

KUMWELL CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE 3-MONTH AND 6-MONTH PERIODS ENDED JUNE 30, 2021
(UNAUDITED / REVIEWED ONLY)

1. GENERAL INFORMATION

KUMWELL CORPORATION PUBLIC COMPANY LIMITED (“The Company”) was registered as juristic person in Thailand on May 7, 1999. The head office is located at 100/3 Thesabansongkrow Rd. Lardyao, Jatujak, Bangkok.

The Company has place of business (Factory) located at 26/2 Moo 10 Banglen, Bangyai, Nonthaburi.

The Company has been transformed its status Company Limited to be Public Company Limited under Public Company Limited Law by registering to transform its status and changing former name “KUMWELL CORPORATION CO., LTD.” to be KUMWELL CORPORATION PUBLIC COMPANY LIMITED at Department of Business Development Ministry of Commerce on March 14, 2019.

The Company has engaged in production and distribution in electrical equipment, graphite mould, metal powder and ground wire.

During the year, the Major shareholder is Mr.Boonsak Kiatjaroonlert (Percentage of shareholding 54.39)

Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities. The degree of the impact severity is dependent upon the pandemic controlling measures imposed by government and the duration of the pandemic.

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

2. BASIS FOR PREPARATION OF INTERIM FINANCIAL STATEMENTS

A. Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No.34 “ Interim Financial Reporting” under Accounting Professions Act B.E. 2 5 4 7 and requirement of Securities and Exchange Commission regarding presentation and preparation and presentation Financial Reporting under Securities and Exchange Act B.E. 2 5 3 5 . The Company has chosen to present condensed interim financial statements.

These interim financial statements are prepared to provide an additional information on the recent financial statements to ensure that data is current. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements. Therefore, these interim financial statements should be read in conjunction with the financial statements of the Company of the latest year.

The interim financial statements have been prepared on the historical cost basis except as disclosed in the related accounting policies.

B. Basis for preparation of consolidated financial statements

These interim financial statements are prepared by including financial statement of KUMWELL CORPORATION PUBLIC COMPANY LIMITED and subsidiaries (called as the Group’s) by using the same basis of consolidated financial statements for the year ended December 31, 2020. During the period, there was no changed in the Group structure.

3. NEW FINANCIAL REPORTING STANDARDS

A. Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

3. NEW FINANCIAL REPORTING STANDARDS (CONT.)

B. Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group is currently in process of evaluating the plan to be executed and considering the impact of these standards on the financial statements in the year when they are adopted.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2020, except for changing in accounting policy in financial assets at FVTPL

Financial assets at FVTPL

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

These financial assets include derivatives and financial assets with cash flows that are not solely payments of principal and interest.

5. CASH AND CASH EQUIVALENTS

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Cash	205,000.00	205,000.00	200,000.00	200,000.00
Current accounts	15,923,364.92	21,729,718.62	15,923,364.92	21,642,121.50
Saving deposits	6,354,406.43	5,344,745.08	6,354,406.41	5,344,745.06
Total	22,482,771.35	27,279,463.70	22,477,771.33	27,186,866.56

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

6. TRADE AND OTHER CURRENT RECEIVABLES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Trade accounts receivable				
Related parties	6,607.25	-	6,607.25	-
Other parties	92,111,836.97	95,697,009.71	92,111,836.97	95,697,009.71
Less allowance for expected credit loss				
incurred	(7,572,961.48)	(4,433,191.34)	(7,572,961.48)	(4,433,191.34)
Total trade accounts receivable	84,545,482.74	91,263,818.37	84,545,482.74	91,263,818.37
Other current receivables				
Related parties	-	1,491,870.00	-	1,491,870.00
Prepaid expenses	4,802,083.04	5,411,781.49	4,800,761.59	5,411,781.49
Prepaid corporate income tax	-	2,030,845.41	-	2,030,845.41
Others	4,432,636.30	1,464,070.20	4,141,552.46	1,262,571.23
Less allowance for expected credit loss				
incurred	(156,942.80)	(156,942.80)	(156,942.80)	(156,942.80)
Total other current receivables	9,077,776.54	10,241,624.30	8,785,371.25	10,040,125.33
Total trade and other current receivables	93,623,259.28	101,505,442.67	93,330,853.99	101,303,943.70

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Within credit terms	45,945,838.46	40,826,034.25	45,945,838.46	40,826,034.25
Overdue:				
- Less than 3 months	33,575,890.74	45,118,040.13	33,575,890.74	45,118,040.13
- 3-6 months	4,755,552.85	3,467,534.56	4,755,552.85	3,467,534.56
- 6-12 months	2,067,579.96	2,864,631.79	2,067,579.96	2,864,631.79
- Over 12 months	5,773,582.21	3,420,768.98	5,773,582.21	3,420,768.98
	92,118,444.22	95,697,009.71	92,118,444.22	95,697,009.71
Less allowance for expected credit				
loss incurred	(7,572,961.48)	(4,433,191.34)	(7,572,961.48)	(4,433,191.34)
Total trade accounts receivables	84,545,482.74	91,263,818.37	84,545,482.74	91,263,818.37

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

7. INVENTORIES

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Raw material	57,310,907.20	59,733,185.81	57,310,907.20	59,733,185.81
Work in process	248,907.83	257,063.69	248,907.83	257,063.69
Finished goods	88,877,010.01	89,537,676.47	89,006,566.45	89,806,186.38
Semi product	39,642,730.68	36,217,857.90	39,642,730.68	36,217,857.90
Works under installation-Project	1,852,498.90	1,364,440.90	1,852,498.90	1,364,440.90
	<u>187,932,054.62</u>	<u>187,110,224.77</u>	<u>188,061,611.06</u>	<u>187,378,734.68</u>
Less Provision for devaluation of inventories	(15,077,667.44)	(17,418,247.24)	(15,077,667.44)	(17,418,247.24)
Total	<u>172,854,387.18</u>	<u>169,691,977.53</u>	<u>172,983,943.62</u>	<u>169,960,487.44</u>

8. OTHER CURRENT FINANCIAL ASSETS

	(Unit : Baht)	
	Consolidated and Separate financial statements	
	June 30, 2021	December 31, 2020
Other current financial assets		
- Government bond	-	19,968,699.52
Total	-	<u>19,968,699.52</u>

Government bond is measured at amortized cost bearing interest at effective rate 0.48% per annum maturity date at April 28, 2021.

