14.9%	2.9%	17.2%	14.8%	2.4%

NON-RECURRING INCOME/(EXPENSES) (THB MILLION)	Q4'19	Q3'19	Q4'18	2019	2018
Sunrise Containers / Sun packaging Systems M&A Related Expenses	-	-	(26.8)	-	(82.5)
Total	-	-	(26.8)	-	(82.5)

Q4'19 SUNPET business had core EBITDA up 12% versus the previous quarter and 19% up versus same period last year.

Q4'19 is the first full quarter of our UAE business consolidation, whereas its consolidation was only for 2 months in Q3'19.

SUNPET business has been integrated into TPAC smoothly.

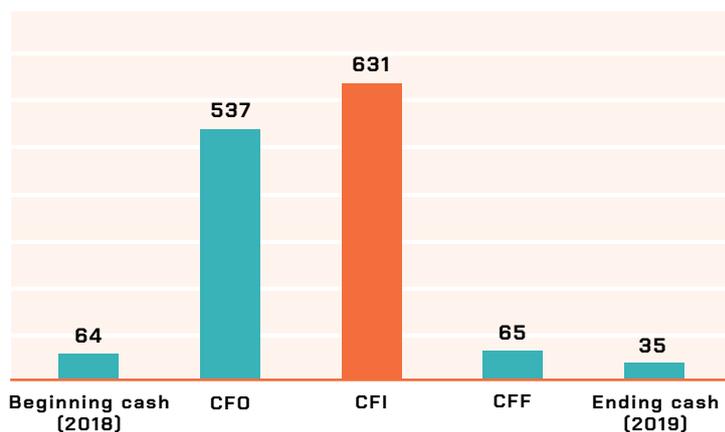
In Q4'19 ERP system was installed into SUNPET UAE smoothly. India ERP transformation targeted to H1'20.

Now with strong local management teams on the ground, India and the Middle East are expected to be a key markets for our future growth aspirations.

Cash Flow (Consolidated)

THB MILLION	FY2019	FY2018	%Δ
CASHFLOW FROM OPERATING ACTIVITIES			
Profit Before Tax	154.5	34.2	351.9%
Adjustment : Depreciation and Amortisation	288.8	189.5	52.4%
Adjustment : Other adjustments	157.8	26.8	487.9%
Profit from operating activities before changes to working capital	601.1	250.5	139.9%
Net changes to working capital	-18.3	206.6	-108.9%
Other Net changes from operating activities	0.0	0.0	N/A
Cash flows from Operating Activities	582.8	457.2	27.5%
Cash receipt from refund of withholding tax deducted at source	0.0	20.0	-100.0%
Cash paid for corporate income tax	-45.5	-43.5	4.5%
Net Cash Flows from Operating Activities	537.3	433.7	23.9%
Cash flow from Investing Activities			
Acquisition of Fixed Assets	-228.0	-149.8	52.2%
Proceeds from equipments sales	12.3	2.0	516.6%
Cash paid for investment in subsidiary	-375.1	-225.71	-83.4%
Dividend received from subsidiary	0.0	0.0	N/A
Other	-40.3	0.4	
Net Cash Flow used in Investing Activities	-631.1	-2404.5	-73.8%
Cash flow from Financing Activities			
Increase (decrease) in short-term loans from bank	91.0	214.9	-57.6%
Increase from restricted bank deposit	0.0	-51.6	100.0%
Increase (decrease) in long-term loans from bank	374.2	1395.0	-73.2%
Cash receipt from debenture	0.0	601.0	-100.0%
Repayment of long-term loan	-998.5	-55.4	1703.7%
Cash paid for financial fees	-1.9	-36.5	-94.9%
Finance costs	-142.6	-74.3	92.0%
Dividend Paid Out	0.0	-7.6	100.0%
Cash receipt from shareholders	796.8	0.0	N/A
Net Cash Flow from Financing Activities	119.1	1985.5	-94.0%
Decrease in exchange differences on translation of financial statements in foreign currency	-54.6	-56.3	-3.0%
Change in Cash and Cash Equivalents	-29.3	-41.6	-29.7%
Cash and cash equivalents at beginning of period	64.0	105.5	-39.4%
Cash and Cash equivalents - Closing Period Balance	34.7	63.9	-45.8%

THB Million



*CFF : Included translation adjustment (54.6mb)

Balance Sheet (Consolidated)

THB MILLION	AS AT 31 DEC'19	AS AT 30 SEP'19	%Δ	AS AT 31 DEC'18	AS AT 31 DEC'19	%Δ
Cash and cash equivalents	34.7	54.6	-36.4%	64.0	34.7	-45.8%
Current investments	55.6	102.0	-45.5%	0.0	55.6	N/A
Trade and other receivables	783.9	734.6	6.7%	803.1	783.9	-2.4%
Inventories	287.4	291.2	-1.3%	293.3	287.4	-2.0%
Advance payment for purchasing of raw material	74.8	0.0	N/A	30.5	74.8	145.3%
Current assets	51.2	53.7	-4.7%	23.0	51.2	122.5%
Total current assets	1,287.6	1,236.1	4.2%	1,213.8	1,287.6	6.1%
Restricted bank deposits	25.8	35.9	-28.1%	51.6	25.8	-50.0%
Other long-term investments	9.0	0.0	N/A	0.0	9.0	N/A
Property, plant and equipment	1,480.6	1,498.1	-1.2%	1,480.9	1,480.6	-0.0%
Goodwill	1,010.1	1,035.0	-2.4%	942.6	1,010.1	7.2%
Intangible assets	396.6	416.5	-4.8%	396.5	396.6	0.0%
Deferred tax assets	7.8	6.9	13.0%	4.9	7.8	58.5%
Withholding tax deducted at source	93.2	84.9	9.8%	58.4	93.2	59.6%
Advance payment for purchasing of molds	30.5	27.1	12.5%	17.4	30.5	75.3%
Assets associated with call options grants by holders of non-controlling interests	8.8	8.8	0.0%	0.0	8.8	N/A
Other non-current assets	36.6	38.7	-5.4%	23.7	36.6	54.3%
Total non-current assets	3,099.0	3,151.9	-1.7%	2,976.0	3,099.1	4.1%
Total assets	4,386.7	4,388.1	-0.0%	4,189.8	4,386.7	4.7%
Short-term loans from banks	377.4	333.1	13.3%	286.4	377.4	31.8%
Trade and other payables	292.6	268.1	9.1%	303.9	292.6	-3.7%
Current portion of long-term loans from banks	135.0	471.9	-71.4%	208.5	135.0	-35.2%
Current portion of debentures	53.7	55.1	-2.5%	- 0	53.7	N/A
Other current liabilities	24.2	34.5	-29.9%	15.2	24.2	59.5%
Total current liabilities	882.9	1,162.6	-24.1%	813.9	882.9	8.5%
Long-term loans from banks, net of current portion	611.8	1,116.1	-45.2%	1,170.2	611.8	-47.7%
Debentures, net of current portion	464.4	475.1	-2.3%	567.8	464.4	-18.2%
Liabilities associated with put options granted to holders of non-controlling interests	469.1	470.3	-0.3%	463.2	469.1	1.3%
Deferred tax liabilities	47.9	49.5	-3.2%	66.2	47.9	-27.6%
Provision for long-term employee benefits	61.1	54.8	11.5%	35.9	61.1	70.0%
Total non-current liabilities	1,654.3	2,165.8	-23.6%	2,303.3	1,654.3	-28.2%
Total liabilities	2,537.2	3,328.4	-23.8%	3,117.2	2,537.2	-18.6%
Registered capital	326.6	255.0	28.1%	255.0	326.6	28.1%
Issued and paid-up capital	326.5	253.8	28.6%	253.8	326.5	28.7%
Premium on ordinary shares	1,027.0	302.9	239.1%	302.9	1,027.0	239.0%
Retained earnings						
Appropriated - statutory reserve	28.6	25.5	12.2%	25.5	28.6	12.2%
Unappropriated	636.3	597.6	6.5%	506.7	636.3	25.6%
Other components of shareholders' equity	[274.0]	[218.5]	25.4%	[56.3]	[274.0]	386.9%
Equity attributable to owners of the Company	1,744.4	961.3	81.5%	1,032.7	1,744.4	68.9%
Non-controlling interests of the subsidiaries	105.1	98.4	6.8%	39.9	105.1	163.2%
Total shareholders' equity	1,849.5	1,059.7	74.5%	1,072.6	1,849.5	72.4%
Total liabilities and shareholders' equity	4,386.7	4,388.1	-0.0%	4,189.8	4,386.7	4.7%

Net Debt / Equity as of end Q4'19 ~ 0.87x.

Balance sheet was strengthened in Q4'19 via the Baht 800m rights issuance, TPACs balance sheet is now ready to swiftly capitalize on growth opportunities as they arise.



EVENTS CALENDAR

ACQUIRED SUN PACKAGING SYSTEMS (FZC)

According to the resolution of the Extraordinary General Meeting of Shareholders No.1/2019 held on July 4th, 2019 has approved the acquisition of Sun Packaging Systems (FZC) which located in United Arab Emirates and this

transaction was completed on July 30th, 2019. TPAC acquired shares totally 89% of Sun Packaging Systems (FZC)'s outstanding shares.

INCREASED THE REGISTERED CAPITAL

According to the resolution of the Extraordinary General Meeting of Shareholders No.2/2019 held on October 15th, 2019 has approved the increase of the registered capital by issued the newly ordinary shares to the existing shareholders on pro rata basis at an allocation 72,732,324 shares with a par value THB 1 per share and the offering price of THB 11 per share which the existing shareholders shall be able to oversubscribe. The objectives of the increase capital are followed:

1

To strengthen the Company's balance sheet by using a major portion of the proceeds derived from the capital increase to repay loans from financial institutions and/or other debts in the amount of approximately THB 800,000,000 which will allow the Company to be ready for business expansion and acquisitions in the future after the repayment of such loans.

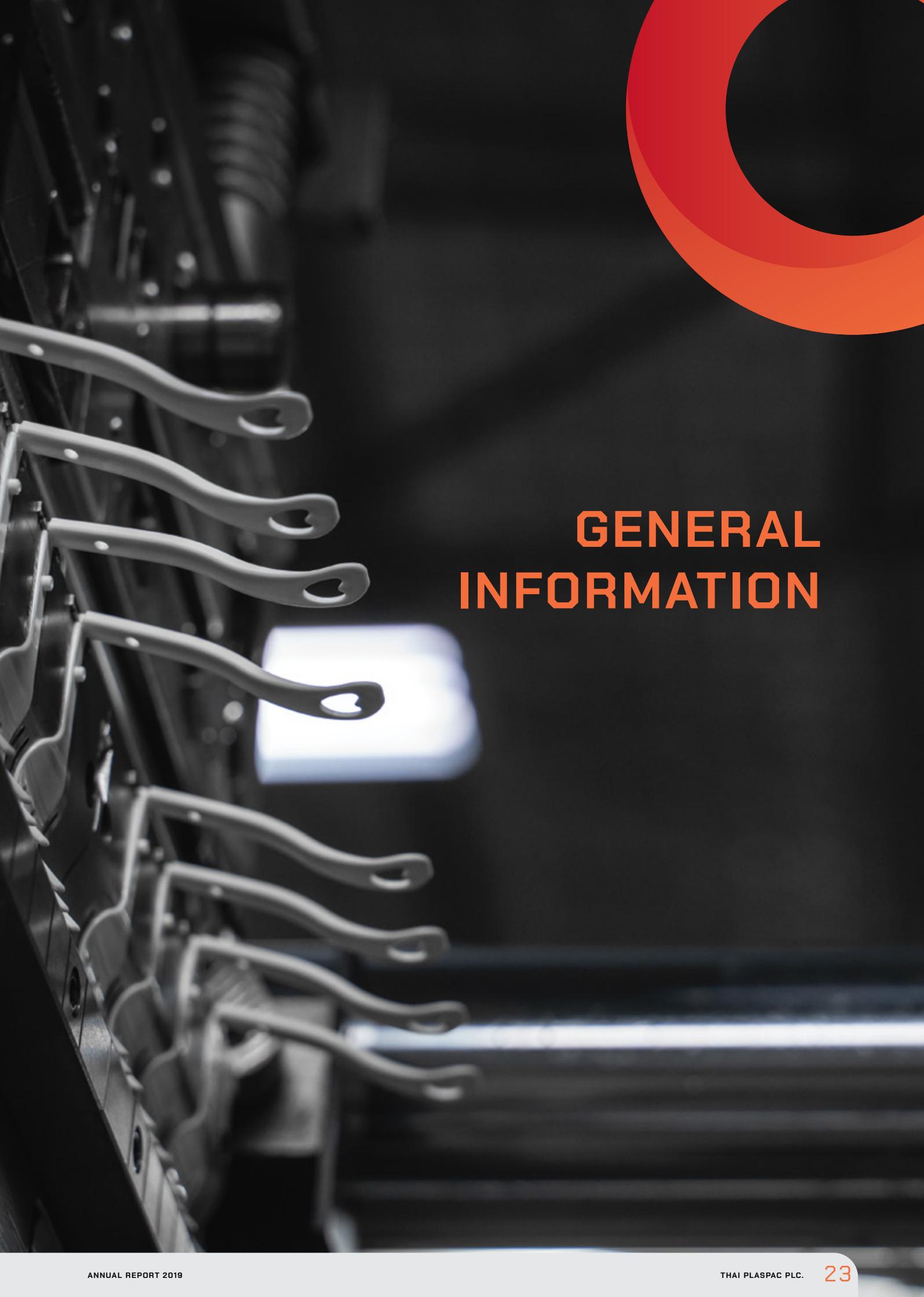
2

To increase the liquidity of the Company's shares traded on the MAI given the increase in the number of shares of the Company.

3

To satisfy one of the listing criteria for the Company's shares to be listed on the main board of the Stock Exchange of Thailand (the "SET"), i.e. by having paid-up capital of not less than THB 300,00,000 as it is the intention of the Company to list its shares on the main board of the SET.

After the subscription period, the shareholders subscribed the newly issued ordinary shares totally 72,732,323 shares as a result of the Company has the registered capital at THB 326,550,000 and the paid-up capital at THB 326,549,999.



GENERAL INFORMATION

GENERAL INFORMATION

HEADQUARTERS

NAME	Thai Plaspac Public Company Limited
SYMBOL	TPAC
TYPE OF BUSINESS	Design and Manufacture rigid plastic packaging
WEBSITE	www.thaiplaspac.com
REGISTRATION NUMBER.	0107547000575
DATE OF INCORPORATION	August 1, 1983
REGISTERED SHARE CAPITAL	THB 326,550,000 divided into 326,550,000 ordinary shares of par value at THB 1 per share
PAID-UP SHARE CAPITAL	THB 326,449,999 divided into 326,449,999 ordinary shares of par value at THB 1 per share
FISCAL YEAR END	31 December
HEAD OFFICE	77 Soi Thian Thaley 30 Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-897-2250-1 Fax. 02-897-4694
BRANCH 001	3/1, 3/2 Soi Thian Thaley 15, Bang Khun Thian-Chay Thaley Road, Sameadum, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-892-0261-4
SHARE REGISTRAR	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 02-009-9000 Fax. 02-009-9991
AUDITOR	Miss Runghana Lertsuwankul (CPA No. 3516) or Miss. Pimjai Manikhajohnkit (CPA No. 4521) or Mr. Chayapol Suppasertanon (CPA No. 3972) or Miss Orawan Techawatanasirikul (CPA No. 4807) the auditors who have been approved by the Securities and Exchange Commission of Thailand Firm: EY Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-264-0777
LEGAL ADVISOR	Patsakorn Kulthamngong Thanakorn Noosamphan Pasinpoom Jitkra Khunpol legal and Associate 174/137 Moo 6, Rama II Soi 60, Rama II Road, Samaedam, Bangkhuntien, Bangkok, 10150, Thailand Tel.02-415-9689, 095-573-2247 Fax 02-050-2755
INVESTOR RELATIONS	IR@thaiplaspac.com
SECRETARIAL	Secretary@thaiplaspac.com

TPAC'S SUBSIDIARY

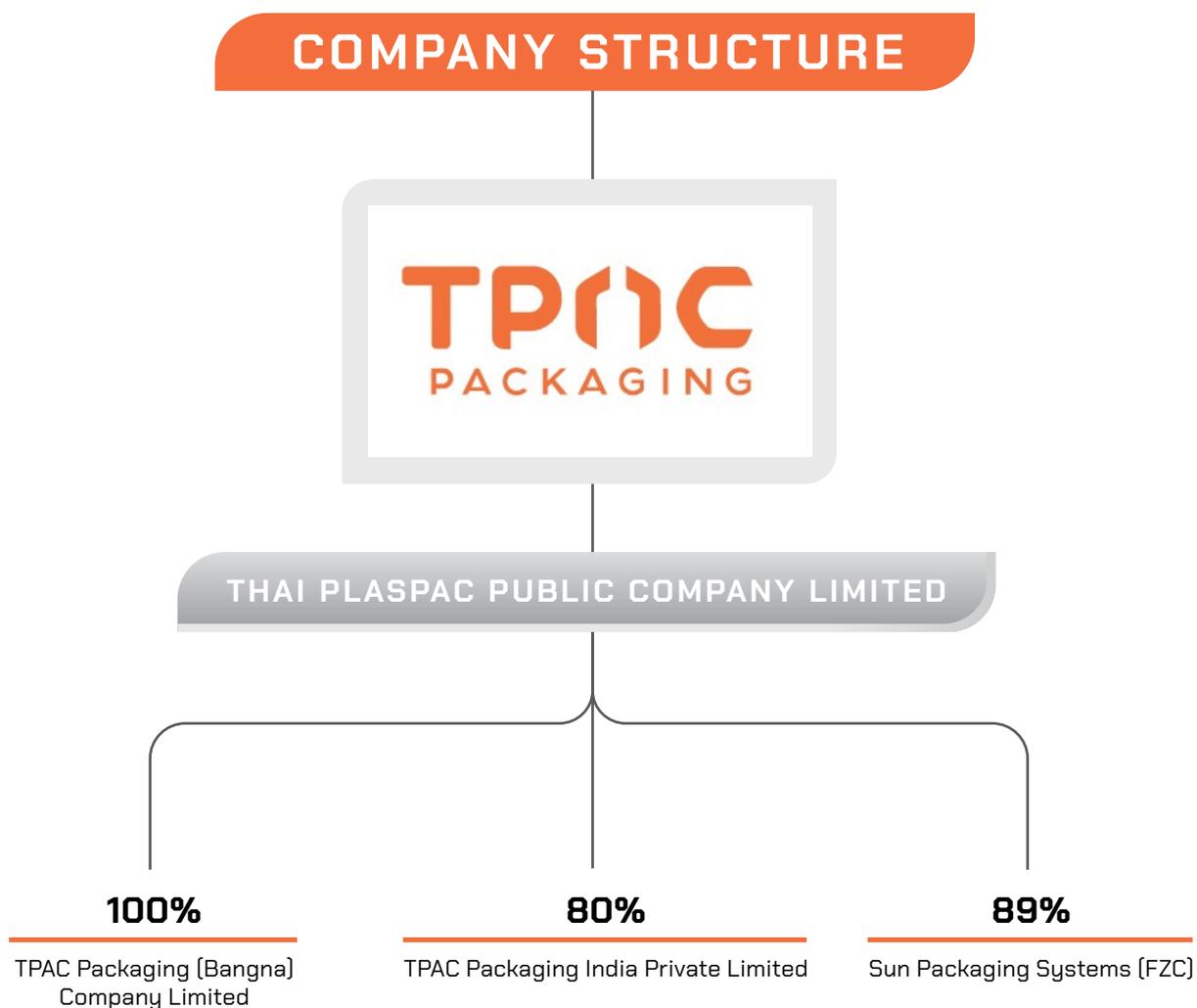
COMPANY NAME	TPAC PACKAGING INDIA PRIVATE LIMITED
TYPE OF BUSINESS	Manufacture rigid plastic packaging
CIN	U74999MH2017PTC301190
ROC CODE	RoC-Mumbai
REGISTRATION NUMBER	301190
DATE OF INCORPORATION	December 7, 2017
REGISTERED SHARE CAPITAL	Rs 2,450,000,000 divided into 245,000,000 ordinary shares of par value at Rs 10 per share
PAID-UP SHARE CAPITAL	Rs 2,107,695,750 divided into 210,769,575 ordinary shares of par value at Rs 10 per share
FISCAL YEAR END	31 December
REGISTERED ADDRESS	405-408 ACME INDUSTRIAL PARK OFF I B PATEL ROAD, GOREGAON EAST MUMBAI Mumbai City MH 400063 INDIA
LEGAL ADVISOR	Chandhiok & Associates
ADDRESS	Advocates and Solicitors C-524 Defence Colony New Delhi-110024 India
AUDITOR	SRBC & Co LLP 12th Floor, The Ruby, Ruby Mill, Senapati Bapat Marg, Dadar (West), Mumbai, Maharashtra 400028, India RMJ & Associates LLP (Internal Auditor) 41 Film Center, 4th Floor, 68Tardeo Road, Mumbai, Maharashtra 400034, India

TPAC'S SUBSIDIARY

COMPANY NAME	TPAC PACKAGING (BANGNA) COMPANY LIMITED
TYPE OF BUSINESS	Manufacture rigid plastic packaging
DATE OF INCORPORATION	May 2, 2018
REGISTRATION NUMBER	0105512000275
REGISTERED SHARE CAPITAL	THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share
PAID-UP SHARE CAPITAL	THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share
FISCAL YEAR END	31 December
REGISTERED ADDRESS	75/2 Moo 9 Soi Ruamjai Bangna-Trad Road Km.18.8, Bangphli Samutprakarn 10540
AUDITOR	EY Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-264-0777

TPAC'S SUBSIDIARY

COMPANY NAME	SUN PACKAGING SYSTEMS (FZC)
TYPE OF BUSINESS	Manufacture rigid plastic packaging
DATE OF INCORPORATION	July 30, 2019
REGISTRATION NUMBER	002538
FISCAL YEAR END	March 31
REGISTERED CAPITAL	AED 450,000 divided to 300 ordinary shares of par value at AED 150 per share
PAID-UP CAPITAL	AED 450,000 divided to 300 ordinary shares of a par value at AED 150 per share
REGISTERED ADDRESS	600 M2 WAREHOUSE B3-01,02&03 PLOT OF LAND T3-02,03,04&05 P.O. BOX 7784, SHARJAH, UNITED ARAB EMIRATES
AUDITOR	EY Dubai P.O. Box 9267 Al Saqr Business Tower, 28th floor, Sheikh Zayed Road, Dubai, United Arab Emirates Office Line:+971 (4) 3324000 Fax Line:+971 (4) 3324004 Dubai@ae.ey.com





NATURE OF BUSINESS

VISION

To be a company whose innovations positively impact our world,
and a place attractive to the most talented packaging minds.

MISSION

To collaborate passionately,
always showing our customers what's new.

OUR VALUE

Dream

TPAC dreams to be a global company, and a leader in packaging innovation. It can only start with a dream.

In Data we trust

"If you can't measure it, you can't improve it."
We couldn't be more in agreement.

Invest in Ourselves

Our mindset is one of continuous learning,
always a student, always curious.

Obsess over quality

There no rooms for compromise here.

NATURE OF BUSINESS



Thai Plaspac Public Company (TPAC Packaging) is a top tier rigid plastic packaging solutions company in Thailand, India, and United Arab Emirates.

We mainly operate across hygienic consumer segments - *everyday consumables* within the Food & Beverage, Pharmaceutical, Personal care and Homecare sectors. A smaller part of our business is in the Precision Tools sector. Our packaging solutions are bespoke, uniquely designed and manufactured. We also have an extensive common mold product portfolio branded under the 'SUNPET' brand.

Utilizing proprietary know-how as developed by our in-house industry recognized R&D platform, our team of specialist formulate optimum material composition as deemed suitable to form and function. 2D technical CAD drawings and 3D printed prototypes are developed. Utilizing our extensive relationships with mold makers around the globe, we work closely with mold makers judged to possess the appropriate level of technical craftsmanship best suited for our individual projects. Our commercial manufacturing processes include injection molding, stretch-blow molding and extrusion molding. We also have developed in house facilities for variety of decorative processes. Our systems and processes are ISO 9001: 2008, Good Manufacturing Practice, Food Safety accredited, and we offer Clean Room infrastructure.

We divided our business into 4 categories:

Food & Beverage

Our Food & Beverage business can be sub-divided into 5 sub-sectors.

1 Dairy & Coffee

The dairy business packaging solutions are mainly for milk and yoghurt products. Milk packaging includes small individual sized bottles up to large multi gallon bottles as well as specialty closure. Yoghurt packaging includes thin walled cups and bottles. We are also active in the coffee market with products including screw top caps and bottles for coffee powder and beans.

3 Condiments

Comprise packaging solutions for jam, margarine, ketchup, (oyster, chili, soya) sauces, and other food condiments. Products include squeeze bottles and closure systems for sauce dispensing. Closure systems can range from internal tamper evident flip top caps, external tamper evident flip top caps and closures with a broad range of orifice sizes. Specialized barrier properties to the bottles are may be required in to mitigate any effects of oxidization to the filled product.

5 Tableware products

Disposable cutlery, salt and pepper bottles and dispensers systems are amongst the core products offered for this category.

