

MOVE FORWARD AS **HYBRID PRINTING** **SOLUTION LEADER**

ANNUAL REPORT 2019



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VISION MISSION AND STRATEGY



Strategy

1. Marketing

Focus on market expansion with excellent products and services that are different and beyond competitors to respond to customer needs in both domestic and international markets.

2. Manufacturing

Aim to enhance the potential in research and development in order to create values for products, services and work processes.

3. Shareholders

Operate profitable and good return businesses with sustainable growth.

4. Customers

Serve customers' needs with innovation and modern technology to minimize work processes and create confidence for customers.

5. Partners

Focus on business operation under fair competition, aim to build long-term relationships and cooperation.

6. Employees

Encourage employees to develop their work ability under good welfare and environment in an open, transparent working atmosphere, filled with energy of enthusiasm in every part, building pride and trust in the organization.

Corporate Culture “T.K.S. We Can”

T

Trust :

Have a good attitude, open mind & listen, respect and honor.

K

Knowledge :

Continuously study, learn, and develop potentials.

S

Spirit :

Voluntarily cooperate, share & help each other, be a giver for the public.

WE CAN

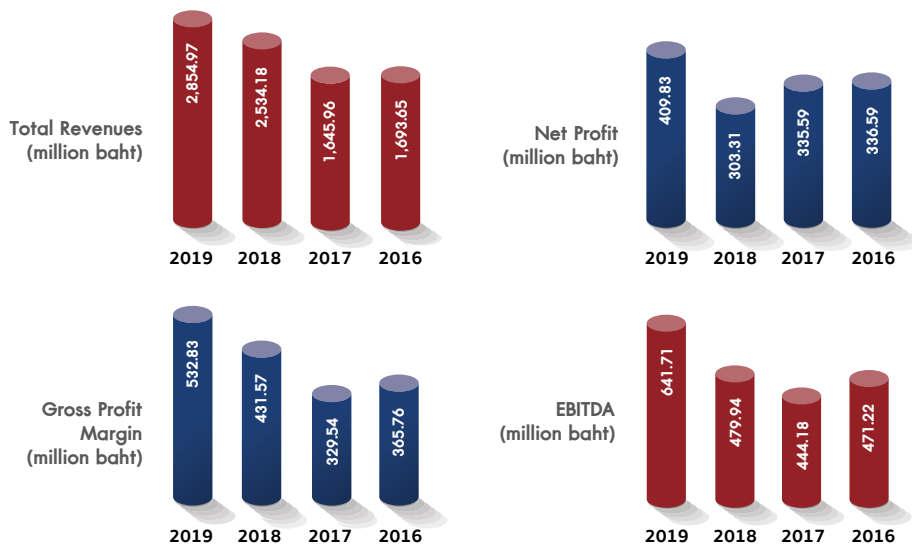
WE CAN :

Fully commit, pay attention and do the best.

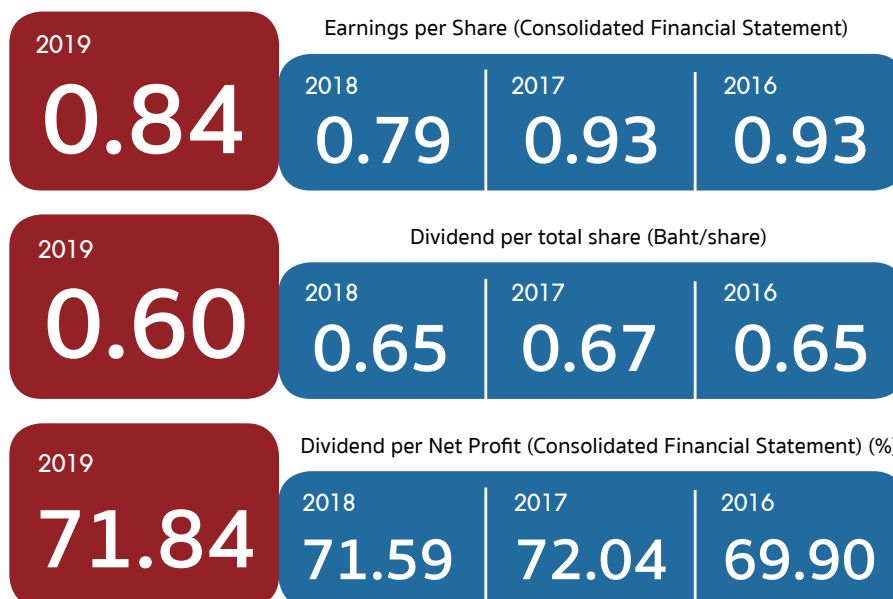
Trust each other, Pursue knowledge, volunteer spirit and do the best shall lead the organization to sustainable success.

FINANCIAL HIGHLIGHTS

Financial Highlights



Dividend Payment Record



FINANCIAL RATIO

Financial Ratio	Consolidated			Separate		
	2019	2018**	2017	2019	2018**	2017
Liquidity ratio						
Current Ratio (X)**	0.84	0.76	1.24	0.46	0.13	0.68
Quick Ratio (X)**	0.57	0.49	0.91	0.39	0.11	0.49
Cash Flow Ratio (X)	0.24	0.57	0.58	0.12	0.06	0.42
Avg. Collection Period (Days)*	53	54	72	32	43	52
Avg. Inventory Period (Days)*	46	39	42	13	25	35
Avg. Payment Period (Days)*	37	43	69	38	60	75
Cash Cycle (Days)*	48	34	22	4	13	18
Profitability ratio						
Gross Profit Margin **	21.3%	21.0%	23.9%	10.0%	7.3%	4.4%
Net Profit Margin	13.5%	12.0%	20.4%	49.6%	45.2%	46.3%
Return on Equity (ROE)	15.6%	14.1%	18.8%	15.2%	14.1%	18.8%
Efficiency Ratio						
Return on Asset (ROA)***	11.8%	10.7%	15.4%	13.0%	12.5%	17.2%
Net Fixed Asset Turnover***	30.6%	30.9%	60.3%	253.7%	194.9%	202.0%
Leverage Ratio						
Debt/Equity Ratio (X)	0.71	0.58	0.26	0.25	0.22	0.11
Interest Coverage Ratio***	14.46	12.74	53.92	22.34	20.63	94.35
DSCR***, ****	2.34	1.62	6.12	2.55	1.75	8.97

Note : * Calculated from 365 days per year

** The Company has reclassified some items in the financial statements for prior period which presented as comparative so as to comply with the classification of the financial statements for current period, which does not have any effect on profit for the year or shareholder's equity already (presented as in Note 38).

*** The Company has restated the financial statements to correct the error incurred in 2018 relating to income tax expense recording of a subsidiary which the Company hold 100% shareholdings, resulted in under recognition of income tax expense for the year 2018 and over recognition of withholding income tax deducted at source and deferred tax assets as at 31 December 2018 in consolidated financial statements and under recognition of Share of profit (loss) of investments in subsidiaries for the year 2018 in Separate financial statements (presented as in Note 3).

**** Debt Service Coverage Ratio (DSCR) calculated from profit include share of profit of associates and joint ventures before interest expenses, taxes and depreciation.

MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR



The rapid advancement of digital technology has influenced global economic and social systems, particularly, 5 technologies including 1) Artificial Intelligence (AI); 2) Virtual Reality (VR) and Augmented Reality (AR); 3) Blockchain; 4) Robots & Automation; and 5) Mobile 5G, these all severely affect financial institution business, industrial business, commerce and services, resulting in transforming the old method and system to the digital platform that is easier and faster without reliance on many publications anymore, it has caused a significant decrease in the demand for publications in the past 2-3 years because customers have turned to use modern technology instead of printing (Paperless), but the packaging sector has continued to grow because of no technology to replace. Therefore, the global printing industry has turn from the Commercial Printing industry to the Packaging industry for survival, making the Packaging industry sharply competitive in both price and potential.

In 2019, T.K.S. Technologies Public Company Limited whose main large customers are banks and financial institutions has been affected by the technology change, resulting in more closing of bank branches and using the Mobile Application instead of Counter Service, using E-pay instead of bank cheques, using E-tax Invoice & E-Receipt instead of Paper forms, etc., this has caused the decrease of publication sales approximately 10-30% per year, depending on the type of publications coupled with the economic condition which has been continuously slowdown for many years, the Company has adjusted its marketing strategy by expanding the customer base of existing publications with fewer purchase orders by adding more products and services to customers in a various and integrated manner, called One Stop Service, it has enhanced and created the synergy in marketing with affiliates operating the printing-related business that the Company does not yet have, such as plastic cards, etc., and hardware and software technology-related business in modern information i.e. AI, IoT etc. to help customers think and develop services with modern technology like a Business Partner and increase the base to the printing market and new services in terms of government's big-scale works, for example, integrated nationwide examination work and expanding packaging works in the industry with ongoing good growth, etc. Additionally, in March 2019, the Company has been entrusted and selected by the Election Committee to

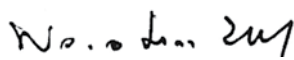
print Election Cards for Member of the House of Representative, and the Company was affected by the better business and trading conditions in Thailand which had been stimulated by this election event that has been suspended for more than 5 years, resulting in the Company's performance in 2019 to have sales revenue in the publications increased by 21.7% when comparing to 2018, with net profit growth of 35.3%.

For the business plan in 2020, the Company has continued to apply its successful strength strategies in 2019 and add more strategies in collaboration with both domestic and international Research and Development (R&D) Institutions (R & D) for raw material development, printing techniques and packaging styles that are different from competitors, such as advanced Security Printing technology, intelligent packaging technology, etc.

The Company's operations are still aware and emphasize the anti-corruption, the Board of Directors has clearly approved the anti-corruption policies so that all executives and employees at all levels could apply as a guideline to strictly practice, resulting in the Company's business operations to be stably and sustainably successful and entrusted by all customers, suppliers, shareholders, stakeholders, nearby communities and the public. In addition, the Company has been selected as 1 of 100 listed companies with outstanding business operation in terms of Environmental, Social and Governance (ESG), also known as ESG100 organized by Thaipat Institute for the 4th consecutive year. Furthermore, the Company has been also evaluated in terms of the good corporate governance by Thai Institute of Directors Association (IOD) and obtained 4-star rank, representing "very good" performance and showing that the Company has continued to comply with the principles of good corporate governance.

The Company's Board of directors would like to express our gratitude to shareholders, business partners, trade partners, customers, financial institutions including all related parties, all executives and employees who have always well supported the Company's operations and please be confident that the Company shall operate its business in accordance with the principles of good governance, with awareness of all stakeholders and social and environmental responsibilities as well as a focus on enhancing its stable progress to become a sustainable business leader further.

On behalf of the Board of Directors

General 
Mongkon Ampornpisit
Chairman of the Board


Somkid Wekinvattanased
Managing Director

PERFORMANCE HIGHLIGHTS

Investment

In Quarter 3 of 2019, the Company increased the capital to acquire additional shares to gain major shareholding in TBSP Public Company Limited, the Company's subsidiary, by originally holding 79.74 % of total shares to be 97.17 % of total shares in order to expand the business of business form including all types of printing media, to increase the long-term efficiency of business operations and administration of the Company Group in the domestic and international competitions, which will allow the Company to progress by leaps and bounds with the largest market share in the country.

Business Direction

In 2020, from the analysis on both internal and external factors, and according to the forecasts of many Economic Research organizations, it is expected that the customers will continue to be affected by previous year condition, T.K.S. still uses its successful strength strategies in 2019 and solve the weakness of some products that have not been achieved in 2019, for example, Flexible Packaging products that the Company has increased some of this investment since 2018, but still has to wait for the creation of new innovations. In 2020, the plan of machine-equipment improvement and automatic quality inspection has been established, additionally, the Company aims to cooperate with many Research and Development (R&D) Institutions both in domestic and abroad to develop raw materials, printing techniques and packaging styles that are different from competitors, such as advanced Security Printing technology, intelligent packaging technology, etc.

Since the printing media business is exposed to the risk of rapid changes in technology and innovation, more activities are stepping into the digital world, the printing media business has been affected by these changes, many companies are encouraging less paper usage and more use of online system including continuously changing consumer behaviors and using modern technology called Digital Platform instead of paper. The Company has therefore adjusted the strategic plan to ensure the sustainability of the business operation and to increase the competitiveness and increase the opportunity to further expand the market. The Company has a guideline to restructure its business structure in relation to all types of printing and electronic media related businesses. The Company will consider the consolidation of affiliated companies with printing media business or the combination into the same group, in order to increase the efficiency of business operations and administration of the Company Group.

Sustainability Management

The company has emphasized the sustainable growth for the future by aiming to create maximum benefits for the organization and stakeholders, and has realized the social and environmental responsibilities by taking into account the management in 3 areas including economy, society and environment, to comply with the strategy and goals under ethics and good corporate governance. In addition, the Company has raised the conscience in all forms of anti-corruptions to personnel at all levels, along with action plans of all departments for allowing the Company's operations to be entrusted by its customers and stakeholders to enable the Company to drive towards the actual achievement of Sustainability Development policies and goals.

The Company has adjusted the corporate culture to be in accordance with the strategy as well as action plan and operation on sustainability as part of daily operations by embedding the corporate culture to employees under the concept "T.K.S. We Can" so that the employees trust each other, pursue knowledge, have volunteer spirit and do their best to lead the organization to sustainable success.

OVERALL BUSINESS OPERATIONS

T.K.S. Technologies Public Company Limited ("The Company") is a listed company in the Stock Exchange of Thailand under service industrial group in the category of printing media business, its first trading was on 18 November 2003, a total period listed in SET is 16 years and a total period in printing media business is 65 years since its establishment in 1954 started by Mr. Kriang and Mrs. Suchada Mongkolsuthree under the name of "Tae Giang Seng." with a registered capital amounting 100,000 Baht, it operated businesses of stationery, office supplies and paper products. Later, in 1986, under the management of Mr. Supant Mongkolsuthree, the Company's business in stationery was changed to manufacture fanfold papers for computer (Stock Forms), copy papers and duplicating papers. In 2004, the Company invested in Siam Press Management Co., Ltd., which operates business in printing media similar to the Company's business, by holding 85% of registered capital amounting 60 Million Baht to be a major shareholder and then holding 100% of shares in the beginning of 2005 with the objective to integrate the Company's printing business from offset printing system in both continuous and sheet basis, digital printing system in color and black & white basis including printing management for large corporate customers. Siam Press Management Co., Ltd., changed its name to be T.K.S. Siam Press Management Co., Ltd. ("Subsidiary") with registered capital of 300 Million Baht.

In addition to the printing business operated by the Company and its subsidiaries, the Company has expanded its business in computer peripheral devices, in 1988, Compex (Thailand) Company Limited, its subsidiary, was established with a registered capital of 1.0 Million Baht to operate import and export business of computer peripheral devices, software and information system. Distribution of computer peripherals, software and information systems. Compex (Thailand) Company Limited changed its name to be Synnex (Thailand) Public Company Limited with a registered capital of 800 Million Baht, its major shareholders are T.K.S. Technologies Public Company Limited with the shareholding proportion of 38.51% and Synnex Group of Companies, Taiwan (King's Eye Investment Ltd.) with the shareholding proportion of 34.99%. Synnex (Thailand) Public Company Limited ("SYNNEX") is a joint venture, therefore, the Company recognizes the revenue from this investment as profit sharing from investment in joint venture.

In 2019, the Company acquired securities of TBSP Public Company Limited ("TBSP") by originally holding 79.74 % of total shares to be 97.17 % of total shares. TBSP is a manufacturer and distributor of Security Printing with Security Feature, such as plastic cards, cheques, security labels, RFID and Smart Card Reader. At present, TBSP is one of Company's subsidiaries.

In order to ensure the sustainability and to increase its competitiveness in of business operations, the Company Group has been restructured in relation to the printing business to support the impact of more technological and innovation changes in entering the digital world, highly affecting the print media business caused by decreasing rate of paper usage and applying modern technology called Digital Platform to replace paper. Therefore, this business restructuring will include all types of related printing media business and electronic media of the Company Group including affiliates in order to support the technology. The Company Group provides a wide and complete range of services, whether it be paper-based publication service, or electronic publication service, such as e-tax, e-document, e-statement, and e-solution. Apart from restricting the Company's services, this restructuring has also resulted in lower operating costs and higher profits as well as shareholders' benefit maximization.



BUSINESS OPERATIONS

Income structure

Unit: Million Baht

Products	2019		2018		2017	
	Value	%	Value	%	Value	%
Printing & Services						
1. High-Valued Document: Advance Forms / Security Forms	384.9	13.5	286.2	12.3	386.1	23.5
2. Digital Print & E-Service & Provider & System integration services	271.3	9.5	222.0	9.6	185.5	11.3
3. Business Forms	180.8	6.3	183.0	7.9	224.9	13.7
4. Stock forms & Office Paper & Trading	429.5	15.0	464.6	20.0	476.8	29.0
5. Warehouse & Logistics Management Service	27.2	1.0	21.0	0.9	19.3	1.2
6. Flexible Packaging & Label	50.3	1.8	62.0	2.7	63.0	3.8
7. Printed Electronics	72.2	2.5	18.0	0.8	25.9	1.6
Revenue from sales and rendering of services	1,416.2	49.6	1,256.8	54.2	1,381.5	83.9
Revenue from sales and rendering of services' TBSP	1,080.7	37.9	795.2	34.3	-	-
Total Revenue from sales and rendering of services	2,496.9	87.5	2,052.0	88.4	1,381.5	83.9
Share of profit of associates and joint ventures	193.4	6.8	241.2	10.4	252.3	15.3
Other incomes	164.7	5.8	27.3	1.2	12.2	0.7
Total	2,855.0	100.0	2,320.5	100.0	1,646.0	100.0

PRODUCTS AND COMPETITIONS



HIGH-VALUED DOCUMENT

Security Forms: This includes corporate important documents specifically designed to prevent duplication such as share certificate, promissory note, coupon, cheque, savings book, etc. Security forms are produced from raw materials that specifically designed for highly confidential printing service such as watermarked paper, paper for special printing ink, paper used with hologram, etc.

Cheque on Demand Service: This particular service covers from cheque design, art work design, empty cheque printing, printing of customer name and account number, name and address of branch office, including encoding cheque number, branch office number and account number according to the information provided by the financial institutions. The Company provides its service based on international security standards which will not allow any modifications of information including ensuring quick delivery service to branch offices.

Examination Management System (EMS) Service: This is an integrated service system for entrance examination, examination for entering government service and private sector working, achievement examination in each semester, consisting of working process covering all step of examination. The Company has also separated the work and area from the printing of Offset security system and applied the technology system to be part of the product, namely the WEB system used to recruitment, payment for applications, and management of applicant data to match the purposes, the Company has also applied the information to manage the examination for safety and anti-corruption. In addition, the development of a printing system that is a combination of offset printing and digital printing makes the examination accurate for the examinees and prevent the examination dishonesty, enabling the customers to be confident in correctness, accuracy, and non-errors according to the slogan "zero defect" for customers from both public and private sectors.

Advance Forms : This includes forms specifically designed to facilitate certain functions required by the customers to ensure quick and convenient process and create added value in marketing such as application form together with membership card, etc.



DIGITAL PRINT & E-SERVICE SOLUTION

That will help customers in communicating with their customers in a variety of channels and developing their systems to be effective, integrated by dividing as follows:

Digital Print: This includes services of printing customer information in a form of rolled stock forms, pre-punched stock forms and sheet stock forms using 4-color and black and white digital printing system and zero-defect envelope system to prevent all errors.

E-Service Solution: It is the development of solutions in both Digital and Non-Digital system to provide services to respond to customers' needs in a quick manner and based on their objectives such as E-Solution services, Mobile Application development, Uniform management, etc. Apart from printing customer information in a form, the Company also provides the service in the form of electronic media via E-mail, focusing on data security in all aspects, including hardware software and network. Furthermore, we also provide printing services by Files to Print system using data for management and printing from the digital printers in a variable manners according to individual data and/or combining the use of data to communicate with customers through other media such as Fax, SMS, E-mail, Line, Facebook, Web Service, Mobile App., E-Document, E-tax Invoice, E-policy, etc.



BUSINESS FORMS

It is designed and printed patterns on the paper for specific purposes such as receipt, tax invoice, bill, bank deposit and withdrawal slips, ATM slip, salary slip, letterheaded paper, poster, brochure, calendar, annual report, etc. based on customer requirements.

TRANSPROMO & STATEMENT



PERSONAL LETTER



VOUCHER & COUPON ON DEMAND



STOCK FORMS & OFFICE PAPER

Consist of lineless stock papers used with stock printers and papers for office functions (Office Paper) distributed by the Company such as copy paper, fax paper, special papers for laser printer and inkjet printer, etc. to comprehensively meet customer printing demands.

The Company has been licensed to use carbon footprint certification mark on 3 types of stock forms including:

- Stock Forms 9"X11" 1 layer, lineless 18.8 kilograms
- Stock Forms 9.5"X11" 1 layer, lineless 20.0 kilograms
- Stock Forms 15"X11" 1 layer, lineless 31.1 kilograms



กระดาษต่อเนื่อง T.K.S.
ขนาด 9 x 11
1 ชั้น ไม่ดัดเส้น



กระดาษต่อเนื่อง T.K.S.
ขนาด 9.5 x 11
1 ชั้น ไม่ดัดเส้น



กระดาษต่อเนื่อง T.K.S.
ขนาด 15 x 11
1 ชั้น ไม่ดัดเส้น

FLEXIBLE PACKAGING & LABEL

The production of this packaging use for consumer products requires experienced teamwork's delicacy, cooperation, coordination and compliance for every step with complete and modern production from prepress, digital color separation, mold making of various models suitable for the type of work. We can produce bags as per customer's requirements of all sizes, all shapes and models, with modern machinery which can print up to 10 colors in the latest version of auto gravure system, controlled with modern technology, therefore, the customers can be confident that they will be consistently delivered of beautiful printing with good quality and accuracy in every step of bag packaging production to ensure the safety of packaging for consumers and marketing sustainability.

For Label, it is the production of liner and lineless label for products. Such product is suitable for sticking on bottles, boxes, packaging products and all types of bags.



WAREHOUSE & LOGISTICS MANAGEMENT SERVICE

This is the integrated warehouse and logistics management and administration covering from procuring, storing and delivering with correctness, accuracy, security, safety and timely delivery together with online tracking system under the administration of modern software system.



NEW BUSINESS

PRINTED ELECTRONICS

The Company has developed new innovations and services to respond the needs of customers and the changing trends of the world in penetrating into digital era, such as Printed Electronics, which are electronic products created by fine printing techniques. Initially, the Company has developed this innovation to prevent product forgery to possibly verify the accuracy of the products, it is a combination of the electronics industry and the printing industry, known as the application of electronic innovation to fine printing technology with lower production cost and higher productivity. In the beginning, the Company has developed and applied Printed Electronics in:

Label, or called PATit (Chipless Authentication) : The Company has collaborated with Haydale, England to make a research on the innovation development in anti-forgery solutions to not allow the imitation of identification, it is unlike the QR Code, which is very easy to copy, the customers can also verify that the product is authentic via mobile phone.



Packaging: it uses the electronic printing technology into packaging, allowing the customers to verify that product via mobile phones, it could prevent the forgery.

RFID Sticker: it is a technology used to collect information or specify various information by relying on radio waves, called RFID technology, it is applied on the sticker and the customers could check the status of products



Printing Industry Outlook

The Printing Industry Outlook can be divided into 2 levels of quality as follows:

(1) General level of quality requiring the use of conventional technology: In Thailand, there are several thousand small-sized to large-sized printing houses, causing aggressive pricing competition within the market. However, small-sized printing houses tend to have higher advantage due to lower operating cost while large-sized printing houses are facing much higher operating cost; and

(2) Advanced level of quality requiring the use of advanced technology with high investment capital and limited number of competitors, for example, Security Printing Houses, in Thailand, there are only 3 private-owned security printing houses and only 4-5 digital printing houses, the Company is categorized as large-sized printing house that provides both security and digital printing services.

As a result, large-sized printing houses using advanced technology are able to generate good profits. However, strict quality assurance standard must be implemented to ensure high work quality and precision, on-time delivery and, most importantly, guaranteeing highest confidentiality standard of customer information.

In respect to paper-based printing trend, lower consumption can be observed since it has currently been replaced by digital platform. For instance, bank cheques have been replaced by e-payment system, withdrawal from ATM has been replaced by Prompt Pay e-payment system. The government also promotes private sector to use Digital Platform system concerning government transactions, for example, physical tax invoice has been replaced by E-tax Invoice, E-Policy has been confirmed by Digital Signature. As a result, printing industry must continue to develop itself to keep up with the dynamically changing consumer trend. Current printing houses must therefore adapt to changes by broadening its services in addition to typing service such as by offering multimedia information management service. This involves managing customer database for promoting customer loyalty toward the Company's products and services, for example, providing Multi Channel service that the Company helps customers to print data that is delivered by various channels including e-mail, SMS, FAX, Social Media (Line, Messenger) on their business forms and then printing as letter and sending mails. This service impresses customers and can maintain customers' loyalty, resulting in the growth of income.

High-Valued Document Market

- Advance Forms/ Security Forms

This market has limited number of competitors due to the use of sophisticated printing technology, high-security design system to prevent forgery, including investment in building separate printing facility to ensure safety and security from the above-mentioned factors, all of which requires high investment capital and therefore resulted in limited number of entrepreneurs. Also, most customers prefer to choose the same entrepreneurs for security reason and for preventing competitors from gaining knowledge of its marketing strategies or promotions, resulting in low competition level.

- Cheque on Demand Service

The Company is the first provider of Cheque on Demand service in Thailand. This market has limited number of competitors because this particular service requires advance security system as well as customer trust toward service provider and quick delivery system that can accurately address customer demands. The Company therefore focuses on further expanding this particular market. Most customers in this market are banking institutions that still encode cheques and print customer name. For this reason, the Company aims to wider access to this particular customer group and persuading them to use the Company's service instead of printing by themselves.

Digital Print and E-Service Solution Market

This market faces limited number of competitors since it involves customer confidentiality and high investment capital in terms of machinery and security system, including high work precision and speed within limited deadline. Although the Company is a new competitor in this market, it is fully prepared and offers wider range of products and services comparing to current service providers such as rolled stock forms, pre-punched stock forms and sheet stock forms including zero-defect envelope system and, most importantly, the Company offers 4-color digital printing service. The Company has ISO 27001 standard, certifying the Company is a printing house with security systems in working, supervising both customer data and Business Continuity Management System (ISO 22301: 2012) Standard, which is a management process in assessing threats within the Company. This will ensure customers that their information will be correct without errors and they can continue to do business. Also, there are only 1-2 competitors in this standard.

Business Forms Market

This market faces high competition level since it mainly involves one-time-use consumable products and products with large order quantity. Also, the production process does not require the use of advance technology, causing the number of competitors to be higher than other markets. The customers in this market are largely financial institutions, communication business and governmental agencies. The fact that most customers in this market have adopted e-Auction system also contributed to high market competition level. This is because e-Auction mainly involves pricing competition which causes auction price to be relatively low while raw material cost continues to rise up and thus preventing the Company from competing in the e-auction system. As a result, the Company has implemented a strategy to create value-added to its products and services by offering warehouse management service to promote higher convenience and offer more options for the customers and therefore widen market expansion opportunities.

Stock Form & Office Paper Market

This market faces high pricing competition since most products are produced for instant use and only requires limited use of technology and the production process mainly involves cutting according to size requirements. With large number of competitors within the market, customers may therefore focus on product price rather than product quality. However, only slight difference in paper quality can be observed in this market. At present, the Company is a licensed distributor of "Fuji Xerox" brand.

Flexible Packaging Market

Most packaging locally produced is to support the downstream industries in the country such as food industry, chemical industry, electrical and electronic industry, cosmetic industry, the number of packaging in terms of production, distribution, export and import has been increased year by year with an average growth ratio of more than 10% per year. All types of packaging are mostly produced for the food industry up to 38% in serving Thailand's strategy on global kitchen, it was found that among various types of packaging, the plastic type is utilized the most with the ratio of 41% while the paper type is ranked in No. 2 with the ratio of 36%. The Company observed this opportunity and invested in machines for the production of soft packaging which can produce both thin paper type and plastic type, the machines were installed and the production system has been developed to meet the standard of food grade packaging with the aim to expand the market of this product in 2018, the product has been developed by focusing on unique and eco-friendly innovation different from competitors under the cooperation on research and development with research institutes and governmental educational institutes. In 2019, the Company has been approved to apply the "Halal" certification mark by the Central Islamic Council of Thailand for certifying the Company's packaging production process is correctly complied with the process according to Islamic principles.

Warehouse and Logistic Management Service Market

This market has limited number of competitors. Most current printing service providers offer typing service of various forms and delivery service without including warehouse management service. The Company therefore seek business opportunity in expanding its market to customer group that requires one-stop service which shall enable cost efficiency and minimize difficulties in terms of warehouse management. The warehouse management for non-printing matters also formed by the Company such as employee uniform management, stationery management, gift and souvenir management, the Company also has a policy to expand the business of product management for E-commerce customers and IT product groups.

Printed Electronics Market

The world nowadays is rather quickly developing with research and development of new knowledge all them under the objectives to reduce costs, conveniently and easily use, etc.

Printed Electronics is a new knowledge that has been created to support the electronics manufacturing industry in the production of electronic work to be faster and with lower production costs. We have to admit that the digital disruptive has a direct impact on the printing industry, causing the printing houses to struggle, adjust and apply new technologies in their business for survival. The company has therefore constantly changed and applied modern technology, one of future technologies is Printed Electronics, considering that the Company is the first and sole user in Thailand, we have foreseen the properties of Printed Electronics, in the beginning stage, we applied it for the security of the customers' products (anti-forgery) to ensure the customers of security in product purchase. The Company has plans to develop and expand it in other types of products.

RISK FACTORS

In 2019 Risk Assessment, the Company assessed based on the reference principles, using the concept of the Enterprise Risk Management framework of COSO "The Committee of Sponsoring Organizations of the Treadway Commission", accepted by all international organizations as the effective framework for risk management under the guidance of risk experts, all risks are divided into 4 areas:

Strategic Risk

The risk of technology changes and rapid innovations may affect many existing businesses since more activities step into the digital world, the demands of printing has been decreased while consumer's behavior has turned to use more online system and the modern technology called 'Digital Platform' has been applied to replace paper use, such as E-Payment system, Prompt Pay system, E-tax invoice system, etc.

In order to adapt itself to keep up with technology and to operate its business in parallel with the digital era, the Company has guidelines to address such risks with the development of innovations through the use of information systems for supporting more use of digital media, for example, data transmission via various channels such as e-mail, SMS, FAX, Social Media (Line, Messenger), helping the Company to be ready in providing services to fully respond the needs of customers in an integrated and modern manner. The Company's subsidiaries have expertise in technology by providing good care and support to the works of the Company, as well as we have guidelines for organizational restructure in the Company Group to support changes and increase competitiveness.

Financial Risk

Risk from investment: the technological competition that is rapidly changing causes the Company to adjust itself by inventing new products and services to support more variety of customers' needs and improve its production process to be faster and modern, the Company requires more investment, resulting in risk of investment because it is a new business that the Company's expertise and understanding may not be able to achieve in management. Therefore, the Company has continuously monitored and evaluated as well as improved the process, appropriately adjusted the organizational structure, and finding additional experts to enhance the potential of personnel for allowing the investment to be effective and achieved the target.

Compliance Risk

In terms of risk related to the compliance with laws and other relevant regulations, the Company has implemented many standards such as ISO 9001, ISO 14001, ISO 22301, ISO 22000, etc., then regularly controlled, monitored and assessed its compliance with laws, and continuously assigned employees to attend the training for understanding new and related applicable laws such as Personal Data Protection Act, B.E. 2562 (2019), etc. In terms of laws relating to the Stock Exchange of Thailand and the Office of SEC, the Company has given importance by assigning staff to control, supervise and follow up news and information to enable the Company to continuously comply with and also encouraging staff to be trained by the Office of SEC for knowledge and expertise with updated regulations when newly issued. The Risk Management Committee has been established to oversee and provide advices and guidance to employees who oversee the Company's legal affairs to ensure their compliance with the law.

Operational Risk

The Company highly gives importance to the Company's personnel, All the Company's operations are quick, accurate due to the employees with knowledge, expertise and awareness on their duties. Therefore, the Company highly gives importance to its personnel. In 2019, the Company's operational risk required to be minimized is the increase of employees with expertise in key positions and employees in executive levels who are going to retire soon, such risk is higher because finding suitable successors are necessary to adequately support, in addition, the adjustment of new generation staff and old generation staff is required in terms of corporate culture, collaboration and working method to allow them to effectively work together. The Company has started to create a succession plan for continuous decreasing of such risk.

MAJOR CHANGES AND DEVELOPMENTS

Year 2019

- The Company was ranked as one of ESG 100 Listed Companies for 2019 for the fourth consecutive year, this is the sustainability assessment organized by Thaipat Institute selecting 100 companies with outstanding performance in terms of Environmental, Social and Governance (ESG) from 771 listed companies.
- T.K.S. Siam Press Management Company Limited, a subsidiary, has been granted of HALAL certification mark from the Office of the Central Islamic Council of Thailand to certify that the product, production process and packaging correctly comply with the process of Islamic principles.
- The Company has established a newly established subsidiary named Service Hall Company Limited, by means of share swap with shares held by the Company in T.K.S. Siam Press Management Company Limited, to support the Company Group's business restructuring covering business forms and all types of print media by integrating all companies operating print media business or classifying them into the same business group for performance maximization of the Company Group's business operations and management, this subsidiary's registered capital is 300 Million Baht, divided into 30 million shares with a par value of 10 Baht and the Company is holding 99.99% of total shares.
- The Company's subsidiary, Gofive Company Limited, was awarded by Thailand ICT Awards 2019 (TICTA2019) in the national software contest. It is a Venio CRM system integrator, this award emphasizes its success in becoming the leader of the most suitable smartphone-based CRM system with good experience delivery to customers and professional sales management. "Venio CRM" aims to continuously improve its system to meet the lifestyle business in the Digital Era, continuously show its quality, focus on easy to use via mobile devices with convenience, fastness, based on international standard software services and enhance the business for organizations of all sizes and at all industrial levels.
- The Company disposed 399,997 ordinary shares of Gofive Co., Ltd., representing 40% of the total issued and sold shares to Mr. Jutiphan Mongkolsuthree at the price of 6 Baht per share in the amount of 2,399,982 Baht, resulting in holding 60% of total shares by the Company.
- The Company made a Voluntary Tender offer for all securities of TBSP Public Company Limited ("TBSP"), in which the Company is holding 97.17% of total shares in TBSP.

- The Company's subsidiary, Thai British Security Printing Public Company Limited, has changed its name to be TBSP Public Company Limited ("TBSP").
 - The Company's pay shareholders the interim dividend payment for the performance of the first 6 months in 2019 (1 January 2019 to 30 June 2019) at the rate of 0.20 Baht for 462,226,467 shares in total, amounting 92,445,293.40 Baht in total, this dividend payment is paid from the net profit.
 - The Company's subsidiary, T.K.S. Siam Press Management Company Limited, has acquired the investment in T.K.S.-Wellco (Thailand) Company Limited, resulting in the Company Group's shareholding proportion from 51% to be 100% of total shares and changed its name to be MARVEL PACK Co., Ltd, a subsidiary.
 - The Company established a joint venture, TIM Secured Technologies Company Limited, engaging its business in digital printing and software development businesses with the establishment objective to support the advanced printing technology projects, the Company's investment proportion in this joint venture is 33.33%.
- capital of 360,206,768.00 Baht by cutting off 212 unissued registered shares of the Company with a par value of 1.00 Baht;
 - To increase a registered capital for 60,000,000.00 Baht from the original registered capital of 360,206,768.00 Baht to be a registered capital of 420,206,768.00 Baht by issuing 60,000,000 new ordinary shares with a par value of 1.00 Baht.
 - To allocate not more than 60,000,000 new ordinary shares with a par value of 1.00 Baht to existing shareholders in proportion to their shareholding (Rights Offering).
- The Company held additional shares of Thai British Security Printing Public Company Limited (TBSP) from 19.89% to be 77.74% of total shares, resulting in a change of TBSP's status from a joint venture to be a subsidiary. The Company has included TBSP's financial statements in the preparation of the Company's consolidated financial statements from 4 April 2018, the day that the Company started to control TBSP.
 - On June 30, 2018, the Company closed down C.T.K.S. Technologies Co., Ltd. located in Cambodia, which was a joint venture under the shareholding of T.K.S. Siam Press Management Company Limited.
 - On 16 November 2018, the Company invested in Gofive Company Limited by holding 100% of the registered capital amount 10 Million Baht, the paid-up capital is 5 Million Baht. Its business is consultancy service and information technology system and software services.