9. OTHER NON-CURRENT FINANCIAL ASSETS

	(Unit : Baht)	
	Consolidated and Separate financial statements	
	June 30, 2021	December 31, 2020
Other current financial assets		
- Unit trust opened – end fund K-CASH	49,605,786.66	95,511,075.67
Total	<u>49,605,786.66</u>	<u>95,511,075.67</u>

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

10. INVESTMENT IN SUBSIDIARIES

(Unit : Baht)

	Paid-up share capital		Separate financial statement			
	(%)		Cost method		Dividend income	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
KUMWELL-NOWCAST CO., LTD.	100	100	102,148,413.90	102,148,413.90	-	-
Less Difference from investment restructuring			(102,148,413.90)	(102,148,413.90)	-	-
Total			-	-	-	-

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

11. PROPERTY, PLANT AND EQUIPMENT

Changing of property, plant and equipment for the six-month periods ended June 30, 2021 are presented as follows:

(Unit : Baht)

Consolidated financial statements

	Land and land improvements	Building and improvements	Utility system	Machinery and equipment	Office furniture	Vehicles	Machinery and equipment under installation	Building under construction	Total
<i>Net book value</i>									
As at December 31, 2020	43,773,488.00	74,972,681.21	11,323,340.50	21,593,515.42	3,864,948.73	1,355,685.31	890,768.31	12,233,200.00	170,007,627.48
Acquisition – Cost	53,420,600.00	-	34,300.00	681,758.16	2,493,208.90	-	1,990,035.52	38,076,428.75	96,696,331.33
Transfer in from right-of-use assets	-	-	-	-	-	233,360.16	-	-	233,360.16
Transfer in (out)	-	46,080.00	-	809,000.42	-	-	(809,000.42)	(46,080.00)	-
Write off	-	1,933,355.50	-	(16,175.29)	(172,350.82)	-	-	-	(2,121,881.61)
Depreciation for the periods	-	(1,877,705.37)	(752,324.01)	(2,767,564.44)	(1,082,531.40)	(214,750.29)	-	-	(6,694,875.51)
As at June 30, 2021	<u>97,194,088.00</u>	<u>71,207,700.34</u>	<u>10,605,316.49</u>	<u>20,300,534.26</u>	<u>5,103,275.42</u>	<u>1,374,295.18</u>	<u>2,071,803.41</u>	<u>50,263,548.75</u>	<u>258,120,561.85</u>

As at June 30, 2021 and December 31, 2020, the Company has assets fully depreciated but still used in operation and stated at cost amounting to Baht 48.01 million and Baht 38.96 million respectively.

As at June 30, 2021 and December 31, 2020, property and building and construction are mortgaged as collateral for loan from financial institution as stated in note 16 and letter of guarantee sales agreement as stated in note 26.2

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

11. PROPERTY, PLANT AND EQUIPMENT (CONT.)

(Unit : Baht)

Separate financial statements

	Land and land improvements	Building and improvements	Utility system	Machinery and equipment	Office furniture	Vehicles	Machinery and equipment under installation	Building under construction	Total
<i>Net book value</i>									
As at December 31, 2020	43,773,488.00	74,972,681.21	11,323,340.50	20,831,480.40	3,827,334.20	1,355,685.31	480,876.09	12,233,200.00	168,798,085.71
Acquisition – Cost	53,420,600.00	-	34,300.00	681,758.16	2,493,208.90	-	1,990,035.52	38,076,428.75	96,696,331.33
Transfer in from right-of-use assets	-	-	-	-	-	233,360.16	-	-	233,360.16
Transfer in (out)	-	46,080.00	-	399,108.20	-	-	(399,108.20)	(46,080.00)	-
Write off	-	(1,933,355.50)	-	(16,175.29)	(172,350.82)	-	-	-	(2,121,881.61)
Depreciation for the periods	-	(1,877,705.37)	(752,324.01)	(2,596,738.73)	(1,074,499.88)	(214,750.29)	-	-	(6,516,018.28)
As at June 30, 2021	<u>97,194,088.00</u>	<u>71,207,700.34</u>	<u>10,605,316.49</u>	<u>19,299,432.74</u>	<u>5,073,692.40</u>	<u>1,374,295.18</u>	<u>2,071,803.41</u>	<u>50,263,548.75</u>	<u>257,089,877.31</u>

As at June 30, 2021 and December 31, 2020, the Company has assets fully depreciated but still used in operation and stated at cost amounting to Baht 41.85 million and Baht 36.51 million respectively.

As at June 30, 2021 and December 31, 2020, property and building and construction are mortgaged as collateral for loan from financial institution as stated in note 16 and letter of guarantee sales agreement as stated in note 26.2

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

12. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets/leasehold rights account during the six-month period ended June 30, 2021 are summarized below.

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at December 31, 2020	19,074,800.02	29,394,492.86
Transfer to property, plant and equipment	(233,360.16)	(233,360.16)
Depreciation for the periods	(2,052,989.13)	(3,682,414.34)
Net book value as at June 30, 2021	16,788,450.73	25,478,718.36

13. OTHER INTANGIBLE ASSETS

Changing of other intangible assets for the six-month periods ended June 30, 2021 are presented as follows:

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
	Software licenses	Software licenses
Net book value as at December 31, 2020	2,026,393.26	1,895,762.92
Increase	1,148,800.00	1,148,800.00
Amortization for the periods	(649,586.93)	(639,669.87)
Net book value as at June 30, 2021	2,525,606.33	2,404,893.05

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

14. DEFERRED TAX ASSETS/LIABILITIES

Increase and decrease of deferred tax assets/liabilities are summarized as follows:

(Unit : Baht)

	Consolidated and Separate financial statements			As at June 30, 2021
	As at January 1, 2021	Recognize as (expenses) revenue		
		Profit or loss	Other comprehensive income	
<i>(Note 22)</i>				
Deferred tax assets				
Accounts Receivable (Allowance for expected credit loss incurred)	918,026.83	627,954.03	-	1,545,980.86
Inventories (Provision for devaluation of inventories)	3,483,649.45	(468,115.96)	-	3,015,533.49
Right of use assets and Lease liabilities	474,580.19	25,807.26	-	500,387.45
Non-current provision for employee benefit	2,990,350.00	217,075.30	-	3,207,425.30
Total	7,866,606.47	402,720.63	-	8,269,327.10
Deferred tax liabilities				
Other non-current financial assets	(302,215.13)	302,215.13	-	-
Total	(302,215.13)	302,215.13	-	-
Total	7,564,391.34	704,935.76	-	8,269,327.10