2 Edibles

Our edibles business cater to solutions for candy & gums, nuts, and edible oils.

4 Niche Beverage

Here we cater to the non-water and carbonated soft drink beverage market. For example, we recently worked with premium brands in the coconut water, green tea and vitamin water markets. Our customized designed beverage bottles and closures are likely to differ in size and shape from the more commonly seen commoditized water bottles and closures in the market.

Pharmaceutical & Personal care

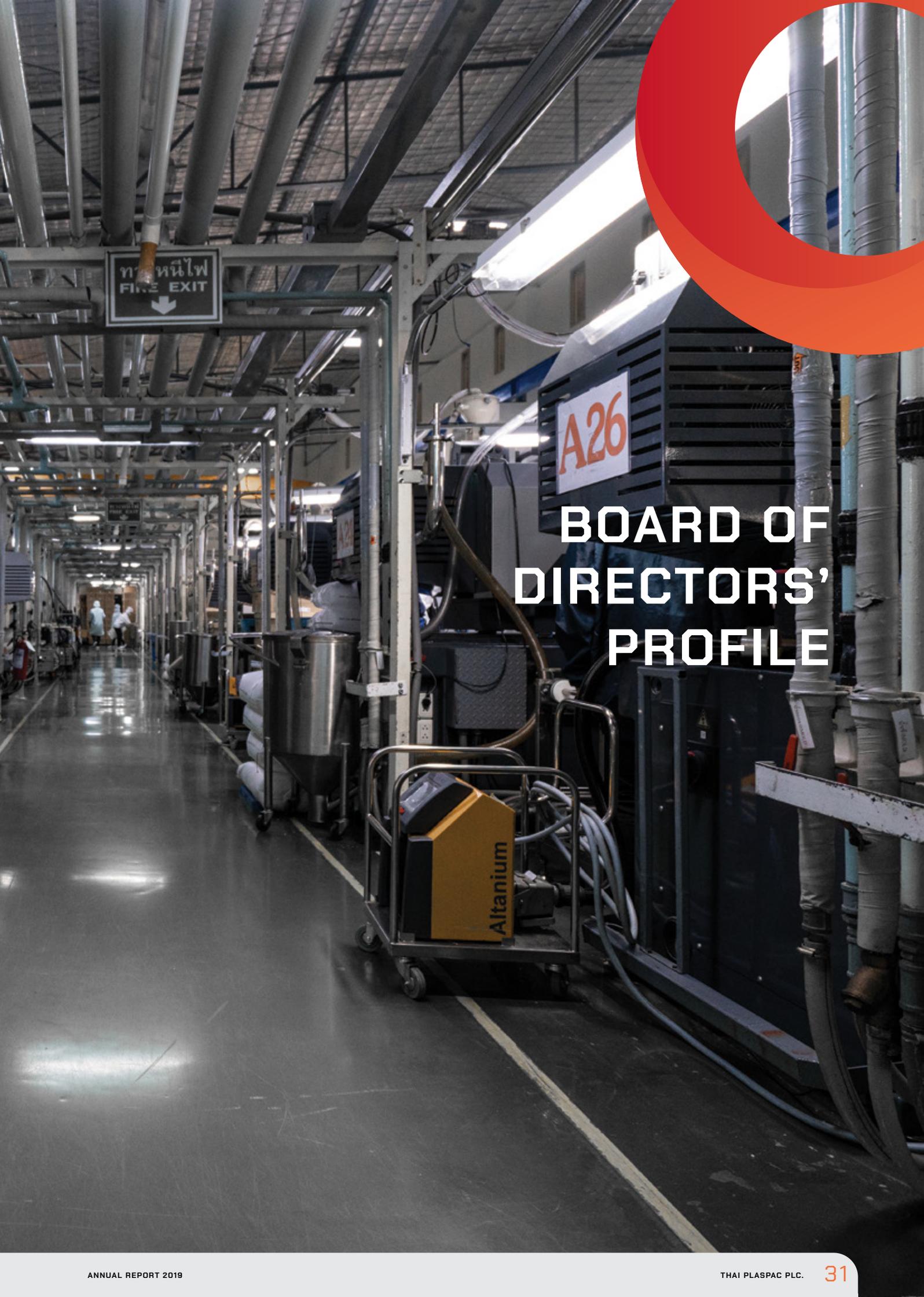
Packaging solutions here comprise of bottles and closure systems for mouthwash and antiseptic solutions, nutraceutical supplements, soaps and shampoos, body and spa oils, and deodorants.

Homecare

Our packaging solutions for the homecare market cater towards cleaning detergents, pest sprays and air refresher gels. For cleaning detergents, the packaging typically involves bottles with plug systems inserted at the bottles mouth and further overlaid with snap or screw caps. Our pest spray solutions comprise of spray caps. Air refreshers gels are housed within customized containers. These containers can be of various shapes and sizes unique to our customers design preference and may incorporate multiple pieces that assemble together.

Precision and Engineering Tools

Consists of plastic components for measuring tapes and engineering are typically single piece items which have an orifice to release the spray upon the application of pressure to a top lying button. The characteristic of the plastics applied here include a high level of heat and impact resistance.



BOARD OF DIRECTORS' PROFILE

BOARD OF DIRECTORS



1

Mr. Kevin Qumar Sharma

Chairman of the Board of Directors
Authorized Director
Nomination and Remuneration Committee
Chairman of Risk Management Committee
Chairman of Corporate Governance Committee
Group Chief Executive Officer

2

Mr. Theerawit Busayapoka

Authorized Director
Nomination and Remuneration Committee
Risk Management Committee
Corporate Governance Committee
Chief Executive Officer of Thailand Business
Managing Director

3

Mr. Anil Kumar Kohli

Authorized Director
Risk Management Committee
Chief Technical Officer

4

Mrs. Aradhana Lohia Sharma

Non-Executive Director

5

Mr. Yashovardhan Lohia

Non-Executive Director

6

Mr. Virasak Sutanthavibul

Independent Director
Chairman of the Audit Committee
Nomination and Remuneration Committee

7

Mr. Kittiphath Suthisamphat

Independent Director
Audit Committee
Nomination and Remuneration Committee

8

Mr. Gran Chayavichitsilp

Independent Director
Audit Committee
Chairman of Nomination and Remuneration Committee

BOARD OF DIRECTORS

Mr. Kevin Kumar Sharma

POSITION :

Chairman of the Board of Directors
Authorized Director
Nomination and Remuneration Committee
Chairman of Risk Management Committee
Chairman of Corporate Governance Committee
Group Chief Executive Officer

AGE : 36 Years Old

First Appointment Date 09 October 2015
Last Appointment Date 24 April 2019

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

- Husband of Mrs. Aradhana Lohia Sharma (Non-Executive Director)
- Brother-in-law of Mr. Yashovardhan Lohia (Non-Executive Director)



EDUCATIONS :

- Master's in science - Mathematical Trading and Finance, Cass Business School, City University, London, UK
- Bachelor of Engineering (Honors) - Civil Engineering, University College London, UK

TRAINING/SEMINAR :

- Director Certification Program Class No. 214/2015, Thai Institute of Directors Association, Thailand

(%) SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

None

RELEVANT POSITION IN LISTED COMPANY – THE STOCK EXCHANGE OF THAILAND :

- **2015 – Present**
Director,
Thai Plaspac Public Company Limited, Thailand

WORKING EXPERIENCE :

- **2015 – Present**
Group Chief Executive Officer,
Thai Plaspac Public Company Limited, Thailand
- **2014 – 2015**
Director, Armanset Limited, London, UK
- **2013 – 2014**
Associate Director, European Special Situations,
La Salle Investment Management, London, UK
- **2010 – 2013**
Associate, European Distressed Debt Acquisitions,
Colony Capital, London, UK
- **2007 – 2010**
Analyst, Investment Banking Division,
Credit Suisse Securities, London, UK

RELEVANT POSITION IN NON-LISTED COMPANY :

- **2019 – Present**
Director, Sun Packaging Systems (FZC), U.A.E.
- **2018 – Present**
Director, TPAC Packaging India Private Limited, India
- **2018 – Present**
Director,
TPAC Packaging (Bangna) Company Limited, Thailand
- **2014 – 2015**
Director, Armanset Limited, London, UK

BOARD OF DIRECTORS

Mr. Theerawit Busayapoka

POSITION :

Authorized Director
Nomination and Remuneration Committee
Risk Management Committee
Corporate Governance Committee
Chief Executive Officer of Thailand Business
Managing Director

AGE : 60 Years Old

First Appointment Date 12 October 2015
Last Appointment Date 24 April 2019

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

None



EDUCATIONS :

- Bachelor of Engineering (First Class Honors) – Mechanical Engineering, King Mongkut Institute of Technology, Bangkok, Thailand

TRAINING/SEMINAR :

- Director Accreditation Program Class No.51/2006, Thailand Institute of Directors Association, Thailand

(%) SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

- 9,560,000 shares or 2.93%

WORKING EXPERIENCE :

- **1985 – Present**
Chief Executive Officer of Thailand Business, Thai Plaspac Public Company Limited, Thailand

RELEVANT POSITION IN LISTED COMPANY – THE STOCK EXCHANGE OF THAILAND :

- **2015 – Present**
Director,
Thai Plaspac Public Company Limited, Thailand

RELEVANT POSITION IN NON-LISTED COMPANY :

- **2018 – Present**
Director,
TPAC Packaging (Bangna) Company Limited, Thailand

BOARD OF DIRECTORS

Mr. Anil Kumar Kohli

POSITION :

Authorized Director
Risk Management Committee
Chief Technical Officer

AGE : 59 Years Old

First Appointment Date 12 October 2015
Last Appointment Date 24 April 2018

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

None



EDUCATIONS :

- Post Graduate Diploma, Marketing Management, Pune University, India
- Bachelor in Technology (Chemicals), Harcourt Butler Technological University, Kanpur, India

TRAINING/SEMINAR :

- Director Accreditation Program Class No. 135/2017, Thai Institute of Directors Association, Thailand

(%) SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

None

RELEVANT POSITION IN LISTED COMPANY – THE STOCK EXCHANGE OF THAILAND :

- **2018 – Present**
Director, Thai Plaspac Public Company Limited, Bangkok, Thailand

WORK EXPERIENCE (DURING PAST 5 YEARS) :

- **2016 – Present**
Director, Thai Plaspac Public Company Limited, Bangkok, Thailand
- **2013 – 2015**
Vice President Marketing Specialty PET Resins, Indorama Polymers Public Co. Ltd., Thailand
- **1998 – 2013**
Vice President, Petform Thailand Limited, Lopburi, Thailand

RELEVANT POSITION IN NON-LISTED COMPANY :

- **2018 – Present**
Director, TPAC Packaging India Private Limited, India
- **2018 – Present**
Director, TPAC Packaging (Bangna) Company Limited, Thailand
- **2019 – Present**
Director, Sun Packaging Systems (FZC), U.A.E.

BOARD OF DIRECTORS

Mrs. Aradhana Lohia Sharma

POSITION :

Non-Executive Director

AGE : 34 Years Old

First Appointment Date 09 October 2015

Last Appointment Date 24 April 2019

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

- Wife of Mr. Kevin Kumar Sharma
[Chairman of the Board of Directors]
- Sister of Mr. Yashovardhan Lohia
[Non-Executive Director]



EDUCATIONS :

- Bachelor of Science in Business Administration,
Babson College, Massachusetts, USA

TRAINING/SEMINAR :

- Director Certification Program Class No.214/2015,
Thai Institute of Directors Association, Thailand

(%) SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

None

WORKING EXPERIENCE :

- **Other Listed Companies in SET**
None

- **Other Companies and/or Organizations
(as of 31 December 2018)**

2018 – Present
Vice Chairwoman, IVL Foundation

2018 – Present
Director, TPAC Packaging India Private Limited

2018 – Present
Director, TPAC Packaging (Bangna) Company Limited

2008 – Present
Vice President, Indorama Holdings Limited.

BOARD OF DIRECTORS

Mr. Yashovardhan Lohia

POSITION :

Non-Executive Director

AGE : 32 Years Old

First Appointment Date 12 October 2015

Last Appointment Date 24 April 2018

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

- Brother of Mrs. Aradhana Lohia Sharma [Non-Executive Director]
- Brother-in-law of Mr. Kevin Qumar Sharma [Chairman of the Board of Directors]



EDUCATIONS :

- Bachelor of Engineering Business Management, Warwick Business School, Warwickshire, UK

TRAINING/SEMINAR :

- Director Certification Program Class No. 214/2015, Thai Institute of Directors Association, Thailand

(%) SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

None

RELEVANT POSITION IN LISTED COMPANY – THE STOCK EXCHANGE OF THAILAND :

- **2019 – present**
Director,
Indorama Ventures Public Company Limited
- **2015 – Present:**
Director, Thai Plaspac Public Company Limited

WORKING EXPERIENCE :

Relevant Position in Non-Listed Company

- **2018 – Present**
Director, Medco Plast Co. for Packing & Packaging systems (S.A.E.)
- **2018 – Present**
Director, Indorama Polymers Public Company Limited
- **2018 – Present**
Director, Indorama Holdings Limited
- **2018 – Present**
Director, Indorama Polyesters Industries Public Company Limited
- **2018 – Present**
Director, Indorama Petrochem Limited
- **2018 – Present**
Director, TPT Petrochemicals PCL
- **2009 – Present**
Director, Indorama Resources Limited
- **2009 – Present**
Director, Beacon Chemicals Limited
- **2007 – Present**
Director, Aurus Speciality Company Limited

BOARD OF DIRECTORS

Mr. Virasak Sutanthavibul

POSITION :

Independent Director
Chairman of the Audit Committee
Nomination and Remuneration Committee

AGE : 61 Years Old

First Appointment Date 09 October 2015

Last Appointment Date 24 April 2018

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

None

(%) SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

None



EDUCATIONS :

- B. Eng., Chulalongkorn University
- M.E., Texas A&M University, Texas, U.S.A.
- The Joint State – Private Sectors Class 18/2005, The National Defence College of Thailand
- Certificate, Capital Market Academy (CMA), Class 10/2010
- Certificate, Thailand Energy Academy (TEA), Class 1/2012
- Certificate of Completion and Graduation Pin, Justice Administration Batch 17 National Justice Academy (2012 – 2013)
- Certificate of Completion and Graduation Pin, Institute of Business and Industrial Development (IBID), Class 2 /2015
- Certificate “Business Revolution and Innovation Network” (BRAIN) Class 2/2018
- Certificate, Harvard University, Advanced Management Program, U.S.A.
- Certificate, Harvard University, Financial Institution for Private Enterprise Development, U.S.A.

THAI INSTITUTE OF DIRECTORS ASSOCIATION (IOD) TRAINING PROGRAM :

- Director Accreditation Program (DAP)
Class 21/2003

RELEVANT POSITION IN LISTED COMPANY – THE STOCK EXCHANGE OF THAILAND :

- **2016 – Present**
Director, Bualuang Ventures Co.,Ltd.

WORKING EXPERIENCE :

Positions in Listed Companies

- **2019 – Present**
Independent Director and Audit Committee Member, NFC Public Co.,Ltd
- **2015 – Present**
Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd.
- **2011 – Present**
Chairman of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd.
- **2005 – Present**
Independent Director, Bangkok Insurance Public Co., Ltd.
- **2016 – Present**
Committee of Nomination and Remuneration Committee, Thai Plaspac Public Co., Ltd.
- **2015 – Present**
Independent Director and Chairman of Audit Committee, Thai Plaspac Public Co., Ltd.
- **2012- Present**
Senior Executive Vice President, in charge of Commercial Banking, Bangkok Bank Public Co., Ltd
- **2002 – 2012**
Executive Vice President, Head of Metropolitan Commercial Banking, Bangkok Bank Public Co., Ltd.
- **2004 – Present**
Independent Director and Audit Committee Member, T. Krungthai Industries Public Co., Ltd.

BOARD OF DIRECTORS

Mr. Kittiphath Suthisamphat

POSITION :

Independent Director
Audit Committee
Nomination and Remuneration Committee

AGE : 49 Years Old

First Appointment Date 09 October 2015

Last Appointment Date 27 February 2017

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

None



EDUCATIONS :

- MBA, Sloan School of Management, Massachusetts Institute of Technology (MIT), Boston, USA
- Bachelor in Industrial Engineering, Chulalongkorn University, Bangkok, Thailand

TRAINING/SEMINAR :

- Director Certification Program, Class 72/2006, Thai Institute of Directors Association, Thailand
- Thailand Energy Academy (TEA), Class 13
- Business Revolution and Innovation Network (BRAIN), Class 1/2017, The Federation of Thai Industries
- Capital Market Academy (CMA), Class 9

{%} SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

None

NON-LISTED COMPANY: DIRECTOR POSITION :

None

WORKING EXPERIENCE :

- **2016 - Present**
National Power Supply Company Limited
Independent Director
- **2015 - Present**
Thai Plaspac Public Company Limited
Independent Director and Audit Committee Member
Nomination and Remuneration Committee Member
- **2000 - Present**
A.J. Plast Public Company Limited
Vice President and Managing Director

LISTED COMPANY: DIRECTOR POSITION :

- **2016 - Present**
National Power Supply Company Limited
Independent Director
- **2015 - Present**
Thai Plaspac Public Company Limited
Independent Director and Audit Committee Member
Nomination and Remuneration Committee Member
- **2000 - Present**
A.J. Plast Public Company Limited
Vice President and Managing Director

BOARD OF DIRECTORS

Mr. Gran Chayavichitsilp

POSITION :

Independent Director
Audit Committee
Chairman of Nomination and Remuneration Committee

AGE : 48 Years Old

First Appointment Date 12 October 2015
Last Appointment Date 27 February 2017

RELATION AMONG FAMILY WITH OTHER DIRECTORS AND EXECUTIVES

None



EDUCATIONS :

- Public Administration and Law for Executives, The College of Politics and Governance, King Prajadhipok's Institute
- The Executive Management Academy, University of California, Los Angeles
- Master Degree, Public Administration, Faculty of Political Science, Chulalongkorn University
- Bachelor in Business Administration, Rangsit University

TRAINING/SEMINAR :

- Director Certification Program Class No.214/2015, Thai Institute of Directors Association, Thailand

(%) SHARES POSSESSION AS OF DECEMBER 31ST, 2019 :

None

RELEVANT POSITION IN LISTED COMPANY – THE STOCK EXCHANGE OF THAILAND :

- **2015 – Present**
Director,
Thai Plaspac Public Company Limited, Thailand

WORKING EXPERIENCE :

- **2015 – Present**
Thai Plaspac Public Company Limited, Bangkok, Thailand
Independent Director and Audit Committee Member
Chairman of Nomination and Remuneration Committee
- **Dhanarak Asset Development Company Limited**
2018 – Present
Assistant Managing Director Marketing and Business Development
2015 – 2018
Senior Director of Corporate Communication
2012 – 2015
Director of Corporate Communication
2011 – 2012
Senior Specialist
2009 – 2011
Director of Marketing
2008 – 2009
Director of Marketing Management
2007 – 2008
Director of Marketing and Business development

NON-LISTED COMPANY: DIRECTOR POSITION :

None



MANAGEMENT STRUCTURE

MANAGEMENT STRUCTURE

BOARD OF DIRECTORS

List of Directors are as at December 31, 2019 are followed:

No.	Name of Directors	Position	Date of Registration as Directors	Number of Years in office
1	Mr. Kevin Qumar Sharma	Chairman of the Board of Directors Chairman of the Risk Management Committee Chairman of the Corporate Governance Committee Nomination and Remuneration Committee Group Chief Executive Officer	October 9, 2015	4 Years
2	Mr. Theerawat Busayapoka	Executive Director Nomination and Remuneration Committee Risk Management Committee Corporate Governance Committee Chief Executive Officer/Managing Director of Thailand Business	October 12, 2015	4 Years
3	Mr. Anil Kumar Kohli	Executive Director Risk Management Committee Chief Technical Officer	October 12, 2015	4 Years
4	Mrs. Aradhana Lohia Sharma	Non-Executive Director	October 9, 2015	4 Years
5	Mr. Yashovardhan Lohia	Non-Executive Director	October 12, 2015	4 Years
6	Mr. Virasak Sutanthavibul	Independent Director Chairman of the Audit Committee Nomination and Remuneration Committee	October 9, 2015	4 Years
7	Mr. Kittiphat Suthisamphat	Independent Director Audit Committee Nomination and Remuneration Committee	October 9, 2015	4 Years
8	Mr. Gran Chayavichitsilp	Independent Director Audit Committee Chairman of the Nomination and Remuneration Committee	October 12, 2015	4 Years
9	Mr. Worapong Woottipruk	Corporate Governance Committee Chief Financial Officer	August 9, 2018	1 Years

AUTHORIZED DIRECTORS' BEHALF OF THE COMPANY

Authorized directors of the Company are Mr. Kevin Qumar Sharma or Mrs. Aradhana Lohia Sharma or Mr. Anil Kumar Kohli jointly signed with Mr. Theerawat Busayapoka or Mr. Yashovardhan Lohia and stamp with the Company's seal.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Board of Directors has the authorized, duties, and responsibilities to manage the Company and the subsidiaries in accordance with the relevant law, the objectives and the Company's Articles of Association as well as all legitimate resolutions of the shareholders' meetings as follow:

1

Perform their duties accordance with the laws, Securities and Exchange Act, the Company's objectives, and the Company Articles of Association as well as the resolutions of the Board of Director and the shareholders' meeting with the responsibilities, duty of care, duty of loyalty, and the utmost benefit of the Company and the shareholders.

2

Determine the Company's policies, business directions, vision, mission, values, and strategies.

3

Determine the Company's annual plan and budget, as well as considering and reviewing to be accordance with the plan.

4

Determine short-term and long-term remuneration structure and welfare for the employees in all level.

5

Appoint the management to ensure that the accounting systems, financial reports, and accounting audit are accountable, as well as ensuring that the Company has an appropriate internal audit control system.

6

Consider and approve the acquisition and disposal of an asset and investment.

7

Consider, approve and provide an opinion on the connected transactions of the Company and its subsidiaries and ensure the compliance with the relevant laws.

8

Prevent a conflict of interests among the stakeholders of the Company.

9

Establish the risk management policy and framework, to continually review and evaluate the policy and framework.

10

Evaluate the performance of the Board of Directors annually, both group evaluation and individual evaluation in order to use as a guideline to review their duties and responsibilities.

11

Delegate one or more directors or other persons to perform any task on behalf of the Board of Directors, However, such delegation shall not be the authorization or sub-authorization that allows the director or any designated person, who has a conflict of interests or a conflict of any kinds with the Company or its subsidiaries to approve the transactions.

12

Appoint sub-committee to assist and monitor the management systems and the internal control to ensure that compliance with the policies such the Audit Committees, Nomination and Remuneration Committees, Risk Management Committees, and the Corporate Governance Committees and assign to the annual performance evaluation and review the duties and responsibilities in the charter of all committees.

13

Arrange the good corporate governance policy in form of the code, and adopt it in an efficiency in order to ensure the Company take responsibility to all stakeholders with fairness basis.

14

Directors should attend the training course to improve their skill which relevant with the Company business accordance with the Company's human resource development policy.

15

Newly appointed directors should attend the orientation to guideline the Company overview such a Company's structure, Articles of Association, Objectives, Director code of ethics, directors' handbook, and the Company policies as well as the corporate governance policy.

16

Consider and alter the authorized directors signing on behalf of the Company.

17

Consider and appoint Executive and Corporate Secretary with the qualification as defined by the Securities and Exchange Commission or the Capital Market Supervisory Board, as well as decide the compensation of those.

ROLE AND RESPONSIBILITIES OF THE CHAIRMAN OF THE BOARD

1

To be Leader of the Board of Directors and to be the Chairman over the Board of Directors' Meeting.

Conduct the Board Meeting in compliance with the law, the Company's Articles of Association and the Meeting agenda.

Promote and allocate sufficient time for each Board member to discuss and share their idea deliberately and to exercise their proper discretion for the best interest of all stakeholders.

Conclude the meeting resolution and actions plan to be taken after the meeting in a clear and decisive manner.

2

Preside over the Shareholders meeting and conduct the meeting in compliance with the law, the Company's Articles of Association and follow the sequence of the agenda with proper allocation of time while providing an opportunity for shareholders to equally share their opinions and for directors and executives to respond to shareholder's questions properly and transparently.

3

Promote the Board of Directors to be a role model in practicing good corporate governance, Anti-fraud and Anti-corruption policy and the Company's Code of Conducts.

4

Strengthen good relationship between Board members and management team and support the president and his management team to carry out their duties in accordance with the Company's policies.

5

Supervise the disclosure of information and transparent management especially when there is a conflict of interest.

6

Ensuring membership of the Board has proper structure and composition.

7

Ensuring efficient and effective performance of the Board of Directors, each committee and individual directors.

8

Supervise the annual performance evaluation of the Board of Directors, individual directors, the Chairman himself, and all committees in order to improve effectiveness of the Board and committees and enhance knowledge and competencies of individual Board and committee members.

COMMITTEE

The Board of Directors has established committee i.e. Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Corporate Governance Committee to perform their duties of their specific affairs and propose related issued for the Board to consider or endorse.