Year 2018

- The Company was selected to be in the group of ESG 100 listed companies in 2018 as the third consecutive year based on the sustainability assessment organized by ThaiPat Institute, it is the selection from 683 listed companies in 2018, which had outstanding operations in Environmental, Social and Governance (ESG).
- The Company and its subsidiaries were certified of Food safety management system (ISO 22000 v4.1) from INTERTEK Institute, this system is a safety management system that has standards related to foods, hazard analysis and the critical point required to be controlled in food production procedure called HACCP (Hazard Analysis and Critical Point System) which is a management system that helps to make food safe for consumers by controlling critical control points (CCP) in production (CCP), applying in all processes involved in food chain starting from Primary Producer to consumers, it also help to create more confidence and safety in food products and reduce trade barriers of importing countries HACCP system will adhere to the standards of "Codex" to prevent harmful contaminants from both chemical and biological substances including food physical properties for the most effectiveness, besides, it also controls over employees, checks procedures, continuously monitors critical control points.
- On 15 February 2018, the Extraordinary General Meeting of Shareholders No. 1/2018 resolve as follows:
 - To acquire additional shares from Thai British Security Printing Public Company Limited by making Voluntary Tender Offer for all securities;
 - To deduct amount of 212.00 Baht from the original registered capital of 360,206,980.00 Baht to be a registered

Year 2017

- On 24 February, 2017, the Board of Directors Meeting No. 1/2017 resolved to appoint Miss Siriwan Sukanjanasiri as the Chairman of the Company and appointed Mr. Somkid Wekinvattanased as a Director and Managing Director, who has knowledge and ability with 23 years of experience in the printing business, this appointment was effective from 1 March 2017.
- The Company was ranged as 1 of 100 listed companies in ESG100 in 2017 for the 2nd consecutive year organized by ThaiPat Institute from a total of 656 publicly listed companies for its outstanding performance in Environmental, Social and Governance (ESG).
- The Company won "Best of the Best Award for the category of Best in More Than One Production Process" and "Gold Award for the category of Multi-Piece Production & Campaigns" at the 12th Thailand Print Award 2017.
- The Company and its subsidiaries were accredited with Green Industry Certification (Level 4*) from the Ministry of Industry.

*Level 4 refers to the Green Culture, which is that everyone in the organization cooperates in an environmentally friendly operation in all aspects of business operations and finally, it becomes a part of corporate cultures.

- The Company and its subsidiaries launched the Employee Joint Investment Program (EJIP), the 3rd Program with 5-year period starting from 1 October 2017 – 10 October 2022 under the Company's contribution at the rate of 42% of employee's investment capital.

Year 2016

- The Company was ranked in 1 of 100 listed companies in ESG100 in 2016 organized by Thaipat Institute under the selection from a total 621 publicly listed companies for its outstanding performance in Environmental, Social and Governance (ESG).
- On September 21, 2016, the Company and its subsidiaries were accredited as Eco Factory* by The Industrial Environment Institute under The Federation of Thai Industries.

* Eco Factory refers to an industrial factory that strictly operates in an eco-friendly manner to ensure sustainable development by focusing on continuous and sustainable development and improvement of production process and environmental management on the basis of social responsibility, both within and outside of the organization, throughout the supply chain.

Year 2015

- The Company's investment status in Thai British Security Printing Public Company Limited "TBSP" was changed to be a joint venture because Mongkolsuthree Family, the major shareholder, has shareholding in TBSP totaling 32.12%.
- The Company won "Best Company Performance Awards" and "Best Investor Relation Awards" under Market Capitalization category with value not exceeding 3,000 million Baht.
- The Company and its subsidiaries were accredited of the Business Continuity Management System : ISO 22301: 2012 from BUREAU VERITAS THAILAND, it is a holistic management system that can help to indicate potential organizational threats and its impact on business operation, including providing guideline on how to promote organizational competency and resilience in responding to and protecting the best interests of the stakeholders, reputation, image and effective value-added activities.
- The Company and its subsidiaries were granted permission by Thailand Greenhouse Gas Management Organization (Public Organization) to use carbon footprint label on 3 stock form items for total period of 2 years starting from July 15, 2015 – July 15, 2017.
- The Company increased its registered capital to 360,206,980 Baht through issuing new ordinary shares totaling 32,746,089 Baht to support dividend payment at the ratio of original share to newly issued share equaling to 10: 1, causing non-allocated shares to be equaled to 212 shares.

Year 2014

- The Company was appointed by Fuji Xerox (Thailand) Company Limited to be the sole distributor of Xerox papers in Thailand under Fuji Xerox brand.
- The Company expanded its production base to flexible packaging market through Gravure investment.
- The Company increased its registered capital to 327,460,970 Baht through issuing new ordinary shares totaling 29,769,179 Baht to support dividend payment at the ratio of original share to newly issued share equaling to 10:1, causing non-allocated shares to be equaled to 79 shares.
- The Company and its subsidiaries launched the Employee Joint Investment Program (EJIP), the 2nd Project with 3-year period starting from July 1, 2014 and under the Company's contribution at the rate of 42% of the employee's investment capital.

Year 2013

- T.K.S. Siam Press Management Company Limited, the Company's subsidiary, won "Best of the Best Award : Best in More than One Production Process" and "Silver Award : Innovative/Special Printing" at the 8th Thai Print Awards 2013.
- The Company increased its registered capital from 248,076,525 Baht to 297,691,830 Baht through issuing new ordinary shares totaling 49,615,305 Baht to support dividend payment at the ratio of original share to newly issued share equaling to 5 : 1, causing non-allocated shares to be equaled to 39 shares.
- The Company received Information Security ISO 27001 standard certification from BUREAU VERITAS THAILAND.

Year 2012

- The Company's subsidiary renovated the factory building to make the production line of the Company compact and to reduce the time to move raw materials as well as to improve the premise of Technology and Information Department to be up-to-date in order to support the amount of work that requires more electronic technology and to control the access and exit inside the factory to be more secured. It was expected to be completed by the second quarter of 2013.
- The Company launched Employee Joint Investment Program (EJIP) which is a 5-year program starting from July 1, 2012 and under which the Company and subsidiary must contribute by 42% of the employee's investment capital. This project was initiated to promote a sense of ownership and incentive among the employees of the Company and subsidiary including maintaining current employees in the long run.

Year 2011

- The Company decreased the registered capital incurred from the capital increase to support the warrants and the specific offering of shares by reducing the number of unused and unsold shares of 111,923,475 shares, causing the Company's registered capital to decrease from the original registered capital of 360,000,000 shares to be 248,076,525 shares, the reduction of registered capital was completed on 12 May 2011.
- The Company sold its land and property in Phetchaburi Province (former factory) at the value of 120.0 million Baht. Of this number, 90.0 million Baht was used as settlement for outstanding loan borrowed from financial institution while the remaining amount was used as working capital.

Year 2010

- The Company changed the par value of its shares from an original par value of 0.10 Baht to be a par value of 1.0 Baht according to the resolution of the Annual General Meeting of Shareholders No. 1/2010 dated 28 April 2010.
- The Company's securities were moved from the Technology Industrial Group in the category of Information Technology and Communication business to be the Service Industrial Group in the category of Media & Publishing.
- TKS-W1 completed the exercise of rights to acquire ordinary shares of the Company with a total of 61,999,540 warrants, exercising the right to acquire 3,325 ordinary shares of the Company.
- The Company increased its paid-up capital from 248,073,200 shares to be 248,076,525 shares with a par value of 1.0 Baht from the exercise of TKS-W1.
- On November 11, 2010, the Board of Directors resolved to sell 16,941,360 shares of repurchased shares by selling on the Stock Exchange of Thailand, the period of selling repurchased ordinary shares was 29 November 2010 to 23 September 2011.

Year 2009

- T.K.S. Siam Press Management Company Limited, the Company's subsidiary, won 2 awards at the 7th Asian Print Awards 2009, organized in Kuala Lumpur, Malaysia as follows:
 - 1) Best of the Best in the category of Best in more than one production process
 - 2) Gold Award in the category of Special Printing

Year 2008

- Synnex (Thailand) Public Company Limited, the Company's subsidiary, was granted permission to become listed and conduct trading on the SET on June 16, 2008.

Year 2007

- The Extraordinary General Meeting of Shareholders No. 1/2007, held on 3 September 2007, resolved to approve the increase of a registered capital from 318 Million Baht to be 360 Million Baht. The capital increase is the issuance of new ordinary shares in the amount of 42 Million Baht by offering in Private Placement basis, the Company reduced such registered capital on 12 May 2011.
- Synnex (Thailand) Public Company Limited, the Company's subsidiary,
 - 1) was granted a license to show the Thai Industrial Standard (TIS)'s mark for personal computers, by the Thai Industrial Standards Institute.
 - 2) registered as a public company and changed its name to be Synnex (Thailand) Public Company Limited and also increased its registered capital from 500 Million Baht to be 705 Million Baht.

Year 2006

- The Company won "Best of the Best Award: Best in more than one production" at the 1st Thai Print Awards 2006 organized by The Thai Printing Association. The Company's subsidiary won "Best of the Best: Best Innovative Use of the Printing Process" Award, "Gold Award : Innovation in Printing" and Bronze Award : Annual Financial Reports at the 4th Asian Print Awards 2006 held in Shanghai, China. (on behalf of T.K.S. Siam Press Management Company Limited)
- The Company organized Grand Opening ceremony at the new factory located at Sinsakhon Industrial Estate. The event was kindly chaired by General Pichit Kulavanich.

Year 2005

- The Company traded warrants to acquire 61,999,540 ordinary shares of the Company in the Stock Exchange of Thailand which was in the category of warrants and used the trading symbol as "TKS-W1"

Year 2004

- The Company conducted investment in Siam Press Management Company Limited by having shareholding of 85% of registered capital totaling 60 million Baht and shall increase its shareholding to 100% at the starting of 2005.

Year 2003

- The Company and its subsidiaries were accredited of additional quality certification (ISO 9001: 2000).

- The Company has changed the par value from the original par value of 5 Baht to be 1 Baht, causing the number of registered ordinary shares changed from 50 million shares with a par value of 5 Baht to be 250 million shares with a par value of 1 Baht.
- The Company was permitted to become listed in the Stock Exchange of Thailand and started trading.

Year 2002

- Compex (Thailand) Company Limited, the Company's subsidiary, changed its name to be Synnex (Thailand) Public Company Limited and relocated its office and built a new Transportation and Distribution Center on Sukhonthasawat Road where is near Ekamai – Ramintra Expressway. Here, product distribution technology transferred from Synnex Group Taiwan was adopted.
- The Company improved its business operation structure and products under the category of office supplies such as ink for inkjet and laser printers, data recording media, etc. were transferred to Synnex (Thailand) Company Limited as a distributor with distribution channels covering almost the whole country.
- The Company changed its name from "T.K.S. Enterprise Public Company Limited" to "T.K.S. Technologies Public Company Limited".
- The Company changed its par value from 10 Baht per share to 5 Baht per share and increased its registered capital from 200 million Baht to 250 million Baht. The Company also paid dividend to current shareholders at the ratio of original share to newly issued share of 2 : 1, totaling 14 million shares.

Year 2001

- The Company was additionally promoted of investment in printing business by the Office of the Board of Investment.

Year 2000

- The Company and its subsidiary were accredited with ISO 14001 standard as certification for its environmental impact control standard.
- The Company was granted of Thailand Brand trademark from Department of Export Promotion, Ministry of Commerce.

Year 1999

- Synnex Group Taiwan, which is the world's major distributor of computer and IT related hardware and equipments, invested in Compaq (Thailand) Company Limited which is the Company's subsidiary by 49%.

Year 1998

- The Company transferred its production base to a new factory located in Phetchaburi Province covering a total area of 30 Rai with aim to increase business forms productivity.

Year 1997

- The Company changed its status from "Company Limited" to "Public Company Limited" and changed its name from "T.K.S. Interprinting Company Limited" to "T.K.S. Enterprise Public Company Limited".
- The Company increased its registered capital in Compex (Thailand) Company Limited from 50 million Baht to 100 million Baht with shareholding totaling 99.99%.
- The Company was promoted for the investment in the offset printing business by the Office of the Board of Investment.

Year 1996

- The Company was the first printing business entrepreneur in Thailand who was accredited of quality certification (ISO 9002)

Year 1992

- The Company increased its registered capital to 30 million Baht to support the construction of stock forms manufacturing plant located in Sampran District, Nakhon Pathom Province.

Year 1988

- "Compex (Thailand) Co., Ltd." was established as the Company's subsidiary to engage in the import and distribution of computer peripheral devices, software and information systems.

Year 1986

- The Company was established under the name of "T.K.S. Interprinting Company Limited" to operate a wholesale business of stationary, office paper and consumable products and began to establish stock forms manufacturing facility.

Year 1954

- The Company started its business operation under the name of "Tae Giang Seng."

INFORMATION OF COMPANY GROUP

Company Name:	T.K.S. Technologies Public Company Limited
Symbol Name:	TKS
Company Register No.:	0107540000014
Head Office Address:	No. 30/88, Moo 1, Jesadawitee Road, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Business Area:	Manufacture and distribute Business Forms, Stock Forms, and Office Papers.
Telephone:	0-2784-5888
Fax:	0-2784-5858
Home Page:	www.tks.co.th
Registered Capital:	462.227 million ordinary shares with a par value of 1.0 Baht, totaling 462.227 million Baht
Registered Paid-up Capital:	462.226 million ordinary shares with a par value of 1.0 Baht, totaling 462.226 million Baht

General Information of Subsidiaries

Company Name :	Service Hall Company Limited
Company Register No.:	0745562011054
Head Office Address:	No. 30/88, Moo 1, Jesadawitee Road, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Business Area:	Accommodate the Group's business restructuring
Telephone:	0-2784-5888
Fax:	0-2784-5858
Registered Capital:	30.0 million ordinary shares with a par value of 10.0 Baht, totaling 300.00 million Baht
Registered Paid-up Capital:	30.0 million ordinary shares with a par value of 10.0 Baht, totaling 300.00 million Baht
Company's Shareholding Ratio:	100.00%
Relation:	Subsidiary

Company Name :	T.K.S. Siam Press Management Company Limited
Company Register No.:	0105536094121
Head Office Address:	No. 30/88, Moo 1, Jesadawitee Road, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Business Area:	Manufacture and distribute Security Printing, Business Forms, Stock Forms, Digital Print and Warehouse Management of Business Forms
Telephone:	0-2784-5888
Fax:	0-2784-5858
Registered Capital:	30.0 Million ordinary shares with a par value of 10.0 Baht, totaling 300.00 million Baht
Registered Paid-up Capital:	30.0 Million ordinary shares with a par value of 10.0 Baht, totaling 300.00 million Baht
Company's Shareholding Ratio:	100.00%
Relation:	Subsidiary through the shareholding of Service Hall Company Limited

Company Name:	TBSP Public Company Limited
Symbol Name:	TBSP
Company Register No.:	0107537002311
Head Office Address:	No. 41/1 Soi Wat Suan Som, Phuchao Saming Phray, Samrong Tai Subdistrict, Phra Pradaeng District, Samut Prakan Province 10130
Business Area:	Operate businesses of Security Printing and Plastic Cards for the use in commercial banking industry, financial institutions and for general customers
Telephone:	0-2754-2650
Fax:	0-2183-2763
Home Page	www.tbbsp.co.th
Registered Paid-up Capital	110.0 Million Baht
Registered Paid-up Capital	110 million ordinary shares with a par value of 1.0 Baht, totaling 110.00 million Baht
Paid-up Capital	110 million ordinary shares with a par value of 1.0 Baht, totaling 110.00 million Baht
Company's Shareholding Ratio:	97.17%
Relation:	Subsidiary

Company Name :	Gofive Company Limited
Company Register No.:	0745561010054
Head Office Address:	No. 30/88, Moo 1, Jesadawitee Road, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Business Area:	Provide services of consultancy and Information Technology System and Software
Telephone:	0-2784-5888
Fax:	0-2784-5858
Registered Capital:	1 million ordinary shares with a par value of 10.0 Baht, totaling 10.00 million Baht
Registered Paid-up Capital:	1 million ordinary shares with a par value of 5.0 Baht, totaling 5.00 million Baht
Company's Shareholding Ratio:	60.00%
Relation:	Subsidiary

General Information of Joint Venture

Company Name:	Marvel pack Company Limited.
Company Register No.:	0745558002445
Head Office Address:	No. 30/88, Moo 1, Jesadawitee Road, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Business Area:	Product Labels
Telephone:	Product Labels
Fax:	0-2784-5888
Registered Capital:	0-2784-5858
Registered Paid-up Capital:	18.0 million ordinary shares with a par value of 5.0 Baht, totaling 90.00 million Baht
Company's Shareholding Ratio:	18.0 million ordinary shares with a par value of 5.0 Baht, totaling 90.00 million Baht
Relation:	100.00%
	Joint venture through the shareholding of T.K.S. Siam Press Management Co., Ltd.

Company Name:	TIM Secured Technologies Company Limited.
Company Register No.:	0115562008598
Head Office Address:	No. 41/1 Soi Wat Suan Som, Phuchao Saming Phray, Samrong Tai Subdistrict, Phra Pradaeng District, Samut Prakan Province 10130
Business Area:	Digital Printing and Software Development
Telephone:	0-2394-4374
Fax:	0-2394-4374
Registered Capital:	0.1 million ordinary shares with a par value of 100.0 Baht, totaling 10.00 million Baht
Registered Paid-up Capital:	0.1 million ordinary shares with a par value of 60.0 Baht, totaling 6.00 million Baht
Company's Shareholding Ratio:	33.33%
Relation:	Joint venture

General Information of Associated Company

Company Name:	Synnex (Thailand) Public Company Limited (SYNEX)
Symbol Name:	SYNEX
Company Register No.:	0107550000203
Business Area:	Distribute computers, computer peripheral devices, software and information system
Head Office Address:	No. 433, Sukhonhasawat Road, Lat Phrao Subdistrict, Lat Phrao District, Bangkok 10230
Telephone:	0-2553-8888
Fax:	0-2578-8181
Home Page:	www.synnex.co.th
Registered Capital:	880.00 million ordinary shares with a par value of 1 Baht, totaling 880.00 million Baht
Registered Paid-up Capital:	847.36 million ordinary shares with a par value of 1 Baht, totaling 847.36 million Baht
Company's Shareholding Ratio:	38.51%
Relation:	Associated Company

INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Subsidiaries and Associated Companies	Type of business	Paid-up capital	Par value (Baht per shares)	Investment ratio (%)	Voting right ratio (%)
Direct Subsidiaries					
Service Hall Co., Ltd.	Investing	300.00	10	100.00	100.00
T.K.S. Siam Press Management Co., Ltd.	Business Forms, Printing and Warehouse Management	300.00	10	-	-
TBSP PCL. (Formerly Thai British Security Printing PCL.)	Manufacturing of Security Printing	110.00	10	97.17	-
Gofive Co., Ltd.	Provide services of consultancy and Information Technology System and Software	5.00	10	60.00	-
Joint venture					
Direct					
TIM Secured Technologies Co., Ltd.	Digital Printing and system integrated Manufacturing of Labels	6.0	-	33.33	-
Indirect					
Marvel Pack Col, Ltd. (Formerly T.K.S. – Wellco (Thailand) Co., Ltd.)		90.0	5	-	-
Associated					
Synnex (Thailand) Pcl.	Import and distribute of computer equipment	847.36	1	38.51	38.51

GROUP INVESTMENT STRUCTURE

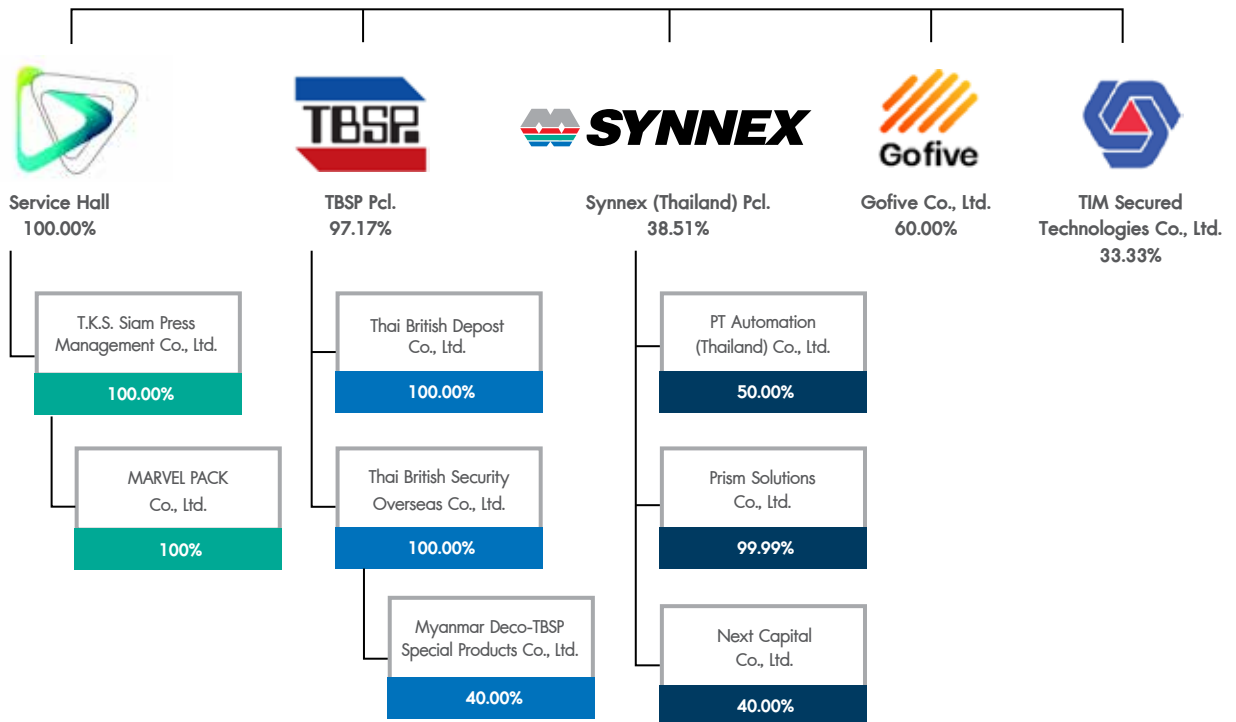
(as at 31 December 2019)

Mongkolsuthree Holding Co., Ltd.

33.30%



T.K.S. Technologies Pcl.



SHAREHOLDERS STRUCTURE

List of shareholders and shareholding ratio of major shareholders as of 30 December 2019

No.	Shareholder Name	No. of shares	%
1	Mongkolsuthree Family	191,974,715	41.53
	• Mongkolsuthree Holding Co., Ltd.	159,919,994	33.30
	• Mr. Supant Mongkolsuthree	8,291,448	1.79
	• Ms. Sutida Mongkolsuthree.	20,632,037	4.46
	• Mr. Jutiphan Mongkolsuthree	3,120,028	0.67
	• Mrs. Supansa Arayasakul	2,967,594	0.64
	• Ms. Saruta Mongkolsuthree	3,043,614	0.66
2	OCBC ECURITIES PRIVATE LIMITED	13,892,252	3.01
3	Mr. Paiwan Chartpitak	12,080,000	2.61
4	Mrs. Thippawan Kumthorntip	8,910,000	1.93
5	JEFFERIES LLC	6,363,688	1.38
6	CREDIT SUISSEAG, SINGAPORE BRANCH	5,176,094	1.12
7	Mr. Pete Dheva-Aksorn	4,864,401	1.05
8	Mrs. Patchana Chavapokin	3,664,386	0.79
9	Mr. Paisal Chartpitak	3,500,000	0.76
10	Mr. Worakarn Wilaichon	3,040,026	0.74
	Total no. of shares	462,226,467	100.00

Mongkolsuthree Holding Co., Ltd. is operates its business by holding shares in other companies (holding company) with a registered capital of 50.0 Million Baht as of December 31, 2019. The list of shareholders is shown below:

No.	Shareholder Name	No. of shares	%
1	Ms. Sutida Mongkolsuthree	42,000	84.00
2	Mrs. Suchada Mongkolsuthree	2,000	4.00
3	Mrs. Supansa Arayasakul	2,000	4.00
4	Mr. Jutiphan Mongkolsuthree	2,000	4.00
5	Miss Saruta Mongkolsuthree	2,000	4.00
	Total no. of shares	50,000	100.00

Service Hall Company Limited is operating business of investing with a registered capital of 300.0 Million Baht, a paid-up capital of 300.0 Million Baht, major shareholder is as follows:

No.	Shareholder Name	No. of shares	%
1	T.K.S. Technologies Public Company Limited	29,999,994	99.99
	Total no. of shares	30,000,000	100.00

T.K.S. Siam Press Management Company Limited is operating business of Security Printing with a registered capital of 300.0 Million Baht, a paid-up capital of 300.0 Million Baht, major shareholder is as follows:

No.	Shareholder Name	No. of shares	%
1	Service Hall Company Limited*	29,999,994	99.99
Total no. of shares		30,000,000	100.00

Remark: Service Hall Company Limited is a company established with the shares that the company Held in T.K.S. Siam Press Management Company Limited (Share Swap) to support the business restructuring of the Group Company.

TBSP Public Company Limited is operating business of Security Printing and Plastic Cards for the use in commercial banking industry. financial institutions and for general customers with a registered capital of 110.0 Million Baht, a paid-up capital of 110.0 Million Baht, major shareholder is as follows:

No.	Shareholder Name	No. of shares	%
1	T.K.S. Technologies Public Company Limited	106,889,320	97.17
Total no. of shares		110,000,000	100.00

Gofive Company Limited is provide services of consultancy and information technology System and software with a registered capital of 10.0 Million Baht, a paid-up capital of 5.0 Million Baht, major shareholder is as follows:

No.	Shareholder Name	No. of shares	%
1	T.K.S. Technologies Public Company Limited	600,000	60.00
Total no. of shares		1,000,000	100.00

Marvel Pack Co., Ltd. is operating business of product labels with a registered capital of 90.0 Million Baht, a paid-up capital of 90.0 Million Baht, major shareholders are as follows:

No.	Shareholder Name	No. of shares	%
1	T.K.S. Siam Press Management Co., Ltd.	18,000,000	100.00
Total no. of shares		18,000,000	100.00

TIM Secured Technologies Co., Ltd. is operating business of product Digital Printing and Software Development with a registered capital of 10.0 Million Baht, a paid-up capital of 6.0 Million Baht, major shareholders are as follows:

No.	Shareholder Name	No. of shares	%
1	T.K.S. Siam Press Management Co., Ltd.	33,330	33.33
2	Idemia Identity & Security Co., Ltd., France,	33,330	33.33
3	Multi Channel Solution Co., Ltd.	33,340	33.34
Total no. of shares		100,000	100.00

Synnex (Thailand) Public Company*1 Limited is operating business of trading computer peripheral devices with a registered capital of 880.0 Million Baht, a paid-up capital of 847.3 Million Baht. The list of shareholders as of 31 December 2019 is as follows:

No.	Shareholder Name	No. of shares	%
1	T.K.S. Technologies Public Company Limited	326,355,876	38.51
2	King's Eye Investment Ltd.	269,450,000	34.99
Total no. of paid-up shares		847,361,206	100.00



DIVIDEND PAYMENT POLICY

The Company has a policy to pay dividends to shareholders at a rate of not less than 40% of net profit each year which the Company's business operations obtain profits. However, there is no accumulated loss in the shareholders' equity. The subsidiaries' dividend payment will depend on the business performance of each company under the consideration of the Board of Directors to propose to the Shareholders' Meeting for approval.

The associated company will have a policy to pay dividends at a rate of not less than 40% of net profit after tax, legal reserve and all reserves in each year which the company's business operations obtain profits, there is no accumulated loss in the shareholders' equity. However, such dividend payment may be changed upon the investment plan, necessity and other suitability in the future as the Board of Directors deems appropriate.

Dividend Payment Record from 2014-2019

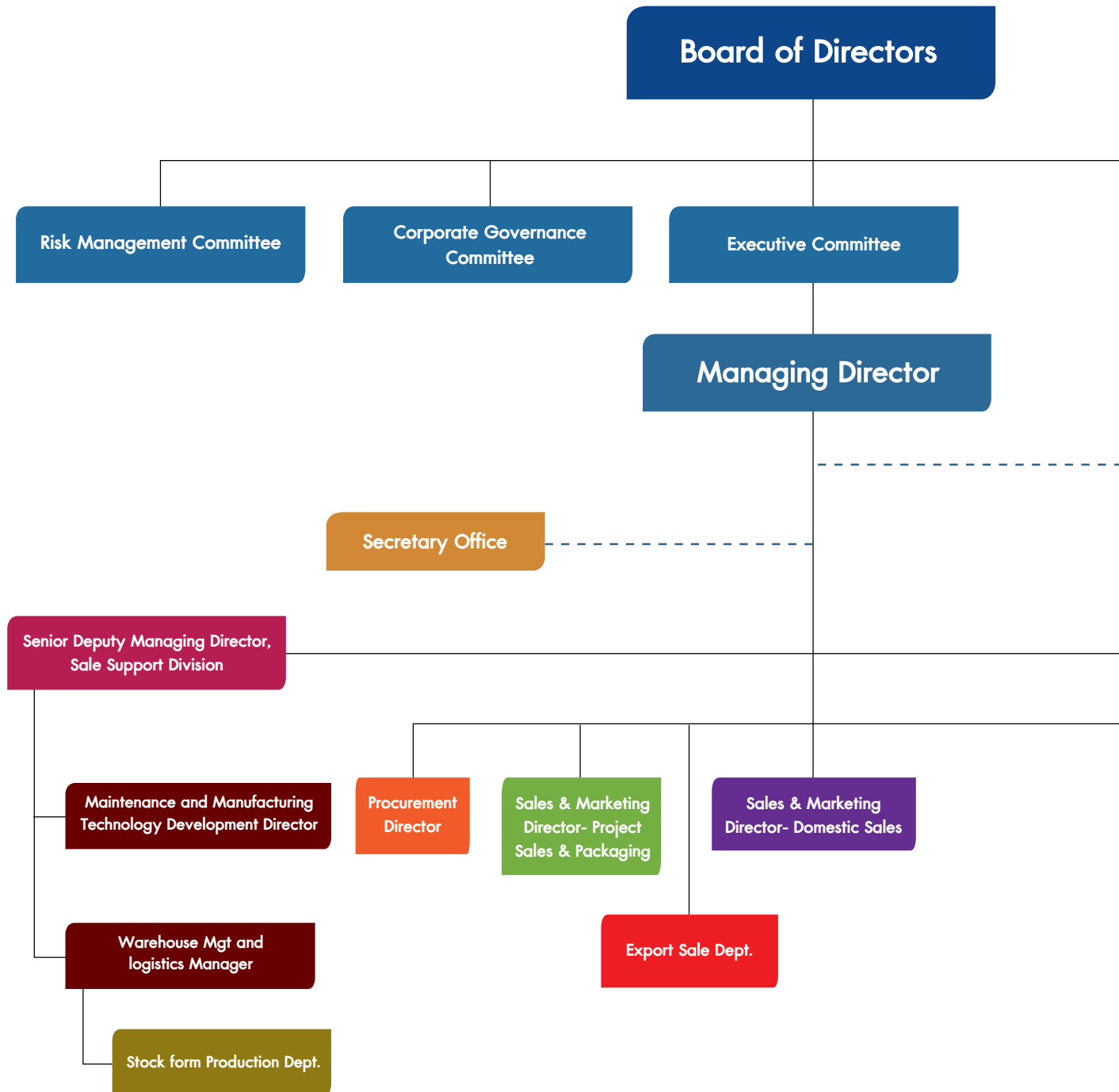
Years	2014	2015	2016	2017	2018	2019 ¹
Earnings per Share (Separate financial Statement) *2	0.73	0.66	0.65	0.93	0.79	0.84
Earnings per Share (Consolidated Financial Statement) *2	0.86	0.79	0.93	0.93	0.79	0.84
Dividend per total shares (Baht/Share)	0.65	0.50	0.65	0.67	0.65	0.60
Cash	0.55	0.50	0.65	0.67	0.55	0.60
Stock Dividend (existing stock: stock dividend)	0.10(10:1)	No	no	No	0.10(10:1)	no
Dividend per Net Profit (Separate financial Statement) (%)	89.00%	75.70%	100.30%	72.04%	71.59%	71.87%
Dividend per Net Profit (Consolidated Financial Statement) (%)	75.60%	63.30%	69.90%	72.04%	71.59%	71.84%

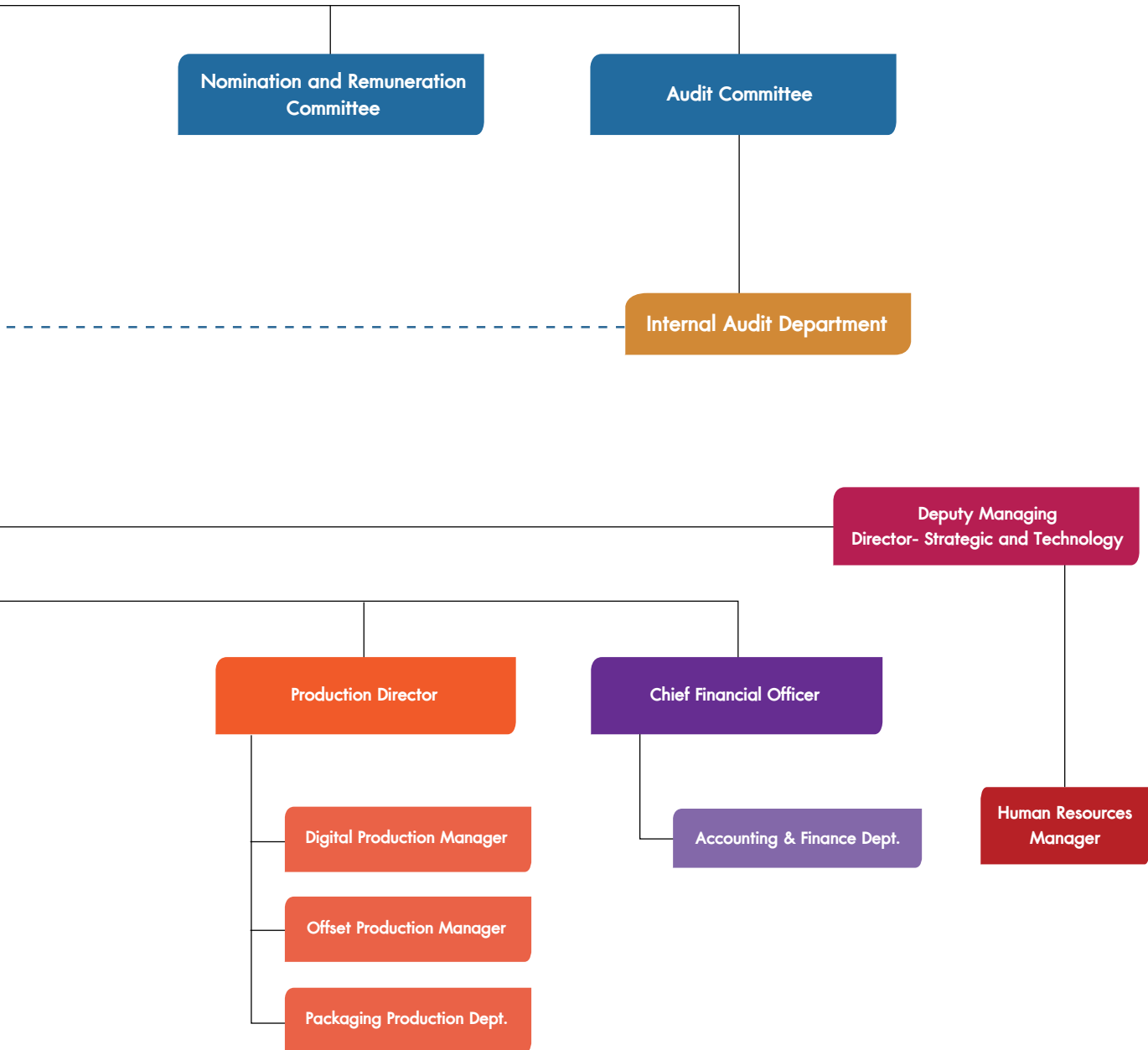
Note : ¹ In 2019, the Company's Board of Directors resolved to pay dividend for 2019 business performance and from retained earnings in the rate of 0.60 Baht per share, the Company paid interim dividend at 0.20 Baht/share for the 2nd half of the year ended 31 December, 2019, additional dividend will be paid at the rate of 0.40 Baht per share. The right to be paid of dividend is not concluded due to waiting for the approval of the Shareholders' Meeting.

² Earnings per share is the profit ration appeared in the financial statement of that year.