(Unit : Baht)

	Consolidated financial statements			As at December 31, 2020
	As at January 1, 2020	Recognize as (expenses) revenue		
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Accounts Receivable (Allowance for expected credit loss incurred)	382,831.04	535,195.79	-	918,026.83
Inventories (Provision for devaluation of inventories)	4,864,113.42	(1,380,463.97)	-	3,483,649.45
Right of use assets and Lease liabilities	391,366.42	83,213.77	-	474,580.19
Non-current provision for employee benefit	2,247,643.20	307,387.40	435,319.40	2,990,350.00
Total	7,885,954.08	(454,667.01)	435,319.40	7,866,606.47
Deferred tax liabilities				
Other non-current financial assets	(121,177.55)	-	(181,037.58)	(302,215.13)
Total	(121,177.55)	-	(181,037.58)	(302,215.13)
Total	7,764,776.53	(454,667.01)	254,281.82	7,564,391.34

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

14. DEFERRED TAX ASSETS/LIABILITIES (CONT.)

(Unit : Baht)

	Separate financial statements			As at December 31, 2020
	As at January 1, 2020	Recognize as (expenses) revenue		
		Profit or loss	Other comprehensive income	
Deferred tax assets				
Accounts Receivable (Allowance for expected credit loss incurred)	382,831.04	535,195.79	-	918,026.83
Inventories (Provision for devaluation of inventories)	4,678,846.49	(1,195,197.04)	-	3,483,649.45
Right of use assets and Lease liabilities	383,554.72	91,025.47	-	474,580.19
Non-current provision for employee benefit	2,224,828.20	330,202.40	435,319.40	2,990,350.00
Total	7,670,060.45	(238,773.38)	435,319.40	7,866,606.47
Deferred tax liabilities				
Other non-current financial assets	(121,177.55)	-	(181,037.58)	(302,215.13)
Total	(121,177.55)	-	(181,037.58)	(302,215.13)
Total	7,548,882.90	(238,773.38)	254,281.82	7,564,391.34

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

15. TRADE AND OTHER CURRENT PAYABLES

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Trade accounts payable				
Related parties	523,451.51	540,929.59	844,451.51	861,929.59
Other parties	12,898,620.91	7,155,306.84	12,898,620.91	7,155,306.84
Total trade accounts payable	13,422,072.42	7,696,236.43	13,743,072.42	8,017,236.43
Other current payables				
Accrued expenses	10,799,749.63	1,892,057.78	10,733,749.67	1,812,057.78
Revenue department payable	996,482.26	2,838,164.45	972,891.01	2,838,164.45
Others current payables	9,008,297.57	14,597,324.44	9,005,172.85	14,570,283.76
Total other current payables	20,804,529.46	19,327,546.67	20,711,813.53	19,220,505.99
Total trade and other current payables	34,226,601.88	27,023,783.10	34,454,885.95	27,237,742.42

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

16. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

				(Unit : Baht)	
				Consolidated and Separate financial statements	
No.	Loan agreement (Million baht)	Repayment condition	Rate	June 30, 2021	December 31, 2020
1	67	By making 84 instalments, instalment 1-6 interest payment only, instalment 7-84 Baht 1.07 million each and the last instalment remaining principal and interest payment.	MLR – 1.00 – 2.00%	40,792,098.02	46,279,484.71
1	35	By making 96 instalments, instalment 1-6 interest payment only, instalment 7-96 Baht 0.51 million each and the last instalment remaining principal and interest payment.	MLR – 1.50 - 2.00%	2,000,000.00	-
1	20	Principal and interest repayment by monthly Bath 225,000.00 per month with grace period for principal and interest from 1-6 month and starting to pay in 7 month onwards with repayment within 10 years from loan drawdown date	Normal rate 2.00- 3.25 % and MLR - 1.00%	17,000,000.00	-
2	9	Loan in form of promissory note from domestic commercial bank by making principal repayment within 5 years from loan drawdown date and interest is paid on the last working day of each month.	Fixed rate 2-7 % per annum	9,000,000.00	-
Total				68,792,098.02	46,279,484.71
Less Current portion of long-term loans from financial institutions				(11,324,809.10)	(11,087,761.07)
Net				57,467,288.92	35,191,723.64

Loan from bank no.1 is guaranteed by mortgaged land and construction on land belonging to the Company and Thai Credit Guarantee Corporation.

Loan from bank no. 2 is guaranteed by Thai Credit Guarantee Corporation.

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

17. LEASE LIABILITIES

	(Unit : Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at December 31, 2020	20,587,786.46	31,236,342.12
Decrease during the period	(1,938,792.63)	(3,526,510.80)
Net book value as at June 30, 2021	18,648,993.83	27,709,831.32
Less Current portion	(3,696,605.09)	(6,974,888.58)
Net book value - net of current portion	14,952,388.74	20,734,942.74

Future minimum lease payments required under the lease agreements were as follows:

	(Unit : Baht)	
	Consolidated financial statements	
	June 30, 2021	December 31, 2020
Detail of lease liabilities are as follows:		
Within 1 year	4,704,768.00	4,914,423.00
Over 1 year not over 5 years	13,012,834.00	14,547,718.00
Over 5 years	4,450,000.00	5,230,000.00
Total	22,167,602.00	24,692,141.00
Less Future interest of lease liabilities	(3,518,608.17)	(4,104,354.54)
Present value of lease liabilities	18,648,993.83	20,587,786.46

	(Unit : Baht)	
	Separate financial statements	
	June 30, 2021	December 31, 2020
Detail of lease liabilities are as follows:		
Within 1 year	8,304,768.00	8,514,423.00
Over 1 year not over 5 years	19,012,834.00	22,347,718.00
Over 5 years	4,450,000.00	5,230,000.00
Total	31,767,602.00	36,092,141.00
Less Future interest of lease liabilities	(4,057,770.68)	(4,855,798.88)
Present value of lease liabilities	27,709,831.32	31,236,342.12

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

18. NON – CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

For the 3-month and 6-month periods ended June 30, 2021 and 2020

Employee benefits expenses project as determined:

(Unit : Baht)

	Consolidated financial statements			
	For the 3-month periods ended		For the 6-month periods ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Current service cost	482,064.74	411,194.95	964,129.48	822,389.90
Interest cost	60,623.50	54,039.02	121,247.00	108,078.04
Total expenses	542,688.24	465,233.97	1,085,376.48	930,467.94