The Board has approved the charter of each committee which set the duties and responsibilities of the committee and shall be published on the Company's website. The detail of each committee is followed;

1. Audit Committee

Audit Committee is established with the objectives to provide the assistant to the Board of Directors in fulfilling its oversight responsibility relating to the accuracy of the Company's financial statement, the efficiency of the internal control, and the compliance with law, regulations and the code of conduct in order to promote its Good Corporate Governance. The Committee also has a duty to review the Company's risk management and to prepare the audit committee report in the annual report.

Audit Committee comprises of at least three (3) independent directors and at least one (1) member shall be financially literate or shall have background in accounting or finance sufficiently enough to perform the duty of reviewing the accuracy of the Company's financial statements. Chairman of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members of the Audit Committee.

As of December 31, 2019, there are three (3) member of Audit Committee as follow;

NO.	NAME	POSITION
1	Mr. Virasak Sutanthavibul	Chairman of the Audit Committee
2	Mr. Kittiphath Suthisamphat	Audit Committee
3	Mr. Gran Chayavichitsilp	Audit Committee

Role and Responsibilities of the Audit Committee

1

To review and ensure that the Company's financial report is proper and with adequate disclosure in accordance with the generally accepted accounting standards, including the assurance that quarterly and annual financial reports are accurate, complete, and justifiable before the submission to the Board of Directors for approval.

2

To review and ensure that the Company has an appropriate and efficient internal control system and to annually assess the results of the internal control.

3

To ensure that the Company has complied with the securities laws and regulations of the SEC and the SET or other laws relating to the business of the Company.

4

To select and recommend to the Board of Directors the appointment of the external auditor and suggest remuneration for approval in the annual general meeting of the shareholders' meeting and to meet with the external auditor without participation of the management at least once a year.

5

To terminate the external auditor, if there are conflict of interest or effect to the Company.

6

To ensure a common understanding between the Board of Directors, the external auditor, and the internal auditor.

7

To review and disclose related party transactions or any conflict of interests as stipulated by the corresponding regulations, Company's Articles of Association, Securities and Exchange Commission Act, or the notification of the SET and disclose in the annual report.

9

To review and revise the Audit Committee charter to properly align with the Securities and Exchange Act and the SET's regulations and guidelines.

11

To ensure that the internal audit department addressed all essential business control functions, proposes solutions and opinions to the management, and monitors the execution of the proposed solutions within the provided time period.

13

To be empowered to call for opinions or attendance at the meeting or provision of any related documents, as the Audit Committee may deem relevant or necessary, from the management or any related staff.

15

To do any other functions as may be designated by the Board of Directors.

8

To prepare a report of the Audit Committee's activities as may be required in line with SET regulation.

10

To consider, review, and approve the internal audit plan.

12

To report the Audit Committees' operation result to the Board of Directors.

14

To seek counsel from independent professionals from varying fields when deemed necessary on the expense of the Company.

16

To evaluate the annual performance for possible improvement.

2. Nomination and Remuneration Committee

Nomination and Remuneration Committee is established with the objectives to comply with the Good Corporate Governance, the duties are mainly the consideration and determination the remuneration package of the directors, committees, and the executive management and propose for the Board of Directors before asking for the approval from the shareholders.

Nomination and Remuneration Committee comprises of at least three (3) directors and at least one-third (1/3) of the Nomination and Remuneration Committee must be independent directors and the Chairman must also be the independent director.

As at December 31, 2019, there are five (5) member of the Nomination and Remuneration Committee as follow;

NO.	NAME	POSITION
1	Mr. Gran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee
2	Mr. Kittiphath Suthisamphat	Nomination and Remuneration Committee
3	Mr. Virasak Sutanthavibul	Nomination and Remuneration Committee
4	Mr. Kevin Qumar Sharma	Nomination and Remuneration Committee
5	Mr. Theerawit Busayapoka	Nomination and Remuneration Committee

Role and Responsibilities of the Nomination and Remuneration Committee

- 1 To consider the succession plan for executive and top executive.
- 2 To recruit person who is suitability to be nominated for Chief Executive Officer, Managing Director and top executive by following the relevant law.
 - To define the criterions for recruitment person who is suitability to be nominated for Chief Executive Officer, Managing Director and top executive.
 - The criterions need to accord with the relevant law and requirements and also the person need to have a qualification that relevant to the law and the requirements of Stock Exchange of Thailand.
- 3 The Nomination and Remuneration Committee has a duty for consideration the remuneration as follow:
 - To present the remuneration of committee and sub-committee to the Board of Director for approval and present to the shareholder meeting for approval.
 - To present the remuneration of top executive to the Board of Director for acknowledgement.
- 4 To consider the remuneration of executive, apart from no.3, to the Board of Director for approval and pass to the managing director for operation.
- 5 All sub-committee have a duty to make a self-assessment in both individual and group evaluation and report to Board of Director in order to disclose in annual report.
- 6 Chairman of sub-committee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report.
- 7 Making a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report.
- 8 Regularly review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand.
- 9 Reporting the performance report of sub-committee to the Board of Director at least 2 times per year.
- 10 Annually evaluate the performance report of sub-committee for the purpose of improvement process.

3. Risk Management Committee

Risk Management Committee is established with the objectives to provide the assistant the Board of Directors to manage the risk e.g. financial risk, trading risk, and exchange rate risk by determining the risk management framework and policies as well as follow the result and propose to the Board of Director to consider and mitigate the risks.

Risk Management Committee comprises of three (3) directors and shall be appointed by the Board of Directors.

As at December 31, 2019, there are three (3) member of the Risk Management Committee.

NO.	NAME	POSITION
1	Mr. Kevin Kumar Sharma	Chairman of the Risk Management Committee
2	Mr. Theerawit Busayapoka	Risk Management Committee
3	Mr. Anil Kumar Kohli	Risk Management Committee

Role and Responsibilities of the Risk Management Committee

1

To set up the risk management policy and framework in order to relate with the company's sustainability target and strategy between top executive and director.

2

To follow up the significant risk of organization and improve the risk management frame work including with the risk identification and evaluation process.

3

To evaluated and approve the appropriate risk management plan for practicing throughout the organization.

4

To follow up the strategy and major practicing risk management. According with the analysis and estimation the situation expecting to be a cause of risk and effect to the company's operation and also report to the director.

5

To provide the risk management advisory for the operation.

6

To create the risk awareness throughout the organization by encouraging and motivation the risk management to be a culture of organization.

7

To manipulate the risk management handbook consisting of up-to-date evaluation and management standard of risk management

8

To communicate with audit committee for the significant risk in order to connect with internal control.

9

To report the company's risk and risk management to the Board of Director at least twice a year.

10

All sub-committee have a duty to make a self-assessment in both individual and group for evaluation and report to Board of Directors in order to disclose in annual report.

11

Chairman of sub-committee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report.

12

Making a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report.

13

To review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand.

14

To report the performance report of sub-committee to the Board of Director at least twice a year.

15

To evaluate the performance report of sub-committee for the purpose of improvement process.

4. Corporate Governance Committee

Corporate Governance Committee is established with the objectives to comply with the Good Corporate Governance of the public company standard which was evaluated by the external institution and report the result and suggestion to the Board of Directors to determine the relevant policies.

Corporate Governance Committee comprised of the directors and the corporate secretary totally three (3) member and shall be appointed by the Board of Directors.

As at December 31, 2019, there are three (3) members of the Corporate Governance Committee as follow:

NO.	NAME	POSITION
1	Mr. Kevin Qumar Sharma	Chairman of the Corporate Governance Committee
2	Mr. Theerawit Busayapoka	Corporate Governance Committee
3	Mr. Worapong Woottipruk	Corporate Governance Committee

Role and Responsibilities of the Corporate Governance Committee

1

To set up the Corporate Governance Committee policy for Board of Director to approve and put into practice. Including following the policy behavior and also continuously and appropriately review the policy.

2

To assign to have an annually performance evaluation for Chairman of board of director, committee in both individual and as a whole and also sub-committee.

3

To build a reliability of Corporate Governance process by having a rightful financial statement, following the law and ethic as well as having a good relationship with customers, supplier and stakeholders.

4

To Build a reliability of Corporate Governance process by having a suitable protection and reducing conflicts of interest process in order to get the most beneficial for company and shareholder.

5

All sub-committee have a duty to make a self-assessment in both individual and group for evaluation and report to Board of Director in order to disclose in annual report.

6

Chairman of subcommittee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report.

7

To make a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report.

8

To review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand.

9

To report the performance report of sub-committee to the Board of Director at least twice a year.

10

To evaluate the performance report of sub-committee annually for the purpose of improvement process.

SUMMARY OF MEETING ATTENDANCE OF THE BOARD OF DIRECTORS AND THE COMMITTEES IN 2019

NO.	NAME	BOARD OF DIRECTORS	AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	CORPORATE GOVERNANCE COMMITTEE	RISK MANAGEMENT COMMITTEE
		(7 TIMES)	(4 TIMES)	(2 TIMES)	(2 TIMES)	(2 TIMES)
1	Mr. Kevin Kumar Sharma	5/7	-	2/2	2/2	2/2
2	Mr. Theerawit Busayapoka	7/7	-	2/2	2/2	2/2
3	Mr. Anil Kumar Kohli	6/7	-	-	-	2/2
4	Mrs. Aradhana Lohia Sharma	7/7	-	-	-	-
5	Mr. Yashovardhan Lohia	7/7	-	-	-	-
6	Mr. Virasak Sutanthavibul	7/7	4/4	2/2	-	-
7	Mr. Kittiphat Suthisamphat	7/7	4/4	2/2	-	-
8	Mr. Gran Chayavichitsilp	6/7	3/4	2/2	-	-
9	Mr. Worapong Woottipruk	-	-	-	2/2	-
Average of the Meeting attendance		92.86	91.67	100	100	100

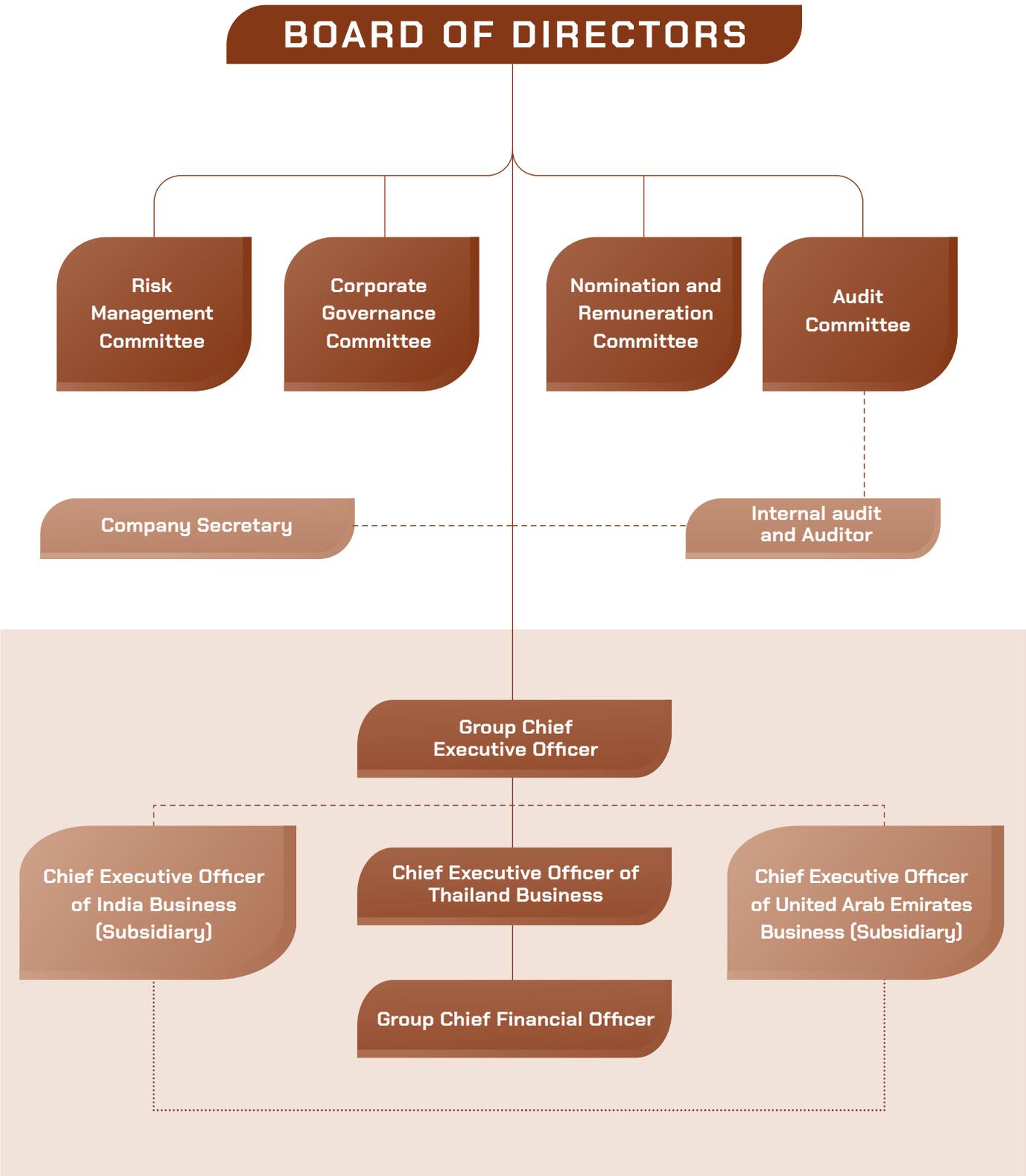
In 2019, The Company convened a total of 7 Board of Directors' Meetings. There was 92.86% of the directors attended the Meetings. The Corporate Governance Policy of the Company encourage each director to attend at

least 75% of the total number of meetings. There were 8 directors who attended the meeting more than 75% of the total number of the meetings, equivalent to 94.44%.

EXECUTIVES

NO.	NAME	POSITION
1	Mr. Kevin Kumar Sharma	Group Chief Executive Officer
2	Mr. Theerawit Busayapoka	Chief Executive Officer of Thailand Business/Managing Director
3	Mr. Shrinath Kasi	Chief Executive Officer of India Business (Subsidiary)
4	Mr. Nimit Kishore Bhatia	Chief Executive Officer of United Arab Emirates Business (Subsidiary)
5	Mr. Anil Kumar Kohli	Chief Technical Officer
6	Mr. Worapong Woottipruk	Chief Financial Officer
7	Mr. Suyog Chitlange	Chief Financial Officer of India and United Arab Emirates Business
8	Mr. Khanit Thanawutikrai	Assistant Vice President Accounting

ORGANIZATION CHART



Role and Responsibility of the Executive Committee

1

To manage the business in accordance with the objectives, goals, guidelines, policy, plan and budget of the Company as determined and assigned by the Board of Directors.

2

To provide direction, strategy and plan to achieve Company's objectives.

3

To organize and provide internal structure and operational procedures of the Company for highest efficiency.

4

Periodically review operational results to achieve company goals.

5

To look for new opportunity in business for submission to the Board of Directors for approval.

6

To review the procurement or disposal of the Company's material property and to bind upon the Company with matter within the powers authorized by the Board of Directors.

7

To approve any transaction prior to submitting same to the Board of Directors

8

To appoint, remove and terminate senior executives.

9

To approve distribution of bonus and the amount of money for annual salary increase of the staff within the annual budget of the Company.

10

To see to it that the policy on corporate governance is appropriately implemented and followed.

11

To perform any other duties as may be assigned by the Board of Directors.

The authority for all of above Executive Committee operations are not included any approvals for a person who has a conflict of interest with company or any associations.

Role and Responsibility of the Managing Director

The Managing Director is appointed by the Board of Directors who will hold office as Managing Director of the Company only so that he will have sufficient time to manage the affairs and activities of the Company in accordance with the objective of the Company and for the best benefit of the shareholders. The Managing Director

is under direct command of and report to the Chief of the Executive Committee and his performance will be evaluated by the Executive Committee annually, including fixing his remuneration. The duty and responsibility of the Managing Director is as follows:

1

To administer, manage and control operations concerning the general management of the Company.

2

To follow directors' policies, plan and budgets approved by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer.

3

To hire, appoint, transfer, discharge, and lay off; determine wages, bestow awards, adjust monthly salaries, remunerations, and bonuses of all employees except executives those requiring approval from the Executive Committee.

4

To approve or transfer the power to approve the purchasing of assets and services that are beneficial to the Company, and financial transactions involved in business operations; all within the budget provided by the Board of Directors and/or the Executive Committee.

5

To issue orders, regulations announcement and memorandum in order to ensure operations align with Company' policies and follow code of conduct for employees and others.

6

To represent the Company in business activities and transactions which are beneficial to the Company.

7

To appoint advisors in different fields as deemed necessary for effective operations.

8

To do any other functions as may be designated by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer.

The authority for all of above operations are not included any approvals of Managing Director for a person who has a conflict of interest with company or any associations.

COMPANY SECRETARY

The Company Secretary is responsible as specified in Section 89/15 and 89/16 of the Securities and Exchange Act. (No.4) B.E. 2551 which was effective on August 31, 2008 with responsibilities, careful, and honesty as well as

compliance with the law, the Company's objectives, Articles of Association, Board resolution, and shareholders' meeting resolution. The duties of the company secretary as follow:

- 1** Prepare and maintain the followed documents'
 - a. Directors' registrars
 - b. Invitation letter and Minutes of the Board of Directors' Meeting, Annual Report
 - c. Shareholders' Meeting Minutes and Invitation letter
- 2** Maintain reports of interest reported by directors or executives and submit a copy of the report of interest under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the company received the report.
- 3** Perform other tasks as announced by the Capital Market Supervisory Board.
- 4** Provide basic advice to directors in matters relating to securities laws and regulations as well as the regulations of the company and follow up to ensure the correct and consistent practice Including reporting significant changes to the Board of Directors.
- 5** Arrange for shareholders' meetings and board meetings according to the law Company regulations and good practices.
- 6** Prepare the minutes of the shareholders' meeting and the minutes of the Board of Directors' meeting and follow up to ensure compliance with the resolution of the meeting.
- 7** Prepare and maintain the registration of directors, Annual report, Invitation letter to the shareholders' meeting, Notice of the Board of Directors Meeting.
- 8** Maintain reports of interest prepared by directors and executives and reports as required by law.
- 9** Ensure that the subsidiaries comply with laws and regulations.
- 10** Ensure the disclosure of information and information reports to regulatory agencies in compliance with laws and regulations.
- 11** Provide timely disclosure of information necessary to the Securities and Exchange Commission and the Stock Exchange of Thailand (Both Thai and English).
- 12** Assist the Board of Directors Including the initial consultation and suggestions Related to the law, regulation, corporate governance and good practices related to the Board of Directors and sub-committees.
- 13** Supporting directors to ensure that directors have the sufficient information and knowledge to perform their duties efficiently and report in the annual report.
- 14** Develop the knowledge related to perform company secretary duties.

Mr. Worapong Woottipruk
Age 48 years

● Educations

- Master's Degree : MBA (Finance & International Business) University of ST. Thomas
- Bachelors' Degree: Business Administration (Finance & Banking), Thammasart University
- Bachelors' Degree; Law, Sukhothai Thammathiraj Open
- Strategic CFO No.4, Stock Exchange of Thailand

● Working Experience

- Thai Plaspac Public Company Limited
- 2017-Present: Chief Financial Officer
- Thai Solar Energy Public Company Limited
- 2017-2017: Chief Financial Officer
- Bangchak Petroleum Public Company Limited
- 2016-2017: Financial and Tax planning Manager

Report on Securities holding by the Directors and Executives

The Company has a policy to require the directors and executives of the Company, including their spouse and minor children (if any), to report their holding of the Company's

securities by preparing a copy of their Report of Changes in Securities and Derivatives Holding (Form 59) to the Company Secretary to report to the Board of Directors' Meeting.

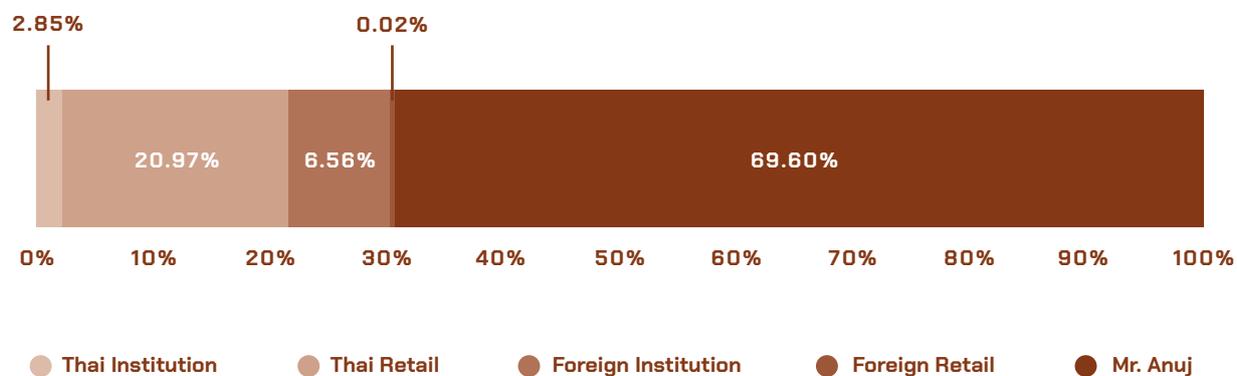
No.	Name	NUMBER OF SHARES		NUMBER OF SHARES INCREASED/ (DECREASED)
		DECEMBER 31, 2018	DECEMBER 31, 2019	
DIRECTORS				
1	Mr. Kevin Kumar Sharma	0	0	-
	Spouse / Minor Children	0	0	-
2	Mr. Theerawit Busayapoka	9,560,000	9,560,000	-
	Spouse / Minor Children	0	0	-
3	Mr. Anil Kumar Kohli	0	0	-
	Spouse / Minor Children	0	0	-
4	Mrs. Aradhana Lohia Sharma	0	0	-
	Spouse / Minor Children	0	0	-
5	Mr. Yashovardhan Lohia	0	0	-
	Spouse / Minor Children	0	0	-
6	Mr. Virasak Sutanthavibul	0	0	-
	Spouse / Minor Children	0	0	-
7	Mr. Kittiphath Suthisamphat	0	0	-
	Spouse / Minor Children	0	0	-
8	Mr. Gran Chayavichitsilp	0	0	-
	Spouse / Minor Children	0	0	-
EXECUTIVES				
9	Mr. Worapong Woottipruk	0	0	-
	Spouse / Minor Children	0	0	-
10	Mr. Khanit Thanawutikrai	0	0	-
	Spouse / Minor Children	0	0	-

CAPITAL STRUCTURE

Top 10 Major Shareholders (as of December 31st, 2019)

NO.	NAME	NUM. OF SHARES	PROPORTION
1	Mr. Anuj Lohia	225,688,192	69.11%
2	Mr. Eakawut Nuengchamnong	22,786,200	6.98%
3	The Hongkong and Shanghai Banking Corporation Limited	13,351,700	4.09%
4	Mr. Theerawit Busayapoka	9,560,000	2.93%
5	Thai NVDR Company Limited	8,797,704	2.69%
6	Morgan Stanley & Co. International Plc	7,857,800	2.41%
7	Ms. Anootree Nuengchamnong	7,730,400	2.37%
8	Mr. Pornchai Rattananontachaisook	4,303,900	1.32%
9	Mr. Niti Nuengchamnong	3,599,900	1.10%
10	Mr. Sumet Janeprasutkul	2,100,400	0.64%

Shareholding by Shareholder Type as of December 31st, 2019



Dividend Policy

Not less than 30 percent of net profit after corporate income tax and appropriation to legal reserve. However, the board of directors may consider adjusting the dividend

payment depending on liquidity requirement, cash flow requirement for expansion and investment and other requirement in the future.

Dividend Payment

In 2019, TPAC had announced the dividend payment from the operating profit of 2019 at THB 0.125 per share which will be proposed to the shareholders' meeting.

	FY 2559	FY 2560	FY 2561	FY 2562**
THB Dividend per share (THB)	0.21	0.13	-	0.125
Dividend Yield (%)*	2.90%	1.12%	N/A	1.25%
Dividend Payout (%)	51.98%	30.72%	N/A	30.07%

* Dividend Yield calculated from the closing price of the end of the operating period.

** TPAC had announced the dividend payment for 2019 at THB 0.125 per share which subject to the shareholders' approval to be obtained from 2020 Annual General Meeting of shareholders.

Capital Market Activity

• Increased Registered capital

In 2019, TPAC has increased its registered capital by issuing newly ordinary shares by 72,732,324 shares with a par value at THB 1 per share to the existing shareholders at THB 11.00 per share

• Meeting with analyst and investor

- The analyst had visited the Company on September 3rd, 2019, with 4 attendances which are from Asset plus, AIRA and ZCOM.
- TPAC had been invited to visit institution investor on September 27th, 2019.