MANAGEMENT STRUCTURE

as 31 December 2019





BOARD OF DIRECTORS



1. General Mongkon Ampornpisit

- Independent Director
- Chairman of the Board

2. Mr. Somkid Wekinvattanased

- Director
- Managing Director
- Company Secretary

3. Mr. Areepong Bhoocha-oom

- Independent Director
- Member of the Audit Committee
- Chairman of the Risk Management Committee
- Member of the Nomination and Remuneration Committee

4. Mrs. Saowanee Kamolbutr

- Independent Director
- Chairman of the Audit Committee
- Member of the Risk Management Committee

5. Mr. Prasert Bunsumpun

- Independent Director
- Member of the Audit Committee
- Chairman of the Nomination and Remuneration Committee

6. Ms. Sutida Mongkolsuthree

- Director

7. Mr. Jutiphan Mongkolsuthree

- Director
- Deputy Managing Director - Strategic and Technology

8. Mr. Supant Mongkolsuthree

- Director
- Member of the Risk Management Committee
- Member of the Nomination and Remuneration Committee
- Chairman of the Executive Board of Directors

THE COMPANY'S BOARD OF DIRECTORS

as at January, 2020 as follows:

General Mongkon Ampornpisit	
Age (Years)	79
Nationality	Thai
Current position in TKS	Independent Director/ Chairman of the Board
Appointed Date	May 12, 2009 (10 Years 5 Months)
Percentage of Shareholding	None
Education	<ul style="list-style-type: none"> • Chulachomkiao Royal Military Academy, CRM Class No. 9 • Honorary doctorate in political science, Ramkhamhaeng University
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Finance for Non - Finance Director Program (FND) 1/2001 • Director Accreditation Program (DAP) 39/2005 • Director Certification Program (DCP) 61/2005 • Role of the Chairman Program (RCP) 17/2017
Other Training Programs	<ul style="list-style-type: none"> • Infantry Platoon Leader Course • Ranger Course, Class No. 5 • Aviation Student Course, Class No. 4 • Infantry Officer Advance Course, USA Infantry School, • Senior parachutist, Class No. 2 • Regular Main Course, Session No. 48, The Command and General Staff College • Diploma, National Defence College, The Joint State - Private Sector, Class No. 4 • Course of Right of Creditor/Debtor, Problem and Obstacle and Strategy of Business Reorganization Plan Management, Central Bankruptcy Court • Course Certificate Senior Executive, Capital Market Academy (Class 4) • Executive Program in Commerce and Trade Course Class No. 2, University of the Thai Chamber of Commerce, TEPCot,
Experiences	<p>2006-2009 Chairman of the Board, IRPC Pcl.</p> <p>2003-2006 Chairman, Plan Administrators, Thai Petrochemical Industry Pcl.</p> <p>2002-2005 Chairman of the Board, Krung Thai Bank Pcl.</p> <p>2000-2002 Chairman of the Board, The New Bangkok International Airport Co, Ltd. (NBIA)</p> <p>2000-2002 Director, Airports Authority of Thailand (AAT)</p> <p>1999-2001 Director, Thai Airways International Pcl.</p> <p>1999-2001 President of the Council, Rajabhat Institute Lampang</p> <p>1999-2000 Vice Chairman of the Board, Petroleum Authority of Thailand (PTT)</p> <p>1996-2000 Director, TMB Bank Pcl.</p> <p>1996-1999 President of Association, Suankularb Wittayalai School Alumni Association Under The Royal Patronage</p> <p>1995 Chairman of the Board, The Mass Communication Organization of Thailand (MCOT)</p> <p>1987-1996 Senator</p>
Other Positions	
– Listed company on Stock Exchange of Thailand	None
– Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	None



Mr. Supant Mongkolsuthree	
Age (Years)	61
Nationality	Thai
Current position in TKS	Director/ Member of the Risk Management Committee / Member of the Nomination and Remuneration Committee / Chairman of the Executive Board of Directors
Appointed Date	March 14, 2019 (10 Months)
Percentage of Shareholding	8,291,448 shares (1.97%)
Education	<ul style="list-style-type: none"> • Honorary Doctorate of Economics, Ramkhamhaeng University • Honorary Doctorate of Industrial Engineering, Rajamangala University of Technology Krungthep • Master of Political Science, Chulalongkorn University • Master of Business Administration, City University, USA • Bachelor of General Management, Sukhothai Thammathirat University
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 52/2004 • Director Accreditation Program (DAP) 12/2004
Other Training Programs	<ul style="list-style-type: none"> • Certificate Program of National Institute of Defense Studies (NIDs), National Defense College (NDC), Class 16 in B.E. 2002 • Certificate Program of "NIDA - Wharton Executive Leadership Program", University of Pennsylvania in 2005 • Certificate Program of Senior Executive Development Program, Capital Market Academy (CMA), Class 3 in B.E. 2006 • Certificate Program of Management for Directors and Senior Executives in State Enterprises and Public Organizations, Special Class in B.E. 2009 • Certificate Program of Senior Executives in Justice Administration (SEJA) Program, Class 14 in B.E. 2010 • Certificate Program of Senior Executive Development Program in Bangkok Metropolitan Administration (BMA 1) Program, Urban Green Development in B.E. 2011 • Certificate Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 5 (2014), Thailand Energy Academy • Course "The Rule of Law and Democracy" Class 3 in B.E. 2015 Institute of Constitution Studies, The Constitutional Court of the Kingdom of Thailand
Experiences	<p>2014-2019 Member of the National Legislative Assembly - The National Legislative Assembly</p> <p>2016-2018 Director and Chairman of the Investment Management Committee - EGAT International Company Limited</p> <p>2016-2017 Chairman - The Federation of Thai Industries (F.T.I.)</p> <p>2014-2017 Member - Member of the Board of Investment</p> <p>2014-2017 Director / Chairman of the Corporate Governance and Social Responsibility Committee - Krung Thai Bank PCL.</p> <p>2012-2017 Member - Cultural Promotion Fund Committee, Department of Cultural Promotion</p> <p>2008-2017 Director/ Editor - Chulalongkorn University Alumni Association</p> <p>2006-2017 Advisor to Chairman - Thai Listed Companies Association</p> <p>2005-2017 Advisor - Thai Printing Association</p> <p>2014-2016 Chairman - The Federation of Thai Industries (F.T.I.)</p> <p>2014-2016 Honorary Member - National Defense College (NDC)</p>
Other Positions	<p>2019-Present Director – TBSP PCL.</p> <p>1988-Present Chairman - Synnex (Thailand) PCL.</p>
Listed company on Stock Exchange of Thailand	
Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	<p>2019 – Present Chairman - Export-Import Bank of Thailand</p> <p>2018 – Present Chairman - The Federation of Thai Industries (F.T.I.)</p> <p>2018 – Present Member - Future Economy and Internet Governance</p> <p>2016 – Present Chairman - Choonhavan Institute for Sustainable SMEs Development</p> <p>2015 – Present Member - Rattana Bundit University</p> <p>2015 – Present Member - The SUPPORT Arts and Crafts International Centre of Thailand</p> <p>2014 – Present RMUTI Council of Honorary Members - Rajamangala University of Technology Isan Council</p> <p>2008 – Present Chairman of Activity Promotion Committee / Council Director - Royal Police Cadet Academy</p>



Mrs. Saowanee Kamolbutr

Age (Years)	67
Nationality	Thai
Current position in TKS	Independent Director/ Chairman of the Audit Committee / Member of the Risk Management Committee
Appointed Date	November 14, 2012 (7 Years 2 Months)
Percentage of Shareholding	None
Education	<ul style="list-style-type: none"> • Bachelor of Political Science (Public Administration) Thammasat University • Master of Political Science (Public Administration) Thammasat University
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 69/2006 • Role of the Compensation Committee (RCC) 8/2009 • Role of the Chairman Program (RCP) 23/2010 • Financial Institutions Governance Program (FGP) 1/2010 • Advance Audit Committee Program (AACP) 17/2014
Other Training Programs	<ul style="list-style-type: none"> • Certificate of Senior Executive Program, Sasin Graduate Institute of Business Administration, Chulalongkorn University • The Management Development Program (Wharton School) Certificate in Public Sector Reform, University of Victoria, New Zealand • Certificate of National Defense, National Defense College (Class of 2005) • Course Certificate Senior Executive, Capital Market Academy (Class 7) • Advanced Security Management Course (Class 4), National Defense College
Experiences	<p>2012-2013 Executive Chairman, Thaiyarnyon Co., Ltd. (Retail Business Group)</p> <p>2009-2013 Director, Don Muang Tollway Pcl.</p> <p>2009-2013 Chairman of the Board of Directors, TMB Bank Pcl.</p> <p>2009-2012 Deputy Permanent Secretary, Ministry of Finance</p> <p>2008-2009 Director, TMB Bank Pcl.</p> <p>2008-2009 Inspector General, Ministry of Finance</p> <p>2007-2008 Principal Advisor on Performance Improvement (C10), Revenue Department</p> <p>2004-2007 Deputy Director-General, Revenue Department</p>
Other Positions	
– Listed company on Stock Exchange of Thailand	<p>2016-Present Independent Director, Member of the Audit Committee, Member of the Risk Management Committee and Chairman of the Good Corporate Governance Committee, FN Factory Outlet Pcl.</p> <p>2016- Present Independent Director and Chairman of the Audit Committee, Glow Energy Pcl.</p> <p>2014-Present Independent Director / Chairman of the Audit Committee/ Chairman of the Risk Management Committee, Carabao Group Pcl.</p>
– Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	2017- Present Qualified advisors, SME Development Bank


Mr. Prasert Bunsumpun		
Age (Years)	67	
Nationality	Thai	
Current position in TKS	Independent Director/ Member of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	
Appointed Date	April 25, 2019 (9 Months)	
Percentage of Shareholding	none	
Education	<ul style="list-style-type: none"> • Honorary Doctoral in Engineering, Chulalongkorn University • Honorary Doctoral in Management, National Institute of Development Administration (NIDA) • Honorary Doctoral in Management Science, Phetchaburi Rajabhat University • Honorary Doctoral of Management, Mahasarakham University • Honorary Doctoral of Arts (Innovation and Management) Faculty of Humanities and Social Sciences, Suan Sunandha Rajabhat University • M.B.A., Utah State University, U.S.A. • Bachelor of Engineering Civil Engineering Chulalongkorn University 	
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Accreditation Program (DAP) 28/2004 • The role of Chairman Program (RCP) 28/2012 	
Other Training Programs	<ul style="list-style-type: none"> • Course "Rule of Law for Democracy (Nor Phor Por 7) Class 7, The Office of the Constitutional Court • Business Revolution and Innovation Network (BRAIN) Class 1, The Federation of Thai Industries (F.T.I.) • Cryptoasset Revolution, class 1, Thai Fintech Association (CAR 1) • Advanced Certificate Course in Politics and Governance in Democratic System for Executives, Class 6, King Prajadhipok's Institute • Diploma, National Defence Course for the Joint State-Private Sector, Class 10, The National Defence College • Certificate, Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 3, Thailand Energy Academy • Capital Market Academy Leadership Program, Class 3, Capital Market Academy 	
Experiences	2003.2011	Independent Director, PTT Public Company Limited
	2011.2015	Director/ Chairman of the Executive Board of Directors, Krung Thai Bank Public Company Limited
	2006.2016	Chairman / Director/ Chairman of the Executive Board of Directors, IRPC Public Company Limited
Other Positions – Listed company on Stock Exchange of Thailand	2018-Present	Independent Director/ Chairman of the Board, Nok Airlines Public Company Limited
	2017-Present	Independent Director and Chairman, SVI Public Company Limited
	2015-Present	Independent Director and Chairman, Thaicom Public Company Limited
	2012-Present	Chairman / Chairman of the Executive Board of Directors, Thoresen Thai Agencies Public Company Limited
	2011-Present	Independent Director/ Chairman of the Risk Management Committee, PTT Global Chemical Public Company Limited
	2011-Present	Independent Director/ Chairman of the Nomination and Governance Committee/ Member of the Leadership Development and Compensation Committee/ Member of the Strategic and Organizational Review Committee
– Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	2019-Present	Chairman, AIRA Property Public Company Limited
	2019-Present	Chairman, Yuanta Securities (Thailand) Company Limited
	2014-Present	Member of the National Legislative Assembly (NLA) National Legislative Assembly
	2012-Present	Chairman and Non-Executive Chairman, Mermaid Maritime Public Company Limited
	2011-Present	Chairman, Thailand Business Council for Sustainable Development (TBCSD)
	Present	Distinguished Member of Chulalongkorn University Council
	Present	Distinguished Member of the Suranaree University of Technology Council Office
	Present	Distinguished Member of the King Prajadhipok's Institute Council.
	Present	President of the Dhurakij Pundit University.

Mr. Areepong Bhoocha-oom

Age (Years)	62
Nationality	Thai
Current position in TKS	Independent Director/ Member of the Audit Committee/ Chairman of the Risk Management Committee/ Member of the Nomination and Remuneration Committee
Appointed Date	2 January 2019 (1 year)
Percentage of Shareholding	None
Education	<ul style="list-style-type: none"> • Doctor's Degree in Finance Program, University of Mississippi, USA • Master's Degree in Finance Program, Marshall University, USA • Bachelor's Degree in International Management Program, Boston University, USA
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 3/2000
Other Training Programs	<ul style="list-style-type: none"> • "Government Debt Monitoring System" Course, World Bank • "Global Trend and Public Enterprise Reform" Course, Harvard University, USA • "Awareness, Vision, Imagination, Responsibility, Action (AVIRA)" Course, INSEAD Institute, France • "Senior Executive by Capital Market Academy, Class 4" Course (CMA), Capital Market Academy • "Senior Executive of Administration of Justice, Class 14" Course (TCG), Office of the Judiciary • "National Defence, Class 46" Course (VorPorOr.), National Defence College of Thailand • "Senior Executive in Energy Science, Class 1" Course (TEA), Thailand Energy Academy, Ministry of Energy
Experiences	<p>2016-2017 Chairman of the Board, The Electricity Generating Authority of Thailand</p> <p>2015-2017 Chairman of the Board, Thai Airways International Public Company Limited</p> <p>2014-2015 Director, PTT Public Company Limited</p> <p>2014-2015 Chairman of the Board, Krung Thai Public Company Limited</p> <p>2014-2015 Vice Chairman of the Board, Thai Airways International Public Company Limited</p> <p>2014-2014 Director, Bank of Thailand</p> <p>2013-2014 Director, PTT Global Chemical Public Company Limited</p>
Other Positions	
- Listed company on Stock Exchange of Thailand	2019-Present Vice Chairman Maybank Kim Eng Securities (Thailand) Plc.
- Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	2015-Present Councilor, Office of the Council of State

Mr. Somkid Wekinvattanased	
Age (Years)	60
Nationality	Thai
Current position in TKS	Director/ Managing Director/ Company Secretary
Appointed Date	March 1, 2017 (2 years 10 Months)
Percentage of Shareholding	172,167 shares (0.04 %)
Education	<ul style="list-style-type: none"> • Bachelor of Finance and Banking, Ramkhamhaeng University • Master of Business Administration in Marketing Program, University of the Thai Chamber of Commerce
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 239/2017 • How to Develop a Risk Management Plan (HRP) 14/2017 • Risk Management Program for Corporate Leaders (RCL) 8/2017 • Ethical Leadership Program (ELP) 9/2017
Other Training Programs	<ul style="list-style-type: none"> • TLCA Executive Development Program (EDP), Class No. 1, Stock Exchange of Thailand • Advanced Certificate Course in Public Economics Management for Executives, King Prajadhipok's Institute (PorSorSor. Class No. 9) • Naval Executive Development Course, Royal Thai Navy, (PorSorBor, Class No. 3) • Real Estate Entrepreneur, Kasetsart University, Class No. 18
Experiences	<p>2015-2019 Industrial Sub-Commission in the Industrial, Commercial and Labor Commission, National Legislative Assembly</p> <p>2015-2017 Working Group on Foreign Export and Investment Promotion, Public-Private Steering Committee.</p> <p>2006-2017 Deputy Managing Director-sales and production, T.K.S. Technologies Pcl.</p> <p>1998-2005 Director, Deputy Managing Director, Siam Press Co., Ltd.</p> <p>1994-1997 Accounting and Supporting Manager, Siam Press Co., Ltd.</p> <p>1987-1994 Chief of Audit Team, Siam Commercial Bank Pcl.</p>
Other Positions	
- Listed company on Stock Exchange of Thailand	2019 Director, TBSP Pcl.
- Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	<p>2019 Directors, Thai-Cambodian Business Council</p> <p>2019 Executive Committee International Code Institute Executive Committee (GS1 Thailand) Information technology development</p> <p>2019 President of the Association of Employers for Computer Business</p> <p>2018 Director, Gofive Co., Ltd.</p> <p>2015 Director, Marvel Pack Co., Ltd.</p> <p>2015 Associate Judge, Pathum Thani Provincial Juvenile and Family Court</p>



Ms. Sutida Mongkolsuthree		
Age (Years)	38	
Nationality	Thai	
Current position in TKS	Director	
Appointed Date	January 2, 2020	
Percentage of Shareholding	20,632,037 shares (4.46%)	
Education	<ul style="list-style-type: none"> • Bachelor of Administration in Finance and Banking, Chulalongkorn University • Master of Science in International Management, Queen Mary, University of London, UK 	
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 233/2016 	
Other Training Programs	<ul style="list-style-type: none"> • Certificate Program of Fundamental Practice for Corporate Secretary (FPCS), Thai Listed Companies Association, in B.E. 2009 • Certificate Program for Corporate Secretary, Thai Institute of Directors (IOD), in B.E. 2009 • Certificate of TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 7 in B.E. 2011 • Advance Certificate Course Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute • Academy of Business Creativity Program, Sripatum University • Young F.T.I. Elite Class 1, The Federation of Thai Industries 	
Experiences	<p>2015 - 2019 Member of Corporate Public Communication and Social Responsibility Committee, Synnex (Thailand) PCL.</p> <p>2013 – 2015 Member of Financial Risk Management Committee, Synnex (Thailand) PCL.</p> <p>2013 - 2014 Vice President / Accounting and Finance & Corporate Secretary, Synnex (Thailand) PCL.</p> <p>2012 – 2013 Department Manager/ Finance & Corporate Secretary, Synnex (Thailand) PCL.</p> <p>2009 – 2011 Corporate Secretary, Synnex (Thailand) PCL.</p> <p>2004 – 2006 Management Trainee (Institutional Dealer / Securities Analyst) - UOB Kay Hian Securities (Thailand) PCL.</p>	
Other Positions		
- Listed company on Stock Exchange of Thailand	<p>2015 – Present Member of Legal Risk Management Committee, Synnex (Thailand) PCL.</p> <p>2015 – Present Member of Operation Risk Management Committee, Synnex (Thailand) PCL.</p> <p>2015 – Present Member of Corporate Governance Committee, Synnex (Thailand) PCL.</p> <p>2014 - Present Chief Executive Officer, Synnex (Thailand) PCL.</p> <p>2013 – Present Director and Chairman of the Executive Committee, TBSP PCL.</p>	
- Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	None	

Mr. Jutiphan Mongkolsuthree	
Age (Years)	33
Nationality	Thai
Current position in TKS	Director/ Deputy Managing Director - Strategic and Technology
Appointed Date	August 25, 2016 (3 years 5 Months)
Percentage of Shareholding	3,120,028 shares (0.67%)
Education	<ul style="list-style-type: none"> • Bachelor of Computer Science, Purdue University, USA • Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University • MBA Exchange Program at University of North Carolina, USA
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 247/2017
Other Training Programs	<ul style="list-style-type: none"> • Certificate III Print and Graphics Arts (Lithography Printing) • Diploma in Young F.T.I. Legend, Class no.2, The Federation of Thai Industries • Academy of Business Creativity, Sripatum University
Experiences	2016-2018 Director, Institute of Information and Communication Technology for Industries 2016-2018 Managing Director, Prism Solutions Co., Ltd. 2012-2016 Information Technology Manager, T.K.S. Technologies Pcl. 2008-2011 Chief of System Development, T.K.S. Technologies Pcl.
Other Positions	
- Listed company on Stock Exchange of Thailand	None
- Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company) competing with the Company)	2018-Present Director and Managing Director, Gofive Co., Ltd. 2016-Present Director, Prism Solutions Co., Ltd.



Management Team



1. Mr. Somkid Wekinvattanased

- Director
- Managing Director
- Company Secretary

2. Mr. Wichai Arjinajarn

- Sales and Marketing Director-Project Sales & Packaging

3. Mr. Parkpoom Pooudom

- Deputy Managing Director-Sale Support Division

4. Mr. Vorawut Opastirakul

- Procurement Director

5. Mr. Jiraphong Wachirathanaporn

- Maintenance and Manufacturing Technology Development Director

6. Miss Rujee Jonpipob

- Sales and Marketing Director-Domestic Sales

7. Mr. Jutiphan Mongkolsuthree

- Director
- Deputy Managing Director - Strategic and Technology

EXECUTIVE PROFILE

as at 2 January, 2020 as follows:

Mr. Somkid Wekinvattanased		
Age (Years)	60	
Nationality	Thai	
Current position in TKS	Director/ Managing Director/ Company Secretary	
Appointed Date	March 1, 2017 (2 years 10 Months)	
Percentage of Shareholding	172,167 shares (0.04 %)	
Education	<ul style="list-style-type: none"> • Bachelor of Finance and Banking, Ramkhamhaeng University • Master of Business Administration in Marketing Program, University of the Thai Chamber of Commerce 	
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 239/2017 • How to Develop a Risk Management Plan (HRP) 14/2017 • Risk Management Program for Corporate Leaders (RCL) 8/2017 • Ethical Leadership Program (ELP) 9/2017 	
Other Training Programs	<ul style="list-style-type: none"> • TLCA Executive Development Program (EDP), Class No. 1, Stock Exchange of Thailand • Advanced Certificate Course in Public Economics Management for Executives, King Prajadhipok's Institute (PorSorSor, Class No. 9) • Naval Executive Development Course, Royal Thai Navy, (PorSorBor, Class No. 3) • Real Estate Entrepreneur, Kasetsart University, Class No. 18 	
Experiences	<p>2015-2019 Industrial Sub-Commission in the Industrial, Commercial and Labor Commission, National Legislative Assembly</p> <p>2015-2017 Working Group on Foreign Export and Investment Promotion, Public-Private Steering Committee.</p> <p>2006-2017 Deputy Managing Director-sales and production, T.K.S. Technologies Pcl.</p> <p>1998-2005 Director, Deputy Managing Director, Siam Press Co., Ltd.</p> <p>1994-1997 Accounting and Supporting Manager, Siam Press Co., Ltd.</p> <p>1987-1994 Chief of Audit Team, Siam Commercial Bank Pcl.</p>	
Other Positions		
- Listed company on Stock Exchange of Thailand	2019	Director, TBSP Pcl.
- Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	<p>2019 Directors, Thai-Cambodian Business Council</p> <p>2019 Executive Committee International Code Institute Executive Committee (GS1 Thailand) Information technology development</p> <p>2019 President of the Association of Employers for Computer Business</p> <p>2018 Director, Gofive Co., Ltd.</p> <p>2015 Director, Marvel Pack Co., Ltd.</p> <p>2015 Associate Judge, Pathum Thani Provincial Juvenile and Family Court</p>	

Mr. Jutiphan Mongkolsuthree

Age (Years)	33
Nationality	Thai
Current position in TKS	Director/ Deputy Managing Director - Strategic and Technology
Appointed Date	August 25, 2016 (3 years 5 Months)
Percentage of Shareholding	3,120,028 shares (0.67%)
Education	<ul style="list-style-type: none"> • Bachelor of Computer Science, Purdue University, USA • Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University • MBA Exchange Program at University of North Carolina, USA
Training Programs Organized by Thai Institute of Directors Association (IOD)	<ul style="list-style-type: none"> • Director Certification Program (DCP) 247/2017
Other Training Programs	<ul style="list-style-type: none"> • Certificate III Print and Graphics Arts (Lithography Printing) • Diploma in Young F.T.I. Legend, Class no.2, The Federation of Thai Industries • Academy of Business Creativity, Sripatum University
Experiences	<p>2016-2018 Director, Institute of Information and Communication Technology for Industries</p> <p>2016-2018 Managing Director, Prism Solutions Co., Ltd.</p> <p>2012-2016 Information Technology Manager, T.K.S. Technologies Pcl.</p> <p>2008-2011 Chief of System Development, T.K.S. Technologies Pcl.</p>
Other Positions	
- Listed company on Stock Exchange of Thailand	None
- Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company) competing with the Company)	<p>2018-Present Director and Managing Director, Gofive Co., Ltd.</p> <p>2016-Present Director, Prism Solutions Co., Ltd.</p>

Mr. Parkpoom Pooudom

Age (Years)	56
Nationality	Thai
Current position in TKS	Deputy Managing Director - Sales Support Division
Percentage of Shareholding	17,850 shares (0.004%)
Education	<ul style="list-style-type: none"> • Bachelor of Political Science, Ramkhamhaeng University
Training Programs	<ul style="list-style-type: none"> • TLCA Executive Development Program 9 • Executive Energy Program 2015 (EEP1)
Experiences	<p>2010-2014 Deputy Managing Director-Digital Printing & Administration, T.K.S. Technologies Pcl.</p> <p>2005-2010 Deputy Managing Director-Production, T.K.S. Technologies Pcl.</p> <p>1994-2005 Factory Department Manager, T.K.S. Technologies Pcl.</p> <p>1992-1994 Human Resources Manager, Chiang Mai Cable TV Co., Ltd.</p> <p>1988-1992 Personnel Division Manager, Welco Department Store Pcl.</p>
Other Positions	
– Listed company on Stock Exchange of Thailand	None
– Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	2012-Present Vice President of the Federation, The Federation of Samut Sakhon Industry

Mr. Wichai Arjinajarn

Age (Years)	59
Nationality	Thai
Current position in TKS	Sales and Marketing Director –Project Sales & Packaging
Percentage of Shareholding	8,261 shares (0.002%)
Education	<ul style="list-style-type: none"> • Bachelor of Marketing Program, • Rajamangala University of Technology Tawan-Ok: Chakrabongse Bhuvanarth Campus
Training Programs	<ul style="list-style-type: none"> • Mini MBA 'Advance IT CEO, Chulalongkorn University • TLCA Executive Development Program 9 • Executive Development Program (EDP), Thai Listed Companies Association
Experiences	<p>2009-2010 Sale Department Manager, T.K.S. Technologies Pcl.</p> <p>2003-2009 General Manager, A.Wattanachai Frozen Product Co., Ltd.</p> <p>1995-2003 Sale Department Manager, T.K.S. Technologies Pcl.</p> <p>1991-1995 Senior Officer of Sales and Marketing, STC Computer Co., Ltd.</p> <p>1987-1991 Officer of Credit Card Section, Kasikornbank Pcl.</p>
Other Positions	
– Listed company on Stock Exchange of Thailand	None
– Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	None

Mr. Vorawut Opastirakul

Age (Years)	56
Nationality	Thai
Current position in TKS	Procurement Director
Percentage of Shareholding	54,507 Shares (0.012%)
Education	<ul style="list-style-type: none"> • Bachelor of Faculty of Humanities, Chiang Mai University
Training Programs	<ul style="list-style-type: none"> • Mini MBA 'Advance IT CEO, Chalulongkorn University • Category Management, Demar Thailand • Scot work Negotiating Skills • Executive Development Program (EDP), Thai Listed Company Association
Experiences	<p>2006-2007 Marketing Department Manager, Lyreco (Thailand) Co., Ltd.</p> <p>2004-2005 Senior Procurement Department Manager, Siam Makro Pcl.</p> <p>1996-2003 Senior Procurement Department Manager, Makro Office Center Co., Ltd.</p> <p>1991-1995 Product Department Manager, Wool Worth Overseas Corporation (Thailand) Co., Ltd.</p>
Other Positions	
– Listed company on Stock Exchange of Thailand	None
– Companies or other entities (Non-listed companies not doing business of similar nature and	None

Miss Rujee Jonpipob



Age (Years)	51
Nationality	Thai
Current position in TKS	Sales and Marketing Director-Domestic Sales
Percentage of Shareholding	45,216 shares (0.010%)
Education	<ul style="list-style-type: none"> Diploma in Marketing Program, Silom Commercial School
Training Programs	<ul style="list-style-type: none"> Modern IT CEO Program " Course, Faculty of Commerce and Accountancy, Chulalongkorn Business School
Experiences	2012-2018 Sales Manager, T.K.S. Siam Press Management Co., Ltd.
Other Positions	
– Listed company on Stock Exchange of Thailand	None
– Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	None

Mr. Jiraphong Wachirathanaporn	
Age (Years)	44
Nationality	Thai
Current position in TKS	Maintenance and Manufacturing Technology Development Director
Percentage of Shareholding	33,723 shares (0.007%)
Education	<ul style="list-style-type: none"> • Bachelor's Degree in Mechanical Engineering, Chulalongkorn University. • Master's Degree in Mechanical Engineering, Chulalongkorn University.
Training Programs	<ul style="list-style-type: none"> • Executive program for Implementing Robotics and Automation System (iRobot) by ICTI CY2018 • Executive program in Digitalization Industry of Thailand (eDIT) by ICTI CY2017 • Six Sigma training at UTAC Thailand CY2014 • CIM system training at UTAC Singapore CY2011 • Problem Solving and Decision-Making training by Kepner-Trego International CY2004 • IT Hardware & Network training at Continuing Education Center Chulalongkorn CY2000 • LEAN Automation SI Warrior 2019 by TGI-OPS CY2019
Experiences	2015-2017 Factory Manager, Varopakorn Pcl. 2015-2015 Senior Manager Global Sourcing, Summit Auto Body Industry Co., Ltd. 2003-2015 Automation Manager, UTAC Thai Co., Ltd.
Other Positions	
– Listed company on Stock Exchange of Thailand	None
– Companies or other entities (Non-listed companies not doing business of similar nature and competing with the Company)	None



CORPORATE GOVERNANCE

The Company's Board of Directors and the Management have believed that the good corporate governance is an important part for creating corporate sustainability, therefore, it has committed to manage, adhere to and comply with the principles of good corporate governance for the Company's business operations, the good corporate governance policy has established as the guideline complied by directors, executives and employees.

In 2019, the Company therefore was assessed of corporate governance by the following organizations :

1. The Company was assessed from the survey project for Corporate Governance Report of Thai Listed Companies (CGR) for 2019 and earned 86 scores at Very Good Level (score in the range of 80-89) carried out by Thai Institute of Directors (IOD).
2. The Company earned 97 assessment scores from AGM Checklist Assessment 2019 carried out by Thai Investors Association.
3. The Company was ranked as one of ESG 100 Listed Companies in 2019 for the fourth consecutive year, this is the sustainability assessment organized by Thaipat Institute selecting 100 companies with outstanding performance in terms of Environmental, Social and Governance (ESG) from 771 listed companies.

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board in Sustainable Value Creation of the Company

The Board shall understand role, duties and responsibilities in managing the Company in accordance with laws, regulations and resolutions of the Shareholders' Meeting with integrity, diligence and protection of the Company's interest, mutually define with the management the annual business plan and budget 2019 of the Company to be the framework for operation, review operating policy for management in various areas to attain the objectives and goals, and monitor, evaluate and oversee performance reporting in accordance with goals. The policies in various areas are formulated and prepared as Corporate Governance Manual and disclosed on the Company's website: www.tks.co.th to be in the framework of sustainable business operation.

Principle 2 Define Objectives that Promote Sustainable Value Creation

The Board promotes the collaboration among the Company and stakeholders and significant related parties, such as shareholders, suppliers of goods and services to the Company, buyers of products from the Company, and employees, due to its emphasis on supervision and concern on the right of the stakeholders. The guideline of practice is based on integrity and fairness with transparency, and without self-exploitation which is in conflict with the interests of the Company and stakeholders, as the main goals of the sustainable business operation as follows.

Shareholders: The Company ensures fair and equitable treatment among all shareholders in accordance with basic rights and upholds the principle of CG Code. The Company shall commit to act as the shareholder's representative by operating business with transparency and reliable accounting and financial system. The Company also ensures that every shareholder are treated fairly and equally in all matters relating to the Company. Those matters include the rights to attend and vote at the Shareholders' Meeting, assign proxy, advance disclosure of information at appropriate timing to facilitate decision-making, meeting venue, appropriate time allocation for agenda, disclosure of information in stakeholding and the right to freely express opinions at the meeting. In addition, The Board shall not perform any acts that may result in conflict of interest with the Company nor seeking personal benefits and disclosing confidential information to any third parties.

Customers: The Company is committed to supply good quality and standardized products and services to ensure highest benefits for customers in terms of price and quality. The Company guarantees highest confidentiality of customer information and performs regular product quality inspection, including ensuring accurate and on-time delivery of products as well as compliance with any contracts, agreements or conditions agreed between the customers in transparent and equal manner. The Company shall equally prioritize the demands of both major and minor customers by setting a team for contacting with the customers, providing useful advices and accepting customer suggestions or opinions, and maintaining confidentiality of customer information.

Rules and Guideline of practices

- Providing a strict and appropriate system for caring, maintaining, preventing and protecting any information or properties of the customers under the Company's supervision, including installing CCTV system for recording operations at all times and allowing the customers to check work process, and the face scan system has been also established for work attendance records with convenience, fastness and safety.
- Creating innovations to achieve customer satisfaction and perform business operations in environmental-friendly manner based on ISO 9001 system, and perform duties with full effort and commitment.
- Exercising knowledge, abilities, expertise, carefulness and care to deliver quality products to customers in professional manner.
- Surveying customer satisfaction by allowing them to express opinions on product and service quality, including any other comments toward the Company for further improvements to create highest satisfaction of its customers.
- Strictly and appropriately maintaining confidentiality of customer information and avoiding disclosure of such information to any third parties unless consent is given by the customer or required by legal proceeding.
- Setting up a team to be responsible for handling customer complaints and suggestions for further improvement and higher work effectiveness.
- Establishing an anti-corruption policy as a guideline for employees at all levels of the Company Group to gain the trustfulness of all customers, vendors, shareholders, and stakeholders.
- Complying with generally accepted standards that are relevant to the Company's business operations.
- Proper operating business in compliance with the official laws and requirements, and avoiding any assistance, promotion or support in any unlawful activities and transactions.
- Communicating the Company's product or service information to ensure that the customers have correct understanding regarding the Company's products and services.

Employees: The Company gives high priority to human resources in terms of welfare, safety and improvement of working environment by performing its operations and overseeing under safety, occupational health, and working environment policy, including providing appropriate annual employee remunerations in consistency with the payment of remuneration of the same industry. In addition, the Company provides various employee welfares such as provident fund, Employee Joint Investment Program (EJIP), and establishes annual health check policy for all employees, including encouraging the use of masks and noise protection equipment in case where an employee must work under an environment exposed to dust and loud noise from machines. The Company annually arranges working environment inspection. This includes inspection of lighting at workplace, dust content and loudness within manufacturing plant as well as drinking water quality, etc.

In terms of strengthening the work environment, the Company has focused on making all employees proud and trust in the organization by embedding the corporate culture "T.K.S. We Can" as follows:

T : Trust	Have a good attitude, open mind & listen, respect and honor
K : Knowledge	Continuously study, learn, and develop potentials
S : Spirit	Voluntarily cooperate, share & help each other, be a giver for the public
WE CAN	Fully commit, pay attention and do the best

When all employees trust each other, are interested in learning, spiritual mind and do their best, the organization will be led to sustainable success.

Furthermore, the Company develops the employee in every level to enhance their competency for supporting future business growth by providing training programs to enhance knowledge and competency of the employee in each division to be in reasonable and appropriate level for the performance of each employee in each level and transferring knowledge among the employees in the said division.

To allow employees the chance to give opinions and suggestions, the Company therefore continuously organizes General Meeting of Shareholders and Extraordinary Meeting of Shareholders every year so that the employees are notified of

the Company's policies and operating results, and allowed to ask questions and give suggestions and opinions to the Management. The Company also prepares comment/complaint boxes that can only be opened by the Managing Director.

For new employees, the Company organizes orientation in the first day of working commencement for new employees in order to primarily inform them of the Company's policies, regulations, rules, business structure, corporate culture, welfares and other benefits of the Company. Within 1 year, the Company shall organize orientation activity for new employees to get acquainted with their co-workers, seniors and the Management as reinforcement of good relationships among the people within the organization, organizational engagement, and teamwork learning.

However, the Company takes safety and environment into consideration, promotes the Company's stakeholders to participate in community and society development, and also continuously upholds and develops stakeholder treatment. The statistics of accidents at workplace, absenteeism rate, occupational illness rate, and yearly average training hours of the employees are disclosed.

Society, Community and Environment: The Company has been accredited with Eco Factory Certification and Environmental Management System Standard Certification (ISO 14001) which are applied to control environment in order to ensure that the surrounding community adjacent to the Company will be safe from pollutions. The Company also organizes activities with nearby community to mutually build happy coexistence, such as granting scholarship to the students in nearby schools, etc.

Creditors: The Company ensures strict compliance with terms and conditions of the contract in accordance with the agreement in terms of loan repayment and interest payment, and compliance with the borrowing conditions in accordance with the agreement, including fulfilling its responsibilities to the trade creditors. The Company has never performed to violate any agreed conditions. The Company continuously maintains confidentiality of information or facts that may damage the creditors in order to raise confidence among the creditors and jointly organizes activities with the trade creditors to enable sharing of knowledge and occasionally organizing seminars.

Business Partners: The Company takes the importance of business partners into account, purchases products and services from business partners under trade conditions, and complies with related laws, rules and contracts ensuring fair treatment and transparency among business partners. The Company also gives precedence to payment of purchased products and services on time. The Company's business partner selection system is reliable and responsible for society and environment to ensure that quality and standard products and services in accordance with the requirement will be delivered to the customers.

Practical Guidelines are as follows:

- Not demanding, accepting, and paying any trade benefits to business partners in bad faith, and strictly complying with the agreed contract, agreement and conditions. In case where the Company is unable to comply with the said conditions, it must immediately notify the business partners in advance to jointly seek appropriate solutions based on reasonable ground.
- Controlling or preventing the event where conflict of interest relating to the Company's business occurs or may occur in appropriate manner and avoiding to seek any unlawful benefits or benefits that are in conflict with the official regulations.
- Not being involved in any actions that may infringe intellectual property rights, and promoting efficient use of the Company's resources and assets among the executives and employees, including using proper copyrighted products and services, and not supporting the use of any products or services that infringe intellectual property.
- Maintaining strict compliance with trade conditions and agreements to bring about standard trade both with domestic and overseas business partners.

Criteria for Selection and Evaluation of the Company's Business Partners:

- Product and service quality
- Product properties that meet requirements and can be tested before use
- Specialization and experience
- Financial status
- Business reputation
- Operating business that is environmentally friendly and in line with CG Code.
- Risk from providing services to multiple customers

Competitors: The Company strictly upholds the compliance with ethics and code of conduct on relationships with the Company's trade competitors. The trade competitors are treated in consistency with international principle under legal framework on the principle of trade competition, and observance on the rule of good and equitable competition. The Company rejects any distortion of information, deception or use of any other improper methods in the course of the good competition, and not attempt to damage the reputation of its trade competitors through false allegation, sabotage, accusation, or undertaking any unfair actions for competition, and not engaging in any dishonest or inappropriate action in order to obtain the competitors' confidential information, and not restricting other persons to participate in business competition.

Government: The Company has provided full cooperation as good citizen by strictly complying with laws, rules and regulations relating to the Company's business.

Intellectual Properties or Copyrights: The Company has set up a policy to comply with laws relating to non-infringement of intellectual properties or copyrights, and non-encouragement of its employees to undertake any actions that may infringe unlicensed intellectual properties or copyrights of other persons. This is the observance with ethics and code of conduct concerning intellectual properties and the use of the Company's information and communication technology.