Employee benefits expenses project as determined:

(Unit : Baht)

	Separate financial statements			
	For the 3-month periods ended		For the 6-month periods ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Current service cost	482,064.74	407,043.22	964,129.48	814,086.44
Interest cost	60,623.50	53,458.01	121,247.00	106,916.02
Total expenses	542,688.24	460,501.23	1,085,376.48	921,002.46

(Unit : Baht)

Consolidated and Separate
financial statements

As at June 30, 2021

Movement in the present value of the defined benefit obligations:

Defined benefit obligations at January 1, 2021	14,951,750.00
Current service cost	964,129.48
Interest cost	121,247.00
Defined benefit obligation at June 30, 2021	16,037,126.48
Less Current portion	(638,095.99)
Net book value - net of current portion	15,399,030.49

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

18. NON – CURRENT PROVISIONS FOR EMPLOYEE BENEFIT (CONT.)

Actuarial assumptions to use for calculation:

	Consolidated and Separate financial statements	
	June 30, 2021	December 31, 2020
Retirement age	60 years	60 years
Discount Rate	1.09 – 1.50 %	1.09 – 1.50 %
Salary increases	5.02 %	5.02 %
Employees turn over	0 – 22 %	0 – 22 %
Mortality Rate	100 %	100 %

19. LEGAL RESERVE

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

20. OPERATING SEGMENTS

Operating segment information is reported in a manner consistent with the internal reports of the Group of that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assessing its performance. The chief operating decision maker of the Group has been identified as President of executive directors.

The Group has main business operation in a single reported segment information engaging in production and distribution electrical equipment, graphite mould, metal powder and ground wire. All goods are not different in technology and marketing strategy. Geographical segment information is presented by revenues divided by geographical determined by location of customers in Thailand and overseas. Revenue, therefore is divided geographical segment information but most of assets presented in the financial statements are related to mentioned business segment.

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

20. OPERATING SEGMENTS (CONT.)

(Unit : Baht)

	Consolidated financial statements					
	For the three-month periods ended					
	Domestic		Overseas		Total	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenue from sales	76,010,052.15	82,384,770.61	15,788,550.06	8,953,032.54	91,798,602.21	91,337,803.15
Revenue from services	3,250,000.00	896,188.50	-	-	3,250,000.00	896,188.50
Cost of sales and services	(44,169,697.03)	(46,164,028.87)	(10,173,749.00)	(4,673,582.13)	(54,343,446.03)	(50,837,611.00)
Gross profit	35,090,355.12	37,116,930.24	5,614,801.06	4,279,450.41	40,705,156.18	41,396,380.65
Interest income					18,397.50	4,370.82
Other income					2,197,376.57	511,881.35
Distributions costs					(7,354,327.13)	(5,844,536.91)
Administrative expenses					(26,057,439.09)	(22,739,121.42)
Finance costs					(874,447.84)	(1,054,639.41)
Profit before income tax					8,634,716.19	12,274,335.08
Income tax (expense)					(1,731,431.99)	(2,446,332.45)
Profit for the periods					6,903,284.20	9,828,002.63
Other comprehensive income					-	108,201.69
Total comprehensive income for the period					6,903,284.20	9,936,204.32

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

20. OPERATING SEGMENTS (CONT.)

(Unit : Baht)

	Consolidated financial statements					
	For the six-month periods ended					
	Domestic		Overseas		Total	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenue from sales	159,506,243.81	175,842,803.30	36,100,805.79	34,913,633.35	195,607,049.60	210,756,436.65
Revenue from services	13,408,099.42	924,188.50	-	-	13,408,099.42	924,188.50
Cost of sales and services	(93,352,255.87)	(100,130,073.04)	(23,158,744.45)	(22,359,863.64)	(116,511,000.32)	(122,489,936.68)
Gross profit	79,562,087.36	76,636,918.76	12,942,061.34	12,553,769.71	92,504,148.70	89,190,688.47
Interest income					56,503.76	4,447.48
Other income					3,212,229.77	2,462,377.31
Distributions costs					(14,570,347.61)	(13,471,961.43)
Administrative expenses					(51,298,686.97)	(47,138,685.89)
Finance costs					(1,764,748.14)	(2,327,912.15)
Profit before income tax					28,139,099.51	28,718,953.79
Income tax (expense)					(5,471,330.78)	(5,807,976.38)
Profit for the periods					22,667,768.73	22,910,977.41
Other comprehensive income					-	585,952.88
Total comprehensive income for the period					22,667,768.73	23,496,930.29

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

20. OPERATING SEGMENTS (CONT.)

(Unit : Baht)

	Separate financial statements					
	For the three-month periods ended					
	Domestic		Overseas		Total	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenue from sales	76,010,052.15	82,401,965.61	15,788,550.06	8,953,032.54	91,798,602.21	91,354,998.15
Revenue from services	3,250,000.00	896,188.50	-	-	3,250,000.00	896,188.50
Cost of sales and services	(44,923,822.65)	(47,612,511.13)	(10,173,749.00)	(4,673,582.13)	(55,097,571.65)	(52,286,093.26)
Gross profit	34,336,229.50	35,685,642.98	5,614,801.06	4,279,450.41	39,951,030.56	39,965,093.39
Interest income					91,503.84	123,715.08
Other income					2,197,375.09	759,814.68
Distributions costs					(7,354,327.13)	(5,844,536.91)
Administrative expenses					(25,936,303.69)	(22,253,852.71)
Finance costs					(976,271.80)	(1,154,086.22)
Profit before income tax					7,973,006.87	11,596,147.31
Income tax (expense)					(1,731,431.99)	(2,316,392.93)
Profit for the periods					6,241,574.88	9,279,754.38
Other comprehensive income					-	108,201.69
Total comprehensive income for the period					6,241,574.88	9,387,956.07

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

20. OPERATING SEGMENTS (CONT.)

(Unit : Baht)