NOMINATION AND REMUNERATION POLICY

NOMINATION, APPOINTMENT AND REMUNERATION OF DIRECTORS AND EXECUTIVES

Appointment and Removal of Directors

The appointment and removal of directors of the Company are in accordance with the criteria and procedures as stipulated in the law and the Company's Articles of Association, which can be summarized as follows:

- 1** In every Annual General Meeting of Shareholders, at least one-third (1/3) of the directors shall retire by rotation. If the number of the directors who must retire by rotation is not divisible by three, the number of directors closest to one-third (1/3) of all directors shall retire. The directors who retire by rotation are eligible for re-election;
- 2** The election of the directors at the shareholders' meeting shall be in accordance with the following rules and procedures:
 - Each shareholder shall have one vote for one share;
 - Each shareholder shall use all of his or her votes to elect one or several persons as the director(s). However, he or she may not divide his or her votes among the candidates; and
 - The candidates who receive the most votes in descending order will be elected as the director(s) up to the number of the directors required to be elected at such meeting. In the event that the candidates have equal votes and their election would exceed the number of directors required to be elected at such meeting, the Chairman of the meeting shall have a casting vote;
- 3** Apart from retirement by rotation, the directors shall cease to hold office upon death, resignation, lack of qualifications or possession of prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (1992) (as amended), removal by a resolution of the shareholders' meeting, or removal by a court's order;
- 4** In case of a vacancy in the membership of the Board of Directors for reasons other than retirement by rotation, the Board of Directors shall pass a resolution by affirmative votes of not less than three-quarters (3/4) of the number of the directors remaining in office to elect a person who has the qualifications and possesses no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (as amended) as a substitute director at the next meeting of the Board of Directors, unless the remaining term of office of the said director is less than two months; and
- 5** The shareholders' meeting may pass a resolution to remove any director from his/her office prior to the expiration of his/her term by affirmative votes of not less than three-quarters (3/4) of the number of the shareholders attending the meeting, having the right to vote, and holding shares not less than one-half (1/2) of the total number of shares held by the shareholders attending the meeting and having the right to vote.

Qualifications of Directors

1

Must possess qualifications and must not have any prohibited characteristics under the public limited companies' law, securities and exchange law, rules and regulations of the Company and the relevant supervisory agencies, and the Company's good corporate governance. In case of nomination of an independent director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Director. In case of nomination of a member of the Audit Committee, such nominated person shall possess additional qualifications in accordance with the laws;

3

Must be independent, perform the director's duty with due care, be honest, be mentally and physically healthy, and be able to fully commit to work for the Company; and

2

Must have knowledge, capability, skills, experience, and diversified expertise beneficial to the Company's businesses;

4

Must have a good work profile and must not engage in a business or be a partner in a general partnership or be a partner having unlimited liability in a limited partnership or a director in other private or public company which carries on businesses of the same nature as and in competition with the Company's businesses, except the shareholders' meeting is advised before a resolution is passed to elect such person and other relevant laws are complied with.

Qualification of Independent Directors

1

Holding no more than 1% of total voting shares including the shareholding of persons related to the independent directors.

3

Not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary.

5

Not currently being or never been the company's auditor. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm. Exception: It has been at least two years after the person has held the position.

2

Not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties. Exception: It has been at least two years after the person has held the position.

4

Not currently having or never had any relations with the company in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the company. Exception: It has been at least two years after the person has held the position.

6

Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than THB 2 million per year. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers. Exception: It has been at least two years after the person has held the position.

7

Not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.

8

Not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.

9

Not under any conditions that may impede the person from having independent views towards the company's operations.

Position holding of the Independent Directors

The tenure of an independent director of the Company should not exceed a cumulative term of 9 years from the first day of service. Upon completing 9 years, an independent director

may continue to serve on the Board of Directors, subject to the Board of Directors' rigorous review of his/her continued independence.

Qualification of Audit Committee

1

Having been appointed by the Board of Directors or shareholders' meeting to act as Audit committee member.

2

Qualified for an independent director.

3

Not currently the director authorized by the board to make administrative decisions of the company, parent company, subsidiary, same-level subsidiary, major shareholders, or controlling persons.

4

Not currently the director of the parent company, subsidiary, or same-level subsidiary of listed companies only.

5

Having sufficient knowledge and experience to perform the duty of an audit committee. There must be at least one audit committee member, who is sufficiently knowledgeable and experienced to review the reliability of financial statements.

Remuneration of Directors and Executives

- Monetary remuneration

Directors Remuneration Criteria for 2018 - 2019

Meeting Allowance

	2018	2019
Chairman of the Board of Directors	THB 80,000/quarter	THB 80,000/quarter
Directors	THB 65,000/person/quarter	THB 65,000/person/quarter*
Audit Committee	THB 30,000/person/attendance	THB 30,000/person/attendance
Nomination and Remuneration Committee	THB 40,000/person/attendance	THB 40,000/person/attendance
Other Sub-Committees	None	None

*In 2019, If the Board of Directors' Meeting is exceeded 6 times, the Company will pay the independent directors for THB 43,333.33/person/attendance for the Board of Directors' Meeting no. 7th – 11th.

Individual Directors Remuneration

NO.	NAME	MEETING ALLOWANCE (THB THOUSAND)	EXTRA MEETING ALLOWANCE (THB THOUSAND)	TOTAL (THB THOUSAND)
1	Mr. Kevin Qumar Sharma	320.00	-	320.00
2	Mr. Theerawit Busayapoka	260.00	-	260.00
3	Mr. Anil Kumar Kohli	260.00	-	260.00
4	Mrs. Aradhana Lohia Sharma	260.00	-	260.00
5	Mr. Yashovardhan Lohia	260.00	-	260.00
6	Mr. Virasak Sutanthavibul	460.00	43.33	503.33
7	Mr. Kittiphath Suthisamphat	460.00	43.33	503.33
8	Mr. Gran Chayavichitsilp	460.00	43.33	503.33
	TOTAL	2,740.00	129.99	2,869.99

Directors' Remuneration in 2018 - 2019

	2018	2019
Number of Directors (Person)	8	8
Remuneration (THB Thousand)	2,740.00	2,896.99

Non-Monetary Remuneration

- None

Executives' Remuneration

The Nomination and Remuneration Committee considers and determines the amount and form of the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer on both short-term and long-term bases

and proposes the same to the Board of Directors for consideration and approval, taking into account key performance indicators (KPI).

Position	Key Performance
Chairman / Chief Executive Officer	<ul style="list-style-type: none"> - CEO Evaluation result - Shareholders' wealth - Corporate Governance - Financial Performance e.g. EBITDA, EPS, Earning Growth - Project Development
Executive Management	<ul style="list-style-type: none"> - Duties, Responsibilities and Result of the Annual Performance - Financial Performance e.g. EBITDA, EPS, Earning Growth - Customer Satisfaction

	2018	2019
Number of Executives (Person)	13	12
Remuneration (THB Million)	37.61	39.33



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

For the continued practice of the Good Corporate Governance in 2019, the Company received the following assessment:

1

A score of 90 percent for the 2019 Annual General Meeting of Shareholder, judged by the Thai Investors Association.

2

“A Very Good – 4 Stars” CG Score in the practice in Corporate Governance of the listed Company judged by Thai Institute of Directors (IOD) in conjunction with the Stock Exchange and Security Exchange Commission of Thailand. A Very Good CG scoring is awarded to firms with a score of 80-90 percent. TPAC scored 80 percent. This is the third consecutive year that TPAC received the “Very Good - 4 stars” rating.

RIGHTS OF SHAREHOLDERS

The Company places emphasis on the rights of shareholders as the owners of the Company. All shareholders, whether retail investors or institutional investors, are encouraged to exercise their fundamental rights, e.g., trading or transferring of shares, sharing of profits, receiving adequate information, whether via the Company’s website, the SET’s website or through other channels, attending shareholders’ meetings to acknowledge the Company’s annual performance, and casting votes at the shareholders’ meetings to approve

significant matters as specified by laws, such as the appointment or removal of directors, the determination of directors’ remuneration, the appointment of auditor and the determination of audit fee, the dividend payment or suspension of dividend payment, and the capital increase and the issuance of new securities, including making enquiries or comments on matters that the Board of Directors presents to or requests for approval at the shareholders’ meetings.

Shareholders’ Meeting

The Company must hold an annual general meeting of shareholders within 120 days from the end of the Company’s fiscal year. Other shareholders’ meetings, i.e., extraordinary general meetings of shareholders, are to be called when it is deemed necessary and appropriate. The Company has set up a Company Secretary Office to ensure that the shareholders’ meetings are held as required by law and in accordance with the principles of good corporate governance. In the shareholders’ meetings, the Company will arrange for a legal advisor to attend the meeting to provide legal advice and witness the vote count throughout the meeting and give the minority shareholders an opportunity to nominate a representative to witness the vote count. In the case where

an agenda item of the meeting concerns a transaction that is complicated and significant to the decision making of the shareholders’ meetings, the Company will also arrange for a financial advisor as well as a legal advisor to provide answers and explanations at the meeting. As for the annual general meeting of shareholders where financial statements will be considered for approval, the Company will arrange for its auditor to be present at such meeting every time. In addition, the Company encourages all directors, members of the sub-committees, senior executives and company secretary to attend every shareholders’ meeting, except in case of necessity or emergency.

Invitation and Facilities for Shareholders

To protect rights of all shareholders equally and do not restrict rights to access to shareholders’ information and, either Thai shareholders or foreign shareholders, the Company prepares and provides the invitation to shareholders’ meeting and supporting documents, both Thai and English version, and engages Thailand Securities Depository Co., Ltd., its securities registrar, to undertake the delivery of the invitation thereof to all shareholders. The invitation will provide adequate information regarding the place, date and time

of the meeting, meeting agenda, objectives and rationale of each agenda item together with the opinion of the Board of Directors, number of votes required for each agenda item, and other supporting documents. This is to allow the shareholders to have sufficient time to study the documents beforehand. There will be no hidden agenda items or addition of other agenda items that are not stated in the invitation, except for urgent matters. Besides, the Company will also public the invitation together with the supporting documents

on the Company's website and allows the shareholders to submit their inquiries at least 30 days in advance, and make an announcement of the same in the newspaper for 3 consecutive days, at least 7 days prior to the meeting date.

Moreover, the Company will arrange the shareholders' meeting at the appropriate venue that can accommodate all shareholders, having a good security system and being conveniently accessible for shareholders. The Company uses the barcode system for the registration and vote count to enhance transparency and provide convenience to the shareholders. The registration opens at least an hour prior to the meeting.

In addition, the Company arranges for its officers to welcome and provide convenience and also sets up an Investor Relations desk where investor relations officers who have the knowledge and expertise in giving information will answer shareholders' questions in relation to the Company's businesses. The Company also provides stamp duties for attendees by proxy. To provide convenience to the shareholders who are institutional investors and the shareholders who hold shares through custodians, the Company gives an opportunity to such shareholders to verify their names, information, and supporting documents before the meeting date to reduce the time and procedures for verifying information and documents on the meeting date.

Procedure of the Shareholders' Meeting

The Company has adopted the following procedures as its practices of good corporate governance. Prior to the commencement of the shareholders' meeting, the secretary to the meeting will introduce to the shareholder's meeting the members of the Board of Directors, the executives, and the Company's auditor and legal advisor, who are present. The secretary to the meeting will also inform the shareholders' meeting about the voting procedures and the vote count method in the meeting. After providing information in each agenda item, the chairman of the meeting will grant equal opportunities to all attendees to make their comments or enquiries relevant to the agenda item. The enquiries will be answered, and adequate time will be given for discussion as appropriate. As for the agenda item on the appointment of directors, the shareholders will cast their votes to appoint each director individually. In addition, in order to promote compliance with the principles of good corporate governance, a director who is due to retire by rotation and is nominated for election as director of the Company for another term will

leave the meeting room temporarily during the consideration of such agenda item.

The Company arranges for minutes of meetings to be recorded correctly and completely so that the shareholders can inspect the same. Resolutions of the meeting are to be clearly recorded with details of the quorum; the list of present directors, executives, and advisors; the vote count method; the witness(es) to the vote count; the voting results, i.e., approvals, disapprovals, and abstentions. Furthermore, comments, suggestions, questions, and answers which are significant and relevant to each agenda item will be recorded in the minutes. The Company will report a summary on significant meeting resolutions through the SET's website within the meeting date or no later than 9.00 a.m. of the following business day. The minutes of the shareholders' meeting will be submitted to the SET within 14 days from the meeting date and publicized on the Company's website.

2019 Annual General Meeting of Shareholders

DATE	April 24th, 2019
VENUE	Paploen Room, Hansar Hotel Bangkok
COMMENCEMENT REGISTRATION	2.00 p.m.
MEETING TIME	3.00 p.m. – 4.40 p.m.
DIRECTORS ATTENDING THE MEETING	7 persons (absent 1 person)
NUMBER OF SHAREHOLDERS ATTENDING THE MEETING IN PERSON AND BY PROXY	119 shareholders collectively holding 86.30% of the total issued shares

EQUITABLE TREATMENT OF SHAREHOLDERS

Proposing Agenda Items and Nominating Director Candidates:

The Company provides the shareholders an opportunity to exercise their rights to propose agenda items and/or nominate candidates to be elected as directors in advance in order to promote equitable treatment of shareholders. The shareholders are entitled to propose agenda items

and/or nominate candidates to be elected as directors at the annual general meeting of shareholders in accordance with the criteria publicized on the Company's website. The Company will make an announcement of the same through the SET's website.

Appointment of Proxies

To protect the rights of the shareholders who cannot attend the shareholders' meeting in person, the Company encloses a proxy form (Form B) to the invitation together with the list of documents and evidence required for the appointment of a proxy. The shareholders may appoint his/her representative or the independent director of the Company as his/her proxy to attend the meeting and cast votes on his/her behalf.

The Company will provide in the invitation at least the name of one independent director whom a shareholder can appoint as his/her proxy. In addition, the Company will also publish the invitation and the proxy forms (Form A, Form B and Form C) together with the details and procedures for the appointment of proxy on the Company's website.

Control on the use of the inside information

The Company prohibits the directors, executives and employees, as well as other relevant persons who are in charge of or have access to inside information, from using inside information for the benefit of trading the securities of the Company, subsidiaries, and associated companies,

and also forbid the disclosure of inside information to outsiders or non-relevant persons before disclosing the same through the SET pursuant to the criteria and procedures specified in the policy on the protection of inside information.

ROLE OF THE STAKEHOLDERS

The Company is aware and recognizes the rights of all groups of stakeholders, internal and external. Mainly Internal stakeholders are shareholders and employees while external stakeholders include customers, suppliers, creditors, competitors, public sectors, public offices and communities. The company has received supports from various stakeholders to strengthen its competitive advantages and profitability,

generating long-term value of the Company. Therefore, in addition to the below policy, the Company has also announced the Whistleblower Policy to provide channels for all stakeholders to file complaints or report any suspicious incidents of misconduct or corruption. Provided that there is the Policy includes complaint procedure and protection of the whistleblower as the followings:

Shareholders

The Company realizes that shareholders are the Company's owners while the Company has a duty to build long-term economic value added for the shareholders. So, its directors, management and employees are obliged to follow the below guidelines.

1

Perform his/her duties with integrity and make every decision in according to the professional principles with careful, realize and fair consideration of all groups of shareholders, major and minor and for the best interests of the Shareholders as a whole.

2

Present reports of the Company's operating result, financial status, financial and accounting statements and others consistently, completely and accurately.

3

Notify all shareholders equally the information about future trends of the Company, both negative and positive, based on possibilities, sufficient data and adequate rationale.

5

The Company shall not take any actions which violate or deprive the shareholder rights, i.e. failure to submit material information or documents to the shareholders prior to the shareholders' meeting, adding important agenda or changing material information without advanced notifications to shareholders before the shareholders' meeting.

4

It is prohibited for all employees to use or disclose any non-public information for benefits of their own or other related persons, or for any course of actions which may pose a conflict of interest with the Company.

6

The Company shall encourage shareholders to use their rights in matters such as the right to nominate candidate for director position, the right to express their opinions and ask crucial questions relating to the meeting agenda.

Employees

The Company believes that, to achieve our business goals, employees is one of the most valuable resource and they deserve favorable treatments. Therefore, the Company shall treat its employees fairly and equally in all aspects, career opportunities, compensation, promotion, transfer as well as versatile training and development plan. To be able

to grow and expand its business in the future, the Company has set a policy to promote and support the development of all employees. All employees shall be treated equally with respect for human rights, good and safe working environment, proper and fair compensation and benefits in accordance with their responsibilities, duties and position.

Customers

The Company is well-aware of the importance of its customers and has set the following policy regarding customer treatments.

1

Customer shall be treated with courtesy and enthusiasm. Employee should be ready to welcome customers and to provide sincere, attentive service with care. Like serving the close relatives, customer service must be prompt, accurate and trustworthy.

2

Maintain customer confidentiality and never misuse it for personal or other related person's interests.

3

Provide accurate, adequate and timely information relating to the Company's services to all customers, without exaggerated advertisement which may mislead customers about the quality or any service conditions.

4

Give advice about the Company's services and related processes efficiently with the intention to maximize customer benefit.

Business Partners and Creditors

The Company is committed to treating its business partners and/or creditors fairly, honestly without taking any advantages of the relationship. The Company and its subsidiaries believe in conducting business with integrity, transparency and fairness in order to achieve maximum pay-off for both sides. The business partners must not bring

discredit to the Company's reputation and must comply with the law, morality and ethics, customs and traditions. Purchasing of goods and related process must be transparent and auditable. Any situations that pose a conflict of interest should be avoided and any trade negotiations should be based on business relationship. Following are related guidelines.

1

Do not demand, or receive, or offer any payment or benefit of any dishonest dealing with business partners and/or creditors.

2

If there is any information of bribery, demanding or receiving or offering benefit of dishonest dealing, such information must be disclosed to the related business partners and/or creditors for investigation and resolution in a fair and timely manner.

3

All terms and conditions of the agreement shall be strictly followed. If any conditions cannot be complied, responsible person must inform the creditors in advance in order to jointly find solutions.

The process of selecting suppliers: The Company's policy requires at least 3 companies to join the bidding process. The Company will select supplier who offer reasonable prices and meet the specifications of the product or service that the Company's requirements.

Banks, Financial Institutions, Creditors

The Company is committed to treating the bank, financial institution, its creditor and guarantor with honesty; and to repayment of loans and interest on time. The Company set strategies of working capital management to ensure that the Company shall not be in any difficulties in repayment

to the bank, financial institution, its creditors and guarantor. The Company shall also strictly comply with all terms & conditions specified in the loan agreements and the other agreements.

Competitors

The Company has a policy to treat all competitors with integrity, not breaching confidentiality or revealing trade secrets of competitors obtained in an illegal or deceptive way. Following are guidelines of the policy.

1

Abide by the rules of ethical competition.

2

Do not seek for confidential information or trade secrets of competitors by using illegal or inappropriate methods.

3

Do not discredit competitors by any negative accusation.

4

The Company supports and promotes free and fair competition.

Community and Societies

The Company's policy is to conduct business that benefits the economy and society by adhering to practices of a good citizen who fully complies with laws and regulations. The Company commits to developing, promoting and leveraging the quality of life in the society and the communities in which the company is located, along with the growth of the company.

DISCLOSURE AND TRANSPARENCY

The Company always discloses to all shareholders and stakeholders the information that is accurate, complete, in a timely manner, both in Thai and English languages, and correspond to relevant laws and regulations, as well as

the international good corporate governance standard, through various information disclosure channels to demonstrate the Company's transparency in doing business.

Information Disclosure

The Company has a duty to disclose financial and non-financial information to all shareholders and stakeholders accurately, completely, accountably, and timely to ensure that the shareholders and stakeholders receive the information equally, including developing the Company's website and

regularly and promptly updating information on the website to ensure that it is complete. The information disclosure will be prepared with due care, accuracy, and transparency and conveyed in simple and concise language.

Investor Relation

The duty of the investor relation department is to communicate with the related department and the disclosure of the Company's information and performance.

BOARD RESPONSIBILITIES

The duties of the Board of Directors are included the determination of the Company's policy, vision, mission, values, strategy, and goals. In addition, the Board of Directors also supervises and assesses the management and operation with the objective to increase the shareholder value in the long run. In this regard, the Board of Directors must ensure that its duties are carried out in compliance with the laws, objectives, and the Company's Articles of Association. Moreover, the Board of Directors must be mindful of corporate governance, conflicts of interest, code of conduct, and business ethics.

The Board of Directors is determined and committed to build the Company and its subsidiaries as a leading organization that is perceived at the international level as one of the most successful companies in Thailand with

business variety, resilient management, and competent personnel. The Board of Directors has the necessary leadership, vision, and independence to make decisions and has the duties and responsibilities to oversee the business in the best interest of the shareholders. The duties of the Board of Directors and the Management are clearly separated.

In 2019, the Board of Directors' Meeting reviewed the Company's vision, mission, values, and the long-term goals of the Company. In regards, the Board of Directors place the importance to monitor the implementation of such strategy and business plan of Company by taking into consideration and the best interest of the Company and shareholders.

Composition of the Board of Directors and the Sub-committees

The Board of Directors consist of 3 independent directors and 2 of non-executive directors and 2 executives directors and the Chairman of the Board of Directors who is the chief executive director. In addition, the sub-committees have been appointed by the Board of Directors i.e. the Audit Committees, the Nomination and Remuneration Committees, Risk Management Committees, and the Corporate Governance Committees. The Audit Committee shall entirely consist of

independent directors and shall not be less than 3 members whereas at least one member must be knowledgeable and experienced in reviewing the accountability of the financial statements. The Nomination and Remuneration Committee shall consist of at least 3 members but shall not exceed 5 members where the majority of the members shall be independent directors.

Meeting of the Board of Directors and the sub-committees

The Board of Directors will hold more than 6 meetings in each fiscal year pursuant to the annual meeting schedule set in advance. The Company promotes and encourages each director to attend the Board of Directors' meeting at least 75% of the total number of meetings in each fiscal year, except in case of necessity and emergency. The Company will provide the meeting materials to the directors in advance

at least 5 business days prior to the meeting to allow the directors to have sufficient time to study the information beforehand. As regards the sub-committees, the Audit Committees will hold a meeting on the quarterly basis and the other sub-committees will hold at least two meetings in each fiscal year.

Development of Directors

The Company encourages the directors to develop their personal skills and knowledge regularly and adequately. The Nomination and Remuneration Committee has developed the director development plan in order to enhance the knowledge of the existing directors and new directors to

understand the business of the Company, the roles and duties of directors, and other significant developments, including encouraging the directors to enroll in various training programs or seminars organized by the Thai Institute of Directors Association (IOD).

Orientation of the new directors

The Company organizes new director orientations pursuant to the director development plan developed by the Nomination and the Remuneration Committee so that the new directors have knowledge and understanding of the Company's

historical background, business organization, policies, related law and regulation, and the role and responsibilities of the directors

Assessment of the performance of the Board of Directors and sub-committees

The Board of directors conducts an assessment of its annual performance through both group evaluation and individual evaluation. The purpose is to consider and review the performance outcome, problem and obstacles of business operation in the past year to improve the work efficiency. The group assessment criteria which cover 6 assessment subjects, i.e.,

- ① Structure and Characteristics of the Board of Directors.
- ② Roles, Duties and Responsibilities of the Board of Directors.
- ③ The Board of Directors' Meetings.
- ④ Performance of Board of Directors' Duties.
- ⑤ Relationship with the Management.
- ⑥ Personal Development of Directors and Executives.

In addition, the individual assessment criteria which cover 3 assessment subjects i.e.,

- ① Structure and Characteristics of the Board of Directors
- ② Roles, Duties and Responsibilities of the Board of Directors
- ③ The Board of Directors' Meetings

After each director completed the self-assessment form, the secretary team would calculate the scores and provide the summary of the scores both group and individual assessment to the Board of Directors' Meeting in order for them to consider and find a solution to improve unsatisfactory scores and use it as a guideline for their performance in the next year. the summary of the score for 2019 is followed:

	GROUP	INDIVIDUAL
Board of Directors	92.03%	91.19%
Audit Committee	97.36%	98.48%
Nomination and Remuneration Committee	92.83%	87.50%
Risk Management Committee	94.86%	87.50%
Corporate Governance Committee	94.86%	97.70%

*(90 - 100% means excellent, 76 - 89% means very good, 66 - 75% means good, 50 - 65% means fair, below 50% means improved needed)

Assessment of the Chief Executive Officer

The Board of directors evaluate the annual performance of the chief executive officer with 10 assessment subjects i.e.,

- ① Leadership.
- ② Strategy formulation.
- ③ Strategy execution.
- ④ Financial planning/performance.
- ⑤ Relationship with board.
- ⑥ External relation.
- ⑦ Human resource management and relation.
- ⑧ Succession.
- ⑨ Product/service knowledge.
- ⑩ Personal qualities.

After each director completed the assessment form, the secretary team would provide the summary of the score to the Nomination and Remuneration committees to consider the remuneration and find a solution to improve unsatisfactory scores and use it as a guideline for their performance in the next year. the summary of the score for 2019 is followed:

EVALUATION SCORE	
Section 1: Status of Achievements	
List the firm's key goals and extent to which each have been achieved.	
1. Grow by expanding business organically	Very Good
2. Grow by expanding business inorganically	Excellent
Section 2: Performance measures	92.7%

Corporate Governance of operations of subsidiaries and associates

The company has a policy to send highly experienced representatives to be a director in a subsidiary. The representatives may be the chairman of the board, Chief Executive Officer, Managing Director, Director, Senior Management or any person which is qualified in such business without any conflict of interest with the business

of those subsidiaries. The appointed representatives must manage and operate the business of the subsidiary according to the laws and regulations as specified in the company's regulations and the laws of related subsidiaries and follow the policy guidelines and suggestions of Thai Plaspac Public Company Limited.