Anti-Corruption: In 2019, the Company has continuously provided the anti-corruption knowledge to the directors, chief executives of the Company Group by organizing many activities for employee participation, acknowledgement and understanding in order to raise awareness, alertness, and reinforcement of consciousness. The knowledge and understanding relating to various forms of corruptions have been provided so that such knowledge can be further communicated and integrity value can be fostered with the employees (the detail is shown in topic of "Report of Sustainable Development").

Principle 3 Strengthen Board Effectiveness

The Board realizes that the directors shall play the crucial role in taking responsibility for corporate governance for highest benefits of the Company and shall understand their roles, duties and responsibilities. The roles and duties are delegated between the Board and the Management and the appropriate structure of the Board of Directors is therefore determined for efficient and effective work performance of the Board as per the following guideline of practice.

Board of Directors' Structure

The Company's directors shall be elected as per the resolution of the Shareholders' Meeting, the criteria and procedure required by laws and regulations of the Company. As of 2 January 2020, there have been eight members of the Board consisting of two executive directors and six non-executive directors (of which four members are independent directors).

The independent directors are independent from the Management and the major shareholders of the Company, and are not related to the Company's business in a manner that limits the free opinion expression, and possess the qualifications as per the definition of the independent director mentioned under topic of "Independent Directors".

Office Term of Directorship

The office term of each director is three years per term, and can be elected upon retirement by rotation to resume the director office.

At each Annual General Meeting of Shareholders, at least 1/3 of the directors shall retire. If total number of directors cannot be divided exactly by three portions, the number of directors nearest to 1/3 ratio shall apply for retirement.

In the event of retirement due to any other reasons apart from rotation, the Nomination and Remuneration Committee shall consider and select the candidate to be proposed to the Board of Directors for consideration and such candidate shall remain in their office as per the remaining office term of the director he/she replaced.

Assumption of Directorship in Other Companies and Listed Companies

To ensure that the directors can perform their duties in efficient manner, the Company therefore set up a policy to limit the number of directors assuming directorship in other companies and listed companies by not more than five listed companies at the same time.

Any directors assuming directorship or management position in other companies, he/she must notify the Company for acknowledgement since it is a stakeholding issue required for reporting as prescribed in "Disclosure of Information and Transparency".

Assumption of Position in Other Listed Companies by Executives

The Board of Directors has developed a policy concerning the assuming of directorship in other companies by

high-ranking executives from Manager level or higher. Under such policy, any executives who wish to assume directorship in other listed companies apart from the ones assigned by the Company must notify the Company as per legal requirement. However, no executives shall assume directorship in the companies having the same business nature as the Company or competing with the Company's business.

Diversity Policy for the Board of Directors' Structure

The Board of Directors defines that the Board of Directors' structure must consist of the directors who are diversified with professional skills, experiences, specializations and competency in specific areas that are beneficial to the Company, including understanding on the business of the Company, and gender. In addition, the Board of Directors must have at least one non-executive director who has experiences in the core business or industry in which the Company operates

Qualification of the Board of Directors

1. The directors must be the persons who have sufficient knowledge, competency, integrity and business ethics, and enable to have adequate time to devote their competency, and perform their duties for the Company.

2. The directors must fulfill their qualifications and possess non-prohibited characteristics as prescribed by public limited companies law and related laws, and must not possess any characteristics that are unsuitable for managing a business of which the general public is the shareholder pursuant to the requirement prescribed by the SEC.

3. The directors can assume directorship in other companies but must not obstruct their performance of duties as director of the Company, and must be in compliance with the guidelines of the Office of SEC and SET.

4. The directors must not operate a business of the similar nature as the Company or competing with the Company's business or entering to be the partner in ordinary partnerships or partner without limit of liability in limited partnership or assuming directorship in other companies operating similar business nature as the Company and competing with the Company's business, whether for personal benefits or benefits of others, except the case where the Shareholders' Meeting has been notified before resolving for appointment.

5. The independent directors must have the qualifications prescribed by the Company which must be in line with Independent Director Qualifications prescribed by relevant notifications of SET and SEC. They must safeguard the interests of all shareholders in equal manner without any conflict of interests, and participate in the Board of Directors' Meeting by giving opinions independently.

Board of Directors' Independence from the Management

- Separation of Duties, Roles and Responsibilities between the Chairman of the Board and the Managing Director

The Board of Directors plays a vital role in corporate governance to ensure best interests of the Company and overall shareholders. Thus, to ensure proper check and balance of the operation, the duties, roles and responsibilities have therefore been separated between the Chairman of the Board and the Managing Director to avoid both positions to be held by the same person. The Chairman of the Board shall be an independent director having the qualifications prescribed by law and the Company, and having none of any relationships with the Management.

- Balance of Director Power

The Company shall consist of non-executive directors by more than half of total number of directors and among such number, there shall be independent directors by at least 1/3 of total number of directors. In addition, no less than three directors fulfill the qualifications prescribed by law and by the Company and take part in corporate governance with independence and impartiality to ensure highest benefits of the shareholders and stakeholders of the Company.

Power, Duties and Responsibilities of the Board of Directors

1. To perform duties in compliance with the laws, objectives and regulations of the Company, including the Shareholders' Meeting resolutions with accountability, integrity and carefulness to safeguard the best interest of the Company, with the exception of matters that require urgent approval from the Shareholders' Meeting before proceeding such as matters required by law to obtain approval from the Shareholders' Meeting, connected transactions, acquisition or disposition of assets as per the criteria prescribed by the SEC, SET or any other relevant regulatory bodies.

2. To consider the approval of business policies, visions, missions, targets, operational plans, business strategies and annual budgets of the Company to ensure the compliance with good corporate governance, including reviewing such policies at least once a year and conducting performance assessment and monitoring performance to consider on appropriate improvement.

3. To consider and approve the appointment of a person who possesses the required qualifications and does not have any characteristics prohibited under the public limited companies law and securities and exchange law, including the relevant notifications, regulations and/or rules to assume the directorship in case of vacancy due to causes other than retirement by rotation.

4. To nominate independent directors by taking into consideration the required qualifications and prohibited characteristics as per securities and exchange law, Notification of the Capital Market Supervisory Board, including relevant notifications, regulations and/or rules of the Stock Exchange of Thailand (SET) to be proposed to the Shareholders' Meeting to consider such appointment.

5. To coconsider the members of the Audit Committee who meet the qualifications specified by securities and exchange law, Notification of the Capital Market Supervisory Board, including relevant notifications, regulations and/or rules of the Stock Exchange of Thailand.

6. To consider the appointment of the committees in specific issues to assist in performing works as entrusted by the Board of Directors.

7. To consider determining and changing the conditions and the names of directors who have the authority to sign in binding the Company.

8. To appoint other persons to operate the Company's business under the supervision of the Board of Directors or may authorize such persons to have the authority and/or within the period of time as deemed appropriate by the Board of Directors. The Board of Directors may cancel, withdraw, alter, or change such authority.

9. To consider the approval of transactions relating to acquisition or disposition of assets, except where such transactions require approval from a Shareholders' Meeting. Such approval must be in compliance with securities and exchange law, Notification of the Capital Market Supervisory Board and/or relevant notifications, regulations and/or rules of the Stock Exchange of Thailand.

10. To consider the approval of connected transactions, except where such transactions require approval from a Shareholders' Meeting. Such approval must be in compliance with the Notification of the Capital Market Supervisory Board and/or relevant notifications, regulations and/or rules of the Stock Exchange of Thailand.

11. To consider the approval of interim dividend payout among the shareholders when it has been considered that the Company has sufficient profits to do so and to report such payout to the following Shareholders' Meeting.

• The Board of Directors' Meeting

The Company shall notify the schedule of the Board of Directors' Meeting for advance acknowledgement of the directors every year, and notify each member of the Board of Directors for acknowledgement. In the Board of Directors' Meeting, quarterly meeting is scheduled and additional special meetings may be held as necessary. At least six meetings shall be annually held. In 2019, total of seven meetings were held. The Company Secretary shall deliver the meeting schedule at least seven days in advance, and notify each director for acknowledgement on such schedule so that the directors can allocate time to attend the meeting. In the meeting notice, the meeting agenda are clearly defined and include regular considering and monitoring agenda for operating result. However, the meeting notice together with meeting agenda and meeting documents shall be delivered to the directors seven days in advance prior to meeting date unless in case of urgency for protecting the rights or interests of the Company. Moreover, if any directors intend to propose the issue into the meeting agenda, they can do by advance notification prior to meeting date for considering filling as meeting agenda, or additionally propose in the meeting in other agenda. However, the number of meeting attendances by each director has been disclosed in topic of "Management Structure".

In 2019, the Company's Board of Directors has recognized the importance of corporate governance, in the Board of Directors' Meeting No. 3/2019, held on 13 May 2019, the restructuring of sub-committees was resolved to approve to comply with the principles of good corporate governance as follows:

• Sub-Committees

Audit Committee: The Board of Directors has appointed the Audit Committee, which is entirely consisted of members who are independent directors, to be responsible for corporate governance. The Audit Committee shall hold a meeting once every three months and hold regular meetings with the Company's Auditor, and report to the Board of Directors. The members of the Audit Committee must not be less than three persons.

No.	Name	Position
1	Mrs. Saowanee Kamolbutr	Chairman of the Audit Committee
2	Mr. Prasert Bunsumpun	Member of the Audit Committee
3	Mr. Areepong Bhoocha-oom	Member of the Audit Committee

Qualifications of the Audit Committee

- The members of the Audit Committee must be appointed by the Board of Directors.
- Every member of the Audit Committee must be independent director and completely fulfilled the qualifications prescribed by the relevant notifications of the SEC and SET, including possessing the qualifications stipulated in the Charter of the Audit Committee.
- The member of the Audit Committee must have sufficient knowledge and experience to perform duties as member of the Audit Committee. In addition, at least one member of the Audit Committee must have sufficient knowledge and experience to conduct the review on the credibility of the Company's financial statements.

Definition of "Independent Director" means a director who does not undertake any related business or assignment that may affect their independent decision-making. Basic qualifications of the independent director as defined by the rules and regulations of the Securities and Exchange Commission as per the following details:-

- Not holding shares in excess of 1 (one) % of total voting shares of the Company, parent company, subsidiary, associated company, major shareholder, or regulator of the Company. The number of shares held by any related person of that independent director must also be counted.
- Must not be or have never been a director participating in management role, an employee, an officer, an advisor who received regular salary, or the regulator of the Company, parent company, subsidiary, associated company, subsidiary at the same level, major shareholder, or regulator of the Company, unless such independent director has not been the aforesaid person for at least two years prior to the resolution date of his/her appointment.
- Must not be a person having relationship, either through bloodline or legal registration, as father, mother, spouse, sibling and child, as well as the spouse of a child of other director, executive, major shareholder, or regulator, or a person who has been nominated as director, executive or regulator of the Company or subsidiary.
- Have no or have had any business relationship with the Company, parent company, subsidiary, associated company, major shareholder, or regulator of the Company in a manner that may obstruct his/her due and independent use of discretion. The independent director shall not be and have not been a significant shareholder or a regulator of the person that has business relationship with the Company, parent company, subsidiary, associated company, major shareholder, or a regulator of the Company, unless such independent director has been free from such characteristics for at least two years prior to the resolution date of his/her appointment.

Business Relationship shall cover any ordinary course of business or trade for business engagement purpose, property rent or leasing, transaction relevant to asset or service, or giving or receiving financial assistance in a form of loan or guarantee, offering assets as collateral, and any other similar conduct which causes the Company or its counterparty to be liable for debt settlement to another party in an amount equivalent to 3 (three) % or more of the net tangible assets of the Company or twenty million Baht or more, whichever is lower. The calculation of the said debt shall accord with the calculation of a connected transaction prescribed in the Notification of the Capital Market Supervisory Board regarding the criteria on connected transactions mutatis mutandis. However, consideration of the said debt shall include the debt incurred during the one-year period prior to the date on which such business relationship takes place with the same person.

- Must not be or have never been an auditor of the Company, parent company, subsidiary, associated company, major shareholder, or regulator of the Company, and have not been a significant shareholder, a regulator, or a partner of an auditing firm for which the auditor of the Company, or that of its parent company, subsidiary, associated company, major shareholder, or a regulator of the Company has been working, unless such independent director has been free from such characteristics for at least two years prior to the resolution date of his/her appointment.
- Must not be or have never been a professional service provider, and legal or financial advisor, who obtains service fee more than two million Baht a year from the Company, its parent company, subsidiary, associated company, major shareholder, or regulator of the Company, and have not been a significant shareholder, a regulator, or a partner of

such professional service provider, unless the independent director has been free from such characteristics for at least two years prior to the resolution date of his/her appointment.

- Must not be a director who has been appointed as a representative of the Company's director, major shareholder, or the shareholder related to the Company's major shareholder.
- Not engage in the business of the same nature as or competing with that of the Company or its subsidiary and must not be a significant partner in a partnership, or director participating in management role, an employee, officer, or advisor who obtains regular salary, or a shareholder holding more than 1 (one) % of total voting shares of any other company which engages in the business of the same nature as or competing with that of the Company or its subsidiary.
- Must not have any other characteristics that prevent the director from giving independent opinions on the Company's operations. After having been appointed as an independent director as per the above qualifications, the Board of Directors may assign such independent director to make collective decisions in relation to the business operations of the Company, parent company, subsidiary, associated company, subsidiary at the same level, major shareholder, or a regulator of the Company.

Scope of Power, Duties and Responsibilities of the Audit Committee

- Reviewing the accuracy and adequacy of the Company's financial reports.
- Reviewing the Company's internal control system and internal audit system to ensure the appropriateness and effectiveness, and may propose to review or inspect any transactions deemed necessary and important, as well as give advices on the improvement of internal control system, and consider the independence of the Internal Audit Unit and giving consent to the appointment, transfer and termination of the Chief of Internal Audit Unit or any other units responsible for internal auditing.
- Reviewing the internal processes related to whistleblowing and receiving complaints.
- Reviewing the accuracy and effectiveness of information technology related to financial reports and internal control.
- Reviewing the Company's compliance with securities and exchange law, and regulations of the SET and laws relating to the Company's business.
- Considering the selection, nomination, and appointment any independent person to perform the duties of the Company's Auditor, including considering and proposing the remuneration for such person, taking into account the trustfulness, resource adequacy and audit work volume of that audit firm, including experiences of assigned person(s) to audit the Company's accounting, and attending a meeting with the Auditor without the presence of the Management at least once a year.
- Considering connected transactions or transactions that may have potential conflict of interest to ensure compliance with laws and requirements of the SET to ensure that such transactions are reasonable the best interest of the Company.
- Preparing the Audit Committee's Report which is disclosed in the Company's Annual Report and which must be signed by the Chairman of the Audit Committee and must, by minimum, comprise of the following information:
 - (1) Opinions on the accuracy, completeness and reliability of the Company's financial reports.
 - (2) Opinions on the adequacy of the Company's Internal Control System.
 - (3) Opinions on corporate compliance with securities and exchange laws, and requirements of SET, or any other laws relating to the Company's business.
 - (4) Opinions on the appropriateness of the Auditor.
 - (5) Opinions on transactions with potential conflict of interest.
 - (6) Number of meetings of the Audit Committee and meeting attendance of each member of the Audit Committee.
 - (7) Overall opinions or observations the Audit Committee received from performing duties in the Charter.
 - (8) Any other transactions that the shareholders and general investors should be notified under the scope of duties and responsibilities assigned by the Board of Directors.
- Reviewing the Company on its governance process to have an efficient anti-corruption system by monitoring and evaluating anti-corruption measures, and reviewing the self-assessment form regarding anti-corruption measures.
- To perform any other duties as assigned by the Board of Directors with the approval of the Audit Committee.

Office Term of the Member of the Audit Committee

- Each member of the Audit Committee shall have an office term of not more than three years. Any member who retires from his/her position by rotation can be elected to resume the office. For those members who have held the office term for a total period of nine years or three consecutive terms, the Board of Directors shall review the independence of that member on yearly basis.
- Any member of the Audit Committee who wishes to retire before completion of term must submit a resignation letter to the Chairman of the Board. The resignation shall become effective from the date the Company received the said resignation letter to allow the Board of Directors to consider the appointment of other director who fully meets the required qualifications to replace the retired member in the office term equaling to the remaining term of the replaced director. The Board of Directors must appoint full members of the Audit Committee within the period of 90 (ninety) days counting from the resignation date of the said member.
- In the event where the members of the whole Audit Committee retire due to reasons other than disqualification or having the characteristics prohibited by law, the retired members of the Audit Committee must remain on duty as necessary only until a new set of Audit Committee is appointed in replacement.

The Nomination and Remuneration Committee : As of 2 January 2020, as follows:

No.	Name	Position
1	Mr. Prasert Bunsumpun	Chairman of the Nomination and Remuneration Committee
2	Mr. Areepong Bhoocha-oom	Member of the Nomination and Remuneration Committee
3	Mr. Supant Mongkolsuthree	Member of the Nomination and Remuneration Committee

Scope of Power, Duties and Responsibilities

- In terms of Nomination:
 - 1) Consider and recommend the structure, size, composition, and qualifications of the Board of directors and sub-committees to suit the size, type and complexity of the Company's business in terms of education, knowledge, expertise, experience, and specific capability relevant to the Company's business, independence in accordance with the rules and procedures prescribed by relevant laws.
 - 2) Consider and review the independence of the Board of Directors including conflicts of interest that may occur during the course of duties.
 - 3) Consider the appropriate characteristics of persons to be appointed as the Company's director with following guidelines for consideration:
 - 3.1) General characteristics: morality and responsibility, decision based on data and reason, dare to express different and independent opinions, adhere to work with principles and standards like a professional with a wide range of diversities such as knowledge, experience, age and gender etc.
 - 3.2) Skill Characteristics in knowledge and specialization to be in line with the Company's business and needs.
 - 3.3) Consider directors who possibly provide full devotion of their time to perform their duties, the directors should not hold their office in more than 5 listed companies.
 - 4) Consider and establish the criteria and process of director nomination for the Board's consideration.
 - 5) Support the Company on providing minor shareholders opportunities in proposing candidates for the Company's directorship.
 - 6) Establish the criteria for performance evaluation of the Board of Directors, Sub-committee and individual self- evaluation.
 - 7) Establish the criteria for performance evaluation of Managing Director.
 - 8) Prepare successor plans for Managing Director position and propose to the Board of Directors for consideration, and supervise the Company to have successor plans for the Company's top management.
 - 9) Consider and review the Charter at least once a year and in case of having any amendment as deemed appropriate, then propose to the Board of Directors for approval.
 - 10) Perform other duties as assigned by the Board of Directors.

- **In terms of Remuneration:**
 - 1) Consider and determine the criteria and forms of remuneration for directors and sub-committees, consisting of retainer fees, meeting fees, and other forms of monetary and non-monetary remuneration to suit their duties and responsibilities with fairness in order to create motivation and maintain the quality directors and in line with the benefits of shareholders, as well as in accordance with the guidelines prescribed by the Stock Exchange of Thailand. The remuneration should be set in a comparable manner to similar industries, and the remunerations for directors and sub-committee have to propose to the Board of Directors for consideration and proposal to the shareholders' meeting for approval.
 - 2) Determine the criteria and forms of remuneration for Managing Directors and executives, consisting of salary, bonus, and basic benefits in line with the Company's operational performance and the performance of individual member in the Management as deemed appropriate to motivate executives for the Company's sustainable value-added creation.
 - 3) Consider the guidelines for performance evaluation of Managing Director for consideration of annual remuneration.
 - 4) Regularly consider, review, study, and monitor the changes in compensation for the Board of Directors and the Management to propose the Board of Directors for approval.
 - 5) In case of necessity, it may consider hiring an external consultant to advise on the determination of remuneration for directors and Managing Director to be appropriate, the said expense is the Company's responsibility.
 - 6) Disclose information of roles, duties and criteria for remuneration, member names of the Nomination and Remuneration Committee, number of meetings in the past year according to the regulations prescribed by SET, in the annual transaction information (Form 56-1) and the Company's Annual Report.
 - 7) Consider and review the Charter at least once a year and in case of having any amendment as deemed appropriate, then propose to the Board of Directors for approval.
 - 8) Perform other duties as assigned by the Board of Directors.

Office Term of the Nomination and Remuneration Committee

- Each member of the Nomination and Remuneration Committee shall have an office term of three years based on the due term of the Company's directorship and may be elected to resume the office as deemed appropriate by the Board of Directors.
- In addition to vacating office as term mentioned above, the members of Nomination and Remuneration Committee shall vacate their office upon:
 - Termination of Company's Directorship
 - Resignation
 - Death
 - Lack of qualifications and have prohibited characteristics as specified by law
 - The Board of Directors' meeting has resolved to terminate their office term.
- In case that any member of the Nomination and Remuneration Committee becomes vacant due to other reasons apart from the termination of the office term, the Board of Directors shall appoint a fully qualified person to replace this vacancy and that replacing member shall hold office term equaling to the remaining term of the replaced member.
- In case that any member of the Nomination and Remuneration Committee resigns before end of his/her office term, he/she is required to submit the resignation letter to the Chairman of the Board in advance so that the Board of Directors shall consider and appoint another director to replace his/her office in order to make Nomination and Remuneration Committee having a full number of members as prescribed by the Board of Directors.

The Risk Management Committee: As of 2 January 2020, as follows:

No.	Name	Position
1	Mr. Areepong Bhoocha-oom	Chairman of the Risk Management Committee
2	Mr. Supant Mongkolsuthree	Member of the Risk Management Committee
3	Mr. Somkid Wekinvattanased	Member of the Risk Management Committee
4	Mr. Jutiphan Mongkolsuthree	Member of the Risk Management Committee

Scope of Power, Duties and Responsibilities

- Considering the guideline for managing risks derived from internal and/or external factors that affect the Company in various aspects such as business risk, marketing risk, financial risk and personnel risk, etc.
- Determining risk management standard to be used as a guideline of practice among various work performances based on the responsibilities.
- Supervising to ensure that the said measures are thoroughly communicated and all employees comply with those measures.
- Carrying out assessment and analysis on potential risks in systematic and continuous manner to ensure that risk survey has been comprehensively conducted in every procedure of the business operation.

Office Term of the Risk Management Committee

- Each member of the Risk Management Committee shall have an office term of one year and can be elected to resume the office as deemed appropriate by the Board of Directors.
- In case where any member of the Risk Management Committee has completed their office term or has any reason to be unable to continue in office, the Board of Directors should deem appropriate to consider and appoint a new member to make the Risk Management Committee having a full number of members immediately or lately within six months to ensure the continuity of the performance of the Risk Management Committee. The new assumed member of the Risk Management Committee shall hold office term equaling to the remaining term of the replaced member.

The Corporate Governance Committee : As of 2 January 2020, as follows:

No.	Name	Position
1	Mr. Khan Prachuabmoh	Chairman of the Corporate Governance Committee
2	Mr. Somkid Wekinvattanased	Member of the Corporate Governance Committee
3	Mr. Jutiphan Mongkolsuthree	Member of the Corporate Governance Committee

Scope of Power, Duties and Responsibilities

- Regularly determine the scope and policy of corporate governance for proposal to the Board of Directors.
- Proposal the Company's corporate governance practices to the Board of Directors and provide recommendations to the Board of Directors on the corporate governance.
- Monitor and oversee the operations of the Board of Directors and the Management to be in accordance with the Company's corporate governance policy.
- Consider and review the Company's corporate governance practices to be suitable for the business operations and in accordance with the international guidelines and recommend to the Board of Directors for consideration and continual improvement.
- Ensure that the Company has the risk management arising from the operations that fail to comply with laws and regulations.
- Regularly review the policy and evaluate the effectiveness of compliance risk management in order to ensure that the Company's compliance works are suitable.
- Review and / or report the compliance monitoring and may suggest to review or monitor any transactions that may not comply with rules and regulations, and considered as important issues that poses a risk to the Company.
- Approve the Annual Compliance Report.
- Report to the Board of Directors for acknowledgement of review results and/or the compliance monitoring report as well as the improvement process in the event of non-compliance.

- Ensure that the anti-corruption policy is appropriate and sufficient for business operations.
- Consider, determine, review and improve policies and practices on anti-corruption and bribery, proposer to the Board of Directors for approval at least once a year.
- Annually evaluate the performance of the Corporate Governance Committee by group and by individual basis.

Office Term of the Member of the Corporate Governance

- Each member of the Corporate Governance Committee shall have an office term of two years by terminating its terms on the date of the Annual General Meeting of Shareholders and can be elected to resume the office.
- Apart from retirement as mentioned above, a member of the Corporate Governance Committee shall retire upon:
 - 1) Resignation
 - 2) Lack of qualification to be a member of Corporate Governance as stipulated by this Charter.
 - 3) Discharge as per the resolution of the Board of Directors
- In the event that all members of the Corporate Governance Committee are retired, they must maintain their position to continue the operations until the new members of the Corporate Governance Committee takes over the retired offices.
- In case where any member of the Corporate Governance Committee has completed their office, term or has any reason to be unable to continue in office, the Board of Directors shall appropriate a new member to make the Corporate Governance Committee having a full number of members as prescribed by the Company's Board of Directors. The new assumed member of the Corporate Governance Committee shall hold office term equaling to the remaining term of the replaced member.

The Executive Committee: As of 2 January 2020, as follows:

No.	Name	Position
1	Mr. Supant Mongkolsuthree	Chairman of the Executive Committee
2	Mr. Somkid Wekinvattanased	Member of the Executive Committee
3	Mr. Jutiphan Mongkolsuthree	Member of the Executive Committee

Scope of Power, Duties and Responsibilities

- Consider and screen the Company's business plan, strategy and annual budget, and propose to the Board of Directors for further approval.
- Supervise operations to achieve the target, business plan, annual budget and ways to expand the Company's business in line with the vision, mission, strategy and resolution of the Board of Directors without violating the laws, conditions, rules and regulations of the Company and related regulatory agencies
- Propose the Company's investment and / or funding plans to be approved by the Board of Directors and / or the shareholders' meeting, as the case may be.
- Ensure the Company has the internal control systems that are suitable, concise and in accordance with the recommendations and objections of the Audit Committee.
- Have the power to approve the Company's investment, finance and assets as mentioned in the approval authority table and in accordance with the framework of investment policy and as assigned by the Board of Directors.
- Supervise the feasibility studies on the business investment projects and monitor the operational results, progress of investment projects, including report the problems or obstacles occurred along with the guidelines for improvement to the Board of Directors.
- Consider and approve the matters required of approval by the Board of Directors, except any activities as assigned by the Board of Directors to other sub-committees.
- Assign or advise Managing Director to consider or perform any matter as deemed proper by the Executive Committee.
- Have the power to appoint the working group to consider any matter that is deemed appropriate by the Executive Committee.
- Have the power to appoint consultants in many areas necessary for the Company's operations within the budget framework annually approved by the Board of Directors.

- Consider and review the charter at least once a year and in case of having any amendment as deemed appropriate, then propose to the Board of Directors for approval.
- Perform any other duties related to the management as assigned by the Board of Directors.

Corporate Governance of Subsidiary, Joint Venture, and Associated Company

The Company continuously operates its business by giving precedence to good corporate governance policy. The written Good Corporate Governance Policy and Code of Business Ethics Manual have been prepared under objective to be used in regulating the business operations of the Company, subsidiary, joint venture, and associated company. The Board of Directors has publicized Good Corporate Governance Policy and Code of Business Ethics to be understood and observed by the directors, executives and employees in all levels. The Company believes that good corporate governance is the key to successfully achieve the Company's missions. CG Code is the control of business operations of the organization with accountability, transparency, verifiability and ethical competitiveness. Moreover, the compliance with CG Code will minimize risks and strengthen the corporate competitiveness in the long run by focusing on highest benefits of the shareholders

In respect to nomination and exercise of voting rights for appointing directors in the subsidiary, or joint venture or associated company, it shall be carried out by the Management to nominate into the consideration of the Board of Directors, and/or the Shareholders' Meeting of the subsidiary, or joint venture or associate company. The appointed person to act as a director of the subsidiary or joint venture or associated company shall have duty to execute for the best interest of the Company, the subsidiary, joint venture and associated company.

The Board of Directors and/or the authorized person of the Company shall be firstly informed or give consent in resolution or exercise of voting rights in the subsidiary or joint venture or associated company on key matters that significantly affect or will affect the Company. The delivery of the director to act as the representative of such subsidiary or joint venture or associated company shall be in line with the Company's shareholding proportion.

Moreover, in case of the subsidiary, joint venture and associated company, the Company has set up a rule requiring that the person appointed by the Company shall be responsible for ensuring the complete and proper regulation established by the subsidiary, joint venture and associated company in connected transactions, acquisition or disposition of assets, or any other key transactions of the Company. The same rules concerning disclosure of information and undertaking of the said transactions as that of the Company, including governing that data collection and bookkeeping of the subsidiary can be audited and gathered by the Company to prepare consolidated financial statements within the specified deadline.

Assessment of the Performance of the Board of Directors and the Sub-Committees

The Company gives precedence to assessment of the performance of the Board of Directors and the Sub-Committees under the objective to utilize assessment result for improvement of the work performance of the Board of Directors and the Sub-Committees in various areas. The Board of Directors assigns the Corporate Governance and Social Responsibility Committee to conduct the assessment and grading as follows.

1. Earned score below 50% means requirement of considerable improvement.
2. Earned score more than 51-60% means improvement.
3. Earned score more than 61-70% means fair.
4. Earned score more than 71-80% means very good.
5. Earned score more than 81-100% means excellent.

In 2019, the assessment of the Board of Directors and the Sub-Committees can be summarized as follows:

1) Assessment of the Board of Directors

1.1) Assessment Result of the Board of Directors on Individual Board Basis

No.	Assessment Topic	Assessment Result (%)	Grade
1	Structure and Qualifications of the Board of Directors	93.25	Excellent
2	Meeting Attendance of the Board of Directors	96.43	Excellent
3	Roles, Duties and Responsibilities of the Board of Directors	92.86	Excellent
4	Relationship with the Management	85.71	Excellent
5	Self-development of Directors and Executive Development	82.14	Excellent
Average Overview		93.10	Excellent

2) Assessment of the Sub-Committees

2.1) Assessment Result of the Audit Committee on Individual Committee Basis

No.	Assessment Topic	Assessment Result (%)	Grade
1	Structure and Qualifications of the Committee	93.06	Excellent
2	Meeting Attendance of the Committee	95.83	Excellent
3	Roles, Duties and Responsibilities of the Committee	97.22	Excellent
Average Overview		95.37	Excellent

2.2) Assessment Result of the Nomination and Remuneration Committee on Individual Committee Basis

No.	Assessment Topic	Assessment Result (%)	Grade
1	Structure and Qualifications of the Committee	100.00	Excellent
2	Meeting Attendance of the Committee	95.83	Excellent
3	Roles, Duties and Responsibilities of the Committee	93.33	Excellent
Average Overview		96.57	Excellent

2.3) Assessment Result of the Risk Management Committee on Individual Committee Basis

No.	Assessment Topic	Assessment Result (%)	Grade
1	Structure and Qualifications of the Committee	93.75	Excellent
2	Meeting Attendance of the Committee	96.88	Excellent
3	Roles, Duties and Responsibilities of the Committee	100.00	Excellent
Average Overview		96.48	Excellent

2.4) Assessment Result of the Corporate Governance Committee on Individual Committee Basis

No.	Assessment Topic	Assessment Result (%)	Grade
1	Structure and Qualifications of the Committee	100.00	Excellent
2	Meeting Attendance of the Committee	100.00	Excellent
3	Roles, Duties and Responsibilities of the Committee	100.00	Excellent
Average Overview		100.00	Excellent

Management Communication

The director/committee member can directly access and communicate the Management and Company Secretary as appropriate. However, the access and communication shall not intrude or interfere in the ordinary courses of the Company's business.

Principle 4 Ensure Effective CEO and People Management

The Board of Directors properly realizes that the people who assume CEO position in every level which is the important managerial position and takes part in driving the Company toward its goals, therefore, in 2019, the Board of Directors established the Nomination and Remuneration Committee to perform duties to ensure the Board of Directors that the Company shall properly and transparently proceed the nomination process by considering from knowledge and experiences, and governing personnel management and development to be consistent with the Company's strategy.

In people management aspect, the Company encourages the directors and chief executive officers to attend adequate trainings of the programs as recommended by Office of the Securities and Exchange Commission, and organized by Thai Institute of Directors (IOD) to develop the knowledge of directors, chief executive officers and Company Secretary for recognition on rules and regulations, and practice of being directors and executives of the Company so that they can perform their duties with integrity, carefulness and best interests of the Company and the overall shareholders.

Director Training Programs

No.	Name	Director Accreditation Program (DAP)	Director Certification Program (DCP)	Advance Audit Committee Program (AAP)	Role of the Chairman Program (RCP)	Role of the Compensation Committee (RCC)	Financial for Non-Finance Director (FND)	Financial Institutions Governance program (FGP)	Ethical Leadership Program (ELP)	How to Develop a Risk Management Plan (HRP)	Risk Management Program for Corporate Leaders (RCL)
1	General Mongkon Ampornpisit	DAP 39/2005	DCP 61/2005		RCP 17/2017		FND 1/2001				
2	Mrs. Saowanee Kamalbutr		DCP 69/2006	AACP 17/2014	RCP 23/2010	RCC 8/2009		FGP 1/2010			
3	Mr. Prasert Bunsumpun	DAP 28/2004			RCP 28/2012						
4	Mr. Areepong Bhoocha-oom		DCP 3/2000								
5	Mr. Supant Mongkolsuthree	DAP 12/2004	DCP 52/2004								
6	Mr. Somkid Wekinvattanased		DCP 239/2017						ELP 9/2017	HRP14/2017	RCL 8/2017
7	Mr. Jutiphon Mongkolsuthree		DCP 247/2017								
8	Ms. Sutida Mongkolsuthree		DCP 233/2017								

By emphasizing on work performance of new directors, the Company therefore provides an orientation for new directors to inform them of the Company's expectations regarding the roles, duties and responsibilities of directors, including overall operational practice, the structures of subsidiary and associated company and best practice on corporate governance of the Company. This also includes building proper knowledge and understanding on the Company's business operations and activities to prepare new directors in performing their duties. Significant information in relation to the Company will be delivered by the chief executive officers, and Directors' Manual and Code of Business Ethics for Directors and Employees of the Company will be given. In addition, the Company has established a policy to encourage the directors to participate in training programs to enhance their knowledge and understanding on the roles and missions stipulated under an operation plan for campaign of good corporate governance. The directors can attend any training programs organized by Thai Institute of Directors (IOD) or any other related agencies whereas all expenses shall be responsible by the Company.

Principle 5 Nurture Innovation and Responsible Business

The Board of Directors simultaneously gives precedence to business operation, and creation of social and environmental benefits under management based on CG Code pursuant to the guideline stipulated by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand. Code of Ethics and Code of Conduct are continuously observed through good, transparent and fair management system with all parties of stakeholders for trust and confidence of the shareholders in investment in the Company's business. Therefore, the Corporate Governance and Social Responsibility Committee have been established to perform the duties in governing and monitoring the Management to operate the business under social and environmental responsibilities for sustainable compliance with main objectives and goals.

The Company also gives precedence to development of people which are the important resources, by promoting working environment, fostering "TKS Wecan" corporate value to enable all employees to trust each other, are interested in learning, spiritual mind and do their best, the organization will be led to sustainable success

In innovation development: the product aspect, the study of research and development of new products is supported to satisfy the future increasing demand for increasing the business opportunity. In operation aspect, the information technology system has been developed and improved to be the supporting tool of the efficient work process, such as time reduction and cost reduction, etc.

(However, the detail of the social responsibility operation is shown in Sustainable Development Report for 2019 by particular selection of the significant operation toward business operation.)

Principle 6 Strengthen Effective Risk Management and Internal Control System

The Board of Directors has established the Audit Committee and Risk Management Sub-Committees to properly govern risk management system and internal control system for compliance with relevant laws and standards. The Internal Audit Department that is independent in performing duties is in charge as reported in Annual Report. The policies and matters have been determined as guideline of practice as follows.

Risk Management Policy

1. The management of risks is defined to be the responsibility of the Board of Directors, executives and employees of every level by recognizing potential risks during operation in their work units and organization, and ensuring adequate and appropriate risk management in every aspect.

2. Every business unit must develop their own risk management process and determine risk indicators and measures for preventing and minimizing risks, including assessing and monitoring risk management performance in systematic and continuous manner, constantly improving risk management process to ensure it is in line with regular changes of business at least once a year, and preparing risk-related reports as per implementation framework and procedure of risk management.

3. The risk assessment is defined to be part of annual operation plan of every department by considering all comprehensive companywide risks and taking both internal and external risks into account, and properly defining risk management and developing alarm.

4. Risk Management Committee has duty in monitoring risk management and remarking opinions to the Board of Directors.

5. The Company focuses on building corporate culture to establish mutual understanding and awareness regarding risk for fostering and making a habit of awareness and accountability among every level of personnel in implementation of corporate risk management.

Internal Control System

The Company has established Internal Audit Unit to audit operational system of every work unit so that the Management and stakeholders assure of actual regular and proper implementation of internal control system, and seek for fault, weakness and develop the existing operational system to be more efficient. The Internal Audit Department is independent and able to fully perform duties of audit and check and balance duties, and directly report to the Audit Committee.