	Separate financial statements					
	For the six-month periods ended					
	Domestic		Overseas		Total	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenue from sales	159,506,243.81	175,872,728.50	36,100,805.79	34,913,633.35	195,607,049.60	210,786,361.85
Revenue from services	13,408,099.42	924,188.50	-	-	13,408,099.42	924,188.50
Cost of sales and services	(94,956,326.64)	(102,980,435.19)	(23,158,744.45)	(22,359,863.64)	(118,115,071.09)	(125,340,298.83)
Gross profit	<u>77,958,016.59</u>	<u>73,816,481.81</u>	<u>12,942,061.34</u>	<u>12,553,769.71</u>	90,900,077.93	86,370,251.52
Interest income					204,097.09	243,136.01
Other income					3,219,627.27	3,104,894.14
Distributions costs					(14,570,347.61)	(13,471,961.43)
Administrative expenses					(51,048,940.58)	(46,156,655.54)
Finance costs					(1,976,922.91)	(2,525,420.59)
Profit before income tax					26,727,591.19	27,564,244.11
Income tax (expense)					(5,471,330.78)	(5,659,499.31)
Profit for the periods					21,256,260.41	21,904,744.80
Other comprehensive income					-	585,952.88
Total comprehensive income for the period					<u>21,256,260.41</u>	<u>22,490,697.68</u>

Mayor customers (Consolidated and Separate financial statements)

In 2021, the Company has revenues from 1 major customer approximately Baht 32.76 millions (In 2020, the Company has revenues from 1 major customer approximately Baht 31.29 millions) of total revenues of the Company.

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

21. EXPENSES BY NATURE

The financial statements have included analyse of expenses by duty analyse, expenses by nature which are disclosed under regulation of Financial Reporting Standards as follows:

(Unit : Baht)

	For the three-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
<i>Included in cost of sale of goods:</i>				
Changes in inventories and work in process	5,349,456.74	(15,440,715.01)	5,374,776.60	(15,791,362.56)
Raw materials and consumables used	26,201,717.80	41,909,066.64	26,201,717.80	40,446,693.78
Employees benefit expenses	10,125,593.18	10,608,709.59	10,125,593.18	9,882,022.59
Depreciation and Amortization	2,110,072.51	2,159,779.05	2,024,165.69	1,822,164.57
Utilities expenses	853,407.00	1,212,313.00	853,407.00	1,212,313.00
<i>Included in distribution costs</i>				
Employees benefit expenses	5,779,027.39	3,390,811.25	5,779,027.39	3,390,811.25
Transportation expenses	201,150.36	299,583.54	201,150.36	299,583.54
<i>Included in Administrative expenses</i>				
Employees benefit expenses	17,324,725.65	15,160,039.91	17,324,725.65	14,950,039.91
Depreciation and Amortization	1,787,792.39	2,181,667.87	1,778,778.39	2,163,557.41

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

21. EXPENSES BY NATURE (CONT.)

(Unit : Baht)

	For the six-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
<i>Included in cost of sale of goods:</i>				
Changes in inventories and work in process	(3,162,409.65)	(20,334,391.35)	(3,023,456.18)	(18,603,728.15)
Raw materials and consumables used	64,184,150.70	84,560,509.28	64,184,150.70	80,459,892.64
Employees benefit expenses	17,675,371.57	21,463,729.01	17,675,371.57	19,964,298.83
Depreciation and Amortization	4,145,698.72	4,354,062.74	3,974,873.01	3,599,314.06
Utilities expenses	1,758,404.50	2,372,406.17	1,758,404.50	2,372,406.17
<i>Included in distribution costs</i>				
Employees benefit expenses	10,898,099.37	7,490,517.15	10,898,099.37	7,490,517.15
Transportation expenses	411,328.63	644,835.10	411,328.63	644,835.10
<i>Included in Administrative expenses</i>				
Employees benefit expenses	34,930,182.54	30,215,402.08	34,930,182.54	29,795,402.08
Depreciation and Amortization	3,583,254.71	3,822,332.81	3,565,306.13	3,782,629.88

22. INCOME TAX EXPENSE

Income tax recognised in profit or loss

(Unit : Baht)

	For the three-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
<i>Current income tax:</i>				
Income tax for the current year	2,303,963.38	1,784,872.87	2,303,963.38	1,710,293.77
<i>Deferred tax:</i>				
Deferred tax from temporary difference	(572,531.39)	661,459.58	(572,531.39)	606,099.16
Total	1,731,431.99	2,446,332.45	1,731,431.99	2,316,392.93

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

22. INCOME TAX EXPENSE (CONT.)

(Unit : Baht)

	For the six-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
<i>Current income tax:</i>				
Income tax for the current year	6,176,266.54	4,949,120.62	6,176,266.54	4,853,939.10
<i>Deferred tax:</i>				
Deferred tax from temporary difference	(704,935.76)	858,855.76	(704,935.76)	805,560.21
Total	5,471,330.78	5,807,976.38	5,471,330.78	5,659,499.31

23. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the periods attributable to equity holders of the Company (excluding other comprehensive income) by weighted average number of common share issued during the periods.

(Unit : Baht)

	For the three-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Profit for the periods	6,903,284.20	9,828,002.63	6,241,574.88	9,279,754.38
Weighted average number of ordinary shares	430,000,000	430,000,000	430,000,000	430,000,000
Earnings per share (Baht/Share)	0.02	0.02	0.01	0.02

(Unit : Baht)

	For the six-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Profit for the periods	22,667,768.73	22,910,977.41	21,256,260.41	21,904,744.80
Weighted average number of ordinary shares	430,000,000	430,000,000	430,000,000	430,000,000
Earnings per share (Baht/Share)	0.05	0.05	0.05	0.05

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

24. DIVIDENDS

On April 23, 2021, the Annual general meeting of the year 2021 approved to pay dividend to shareholders from performance of the year 2020 and retained earnings Baht 0.09 per share total amount of Baht 38.70 million, Such dividend was already paid on May 21, 2021

According to the resolution of the Board of Director meeting no.3/2020 held on April 10, 2020, the meeting passed resolution to approve interim dividend from performance of the year 2019 and retained earnings at the rate 0.07 per share total amount of Baht 30.10 million. Such interim dividend was already paid on May 8, 2020 and payment of such interim dividend was approved by the shareholder meeting of the year 2020 held on August 4, 2020.

25. TRANSACTION WITH RELATED PERSONS AND PARTIES

Related persons and parties mean individuals and enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company. Moreover, related persons and parties also mean associated and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel , directors.

The group assets, liabilities, revenues and expenses arose from the transaction with related persons and parties. Those transactions are determined on the basis of the company concerned and in the normal course of business. Related transactions are in accordance with condition and rules indicated in agreement made with the Group, the Company and persons that can be summarized as follows.