Auditors' Fee

Audit Fee

AUDIT FIRM	AUDIT FEE (THB)		
	2017	2018	2019
EY Officer Limited	1,300,000	2,200,000	2,790,000

* The company does not have any person or business related to the auditor or the audit office. Both directly and indirectly

Non-audit Fee

During the year 2019, the company paid the travelling fee to the auditor for THB 166,391.27.

A photograph of an office setting with several black leather chairs around a wooden conference table. The image is overlaid with a semi-transparent brown filter. In the top right corner, there is a large, stylized circular graphic consisting of two concentric circles, one dark brown and one light brown.

SOCIAL RESPONSIBILITY AND SUSTAINABILITY

SOCIAL RESPONSIBILITY AND SUSTAINABILITY

SOCIAL RESPONSIBILITY

Fair business operation

The Company operates its business within the regulatory framework and practices business ethics for benefit of all its stakeholders. We follow the following principles for the benefit of our stakeholders;

1

Fair competition:
The Company operates its business efficiently to compete with its peers in the business and to provide quality product, service and value to its customers.

2

Respect the rights of stakeholders:
We operate our business efficiently utilizing our physical assets and our human resources. We do not take any action or encourage infringement of intellectual property rights.

3

Promote social responsibility to our business partners:
We conduct and promote conduct of business with fairness to our business partners. The Company has a policy to conduct business with stakeholders are fair in their business practices, follow the regulatory environment, do not use child labor in the business and promote prevention of drugs for a better society.

Anti-Corruption

The Company follows a clear policy and practice of transparency and accuracy to conduct its business.

Further, ensures compliance with laws and regulations including the securities law of the Securities and Exchange

Commission Thailand (SEC). The Company has an audit committee, internal auditor and external auditor to review compliance and conduct of business with fairness. The Company has policy to;

1

Create awareness and provide training to employees for conduct of business with fairness and integrity.

2

A system of checks and balances with appropriate authority to prevent fraud and corrupt practices.

3

Directors and employees are prohibited to engage in interested party transactions or persuade others to engage in interested party transactions which maybe for their own benefits and may cause loss or damage to the Company.

4

The employees are required to conduct business with transparency and to promote a healthy working environment in the organization.

Human Rights

The Company's policy and practice is to respect human rights. The directors, management and employees are required to conduct business with respect for human rights;

1

Respect human dignity, to select and employ individuals through a proper channel of recruitment to work in the company. In the selection process should not have any limitation of gender and age.

2

To support and respect the protection of human rights, to conduct business with stakeholders who are not violating human rights. Violating of human rights includes using child labor and forced labor to operate their business. The Company monitors the policy and practice of stakeholders in relation to respect of human rights.

3

To encourage employees to use their constitutional right to vote.

4

To inform clearly to stakeholders our policy to respect human rights.

Fair Treatment of Labor

The Company's policy and practice is to treat workers fairly. This is one of the five principles of human resource policy (5 M) of the company. The Company follows and practices the labor policy of Thailand;

1

Employment and labor relations, employment without restriction of age and gender. Employees to be employed on fair terms in contract and in compliance with Bureau of Labor Standards, Ministry of Labor, Thailand. The Company is responsible for the welfare and well-being of its employees.

2

Safety and health of employees, the Company to focus on safety and a healthy work environment for its employees. The Occupational Health and Safety Committee monitors and supervises the safety and health of all employees. The Company provides for annual physical examination of all employees.

3

Treat all employees equally, the manual for ethics approved by the Department of Labor requires all employees to be treated equally whether of any gender, race and education qualification.

The Company had paid for the employees' remuneration for 2019 as followed

Department	Number of Employees as of December	Salary and bonus (THB Thousand)	Provident fund (THB Thousand)
Production	773	111,860.24	3,415.20
Finance and admin	39	12,441.94	430.07
Marketing	11	3,828.34	107.84
Logistics	123	17,944.63	633.51
Total	946	146,072.15	4,586.63

Stakeholder Responsibility

The company has adopted the five principles of good corporate governance;

- 1 Right of shareholders
- 2 Treat shareholders equally
- 3 Role of stakeholders
- 4 Disclosure and transparency
- 5 Responsibilities of the Board

Caring for the environment

The company is aware of the preservation of environment and utilization of resources efficiently and cost-effectively. The Company makes all efforts to conserve energy, conserve water, reduce pollutants and reduce wastage. The conservation and reduction efforts also result in cost

optimization. We follow the best practices for environment conservation and protection and adherence with requirements of Pollution Control Department, Thailand and the Ministry of Industry, Thailand.

Energy Saving and Environmental Caring Project

TPAC Packaging India Private Limited (the Company's subsidiary) has installed solar panels to produce solar energy on the roof of the factory in Umbergaon, India which has a generating capacity about 0.5 Megawatt.

The installation of solar panels can reduce carbon dioxide that came from electricity production using coal/fossil fuel which causes global warming.

TPAC Packaging (Bangna) Company Limited has the project to install the solar energy on the roof of the factory a Bangna site.



Community or social development project

• Employees' children scholarship program

The company has a scholarship program for the employees' children to support the education and help the employees to reduce their costs of living. For the year 2019, the company offers scholarships as follows.

Primary School	3,000 baht	44 Scholarships
Secondary School	4,000 baht	17 Scholarships
High School/ Vocational education	5,000 baht	17 Scholarships
Bachelor's Degree	10,000 baht	8 Scholarships



CSR Charity to Promote Family Bonding 2019

Thai Plaspac Public Company Limited went to Phayathai Welfare center which located at 78/24 หมู่ 1 Bang Talat, Pak Kret District, Nonthaburi 11120. We had donated for

the lunch for the children totally THB 4,500 on December 17th, 2019, moreover, we donated the consumer product and the scholarship totally THB 25,000



Training

COURSE TYPES	HOURS
New Staffs' Orientation	18
Related Quality control system	295
Improve the skill and working efficiency (External institution)	127
Improve the skill and working efficiency (Internal)	54
Total	494

Health care project in the operating place

The Company had formed the health care team in the operation place and set the budget to operate the health care project follow the detail below:

	BUDGET (BAHT)
Safety Management	0
Safety Training	120,000
Safety Compliance	440,000
Safety Meeting and Report Preparation	6,050
Preparation for Emergencies	70,000
Safety Activities	34,000
Total	636,050

Accident statistics in 2019

In 2019, there were 2 accidents on January 5th, 2019 and August 16th, 2019 which is lower compared with the latest year, there were 8 accidents.



RISK FACTOR

RISK FACTORS

Thai Plaspac's management have identified the risks which are perceived to have the highest probability and corresponding impact. To mitigate the probability and impact of these risks, an executive Risk Management Committee has been set up. The identified risks are as follows:

1. Raw material price risk

Polyolefins (or plastic polymers) are the main raw materials for our production and form a significant part of our cost of goods sold.

The monthly price movement of Polyolefins is correlated to the movement of oil and the relative supply demand dynamics for the specific polyolefin. To manage this raw material volatility, we have customer arrangements which

allow us to adjust our pricing to be in line with price movement of Polyolefins.

In terms of supply demand there may be instances where producing plants are required to shut down for a period of time resulting in a short-term supply disruption. To minimize the risk of supply disruptions, multiple suppliers are maintained.

2. Business Operation Risk

Operational risk is the prospect of loss resulting from inadequate or failed procedures, systems or policies. This includes Employee errors and System failures.

TPAC is in operation for 35 years and is also ISO 9000 Certified. It has built adequate procedures and systems in place and continuously improving procedures and systems through regular customer Audits and also Internal audits to minimize employee errors and system failures.

3. Security of property risk

Property risk refers to risk events that specifically impact an organization's facilities and other physical infrastructure. Risk events such as fires, adverse weather conditions, fall into the category of property risk. In addition to damaging and destroying physical property, property risk events also have the potential to create stoppages in business operations and material financial losses.

TPAC has taken appropriate insurance under all risk insurance cover to protect the property and business interruption (for 12 Months) resulting from damage to property. In addition to this we have taken appropriate coverage for goods in transit & vehicle policy.

4. Overstocking of inventory risk

TPAC has a large number of customers and product SKUs numbering in the thousands and increasing. Inventory control, warehousing and logistics (supply chain management) are important processes to facilitate the on-time delivery to customers.

For inventory management, management information systems covering raw material procurement, planning & production, and logistics are in place.

5. Foreign Exchange Risk

As a result of the global nature of our business, changes in foreign currency rates could have an adverse impact on our business; financial condition, prospects and operational results. Currency fluctuations affect us because of mismatches between the currencies in which operating costs are incurred and those in which revenues are received. We sell products that are typically priced by reference to

prices in US dollars, while a portion of operating costs are incurred in local currencies

TPAC primarily utilizes forward exchange contracts with maturities of around 90 days to hedge the Company's financial performance.

6. Interest rate risk

The Company enters the Credit Facilities with the financial Institution which refer to the floating interest rates are impacted by macro-economic conditions and the monetary policy of each region. Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operation and its cash flow.

The Company forecasts the market interest rate trend and manage the loan from the financial institution in the interest rate fluctuation period to maximize the Company's performance and its cash flow.

7. Corruption risk

All organizations are exposed to corruption risks. These risks can exist at all levels of an organization, in relation to all functions and activities, and can involve internal or external stakeholder.

If corruption does occur, the short and long-term consequences for the organization include:

- loss of reputation
- loss of public confidence
- direct financial loss
- Adverse effects on other staff and the morale of the organization in general.

TPAC has a proactive risk management approach to corruption prevention which include:

- Creating an open channel on TPACs website –Stakeholder can directly contract our Head of Compliance (whistle Blowing Policy)
- Policy to protect the whistleblower
- In house anti-corruption training.

8. Internal Control

Internal control is a continuous process and valuable for effective and efficient business operations at Thai Plaspac Public Company Limited.

The Board of Directors has assigned the audit committee to review the adequacy of the internal control systems to ensure accurate and credible reporting from the accounting system which is consistent and in compliance with the financial reporting standards and in line with the rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Board of Directors and the Audit Committee are of the opinion that the internal control system is adequate and suitable for its business operations. Written responsibilities, authority manuals, and management controls have been

adopted to create transparency for utilization of the Company's resources, to prevent damages and to ensure smooth operations of the Company. The duties of staff, controllers and managers have been established and segregated in order to ensure that proper verification, monitoring and checks and balances are in place.

The Company has an external internal auditor to verify the internal control process. The audit committee appointed Deloitte Touche Tohmatsu Jaiyos Advisory Company Limited as internal auditor. The internal auditor assesses entity level and function level control environment, risk assessment, control activities, information and communication and monitoring activities with an objective of effective operations, reporting and compliance. The internal auditor reports to the audit committee on a quarterly basis.

9. Merger & Acquisition (Inorganic growth) risk

Thai Plaspac growth strategy involves pursuing mergers & acquisitions (M&A).

The process of M&A has inherent risks as the acquirer may not be fully aware or misjudge the risks attached to a targets business. Furthermore, as such acquisitions are likely to involve debt to fund the purchase, an unexpected decrease in the operational cash flows may result in financing covenants being breached.

In order to mitigate the risks attached to M&A, management spends significant time and resources (both internal and

via the engagement of professional third parties such as environmental, legal & financial consultants) to carry out comprehensive due diligence on potential acquisition targets typically for a period of many months prior to finalizing transaction terms.

Furthermore, acquisition target are typically businesses that are similar in nature to Thai Plaspac's currently existing business i.e. plastic packaging solutions. Essentially, we look to acquire businesses where we already have decades of experience in understanding the supporting technology and industry dynamics of the business.

10. Customer perception in plastic risk

The trend of eco-friendly substitute for the plastic container is increasing. While good for raising environmental awareness, this might be misunderstood to include recyclable plastic packaging which may affect the company performance.

TPAC works closely with the customer to research and develop the product which are recyclable to be in line with the eco-friendly trend.



CONNECTED TRANSACTION

RELATED PARTY TRANSACTIONS

Related party transactions with persons who may have conflicts

Related party transactions are transactions arising from normal business operations where the pricing will be the market price or in accordance with the general trade conditions which can be compared to the conditions given to third parties (Fair and at arm's length) which may be

the price charged by the customer or the price offered with supplier (Suppliers) and is a condition that is comparable and reasonable. The related transactions during January 1st, 2019 to December 31st, 2019 can be summarized as follows:

Related Companies/Relationships	Types of Transaction	Amount (Million Baht)	
		2018	2019
INDORAMA POLYMERS PUBLIC COMPANY LIMITED			
Shareholder and director are related to the Company's shareholder and management	Purchase Raw Materials/Products/Services	63.08	7.10
INDORAMA PETROCHEM COMPANY LIMITED			
Shareholder and director are related to the Company's shareholder and management	Purchase Raw Materials/Products/Services	4.49	8.43
TPAC PACKAGING (BANGNA) COMPANY LIMITED			
TPAC's Subsidiary	Sales Raw Materials/Products/Services	10.19	7.48
	Purchase Raw Materials/Products/Services	6.67	13.89
	Dividend Received	-	28.40
TPAC PACKAGING INDIA PRIVATE LIMITED			
TPAC's Subsidiary	Sales Raw Materials/Products/Services	0.15	-
	Purchase Raw Materials/Products/Services	0.09	1.57
RELATED PERSON			
Director, executive officer and related persons with director and executive officer	Dividend Payment	4.91	-

Opinion of the Audit Committee on related transactions

The above connected transactions have been considered and approved by the Audit Committee which such transactions are reasonable and is necessary for the business of the company. By entering the transaction, the company has

considered the benefits of the company as important without transferring benefits between Thai Plaspac Public Company Limited and persons who may have conflicting interests.

Policies and procedures for approving related transactions

In the case of related transaction between Thai Plaspac Public Company Limited with persons who may have a conflict of interest or stakeholders. The Audit Committee will consider and comment on the need to enter the transaction. The terms and conditions of the related transaction must be in accordance with the market price. If there is no market price The Audit Committee will consider using the appropriate price and beneficial to the company. If the Audit Committee does not have expertise in considering the related transactions

that occur, Thai Plaspac Public Company Limited will arrange for an independent expert to provide opinions on such related transactions to be used for decision making of the Audit Committee or shareholders. The directors who have conflicts of interest will not attend the meeting and do not exercise their voting rights to approve the related transaction and will disclose the related transactions in the annual report and annual registration statement (Form 56-1).

Policy on future related transactions

In the case of a new related transaction, each unit of the company must inform the details of the expected transaction, such as the value of the transaction, price, conditions and reasons for having related transactions. By notifying the Secretary of the Audit Committee in order to have a preliminary check that the item is under conditions that must be approved by the management, Audit Committee, Board of Directors or the shareholder of the company or not.

However, the company will comply with the Securities Act, regulations, notifications, orders and requirements of the Capital Market Supervisory Board, the SEC and the Stock Exchange of Thailand as well as in accordance with the regulations of Thai Plaspac Public Company Limited that all related transactions must be reviewed by the Internal Audit Department.



Company

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FINANCIAL STATEMENTS

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 December 2019

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Thai Plaspac Public Company Limited

Opinion

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

financial statements of Thai Plaspac Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Plaspac Public Company Limited and its subsidiaries as at 31 December 2019 and of Thai Plaspac Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by

the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matters

I draw attention to the following Note to consolidated financial statements.

a As described in Note 2.2.1 to consolidated financial statements related to business combination, on 28 August 2018, TPAC Packaging India Private Limited (the subsidiary company) acquired all assets and liabilities of Sunrise Containers Limited through the amalgamation of TPAC Packaging India Private Limited and Sunrise Containers Limited under the Indian laws, whereby TPAC Packaging India Private Limited is the operating entity. The consideration was paid to the former shareholders for 80% amounting to INR 4,735 million or Baht 2,178 million, and TPAC Packaging India Private Limited issued 20% new shares to former shareholders.

During the second quarter of the year 2019, the subsidiary company and the Company's management have completed the process of assessing the fair value of the identified assets acquired and liabilities and goodwill assumed at amalgamation date within evaluation period of 12 months from amalgamation date according to Thai Financial Reporting Standard No. 3 (revised 2018) - Business combination. The Company has restated the consolidated statement of financial position as at 31 December 2018, presented herein as comparative information, to reflect the adjustments resulting from such change in fair value.

b As described in Note 2.2.2 to consolidated financial statements related to business combination, on 30 July 2019, Sharjah Airport International Free Zone Authority granted the acquisition's approval for the Company. The Company paid the consideration to acquire of 89% shares in Sun Packaging Systems (FZC) amounting to USD 12.74 million or Baht 393.43 million for 267 shares with par value of AED 1,500 each, whereby Bhatia Investment Holding Limited is the remaining shareholder of 11%. The Company has call options which were rights to buy all remaining 11% of shares in Sun Packaging Systems (FZC) from Bhatia Investment Holding Limited as stated in Shareholders Agreement between the Company, Sun Packaging Systems (FZC) and Kishore Kumar Tarachand Bhatia dated on 24 April 2019.

During the fourth quarter of the year 2019, the subsidiary company and the Company's management have completed the process of assessing the fair value of the identified assets acquired and liabilities and goodwill assumed at acquisition date, including the fair value of call options granted by holders of non-controlling interests, within evaluation period of 12 months from acquisition date according to Thai Financial Reporting Standard No. 3 (revised 2018) - Business combination. My opinion is not modified in respect of this matters.

Key Audit Matters

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

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters.

Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are describe below.

Revenue recognition

The Group has entered into a number of agreements and there are a variety of conditions in these agreements. Revenues are the key performance indicator to which users of financial statements pay attention. I have therefore considered the revenue recognition as key audit matter and focused on the audit of occurrence and timing of revenue recognition.

I have examined the revenue recognition of the Company by

- Assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.

- Applying a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period.

Business combination

As discussed in Note 2.2.1 to the consolidated financial statements, on 28 August 2018, TPAC Packaging India Private Limited (the subsidiary company) acquired all assets and liabilities of Sunrise Containers Limited through the amalgamation of TPAC Packaging India Private Limited and Sunrise Containers Limited under the Indian laws, whereby TPAC Packaging India Private Limited is the operating entity. The consideration was paid to the former shareholders for 80% amounting to INR 4,735 million or Baht 2,178 million, and TPAC Packaging India Private Limited issued 20% new shares to former shareholders. As discussed in Note 2.2.2 to the consolidated financial statements, on 30 July 2019, the Company paid the consideration to acquire of 89% shares in Sun Packaging Systems (FZC) amounting to USD 12.74 million or Baht 393.43 million for 267 shares with par value of AED 1,500 each.

The subsidiary company and the Company's management have completed the process of assessing the fair value of the identified assets acquired and liabilities and goodwill during the year. The management needs to exercise substantial judgement when appraising the fair value of

the assets acquired and liabilities assumed. I therefore determined as a key audit matter by focusing on this business acquisition.

I examined the business combination by reviewing the terms and conditions of the share purchase agreement and inquired with management as to the nature and objectives of the acquisition. In addition, I checked the value of the acquisition with supporting documents and related payments to assess whether it reflected the fair value of the consideration transferred. I also assessed the fair value of assets acquired and liabilities assumed specified in the draft documentation of measurement under the acquisition method as prepared by an independent valuation specialist, by considering the methods and significant assumptions used by the independent valuation specialist in calculating the fair value of assets and liabilities, and evaluating the expertise, ability and integrity of the independent valuation specialist. I also reviewed the disclosures related to the business combination in the notes to consolidated financial statements.

Goodwill

As discussed in Note 2.2.1, 2.2.2, and Note 16 to the consolidated financial statements, goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. I have focused my audit on the consideration of impairment of goodwill because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in using the financial model to calculate the realisable values and in identifying the cash generating units, estimating the cash inflows that are expected to be generated from

that group of assets in the future, and setting an appropriate discount rate and long-term growth rate.

I assessed the identified cash generating units and financial model and gained an understanding of and tested the key assumptions applied by the management in preparing estimates of the cash flows expected to be realised from the group of assets and the discount rate applied by making enquiry of responsible executives and comparing details with sources of information about the Group and the industry.

Other Information

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

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

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

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

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

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue

as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Drawan Techawatanasirikul
 Certified Public Accountant (Thailand) No. 4807
 EY Office Limited
 Bangkok: 21 February 2020

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2019	31 December 2018 (Restated)	31 December 2019	31 December 2018
Assets					
Current assets					
Cash and cash equivalents	7	34,673,640	63,954,610	6,946,703	5,736,034
Current investments	8	55,556,182	-	-	-
Trade and other receivables	6, 9	783,877,262	803,085,572	358,006,086	383,748,252
Inventories	10	287,436,208	293,261,562	104,252,642	120,161,717
Advance payment for purchasing of raw material		74,798,225	30,494,881	-	-
Other current assets	11	51,219,504	23,022,475	29,681,299	18,189,152
Total current assets		1,287,561,021	1,213,819,100	498,886,730	527,835,155
Non-current assets					
Restricted bank deposits	12	25,815,510	51,632,207	-	-
Investments in subsidiaries	13	-	-	2,078,857,751	1,694,267,717
Other long-term investments	8	9,040,284	-	-	-
Property, plant and equipment	14	1,480,598,649	1,480,854,415	456,028,272	479,037,639
Goodwill	2.2.1, 2.2.2, 16	1,010,138,400	942,636,543	-	-
Intangible assets	15	396,591,222	396,459,225	4,693,310	2,922,956
Deferred tax assets	28	7,790,160	4,916,162	7,790,160	4,916,162
Withholding tax deducted at source	17	93,218,705	58,405,804	93,200,804	58,389,528
Advance payment for purchasing of molds		30,466,936	17,382,051	29,968,174	17,382,051
Assets associated with call options granted by holders of non-controlling interests	23	8,839,787	-	8,839,787	-
Other non-current assets		36,611,818	23,735,280	7,370,975	2,080,425
Total non-current assets		3,099,111,471	2,976,021,687	2,686,749,233	2,258,996,478
Total assets		4,386,672,492	4,189,840,787	3,185,635,963	2,786,831,633

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2019	31 December 2018 (Restated)	31 December 2019	31 December 2018
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	18	377,400,000	286,355,141	348,400,000	221,000,000
Trade and other payables	6, 19	292,569,744	303,883,395	159,271,828	158,589,187
Current portion of long-term loans from banks	21	134,989,101	208,455,546	114,346,601	192,367,796
Current portion of debentures	22	53,670,500	-	-	-
Other current liabilities	20	24,238,248	15,200,931	12,688,608	4,433,643
Total current liabilities		882,867,593	813,895,013	634,707,037	576,390,626
Non-current liabilities					
Long-term loans from banks, net of current portion	21	611,812,990	1,170,182,789	546,642,627	1,075,118,914
Debentures, net of current portion	22	464,400,462	567,849,312	-	-
Liabilities associated with put options granted to holders of non-controlling interests	23	469,128,425	463,194,829	-	-
Deferred tax liabilities	28	47,895,404	66,188,142	-	-
Provision for long-term employee benefits	24	61,085,671	35,928,549	36,711,177	22,226,857
Total non-current liabilities		1,654,322,952	2,303,343,621	583,353,804	1,097,345,771
Total liabilities		2,537,190,545	3,117,238,634	1,218,060,841	1,673,736,397

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

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Directors
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STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2019	31 December 2018 (Restated)	31 December 2019	31 December 2018
Shareholders' equity					
Share capital	25				
Registered					
326,550,000 ordinary shares of Baht 1 each (31 December 2018: 255,000,000 ordinary shares of Baht 1 each)		<u>326,550,000</u>	<u>255,000,000</u>	<u>326,550,000</u>	<u>255,000,000</u>
Issued and paid-up					
326,549,999 ordinary shares of Baht 1 each (31 December 2018: 253,817,676 ordinary shares of Baht 1 each)		326,549,999	253,817,676	326,549,999	253,817,676
Premium on ordinary shares	25	1,026,968,920	302,920,904	1,026,968,920	302,920,904
Retained earnings					
Appropriated - statutory reserve	26	28,605,000	25,500,000	28,605,000	25,500,000
Unappropriated		636,264,620	506,706,017	585,451,203	530,856,656
Other components of shareholders' equity		<u>-274,013,807</u>	<u>-56,276,339</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the Company		<u>1,744,374,732</u>	<u>1,032,668,258</u>	<u>1,967,575,122</u>	<u>1,113,095,236</u>
Non-controlling interests of the subsidiaries		<u>105,107,215</u>	<u>39,933,895</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>1,849,481,947</u>	<u>1,072,602,153</u>	<u>1,967,575,122</u>	<u>1,113,095,236</u>
Total liabilities and shareholders' equity		<u>4,386,672,492</u>	<u>4,189,840,787</u>	<u>3,185,635,963</u>	<u>2,786,831,633</u>
		-	-	-	-