Supervision of Use of Inside Information

The Company's policy and procedure for supervising the use of inside information by the executives for personal benefits and for security trading are as follows:

- The Company has set up a policy to uphold ethics, integrity and sincerity in operating business with the customers, business partners and shareholders, and define clear regulations and code of conduct. In case where an employee or executive discloses the Company's information or uses for personal purpose or undertakes any transactions with potential conflict of interests, it shall be deemed as gross offence and may be liable to disciplinary actions.
- The Company notifies the directors and executives of the Company including their spouses and minor children to report their security possession in case that they possess the Company's securities. In addition, the report of all subsequent changes in security possession from every time of purchase, sale, transfer or transfer acceptance of securities must be prepared within the period of three work days following the date of purchase, sale, transfer or transfer acceptance of such securities as required by the Office of the Securities and Exchange Commission. All directors and executives must submit a copy of the said report to the Company Secretary on the same date they reported to the Office of SEC to be collected and presented to the Board of Directors under agenda for acknowledgement of report on security possession.
- The Company requires the directors and executives to submit the report of their stakeholdings or stakeholdings of related parties in the business management of the Company, subsidiary, or associated company. The first report must be submitted within 30 (thirty) days following the date of his/her appointment in the specified form. In addition, all subsequent changes in stakeholdings shall be reported within 30 (thirty) days following the date of changes in the specified form. Such reports shall be kept by the Company Secretary and also be responsible for submitting a copy of the said report to the Chairman of the Board and Chairman of the Audit Committee in accordance with the rules and regulations of the Office of the Securities and Exchange Commission.

The Company has also established the policy for preventing not to wrongful use of the Company's information by defining the measure of prohibition not to use the opportunity or information acquired from the status of director, chief executive or employee in seeking personal benefit or doing business which is competitive with the Company or related to the Company's business, and not to use inside information for personal benefits in trading the Company's securities or provide the inside information to other persons for benefit of purchase and sale of the Company's shares, and avoid or stop trading the Company's securities in the period of 1 (one) month prior to disseminating financial statements or significant information that affect the price of the Company's securities (except purchase of shares in Employer and Employee Joint Investment Program "EJIP"). However, the directors and executives shall report securities possession in the Board of Directors' Meeting for

acknowledgement under Section 59 in Securities and Exchange Act B.E. 2535 (1992), and report within 3 (three) work days to the Office of Securities and Exchange Commission for acknowledgement for dissemination to people in general. In addition, the directors or chief executives shall report their stakeholdings in the Board of Directors' Meeting for acknowledgement.

Conflict of Interest Policy

The Company has established conflict of interest policy to maintain the best interest of the Company and shareholders. All directors, executives and shareholders, including the employees of the subsidiary and associated company shall avoid exploitation that will adversely affect work performance for the Company's interest, or make it difficult for proper and efficient operation. The Company shall not support the directors, executives and employees of the Company to undertake the connected transactions that bring about to conflict of interests. However, if the event which is in within the scope of connected transaction occurs, the proper consideration shall be taken. The Board of Directors shall oversee to ensure the strict compliance with rules and procedures, and disclosure of information of the listed company's connected transactions, acquisition or disposition of the Company's important assets, and strict compliance with accounting standards stipulated by the Institute of Certified Accountants in accordance with the securities and exchange law, and regulations, notifications, orders or requirements of the Stock Exchange of Thailand, and under the Office of SEC.

Principle 7 Ensure Disclosure and Financial Integrity

The Board of Directors gives high precedence to disclosure of news information, and financial information and other information which are not financial information to people in general. The important information of the Company consists of financial information and non-financial information. In 2019, the financial information particularly in part of financial statements which were reviewed/audited by the auditor to be fairly proper in materiality in accordance with Generally Accepted Accounting Principles and passed the consent from the Audit Committee/the Board of Directors prior to disclosure to the shareholders, has been disclosed. The Board of Directors also reported the responsibility toward financial report in Annual Report and disclosed the detail of remuneration of the Board of Directors in topic of "Management Structure".

The Company has disclosed non-financial information in accordance with the criteria prescribed by the SET and the Office of SEC, and interrelated transactions, analysis of the Management on website of the Stock Exchange of Thailand at www.set.or.th, website of the Office of Securities and Exchange Commission at www.sec.or.th in accordance with the criteria prescribed by the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, and website of the Company at www.tks.co.th. The information is always updated so that the users can timely acquire news information, conveniently access, and gain maximum benefits. If there are doubts for interrogation, please contact Investor Relations and Corporate Communication Division at Tel. 02-784-5888 Ext. 5200, e-mail: anuthep@tks.co.th for equitable acquisition of data and information by the shareholders and stakeholders.

In addition, the Company also emphasizes on the relationship with the shareholders, general investors and analysts and therefore determines that the Company's information shall be publicized to the investors consisting of both the shareholders and the persons who are interested to hold shareholders in the future. In 2019, the chief executives of the Company and Investor Relations Section provided data and notified the Company's information to the mass media, shareholders, investors and analysts of the securities as per the following summary.

1. Presentation of information in two events where the listed companies meet the investors in Opportunity Day.
2. Press Releases in case of the Company's significant investment activities or business activities
3. Publicity of news of the company's analysis in the Company's website www.tks.co.th

Principle 8 Ensure Engagement and Communication with Shareholders

By recognizing the importance of the shareholders, the Company therefore has established a policy to ensure equitable and fair treatment among every shareholder in the Company's Corporate Governance Policy. Basic rights of the shareholders include the right to buy, sell or transfer shares, the right to gain adequate, accurate, timely and regular news information of the business, the right to receive dividend payout, the right to attend meetings to exercise voting rights in the meeting for appointment or removal of director(s) including the appointment of the auditor. In addition, the shareholders must be adequately notified of meeting rules and procedures of meeting attendance, and information for consideration and must be allowed to participate in proposing additional meeting agenda, nominate directors and raise inquiries at the meeting, including authorizing proxy to attend the meeting on their behalf.

The Company requires the Annual General Meeting of Shareholders (AGM) to be held every year within the period of 120 (one hundred and twenty) days counting from the last date of the Company's fiscal year. In case of urgency requiring for consideration on special agenda that may affect or involve in the interests of the shareholders and requires approval from the shareholders, the Board of Directors may call for an Extraordinary Meeting of Shareholders on case-by-case basis. In 2019, the Company held 2019 Annual General Meeting of Shareholders on 25 April 2019 at Mongkolsuthree Room, Synnex (Thailand) Public Company Limited. At the Annual General Meeting of Shareholders, the Company shall take into account the legal rights of the shareholders, including the exercise of such rights, and non-violation or derogation of the rights of shareholders as follows:

- **Before the Shareholders' Meeting Date**

The Company's policy is to support and facilitate the shareholders in attending the Shareholders' Meeting, including supporting and facilitating institutional investors that are interested in investment with the Company in the future.

The Company shall prepare and deliver the meeting notice for the Annual General Meeting of Shareholders to the institutional shareholders, together with the details of meeting agenda, important and essential information for the shareholders' decision-making support, opinions of the Board of Directors, complete minutes of previous meeting, the Annual Report, proxy forms (Form A, B, and C) as determined by the Ministry of Commerce, specifying clear and complete proxy instruction, meeting venue, date, time and location map. The meeting notice must indicate details of relevant documents which must be presented by the shareholders on the date of the meeting as protection of their rights to attend the meeting. The meeting notice shall be delivered to the shareholders at least 14 (fourteen) days in advance before the meeting date to ensure that the shareholders have received adequate, accurate and transparent information for decision-making in resolution. The Company shall also announce meeting notice through Thai newspaper for 3 (three) consecutive days and at least 3 (three) days in advance before the meeting date. In addition, the shareholders can access to view the information in relation to details of meeting agenda of each meeting via the Company's website as it will be publicized in advance before the meeting date by at least 30 (thirty) days to notify the shareholders of the Annual General Meeting of Shareholders and allow them sufficient time to prepare themselves before receiving meeting documents.

For Annual General Meeting of Shareholders, the Company allows the shareholders the opportunity to propose additional meeting agenda items and nominations for the election of the Company's directors starting from 16 October 2018 to 31 January 2019. In case of additional meeting agenda items, the Company shall notify the shareholders. In case of urgency, the Company shall submit the meeting notice to the shareholders by at least 14 days in advance before the meeting date to protect the rights or interest of the Company, including disseminating the supporting information of the agenda of the Shareholders' Meeting in advance on SET website and the Company's website before delivery of the said documents.

- **Meeting Date of the Shareholders' Meeting**

The Company has facilitated the shareholders to travel for meeting by providing shuttle bus service for the shareholders from Stock Exchange of Thailand at 12.00 hrs. and after completion of meeting, and arranging adequate reception officers to provide information in relation to document verification and registration process for meeting attendance, including organizing a meeting venue with sufficient space to accommodate the shareholders who are residing in Bangkok or nearby provinces. Before starting each meeting, the Chairman must always explain all meeting rules, for instance, calling to order for meeting, voting and vote counting procedures for votes of the shareholders who must resolve in each agenda pursuant to Articles of Association of the Company, etc. In respect to vote counting, the Company shall count the number of the shareholder votes of every agenda and clearly present the voting results of every agenda in the meeting room. Total number of votes for each agenda is clearly separated to protect the rights of shareholders.

In respect to vote counting, the Company shall notify at the Shareholders' Meeting to ask for a volunteer to check the number of votes at the General Meeting of Shareholders and Extraordinary Meeting of Shareholders, including disclosing the voting results to the meeting and record in the meeting minutes. During the meeting, the opportunity shall be given to the meeting attendees to be entitled to exercise their rights in protecting their own benefits by raising questions, expressing opinions, giving suggestions and casting a vote in the Shareholders' Meeting to exercise the right of mutual decision-making on key matters that may affect the Company, such as the appointment or removal of directors, nominations of the candidate for independent director position, approval of the auditor, dividend payout allocation, capital decrease or increase, determination or amendment of Article of Associations, Memorandum of Association and approval of special agenda, etc. The shareholders shall also be granted the right to attend the Shareholders' Meeting after the commencement of the meeting, and shall be entitled to exercise voting rights or cast a vote on the agenda that has been under consideration and has not yet been resolved.

The Company shall also specify the stakeholding of the director in the meeting notice of the Shareholders' Meeting. In case where any director has interest or involvement in the agenda under consideration, the Chairman of the Meeting must notify the meeting attendees before considering such agenda and those directors having interest or involvement in such matter shall not be allowed to attend the meeting and vote on that particular agenda. In addition, the Chairman including the relevant directors and executives shall be responsible for attending the meeting to answer the shareholders' questions. During the meeting, the Chairman of the Meeting shall allow the shareholders to freely express their opinions, give suggestions or raise questions in any agenda before resolving on any agenda in order to ensure that the shareholders are notified of sufficient information and details in regards to such matter. In case where the shareholders have any suspicions or questions on any agenda, the Company shall prepare a team of relevant personnel to answer the questions under the accountability of the Board of Directors. In the Shareholders' Meeting, the Chairman of the Meeting also asks the meeting to strictly consider meeting agenda in sequence stated in the meeting notice delivered to the shareholders in advance without making any changes of such agenda sequence, and no other matters apart from the ones stated in the meeting notice shall be raised for consideration.

- **After the Shareholders' Meeting**

The Company shall disclose the voting results of each agenda of the Shareholders' Meeting on the following day via Set Portal of the SET and on the Company's website, including preparing meeting minutes which shall be disclosed to the shareholders via Set Portal of the SET within 14 (fourteen) days after the meeting date as per the regulation of the Stock Exchange of Thailand. The Company shall ensure that full and proper details of meeting records consisting of meeting minutes, vote casting and questions raised by the shareholders during each agenda, are publicized on the Company's website.

The Company's policy is to disclose up-to-date information on the Company's website to ensure that the shareholders acknowledge the changing news information of the Company and information disclosed by the Company pursuant to the regulations after disclosure of such information to the SET. Such information shall be publicized on the Company's website both in Thai and English languages.

The Auditor's Remuneration

- **Audit Fee:**

For the fiscal year period ended 31 December 2019, the audit fee paid by the Company to the audit firm, KPMG Phoomchai Audit Ltd., is as follows:

Audit Fee	2019
Audit Fee (Annually)	990,000
Verification Fee (Quarterly)	480,000
Total Audit Fee	1,470,000

Additionally, KPMG Phoomchai Audit Ltd. has also been the auditor of three subsidiaries including T.K.S. Siam Press Management Co., Ltd., Gofive Co., Ltd. and Marvel Pack. Co., Ltd., a total amount of audit fee and other service charges was 1,415,000 Baht in total and responsible by these subsidiaries.

- **Non-Audit Fee**

Reviewing service for compliance with the condition of BOI Certificate is the service provided to three subsidiaries in amount of 153,000 Baht, these subsidiaries shall bear this cost.

Compliance with CG Code in Other Issues

The Company has complied with CG Code but has not yet complied with some points in some issues. The Company therefore will apply as proper guideline for adaptation as follows:

Non-Compliance Point	Reason (Alternative Measure)
Participation in Thailand's Private Sector Collective Action Coalition against Corruption (CAC) Project	The Company has been preparing to participate as the membership of the project by reviewing the internal control and anti-corruption risk assessment system. The Company declared its intention in 2019 and is further implementing the procedure of certification request from CAC in 2020.
Determination of Policy to allow independent directors to be in office for not more than 9 years	The Board of Directors has considered that the Company's independent directors has continued to have full qualification and are capable to give independent opinions although they have been holding their positions for more than 9 years.

AWARDS



THAI PRINT AWARDS



- Award for listed companies with outstanding performance in environment, society and governance. (Environmental, Social and Governance: ESG), the Company has been ranked as one of top 100 for the 4th consecutive year for ESG100 in 2019, the investors could use this information as a factor for making decision in the investment together with financial performance data, this award is organized by ThaiPAT Institute.



Gofive Company Limited (a subsidiary) has been granted the award from Thailand ICT Awards 2019 (TICTA2019) in the national software contest, it is a company making the Venio CRM system, This award emphasizes its success and step to be the most attractive

smartphone-based CRM system leader, along with the good experience of delivery to customers and professional sales management. "Venio CRM" aims to continuously improve the system to meet the business lifestyle in the digital era, go forward to show the quality, focus on easy use via mobile phone, convenience, rapidity based on international standard software services and focus on enhancing business for organizations of all sizes and all industries.



SUSTAINABLE DEVELOPMENT REPORT

Plans to Achieve the Sustainable Development

Throughout 65 years since the establishment of T.K.S. Technology Public Company Limited (TKS), we have conducted our businesses based on ethical principles and good corporate governance principles with corporate responsibility on society and the environment to create values for sustainable business operations.

TKS's Sustainable Development covers 3 main targets including economy, society and environment as follows:

- Human resources management;
- Participation in the development of community and society.



- Management for sustainability;
- Business operations with sustainability.



- Production under the environmental responsibility;
- Eco-friendly products and services;
- Transportation and logistics management;
- Wastes and waste materials management process;
- Weather management.



Economic Performance

1) Management for Sustainability

In 2019, the Company considered and reviewed the Good Corporate Governance Policies and other policies by preparing the corporate governance manual including anti-corruption policy to apply as the framework for sustainable business management for the enhancement of the guidelines for corporate governance to be in line with international standards.

Participation of Stakeholders

In 2019, the Company has continued to bind all stakeholders by means of communications with all stakeholders in many channels to enable them to understand important issues and hearing their comments.

Stakeholders	Channels for the participation of stakeholders	Needs /Expectations
Shareholders	<ul style="list-style-type: none"> Annual General Meeting of Shareholders; Annual Report / Financial Report / Quarterly Financial Report / Newsletters for Ordinary Shareholders. 	<ul style="list-style-type: none"> The Company's businesses are stable with, good returns and business plans for sustainable growth; Financial performance grew.
Customers	<ul style="list-style-type: none"> Satisfaction survey on products and services; Direct communications such as visits, meetings, trainings, public relations events; Contact through technology media such as telephone, website, electronic media; Channels for complaints. 	<ul style="list-style-type: none"> Maintain good quality of products and services; Get convenience and satisfaction; Get accurate and fast news and information; Fairly comply with the agreement; Products or services are quickly and well improved.
Employees	<ul style="list-style-type: none"> Meetings, seminars, trainings, orientations, activities, listening to comments and suggestions through the red box; Electronic media such as Gossip with Jae Mouth, directly sending complaints, comments and suggestions via email to the Chairman of the Audit Committee and Managing Director; Create good corporate culture "TKS WE CAN". 	<ul style="list-style-type: none"> Provided of good and appropriate welfares; Opportunities to be promoted to higher or suitable position; Good hygiene with facilities in the workplace; Equality in opportunity for career advancement; Trainings to develop knowledge and competencies; Good time allocation in working life and family life; Build confidence in the quality of work life
Society, Community and Environment	<ul style="list-style-type: none"> Activities such as public forums, important events; Printing media such as books, handbooks, annual reports, news releases, newsletters; Electronic media such as website; Video media 	<ul style="list-style-type: none"> Become a company with community and environmental management that can handle the impacts possibly occurred in accordance with international standards; Participation in creating prosperity for communities and society; Trainings, seminars, activities that create and develop knowledge and competencies; Create a better understanding to each other.



Stakeholders	Channels for the participation of stakeholders	Needs /Expectations
Business Partners	<ul style="list-style-type: none"> • Direct communications such as visits, meetings, trainings, public relations events; • Contact through technology media such as telephone, fax, website, electronic media; • Printing media such as Vendor survey form, Annual assessment form, Environmentally friendly procurement inspection report. 	<ul style="list-style-type: none"> • Cooperate in doing business on the basis of fairness, transparency, compliance with good rules; • Have a good relationship and cooperation; • Acceptable and agreed payment period.
Creditors	<ul style="list-style-type: none"> • Printing media such as Annual Reports, Financial Reports, News releases; • Contact through technology media such as telephone, fax, website, electronic media. 	<ul style="list-style-type: none"> • Comply with the terms and conditions of the contract; • Transparency in business operations, disclosure of information or facts that may impact.
Competitors	<ul style="list-style-type: none"> • Printing media such as Annual Reports, Financial Reports, News releases; • Compliance with laws to ensure fair competitions; • Cooperate and promote the anti-corruption and jointly prevent the trade monopolies. 	<ul style="list-style-type: none"> • Fair and transparent competitions; • Giving cooperation in the event of having damages to the industrial system.

2) Business Operations with Fairness

The Company has complied with the rules, laws and regulations for the business operations with fairness.



Anti-corruption: In 2019, T.K.S. Group has continued to focus on the anti-corruption by organizing activities and trainings to educate staff to comply with the anti-corruption policy which has been published on website: www.tks.co.th. Additionally, on 12 July 2019, the Company also signed the Declaration of Collective Action Coalition under the Project of Thailand's Private Sector Collective Action Coalition Against Corruption, representing by General Mongkon Ampornpisit, Chairman of the Board, T.K.S. Technology Public Company Limited.

On 18 July 2019, the Company Group raised the awareness on business responsibilities, considering that the corruption adversely affects overall economy, therefore, collaborating with the public and private sectors to act in compliance with policies and measures against corruption to build the good norms for working together.

The Company Group organized "CAC On Tour" Activity for 2 times as follows:

1st Time: Training in the orientation of new employees with following topics:

- 1) What is CAC?
- 2) What is corruption?
- 3) Guidelines on anti-corruption policy;
- 4) Whistleblowing and protection measures
- 5) Penalties



1st CAC On Tour: 17 August 2019



2nd Time: Training on the guidelines for anti-corruption practices for supervisory-level employees in order to apply what they learn to communicate with their subordinates.

2nd CAC On Tour: 22 August 2019





Procurement: The Company has established the purchasing/procurement policies to be used as a guideline for working, requiring the process of price comparisons among more than 2 vendors before deciding to purchase, the evaluation of services and quality on an annual basis which the procurement with partners will be considered according to the criteria.

Non-violation of human rights: The Company's policy is to strictly refuse the employment of staff under 16 years of age, this policy also covers the contractors, service providers who are having transactions with the Company.

Compliance with the Business Continuity Management System (ISO 22301: 2012): It is a management process to assess the threats occurring within the organization and the impact on business operations, as a guideline for building the capability in the Company to be flexible for responding and protecting the benefits of stakeholders. Such management is to continue the Company's operations without interruption.

Performance on Society

3) Human resource management

3.1) Creation of corporate culture: The Company has adjusted the creation of corporate culture as a practical guideline for the management to achieve sustainability.

T : Trust	Have a good attitude, open mind & listen, respect and honor
K : Knowledge	Continuously study, learn, and develop potentials
S : Spirit	Voluntarily cooperate, share & help each other, be a giver for the public
WE CAN:	Fully commit, pay attention and do the best

When all employees trust each other, are interested in learning, spiritual mind and do their best, the organization will be led to sustainable success.

3.2) Properly maintaining employees: The Company has emphasized the employees' welfare, occupational health, safety and health.

Welfare: The Company has established the Corporate Governance Committee and the working team for employees' welfares consisting of members from election to encourage the cooperation of employees in maintaining the employees' welfares beneficial for employees in all aspects, and the compensation and determination of career advancement for employees, welfares provided to employees such as the annual health check-ups, health insurance and life insurance, provident fund, EJIP Project, retirement benefits, educational welfare, free lunch for employees whose salary is lower than 10,000 Baht, uniforms, activities for unity promotion, i.e. New Year's event, CSR activities with employees engagement.

The Company has also focused on employee's good physical and mental health by promoting and supporting exercises and providing places and equipment for playing sports during breaks and after work, such as table tennis, football club. In 2019, the Company has organized the "Morning Dance" before starting work every working day for the Company Group's employees.

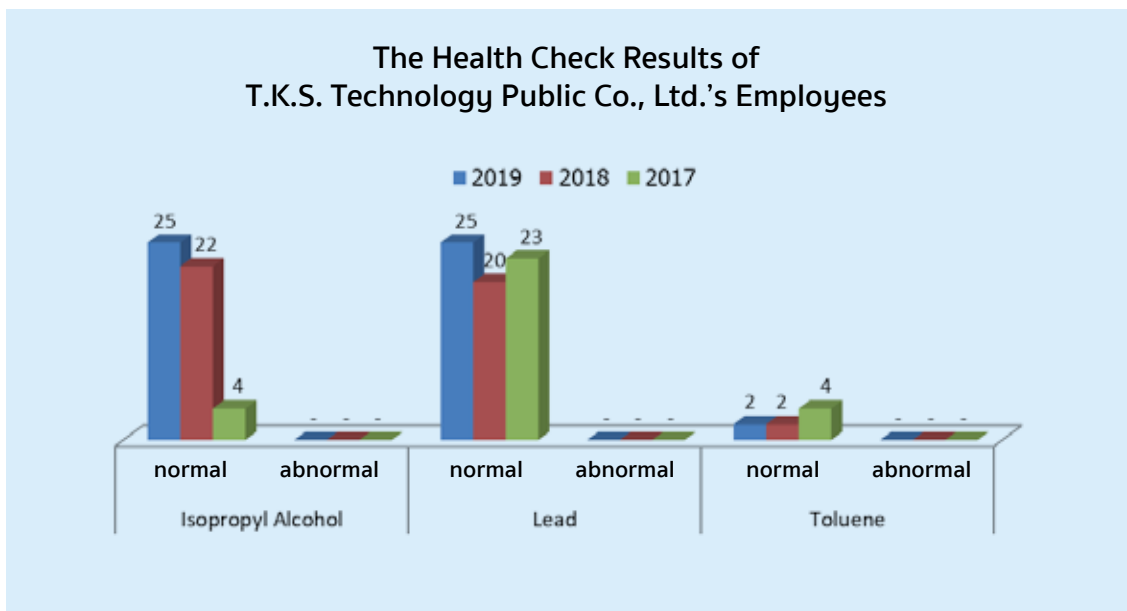
T.K.S. Morning Dance



Safety and occupational health: The Company announced and prepared the practical rules as a manual, and distributed to all levels of employees, besides, Work Safety Department has been also established, consisting professional safety officer to be responsible in analyzing or seeking for potential primary risks and annually conducting the Company's risk assessments.

The Company has prepared the work safety standard to minimize harms to health and promote work safety and it has been continued to practice as follows:

- Training for new employees before starting work with orientation and reviewing the safety every 3 months.
- Fire drilling and evacuation training with the proportion of 40% of the total number of employees and all employees will participation in fire drilling and evacuation once a year.
- Educating how to work safely, such as driving training and examination for forklift driver's license.
- Training employees handling chemicals on chemical leakage once a year.
- Measure the working environment with the environment measurement for physical working once a year and the environment measurement for chemical working twice a year.



3.3) Personnel development: The Company has considered and selected personnel with knowledge and expertise in their area of responsibilities, determination and positive attitudes by adhering to the principles of equality in gender, religion, ethnicity, class, and underprivileged. The Company has selected candidates in a fair and equal manner without discrimination, impartiality and also given opportunities to the disabled to create their prides.

The Company has promoted the training and potential development for employees of the Company Group and its subsidiaries in order to promote the awareness of creative collaboration between work teams and organization, leading to be the Number One in the country (We are number 1) on 3-4 August 2019 at Baan Warina Resort, Pran Buri District, Prachuap Khiri Khan Province.

We are Number 1



4) Community and Social Development

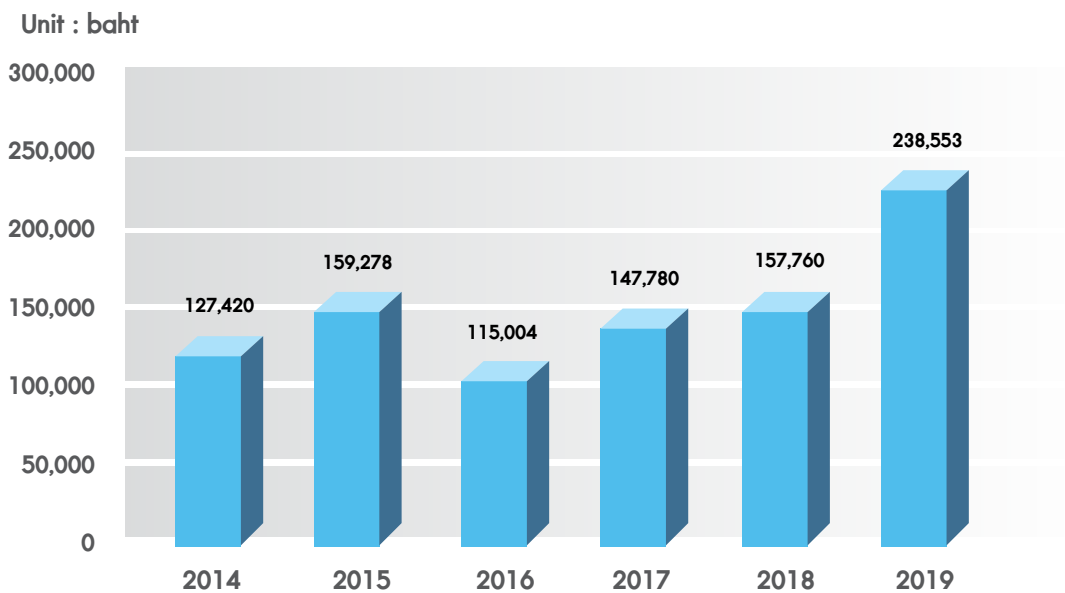
The Company has continued to create the corporate culture to promote and support employees at all levels to have a sense of responsibility and being a part of society, participate in activities and expressing opinions for developing and help the community, promoting a pleasant society and supporting the development of good quality of life in the communities surrounding the factory, through projects and activities related to business operations and for the benefit of the environment and society as follows:

4.1 Continuously employ local people The company has continuously implemented This project started from 2013 until the year 2019, with the employment of 116 local workers to distribute income to the community.



4.2 Supporting the community's products and services for creating sustainable incomes for the community people and creating good relationships between factories and surrounding communities, such as buying foods from the community.

Buying food from surrounding communities for support their income



Performance on Environment

5) Production under the environmental responsibility

The Company is aware of its responsibilities to consumers, employees and related parties, both directly and indirectly, showing environmental responsibility under the management of eco-industrial plants, covering important matters from the selection of raw materials, energy, transportation and logistics, supply chain and management of waste materials from the production process.

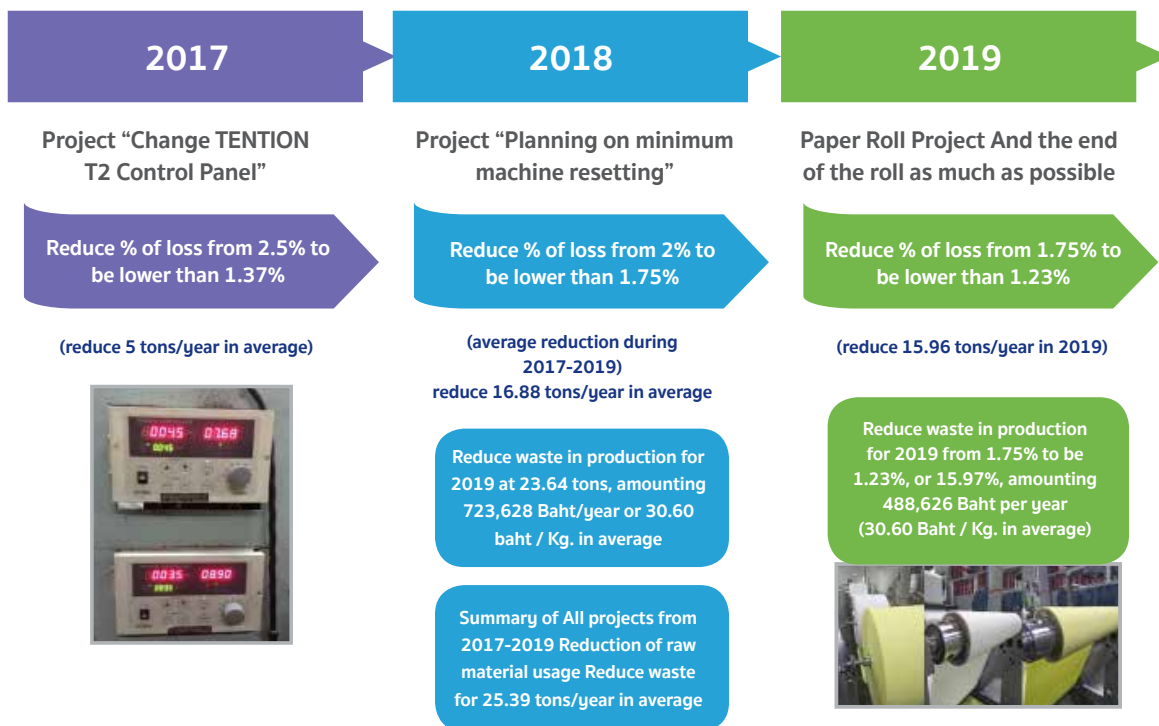
5.1) Eco Factory

The Company has operated its business under the commitment on environmental friendliness for sustainable development in accordance with the criteria of the Eco Factory. In 2016, the Company has been certified by the Federation of Thai Industries as The first eco-industrial factory in Samut Sakhon Province.

5.2) The effective use of raw materials and resources

The Company has prepared a list of raw materials and resources usage as a part of plans to minimize the use of primary raw materials and increase the use of recycled materials in the production process, and organize a project to improve machine efficiency and promote machines for efficiency maximization and to reduce the loss of projects in each year as follows:

Past Performance and Plans to Reduce Energy Consumptions

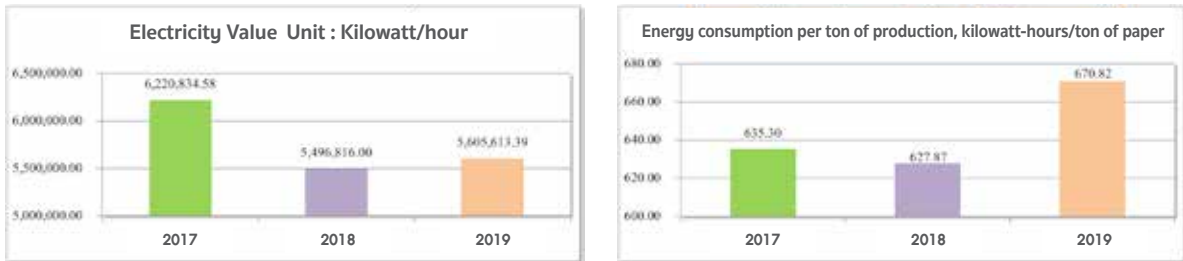


5.3) The Effective Consumption of Energy: The Company has established the energy usage database and provided the annual review plan; the Company has organized activities to increase the energy efficiency in the past 3 years as follows:

- 2017 The Company has started to organize the Solar Rooftop Project to produce electricity from solar energy for own use and based on the government policy to promote the production of electricity from solar energy for own use, the price of equipment to be installed for this project has been decreased, resulting in the lower cost of 30 Million Baht from expected cost of 70 Million Baht, while the Company has estimated the Solar Rooftop installation project will result in the reduction of energy consumption by 1,226,603.04 kilowatt-hours / year.
- 2018 The energy consumption from the Solar Rooftop Project has actually utilized and the energy consumption per ton of paper used was decreased of 1.16% in average from 2017 due to the

increasing energy consumption from the Flexible packaging production in 2017, including the electricity rate fluctuations.

2019 The project of light bulb replacement within the Company aims to reduce the electricity consumption for lighting within the Company, the result is to successfully reduce the electricity consumption by 73,839.89 kilowatt-hour/year or 8.83 kilowatt-hour/ton of paper used, representing a saving of 280,591.57 Baht/year. However, in 2019, the amount of energy consumption per ton of production was 670.82 kilowatt-hours/ton of paper used, increasing 6.84% when comparing to the consumption in 2018, due to the production of digital printing and flexible packaging.



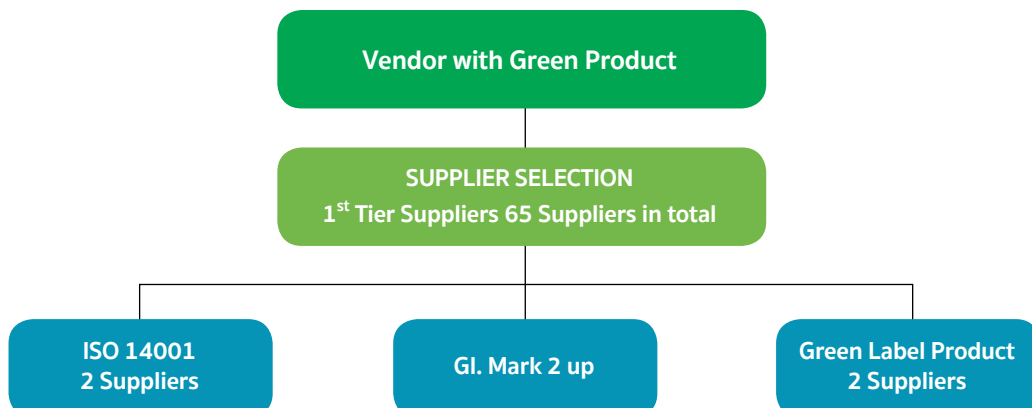
6) Environmentally friendly products and services

The printing technology business is a business requiring resources and the production affecting the environment, therefore, the Company emphasizes the product purchase and environmentally friendly production with 2 important approaches:

1st Approach: The Company has procured environmentally friendly products with following purchase details of environmentally friendly products for the past 3 years:



2nd Approach: The Company has promoted suppliers, manufacturers and service providers or 1st Tier Suppliers with qualification as Green Supplier by purchasing from 2 green suppliers from totally 11 suppliers, representing 18.18% of total 1st Tier Suppliers.



7) Transportation and Logistics Management

The factory’s transportation and delivery to customers is deemed as one of integrated services on storage, warehouse management and delivery, the customers shall be provided of convenient services along with overall energy saving. The Company has employed the entrepreneurs who specialize in transportation to be responsible in delivery in an outsourcing manner.

The Company will use the external carriers to be responsible in delivery but the Company has implemented the warehouse management system to control and supervise the carriers hired to serve our customers by continuously taking and practicing safety measures on transportation control, such as:

1. Safety control systems such as GPS or speed control and location tracking systems;
2. Safety training and vehicle inspection once a year;
3. Turn off the engine while parking for product unloading;
4. Regularly check the engine.

Based on such measures, the transportation vehicles have never had an accident from 2013 to present. The Company has also increased the transportation efficiency by means of delivery route management to reduce the distance and the number of deadheads by determining the delivery routes and reducing deadheads as well as campaigning for transportation vehicles to use natural gas. The result of the said management could continuously reduce the amount of GHG that affects greenhouse gas.

The Company has consistently conducted the GHG reduction project with continuous plans for each year as follows:

Past performance and energy reduction plans

2017	2018	2019
<ul style="list-style-type: none"> ● Inspect the condition of all truck, change engine oil for every 10,000 kilometers; ● Check up GPS of all trucks, stop motor when loading products; ● Control GPS of all trucks to drive with speed not over 90 km. per hour ● Campaign all trucks to change to use gas; <ul style="list-style-type: none"> - Train drivers to know routes to short cut the distance for fuel saving. - Reduce deadheads 	<ul style="list-style-type: none"> ● Inspect the condition of all truck, change engine oil for every 10,000 kilometers; ● Check up GPS of all trucks, stop motor when loading products; ● Control GPS of all trucks to drive with speed not over 90 km. per hour ● Campaign all trucks to change to use gas; <ul style="list-style-type: none"> - Train drivers to know routes to short cut the distance for fuel saving. - Reduce deadheads 	<ul style="list-style-type: none"> ● Inspect the condition of all truck, change engine oil for every 10,000 kilometers; ● Check up GPS of all trucks, stop motor when loading products; ● Control GPS of all trucks to drive with speed not over 90 km. per hour ● Campaign all trucks to change to use gas; <ul style="list-style-type: none"> - Train drivers to know routes to short cut the distance for fuel saving. - Reduce deadheads



8) Waste and waste material management process

The waste management is another measure emphasized by the Company, the operational process has been continuously managed and developed by covering all aspects, including the management of chemicals and hazardous substances, water and wastewater management, and the reduction of greenhouse gas emissions to reduce the impact on the environment.