Name/Related persons and parties	Relationship	Business type
KUMWELL CO., LTD. (Registered for dissolution on September 30, 2020 by transferring business to KUMWELL CORPORATION PUBLIC COMPANY LIMITED)	Subsidiary and common shareholder and Director	Production and distribution in graphite mould
KUMWELL-NOWCAST CO., LTD.	Subsidiary and common shareholder/ Director	Antenna rental for providing lighting information
K.M.L INTERNATIONAL CO., LTD.	Common shareholder/Director	Building rental for related party
149 ENGINEERING CO., LTD.	Intimates of director	General contractor
RELATED PERSON	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group/Company.	

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

25. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT.)

Related transactions are in accordance with condition and rules indicated in agreement made with the Group, the Company and persons that can be summarized as follows:

Name/Related persons and parties	Transactions	Pricing policies
1 KUMWELL CO., LTD.	Sales, Purchases of goods	Cost plus margin
	Rental income	Price indicated in rental agreement Baht 72,000 per month
	Electricity income	Cost price
2 K.M.L INTERNATIONAL CO., LTD.	Rental expenses/ Depreciation - right-of-use assets	Price indicated in rental agreement Baht 215,000 per month straight-line
3 KUMWELL-NOWCAST CO., LTD.	Rental expenses/ Depreciation - right-of-use assets	Price indicated in rental agreement Baht 300,000 per month straight-line
	Other service incomes	Cost plus margin
	Short-term loans/ Interest income	Price indicated in agreement amount of Baht 8 million with interest 4.25 % per year
4 149 ENGINEERING CO., LTD.	Sales, Purchases of goods	Cost plus margin
	Purchases of assets	Cost plus margin
	Distribution costs	Cost plus margin
	Service expenses	Cost plus margin
5 RELATED PERSON	Rental expenses/ Depreciation - right-of-use assets	Price indicated in rental agreement Baht 12,500 per month straight-line

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

25. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT.)

The outstanding balance of related persons and parties as at June 30, 2021 and December 31, 2020 are as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Statements of financial position				
Trade and other current receivables				
<u>Trade accounts receivable</u>				
149 ENGINEERING CO., LTD.	6,607.25	-	6,607.25	-
Total	6,607.25	-	6,607.25	-
<u>Other current receivables</u>				
149 ENGINEERING CO., LTD.	-	1,491,870.00	-	1,491,870.00
Total	-	1,491,870.00	-	1,491,870.00
Short-term loans to related parties				
KUMWELL-NOWCAST CO., LTD.	-	-	6,347,593.33	7,800,000.00
Total	-	-	6,347,593.33	7,800,000.00
Right-of-use assets				
KUMWELL-NOWCAST CO., LTD.	-	-	8,690,267.63	10,319,692.68
K.M.L INTERNATIONAL CO., LTD.	7,603,184.87	8,689,354.08	7,603,184.87	8,689,354.08
RELATED PERSON	68,813.71	137,627.40	68,813.71	137,627.40
Total	7,671,998.58	8,826,981.48	16,362,266.21	19,146,674.16

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

25. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT.)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Statements of financial position				
Trade and other current payables				
<u>Trade accounts payable</u>				
KUMWELL-NOWCAST CO., LTD.	-	-	321,000.00	321,000.00
K.M.L INTERNATIONAL CO., LTD.	523,451.51	505,095.29	523,451.51	505,095.29
149 ENGINEERING CO., LTD.	-	35,834.30	-	35,834.30
Total	523,451.51	540,929.59	844,451.51	861,929.59
Lease liabilities				
KUMWELL-NOWCAST CO., LTD.	-	-	9,060,837.50	10,648,555.64
K.M.L INTERNATIONAL CO., LTD.	8,126,634.48	9,154,768.32	8,126,634.48	9,154,768.32
RELATED PERSON	73,704.80	145,236.65	73,704.80	145,236.65
Total	8,200,339.28	9,300,004.97	17,261,176.78	19,948,560.61

Short-term loans to related parties

Increase and decrease of short-term loan to related party as at June 30, 2021 and December 31, 2020 are as follows:

(Unit : Baht)

	Separate financial statements	
	June 30, 2021	December 31, 2020
Beginning balance	7,800,000.00	8,000,000.00
Additional loans during the year	-	-
Repayment during the year	(1,452,406.67)	(200,000.00)
Ending balance	6,347,593.33	7,800,000.00

The Company has short-term loan to related parties by issuing promissory notes due at call with the reference interest rate 4.25 % per annum and no collateral.

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

25. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT.)

Significant transaction with related persons and parties in statement of comprehensive income for the three-month periods ended June 30, 2021 and 2020 are as follows:

(Unit : Baht)

	For the three-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Statements of comprehensive income				
Revenue from sales of goods				
KUMWELL CO., LTD.	-	-	-	17,195.00
149 ENGINEERING CO., LTD.	8,291.13	70,395.00	8,291.13	70,395.00
Total	8,291.13	70,395.00	8,291.13	87,590.00
Other service income				
KUMWELL CO., LTD.	-	-	-	33,975.60
Total	-	-	-	33,975.60
Rental income				
KUMWELL CO., LTD.	-	-	-	216,000.00
Total	-	-	-	216,000.00
Interest income				
KUMWELL-NOWCAST CO., LTD.	-	-	73,106.34	119,344.26
Total	-	-	73,106.34	119,344.26
Purchases of goods and services				
KUMWELL CO., LTD.	-	-	-	2,923,309.08
149 ENGINEERING CO., LTD.	1,376,131.78	-	1,376,131.78	-
Total	1,376,131.78	-	1,376,131.78	2,923,309.08
Rental expenses				
KUMWELL-NOWCAST CO., LTD.	-	-	814,712.58	465,530.04
K.M.L INTERNATIONAL CO., LTD.	665,434.30	684,676.21	665,434.30	684,676.21
149 ENGINEERING CO., LTD.	34,406.85	34,406.85	34,406.85	34,406.85
Total	699,841.15	719,083.06	1,514,553.73	1,184,613.10

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

25. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT.)