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

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018 (Restated)	2019	2018
Profit or loss:					
Revenues					
Sales	6	3,755,783,806	2,528,004,351	1,426,401,041	1,613,011,343
Gain from a bargain purchase		-	41,159,014	-	-
Other income	6, 13.1	41,917,617	15,540,454	40,033,877	10,747,912
Gain on exchange		4,357,972	-	938,111	45,700
Total revenues		3,802,059,395	2,584,703,819	1,467,373,029	1,623,804,955
Expenses					
Cost of sales	6	3,096,196,774	2,159,530,230	1,148,922,751	1,362,751,448
Selling and distribution expenses		153,307,517	92,070,774	38,784,550	48,430,198
Administrative expenses	6	257,099,593	240,782,050	151,283,886	126,808,087
Loss on exchange		-	2,196,078	-	-
Total expenses		3,506,603,884	2,494,579,132	1,338,991,187	1,537,989,733
Profit before finance cost and income tax expenses		295,455,511	90,124,687	128,381,842	85,815,222
Finance cost		[140,955,187]	[55,932,183]	[64,222,907]	[23,019,867]
Profit before income tax expenses		154,500,324	34,192,504	64,158,935	62,795,355
Income tax revenues (expenses)	28	8,559,428	[11,521,824]	[2,105,016]	[7,329,190]
Profit for the year		163,059,752	22,670,680	62,053,919	55,466,165
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of financial statements in foreign currency		[217,737,468]	[56,275,154]	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		[217,737,468]	[56,275,154]	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gain (loss)		(8,650,517)	561,013	(5,442,965)	870,614
Less: Income tax effect		1,960,911	(65,948)	1,088,593	(174,123)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(6,689,606)	495,065	(4,354,372)	696,491
Other comprehensive income for the year		[224,427,074]	[55,780,089]	[4,354,372]	696,491
Total comprehensive income for the year		[61,367,322]	[33,109,409]	57,699,547	56,162,656

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018 (Restated)	2019	2018
Profit (loss) attributable to:					
Equity holders of the Company		138,841,442	31,476,668	62,053,919	55,466,165
Non-controlling interests of the subsidiaries		24,218,310	(8,805,988)		
		<u>163,059,752</u>	<u>22,670,680</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		(85,073,865)	(24,263,137)	57,699,547	56,162,656
Non-controlling interests of the subsidiaries		23,706,543	(8,846,272)		
		<u>(61,367,322)</u>	<u>(33,109,409)</u>		
Earnings per share					
	30				
Basic earnings per share					
Equity holders of the Company		<u>0.53</u>	<u>0.12</u>	<u>0.24</u>	<u>0.22</u>

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2019

(Unit: Baht)

Consolidated financial statements

	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
				Other comprehensive income					
				Appropriated Statutory reserve	Unappropriated				
Balance as at 1 January 2019		253,817,676	302,920,904	25,500,000	482,308,530	(1,185)	1,064,545,925	-	1,064,545,925
Equity attributable to non-controlling interest of the subsidiaries increase		-	-	-	-	-	-	511,974,996	511,974,996
Profit for the year		-	-	-	31,476,668	-	31,476,668	(8,805,988)	22,670,680
Other comprehensive income for the year		-	-	-	535,349	(56,278,234)	(55,742,885)	(40,284)	(55,783,169)
Total comprehensive income for the year		-	-	-	32,012,017	(56,278,234)	(24,266,217)	(8,846,272)	(33,112,489)
Dividends paid	6, 33	-	-	-	(7,614,530)	-	(7,614,530)	-	(7,614,530)
Liabilities associated with put options granted to holders of non-controlling interests	23	-	-	-	-	-	-	(463,194,829)	(463,194,829)
Balance as at 31 December 2018 (as previously reported)		253,817,676	302,920,904	25,500,000	506,706,017	(56,279,419)	1,032,665,178	39,933,895	1,072,599,073
Cumulative effect of adjustments - Business combination	2.2.1	-	-	-	-	3,080	3,080	-	3,080
Balance as at 31 December 2018 (Restated)		253,817,676	302,920,904	25,500,000	506,706,017	(56,276,339)	1,032,668,258	39,933,895	1,072,602,153
Balance as at 1 January 2019		253,817,676	302,920,904	25,500,000	506,706,017	(56,276,339)	1,032,668,258	39,933,895	1,072,602,153
Equity attributable to non-controlling interest of the subsidiaries increase		-	-	-	-	-	-	47,400,373	47,400,373
Profit for the year		-	-	-	138,841,442	-	138,841,442	24,218,310	163,059,752
Other comprehensive income for the year		-	-	-	(6,177,839)	(217,737,468)	(223,915,307)	(511,767)	(224,427,074)
Total comprehensive income for the year		-	-	-	132,663,603	(217,737,468)	(85,073,865)	23,706,543	(61,367,322)
Increase share capital	25	72,732,323	724,048,016	-	-	-	796,780,339	0	796,780,339
Transferred retained earnings - unappropriated to statutory reserve	26	-	-	3,105,000	(3,105,000)	-	-	0	0
Liabilities associated with put options granted to holders of non-controlling interests	23	-	-	-	-	-	-	(5,933,596)	(5,933,596)
Balance as at 31 December 2019		326,549,999	1,026,968,920	28,605,000	636,264,620	(274,013,807)	1,744,374,732	105,107,215	1,849,481,947

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 December 2019

(Unit: Baht)

	Separate financial statements					
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
				Appropriated Statutory reserve	Unappropriated	
Balance as at 1 January 2018		253,817,676	302,920,904	25,500,000	482,308,530	1,064,547,110
Profit for the year		-	-	-	55,466,165	55,466,165
Other comprehensive income for the year		-	-	-	696,491	696,491
Total comprehensive income for the year		-	-	-	56,162,656	56,162,656
Dividends paid	6, 33	-	-	-	(7,614,530)	(7,614,530)
Balance as at 31 December 2018		<u>253,817,676</u>	<u>302,920,904</u>	<u>25,500,000</u>	<u>530,856,656</u>	<u>1,113,095,236</u>
Balance as at 1 January 2019		253,817,676	302,920,904	25,500,000	530,856,656	1,113,095,236
Profit for the year		-	-	-	62,053,919	62,053,919
Other comprehensive income for the year		-	-	-	(4,354,372)	(4,354,372)
Total comprehensive income for the year		-	-	-	57,699,547	57,699,547
Increase share capital	25	72,732,323	724,048,016	-	-	796,780,339
Transferred retained earnings - unappropriated to statutory reserve	26	-	-	3,105,000	(3,105,000)	-
Balance as at 31 December 2019		<u>326,549,999</u>	<u>1,026,968,920</u>	<u>28,605,000</u>	<u>585,451,203</u>	<u>1,967,575,122</u>
		-	-	-	-	-

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

STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018
Cash flows from operating activities				
Profit before tax	154,500,324	34,192,504	64,158,935	62,795,355
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	288,822,627	189,521,533	117,461,634	125,791,145
Allowance for doubtful account	2,571,418	2,293,744	1,786,750	3,424,316
Reduction (reversal) of inventories to net realisable value	972,422	1,289,307	(357,154)	267,465
Allowance for impairment loss on assets	-	509,824	-	509,824
Loss (gain) on disposals/write-off of machinery and equipment	(3,547,937)	1,839,156	(427,425)	496,945
Long-term employee benefits expenses	18,017,009	4,969,066	10,232,988	2,949,781
Unrealised loss on exchange rate	170,315	687,614	101,782	282,113
Gain from a bargain purchase	-	(41,159,014)	-	-
Amortisation of financial fees	13,063,325	911,687	3,585,551	486,710
Interest income	(1,373,996)	(439,230)	(106,154)	(209,175)
Dividend income	-	-	(28,400,784)	-
Interest expenses	127,891,862	55,932,183	60,637,356	23,019,867
Profit from operating activities before changes in operating assets and liabilities	601,087,369	250,548,374	228,673,479	219,814,346
Operating assets (increase) decrease				
Trade and other receivables	74,899,910	137,661,396	23,795,593	23,649,115
Inventories	28,046,732	46,060,054	16,266,229	(6,062,307)
Other current assets	(64,009,442)	10,572,547	(11,492,147)	1,501,206
Other non-current assets	(26,230,961)	(14,803,507)	(30,446,109)	(10,090,167)
Operating liabilities increase (decrease)				
Trade and other payables	(31,852,903)	16,808,972	(105,793)	(20,860,952)
Other current liabilities	5,093,996	15,129,883	8,254,965	(8,944,423)
Provision for long-term employee benefits	(4,249,668)	(4,814,159)	(1,191,633)	(1,039,131)
Cash flows from operating activities	582,785,033	457,163,560	233,754,584	197,967,687
Cash receipt from refund of withholding tax deducted at source	-	20,006,224	-	20,006,224
Cash paid for corporate income tax	(45,459,298)	(43,514,753)	(38,701,697)	(43,506,579)
Net cash flows from operating activities	537,325,735	433,655,031	195,052,887	174,467,332

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

STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018
Cash flows from investing activities				
Proceeds from sales of machinery and equipment	12,272,608	1,990,325	427,425	665,095
Acquisition of land, machinery and equipment	(224,769,828)	(148,747,086)	(74,043,372)	(44,174,446)
Acquisition of intangible assets	(3,207,439)	(1,064,119)	(2,434,582)	-
Cash paid for investment in subsidiaries	(366,239,092)	(2,257,095,912)	(384,590,034)	(1,694,216,217)
Cash paid for call options	(8,839,787)	-	(8,839,787)	-
Dividend received from subsidiary	-	-	28,400,784	-
Increase in current investments	(55,556,182)	-	-	-
Increase in other long-term investments	13,850,009	-	-	-
Interest income	1,373,996	439,230	106,154	209,175
Net cash flows used in investing activities	(631,115,715)	(2,404,477,562)	(440,973,412)	(1,737,516,393)
Cash flows from financing activities				
Increase in short-term loans from banks	91,044,859	214,855,489	127,400,000	221,000,000
Decrease from restricted bank deposits	-	(51,632,207)	-	-
Cash receipt from long-term loans from banks	374,203,840	1,394,975,000	374,203,840	1,280,000,000
Cash receipt from debentures	-	600,990,000	-	-
Repayment of long-term loans from banks	(998,512,353)	(55,359,773)	(982,415,853)	(8,000,000)
Cash paid for financial fees	(1,871,019)	(36,499,996)	(1,871,019)	(5,000,000)
Proceeds from increase in share capital	796,780,339	-	796,780,339	-
Interest expenses	(142,571,610)	(74,254,124)	(66,966,113)	(17,142,497)
Dividends paid	-	(7,614,530)	-	(7,614,530)
Net cash flows from financing activities	119,074,056	1,985,459,859	247,131,194	1,463,242,973
Decrease in exchange differences on translation of financial statements in foreign currency	(54,565,046)	(56,275,155)	-	-
Net increase (decrease) in cash and cash equivalents	(29,280,970)	(41,637,827)	1,210,669	(99,806,088)
Cash and cash equivalents at beginning of year	63,954,610	105,592,437	5,736,034	105,542,122
Cash and cash equivalents at end of year (Note 7)	34,673,640	63,954,610	6,946,703	5,736,034
	-	-	-	-
Supplemental cash flows information				
Non-cash items consist of:				
Increase in accounts payable for purchasing of fixed assets	3,667,574	2,626,986	3,589,681	(672,961)
Increase in liabilities associated with put options granted to holders of non-controlling interests	5,933,596	463,194,829	-	-

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

Thai Plaspac Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2019

1. General information

Thai Plaspac Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is an individual.

The Company is principally engaged in the manufacture and distribution of plastic packaging. The registered office of the Company is at 77 Soi Thian Thalae 30, Bang Khun Thian-Chay Thalae Road, Thakham, Bang Khun Thian, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial

Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

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

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	PERCENTAGE OF SHAREHOLDING	
			2562	2561
Subsidiaries held by the Company				
TPAC Packaging India Private Limited	Manufacturing and distribution of plastic packaging	India	80	80
TPAC Packaging (Bangna) Company Limited	Manufacturing and distribution of plastic packaging	Thailand	100	100
Sun Packaging Systems (FZC)	Manufacturing and distribution of plastic packaging	United Arab Emirates	89	-

2.2.1 TPAC Packaging India Private Limited

On 28 August 2018, TPAC Packaging India Private Limited (the subsidiary company) acquired all assets and liabilities of Sunrise Containers Limited through the amalgamation of TPAC Packaging India Private Limited and Sunrise Containers Limited under the Indian laws, whereby TPAC Packaging India Private Limited is the operating entity. The consideration was paid to the former shareholders for 80% amounting to INR 4,735 million or Baht 2,178 million, and TPAC Packaging India Private Limited issued 20% new shares to former shareholders.

During the second quarter of the year 2019, the subsidiary company and the Company's management have completed the process of assessing the fair value of the identified

assets acquired and liabilities and goodwill assumed at amalgamation date within evaluation period of 12 months from amalgamation date according to Thai Financial Reporting Standard No. 3 (revised 2018) - Business combination. The Company has restated the consolidated statement of financial position as at 31 December 2018, presented herein as comparative information, to reflect the adjustments resulting from such change in fair value.

The cumulative effect of adjustments - Business combination has been separately presented in the consolidated statements of changes in shareholders' equity. The amounts of adjustments affecting the consolidated statement of financial position and the consolidated statement of comprehensive income are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements

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Statement of financial position

Decrease in trade and other receivables	(1)
Decrease in property, plant and equipment - net	(2,267)
Increase in goodwill	5,665
Increase in intangible asset - customer relationship	1,224
Increase in deferred tax liabilities	(4,618)
Increase in other components of shareholders' equity	(3)

Statement of comprehensive income

Decrease in exchange differences on transaction of financial statements in foreign currency	3
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Such adjustments had no impact on the consolidated statement of financial position as at 1 January 2018.

(Unit: Thousand Baht)

	<u>Fair value</u>	<u>Net book value</u>
Assets		
Cash and cash equivalents	14,820	14,820
Trade and other receivables	342,535	342,535
Inventories	200,358	200,358
Property, plant and equipment, net (Note 14)	881,957	527,042
Intangible asset - tradename (Note 15)	222,946	-
Intangible asset - customer relationship (Note 15)	180,238	-
Other assets	169,122	169,122
Total assets	<u>2,011,976</u>	<u>1,253,877</u>
Liabilities		
Bank overdrafts	71,500	71,500
Trade and other payables	82,563	82,563
Long-term loans from banks	44,805	44,805
Provision for long-term employee benefits (Note 24)	1,637	1,637
Deferred tax liabilities	53,411	37,861
Other liabilities	11,129	9,251
Total liabilities	<u>265,045</u>	<u>247,617</u>
Net assets value	<u>1,746,931</u>	<u>1,006,260</u>
Equity of the subsidiary (%)	<u>80</u>	
Net assets value attributable to the subsidiary's investment	1,397,545	
The excess of the fair value of the net assets over the purchase price	<u>780,043</u>	
Purchase price	2,177,588	
Less: Cash and cash equivalents of the subsidiary	<u>(14,820)</u>	
Net cash paid for amalgamation of the subsidiary	<u>2,162,768</u>	

Details of acquisition of the subsidiary are presented as follows.

(Unit: Thousand Baht)

Purchase price	
Cash paid	2,177,588
Fair value of net assets received	<u>(1,397,545)</u>
Goodwill - Equity holders of the Company	780,043
Goodwill - Non-controlling interests of the subsidiaries	<u>162,593</u>
Total goodwill	<u><u>942,636</u></u>

TPAC Packaging India Private Limited granted benefits from amalgamation. The subsidiary is able to utilise tax benefit in respect of difference between fair value and book value of property, plant and equipment, intangible assets and goodwill.

2.2.2 Sun Packaging Systems (FZC)

On 30 July 2019, Sharjah Airport International Free Zone Authority granted the acquisition's approval for the Company. The Company paid the consideration to acquire of 89% shares in Sun Packaging Systems (FZC) amounting to USD 12.74 million or Baht 393.43 million for 267 shares with par value of AED 1,500 each.

These consolidated financial statements are included financial position of Sun Packaging Systems (FZC) as at 31 December 2019, and the statement of comprehensive income for the period from the acquisition date to 31 December 2019. The excess of cost of business combination over the fair value of the net assets acquired shall recognized as goodwill.

During the fourth quarter of the year 2019, the subsidiary company and the Company's management have completed the process of assessing the fair value of the identified assets acquired and liabilities and goodwill assumed at acquisition date, including the fair value of call options granted by holders of non-controlling interests, within evaluation period of 12 months from acquisition date according to Thai Financial Reporting Standard No. 3 [revised 2018] - Business combination. Details of the net book value of Sun Packaging Systems (FZC) as at the acquisition date are as follows:

	<u>Fair value</u>	<u>Net book value</u>
(Unit: Thousand Baht)		
Assets		
Cash and cash equivalents	18,351	18,351
Trade and other receivables	58,366	58,366
Inventories	23,194	16,355
Property, plant and equipment, net (Note 14)	106,487	47,377
Intangible asset - customer relationship (Note 15)	73,572	-
Other assets	11,313	11,313
Total assets	<u>291,283</u>	<u>151,762</u>
Liabilities		
Trade and other payables	20,680	20,680
Provision for long-term employee benefits (Note 24)	3,403	3,403
Other liabilities	3,943	3,943
Total liabilities	<u>28,026</u>	<u>28,026</u>
Net assets value	<u>263,257</u>	<u>123,736</u>
Equity of the subsidiary (%)	<u>89</u>	
Net assets value attributable to the subsidiary's investment	234,299	
The excess of the fair value of the net assets over the purchase price	<u>150,291</u>	
Purchase price	384,590	
Less: Cash and cash equivalents of the subsidiary	<u>(18,351)</u>	
Net cash paid for investment of the subsidiary	<u><u>366,239</u></u>	

Details of acquisition of the subsidiary are presented as follows.

	(Unit: Thousand Baht)
Purchase price	
Purchase considerations to former shareholders	393,430
Less: Call options	<u>(8,840)</u>
Cash paid	384,590
Fair value of net assets received	<u>(234,299)</u>
Goodwill - Equity holders of the Company	150,291
Goodwill - Non-controlling interests of the subsidiaries	<u>18,442</u>
Total goodwill	<u>168,733</u>

The revenue and gain of the subsidiary from the acquisition date to 31 December 2019 amounting to Baht 133 million and Baht 12 million, respectively, are included in the consolidated financial statements.

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) The assets and liabilities in the financial statements of overseas subsidiaries companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly

average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

f) Material balances and transactions between the Company and its subsidiaries companies have been eliminated from the consolidated financial statements.

g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

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

During the year, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards

clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services

to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 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 following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

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

FINANCIAL REPORTING STANDARDS:	
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
ACCOUNTING STANDARD:	
TAS 32	Financial Instruments: Presentation
FINANCIAL REPORTING STANDARD INTERPRETATIONS:	
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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

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

TFRS 16 Leases

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

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

The Company and its subsidiaries plan to adopt TFRS 16 using the modified retrospective method of adoption of

which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The management of the Company and its subsidiaries expects the effect of the adoption of this accounting standard to the statement of financial position as at 1 January 2020 to be to increase the Company and its subsidiaries' assets by approximately Baht 97 million (the Company only: approximately Baht 5 million) and the Company and its subsidiaries' liabilities by approximately Baht 97 million (the Company only: approximately Baht 5 million).

4. Significant accounting policies

Change in accounting policy for valuing inventories

During the current year, the Company and its subsidiaries changed accounting policy for valuing inventories from the first-in, first-out method to the weighted average method. The Company and its subsidiaries calculated the effect from the accounting change as though the inventories had originally been valued using the weighted average

method. However, the Company and its subsidiaries did not restate the previous period's financial statements, presented for comparative purposes, as the effect from the accounting change against the beginning balance of retained earnings for the year 2018 and profit for the year ended 31 December 2018 were immaterial.

4.1 Revenue recognition

• Sales of goods

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

• Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

• Dividends

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

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original

maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts (if any) is provided for the estimated losses that may be incurred in collection

of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

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

Raw materials, packaging and supplies are valued at the lower of cost (under the weighted average method) and net realisable value and are charged to the production costs whenever consumed.

4.5 Investments

a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.

b) Investments in subsidiaries is accounted for in the separate financial statements using the cost method.

c) The weighted average method is used for computation of the cost of investments. On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.6 Cost of molds for amortisation

The Company and its subsidiaries record cost of molds which are used to manufacture goods for customers as assets. Cost of molds are amortised to cost of sales are delivered to its customers. The Company and its subsidiaries records cost of molds for amortisation as current assets

if goods are expected to manufacture and deliver to customers within 1 year, and as non-current assets if goods are expected to manufactured and delivered to customers more than 1 year.

4.7 Property, plant and equipment/Depreciation

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

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

	Consolidated financial statement	Separate financial statement
Building and building improvement	20 - 30 years	20 years
Furniture and office equipment	5 - 10 years	5 years
Machinery and equipment	3 - 15 years	3 - 10 years
Motor vehicles	5 years	5 years

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

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

on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Intangible assets and Amortisation

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition/amalgamation while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested

for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

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

	Consolidated financial statement	Separate financial statement
Tradename	25 years	-
Customer relationship	7.5 years	-
Computer software	3 - 10 years	5 - 10 years

4.9 Goodwill

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

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

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

4.10 Related party transactions

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

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company

that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the Company and its subsidiaries' operations.

4.11 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related

loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in determining profit or loss.

4.12 Long-term leases

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments

are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.13 Foreign currencies

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

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction.

Gains and losses on exchange are included in determining income.

4.14 Impairment of assets

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

between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

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

4.15 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

● Defined contribution plans

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

● Defined benefit plans and other long-term employee benefits

The Company and its subsidiaries has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiaries treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term employees benefits are recognised immediately in profit and loss.

4.16 Provisions

Provisions are recognised when the Company and its subsidiaries has a present obligation as a result of a past event, it is probable that an outflow of resources embodying

economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.17 Income tax

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

● Current tax

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

● Deferred tax

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

The Company and its subsidiaries recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary

differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

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

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

4.18 Fair value measurement

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within

the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

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

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

4.19 Liabilities associated with put options granted to holders of non-controlling interests

The Company granted put options to holders of non-controlling interests. The Company does not have unconditional right to avoid the delivery of cash if holders of non-controlling interests exercise their put options. The Company recognises liabilities associated with put options, calculated by present value of expected exercise price, and presents in non-current liabilities in the consolidated statement of financial position

as non-interest bearing debt. The amount also presents offset from non-controlling interests of the subsidiary in the consolidated statement of financial position and the consolidated statement of changes in shareholders' equity. The amount is to revalue at the end of reporting period, whereby the difference is to recognise in shareholders' equity.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements

and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution in value of inventories

The determination of allowance for diminution in the value of inventories requires management to exercise judgment in estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business; minus selling expenses and provision for obsolete, slow-moving and deteriorated inventories, and taking into account based upon the condition of inventories and the duration such goods have remained in stock.

Property, plant and equipment/Depreciation

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

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

Goodwill and intangible assets

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

Fair value of financial instruments

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

Liabilities associated with put options granted to holders of non-controlling interests

The Company estimated the liabilities associated with put options granted to holders of non-controlling interests. The Company's management requires judgements to estimate exercise price, which holders of non-controlling interests will exercise and the exercise period. The estimation should be concerned about the performance of the subsidiary in the future and appropriateness of discount rate for calculation the above liabilities.

Deferred tax assets

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

Post-employment benefits under defined benefit plans and other long-term employee benefits

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

6. Related party transactions

Details of relationships of the Company to related parties are as follows.

Name of entities	Nature of relationships
TPAC Packaging India Private Limited	Subsidiary
TPAC Packaging (Bangna) Company Limited	Subsidiary
Sun Packaging Systems (FZC)	Subsidiary
Mr. Anuj Lohia	Major shareholder
Indorama Petrochem Limited	Shareholder and director are related to the Company's shareholder and management
Indorama Polymers Public Company Limited	Shareholder and director are related to the Company's shareholder and management
IVL Dhunseri Petrochem Industries Private Limited	Shareholder and director are related to the Company's shareholder and management
Related persons	Director, executive officer and related persons with director and executive officer

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in

the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

	For the year ended 31 December				(Unit: Million Baht)
	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2562	2561	2562	2561	
Transactions with subsidiaries (Eliminated from consolidated financial statements)					
Sales of goods	-	-	7	10	Close to market price
Purchase of goods	-	-	15	-	Close to market price
Service expense	-	-	-	7	Close to market price
Dividend received	-	-	28	-	Baht 2.8 per share
Transaction with related company					
Purchase of goods	37	67	16	67	Close to market price
Transaction with related persons					
Dividend paid	-	5	-	5	2018: Baht 0.03 per share

As at 31 December 2019 and 2018, the balances of the accounts between the Company, the subsidiaries and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Trade receivables - related parties (Note 9)				
Subsidiaries	-	-	255	8,682
Total	-	-	255	8,682
Trade payables - related parties (Note 19)				
Subsidiaries	-	-	3,208	3,390
Related company	5,658	4,488	2,120	4,488
Total	5,658	4,488	5,328	7,878

Directors and management's benefits

During the year ended 31 December 2019 and 2018, the Company and its subsidiaries had employee benefit expenses payable to its directors and management as below.

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2562	2561	2562	2561
Short-term benefits	63,199	75,493	44,387	38,226
Post-employment benefits	5,308	2,449	4,973	2,111
Other long-term benefits	22	15	21	15
Total	<u>68,529</u>	<u>77,957</u>	<u>49,381</u>	<u>40,352</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations related to long-term loans from banks and debentures with its subsidiary, as described in Notes 21 and 22 to financial statements.