8.1) Chemical and Hazardous Substances Management

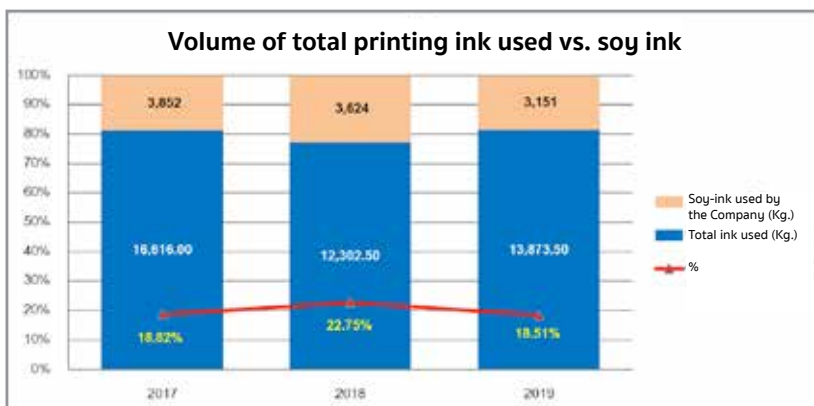
The Company has separated dangerous chemicals and hazardous substances, starting from the preparation of the list of chemicals and hazardous substances which has been continuously and annually updated, and prepared to prevent the leakage of dangerous chemicals and dangerous objects or accidents by placing the chemical and hazardous substance management system to prevent leakage or accidents, for example, establishing emergency procedures, regulations for chemical control and management, chemical spill or leakage emergency plan and annual drilling report, and the emergency preparedness and response plan in the event of fire. It has specified the practical procedures for work safety, the suppression of emergencies, emergency notifications, contact names and telephone numbers for communication, from 2013 to present. Therefore, the Company has never experienced any chemical or hazardous substance spills that affect the Company’s employees, the community and external environment.

In addition to preventive measures, the Company also changed the use of harmful raw materials by implementing the project of using water base to substitute Ethyl Acetate Project, starting from 2013, in order to reduce the risk of harms caused by Ethyl Acetate. In2019, the proportion of using water base to substitute Ethyl Acetate was 63.75% compared to 54.14% in 2018, higher than 50% as given criteria.

Using water base to substitute Ethyl Acetate Project



The Company has also replaced the chemicals and printing ink containing lead with soy-ink to reduce the use of dangerous chemicals, this replacement has been done since 2013. In 2019, the proportion of soy-Ink usage was 18.51%, compared to 2018 which was 22.75%, in accordance with the criteria set at 18% (The properties of soy-ink are slower drying, harder to control color tones than oil base ink).



8.2) Water and wastewater management

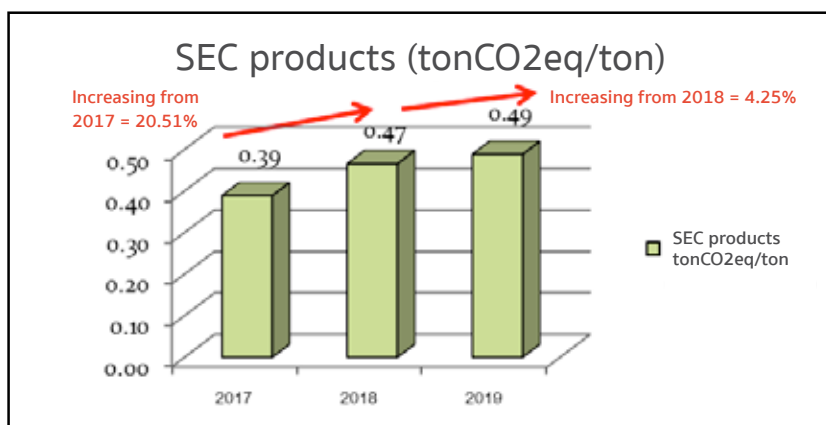
In terms of water and wastewater management, the Company has laid the system by creating a database and reviewing it by the management on a monthly basis. The wastewater has been primarily treated and the water has been measured before releasing in a monthly basis to comply with laws as follows:

Value	Standard Value	2017	2018	2019
pH (acidity or alkalinity)	5.5-9.0	7.9	7.8	7.7
S.S. (Suspended Solids)	200	48.0	94.7	53.50
TDS. (Total dissolved solids)	3,000	1,043.6	935.0	1,098.50
BOD (Biochemical Oxygen demand)	500	92.1	75.3	230.40
COD (Chemical Oxygen Demand)	750	115.0	178.0	570
TKN (Total Kjeldahl Nitrogen)	≤100	62.1	78.1	81.40
Oil & Grease	10	1.3	4.29	1.68

9) Weather Management

9.1) Greenhouse gas emissions

From the policy on business operations with participation in social and environmental responsibility in managing energy, waste disposal, raw material selection and usage, and producing environmentally friendly products, resulting in the continuous reduction of greenhouse gas emissions during 2017-2019. In 2019, the amount of greenhouse gas emissions per ton of paper used was increased by 4.25% in average, due to the increase of energy use from digital printing and flexible packaging productions by using the customers' raw materials. The Company has created a greenhouse gas emission database in accordance with the guidelines of the Thailand Greenhouse Gas Management Organization (Public Organization), has guidelines for annual measurements, statistics in greenhouse gas emission measurement from 2013-present.



9.2) Air pollution management

Since the Company's manufacturing industry does not release the pollutions from emissions or fuel gas combustion, most dust is caused by the Company's production process, the air pollution has been significantly produced in the working area, and the dust has been produced by the paper pressing process and by the production. The Company has therefore checked the air quality twice a year and established the air pollution database showing the amount of dust, smell, and noise to be in line with the standards stipulated by laws, and has a project to control and reduce dust in the workplace, this could control dust better than the standards as following details:

Year	Area to be measured	Dust standard	Measurement Results
2017	Paper pressing machines	<15 mg/m³	0.13
	Stock Form Printing Area		0.49
2018	Paper pressing machines		1.30
	Muller2 Machine		0.44
	Office Paper Department		0.09
2019	Muller9 Machine		0.69
	Office Paper Department	0.10	

Environmental and Social Responsibility (Out Process)

The Company has continued to operate its businesses with environmental and social responsibility, starting from within the organization and within surrounding communities, and then extending the environmental and social responsibility to external areas (from Corporate Environmental & Social Responsibility to Community Environmental & Social Responsibility) by continuously organizing social and environmental activities.



Children's Day
11 January 2019

T.K.S. Company Group donated 10,000.- Baht, and 700 books to community schools in cooperation with Sinsakhon Industrial Estate

T.K.S. Company Group donated 5,000.- Baht for the activities on Children's Day

12 January 2019

T.K.S. Company Group handed over 650 books to Wat Bang Ping School.

"We are Sinsakhon Industrial Estate people joining hands for Big Cleaning Day- PM 2.5" Activity on 2 February 2019, the Company's employees participated in cleaning and giving 200 bottles of drinking water to the participants in this event at Sinsakhon Industrial Estate





Activity "SHOP Help", the activity of selling 2nd hand products and donating incomes to Thammik Witthaya School (School for the Blind), Petchburi Province, on 4 August 2019 in the amount of 50,000.- Baht.



Blood donation activity to help humans and the Siriraj Hospital's Blood Donation Center sent staff to organize blood donation activity on Tuesday 28 January 2019 at the meeting room of Sinsakhon Industrial Estate



Activity 'Giving lunch and school supplies' for 60 students of Samut Sakhon Provincial Education Center on 26 November 2019



The "TKS FAMILY RUN" project inviting employees and families to exercise for good health by running is to raise awareness of health care of employees and their families, it was organized on 1 Jun 2019



Activity 'Run for the future CIRCULAR ECONOMY' on 20 October 2019, at the Federation of Thai Industries



BADMINTON Competition Activity to strengthen relations among affiliates between the T.K.S. Company Group and Synnex (Thailand) PCL., on 19 October 2019



Activity of football competition for relationships among companies in publishing industry 'CAS CUP 2019' during September - October 2019.



Participated in the event of food offering to 30 novices, Summer Semester, with Sinsakhon Industrial Estate, on 2 April 2019.



Candle Festival at Khok Kham Temple on 16 July 2019, the Company's executives and employees participated in this event



Activity 'Ceremony of presenting yellow to the Buddhist monks at the end of the Buddhist Lent' on 27 October 2019 at Khok Kham Temple by donating 10,000.- Baht and 300 bottles of TKS drinking water for participants in this event



Activity 'Green Space around the Company' participated by the Company's executives and employees on 10 December 2019.

Directors and Management's Shareholding in TKS and Subsidiaries

No	List Name	Position	T.K.S. Technologies Pcl. (TKS)			T.BSP Pcl. (TBSP)			T.K.S. Siam Press Management Co.,Ltd.			Goffive Co., Ltd.		
			Ordinary shares (shares)	Remark Up / (Down)		Ordinary shares (shares)	Remark Up / (Down)		Ordinary shares (shares)	Remark Up / (Down)		Ordinary shares (shares)	Remark Up / (Down)	
			Dec. 2018	Dec. 2019		Dec. 2018	Dec. 2019		Dec. 2018	Dec. 2019		Dec. 2018	Dec. 2019	
1	Gen. Mongkon Ampornpisit Spouse / cohabiting couple and Minor child	Chairman of the Board / Independent Director	-	-	-	-	-	-	-	-	-	-	-	-
2	Mrs. Saowaree Kamolbur Spouse / cohabiting couple and Minor child	Independent Director / Chairman of the Audit Committee	-	-	-	-	-	-	-	-	-	-	-	-
3	Mr. Presert Bunsumpun Spouse / cohabiting couple and Minor child	Independent Director / Audit Committee Member	-	-	-	-	-	-	-	-	-	-	-	-
4	Mr. Aiepong Bhoocha-oom Spouse / cohabiting couple and Minor child	Independent Director / Audit Committee Member	-	-	-	-	-	-	-	-	-	-	-	-
5	Mr. Supant Mongkolsuthree Spouse / cohabiting couple and Minor child	Director	8,291,448	8,291,448	-	-	-	-	-	1	1	-	-	-
6*	Mr. Somkid Wekinvattanasas Spouse / cohabiting couple and Minor child	Director / Managing Director	116,920	172,167	55,247	-	-	-	-	1	1	1	0	-1
7*	Mr. Jutphan Mongkolsuthree Spouse / cohabiting couple and Minor child	Director and Deputy Managing	2,820,185	3,120,028	299,843	-	-	-	-	1	3	2	399,999	399,998
8	Mr. Sutida Mongkolsuthree Spouse / cohabiting couple and Minor child	Director	18,756,398	20,632,037	1,875,639	19,577,240	10,000	-19,567,240	-	-	-	-	-	-
	Executive													
1*	Mr.Parkpoom Pooudom Spouse / cohabiting couple and Minor child	Deputy Managing Director	13,197	17,850	4,653	-	-	-	-	1	1	0	1	1
2*	Mr. Wichai Arjanajam Spouse / cohabiting couple and Minor child	Sales & Marketing Director -Project Sales & Packaging	8,261	11,409	3,148	-	-	-	-	-	-	-	-	-
3*	Mr. Vorawut Opastrakul Spouse / cohabiting couple and Minor child	Procurement Director	2,000	54,507	52,507	-	-	-	-	-	-	-	-	-
4*	Mr. Jiraphong Wachirathanapom Spouse / cohabiting couple and Minor child	Production and Planning Director	14,819	33,723	18,904	-	-	-	-	-	-	-	-	-
5*	Miss Rujee Jompijop Spouse / cohabiting couple and Minor child	Sales & Marketing Director-Domestic Sales	25,267	45,216	19,949	-	-	-	-	-	-	-	-	-

* According to the resolution of the Annual General Meeting of Shareholders for the year 2019, stock dividend payment (10 old shares: 1 new share) and shares from the EIP project

หมายเหตุ : 1. TKS has a registered capital of 462,227,767 baht. Paid-up capital is 462,226,467 baht. There are 462,226,467 ordinary shares.

2. Announcement of the Capital Market Supervisory Board No. Thor.or. 23/2551. The term "executive" means the manager. Or the first four management positions, after the manager down All persons holding the same position are equivalent to the fourth management position. And shall include persons with management positions in the accounting or financial field that are department managers level or higher or equivalent

INTERNAL CONTROL AND RISK MANAGEMENT

Opinions of the Board Based on Internal Control System Adequacy Assessment Form

The Company's Board of Directors has recognized the importance of internal control system that is good and adheres to the principles of good corporate governance, in which the system is transparent, fair, reliable and balanced power with verifiability leading to the utmost benefit for all shareholders. The Audit Committee consists of 3 members playing roles in reviewing the sufficiency of the internal control system and the examination to ensure that the Company operates its businesses in accordance with laws and regulations relevant to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, including other applicable laws for the Company's business operations. In every annual cycle, the Audit Committee shall annually consider and review the appropriateness and sufficiency of the internal control system in all 5 aspects including: corporate internal control, risk assessment, operational control, information system and communication, and tracking system. The 3 members of Audit Committee have assessed the adequacy of the internal control system for 2019 and have jointly agreed and summarized that the Company's internal control systems are has the sufficient and appropriate to the current operating conditions and there is none of any failure to comply with laws and regulations in Securities and Exchange Act and other relevant laws, and none of any transactions with conflicts of interest was found.

Opinions of the Audit Committee Contradicting with the Opinions of the Board of Directors or the Auditor

- None -

Risk Management

The Company has prioritized the overall risk management of the organization, based on the COSO's (The Committee of Sponsoring Organizations of the Treadway Commission) international standards widely used and accepted by organizations around the world, in order to manage the risk to reach an acceptable level and regularly monitor the risk management. The Company has conducted self-assessment for both executive level and operational level to jointly assess risks/obstacles, uncertainties possibly affecting the operations to achieve the Company's objectives, situations possibly leading the Company to lose its business opportunities, risks possibly arisen by internal and external causes, under the administration of Risk Management Committee as following details:

Risk Management Committee

The Risk Management Committee operated under the supervision of the Audit Committee is responsible in supervising / reviewing / approving the risk management framework and guidelines, anti-corruption and social responsibility for the preparation of sustainability development report by coordinating with Internal Audit Department and reporting the Audit Committee for acknowledgment on quarterly basis, as well as holding the meetings to review the performance of the risk management system, reporting critical risks to the Audit Committee.

Board of Directors/Audit Committee

The Board of Directors has assigned Risk Management Committee to consider and determine related risk policies in efficient and effective manner and required Risk Management Committee to submit reports to the Board of Directors on annual basis as minimum.

The Audit Committee is responsible for reviewing the Company's risk management process to ensure it covers every aspect, including monitoring performance to assess whether or not it is in compliance with the determined Key Performance Indicator (KPI) which is set as policy to make sure that appropriate corrective measures are communicated and controlled.

Administration Department

The Administration Department is responsible for ensuring that the Company has systematic risk management process in place, including determining corporate missions, targets and the person for monitoring risk management performance to make sure such risks are under acceptable level. The Administration Department shall present the risk management performance report to the Risk Management Committee on quarterly basis as minimum.

Internal Audit Unit

The Audit Committee supervises the operation of the Internal Audit Department to be independent, fair, ethical in the internal audit and the adequacy assessment of the internal control system, including the monitoring of the operational process improvement to be suitable and cover the Company's and its subsidiaries' work processes, and directly reporting to the Audit Committee, in order to ensure that the Company's operations have the internal control systems that are sufficient, appropriate and effective, along with the risk management to meet the level acceptable by the Company and good corporate governance for achieving the Company's operational objectives with the Charter of the Internal Audit Department and the code of conduct of the internal auditors as a clear guideline.

Development of audit work to sustainably and continuously create value added (High Value Services)

To strengthen various departments and units in the Company to have operational guidelines covering both governance, risk management, compliance with laws, regulations and good internal controls. The Internal Audit Department implemented as follows:

- **Evaluation of internal control effectiveness based on COSO 2013 guidelines**

The effectiveness and efficiency of internal control (Internal Control Assessment) of the Company was evaluated in accordance with COSO 2013 in order to achieve three areas including operation, reporting and compliance with regulations and being in line with the adequacy assessment form of the internal control system specified by the Securities and Exchange Commission (SEC), proposing the Audit Committee and the Board of Directors for approval.

- **Risk assessment and the control of the Company's new working system**

The Internal Audit Department inspects, evaluates and gives advices to operators and supporting units when found that there are some points required of improvement. The internal auditor will provide knowledge and create understanding as well as provide advices on the correct operating procedures in accordance with the Company's policy and in line with the standards supporting control that is complied with additional internal control systems, including ISO 9001, ISO 22301, food packaging safety with standards such as FSSC 22000 GMP and HACCP. In addition, the environmental standards have been also applied to control working environment to be pleasant, employees are happy to work according to the ISO 14001 standard and the ECO Factory standard of the Industrial Environment Institute, the Federation of Thai Industries, achieving the green industry certification in level 4 of Green Culture from the Ministry of Industry, Thailand. The performance after consulting is also monitored to create confidence to the Board of Directors and the Audit Committee that the risk management is efficiently and effectively complied with the laws and regulations of the Company.

- **Examination of information technology systems**

The Company has focused on the information technology and communication systems, continuously promote and support the system development to provide accurate and updated information by applying modern and efficient information technology including data security from data collection, data processing, data collection and tracking in order to providing the operational and important information for the management of executives or stakeholders with completeness and accuracy in a timely manner, which shall be used for business decisions and establishment of security policies for information technology and data usage.

Internal Auditor Development

To develop the professionalism and business knowledge of internal auditors, the internal Audit Department has implemented as follows:

- **Review of Internal Audit Competency**

- In 2019, the Internal Audit Department reviewed the Internal Audit Competency to enhance the level of professionalism in addition to business knowledge and international standards in professional practices, auditors jointly evaluated with supervisor and created a self-development plan which the Internal Audit Department continuously collected information to organize training courses and seminars for internal auditors.

- **Development of Internal Audit Global Knowledge**

- Continuously support the development with internal and external training courses in order to obtain knowledge, competency, professional expertise of internal audit and other skills necessary for the Company.
- Promote and support internal auditors to develop themselves by taking auditing professional examinations or other professions related to audit work.

- **Information Technology (IT) Knowledge**

- The knowledge of information technology knowledge is applied in the entire audit process to help the audit fast and accurate.
- The auditors are supported to develop their potentials to be able to audit and provide advices on overseeing international information technology audit tasks, such as support to obtain the certificate of IT audit professionals.

The Company has appointed the Internal Audit Unit of which the command line and reporting line are directly controlled by the Audit Committee. The Audit Committee assigned Miss Natthima Phodaeng to be the Company's Internal Audit Department Manager, mainly responsible to be the Company's Internal Auditor. Since the internal audit is conducted in a supporting manner, the person in charge in internal audit, therefore, should not have the commanding power or possess any management power in the audited department or unit and must be independent in the activities audited to ensure he/she can independently perform assigned duties and freely express opinions. Such independence consists of two key elements including:

1. Status of Internal Auditor within the organization and support from which the Internal Auditor received from the Management are key factors affecting the quality and value of the Internal Auditor's service provided to the Management. The Internal Auditor must directly report to the Top Management to ensure comprehensive operational framework and that all observations and suggestions are considered and implemented in efficient manner.

The fact that the command line must directly report to the Top Management is to enable the Internal Auditor sufficient independence to perform his/her duties and access to related documents, evidence and resources including all concerned parties to be audited.

2. The Internal Auditor is prohibited from having any stake holding or participation in any activities carried out by the Company that must be audited or evaluated by the Internal Auditor. The Internal Auditor must have sufficient independence in performing his/her duties and expressing opinions during the auditing process and therefore should not be a member of any committees within the organization or related units that may impact the independence of the Internal Auditor in performing the assigned duties and expressing opinions.

The Audit Committee has considered the qualifications of the Internal Auditor and is of the opinion that the Internal Auditor has appropriate and adequate qualifications to perform the assigned duties due to his/her sufficient independence and 20 years of internal audit experience. Any consideration for approval, appointment, withdrawal and transfer of the Company's Internal Audit Manager must be done under the consent of the Audit Committee.

RELATED PARTY TRANSACTIONS OF THE COMPANY, SUBSIDIARY AND ASSOCIATED

Related Party Transactions

The Managing Director has been authorized by the Board of the Directors to be responsible for approving the business operations engaged with group companies according to normal business condition and general trade condition and must be strictly in compliance with securities and stock exchange laws, including the regulations, notifications, orders or requirements of the Stock Exchange of Thailand (SET) as well as the regulations concerning disclosure of information relating to related party transactions and acquisition or disposition of major assets of the Company or subsidiary and associated company as per the accounting standard specified by The Institute of Certified Accountants and Auditor of Thailand.

However, in giving the Managing Director such authorization, the Board of Directors must strictly follow legal requirements and the Company's rules and regulations. In the case where the Managing Director or a person having potential conflict of interest has or may have personal interests or stake holding in any activities carried out by the Company, the Managing Director shall not have the authorization to give approval on such matter and must present it to the Board of Directors for further consideration.

Furthermore, all related party transactions or transactions relating to the acquisition or disposition of assets of the Company or subsidiary, whichever the case may be, must be considered by the Audit Committee and presented to the Board of Directors and the Shareholders' Meeting for approval and/or follow any other practice specified in SET notifications concerning such matter to ensure compliance with the requirements of the Stock Exchange of Thailand (SET).

For fiscal year ending December 31, 2019 and 2018, the Company, subsidiary and associated company are engaged in several related party transactions and of which have been disclosed in the audited Notes to Financial Statements by the Company's Auditor and have been reviewed by the Audit Committee. The Audit Committee is of the opinion that all related party transactions are reasonable and according to normal trade condition by offering reasonable product and service prices to related persons, comparing with average market price and adopting normal business conditions were as follows:

Company Name	Relation to the Company	Transaction Area	Rationale and Necessity of Transactions
T.K.S. Siam Press Management Company Limited	Subsidiary	1) Transactions of product purchase and sale by using prices that are close to those charged to third parties and the cost price plus margin.	Normal Trade
		2) Rent out land with the rental fee of 700,000.00 Baht per month.	To be used as office and plant locations with the rental agreement term of 3 years from 1 Aug. 2019 – 31 Jul. 2022.
		3) Rent out building with the rental fee of 50,000.00 Baht per month.	To be used as office and plant with the rental agreement term of 1 year under year-by-year basis.
		4) Rent out machines with the rental fee of 872,200 Baht per month and extend the rental agreement for 1 year with the rental fee of 572,000 Baht per month.	To be used in printing business operation with the rental term of 1 year (1 Feb. 2019 – 31 Jan. 2020) and the rental agreement had been extended for 1 more year (1 Feb. 2020 – 31 Jan. 2021)
		5) Provide the management service by charging at the ratio of 3% of total annual sales revenue.	The agreement term is 1 year (1 Jan. 2019 – 31 Dec. 2019)
		6) Provide the computer maintenance service with the service fee of 540,000 Baht per month.	The agreement term is 1 year (1 Apr. 2019 – 31 Mar. 2020)

Company Name	Relation to the Company	Transaction Area	Rationale and Necessity of Transactions
Synnex (Thailand) Public Company Limited (SYNNEX)	Associated Company with direct shareholding	Transactions of product purchase and sale by using prices that are close to those charged to third parties and the cost price plus margin.	Normal Trade
Marvel Pack Company Limited (Formerly T.K.S.-Wellco (Thailand) Co., Ltd.)	Subsidiary by indirect holding share through T.K.S. Siam Press Management Co., Ltd.	1) Transactions of product purchase and sale by using prices that are close to those charged to third parties and the cost price plus margin.	Normal Trade
		2) Rent out building with the rental fee of 114,000.00 Baht per month.	To be used as office and plant with the rental agreement term of 3 years from 1 Jun. 2016 – 31 May 2019.
		3) Provide the management service by charging at the ratio of 50,000 Baht or 3% of total annual sales revenue, whichever is higher.	The agreement term is 1 year (1 Jun. 2018 – 31 May 2019)
Gofive Company Limited	Subsidiary by direct shareholding	1) Transactions of product purchase and sale by using prices that are close to those charged to third parties and the cost price plus margin.	Normal Trade
		2) Provide the computer maintenance service with the service fee of 2,000,000 Baht per month.	The agreement term is 1 year (1 Jan. 2019 – 31 Dec. 2019)
C.T.K.S. Technologies Company Limited	Joint Venture	1) Transactions of product purchase and sale by using prices that are close to those charged to third parties and the cost price plus margin.	Normal Trade

Company Name	Relation	Related transactions	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
			2019	2018	2019	2018
Synnex (Thailand) Public Company Limited	Associated	Trade accounts receivable	30,934,207.00	35,448,968.33	19,185,685.00	21,168,248.84
		Accrued income	-	-	-	-
		Trade accounts payable	366,889.00	103,305.16	-	-
		Asset payables	287,000.00	80,485.40	-	-
		Other payables	5,350.00	9,630.00	5,350.00	9,630.00
TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)	Subsidiary	Trade accounts receivable	-	-	139,000.00	-
		Trade accounts payable	-	-	-	-
		Other payables	-	-	-	-
Thai British DPost Company Limited	Other related party	Trade accounts receivable	-	-	-	-
T.K.S. Siam Press Management Company Limited	Subsidiary	Trade accounts receivable	-	-	4,407,599.00	999,009.78
		Trade accounts payable	-	-	282,384.41	201,412.09
		Accrued expenses	-	-	75,699.54	82,516.85
		Other payables	-	-	577,800.00	577,800.00
		Deposit	-	-	500,000.00	500,000.00
		Accrued income	-	-	7,933,908.26	7,492,297.62
		Short term loan	-	-	-	73,000,000
Gofive Company Limited	Subsidiary	Trade accounts receivable	-	-	2,140,000.00	-
		Trade accounts payable	-	-	-	-
		Accrued expenses	-	-	171,347.27	-
		Other payables	-	-	1,765,500	-
		Advance payment	-	-	-	92,010
Prism Solution Company Limited	Other related party	Asset payables	-	45,000.01	-	-
		Other payables	-	1,639,026.00	-	-
Marvel Pack Company Limited (Formerly T.K.S.-Wellco (Thailand) Co., Ltd.)	Subsidiary by indirect shareholding	Trade accounts receivable	606,620.00	128,112.95	-	-
		Accrued income	266,910.08	476,250.83	-	-
		Trade accounts payable	-	68,908.00	-	-
		Deposit	600,000.00	600,000.00	-	-
C.T.K.S. Technologies Company Limited	Joint Venture	Trade accounts receivable	-	-	-	-
		Trade accounts payable	-	-	-	-

Measures or Procedures for Approving Related Party Transaction

The Board of Directors has given approval to the Company and subsidiary to enter into the following related party transactions:

- 1) Regular business transactions such as buying and selling of products and raw materials and service provision.
- 2) Regular business support transactions such as hiring outsource for product delivery, advertisement, administration or technical assistance.
- 3) Short-term property rent or lease transactions.
- 4) Property or service-related transactions such as investment or selling of investments in business operation.
- 5) Financial aid transactions.
- 6) Loans as per employee welfare regulation.

Policy or Future Trend of Related Party Transactions Entered with Parties Having Potential Conflict of Interest

The Board of Directors has considered future trend of related party transactions entered between the Company and parties having potential conflict of interest with the Company and is of the opinion that lower number of related party transactions can be observed in the future. In the event such transactions occurred, strict compliance with the concerned procedures and regulations is required.

Currently, there are no parties with shareholding of more than 5.00% in the subsidiary and associated company having conflict of interest with the Company since the Company has a policy on having direct shareholding in the subsidiary and associated company.

REFERENCE PERSONS INFORMATION

Stock Registrar	THAILAND SECURITIES DEPOSITORY Co., Ltd.
Office Address:	The Stock Exchange of Thailand Building, 93 Rachadapisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400
Telephone:	0-2009-9000
Fax:	0-2009-9991
Auditor	KPMG Phoomchai Audit Ltd.
Office Address:	50F, 1 Empire Tower, South Sathorn Rd., Yannawa, Sathorn, Bangkok, 10120
Telephone:	0-2677-2000
Fax:	0-2677-2222
Home Page:	www.kpmg.com/th

INVESTOR INFORMATION

Can find general information about TKS Technology Public Company Limited at:

T.K.S. Technologies Public Company Limited (TKS)

Head Office Address:	No. 30/88, Moo 1, Jesadawitee Road, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Telephone:	0-2784-5888
Fax:	0-2784-5858
Home Page	www.tks.co.th

TKS Register the stock trading at the Stock Exchange of Thailand. (www.set.or.th)

Foreign Limit	49%
Accounting period	31 December
Independent Auditor	KPMG Phoomchai Audit Ltd.

REPORT FROM THE AUDIT COMMITTEE

The Audit Committee of T.K.S. Technologies Public Company Limited has consisted of three independent directors including Mrs. Saowanee Kamolbutr as the Chairman of the Audit Committee, Mr. Areepong Bhoocha-oom and Mr. Prasert Bunsumpun as Members of the Audit Committee. All members are qualified of knowledge and experience in economy, accounting and finance, business administration, audit. The composition and qualifications of the Audit Committee could perform their duties on reviewing the reliability of financial statements in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee has carefully performed their duties within the scope of duties and responsibilities with knowledge and independence as assigned by the Board of Directors and according to the Charter of the Audit Committee which is in accordance with the requirements and best practices for the Audit Committee of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and in accordance with the principles of good corporate governance as well as providing advices on various matters, which have been collaborated well with the Company's Management, Internal Auditors and Auditors.

In 2019, the Audit Committee held 8 meetings in total to discuss with the Management, Internal Auditors and Auditors, in the 8th meeting, the Audit Committee called for a meeting with the Company's Auditors without the presence of the Management, followed by another meeting with the Management without the presence of the Company's auditor. In each meeting, the Audit Committee shall notify the above audit results and suggestions to be acknowledged and considered by the Management for further improvement of work and accounting systems to be more accurate.

The summary of the Audit Committee duties is as follows:

1. Reviewing financial reports

The Audit Committee reviewed the Company's quarterly financial statements and annual financial statements of 2019 together with the relevant Auditors and executives, disclosed and prioritized the Key Audit Matters (KAM) in the Auditor's Report by being provided of explanation by the Auditor and Management in order to be confident that the financial statements are prepared in accordance with legal reporting requirements and financial reporting standards that are accurate and reliable, useful for shareholders or users of information for making decisions on investment and general users of financial statements. The Auditor reviewed and audited, which is the report without conditions before proposing to the Board of Directors for consideration and approval.

2. Reviewing internal control systems

The Audit Committee has reviewed the evaluation of internal control by using the assessment form for the adequacy of the internal control system in accordance with the practical framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to ensure that the operations in all functions shall be efficient and effective, achieve the specified objectives and goals and sufficient, able to control or prevent corruption. The Internal Audit Department shall be responsible in independently auditing, assessing the adequacy of internal controls and directly reporting to the Audit Committee which the evaluation results according to the adequacy assessment form of the internal control system, the Company's internal control system is sufficient and suitable for its business operations.

3. Reviewing connected transactions

The Audit Committee has considered and reviewed the Company's and the Company Group's connected transaction or the transaction that may have conflict of interest according to the Notifications of the Stock Exchange of Thailand and of the Securities and Exchange Commission. The Audit Committee expressed opinions that the Company and the Company Group have mainly performed in accordance with general trade conditions, fairness, and reasonability for the utmost benefits of the Company's operations and shareholders. The transactions have been approved by the Management or the Board of Directors before making transactions.

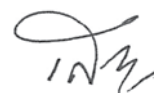
4. Supervision of internal audit and risk management

The Audit Committee has approved the annual audit plan and reviews the implementation according to the plan as approved, and followed up the performance report of the Internal Audit Department, which has audited the Company's important work systems and monitored the operations to be in accordance with the specified policies as well. In terms of risk management, the Audit Committee has driven and reviewed the Company to establish the risk management system for standard and appropriate risk evaluation and control.

5. Consideration for nominating Auditors

The Audit Committee has reviewed the appropriateness of the auditor's performance during the past year and has considered the selection of a new auditor and is of the opinion that KPMG Phoomchai Audit Co., Ltd. should be nominated as the Company's auditor for the year 2020. The Audit Committee shall propose this company to the Board of Directors for consideration in obtaining approval from the 2020 Annual General Shareholders' Meeting.

The Audit Committee had the opinion that the Company's internal control system is good with adequate internal control reporting and not found of any nonconformity in internal control or transaction that may cause the conflict of interest which may significantly affect the Company's business operations and with the improvement of operational system to have quality in line with the Company's business development to stably and sustainably progress.



(Mrs. Saowanee Kamolbutr)
Chairman of the Audit Committee

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Board of Directors is responsible for the financial statements of T.K.S. Technologies Public Company Limited and consolidated financial statements of T.K.S. Technologies Public Company Limited and subsidiary, including the financial information presented in the Annual Report. The financial statements have been prepared in accordance with financial reporting standard and appropriate accounting policies which have always been strictly adhered to and based on careful consideration as well as best estimations. All material information has been adequately and transparently disclosed in the Notes to Financial Statements to protect the benefits of the shareholders and general investors.

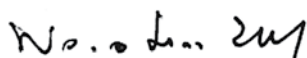
The Board of Directors has set up risk management system and maintains appropriate and effective internal control system to ensure upon reasonable ground that all accounting records are accurate, complete and adequate for sustaining the Company's assets and preventing corruptions or any material irregular business operations.

The Board of Directors has appointed the Audit Committee to be responsible for reviewing the accounting policies and the quality the financial reports, including auditing internal control system, internal audit, risk management system and considering the disclosure of related party transactions. The opinions of the Audit Committee in respect to such matters are disclosed in the Report of the Audit Committee which is presented in this Annual Report.

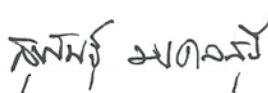
The financial statements of the Company and the consolidated financial statements of the Company and subsidiary have been reviewed by the Company's auditor which is Ms. Orawan Sirirattanawong, Certified Public Accountant License No.3757 from KPMG Phoomchai Audit Ltd. Throughout the auditing process, the Board of Directors cooperatively provided the information and documents required by the auditor for inspection and expression of opinions in accordance with the auditing standard. The opinions of the auditor are disclosed in the Auditor's Report which is presented in this Annual Report.

The Board of Directors is of the opinion that the overall internal control system of the Company is adequately efficient and can assure the credibility of the financial statements of T.K.S. Technologies Public Company Limited and consolidated financial statements of T.K.S. Technologies Public Company Limited and subsidiary for the year ending December 31, 2019 which strictly adhered to the financial reporting standard and related laws and regulations.

General



(Mongkon Ampornpisit)
Chairman of the Board



(Mr. Supant Mongkolsuthree)
Director/Chairman of the Executive of Director

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

2019 Performance

Revenue Breakdown

Unit : THB million

	<u>Y2019</u>	<u>Y2018</u>	<u>Change</u> (%)
<u>As Reported</u>			
Total revenues	2,497	2,052	21.7%
<i>TKS</i>	<i>1,416</i>	<i>1,257</i>	<i>12.5%</i>
<i>TBSP</i>	<i>1,081</i>	<i>795</i>	<i>35.9%</i>

T.K.S. Technologies Public Company Limited (“the Company”) started consolidating operating results from the acquisition of TBSP Public Company Limited (“TBSP”) from 4 April 2018, and reported an increase in total revenues of THB 455 million in 2019, or 21.7% increase from a year earlier. Excluding revenues from TBSP, revenue growth would have been THB 159 million, or 12.7% increase from last year, mainly caused by higher revenues from High-Valued Document and Digital Print and Mail.

%Gross Profit Margin

Unit: %

	<u>Y2019</u>	<u>Y2018</u>
<u>As Reported (% to Sales)</u>		
Gross profit margin	21.3%	21.0%
<i>TKS</i>	<i>23.4%</i>	<i>23.6%</i>
<i>TBSP</i>	<i>18.6%</i>	<i>16.9%</i>

Gross profit margin in 2019 was 21.3% in comparison to 21.0% in 2018. Excluding TBSP’s gross profit margin of 18.6%, the Company’s gross profit margin in 2019 was 23.4%, slightly decline from a year earlier, primary by lower Gross Profit of Packaging & Label.

Selling and Administrative expenses

<i>Unit : THB million</i>		Change	
	Y2019	Y2018	(%)
<u>As Reported (% to Sales)</u>			
Total SG&A Exp.	402(16.1%)	358(17.5%)	12.4%
<i>TKS</i>	<i>218(8.7%)</i>	<i>232(11.3%)</i>	<i>(6.3%)</i>
<i>TBSP</i>	<i>184(7.4%)</i>	<i>126(6.2%)</i>	<i>45.3%</i>

In 2019, selling and administrative expenses amounted to THB 402 million, or 16.1% of total revenues, while in 2018, these expenses amounted to THB 358 million, or 17.5% of total revenues. Excluding TBSP's selling and administrative expenses of THB 184 million (or 7.4% of total revenues), the Company's expenses amounted to THB 218 million, or 15.4% of total revenues, which was 6.3% lower than last year which came from more effective management in logistic & distribution.

Financial cost

<i>Unit : THB million</i>		Change	
	Y2019	Y2018	(%)
<u>As Reported (% to Sales)</u>			
Financial cost	34(1.4%)	27(1.3%)	25.6%
<i>TKS</i>	<i>6(0.3%)</i>	<i>7(0.3%)</i>	<i>(2.5%)</i>
<i>Extra financial cost</i>	<i>16(0.6%)</i>	<i>11(0.6%)</i>	<i>40.9%</i>
TKS	23(0.9%)	18(0.9%)	25.0%
TBSP	11(0.5%)	9(0.4%)	26.9%

Financial costs in 2019 amounted to THB 34 million, an increase of 25.6% from last year regarding to TBSP consolidation and extra finance cost from additional long-term loan for Tender Offer in TBSP. Excluding the extra cost of THB 16 million, financial cost of Company reduced by 2.5% from last year.