(Unit : Baht)

	For the three-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Statements of comprehensive income				
Purchases of assets				
149 ENGINEERING CO., LTD.	-	461,672.40	-	461,672.40
Total	-	461,672.40	-	461,672.40
Finance costs				
KUMWELL-NOWCAST CO., LTD.	-	-	101,931.04	110,702.35
K.M.L INTERNATIONAL CO., LTD	127,087.26	157,175.22	127,087.26	157,175.22
RELATED PERSON	1,466.50	3,559.86	1,466.50	3,559.86
Total	128,553.76	160,735.08	230,484.80	271,437.43
Significant Management				
Significant Management remuneration.				
Short-term benefits	4,177,452.00	3,603,748.00	4,177,452.00	3,393,748.00
Long-term benefits	253,683.91	139,382.62	253,683.91	139,382.62
Total	4,431,135.91	3,743,130.62	4,431,135.91	3,533,130.62

(Unit : Baht)

	For the six-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Statements of comprehensive income				
Revenue from sales of goods				
KUMWELL CO., LTD.	-	-	-	29,925.20
149 ENGINEERING CO., LTD.	11,378.63	83,438.50	11,378.63	83,438.50
Total	11,378.63	83,438.50	11,378.63	113,363.70
Other service income				
KUMWELL CO., LTD.	-	-	-	43,426.21
KUMWELL-NOWCAST CO., LTD.	-	-	7,400.00	257,843.52
Total	-	-	7,400.00	301,269.73

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

26. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT.)

(Unit : Baht)

	For the six-month periods ended			
	Consolidated financial statements		Separate financial statements	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Statements of comprehensive income				
Rental income				
KUMWELL CO., LTD.	-	-	-	432,000.00
Total	-	-	-	432,000.00
Interest income				
KUMWELL-NOWCAST CO., LTD.	-	-	147,593.33	238,688.53
Total	-	-	147,593.33	238,688.53
Purchases of goods				
KUMWELL CO., LTD.	-	-	-	7,937,269.08
149 ENGINEERING CO., LTD.	4,025,053.76	670,477.10	4,025,053.76	648,635.10
Total	4,025,053.76	670,477.10	4,025,053.76	8,585,904.18
Rental expenses				
KUMWELL-NOWCAST CO., LTD.	-	-	1,629,425.16	931,060.08
K.M.L INTERNATIONAL CO., LTD.	1,326,325.52	1,360,089.13	1,326,325.52	1,360,089.13
RELATED PERSON	68,813.70	68,813.70	68,813.70	68,813.70
Total	1,395,139.22	1,428,902.83	3,024,564.38	2,359,962.91
Purchases of assets				
149 ENGINEERING CO., LTD.	-	461,672.40	-	461,672.40
Total	-	461,672.40	-	461,672.40
Finance costs				
KUMWELL-NOWCAST CO., LTD.	-	-	212,281.85	227,780.30
K.M.L INTERNATIONAL CO., LTD.	261,866.16	321,595.24	261,866.16	321,595.24
RELATED PERSON	3,468.14	7,623.77	3,468.14	7,623.77
Total	265,334.30	329,219.01	477,616.15	556,999.31
Significant Management				
Significant Management remuneration.				
Short-term benefits	8,648,529.00	7,211,262.00	8,648,529.00	6,791,262.00
Long-term benefits	507,367.82	278,765.23	507,367.82	278,765.23
Total	9,155,896.82	7,490,027.23	9,155,896.82	7,070,027.23

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

25. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT.)

Significant Management remuneration is benefits paid to Director and Management of the Group consisting of Management remuneration by money such as salaries, related benefit including employee benefit obligation, retirement project and remuneration such as meeting allowance, pension.

Director remuneration is the benefit paid to Director in accordance with Section 90 of the Public Limited Company Act excluding salaries and related benefit paid to executive Director.

26. COMMITMENT AND CONTINGENT LIABILITIES

- 26.1 As at June 30, 2021 and December 31, 2020, the Group has commitment from letter of guarantee issued by a domestic commercial bank for purchasing goods from overseas USD 51,347.06 and USD 92,956.65, respectively.
- 26.2 As at June 30, 2021 and December 31, 2020, the Group has bank overdrafts, short-term loan, L/C, T/R and Forward facilities total Baht 167 million and USD 1.00 million (Separate Baht 165 million and USD 1.00 million). Such commitment are secured by land and construction belonging to the Company.
- 26.3 As at June 30, 2021 and December 31, 2020, the Company has commitment from letter of guarantee issued by a domestic commercial bank for guarantee operations comply with the contract Baht 2.57 million and Baht 2.78 million, respectively. Such commitment is secured by current account full amount.
- 26.4 As at June 30, 2021 and December 31, 2020, the Company has commitment under factory construction contract with a company with remaining contract value amount of Baht 3.50 million and Baht 2.272 million.
- 26.5 As at June 30, 2021 and December 31, 2020, the Group has commitment to pay under long-term leases as following detail.

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	June 30 2021	December 31, 2020	June 30 2021	December 31, 2020
Within 1 year	119,400.00	207,600.00	-	-
Over 1 year less than 5 years	18,000.00	24,000.00	-	-
Total	137,400.00	231,600.00	-	-

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

27. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group’s financial instruments principally comprise cash and cash equivalents, trade accounts receivable, short-term loan from related party, Investment, restricted bank deposits, trade and other current payables, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to deposits with banks and trade accounts receivable. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position

- Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

- Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group’s Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group’s Executive Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty’s potential failure to make payments.

Market risk

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

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

27. FINANCIAL INSTRUMENTS (CONT.)

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. As the Group have not made forward contract against foreign currency risk.

As at June 30, 2021 and December 31, 2020, the Group is exposed to foreign currency risks from assets and liabilities denominated in foreign currency which have not been made forward contract as follows:

	(Unit : USD)		(Unit : Baht)	
	Consolidated and		Consolidated and	
	Separate financial statements		Separate financial statements	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Cash and cash equivalents	167,018.22	144,464.46	5,324,540.85	4,315,153.43
Trade accounts receivable	607,733.00	417,930.63	19,377,384.39	12,482,501.30
Net statements of financial position	774,751.22	562,395.09	24,701,925.24	16,797,654.73

Interest rate risk

The Group's exposure to interest rate risk relates primarily to their cash at banks, short-term loan from related party, long-term loans and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. The Group's policy is maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the bank loans agreement. Approximately 39% of the Group's debt will mature in less than one year at June 30, 2021 (December 31, 2020: 43%) (the Company only at June 30, 2021: 39%, December 31, 2020: 42%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

Fair value of financial instruments

Given that part of financial assets and financial liabilities are short-term or bearing interest rate closely to market rate, the Group's management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying value

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

27. FINANCIAL INSTRUMENTS (CONT.)

Fair value of financial instruments (Cont.)

The carrying value and fair value of financial assets and financial liabilities as at June 30, 2021 and December 31, 2020 are presented below.