7. Cash and cash equivalents

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2562	2561	2562	2561
Cash	194	325	65	54
Cash at banks	34,480	63,630	6,882	5,682
Total	<u>34,674</u>	<u>63,955</u>	<u>6,947</u>	<u>5,736</u>

As at 31 December 2019, cash at banks carried interests between 0.25 and 0.75 percent per annum (The Company only: between 0.25 and 0.75 percent per annum)

(31 December 2018: between 0.38 and 10.30 percent per annum (The Company only: between 0.38 and 0.75 percent per annum)).

8. Current investments/Other long-term investments

As at 31 December 2019 and 2018, the Company and its subsidiaries had current investments and other long-term investments as below.

	(Unit: Thousand Baht) Consolidated financial statements	
	2562	2561
Current investment		
Investment in open-end funds	6,301	-
Time deposits from 3 months to 1 year (Interest rate 1.6 percent per annum)	49,255	-
Total	<u>55,556</u>	-
Other long-term investment		
Time deposits more than 1 year (Interest rate between 6.6 to 8.0 percent per annum)	9,040	-
Total	<u>9,040</u>	-

Investment in mutual funds are trading investment, and recorded changes in the fair value in profit or loss. However,

time deposits more than 1 year will be received within 1 year amounting Baht 6.8 million.

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Trade receivables-related parties				
Aged on the basis of due dates				
Not yet due	-	-	255	8,682
Total trade receivables - related parties	-	-	255	8,682
Trade receivables-unrelated parties				
Aged on the basis of due dates				
Not yet due	551,869	547,451	270,807	292,419
Past due				
Up to 1 month	140,008	152,853	68,925	73,006
1 - 2 months	31,480	42,287	7,572	7,676
2 - 3 months	15,107	16,319	3,914	236
3 months - 1 year	15,107	20,658	6,359	5,153
1 year - 2 years	5,816	206	5,385	-
Over 2 years	103	621	-	-
Total	759,490	780,395	362,962	378,490
Less: Allowance for doubtful account	(6,737)	(4,287)	(5,211)	(3,424)
Total trade receivables - unrelated parties	752,753	776,108	357,751	375,066
Other receivables-unrelated parties				
Value added tax refundable	12,182	23,769	-	-
Other receivables	18,942	3,208	-	-
Total other receivables - unrelated parties	31,124	26,977	-	-
Total trade and other receivables - net	783,877	803,085	358,006	383,748

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2562	2561	2562	2561	2562	2561
Finished goods	130,564	151,438	(1,151)	(1,467)	129,413	149,971
Work in process	12,732	20,988	(258)	(258)	12,474	20,730
Raw materials	118,760	96,903	(3,427)	(2,329)	115,333	94,574
Packing materials	27,150	24,821	(870)	(625)	26,280	24,196
Factory supplies	3,936	3,845	-	(54)	3,936	3,791
Total	293,142	297,995	(5,706)	(4,733)	287,436	293,262

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2562	2561	2562	2561	2562	2561
Finished goods	44,962	52,119	(100)	(319)	44,862	51,800
Work in process	7,608	11,515	-	-	7,608	11,515
Raw materials	32,933	39,685	(177)	(180)	32,756	39,505
Packing materials	15,315	13,855	(224)	(305)	15,091	13,550
Factory supplies	3,936	3,846	-	(54)	3,936	3,792
Total	104,754	121,020	(501)	(858)	104,253	120,162

During the current year, the Company and its subsidiaries reduced cost of inventories by Baht 1.4 million (The Company only: Baht 0.2 million) (31 December 2018: Baht 1.8 million (The Company only: Baht 0.6 million)) to reflect the net realisable value. This was included in cost of sales. In addition,

the Company and its subsidiaries reversed the write-down of cost of inventories by Baht 0.4 million (The Company only: Baht 0.6 million) (31 December 2018: Baht 0.4 million (The Company only: Baht 0.3 million)), and reduced the amount of inventories recognised as expenses during the year.

11. Other current assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Prepaid expenses	9,968	3,562	3,104	2,620
Cost of molds for amortisation	26,153	15,072	26,153	15,072
Advance payment	7,619	3,260	-	-
Others	7,480	1,128	424	497
Total	51,220	23,022	29,681	18,189

12. Restricted bank deposits

These represent fixed deposits pledged with the banks on behalf of the subsidiary to secure letter of credit facilities and bank of guarantees carrying interest rate at 4 percent per annum (31 December 2018: 6 – 8 percent per annum).

In addition, these represent fixed deposits for the next interest payment with the trustee under the terms and conditions of the debenture issuers.

13. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2562	2561	2562	2561	2562	2561	2562	2561
			%	%	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
TPAC PACKAGING INDIA PRIVATE LIMITED	2,108 Million Rupee	2,108 Million Rupee	80	80	1,587,268	1,587,268	-	-
TPAC PACKAGING (BANGNA) COMPANY LIMITED	101 Million Baht	101 Million Baht	100	100	107,000	107,000	28,401	-
SUN PACKAGING SYSTEMS (FZC)	0.45 Million United Arab Emirates	-	89	-	384,590	-	-	-
รวม					<u>2,078,858</u>	<u>1,694,268</u>	<u>28,401</u>	<u>-</u>

Sun Packaging Systems (FZC)

On 4 July 2019, the Extraordinary General Meeting of Shareholders No. 1/2019 approved to acquire of 89% shares in Sun Packaging Systems (FZC), a limited company registered in Sharjah Airport International Free Zone in United Arab Emirates and incorporated in plastic containers manufacturing business with the total considerations and expenses for this transaction not exceed USD 14.80 million, or Baht 472.09 million which was approved and proposed by the Board of Directors Meeting No. 2/2019 on 24 April 2019.

On 30 July 2019, Sharjah Airport International Free Zone Authority granted the acquisition's approval for the Company. The Company paid the consideration to acquire of 89% shares in Sun Packaging Systems (FZC) amounting to USD 12.74 million or Baht 393.43 million for 267 shares with par value of AED 1,500 each, whereby Bhatia Investment Holding Limited is the remaining shareholder of 11%.

Put options and call options to sell/buy 20% of shares in TPAC Packaging India Private Limited

On 15 November 2017, the Company entered into Implementation Agreement and Shareholders Agreement between the Company, Sunrise Containers Limited and former shareholders. Former shareholders have put options which were rights to sell all remaining 20% of shares in TPAC Packaging India Private

Limited to the Company. The Company has call options which were rights to buy all remaining 20% of shares in TPAC Packaging India Private Limited from former shareholders. Detail of exercise are presented in Note 23 to financial statements.

Call options to buy 11% of shares in Sun Packaging Systems (FZC)

On 24 April 2019, the Company entered into Shareholders Agreement between the Company, Sun Packaging Systems (FZC) and Kishore Kumar Tarachand Bhatia. The Company has call options which are rights to buy all remaining 11%

of shares in Sun Packaging Systems (FZC) from Bhatia Investment Holding Limited. Detail of exercise are presented in Note 23 to financial statements.

Approval of investment in solar rooftop business

On 26 February 2019, the Board of Directors' Meeting No. 1/2019 and the Board of Directors' Meeting of TPAC Packaging (Bangna) Company Limited No. 1/2019 approved TPAC Packaging (Bangna) Company Limited to establish its wholly

owned subsidiary to invest in solar rooftop business. The registered shares will not exceed Baht 30 million for shares totaling not exceed 3,000,000 shares with par value of Baht 10 each.

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

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit (loss) allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2562	2561	2562	2561	2562	2561	2562	2561
	%	%	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
TPAC PACKAGING INDIA PRIVATE LIMITED	20	2,0	56,427	39,934	22,426	(8,846)	-	-
SUN PACKAGING SYSTEMS (FZC)	11	-	48,680	-	1,280	-	-	-

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

Summarised information about financial position

(Unit: Million Baht)

	TPAC PACKAGING INDIA PRIVATE LIMITED		SUN PACKAGING SYSTEMS (FZC)	
	2562	2561	2562	2561
Current assets	538	608	141	-
Non-current assets	2,085	2,311	49	-
Current liabilities	158	215	33	-
Non-current liabilities	1,052	1,191	4	-

Summarised information about comprehensive income

(Unit: Million Baht)

	TPAC PACKAGING INDIA PRIVATE LIMITED		SUN PACKAGING SYSTEMS (FZC)	
	For the years ended 31 December		For the years ended 31 December	
	2562	2561	2562	2561
Revenues	1,913	711	133	-
Profit (loss)	115	(44)	12	-
Other comprehensive income	(210)	-	(11)	-
Total comprehensive income	(95)	(44)	1	-

Summarised information about cash flow

(Unit: Million Baht)

	TPAC PACKAGING INDIA PRIVATE LIMITED		SUN PACKAGING SYSTEMS (FZC)	
	For the years ended 31 December		For the years ended 31 December	
	2562	2561	2562	2561
Cash flow from operating activities	174	193	47	-
Cash flow from investing activities	(115)	(2,427)	(54)	-
Cash flow from financing activities	(91)	2,279	-	-
Net increase (decrease) in cash and cash equivalents	(32)	45	(7)	-

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	Total
Cost:							
1 January 2018	54,275	207,556	12,049	1,265,983	14,097	12,584	1,566,544
Additions	66,822	5,048	2,282	61,236	28	15,958	151,374
Increase from acquisition/amalgamation of subsidiaries (Restated)	137,050	163,206	5,788	625,378	3,147	16,354	950,923
Transfer in (out)	-	-	-	12,020	-	(12,020)	-
Disposals/write-off	-	-	(1,001)	(6,913)	(1,815)	-	(9,729)
Translation adjustment	(74)	(89)	(3)	(306)	(2)	(7)	(481)
31 December 2018 (Restated)	258,073	375,721	19,115	1,957,398	15,455	32,869	2,658,631
Additions	35,666	3,585	4,079	47,136	-	137,971	228,437
Increase from acquisition of subsidiary	-	65,624	1,041	39,692	130	-	106,487
Transfer in (out)	-	3,136	402	120,018	-	(123,556)	-
Disposals/write-off	-	(2,106)	(1,293)	(32,007)	(599)	(3,561)	(39,566)
Translation adjustment	(20,750)	(18,879)	(436)	(62,208)	(344)	(684)	(103,301)
31 December 2019	272,989	427,081	22,908	2,070,029	14,642	43,039	2,850,688

(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	Total
Accumulated depreciation:							
1 January 2018	-	119,522	8,489	879,894	11,379	-	1,019,284
Depreciation for the year	-	9,804	1,975	150,210	1,155	-	163,144
Depreciation on disposals/write-off	-	-	(768)	(3,325)	(1,806)	-	(5,899)
Translation adjustment	-	59	10	1,057	5	-	1,131
31 December 2018	-	129,385	9,706	1,027,836	10,733	-	1,177,660
Depreciation for the year	-	20,223	4,251	209,993	1,623	-	236,090
Depreciation on disposals/write-off	-	(67)	(1,293)	(29,390)	(127)	-	(30,877)
Translation adjustment	-	(1,086)	(207)	(11,533)	(75)	-	(12,901)
31 December 2019	-	148,455	12,457	1,196,906	12,154	-	1,369,972
Allowance for impairment loss:							
31 December 2018	-	-	-	117	-	-	117
31 December 2019	-	-	-	117	-	-	117
Net book value:							
31 December 2018 (Restated)	258,073	246,336	9,409	929,445	4,722	32,869	1,480,854
31 December 2019	272,989	278,626	10,451	873,006	2,488	43,039	1,480,599
Depreciation for the year							
2018 (Baht 161 million included in manufacturing cost, and the balance in selling and administrative expenses)							163,144
2019 (Baht 217 million included in manufacturing cost, and the balance in selling and administrative expenses)							236,090

(Unit: Thousand Baht)

Separate financial statements

	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	Total
Cost:							
1 January 2018	54,275	207,556	12,049	1,265,983	14,097	12,584	1,566,544
Additions	-	1,202	1,031	17,351	-	23,917	43,501
Transfer in (out)	-	-	-	12,020	-	(12,020)	-
Disposals/write-off	-	-	(747)	(4,268)	(1,806)	-	(6,821)
31 December 2018	54,275	208,758	12,333	1,291,086	12,291	24,481	1,603,224
Additions	-	1,164	2,590	42,286	-	31,593	77,633
Transfer in (out)	-	-	-	30,452	-	(30,452)	-
Disposals/write-off	-	-	(16)	(13,292)	-	-	(13,308)
31 December 2019	54,275	209,922	14,907	1,350,532	12,291	25,622	1,667,549

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	
Accumulated depreciation:							
1 January 2018	-	119,522	8,489	879,894	11,379	-	1,019,284
Depreciation for the year	-	7,440	1,291	100,742	972	-	110,445
Depreciation on disposals/write-off	-	-	(746)	(3,107)	(1,806)	-	(5,659)
31 December 2018	-	126,962	9,034	977,529	10,545	-	1,124,070
Depreciation for the year	-	7,503	1,551	90,734	854	-	100,642
Depreciation on disposals/write-off	-	-	(16)	(13,292)	-	-	(13,308)
31 December 2019	-	134,465	10,569	1,054,971	11,399	-	1,211,404
Allowance for impairment loss:							
31 December 2018	-	-	-	117	-	-	117
31 December 2019	-	-	-	117	-	-	117
Net book value:							
31 December 2018	54,275	81,796	3,299	313,440	1,746	24,481	479,037
31 December 2019	54,275	75,457	4,338	295,444	892	25,622	456,028
Depreciation for the year							
2018 (Baht 108 million included in manufacturing cost, and the balance in selling and administrative expenses)							110,445
2019 (Baht 98 million included in manufacturing cost, and the balance in selling and administrative expenses)							100,642

As at 31 December 2019, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 1,108 million (The Company only: Baht 758 million) (31 December 2018: Baht 1,000 million (The Company only: Baht 670 million)).

As at 31 December 2019, the Company has pledged all machinery of TPAC Packaging (Bangna) Company Limited amounting to Baht 45 million (31 December 2018: Baht 59

million) as collateral against long-term loan from bank as stated in Note 21 to financial statements. In addition, all property, plant and equipment of TPAC Packaging India Private Limited amounting to INR 2,077 million (2018: INR 2,042 million) has been pledged as collateral against non-convertible-debenture as stated in Note 22 to financial statements and partial property, plant and equipment of the subsidiary has been pledged as collateral against bank overdrafts as stated in Note 18 to financial statements.

15. Intangible assets

The net book value of intangible assets as at 31 December 2019 and 2018 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Tradename	Customer relationship (Restated)	Computer software	Total
1 January 2018	-	-	7,279	7,279
Additions	-	-	1,065	1,065
Increase from acquisition/amalgamation of subsidiaries	222,946	180,238	812	403,996
Translation adjustment	[122]	[97]	[1]	[220]
31 December 2018	222,824	180,141	9,155	412,120
Additions	-	-	3,207	3,207
Increase from acquisition of subsidiaries	-	73,572	-	73,572
Translation adjustment	[22,687]	[19,973]	[82]	[42,742]
31 December 2019	200,137	233,740	12,280	446,157
Accumulated amortisation:				
1 January 2018	-	-	3,364	3,364
Amortisation for the year	3,099	8,296	565	11,960
Translation adjustment	[47]	[126]	-	[173]
31 December 2018	3,052	8,170	3,929	15,151
Amortisation for the year	8,399	26,721	1,457	36,577
Translation adjustment	[704]	[1,933]	[35]	[2,672]
31 December 2019	10,747	32,958	5,351	49,056
Allowance for impairment loss:				
31 December 2018	-	-	510	510
31 December 2019	-	-	510	510
Net book value:				
31 December 2018	219,772	171,971	4,716	396,459
31 December 2019	189,390	200,782	6,419	396,591

(Unit: Thousand Baht)

	Separate financial statements	
	Computer software	Total
Cost:		
1 January 2018	7,279	7,279
31 December 2018	7,279	7,279
Additions	2,434	2,434
31 December 2019	9,713	9,713
Accumulated amortisation:		
1 January 2018	3,364	3,364
Amortisation for the year	482	482
31 December 2018	3,846	3,846
Amortisation for the year	664	664
31 December 2019	4,510	4,510
Allowance for impairment loss:		
31 December 2018	510	510
31 December 2019	510	510
Net book value:		
31 December 2018	2,923	2,923
31 December 2019	4,693	4,693

Acquisition of intangible assets during the year 2019

The Company assessed the identified assets on the date of acquisition of Sun Packaging Systems (FZC) by granted long-term relationship with customer from Sun Packaging

Systems (FZC) amounting to Baht 74 million. The expected useful life is 7.5 years.

Acquisition of intangible assets during the year 2018

TPAC Packaging India Private Limited assessed the identified assets on the date of amalgamation between TPAC Packaging India Private Limited and Sunrise Containers Limited as follows:

1 Tradename

The subsidiary granted tradename "Sunpet" registered in four countries which are India, Saudi Arabia, United Kingdom and United Arab Emirates amounting to Baht 223 million. The expected useful life is 25 years.

2 Customer relationship

The subsidiary granted long-term relationship with customer, from Sunrise Containers Limited amounting to Baht 180 million. The expected useful life is 7.5 years.

16. Goodwill

Movements in goodwill in the consolidated financial statements for the year ended 31 December 2019 and 2018 are summarised below.

	(Unit: Thousand Baht)		
	TPAC PACKAGING INDIA PRIVATE LIMITED	SUN PACKAGING SYSTEMS (FZC)	Total
Balance as at 1 January 2018	-	-	-
Increase from amalgamation of subsidiary (Restated)	942,636	-	942,636
Net book value as at 31 December 2018 (Restated)	<u>942,636</u>	<u>-</u>	<u>942,636</u>
Increase from acquisition of subsidiary	-	168,733	168,733
Translation adjustment	<u>(96,436)</u>	<u>(4,795)</u>	<u>(101,231)</u>
Balance as at 31 December 2019	<u><u>846,200</u></u>	<u><u>163,938</u></u>	<u><u>1,010,138</u></u>

The Company and its subsidiary allocated goodwill arising from business combination to each cash-generating unit for the purpose of performing annual impairment testing by assessing the recoverable amount of each cash-generating unit based on the value in use of the assets, using projections of cash inflows that were prepared with reference to

financial projections approved by the management and that covered a 5-year period for both companies.

The significant assumptions used in determining the value in use were as follows:

	TPAC PACKAGING INDIA PRIVATE LIMITED	SUN PACKAGING SYSTEMS (FZC)
Sales growth rate	4% - 10%	4%
Pre-tax discount rate	12%	9.6%

The management determined the sales growth rates of each subsidiary based on historical operating results, markets and production capacity. The pre-tax discount rates reflect

the specific risk profit of each company. The management believed there is no impairment of goodwill.

17. Withholding tax deducted at source

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Withholding tax in 2017	22,844	22,844	22,844	22,844
Withholding tax in 2018	35,562	35,562	35,546	35,546
Withholding tax in 2019	<u>34,813</u>	<u>-</u>	<u>34,811</u>	<u>-</u>
Total	<u><u>93,219</u></u>	<u><u>58,406</u></u>	<u><u>93,201</u></u>	<u><u>58,390</u></u>

The Company and its subsidiary regards withholding tax deducted at source as an asset since it has claimed for refund of it. However, the net realisable value of the tax is

subject to the examination of the Company's accounts by the Revenue officials.

18. Short-term loans from banks

	Interest rate (% per annum)		(Unit: Thousand Baht)	
			Consolidated financial statements	
	2562	2561	2562	2561
Short-term loans from banks	1.73 - 2.52	1.99 - 9.55	377,400	286,355
Total			<u>377,400</u>	<u>286,355</u>

	Interest rate (% per annum)		(Unit: Thousand Baht)	
			Separate financial statements	
	2562	2561	2562	2561
Short-term loans from banks	1.73 - 2.33	1.99 - 2.10	348,400	221,000
Total			<u>348,400</u>	<u>221,000</u>

Under the credit facility agreement for short-term and long-term loans, the Company and its subsidiaries have to comply with certain financial terms as specified in the agreement, such as maintenance of debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement.

Overdraft credit facility of TPAC Packaging India Private Limited are secured by the mortgage of property, plant and partial equipment of the subsidiary as stated in Note 14 to financial statements.

19. Trade and other payables

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	2562	2561	2562	2561
Trade accounts payable - related parties	5,658	4,488	5,328	7,878
Trade accounts payable - unrelated parties	150,135	145,270	82,742	84,705
Accounts payable for purchasing of fixed assets	14,962	11,294	11,478	7,888
Accrued expenses	105,982	126,503	45,963	45,868
Other payables	<u>15,833</u>	<u>16,328</u>	<u>13,761</u>	<u>12,250</u>
Total	<u>292,570</u>	<u>303,883</u>	<u>159,272</u>	<u>158,589</u>

20. Other current liabilities

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	2562	2561	2562	2561
Advance received for molds	14,608	8,504	9,895	2,288
Others	<u>9,630</u>	<u>6,697</u>	<u>2,794</u>	<u>2,146</u>
Total	<u>24,238</u>	<u>15,201</u>	<u>12,689</u>	<u>4,434</u>

21. Long-term loans from banks

Loan	Interest rate p.a. (%)	Repayment schedule	(Unit: Thousand Baht)			
			Consolidated financial statements		Separate financial statements	
			2562	2561	2562	2561
1	PRIME RATE - 2	Quarterly installments as from 31 July 2018	-	72,000	-	72,000
2	9.50 and as specified in the agreement	Quarterly installments as from 26 November 2018	86,699	112,614	-	-
3	MLR - 1.75	Quarterly installments as from 25 February 2019	<u>663,788</u>	<u>1,200,000</u>	<u>663,788</u>	<u>1,200,000</u>
Total			750,487	1,384,614	663,788	1,272,000
Less: Deferred financial fees			<u>(3,685)</u>	<u>(5,976)</u>	<u>(2,798)</u>	<u>(4,513)</u>
Net			746,802	1,378,638	660,990	1,267,487
Less: Current portion			<u>(134,989)</u>	<u>(208,455)</u>	<u>(114,347)</u>	<u>(192,368)</u>
Long-term loans, net of current portion			<u>611,813</u>	<u>1,170,183</u>	<u>546,643</u>	<u>1,075,119</u>

Movement of the long - term loans account for the year ended 31 December 2019 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	1,378,638	1,267,487
Add: Additional borrowings	374,204	374,204
Financial fees amortisation	4,062	3,586
Less: Repayment	(998,512)	(982,416)
Financial fees paid	(1,871)	(1,871)
Translation adjustment	<u>(9,719)</u>	-
Balance as at 31 December 2019	<u>746,802</u>	<u>660,990</u>

Loan 1

On 24 April 2018, the Company entered into a loan agreement with a bank in the amount of Baht 80 million for the acquisition of TPAC Packaging (Bangna) Company Limited. Such loans are secured by the mortgage of machinery and all shares in TPAC Packaging (Bangna) Company Limited, with interest at a prime rate-2 percent per annum and are due for repayment principal by quarterly installments not less than Baht 4 million for the period of 5 years from the drawdown date. The Company had fully drawn down on 30 April 2018.

On 25 November 2019, the Company made full repayment of long-term loan.

Under the loan agreement, the Company and TPAC Packaging (Bangna) Company Limited have to comply with certain financial terms as specified in the agreement, such as maintenance of debt to equity ratio, and maintenance debt service coverage ratio.

Loan 2

On 23 July 2018, the meeting of Board of Directors of a subsidiary (TPAC Packaging India Private Limited) passed a resolution to approve a loan from a bank in India in total amount not exceed than INR 1,300 million to invest 80% of shares in Sunrise Containers Limited and as a working capital of the subsidiary. Subsequently, on 8 August 2018, the subsidiary entered into a loan agreement with a bank of INR 250 million. The loan carries interest at the rate of 9.50% per annum during the first 12 months from drawdown date and the interest rate after the first 12 months will be renegotiated as specified in the agreement. The loan was unsecured but guaranteed by the Company (Corporate

Guarantee) for facilities amount INR 1,150 million. The loan is repayable by quarterly installments not less than INR 5 million within 5 years from the drawdown date. The subsidiary had fully drawn down the loan on 28 August 2018.

Under the loan agreement, the subsidiary has to comply with certain financial terms as specified in the agreement, such as maintenance of debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. The subsidiary is required to obtain approval from the financial institutions for dividend payment if their agreed financial ratios are not comply with prescribed terms.

Loan 3

On 9 August 2018, the meeting of the Board of Directors of the Company passed a resolution to acknowledge the loan in total amount not exceed than Baht 1,200 million from a bank in Thailand for investment in the subsidiary (TPAC Packaging India Private Limited). Subsequently, on 16 August 2018, the Company entered into a loan agreement with a bank in the amount of Baht 1,200 million. The loan has no collateral with interest at a MLR - 1.75 percent per annum. The loan is repayable by quarterly installments Baht 44.4 million each within 7 years from the drawdown date. The Company had fully withdrawn the loan on 20 August 2018. The loan is equivalent to other types of debt of the Company (Pari Passu Inter Se).

On 22 November 2019, the Company made repayment of long-term loan Baht 374.2 million. The loan is repayable by quarterly installments from Baht 44.4 million to Baht 28.8 million each.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintaining debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. The Company is required to maintain a portion of its investment in the subsidiary and required to obtain approval from the financial institutions in various matters, including dividends and assets or income guarantees.