Net Profit

<i>Unit : THB million</i>	Change		
	Y2019	Y2018	(%)
<u>As Reported</u>			
Net profit	410	303	35.31%
<i>TKS</i>	285	326	(12.5)%
<i>TBSP</i>	33	0.5	7,182%
<i>Non-recurring profit*</i>	92	-	100%
<i>Non-recurring profit**</i>	-	213	(100)%
<i>Non-recurring loss^{A)}</i>	-	(212)	100%
<i>Non-recurring loss^{B)}</i>	-	(24)	100%

Net profit for 2019 amounted to THB 410 million, an increase of 35.31% from 2018, mainly caused by higher non-recurring profit in 2019 and the correction of the recording of income tax expenses of a subsidiary, in which the Company holds 100%, result to decrease Net profit for 2018. Excluding such extraordinary items, net profit of Company of THB 285 million, 12.5% lower than last year, mainly as a result of lower profit sharing from associated companies.

* Non-recurring profit in 2019 was a result of the sale of asset of TBSP in Q2 19, recognized from %Holding TBSP of 79.74% in the amount of THB 92 million, according to the Thai Accounting Standard.

** Non-recurring profit in 2018 was a result of revaluation of the fair value of 19.89% stake in TBSP before the acquisition, totaling THB 213 million, according to the Thai Accounting Standard.

^{A)} Non-recurring loss in 2018 was a result of the impairment of goodwill from investment in TBSP, according to the Thai Accounting Standard.

^{B)} Non-recurring loss in 2018 was a result of the impairment of assets in a 51% joint venture, according to the Thai Accounting Standard.

Financial Position

<i>THB million</i>	<u>Dec. 19</u>	<u>Dec. 18</u>	<u>%Chg</u>
As Reported			
Total Assets	4,246	4,074	4.2%
<i>Operating Assets</i>	<i>3,756</i>	<i>3,584</i>	<i>4.8%</i>
<i>Goodwill</i>	<i>490</i>	<i>490</i>	<i>0.0%</i>
Total Liabilities	1,752	1,433	22.3%
Total Equity	2,494	2,641	(5.6%)

Consolidated financial position as at 31 December 2019 represented healthy with total assets THB 4,246 million, g+4.2% compared with ending 2018. Without Goodwill of THB 490 million, Company showed total assets of THB 3,756 million. While total liabilities accounted THB 1,752 million and total equity showed at THB 2,494 million.

Cash Flows

Company represented consolidated net from operating cash flows ending 31 December 2019 of THB 221 million, while last year at THB 346 million.

Meanwhile, consolidated net used in investing cash flows totaling THB 132 million, primary due to Tender Offer in TBSP 19.43% at THB 294 million, while net cash receipts from disposal and paid for purchase of assets for operations THB 34 million and cash receipts from dividend of associates THB 150 million.

Consolidated net used in financing cash flows totaling THB 32 million, primary due to paid for repayment loan of THB 1,531 million, and cash receipts form loan of THB 1,809 million, while dividend payment THB 248 million. The consolidated cash and cash equivalents ending December 2019 reported amounting to THB 100 million, which reflected from net cash flows such activities as above mentioned.



**FINANCIAL
STATEMENTS
2019**



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Independent Auditor's Report

To the Shareholders of T.K.S. Technologies Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of T.K.S. Technologies Public Company Limited and its subsidiaries (the "Group") and of T.K.S. Technologies Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2019, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2019 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

Anawan



Impairment assessment of goodwill acquired from business combination and investments in subsidiaries	
Refer to Note 17 to the financial statements	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2019, the Group had goodwill acquired from business combination of Baht 490.07 million in consolidated financial statements and investments in subsidiaries of Baht 1,750.22 million in separate financial statements. Management is required to test goodwill for impairment at least annually under Thai Financial Reporting Standard.</p> <p>The Group applies the value-in-use (discounted cash flow ("DCF")) method to determine the recoverable amount of the cash-generating units ("CGU"). Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses.</p> <p>Due to the materiality of the balances and the judgment and complexities involved in determining the future cash flows attributable to the CGU, I considered the measurement of the recoverable amount as a key audit matter.</p>	<p>My audit procedures included, among others:</p> <ul style="list-style-type: none"> • understood the identification of CGU, the process of consideration of impairment assessment of goodwill acquired from business combination, including the preparation of the Group's projection which is used for the preparation of discounted cash flow model; • evaluated reasonable of key assumptions by comparing with historical results, operation plan and information derived from external sources; • assessed the appropriateness of the discount rate applied in the Group's cash flows projection against information of peers in the same industry; • used KPMG specialists to review the appropriateness of discount rate; • tested calculation; • performed sensitivity analysis around the key assumptions; and • considered the adequacy of disclosure in accordance with Thai Financial Reporting Standard.

Oranon



Valuation of inventories	
Refer to Notes 4 (f) and 10 to the financial statements	
The key audit matter	How the matter was addressed in the audit
<p>The selling price of the Group and the Company is subject to the highly competitive market conditions. The Group and the Company have a risk that net realisable value of inventories will be lower than cost. The Group and the Company measure their inventories at net realisable value by comparing the cost of inventories against net realisable value to consider the allowance for decline in value which involve management's judgment. This is a focus area in my audit.</p>	<p>My audit procedures included, among others:</p> <ul style="list-style-type: none"> • inquired the management who is responsible for this area to obtain an understanding of the Group's and the Company's procedures in relation to measuring the net realisable value of their inventories; • tested calculation of the measurement of net realisable value of inventories by comparing the cost of inventories against expected net realisable value (i.e. selling price in the latest invoice less costs to sell); and • considered the adequacy of disclosures in relation to inventories in the consolidated and separate financial statements.

Emphasis of Matter

I draw attention to note 3 to the financial statements describing the effects of the subsidiary's adjustments for the corrections of errors for misstatement relative to income tax expense, withholding income tax deducted at source and deferred tax assets in 2018. The corresponding figures presented are based on the audited consolidated and separate financial statements as at and for the year ended 31 December 2018, which were audited by another auditor who expressed an unmodified opinion on those statements on 22 February 2019, after making the adjustments described in note 3 to the financial statements. I have audited these adjustments, and in my opinion, such adjustments are appropriate and have been properly applied. My opinion is not modified in respect of this matter.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Overman



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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company'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 and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

Cunwan



- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

A handwritten signature in black ink, appearing to read 'Orawan Sirirattanawong'.

(Orawan Sirirattanawong)
Certified Public Accountant
Registration No. 3757

KPMG Phoomchai Audit Ltd.
Bangkok
19 February 2020

T.K.S. Technologies Public Company Limited and its Subsidiaries**Statement of financial position**

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2019	31 December 2018 (Restated)	31 December 2019	31 December 2018 (Restated)
<i>(in Baht)</i>					
Assets					
Current assets					
Cash and cash equivalents	7	100,414,388	43,567,165	31,976,654	1,479,405
Trade accounts receivable	6, 8	395,612,539	334,477,656	32,856,027	27,746,663
Other receivables	6, 9	64,771,836	35,412,852	10,405,982	8,396,647
Inventories	10	265,330,739	229,017,922	13,834,604	8,377,327
Current portion of long-term loan					
to related party	6, 33	1,873,244	-	-	-
Other current assets		2,168,700	-	24,650	-
Total current assets		830,171,446	642,475,595	89,097,917	46,000,042
Non-current assets					
Available-for-sale investments	11	10,800,560	17,146,096	10,800,560	17,146,096
Investments in an associate	6, 12	1,236,918,104	1,187,851,007	1,236,918,104	1,187,851,007
Investments in joint ventures	6, 12	8,698,976	21,180,131	1,528,218	-
Investments in subsidiaries	3, 6, 13	-	-	1,750,223,325	1,605,495,843
Long-term loan to related party	6, 33	13,115,106	-	-	-
Investment properties	15	64,081,920	64,331,979	64,081,920	64,331,979
Property, plant and equipment	16	1,427,632,893	1,488,757,757	99,387,298	95,273,807
Goodwill	17	490,071,667	490,071,667	-	-
Intangible assets	18	70,585,150	75,416,241	-	2
Deferred tax assets	3, 30	27,311,912	28,804,438	6,576,969	7,503,123
Withholding tax	3	57,005,679	32,357,121	4,099,781	3,235,057
Other non-current assets		3,410,559	26,050,900	382,288	567,996
Total non-current assets		3,409,632,526	3,431,967,337	3,173,998,463	2,981,404,910
Total assets		4,239,803,972	4,074,442,932	3,263,096,380	3,027,404,952

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

T.K.S. Technologies Public Company Limited and its Subsidiaries
Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2019	31 December 2018 (Restated)	31 December 2019	31 December 2018 (Restated)
<i>(in Baht)</i>					
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	19, 33	417,033,803	274,735,884	-	70,000,000
Trade accounts payable	6	206,772,294	189,984,678	39,951,693	25,807,335
Other payables	6, 20	126,177,180	113,258,413	11,058,678	10,686,520
Loans from related party	6, 19	-	-	-	71,300,000
Current portion of long-term loans					
from financial institutions	19, 33	232,672,912	258,368,814	142,654,579	167,875,481
Current portion of finance lease liabilities	19	7,191,163	11,002,790	820,640	1,330,210
Total current liabilities		989,847,352	847,350,579	194,485,590	346,999,546
Non-current liabilities					
Long-term loans from financial institutions	19, 33	580,041,597	420,273,701	449,541,598	199,755,368
Finance lease liabilities	19	12,552,359	10,706,307	1,492,262	462,051
Deferred tax liabilities	30	42,034,997	50,870,821	-	-
Non-current provisions for employee benefits	21	121,504,666	102,845,752	8,386,622	6,273,391
Other non-current liabilities		170,000	776,750	670,000	676,750
Total non-current liabilities		756,303,619	585,473,331	460,090,482	207,167,560
Total liabilities		1,746,150,971	1,432,823,910	654,576,072	554,167,106

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

T.K.S. Technologies Public Company Limited and its Subsidiaries**Statement of financial position**

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2019	31 December 2018 (Restated)	31 December 2019	31 December 2018 (Restated)
<i>(in Baht)</i>					
Liabilities and equity					
Equity					
Share capital:	22				
Authorized share capital					
(420,206,768 ordinary shares, par value at Baht 1 per share)		-	420,206,768	-	420,206,768
(462,227,767 ordinary shares, par value at Baht 1 per share)		462,227,767	-	462,227,767	-
Issued and paid-up share capital					
(420,206,767 ordinary shares, par value at Baht 1 per share)		-	420,206,767	-	420,206,767
(462,226,467 ordinary shares, par value at Baht 1 per share)		462,226,467	-	462,226,467	-
Share premium on ordinary shares	23	694,968,529	694,968,529	694,968,529	694,968,529
Share premium on treasury shares		44,033,292	44,033,292	44,033,292	44,033,292
Retained earnings:					
Appropriated to legal reserve	24	46,222,777	36,020,698	46,222,777	36,020,698
Unappropriated	3	1,373,796,677	1,283,201,570	1,373,627,037	1,283,201,570
Other components of equity		(152,230,569)	(5,193,010)	(12,557,794)	(5,193,010)
Equity attributable to owners of the parent		2,469,017,173	2,473,237,846	2,608,520,308	2,473,237,846
Non-controlling interests	14	24,635,828	168,381,176	-	-
Total equity		2,493,653,001	2,641,619,022	2,608,520,308	2,473,237,846
Total liabilities and equity		4,239,803,972	4,074,442,932	3,263,096,380	3,027,404,952

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

T.K.S. Technologies Public Company Limited and its Subsidiaries**Statement of comprehensive income**

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2019	2018 (Restated)	2019	2018 (Restated)
<i>(in Baht)</i>					
Revenues					
Revenue from sale of goods and rendering of services	25	2,496,914,544	2,051,982,801	349,092,176	309,276,563
Gain on measurement the previously held interests before business combination		-	213,683,595	-	213,683,595
Gain on disposal of property, plant and equipment		146,910,607	2,416,324	3,618,456	560,746
Gain on investment purchased under fair value	5	923,526	-	-	-
Other income	26	16,864,380	24,922,692	49,080,649	45,920,724
Total revenues		2,661,613,057	2,293,005,412	401,791,281	569,441,628
Expenses					
Cost of sales of goods and rendering of services		1,964,082,134	1,620,410,293	314,052,162	286,839,732
Distribution costs		120,318,339	102,284,768	3,093,344	4,483,817
Administrative expenses		281,615,992	256,114,159	50,854,612	62,064,413
Impairment losses on goodwill	17	-	212,395,589	-	-
Finance costs	29	33,826,005	26,930,198	18,341,147	15,357,093
Total expenses		2,399,842,470	2,218,135,007	386,341,265	368,745,055
Share of profit (loss) of investments in subsidiaries	3, 6, 13	-	-	174,400,683	(177,059,280)
Share of profit of investments in an associate and joint ventures	6, 12	193,359,541	241,171,358	201,601,018	277,751,833
Profit before income tax expense		455,130,128	316,041,763	391,451,717	301,389,126
Tax expense (income)	3, 30	45,296,571	12,735,964	5,571,270	(1,462,020)
Profit for the year	25	409,833,557	303,305,799	385,880,447	302,851,146
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Losses on remeasurement available-for-sale investments		(5,262,640)	(4,393,194)	(5,262,640)	(4,393,194)
Realised gain on sale of available-for-sale investments to profit or loss		(575,610)	-	(575,610)	-
Share of other comprehensive income (expense) of subsidiaries		-	-	73,752	(35,758)
Share of other comprehensive income (expense) of an associate and joint ventures		(3,441,483)	2,640,951	(3,441,483)	2,676,709
Income tax relating to items that will be reclassified		1,855,949	350,448	1,841,196	350,448
Total items that will be reclassified subsequently to profit or loss - net of tax		(7,423,784)	(1,401,795)	(7,364,785)	(1,401,795)

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

T.K.S. Technologies Public Company Limited and its Subsidiaries**Statement of comprehensive income**

	Consolidated financial statements		Separate financial statements		
	Year ended 31 December		Year ended 31 December		
	Note	2019	2018 (Restated)	2019	2018 (Restated)
					<i>(in Baht)</i>
Items that will not be reclassified to profit or loss					
Share of other comprehensive income of subsidiaries		-	-	6,157,958	(4,895,066)
Share of other comprehensive income of an associate and joint ventures		-	3,966,814	-	3,966,814
Gains (losses) on remeasurement of defined benefit plans		5,981,386	(6,010,370)	(296,400)	445,485
Income tax relating to items that will not be reclassified		(1,196,277)	408,711	(1,172,311)	96,553
Total items that will not be reclassified to profit or loss - net of tax		4,785,109	(1,634,845)	4,689,247	(386,214)
Other comprehensive expense for the year - net of tax		(2,638,675)	(3,036,640)	(2,675,538)	(1,788,009)
Total comprehensive income for the year		407,194,882	300,269,159	383,204,909	301,063,137
Profit attributable to:					
Owners of the parent		386,050,088	302,851,146	385,880,447	302,851,146
Non-controlling interests	14	23,783,469	454,653	-	-
Profit for the year		409,833,557	303,305,799	385,880,447	302,851,146
Total comprehensive income attributable to:					
Owners of the parent		383,315,550	301,063,138	383,204,909	301,063,137
Non-controlling interests	14	23,879,332	(793,979)	-	-
Total comprehensive income for the year		407,194,882	300,269,159	383,204,909	301,063,137
Basic earnings per share	31	0.84	0.68	0.84	0.68

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

T.K.S. Technologies Public Company Limited and its Subsidiaries
Statement of changes in equity

	Consolidated financial statements										
	Retained earnings		Other components of equity						Total equity		
	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Legal reserve	Unappropriated investments (in Baht)	Available-for-sale investments	Share of other comprehensive income / (expense) of an associate and joint ventures	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	
Year ended 31 December 2018											
Balance at 1 January 2018	360,206,768	154,968,538	44,033,292	36,020,698	1,243,678,762	(9,799,740)	6,008,525	(3,791,215)	1,835,116,843	-	1,835,116,843
Transactions with owners, recorded directly in equity											
<i>Contributions by and distributions to owners of the parent</i>											
Issue of ordinary shares	59,999,999	539,999,991	-	-	-	-	-	-	599,999,990	15	600,000,005
Dividends	-	-	-	-	(262,942,125)	-	-	-	(262,942,125)	-	(262,942,125)
Total contributions by and distributions to owners of the parent	59,999,999	539,999,991	-	-	(262,942,125)	-	-	-	337,057,865	15	337,057,880
<i>Changes in ownership interests in subsidiaries</i>											
Increase from business combination	-	-	-	-	-	-	-	-	-	182,640,333	182,640,333
Dividends of subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	(13,465,193)	(13,465,193)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	169,175,140	169,175,140
Total transactions with owners, recorded directly in equity	59,999,999	539,999,991	-	-	(262,942,125)	-	-	-	337,057,865	169,175,155	506,233,020
Comprehensive income for the year											
Profit - as restated	-	-	-	-	302,851,146	-	-	-	302,851,146	454,653	303,305,799
Other comprehensive income	-	-	-	-	(3,559,664)	(3,514,556)	5,286,212	1,771,656	(1,788,008)	(1,248,652)	(3,036,640)
Total comprehensive income for the year	-	-	-	-	299,291,482	(3,514,556)	5,286,212	1,771,656	301,063,138	(793,979)	300,269,159
Transfer to retained earnings	-	-	-	-	3,173,451	-	(3,173,451)	(3,173,451)	-	-	-
Balance at 31 December 2018	420,206,767	694,968,529	44,033,292	36,020,698	1,283,201,570	(13,314,296)	8,121,286	(5,193,010)	2,473,237,846	168,381,176	2,641,619,022

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

T.K.S. Technologies Public Company Limited and its Subsidiaries
Statement of changes in equity

	Consolidated financial statements											
	Retained earnings					Other components of equity					Total equity	
	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Legal reserve	Unappropriated investments	Available-for-sale investments	Share of other comprehensive income / (expense) of an associate and joint ventures	Surpluses (deficits) from changes in interests in subsidiaries	Total other components of equity	Equity attributable to owners of the parent		Non-controlling interests
Year ended 31 December 2019												
Balance at 1 January 2019 - as previously reported	420,206,767	694,968,529	44,033,292	36,020,698	1,303,191,772	(13,314,296)	8,121,286	-	(5,193,010)	2,493,228,048	168,381,176	2,661,609,224
Cumulative effects of corrections of errors	-	-	-	-	(19,990,202)	-	-	-	-	(19,990,202)	-	(19,990,202)
Balance at 1 January 2019 - as restated	420,206,767	694,968,529	44,033,292	36,020,698	1,283,201,570	(13,314,296)	8,121,286	-	(5,193,010)	2,473,237,846	168,381,176	2,641,619,022
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the parent</i>												
Issue of ordinary shares (Stock dividends)	42,019,700	-	-	-	(42,019,700)	-	-	-	-	-	-	-
Dividends	-	-	-	-	(247,922,448)	-	-	-	-	(247,922,448)	-	(247,922,448)
Total Contributions by and distributions to owners of the parent	42,019,700	-	-	-	(289,942,148)	-	-	-	-	(247,922,448)	-	(247,922,448)
<i>Changes in ownership interests in subsidiaries</i>												
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	(139,613,775)	(139,613,775)	(139,613,775)	(152,472,805)	(292,086,580)
Dividends of subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(15,151,875)	(15,151,875)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	(139,613,775)	(139,613,775)	(139,613,775)	(167,624,680)	(307,238,455)
Total transactions with owners, recorded directly in equity	42,019,700	-	-	-	(289,942,148)	-	-	(139,613,775)	(139,613,775)	(387,536,223)	(167,624,680)	(655,160,903)
Comprehensive income for the year												
Profit	-	-	-	-	386,050,088	-	-	-	-	386,050,088	23,783,469	409,833,557
Other comprehensive income	-	-	-	-	4,689,246	(4,670,600)	(2,753,184)	-	(7,423,784)	(2,734,538)	95,863	(2,638,675)
Total comprehensive income for the year	-	-	-	-	390,739,334	(4,670,600)	(2,753,184)	-	(7,423,784)	383,315,550	23,879,332	407,194,882
Transfer to legal reserve	-	-	-	10,202,079	(10,202,079)	-	-	-	-	-	-	-
Balance at 31 December 2019	462,226,467	694,968,529	44,033,292	46,222,777	1,373,796,677	(17,984,896)	5,368,102	(139,613,775)	(152,230,569)	2,469,017,173	24,635,828	2,493,653,001

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

T.K.S. Technologies Public Company Limited and its Subsidiaries
Statement of changes in equity

	Separate financial statements									
	Retained earnings					Other components of equity				
	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Legal reserve	Unappropriated investments	Available-for-sale investments	Share of other comprehensive income / (expense) of subsidiaries	Share of other comprehensive income / (expense) of an associate and joint ventures	Total other components of equity	Total equity
<i>(in Baht)</i>										
Year ended 31 December 2018										
Balance at 1 January 2018	360,206,768	154,968,538	44,033,292	36,020,698	1,243,678,762	(9,799,739)	(30,396)	6,038,920	(3,791,215)	1,835,116,843
Transactions with owners, recorded directly in equity										
<i>Contributions by and distribution to owners of the parent</i>										
22	59,999,999	539,999,991	-	-	-	-	-	-	-	599,999,990
32	-	-	-	(262,942,125)	-	-	-	-	-	(262,942,125)
	59,999,999	539,999,991	-	(262,942,125)	-	-	-	-	-	337,057,865
<i>Total contributions by and distribution to owners of the parent</i>										
Comprehensive income for the year										
3	-	-	-	-	302,851,146	-	-	-	-	302,851,146
	-	-	-	-	356,388	(3,514,555)	(3,944,659)	5,314,818	(2,144,396)	(1,788,008)
	-	-	-	-	303,207,534	(3,514,555)	(3,944,659)	5,314,818	(2,144,396)	301,063,138
	-	-	-	-	(742,601)	-	3,916,053	(3,173,452)	742,601	-
	420,206,767	694,968,529	44,033,292	36,020,698	1,283,201,570	(13,314,294)	(59,002)	8,180,286	(5,193,010)	2,473,237,846
	420,206,767	694,968,529	44,033,292	36,020,698	1,283,201,570	(13,314,294)	(59,002)	8,180,286	(5,193,010)	2,473,237,846

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

T.K.S. Technologies Public Company Limited and its Subsidiaries
Statement of changes in equity

	Separate financial statements									
	Retained earnings					Other components of equity				
	Issued and paid-up share capital	Share premium on ordinary shares	Share premium on treasury shares	Legal reserve	Unappropriated investments	Available-for-sale investments	Share of other comprehensive income / (expense) of subsidiaries	Share of other comprehensive income / (expense) of an associate and joint ventures	Total other components of equity	Total equity
	<i>(in Baht)</i>									
Year ended 31 December 2019										
Balance at 1 January 2019 - as previously reported	420,206,767	694,968,529	44,033,292	36,020,698	1,303,191,772	(13,314,294)	(59,002)	8,180,286	(5,193,010)	2,493,228,048
Cumulative effects of corrections of errors	-	-	-	-	(19,990,202)	-	-	-	-	(19,990,202)
Balance at 1 January 2019 - as restated	420,206,767	694,968,529	44,033,292	36,020,698	1,283,201,570	(13,314,294)	(59,002)	8,180,286	(5,193,010)	2,473,237,846
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the parent</i>										
Issue of ordinary shares (Stock dividend)	42,019,700	-	-	-	(42,019,700)	-	-	-	-	-
Dividends	-	-	-	-	(247,922,448)	-	-	-	-	(247,922,448)
Total contributions by and distributions to owners of the parent	42,019,700	-	-	-	(289,942,148)	-	-	-	-	(247,922,448)
Comprehensive income for the year										
Profit	-	-	-	-	385,880,447	-	-	-	-	385,880,447
Other comprehensive income	-	-	-	-	4,689,247	(4,670,600)	59,002	(2,753,186)	(7,364,784)	(2,675,537)
Total comprehensive income for the year	-	-	-	-	390,569,694	(4,670,600)	59,002	(2,753,186)	(7,364,784)	383,204,910
Transfer to legal reserve	-	-	-	10,202,079	(10,202,079)	-	-	-	-	-
Balance at 31 December 2019	462,226,467	694,968,529	44,033,292	46,222,777	1,373,627,037	(17,984,894)	-	5,427,100	(12,557,794)	2,608,520,308

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

T.K.S. Technologies Public Company Limited and its Subsidiaries**Statement of cash flows**

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018 (Restated)	2019	2018 (Restated)
	<i>(in Baht)</i>			
Cash flows from operating activities				
Profit for the year	409,833,557	303,305,799	385,880,447	302,851,146
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense (income)	45,296,571	12,735,964	5,571,270	(1,462,020)
Finance costs	33,826,005	26,930,198	18,341,147	15,357,093
Depreciation and amortisation	152,748,965	136,962,009	3,285,673	5,887,026
(Reversal of) losses on declining in value of inventories	10,442,000	(4,967,551)	(249,683)	568,964
Provision for doubtful accounts (reversal of)	5,461,000	2,955,220	(6,082,584)	-
Gain on disposal of property, plant and equipment	(146,283,994)	(2,527,308)	(3,618,454)	(560,746)
Loss from write-off plant and equipment	2,378,441	110,982	-	-
Unrealised (gain) loss on exchange rate	88,192	(125,941)	29,380	10,222
Gain on sales of investments held as available for sale	(626,613)	-	(626,613)	-
Loss on sales of investments in a subsidiary	-	-	233,833	-
Provision for employee benefit	36,711,000	8,907,187	2,806,261	812,564
Gain on remeasurement of defined benefit plans	-	(87,412)	-	-
Share of (profit) loss of investments in subsidiaries	-	-	(174,400,683)	177,060,560
Share of profit of investments in an associate and joint ventures	(193,359,541)	(241,171,358)	(201,601,018)	(277,468,548)
Gain on inter-outstanding balances with an associate and joint ventures	425,719	283,285	-	-
(Gain) loss on measuring the previously held interests				
before business combination	31,437	(213,683,595)	-	(213,683,595)
Loss on impairment of goodwill	-	212,395,589	-	-
Loss on write-off of other intangible assets	16,335	-	-	-
Losses on termination in joint venture	528,710	-	-	-
Gain on investment purchased under fair value	(923,526)	-	-	-
Dividend income	(403,794)	(504,976)	(403,794)	(504,976)
Interest income	(664,854)	(259,143)	(60,344)	(57,468)
	355,525,610	241,258,949	29,104,838	8,810,222
Changes in operating assets and liabilities				
Trade accounts receivable	(66,595,883)	107,920,832	974,841	47,175,457
Other receivables	27,239,369	58,631,186	(2,009,335)	(18,171,181)
Inventories	(46,754,817)	41,149,383	(5,207,594)	21,404,885
Other current assets	(16,569,624)	(1,474,015)	(24,649)	81,888
Other non-current assets	22,640,341	87,000	185,708	-
Trade accounts payable	16,787,616	736,598	14,149,872	43,154,161
Other payables	3,691,722	(75,483,540)	251,623	(84,221,436)
Other non-current liabilities	(606,750)	(11,250)	(6,750)	(11,250)
Employee benefit paid	(12,071,000)	(1,877,450)	(989,355)	(41,339)
Net cash generated from operating	283,286,584	370,937,693	36,429,199	18,181,407
Taxes paid	(61,757,803)	(24,625,681)	(3,994,239)	(3,346,493)
Net cash from operating activities	221,528,781	346,312,012	32,434,960	14,834,914

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

T.K.S. Technologies Public Company Limited and its Subsidiaries**Statement of cash flows**

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December 2019	2018 (Restated)	Year ended 31 December 2019	2018 (Restated)
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Cash paid for collateral financial institution deposits	-	(100,931)	-	(100,931)
Acquisition of investment in joint venture	(2,000,000)	(5,266,556)	(2,000,000)	-
Consideration paid of the subsidiary acquired from non-controlling interest	(294,486,562)	-	(294,486,562)	-
Acquisition of investment in subsidiary	-	-	-	(1,005,616,899)
Acquisition of business combination	(3,338,000)	(964,420,914)	-	-
Acquisition of property, plant and equipment	(88,682,891)	(333,260,729)	(5,028,235)	(145,654)
Repayment of asset payables	-	(11,798,623)	-	-
Proceeds from sale of property, plant and equipment	122,376,182	4,938,600	3,657,586	560,748
Acquisition of intangible assets	(6,597,377)	(5,822,093)	-	-
Proceeds from sale of other intangible assets	2,006,665	-	-	-
Loans to related parties	(14,988,350)	-	-	-
Proceeds from sales of investments held as available for sale	1,133,900	-	1,133,900	-
Proceeds from sale of investment in subsidiaries	2,399,982	-	2,399,982	-
Dividends received	149,827,000	163,682,902	476,878,881	270,717,709
Interest received	247,714	259,143	60,344	57,468
Net cash from (used in) investing activities	(132,101,737)	(1,151,789,201)	182,615,896	(734,527,559)
<i>Cash flows from financing activities</i>				
Proceeds from short-term loans from financial institutions	1,239,033,803	1,910,753,781	110,000,000	750,618,200
Repayment of short-term loans from financial institutions	(1,096,735,884)	(1,853,017,897)	(180,000,000)	(722,618,200)
Proceeds from loans from related party	-	-	56,500,000	232,300,000
Repayment of loans from related party	-	-	(127,800,000)	(161,000,000)
Proceeds from long-term loans from financial institutions	570,091,401	593,971,063	570,091,401	377,971,063
Repayment of long-term loans from financial institutions	(434,305,807)	(137,090,506)	(343,812,473)	(85,181,173)
Cash received from sale and leaseback under finance lease agreements	-	6,830,000	-	-
Repayment of finance lease liabilities	(12,101,359)	(15,129,845)	(1,797,794)	(1,392,682)
Dividends paid to owners of the Company	(247,649,448)	(262,786,509)	(247,649,448)	(262,786,509)
Dividends of subsidiaries paid to non-controlling interests	(15,151,876)	(13,465,194)	-	-
Interest paid	(33,958,859)	(25,269,284)	(18,335,178)	(13,709,247)
Financing fee paid	(1,713,600)	(2,956,812)	(1,713,600)	(2,956,812)
Proceeds from share capital increase	-	599,999,990	-	599,999,990
Cash received from issuance of ordinary shares of non-controlling interests	-	15	-	-
Net cash from (used in) financing activities	(32,491,629)	801,838,802	(184,517,092)	711,244,630

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

T.K.S. Technologies Public Company Limited and its Subsidiaries**Statement of cash flows**

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018	2019	2018
		(Restated)		(Restated)
	<i>(in Baht)</i>			
Net increase (decrease) in cash and cash equivalents,				
before effect of exchange rates	56,935,415	(3,638,387)	30,533,764	(8,448,015)
Effect of exchange rate changes on cash and cash equivalents	<u>(88,192)</u>	<u>(884)</u>	<u>(36,515)</u>	<u>(2,973)</u>
Net increased (decrease) in cash and cash equivalents	56,847,223	(3,639,271)	30,497,249	(8,450,988)
Cash and cash equivalents at beginning of year	43,567,165	47,206,436	1,479,405	9,930,393
Cash and cash equivalents at ending of year	100,414,388	43,567,165	31,976,654	1,479,405
<i>Non-cash transactions</i>				
Losses on remeasuring available-for-sale investments	(5,262,640)	(4,393,194)	(5,262,640)	(4,393,194)
Plant and equipment purchased during the year	101,147,686	341,110,000	7,188,235	145,654
Less: assets acquired by way of finance lease	(10,652,039)	-	(2,160,000)	-
Increase in payables on purchases of plant and equipment	<u>(1,812,756)</u>	<u>(7,849,271)</u>	<u>-</u>	<u>-</u>
Net purchase of plant and equipment paid by cash	88,682,891	333,260,729	5,028,235	145,654

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

T.K.S. Technologies Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

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T.K.S. Technologies Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 19 February 2020.

1 General information

T.K.S. Technologies Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 18 November 2003. The Company’s registered office at 30/88, Moo 1, Chetsadawithi Road, Khokkam, Mueang Samutsakhon, Samutsakhon.

The Company’s major shareholder during the financial year is Mongkolsuthree family (39.55% shareholding).

The principal activities of the Company and its subsidiaries are manufacturing of continuous paper forms, securities printing, other printing, continuous labels and printing warehouse service. Details of the Company’s subsidiaries as at 31 December 2019 and 2018 are as follows;

Entity’s name	Country of incorporation	Type of business	Investment ratio as at 31 December	
			2019	2018
(%)				
<i>Direct subsidiaries</i>				
TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)	Thailand	Manufacturing of security printing	97.17	77.74
Services Hall Company Limited	Thailand	Investment	100.00	-
Gofive Company Limited	Thailand	Provide services of consultancy and information technology system and software	60.00	100.00
<i>Indirect subsidiaries</i>				
<u>Via Services Hall Company Limited</u>				
T.K.S. Siam Press Management Company Limited	Thailand	Business form printing and warehouse management	100.00	100.00
Marvel Pack Company Limited (Formerly T.K.S.-Wellco (Thailand) Co., Ltd.)	Thailand	Manufacturer of label	100.00	51.00
<u>Via TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)</u>				
Thai British DPost Company Limited	Thailand	Rendering of laser printing and enveloping of statements, bills and invoices and related services	99.99	99.99
Thai British Security Printing Overseas Company Limited	Thailand	Investment	99.99	99.99

T.K.S. Technologies Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2019. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. There is no material impact on the Group's financial statements. The Group has initially applied TFRS 15 *Revenue from Contracts with Customers* ("TFRS 15") which replaces TAS 18 *Revenue* ("TAS 18") and related interpretations. The details of accounting policies are disclosed in note 4(q).

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 37.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

<i>Items</i>	<i>Measurement bases</i>
Derivatives	Fair value
Available-for-sale investment	Fair value
Contingent consideration assumed in a business combination	Fair value
Defined benefit liability	Present value of the defined benefit obligations as explained in note 4 (n)

(c) Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following note:

Note 4(q)	Revenue recognition: <ul style="list-style-type: none"> • whether performance obligations in a bundled sale of products and services are capable of being distinct; • whether revenue from sales of products is recognised over time or at a point in time
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T.K.S. Technologies Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2019 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 5	Acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis;
Note 8	Measurement of allowance for doubtful debts of trade accounts receivable;
Note 17	Impairment test of goodwill: key assumptions underlying recoverable amounts;
Note 21	Measurement of defined benefit obligations: key actuarial assumptions;
Note 30	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.

3 Effect from correction of error

The Company has restated the financial statements to correct the error incurred in 2018 relating to income tax expense recording of a subsidiary which the Company hold 100% shareholdings. Early income tax exemption has been used by a subsidiary for profit from promotional privilege regarding improvement of production efficiency for alternative energy utilisation before its effective exemption year, resulted in under recognition of income tax expense for the year 2018 and over recognition of withholding income tax deducted at source and deferred tax assets as at 31 December 2018 in consolidated financial statements.

The correction of error of said subsidiary which the Company hold 100% shareholding and recognised interest in subsidiary using the equity method in separate financial statements, resulting in under recognition of share of loss of subsidiary and over recognition of investments in subsidiaries in separate financial statements.

The Group and the Company restated such accounting error in consolidated and separate financial statements for the year ended 31 December 2018 as follows:

	As previously reported	Adjustment Increase (Decrease)	As restated
	<i>(in thousand Baht)</i>		
	Consolidated financial statements		
Statement of financial position			
at 31 December 2018			
Withholding income tax deducted at source	49,391	(17,034)	32,357
Deferred tax assets	31,761	(2,956)	28,805
Unappropriated retained earnings	(1,303,192)	19,990	(1,283,202)
		-	
Statement of comprehensive income			
for the year ended 31 December 2018			
Income tax expense (benefit)	(7,254)	19,990	12,736
Profit for the year	323,296	(19,990)	303,306
		-	
Basic earnings per share <i>(in Baht)</i>	0.79	(0.04)	0.75

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	As previously reported	Adjustment Increase (Decrease) (in thousand Baht)	As restated
Separate financial statements			
<i>Statement of financial position at 31 December 2018</i>			
Investments in subsidiaries	1,625,486	(19,990)	1,605,496
Unappropriated retained earnings	(1,303,192)	<u>19,990</u>	(1,283,202)
		<u>-</u>	
<i>Statement of comprehensive income for the year ended 31 December 2018</i>			
Share of loss of subsidiaries	157,069	19,990	177,059
Profit for the year	322,841	<u>(19,990)</u>	302,851
		<u>-</u>	
Basic earnings per share (in Baht)	0.79	(0.04)	0.75

4 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in an associate and joint ventures.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

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If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Step acquisition

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognises assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder's equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

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

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

Interests in equity - accounted investees

The Group's interests in equity-accounted investees comprise interests in an associate and joint ventures.

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

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

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

(c) Derivatives

Derivatives are used to manage exposure to foreign exchange arising from operational activities. Derivatives are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Foreign currency forward contracts have been used to manage the risk from the fluctuation of exchange rate which foreign currency forward contracts will set the future exchange rate that assets or liabilities denominated in foreign currencies will be received or paid. Fair value of foreign currency forward contract at the end of the period will be presented in the notes to the financial statements and realised gain or loss on foreign currency forward contracts will be recognised in profit or loss for the period which they are received or paid.

(d) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

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(e) Trade and other accounts receivable

A receivable is recognised when the Group has an unconditional right to receive consideration.

A receivable is stated at invoice value less allowance for doubtful accounts which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the first-in first-out principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate actual cost based on first-in, first-out method.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

A right to recover returned products is recognised when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

(g) Investments

Investments in subsidiaries, associates and joint ventures

Interests in subsidiaries, associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss and other comprehensive income of subsidiaries, associates and joint ventures. Distribution or dividend received from subsidiaries, associates and joint ventures will be reduced the carrying amount of those investments in subsidiaries, associates and joint ventures.

When the Company's share of loss of a subsidiary, associate or joint venture equals or exceeds the Company's interests in that subsidiary, associate or joint venture (together with any long-term interests that, in substance, form part of the Company's net investment in that subsidiary, associate or joint venture), the Company will discontinue recognising the Company's share of loss in excess of the interests in that subsidiary, associate or joint venture. After the Company's interests is reduced to zero, the Company will recognise share of additional loss as liabilities only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the subsidiary, associate or joint venture. If the Company's subsidiary, associate or joint venture subsequently reports profit, the Company's will resume recognising the Company's share of profit only after the share of profit equals the share of loss not recognised.