(Unit: Baht)

	Consolidated financial statements as at June 30, 2021			
	Carrying value			Fair value
	Fair value through comprehensive income	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	22,482,771.35	22,482,771.35	22,482,771.35
Trade and other current receivables	-	93,623,259.28	93,623,259.28	93,623,259.28
Restricted bank deposits	-	838,404.41	838,404.41	838,404.41
Other non-current financial assets	49,605,786.66	-	49,605,786.66	49,605,786.66
Total Financial assets	49,605,786.66	116,944,435.04	166,550,221.70	166,550,221.70
Financial liabilities				
Bank overdrafts and short-term loans from financial institutions	-	50,418.52	50,418.52	50,418.52
Trade and other current payables	-	34,226,601.88	34,226,601.88	34,226,601.88
Long-term loans from other financial institutions	-	68,792,098.02	68,792,098.02	68,792,098.02
Lease liabilities	-	18,648,993.83	18,648,993.83	18,648,993.83
Total Financial liabilities	-	121,718,112.25	121,718,112.25	121,718,112.25

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

27. FINANCIAL INSTRUMENTS (CONT.)

Fair value of financial instruments (Cont.)

(Unit: Baht)

Consolidated financial statements as at December 31, 2020				
	Carrying value			Fair value
	Fair value through other comprehensive income	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	27,279,463.70	27,279,463.70	27,279,463.70
Trade and other current receivables	-	101,505,442.67	101,505,442.67	101,505,442.67
Other current financial assets	-	19,968,699.52	19,968,699.52	19,968,699.52
Restricted bank deposits	-	1,470,545.92	1,470,545.92	1,470,545.92
Other non-current financial assets	95,511,075.67	-	95,511,075.67	95,511,075.67
Total Financial assets	<u>95,511,075.67</u>	<u>150,224,151.81</u>	<u>245,735,227.48</u>	<u>245,735,227.48</u>
Financial liabilities				
Trade and other current payables	-	27,023,783.10	27,023,783.10	27,023,783.10
Long-term loans from other financial institutions	-	46,279,484.71	46,279,484.71	46,279,484.71
Lease liabilities	-	20,587,786.46	20,587,786.46	20,587,786.46
Total Financial liabilities	<u>-</u>	<u>93,891,054.27</u>	<u>93,891,054.27</u>	<u>93,891,054.27</u>

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

27. FINANCIAL INSTRUMENTS (CONT.)

Fair value of financial instruments(Cont.)

(Unit: Baht)

	Separate financial statements as at June 30, 2021			Fair value
	Carrying value			
	Fair value through comprehensive income	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	22,477,771.33	22,477,771.33	22,477,771.33
Trade and other current receivables	-	93,330,853.99	93,330,853.99	93,330,853.99
Short-term loans to related parties	-	6,347,593.33	6,347,593.33	6,347,593.33
Restricted bank deposits	-	838,404.41	838,404.41	838,404.41
Other non-current financial assets	49,605,786.66	-	49,605,786.66	49,605,786.66
Total Financial assets	<u>49,605,786.66</u>	<u>122,994,623.06</u>	<u>172,600,409.72</u>	<u>172,600,409.72</u>
Financial liabilities				
Trade and other current payables	-	34,454,885.95	34,454,885.95	34,454,885.95
Long-term loans from other financial institutions	-	68,792,098.02	68,792,098.02	68,792,098.02
Lease liabilities	-	27,709,831.32	27,709,831.32	27,709,831.32
Total Financial liabilities	<u>-</u>	<u>130,956,815.29</u>	<u>130,956,815.29</u>	<u>130,956,815.29</u>

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

27. FINANCIAL INSTRUMENTS (CONT.)

Fair value of financial instruments (Cont.)

(Unit: Baht)

	Separate financial statements as at December 31, 2020			Fair value
	Carrying value			
	Fair value through other comprehensive income	Amortised cost	Total	
Financial assets				
Cash and cash equivalents	-	27,186,866.56	27,186,866.56	27,186,866.56
Trade and other current receivables	-	101,303,943.70	101,303,943.70	101,303,943.70
Short-term loans to related parties	-	7,800,000.00	7,800,000.00	7,800,000.00
Other current financial assets	-	19,968,699.52	19,968,699.52	19,968,699.52
Restricted bank deposits	-	1,470,545.92	1,470,545.92	1,470,545.92
Other non-current financial assets	95,511,075.67	-	95,511,075.67	95,511,075.67
Total Financial assets	95,511,075.67	157,730,055.70	253,241,131.37	253,241,131.37
Financial liabilities				
Trade and other current payables	-	27,237,742.42	27,237,742.42	27,237,742.42
Long-term loans from other financial institutions	-	46,279,484.71	46,279,484.71	46,279,484.71
Lease liabilities	-	31,236,342.12	31,236,342.12	31,236,342.12
Total Financial liabilities	-	104,753,569.25	104,753,569.25	104,753,569.25

During the current periods, there was no transfer within the fair value hierarchy.

Sign Directors

(Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)

27. FINANCIAL INSTRUMENTS (CONT.)

Fair value hierarchy

As at June 30, 2021 and December 31, 2020 the Group had the assets that were measured at fair value and liabilities for which fair value were disclosed using different levels of inputs as follows:

(Unit : Baht)				
Consolidated and Separate financial statements as at June 30, 2021				
	Level 1	Level 2	Level 3	Total
<u>financial assets</u>				
Other non-current financial assets	49,605,786.66	-	-	49,605,786.66

(Unit : Baht)				
Consolidated and Separate financial statements as at December 31, 2020				
	Level 1	Level 2	Level 3	Total
<u>financial assets</u>				
Other non-current financial assets	95,511,075.67	-	-	95,511,075.67

28. ERROR CORRECTION

The Group has corrected the error from financial instruments classification as previously classified financial assets measured at fair value through other comprehensive income(FVTOCI) to be measured at fair value through profit or loss (FVTPL). The Group has chosen to adjust the impact of the changes by adjusting the earnings as at January 1, 2021 and comparative financial statements of prior year was not restated. The Group has corrected such transaction by transferring the cumulative profit (loss) from changing value of investment in other component of shareholder's equity to retained earnings Baht 0.33 million in the consolidated and separate financial statements.

29. FINANCIAL STATEMENTS APPROVAL

These financial statements were already approved by the authorized Director on August 11, 2021.

Sign Directors
 (Mr.Boonsak Kiatjaroonlert Mr.Kiattichai Song-In)