Loan 4

On 25 July 2019, the Company entered into a loan agreement with a bank in the amount of USD 12.11 million or Baht 374.20 million for the acquisition of Sun Packaging Systems (FZC). Such loan is secured by the mortgage of shares in Sun Packaging Systems (FZC) and bank deposit of the Company as business collateral. The loan carries interest at the rate of MLR - 1.25 per annum or MLR per annum as specified in the agreement. The loan is repayable by Baht 250 million within March 2020, quarterly installments for the remaining balance within 7 years from the drawdown date, and with the conditions of repayment principal as specified in the agreement. The Company had fully drawn down on 29 July 2019.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintenance of debt to equity ratio, and maintenance debt service coverage ratio. The Company is required to maintain a portion of its investment in the subsidiary. The Company is required to repay principal in case the Company receives management fee from the subsidiary. The subsidiary is also to declare dividend (if lawfully practicable) to the Company from 2020 onward and shall not be less than 90% of net profit of the previous year for the Company to repay principal loan. In addition, the Company is to increase its capital not less than Baht 500 million within the first quarter of 2020.

On 22 November 2019, the Company made full repayment of long-term loan.

22. Debentures

22.1 On 24 April 2018, the Annual General Meeting of the Company's shareholders approved the issuance and offering of debentures in total amount not exceed than Baht 2,000 million. The Company has authority to determine any relevant terms and details such as type of debentures, security, offering amount at each issuance, offering price per unit, term of debentures, maturity period, rights of early redemption, interest rate, repayment method and allocation method, etc. As at 31 December 2019, the Company has not issued the debentures.

22.2 On 30 June 2018, the meeting of Board of Directors of TPAC Packaging India Private passed a resolution to issue unsecured non-convertible debentures in total amount not exceed than INR 500 million and to issue secured non-convertible debentures in total amount not exceed than INR 1,300 million, within 1 year from the date of resolution to invest 80% of shares in Sunrise Containers Limited and as a working capital of the subsidiary. The subsidiary has authority to determine any relevant terms and details of the debentures.

On 24 August 2018, the subsidiary has issued non-convertible debentures 1,300 units with a par value of INR 1 million, amounting to INR 1,300 million, with a maturity of 5 years and will continuously repay after 18 months as from issuing debentures date, carrying interest at 9.62% per annum. The interest rate of the debentures can be amended by major holders of debentures if the credit rating of the debentures is lower than BB - assessed by the Credit Rating Agencies or mutual agreement between major shareholders and the subsidiary. The debentures are equivalent to other types of debt of the Company (Pari Passu Inter Se) and are listed on BSE in India. The subsidiary has the right to redeem premature debentures in a defined proportion.

Under the terms and conditions of the debentures issuers, the subsidiary has to comply with certain terms and conditions as specified in the agreement, including maintaining

debt to equity ratio and debt service coverage ratio. The Company is required to maintain at 80% of shares in its subsidiary. The collateral for the issuance of such debentures is land, buildings and equipment of the subsidiary (after the amalgamation between TPAC Packaging India Private Limited and Sunrise Containers Limited), as well as the Corporate Guarantee. The subsidiary has to deposit the next interest payment with the trustee as stated in Note 12 to financial statements.

For issuance of debentures, the Company has expenses from issuing such debentures which are deducted from debentures value, and those expenses are recorded as interest expenses.

The outstanding balance of long-term debentures as at 31 December 2019 are detailed below.

Debentures	Issue date	Maturity date	Term (years)	Interest rate (% per annum)	Interest payment	(Unit: Thousand Baht)	
						Consolidated and Separate 2562	2561
1	24 August 2018	24 August 2023	5	9.62% / specified condition	every 6 months	536,705	597,545
						536,705	597,545
Total						(18,634)	(29,696)
Less: Deferred cost of issuing debentures						518,071	567,849
Net						(53,671)	-
Less: Current portion						464,400	567,849
Long-term debentures, net of current portion							

Movement of debentures during the year ended 31 December 2019 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	567,849	-
Add: Cost of issuing debentures amortisation	9,001	-
Translation adjustment	(58,779)	-
Balance as at 31 December 2019	518,071	-

23. Assets associated with call options granted to holders of non-controlling interests /Liabilities associated with put options granted to holders of non-controlling interests

TPAC Packaging India Private Limited

On 15 November 2017, the Company entered into Implementation Agreement and Shareholders Agreement between the Company, Sunrise Containers Limited and former shareholders. Former shareholders have put options which were rights to sell all remaining 20% of shares in TPAC Packaging India Private Limited to the Company. The Company does not have an unconditional right to avoid the delivery of cash if holders of non-controlling interests

exercise their put options. Put options granted to holders of non-controlling interests are summarised below.

• First exercise of put options

Within 90 days from the adoption date of the audited accounts of TPAC Packaging India Private Limited which already approved from its annual general meeting of the shareholders for the financial year 2020-2021 but no later than 30 September

2021, holders of non-controlling interest have right of put options to sell all their shares at the option price based on specified terms and conditions as stated in the agreement.

- **Second exercise of put options**

During the period 29 August 2024 - 28 August 2025, holders

Sun Packaging Systems (FZC)

On 24 April 2019, the Company entered into Shareholders Agreement between the Company, Sun Packaging Systems (FZC) and Kishore Kumar Tarachand Bhatia. The Company has call options which were rights to buy all remaining 11% of shares in Sun Packaging Systems (FZC) from Bhatia Investment Holding Limited. Call options granted to holders of non-controlling interests are summarised below.

- **First exercise of call options**

Within 6 months from 24 April 2022, the option price is based on specified terms and conditions as stated in the agreement.

of non-controlling interest have right of put options to sell all their shares at the fair market value.

As at 31 December 2019, the Company recorded liabilities associated with put options granted to holders of non-controlling interests amount Baht 469 million in consolidated statement of financial position (2018: Baht 463 million).

- **Second exercise of call options**

Within 6 months from 24 April 2024, the option price is based on specified terms and conditions as stated in the agreement.

The Company recorded assets associated with call options granted to holders of non-controlling interests amount Baht 8.8 million in consolidated and separate financial statements on acquisition date as stated in Note 2.2.2 to financial statements.

24. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2019 and 2018 were as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Provision for compensation on employees' retirement	55,701	30,844	32,961	18,641
Provision for long service awards	3,924	3,749	3,750	3,586
Other provisions	1,461	1,336	-	-
Total	61,086	35,929	36,711	22,227

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Provision for long-term employee benefits at beginning of year	35,929	21,187	22,227	21,187
Increase of provision for long-term employee benefits from acquisition/amalgamation of subsidiaries	3,403	12,484	-	-
Included in profit or loss:				
Current service cost	7,556	5,658	3,955	3,859
Interest cost	1,695	727	810	506
Past service cost	8,766	(1,415)	5,468	(1,415)

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Included in other comprehensive income:				
Actuarial loss arising from				
Demographic assumptions changes	225	1,669	670	1,669
Financial assumptions changes	8,488	336	4,605	[217]
Experience adjustments	[62]	[2,566]	168	[2,322]
Benefits paid during the year	[4,250]	[2,173]	[1,192]	[1,040]
Translation adjustment	[664]	22	-	-
Provisions for long-term employee benefits at end of year	<u>61,086</u>	<u>35,929</u>	<u>36,711</u>	<u>22,227</u>

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Cost of sales	11,848	3,469	5,988	2,625
Selling and administrative expenses	6,169	2,916	4,245	1,740
Total expenses recognised in profit or loss	<u>18,017</u>	<u>6,385</u>	<u>10,233</u>	<u>4,365</u>

The Company and its subsidiaries expect to pay Baht 8.1 million of long-term employee benefits during the next year (The Company only: Baht 2.7 million) (31 December 2018: 7.0 million (The Company only: Baht 5.3 million)).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 7 - 17 years (The Company only: 11 years) (31 December 2018: 10 - 12 years (The Company only: 10 years)).

Significant actuarial assumptions are summarised below:

	(Unit: Percent per annum)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Discount rate	1.41 - 7.20	2.57 - 7.74	1.59	2.72
Salary increase rate	1 - 8	1 - 8	1 - 5	1 - 5
Turnover rate	0 - 33	0 - 32	0 - 33	0 - 32

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

	(Unit: Million Baht)			
	As at 31 December 2019			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5.9)	6.9	(3.3)	3.9
Salary increase rate	6.3	(5.5)	3.4	(2.9)
Turnover rate	(4.9)	2.1	(3.5)	1.6

(Unit: Million Baht)

	As at 31 December 2018			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3.5)	4.1	(1.8)	2.1
Salary increase rate	3.7	(3.3)	1.8	(1.5)
Turnover rate	(2.8)	1.1	(1.9)	0.9

Amendments to the law relating to the legal severance pay rates

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post - employment

benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 8.8 million (The Company only: Baht 5.5 million) as a result. The Company and its subsidiaries reflects the effect of the change by recognising past service costs as expenses in the income statement of the current year.

25. Share capital

Number of ordinary shares and issued and the paid-up share capital and premium on ordinary shares are as follows:

	Number of ordinary shares (Thousand Shares)	Issued and paid-up capital (Thousand Bath)	Premium on ordinary shares (Thousand Bath)
Issued and paid up capital			
31 December 2019	326,550	326,550	1,026,969
31 December 2018	253,818	253,818	302,921

On 15 October 2019, the Extraordinary General Meeting of Shareholders No. 2/2019 approved the following resolutions:

- The registered share capital, which have not been distributed, decreased by 1,182,324 shares at par value of Baht 1 each, totaling Baht 1,182,324. The Company registered the decrease in share capital with the Ministry of Commerce on 22 November 2019.

- The registered share capital increased by issuing new 72,732,324 shares at par value of Baht 1 each, totaling Baht 72,732,324. The Company registered the increase in share capital with the Ministry of Commerce on 27 November 2019.

- An allocation of 72,732,324 additional shares are to existing shareholders at Baht 11 per share with allocation ratio at 3.4898 shares per 1 new share, and shareholders have right to reserve new shares more than allocation ratio.

During 14 - 20 November 2019, the Company allocated additional 72,732,323 shares at Baht 11 per share, and received totaling Baht 800 million. The expense in respect of additional share issuance totaling Baht 3.2 million was deducted from share premium.

26. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

During the year 2019, the Company transferred retaining earnings to a statutory reserve by Baht 3 million (2018: Nil).

27. Expenses by nature

Significant expenses classified by nature are as follow:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Salaries, wages and other employee benefits	454,347	387,395	261,123	253,201
Depreciation and amortisation	291,217	189,522	117,408	125,791
Raw materials and consumables used	2,004,498	1,422,256	706,199	905,463
Changes in inventories of finished goods and work in process	24,537	4,792	12,707	(1,154)

28. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Current income tax:				
Corporate income tax for the year	10,647	24,822	3,890	7,961
Deferred tax:				
Relating to origination and reversal of temporary differences	(6,445)	(13,300)	(1,785)	(632)
Relating to actuarial loss (gain)	(1,961)	66	(1,089)	174
Effect of the change in tax rate	(12,761)	-	-	-
Income tax expenses (income) reported in the statement of comprehensive income	<u>(10,520)</u>	<u>11,588</u>	<u>1,016</u>	<u>7,503</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Deferred tax relating to actuarial loss (gain)	<u>(1,961)</u>	<u>66</u>	<u>(1,089)</u>	<u>174</u>

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561	2562	2561
Accounting profit before tax	154,500	34,193	64,159	62,795
Applicable tax rate	20%, 25.17%	20%, 34.94%	20%	20%
Accounting profit before tax multiplied by income tax rate	41,472	12,559	12,832	12,559
Effect of the change in tax rate	(12,761)	-	-	-
Effects of:				
Non-deductible expenses	3,956	1,408	2,374	1,408
Additional expense deductions allowed	(6,686)	(6,005)	(5,727)	(6,005)
Dividend which exempted corporate income tax	-	-	(5,680)	-
Adjustment in respect of income tax of previous year	585	-	-	-
Unused tax loss	(52,515)	-	-	-
Others	15,429	3,626	(2,783)	(459)
Total	(39,231)	(971)	(11,816)	(5,056)
Income tax expenses (income) reported in the statement of comprehensive income	(10,520)	11,588	1,016	7,503

The components of deferred tax assets and deferred tax liabilities as at 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2562	2561 (Restated)	2562	2561
Deferred tax assets				
Allowance for doubtful account	361	-	-	-
Allowance for diminution in value of inventories	455	172	100	172
Allowance for impairment of assets	125	125	125	125
Accumulated depreciation - equipment	223	174	223	174
Provision for long-term employee benefits	7,710	5,528	7,342	4,445
Contingent liabilities	1,163	1,411	-	-
Cost of amalgamation of subsidiary	354	4,663	-	-
Unused tax loss	52,515	-	-	-
Others	-	1,437	-	-
Total	62,906	13,510	7,790	4,916

	Consolidated financial statements		(Unit: Thousand Baht)	
	2562	2561	2562	2561
	(Restated)			
Deferred tax liabilities				
Accumulated depreciation - building and equipment	103,011	74,782	-	-
Total	103,011	74,782	-	-
Deferred tax assets (liabilities) - net	(40,105)	(61,272)	7,790	4,916

As at 31 December 2019, TPAC Packaging India Private Limited has unused tax loss in total of Baht 209 million which has taxable benefit years as granted by law. Other subsidiaries have no unused tax loss on which deferred tax assets have not been recognised.

As at 31 December 2019, the Company considered that no temporary differences associated with investments in subsidiaries for which deferred tax liability has been recognised as the Company has been approved to be International Business Center, and one of subsidiary has accumulated unused tax loss.

International Business Center

On 24 June 2019, the Revenue Department approved the Company to be International Business Center in providing management services, technical services, supporting services,

and international trade with tax benefits of accounting period as from 1 June 2019 to 31 December 2033 under specified requirements.

Corporate Income Tax rate reduction for Indian companies

On 20 September 2019, the Indian Government enacted a reduction of corporate income tax for certain Indian companies for taxable year beginning 1 April 2019, as from 34.94% to 25.17% under specified requirements. TPAC

Packaging India Private Limited elected to apply corporate income tax reduction with an effect of the change in tax rate of Baht 12.6 million.

Exemption of corporate income tax for companies located in Sharjah Airport International Free Zone in United Arab Emirates

Sun Packaging System (FZC) located in Sharjah Airport International Free Zone in United Arab Emirates, and granted

corporate income tax exemption for 50 years as from the subsidiary's founding date in 2004.

29. Promotional privileges

The Company has received promotional privileges from the Board of Investment for the manufacture of plastic consumer packaging, pursuant to the investment promotion certificate No. 59-1321-1-03-1-0 issued on 17 October 2016 and No. 59-1322-1-03-1-0 issued on 17 October 2016. Subject to certain imposed conditions, the privileges include an

exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues.

During the year, the Company had not yet generated revenues from operations in respect of these two certificates.

30. Earnings per share

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

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

plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2562	2561	2562	2561	2562	2561
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
Basic earnings per share/Diluted earnings per share						
Profit attributable to equity holders of the parent	138,841	31,477	260,593	253,818	0.53	0.12

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2562	2561	2562	2561	2562	2561
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
Basic earnings per share/Diluted earnings per share						
Profit attributable to equity holders of the parent	62,054	55,466	260,593	253,818	0.24	0.22

31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker. The chief operating decision maker has been identified as Board of Directors. The basis that used to measure operating profit or loss of segment is same as the basis that used to measure operating profit or loss in the financial statements.

For management purposes, the Company and its subsidiaries are principally engaged in the manufacture and distribution

of plastic packaging. Their operations are carried on in two geographic areas in Thailand which consists of the Company and TPAC Packaging (Bangna) Company Limited, and oversea countries which consists of India as operated by TPAC Packaging India Private Limited, and United Arab Emirate as operated by Sun Packaging Systems (FZC).

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

The revenue and profit (loss) information by geographical segments in the consolidated financial statements for the year ended 31 December 2019 and 2018 are as follows:

(Unit: Thousand Baht)

	For the year ended 31 December								
	Thailand		Overseas countries		Elimination of inter-segment revenues		Consolidation		
	2562	2561	2562	2561	2562	2561	2562	2561	
Sales to external customers	1,747,525	1,787,890	2,008,259	740,114	-	-	3,755,784	2,528,004	
Inter-segment sales	21,368	16,877	4,956	93	(26,324)	(16,970)	-	-	
Total sales	<u>1,768,893</u>	<u>1,804,767</u>	<u>2,013,215</u>	<u>740,207</u>	<u>(26,324)</u>	<u>(16,970)</u>	<u>3,755,784</u>	<u>2,528,004</u>	
Segment operating profit (loss)	104,024	78,021	191,620	(29,055)	(188)	41,159	295,456	90,125	
Unallocated income and expenses:									
Finance cost							(140,955)	(55,932)	
Income tax revenues (expenses)							8,559	(11,522)	
Profit for the year							<u>163,060</u>	<u>22,671</u>	

Major customers

For the year 2019, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of the Company and its subsidiaries' revenues (2018: Baht 305 million derived from one major customer, arising from Thailand segment)

32. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act. B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by Bank of Ayudhaya Public Company Limited

and Thanachart Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2019, the Company and its subsidiaries contributed by Baht 6 million (The Company only: Baht 5.3 million)(31 December 2018: Baht 6 million (The Company only: Baht 4.7 million)) to the fund.

33. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2017	Annual General Meeting of the shareholders on 24 April 2018	7,614	0.03
Total dividends for 2018		<u>7,614</u>	<u>0.03</u>

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2019, the Company and its subsidiaries had capital commitments totaling approximately Baht 15.6 million, USD 0.1 million and INR 64.4 million relating to acquisition of machinery and molds (The Company only: Baht 13.2 million)(31 December 2018: Baht 12.2 million, USD

0.4 million, JPY 2.4 million and INR 14.0 million relating to acquisition of machinery and molds (The Company only: Baht 12.2 million, USD 0.4 million and JPY 2.4 million)).

34.2 Operating leases and service commitments

The Company and its subsidiaries have entered into several agreements in respect of leases of land and other services. The term of the agreements are generally between 1 year

and 5 years (the Company only: between 1 year and 5 years). Future minimum rentals and serviced charge payables under these agreements are as follows:

Payable:

	Consolidated financial statements		(Unit: Million Baht) Separate financial statements	
	2562	2561	2562	2561
In up to 1 year	17	16	3	3
In over 1 and up to 5 years	3	13	1	2

34.3 Guarantees

As at 31 December 2019, there were outstanding bank guarantees to guarantee electricity and other utilities use of Baht 19 million and INR 59 million issued by banks on

behalf of the Company and its subsidiaries (The Company only: Baht 13 million)(31 December 2018: Baht 20 million and INR 32 million (The Company only: Baht 13 million)).

34.4 Litigations

TPAC Packaging India Private Limited has been carrying excise duty and service tax under dispute amounting to INR 26 million (31 December 2018: INR 18 million). These contingent liabilities have arisen pursuant to notice received from Indirect tax department. Currently, litigation is in

progress pertaining to such disputes at Courts in India. The management of subsidiary has set aside provision for the potential losses to such case amounting to INR 11 million (31 December 2018: INR 11 million).

35. Fair value hierarchy

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

Financial assets measured at fair value

Current investments

	(Unit: Million Baht)			
	Consolidated financial statements As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Investments in open-end fund	-	6.3	-	6.3
Assets associated with call options granted by holders of non-controlling interests	-	-	8.8	8.8

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Financial assets for which fair value are disclosed				
Derivatives				
Forward exchange contracts	-	0.2	-	0.2

	(Unit: Million Baht)			
	Separate financial statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Assets associated with call options granted by holders of non-controlling interests	-	-	8.8	8.8

36. Financial instruments

36.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, restricted bank deposits, trade and other receivables, other long-term investments,

short-term loans from banks, trade and other payables, long-term loans from banks, and debentures.

The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedure and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do

not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their cash at bank, restricted bank deposits, other long-term investments, short-term loans from banks, long-term loans from banks and debentures. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2019 and 2018, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2019

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate [% per annum]
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	8	27	35	Note 7
Current investments	49	-	-	-	7	56	Note 8
Trade and other receivables	-	-	-	-	784	784	-
Restricted bank deposits	26	-	-	-	-	26	Note 12
Other long-term investments	-	9	-	-	-	9	Note 8
	<u>75</u>	<u>9</u>	<u>-</u>	<u>8</u>	<u>818</u>	<u>910</u>	
Financial liabilities							
Short-term loans from banks	377	-	-	-	-	377	Note 18
Trade and other payables	-	-	-	-	293	293	-
Long-term loans from banks	21	65	-	661	-	747	Note 21
Debentures	54	464	-	-	-	518	Note 22
	<u>452</u>	<u>529</u>	<u>-</u>	<u>661</u>	<u>293</u>	<u>1,935</u>	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2019

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate [% per annum]
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	5	2	7	Note 7
Trade and other receivables	-	-	-	-	358	358	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>360</u>	<u>365</u>	
Financial liabilities							
Short-term loans from banks	348	-	-	-	-	348	Note 18
Trade and other payables	-	-	-	-	159	159	-
Long-term loans from banks	-	-	-	661	-	661	Note 21
	<u>348</u>	<u>-</u>	<u>-</u>	<u>661</u>	<u>159</u>	<u>1,168</u>	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2018							
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate [% per annum]
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	61	3	64	Note 7
Trade and other receivables	-	-	-	-	834	834	-
Restricted bank deposits	34	18	-	-	-	52	Note 12
	<u>34</u>	<u>18</u>	<u>-</u>	<u>61</u>	<u>837</u>	<u>950</u>	
Financial liabilities							
			-				
Short-term loans from banks	136	-	-	150	-	286	Note 18
Trade and other payables	-	-	-	-	304	304	-
Long-term loans from banks	16	96	-	1,267	-	1,379	Note 21
Debentures	568	-	-	-	-	568	Note 22
	<u>720</u>	<u>96</u>	<u>-</u>	<u>1,417</u>	<u>304</u>	<u>2,537</u>	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2018							
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate [% per annum]
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	3	3	6	Note 7
Trade and other receivables	-	-	-	-	384	384	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>	<u>387</u>	<u>390</u>	
Financial liabilities							
Short-term loans from banks	71	-	-	150	-	221	Note 18
Trade and other payables	-	-	-	-	159	159	-
Long-term loans from banks	-	-	-	1,267	-	1,267	Note 21
	<u>71</u>	<u>-</u>	<u>-</u>	<u>1,417</u>	<u>159</u>	<u>1,647</u>	

Foreign currency risk

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

As at 31 December 2019 and 2018, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2562	2561	2562	2561	2562	2561
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 currency unit)	
US Dollar	2,657	3,414	597	267	30.1540	32.4498
Euro	3	2	42	30	33.7311	37.1252
Pound Sterling	12	-	-	-	39.5217	-
Dirham United Arab Emirates	-	1	-	-	-	8.8342
Qatar Riyal	-	2	-	-	-	8.9116
Saudi Arabia Riyal	-	2	-	-	-	8.6491
South Africa Rand	-	5	-	-	-	2.2389

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2562	2561	2562	2561	2562	2561
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 currency unit)	
US Dollar	1,072	870	431	267	30.1540	32.4498
Euro	-	-	32	20	33.7311	37.1252

As at 31 December 2019, the Company and its subsidiaries had foreign exchange contracts outstanding are summarised below.

Foreign currency	Consolidated and Separate financial statements				
	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)		
US Dollar	-	878	-	30.10 - 30.58	2 January 2020 2 November 2020

As at 31 December 2018, the Company and its subsidiaries had foreign exchange contracts outstanding are summarised below.

Foreign currency	Consolidated and Separate financial statements				
	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)		
US Dollar	-	712	-	32.33 - 32.87	9 January 2019 9 April 2019

36.2 Fair values of financial instruments

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

the amounts presented in statement of financial position except derivatives.

The estimated fair value of the derivatives is as follows:

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	As at 31 December 2019	As at 31 December 2018
	Fair value	Fair value
Derivatives	Gain	Gain
Forward exchange contracts	0.2	0.2

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, accounts receivable, accounts payable and short-term loans from banks, their carrying amounts in the statement of financial position approximate their fair value.

b) For fixed rate debentures and long-term loans, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.

c) For debentures and long-term loans carrying interest approximate to the market rate, their carrying amounts in

the statement of financial position approximates their fair value.

d) For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Company and its subsidiaries had considered to counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers within the fair value hierarchy.

36.3 Reconciliation of recurring fair value measurements, of assets and liabilities, categorised within Level 3 of the fair value hierarchy.

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	Assets associated with call options granted by holders of non-controlling interests	Total
Balance as at 1 January 2019	-	-
Acquired during the year	8.8	8.8
Balance as at 31 December 2019	8.8	8.8

Key assumptions used in the valuation are summarized below

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Assets associated with call options granted by holders of non-controlling interests	Black Scholes Model	Stock price and strike price	0.16 AED/share	1% increase (decrease) in the stock price and strike price would result in Baht 0.1 million increase (decrease) in fair value

37. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2019,

the Company and its subsidiaries' debt-to-equity ratio was 1.37:1 (2018: 2.09:1) and the Company's debt-to-equity ratio was 0.62:1 (2018: 1.50:1).

38. Event after reporting period

On 21 February 2020, the meeting of the Company's Board of Directors passed a resolution to propose the annual general meeting of the Company's shareholders to adopt a resolution to pay a dividend from operating results for

the year 2019 of Baht 0.125 per share, totaling Baht 40.8 million. The dividend will be paid and recorded after it is approved by the annual general meeting of the Company's shareholders.

39. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 21 February 2020.



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