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Available-for-sale investments

Investments held as available-for-sale are investments in marketable equity instruments, which are investments without time frame for holding but may be sold whenever liquidity needed, will be classified as non-current assets, unless the management of the Company has intention to hold these investments for less than 12 months from the statement of financial position date or to sell them so as to increase working capital for operation, which will be classified as current assets. Investments held as available-for-sale are stated at fair value which is calculated from the last bid price at the end of the accounting period and recognised the change in value in other comprehensive income (expense) which will be recognised in profit or loss when the investment is disposed.

(h) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Buildings and building improvements	10 to 30 years
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No depreciation is provided on freehold land.

(i) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

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Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. The estimated useful lives are as follows:

Land improvements	5 years
Buildings and improvements	5 to 30 years
Machinery and equipment	3 to 20 years
Furniture, fixtures and office equipment	3 to 10 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 4(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

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Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Computer software	3 to 10 years
Customer relationship	10 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the assets' value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Interest-bearing liabilities

Interest-bearing liabilities are stated at cost.

(m) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(n) Employee benefits

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

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Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(p) Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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(q) Revenue

Accounting policies for revenue recognition in 2019

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

Accounting policies for revenue recognition in 2018

Revenue excludes value added tax and is arrived at after deduction of trade discounts.

Sale of goods

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Rendering of services

Service income is recognised as services are provided.

(r) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(s) Investment income

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

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(t) Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(u) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(v) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(w) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(x) Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(y) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5 Acquisition of subsidiary

TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)

On 4 April 2018, the Company purchased ordinary shares of TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited), of 63.64 million shares or 57.85% of issued and paid-up share capital of TBSP Public Company Limited. When aggregated with ordinary shares of 21.88 million shares of TBSP Public Company Limited previously held by the Company, thence the Company held totaling of 85.52 million shares or 77.74% of issued and paid-up share capital of TBSP Public Company Limited. The Company had rights or interests in TBSP Public Company Limited and had the ability to affect those returns through its power over the investee. The Company obtained control of TBSP Public Company Limited and included the investee to preparation of consolidated financial statement since 4 April 2018.

As a result of step up acquisition, the Company has reclassified of equity interest from investment in associate to be investment in subsidiary and remeasured investment with fair value at acquisition date of Baht 341.32 million. The Company recorded gain on measurement of Baht 213.86 million in profit or loss and reclassify loss, previously recognised in other comprehensive income, of Baht 0.18 million to "gain on measurement of equity interest before business combination" of Baht 213.68 million, as if the Company disposed of investment.

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Detail of assets acquired and liabilities assumed are as follows:

	Fair value <i>(in thousand Baht)</i>
Cash and cash equivalents	34,696
Trade and other current receivables	258,568
Inventories	144,576
Deferred tax asset of current period	5,335
Investment in joint ventures	17,141
Property, plant and equipment	678,347
Other intangible assets	
Customer relationship	39,899
Other	36,643
Deferred tax assets	12,583
Other non-current assets	
Advance payment for land	75,847
Other	32,679
Short-term loans from financial institutions	(175,000)
Trade and other current payables	(125,124)
Current portion of long-term loans	(28,333)
Current portion of finance lease liabilities	(16,842)
Current provisions for employee benefits	(3,016)
Long-term loans	(49,583)
Finance lease liabilities	(9,982)
Non-current provisions for employee benefits	(57,493)
Deferred tax liabilities	(50,326)
Total identifiable net assets	820,615
Less Non-controlling interests	(182,640)
Share of net identifiable assets of the Company	637,975
Carrying amount of previously held equity interest before business combination	127,461
Gain on measurement	213,864
Fair value of previously held equity interest before business combination	341,325
Fair value of the consideration	999,117
Less equity interest of net identifiable assets of the Company	(637,975)
Goodwill	702,467
Cash paid as the consideration	999,117
Less cash and cash equivalents of the subsidiary acquired	(34,696)
Net cash outflows	964,421

Fair value of the identifiable assets acquired and liabilities assumed and non-controlling interests of TBSP Public Company Limited that are recognised at the acquisition date, are determined by the information as at 31 March 2018 which is immaterial different.

Non-controlling interests in TBSP Public Company Limited recognised at acquisition date is measured at fair value of net identifiable assets of TBSP Public Company Limited according to current equity interest.

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Marvel Pack Company Limited (Formerly T.K.S.-Wellco (Thailand) Company Limited)

On 11 July 2019, the Group obtained control of Marvel Pack Company Limited (Formerly T.K.S.-Wellco (Thailand) Company Limited), a manufacturer of label, by acquiring 49% of the shares and voting interests in the company. As a result, the Group's equity interest in Marvel Pack Company Limited increased from 51% to 100%. Therefore, the Group has reclassified the interests that the Group previously held from investments in joint ventures to investments in subsidiaries.

Taking control of Marvel Pack Company Limited will enable the Group to expand market share and customer target group. The Group also expected to increase efficiency in production process that will reduce production costs.

During the period from acquisition date to 31 December 2019, Marvel Pack Company Limited contributed revenue of Baht 36.53 million and profit of Baht 2.56 million to the Group's results.

Detail of assets acquired and liabilities assumed are as follows:

	Fair value <i>(in thousand Baht)</i>
Cash and cash equivalents	742
Trade and other receivables	5,325
Equipment	4,152
Refundable deposit	600
Deferred tax assets	15
Trade and other payables	(106)
Accrued expenses	(517)
Total identifiable net assets	10,211
Interest acquired (%)	49
Fair value of identifiable assets and liabilities assumed received	5,003
Gain on bargain purchase	923
Total consideration	4,080
Fair value of previously held equity interest	5,208
Carrying amount of previously held equity interest	5,239
Loss recognised as a result of remeasuring to fair value of the previously held interest	(31)
Cash paid as the consideration	4,080
Less cash and cash equivalents of the subsidiary acquired	(742)
Net cash outflows	3,338

The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above provisional fair values, or any additional assets or liabilities that existed at the acquisition date, then the acquisition accounting will be revised.

The Group incurred acquisition-related costs of Baht 0.78 million related to external legal fees and due diligence costs. The legal fees and due diligence costs have been included in administrative expenses in the Group's consolidated statement of comprehensive income.

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6 Related parties

Relationships with subsidiaries, associates and joint ventures are described in notes 12 and 13. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key Management	Thailand	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.
TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)	Thailand	Subsidiary by direct shareholding
Service Hall Co., Ltd.	Thailand	Subsidiary by direct shareholding
T.K.S. Siam Press Management Company Limited	Thailand	Subsidiary by direct shareholding until 2 December 2019
T.K.S. Siam Press Management Company Limited	Thailand	Subsidiary by indirect holding share through Service Hall Co., Ltd. since 3 December 2019
Gofive Company Limited	Thailand	Subsidiary by direct shareholding
Marvel Pack Co., Ltd. (Formerly T.K.S.-Wellco (Thailand) Co., Ltd.)	Thailand	Joint venture by indirect holding share through T.K.S. Siam Press Management Co., Ltd. until 10 July 2019
Marvel Pack Co., Ltd. (Formerly T.K.S.-Wellco (Thailand) Co., Ltd.)	Thailand	Subsidiary by indirect holding share through T.K.S.Siam Press Management Co., Ltd. since 11 July 2019
Thai British DPost Company Limited	Thailand	Subsidiary by indirect shareholding via TBSP Public Company Limited
Thai British Security Printing Overseas Company Limited	Thailand	Subsidiary by indirect shareholding via TBSP Public Company Limited
Synnex (Thailand) Public Company Limited	Thailand	Associate by direct shareholding
TIM Secure Technology Company Limited	Thailand	Joint venture by direct shareholding
C.T.K.S. Technologies Company Limited	Cambodia	Joint venture by indirect shareholding via T.K.S. Siam Press Management Company Limited
Myanmar Deco-TBSP Special Products Company Limited	Myanmar	Joint venture by indirect shareholding via Thai British Security Printing Overseas Company Limited
Prism Solution Company Limited	Thailand	Related entity by being subsidiary of associate

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The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sales of goods	Cost plus margin
Purchases of goods	Cost plus margin
Interest income and expense	Rate as mutually agreed with reference interest rates quoted by bank
Dividend income	The declared amount
Rental income	Contractually agreed prices
Management assistance fee	Contractually agreed prices
Purchase of assets	Net book value plus margin
Rental and service expenses	Contractually agreed prices
Other expenses	Contractually agreed prices
Other income	Contractually agreed prices
Key management personnel compensation	As defined by the Nomination and Remuneration Committee and the Company's policy

Significant transactions for the years ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	30,409	42,913
Management assistance fee	-	-	33,059	30,765
Rental income	-	-	13,866	13,166
Purchase of goods	-	-	43,722	34,173
Rental and service expenses	-	-	8,265	8,051
Interest expense	-	-	894	706
Share of profit from investments in subsidiaries	-	-	174,401	35,336
Associate				
Sale of goods	251,831	240,390	198,668	182,781
Rental and service income	6,284	-	-	-
Purchase of goods	8,488	2,105	-	-
Other expenses	268	701	268	313
Purchase of assets	-	887	-	-
Share of profit from investments in associates	202,073	277,751	202,073	277,751
Joint ventures				
Sale of goods	9	44	-	-
Management assistance fee	748	2,266	-	-
Rental and service income	809	1,556	-	-
Other income	1,094	383	-	-
Purchase of goods	164	564	-	-
Share of loss from investments in joint ventures	(8,713)	(36,580)	(472)	-

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<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term benefits	89,022	67,986	15,074	19,111
Post-employee benefits	5,407	5,306	1,414	1,381
Other long-term benefits	26	25	3	3
Total key management personnel compensation	94,455	73,317	16,491	20,495
Consultant fee	1,800	1,800	1,800	1,800
Other related parties				
Sale of goods	145,832	124,836	-	1
Purchase of goods	9,765	2,478	-	-
Service expenses	14,275	20,917	-	-
Other expenses	-	704	-	-
Purchase of investment in subsidiaries	298,566	-	294,486	-
Purchase of assets	-	4,381	-	-
Disposal of investment in subsidiary	2,399	-	2,399	-

In August 2019, a subsidiary (TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)) declared dividend totaling Baht 74.8 million. Such dividend was paid to the Company of Baht 59.6 million and non-controlling interests of Baht 15.2 million in September 2019.

In April 2018, a subsidiary (TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)) declared dividend totaling Baht 60.5 million. Such dividend was paid to the Company of Baht 47.0 million and non-controlling interests of Baht 13.5 million in May 2018.

In April 2019, a subsidiary (T.K.S. Siam Press Management Company Limited) declared dividends totaling Baht 90.0 million and in September 2019 declared totaling Baht 177.0 million. Such dividends were paid in May 2019 and September 2019, respectively.

In April 2018, a subsidiary (T.K.S. Siam Press Management Company Limited) declared dividend totaling Baht 60.0 million. Such dividend was paid to the Company in May 2018.

Balances as at 31 December with related parties were as follows

<i>Trade accounts receivable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	4,547	999
Associate	30,934	35,449	19,185	21,168
Joint ventures	2,690	2,395	-	-
Total	33,624	37,844	23,732	22,167

The normal credit term granted to related parties of the Group ranges from 30 days to 60 days.

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<i>Other receivables</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	7,934	7,584
Associate	453	-	-	-
Joint ventures	12,591	8,044	-	-
Total	13,044	8,044	7,934	7,584

<i>Movements of loans to</i>	Interest rate At 31 December (% per annum)	Consolidated financial statements			
		At 1 January	Increase	Decrease	At 31 December
		<i>(in thousand Baht)</i>			
2019					
Joint venture	5.50	-	14,988	-	14,988

<i>Trade accounts payable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	282	201
Associate	367	103	-	-
Joint ventures	-	69	-	-
Other related parties	1,278	-	-	-
Total	1,645	172	282	201

<i>Accrued management fee</i>				
Subsidiaries	-	-	578	578
Associate	5	-	5	-
Total	5	-	583	578

<i>Asset payables</i>				
Associate	287	80	-	-
Other related parties	1,367	45	-	-
Total	1,654	125	-	-

<i>Accrued expenses</i>				
Subsidiaries	-	-	-	82

<i>Other payables</i>				
Associate	1,713	10	-	10
Other related parties	1,478	1,639	-	-
Total	3,191	1,649	-	10

<i>Deposit received</i>				
Subsidiaries	-	-	500	500
Joint ventures	-	600	-	-
Total	-	600	500	500

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<i>Movements of loans to</i>	Interest rate At 31 December (% per annum)	Separate financial statements			
		At 1 January	Increase (in thousand Baht)	Decrease	At 31 December
2019					
Subsidiaries	1.97 - 2.37	71,300	56,500	(127,800)	-
2018					
Subsidiaries	1.97 - 2.35	-	232,300	(161,000)	71,300

<i>Commitments - related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	-	-	600	600
<i>Commitment under service agreements</i>				
Within one year	-	-	1,620	1,620

Significant agreements with related parties

As at 31 December 2019, the Company had management assistance agreement with related parties. The agreements shall be in effect for a period of one year and shall be automatically renewable for additional periods of one year each unless either party gives written notice to the other of its intention to terminate the agreements prior to the expiration date at least 3 months.

As at 31 December 2019, the Company had land rental agreement with a related party. The agreement shall be in effect for a period of three years, commencing from 1 August 2019 to 31 July 2022.

Other commitments

As at 31 December 2019 and 31 December 2018, the Company has mortgaged the land and structure thereon of the Company and its subsidiaries as collateral against short-term and long-term borrowings from financial institutions. Hereby, the Company and subsidiaries have made the credit facilities counter-guarantee for each other without any guarantee fee.

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7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Cash on hand	317	140	20	20
Cheque in hand	346	2,473	126	288
Cash at banks - current accounts	10,810	4,265	1,623	163
Cash at banks - savings accounts	88,932	36,680	30,208	1,008
Cash at banks - fixed deposits	9	9	-	-
Total	100,414	43,567	31,977	1,479

8 Trade accounts receivable

Aging analyses for trade accounts receivable were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related parties					
Within credit terms		20,942	25,970	22,845	18,636
Overdue:					
Less than 3 months		10,076	10,980	887	3,531
3 - 6 months		445	518	-	-
6 - 12 months		627	376	-	-
Over 12 months		1,534	-	-	-
	6	<u>33,624</u>	<u>37,844</u>	<u>23,732</u>	<u>22,167</u>
Other parties					
Within credit terms		176,256	172,019	6,033	3,338
Overdue:					
Less than 3 months		161,662	102,937	2,855	2,242
3 - 6 months		11,235	8,133	-	-
6 - 12 months		1,714	1,107	63	-
Over 12 months		18,505	25,282	173	6,083
		<u>369,372</u>	<u>309,478</u>	<u>9,124</u>	<u>11,663</u>
Less allowance for doubtful accounts		<u>(7,383)</u>	<u>(12,844)</u>	<u>-</u>	<u>(6,083)</u>
		<u>361,989</u>	<u>296,634</u>	<u>9,124</u>	<u>5,580</u>
Net		<u>395,613</u>	<u>334,478</u>	<u>32,856</u>	<u>27,747</u>

The normal credit term granted by the Group ranges from 30 days to 90 days.

T.K.S. Technologies Public Company Limited and its Subsidiaries
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9 Other receivables

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related parties	6	13,044	8,044	7,934	7,584
Other parties					
Prepaid expenses		12,407	15,779	472	436
Advance payment		6,966	5,627	2,000	377
Asset receivables		26,065	-	-	-
Others		6,290	5,963	-	-
Total		64,772	35,413	10,406	8,397

10 Inventories

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Finished goods	97,385	75,241	13,455	8,312
Work in progress	47,354	39,328	-	-
Raw materials	96,272	80,450	1,200	1,123
Supplies	45,944	38,632	459	471
Goods in transit	-	6,549	-	-
Total	286,955	240,200	15,114	9,906
Less allowance for decline in value of inventories	(21,624)	(11,182)	(1,279)	(1,529)
Net	265,331	229,018	13,835	8,377

Movements during the years ended 31 December 2019 and 2018 of allowance for decline in value of inventories were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Beginning balance	(11,182)	(12,377)	(1,529)	(960)
Acquisition from business combination	(1,097)	(3,773)	-	-
Increase	(30,666)	(24,238)	-	(1,298)
Reverse	21,321	29,206	250	729
Ending balance	(21,624)	(11,182)	(1,279)	(1,529)

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11 Available-for-sale investments

	Consolidated financial statements/ Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
<i>Available-for-sale investments</i>		
Investment in equity securities available for sale	10,801	17,146
At 31 December	<u>10,801</u>	<u>17,146</u>

Movements during the years ended 31 December of equity securities were as follows:

	2019	2018
	<i>(in thousand Baht)</i>	
At 1 January	17,146	21,539
Sales during the year	(1,083)	-
Changes in fair value	(5,262)	(4,393)
At 31 December	<u>10,801</u>	<u>17,146</u>

12 Investment in an associate and joint ventures

<i>For the year ended 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Associate					
At 1 January		1,187,851	1,195,887	1,187,851	1,195,887
Share of net profit of investments - equity method	6	202,073	277,751	202,073	277,751
Dividend income		(149,827)	(163,178)	(149,827)	(163,178)
Share of other comprehensive income (expense)		(2,753)	5,315	(2,753)	5,315
Reclassification to investment in subsidiaries	13	-	(341,325)	-	(341,325)
Fair value of previously owned interests		-	213,683	-	213,683
Others		(426)	(282)	(426)	(282)
At 31 December		<u>1,236,918</u>	<u>1,187,851</u>	<u>1,236,918</u>	<u>1,187,851</u>
Joint ventures					
At 1 January		21,180	35,382	-	-
Purchase of investments		2,000	5,267	2,000	-
Receive of investment		-	17,141	-	-
Loss on liquidation		(529)	-	-	-
Share of net loss of investments - equity method	6	(8,713)	(36,580)	(472)	-
Share of other comprehensive income (expense)		-	(30)	-	-
Fair value of previously owned interests		(5,239)	-	-	-
At 31 December		<u>8,699</u>	<u>21,180</u>	<u>1,528</u>	<u>-</u>

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Investment in an associate as at 31 December 2019 and 2018, and dividend income from this investment for the years then ended was as follows:

Type of business	Consolidated financial statements/ Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Equity method		Fair value of listed securities		Dividend income for the year-ended	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018		
	(in thousand Baht)											
<i>Associate</i>												
Synnex (Thailand) PCL. Import and distribute of computer equipment	38.51	38.51	847,361	770,329	298,518	298,518	1,236,918	1,187,851	2,447,669	3,382,234	149,827	163,178

An associate was incorporated in Thailand and as at 31 December 2019, the Company has placed the ordinary shares of Synnex (Thailand) Public Company Limited in amount of 106.06 million shares as collateral against credit facilities obtained from the financial institutions (31 December 2018 : 39.81 million shares).

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Investments in joint ventures as at 31 December 2019 and 2018, and dividend income from those investments for the years then ended were as follows:

	Consolidated financial statements										
	Type of business		Ownership interest		Paid-up capital		Cost		Equity method		Dividend income for the year-ended
			31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	
		(%)									
<i>Joint ventures</i>											
<i>Direct</i>											
TIM Secured Technologies Co., Ltd.	Digital printing and system integrated	33.33	-	Baht 6 million	-	2,000	-	1,528	-	-	-
<i>Indirect</i>											
Marvel Paek Company Limited (Formerly T.K.S.-Wellco (Thailand) Company Limited)	Manufacturer of label	-	51.00	Baht 90 million	Baht 90 million	-	45,900	-	6,023	-	-
C.T.K.S. Technologies Company Limited	Provide technologies and printing services	-	45.00	-	KHR 240 million	-	1,054	-	528	-	-
Myanmar Deco - TBSP Special Products Company Limited	Security printing	40.00	40.00	USD 2.5 million	USD 2.5 million	34,485	34,485	7,171	14,629	-	-
Total						36,485	81,439	8,699	21,180		

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Separate financial statements											
	Type of business	Ownership interest		Paid-up capital		Cost		Equity method		Dividend income	
		31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018
		(%)									
<i>Joint venture</i>											
<i>Direct</i>											
TIM Secured Technologies Co., Ltd.	Digital printing and system integrated	33.33	-	6,000	-	2,000	-	1,528	-	-	-
Total						2,000	-	1,528	-	-	-

All joint ventures were incorporated in Thailand, except C.T.K.S. Technologies Company Limited and Myanmar Deco - TBSP Special Products Company Limited which were incorporated in Cambodia and Myanmar, respectively.

None of the Group's joint ventures are publicly listed and consequently do not have published price quotations.

During the first quarter of 2019, C.T.K.S. Technologies Company Limited, a joint venture, had been liquidated. The Company recognised a loss of Baht 0.53 million in the statement of income for year ended 31 December 2019.

In March 2019, the Company established a joint venture namely "TIM Secured Technologies Co., Ltd." with Idemia Identity and Security France Co., Ltd. and Multi Channel Solutions Co., Ltd., which the Company has invested in 33.33% of authorised share capital.

In July 2019, a subsidiary acquired additional shares of Marvel Pack Company Limited (Formerly T.K.S.-Wellco (Thailand) Company Limited), a joint venture, of 8.82 million shares, of Baht 0.46 per share, totaling amount of Baht 4.08 million (49% shareholding). Therefore, the Group's shareholding in Marvel Pack Company Limited was increased from 51% to 100% and has controlling over Marvel Pack Company Limited. The Group has reclassified the interests that the Group previously held from investments in joint ventures to investments in subsidiaries (see note 13) and included the financial statements of Marvel Pack Company Limited in preparing the consolidated financial statements since 11 July 2019, which is the date that the Group has obtained the control over Marvel Pack Company Limited. Detail of the purchase of shares are shown in Note 5.

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Associate

The following table summarises the financial information of an associate as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in this company:

	Synnex (Thailand) Public Company Limited	
	2019	2018
	<i>(in thousand Baht)</i>	
Revenue	34,804,307	38,196,004
Profit for the year	523,933	721,491
Other comprehensive income	(7,148)	13,800
Total comprehensive income (100%)	<u>516,785</u>	<u>735,291</u>
Percentage hold	38.51	38.51
Group's share of total comprehensive income	<u>199,036</u>	<u>238,161</u>
Current assets	10,177,431	10,745,310
Non-current assets	1,164,422	955,395
Current liabilities	(8,057,745)	(8,379,780)
Non-current liabilities	(71,427)	(236,013)
Net assets (100%)	<u>3,212,681</u>	<u>3,084,912</u>
Percentage hold	38.51	38.51
Group's share of net assets	<u>1,237,344</u>	<u>1,188,134</u>
Profit in ending assets	(426)	(283)
Carrying amount of interest in associate	<u>1,236,918</u>	<u>1,187,851</u>

13 Investments in subsidiaries

		Separate financial statements	
	Note	2019	2018
			(Restated)
		<i>(in thousand Baht)</i>	
At 1 January		1,605,496	546,594
Purchase investment		294,487	1,004,117
Share of net profit in subsidiaries		174,401	35,336
Dividend income		(326,648)	(107,035)
Impairment losses		-	(212,395)
Transfer from subsidiary from associate	12	-	341,325
Disposal investment		(2,634)	-
Others		5,121	(2,446)
At 31 December		<u>1,750,223</u>	<u>1,605,496</u>

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Investments in subsidiaries as at 31 December 2019 and 2018, and dividend income from those investments for the years then ended were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Equity method		Fair value of listed securities		Dividend income	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018	31 December 2019	31 December 2018
<i>Direct Subsidiaries</i>	(in thousand Baht)											
Service Hall Co., Ltd.	100.00	-	300,000	-	300,000	-	329,888	-	-	-	-	-
T.K.S.Siam Press Management Company Limited	-	100.00	300,000	300,000	-	314,655	-	522,373	-	-	267,000	60,000
TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)	97.17	77.74	110,000	110,000	1,636,429	1,341,942	1,416,384	1,078,238	1,485,741	1,325,256	59,648	47,035
Gofive Company Limited	60.00	100.00	5,000	5,000	3,000	5,000	3,951	4,885	-	-	-	-
Total			1,939,429	1,661,597	1,750,223	1,605,496	326,648	107,035				

All subsidiaries were incorporated in Thailand. As at 31 December 2019, the Company has placed the ordinary shares in TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited) in amount of 45.73 million shares as collateral against credit facilities obtained from the financial institutions (31 December 2018 : 24.07 million shares).

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Acquisitions

As described in Note 5, On 4 April 2018 the Company acquired common shares in TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited) from 19.89% to 77.74%. As the business combination was achieved in stages, in 2018 the Company classified investment in TBSP Public Company Limited as investment in subsidiary in the separate financial statements and included TBSP Public Company Limited in the preparation of consolidated financial statements of the Group.

In March 2019, the Company acquired additional shares in TBSP Public Company Limited from related party of 2.2 million shares of Baht 13.60 per share, totaling amount of Baht 29.92 million. Therefore, the Company's shareholding in such subsidiary was increased from 77.74% to 79.74%. On 22 August 2019, the Company has submitted Tender Offer Form for all of the ordinary shares of TBSP Public Company Limited ("TBSP") to all shareholders of TBSP Public Company Limited. The Tender Offer Period is the business day from 27 August 2019 to 1 October 2019. On 4 October 2019, the Company acquired shares in TBSP Public Company Limited's ordinary shares of 19.17 million shares, of Baht 13.80 per share, totaling amount of Baht 264.57 million, approximately 17.43% of shareholding from non-controlling interests. Therefore, the Company's shareholding in TBSP Public Company Limited was increased from 79.74% to 97.17%.

In December 2019, the Company made an investment in Service Hall Co., Ltd., by acquiring 100% of the registered share capital amounting Baht 300 million. The Company made payment by common shares of T.K.S. Siam Press Management Company Limited amounting Baht 300 million, resulting in the status of investment in T.K.S. Siam Press Management Company Limited, changed from direct subsidiary to indirect subsidiary through Service Hall Co., Ltd.

Disposal of investments

In December 2019, the Company disposed investment in Gofive Company Limited to related party amounting to 0.40 million shares, at Baht 6 per share, totaling Baht 2.40 million, resulting the Company's ownership interest decreased from 100% to 60%.

Reclassify investments from joint venture

As described in Note 12, in July 2019 a subsidiary acquired additional shares in Marvel Pack Company Limited of 49% shareholding. Therefore, the Group's shareholding in Marvel Pack Company Limited was increased to 100% and the Group had control over Marvel Pack Company Limited. As a result, investment in Marvel Pack Company Limited had been reclassified from investments in joint ventures to investments in subsidiaries and the financial statements of Marvel Pack Company Limited has been included in the preparation of consolidated financial statements since 11 July 2019, which is the date that the Group had control over Marvel Pack Company Limited.

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14 Non-controlling interests

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

	TBSP Public Company Limited	31 December 2019		Total
		Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Intra-group eliminations	
Non-controlling interest percentage	2.83			
Current assets	469,504			
Non-current assets	787,834			
Current liabilities	(394,339)			
Non-current liabilities	(221,913)			
Net assets	<u>641,086</u>			
Carrying amount of non-controlling interest	18,143	2,399	4,094	24,636
Revenue	1,107,811			
Profit	132,511			
Other comprehensive income	3,388			
Total comprehensive income	<u>135,899</u>			
Profit allocated to non-controlling interest	24,034	-	(251)	23,783
Other comprehensive income allocated to non-controlling interest	96	-	-	96
Other comprehensive expense allocated to non-controlling interest	24,130	-	(251)	23,879
Cash flows from operating activities	58,102			
Cash flows from investing activities	70,120			
Cash flows from financing activities (dividends to non-controlling interest: Baht 15.2 million)	(110,274)			
Net increase in cash and cash equivalents	<u>17,948</u>			

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	31 December 2018		
	TBSP Public Company Limited	Intra-group eliminations <i>(in thousand Baht)</i>	Total
Non-controlling interest percentage	22.26		
Current assets	361,763		
Non-current assets	836,427		
Current liabilities	(325,607)		
Non-current liabilities	(295,599)		
Net assets	<u>576,984</u>		
Carrying amount of non-controlling interest	129,085	39,296	168,381
Revenue	799,727		
Profit	5,289		
Other comprehensive income	(5,610)		
Total comprehensive income	<u>(321)</u>		
Profit allocated to non-controlling interest	1,177	(722)	455
Other comprehensive income allocated to non-controlling interest	(1,249)		(1,249)
Total comprehensive expense allocated to non-controlling interest	(72)	(722)	(794)
Cash flows from operating activities	178,942		
Cash flows from investing activities	(261,079)		
Cash flows from financing activities (dividends to non-controlling interest: Baht 13.5 million)	62,203		
Net decrease in cash and cash equivalents	<u>(19,934)</u>		

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15 Investment properties

	Consolidated financial statements and Separate Financial Statement		
	Land	Building and building improvements <i>(in thousand Baht)</i>	Total
<i>Cost</i>			
At 1 January 2018	63,177	40,170	103,347
At 31 December 2018 and 1 January 2019	63,177	40,170	103,347
At 31 December 2019	63,177	40,170	103,347
<i>Accumulated depreciation</i>			
At 1 January 2018	-	38,734	38,734
Depreciation charge for the year	-	281	281
At 31 December 2018 and 1 January 2019	-	39,015	39,015
Depreciation charge for the year	-	250	250
At 31 December 2019	-	39,265	39,265
Net book value			
At 31 December 2018	63,177	1,155	64,332
At 31 December 2019	63,177	905	64,082

At 31 December 2019 and 2018, investment properties, comprised of properties and plant that the Company held but didn't identify the project to hold for rental income, had net book values of Baht 183.59 million and Baht 104.49 million, respectively. The Company determined fair value of investment properties by engaged independent professional valuers, applying market comparison approach as shown in the appraiser's report dated November 2019 and 2018. The fair value of investment property has been categorised as a Level 3 fair value.

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16 Property, plant and equipment

Cost	Consolidated financial statements							Total
	Land	Buildings and land improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation		
				<i>(in thousand Baht)</i>				
At 1 January 2018	87,097	429,287	809,937	94,658	41,809	70,096	1,532,884	
Additions	188,271	2,762	41,939	9,297	8,230	90,611	341,110	
Acquisitions through business combinations	253,947	62,769	382,828	37,520	1,532	15,598	754,194	
Transfers in (out)	-	111,194	5,414	3,325	430	(120,363)	-	
Disposals/ written-off	-	-	(58,166)	(1,893)	(3,337)	-	(63,396)	
At 31 December 2018 and 1 January 2019	529,315	606,012	1,181,952	142,907	48,664	55,942	2,564,792	
Additions	-	2,621	18,185	16,369	7,258	57,502	101,935	
Acquisitions from business combination	-	-	3,987	165	-	-	4,152	
Transfers in (out)	-	8,775	33,225	5,779	-	(47,779)	-	
Transfer to intangible assets	-	-	(7,365)	-	-	-	(7,365)	
Disposals/ written-off	-	(4,615)	(95,636)	(44,841)	(14,717)	(746)	(160,555)	
At 31 December 2019	529,315	612,793	1,134,348	120,379	41,205	64,919	2,502,959	

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	Consolidated financial statements						Total
	Land	Buildings and land improvements	Machinery and equipment	Furniture, fixtures, and office equipment	Vehicles	Assets under construction and installation	
<i>(in thousand Baht)</i>							
Net book value							
At 1 January 2018							
Owned assets	87,097	203,264	143,993	13,554	4,394	70,096	522,398
Assets under finance leases	-	-	-	-	3,045	-	3,045
	87,097	203,264	143,993	13,554	7,439	70,096	525,443
At 31 December 2018 and 1 January 2019							
Owned assets	529,315	346,429	498,126	46,700	4,178	55,942	1,480,690
Assets under finance leases	-	-	-	-	8,068	-	8,068
	529,315	346,429	498,126	46,700	12,246	55,942	1,488,758
At 31 December 2019							
Owned assets	529,315	321,409	450,319	46,355	3,800	64,919	1,416,117
Assets under finance leases	-	-	-	-	11,516	-	11,516
	529,315	321,409	450,319	46,355	15,316	64,919	1,427,633

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	Separate financial statements						Total
	Land	Buildings and land improvements	Machinery and equipment	Furnitures, fixtures and office equipment	Vehicles	Assets under construction and installation	
	<i>(in thousand Baht)</i>						
Cost							
At 1 January 2018	87,097	2,165	139,889	13,190	32,867	-	275,208
Additions	-	-	-	146	-	-	146
Disposals/ written-off	-	-	-	-	(3,337)	-	(3,337)
At 31 December 2018							
and 1 January 2019	87,097	2,165	139,889	13,336	29,530	-	272,017
Additions	-	572	2,563	483	2,710	860	7,188
Disposals/ written-off	-	-	(273)	(11,966)	(14,459)	-	(26,698)
At 31 December 2019	87,097	2,737	142,179	1,853	17,781	860	252,507
Accumulated depreciation							
At 1 January 2018	-	719	134,290	12,692	26,773	-	174,474
Additions	-	136	1,530	177	3,763	-	5,606
Disposals/ written-off	-	-	-	-	(3,337)	-	(3,337)
At 31 December 2018							
and 1 January 2019	-	855	135,820	12,869	27,199	-	176,743
Additions	-	153	1,287	221	1,375	-	3,036
Disposals/ written-off	-	-	(273)	(11,927)	(14,459)	-	(26,659)
At 31 December 2019	-	1,008	136,834	1,163	14,115	-	153,120

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	Separate financial statements						Total
	Land	Buildings and land improvements	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
<i>(in thousand Baht)</i>							
Net book value							
At 1 January 2018							
Owned assets	87,097	1,446	5,599	498	3,049	-	97,689
Assets under finance leases	-	-	-	-	3,045	-	3,045
	87,097	1,446	5,599	498	6,094	-	100,734
At 31 December 2018 and 1 January 2019							
Owned assets	87,097	1,310	4,069	467	607	-	93,550
Assets under finance leases	-	-	-	-	1,724	-	1,724
	87,097	1,310	4,069	467	2,331	-	95,274
At 31 December 2019							
Owned assets	87,097	1,729	5,345	690	1,024	860	96,745
Assets under finance leases	-	-	-	-	2,642	-	2,642
	87,097	1,729	5,345	690	3,666	860	99,387

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The gross amount of the Group and the Company's fully depreciated plant and equipment that was still in use as at 31 December 2019 amounted to Baht 1,644 million and Baht 172.35 million, respectively. (2018: Baht 1,624 million for the Group and Baht 192.78 million for the Company).

As at 31 December 2019 and 2018, some property, plant and equipment in the consolidated financial statements with a net book value of Baht 509.55 million and Baht 259.66 million, respectively, and Baht 84.86 million in the separate financial statements for both years were subject to secure the Group's credit facilities obtained from the financial institutions, as described in Note 19.

As at 31 December 2019 and 2018, the subsidiaries' buildings, building installation systems, and warehouses in the consolidated financial statements with a net book value of Baht 241.79 million and Baht 201.79 million, respectively, were constructed on the land, which leased from the Company.

In June 2019, a subsidiary sold its assets to another company amounting to Baht 162 million, which is repayable of 2 periods. 85% of selling prices, which approximate to Baht 138 million, was repaid on 14 June 2019 and the remaining amount of 15%, which approximate to Baht 24 million, will be due in the next 12 months since the assets transfer date and meet the mentioned condition in the agreement. The remaining amount was recognised as other receivables at 31 December 2019.

The Company and its subsidiaries shall comply with certain conditions and restrictions in the long-term loan agreement such as shall not mortgage the land and buildings. (see note 19).

17 Goodwill

	<i>Consolidated financial statements</i>	
	2019	2018
	<i>(in thousand Baht)</i>	
<i>Cost</i>		
At 1 January	702,467	-
Acquired through business combination	-	702,467
At 31 December	702,467	702,467
<i>Impairment loss</i>		
At 1 January	212,395	-
Impairment loss	-	212,395
At 31 December	212,395	212,395
<i>Net book value</i>		
At 31 December	490,072	490,072

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Impairment testing for CGU containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGU (operating division) as follows:

	Consolidated financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
TBSP Public Company Limited (Formerly Thai British Security Printing PCL.)	702,467	702,467

TBSP Public Company Limited (Formerly Thai British Security Printing Public Company Limited)

The recoverable amount of this CGU was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used (see note 4 (p)).

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	Consolidated financial statements	
	2019	2018
	<i>(%)</i>	
Discount rate	7.46	8.82
Terminal value growth rate	2.00	2.00
Budgeted EBITDA growth rate (average of next 5 - 6.5 years)	6.71 - 12.83	6.57 - 12.13

The cash flow projections included specific estimates for 5 - 6.5 years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Budgeted EBITDA was estimated taking into account past experience, adjusted as follows:

- Revenue growth was projected taking into account the average growth levels experienced over the past three years and the estimated sales volume and price growth for the next 5 - 6.5 years. It was assumed that the sales price would increase in line with forecast inflation over the next 5 - 6.5 years.
- Estimated cash flows related to a restructuring that is expected to be carried out in 2020 were reflected in the budgeted EBITDA.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately Baht 58.56 million. Management has identified that a reasonably possible change in three key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

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Changes that will make the estimated recoverable amount to be equal to the carrying amount

	Consolidated financial statements	
	2019	2018
		(%)
Discount rate	7.62	8.9
Budgeted EBITDA growth rate	9.00	11.5

18 Intangible assets

	Note	Consolidated financial statements			Tot
		Software licences	Customers relationship	Software under development	
		<i>(in thousand Baht)</i>			
Cost					
At 1 January 2018		25,949	-	-	25,949
Acquisitions through business combinations	5	59,136	39,899	2,875	102,910
Additions		1,684	-	4,138	5,912
At 31 December 2018 and 1 January 2019		86,769	39,899	7,013	133,681
Additions		1,626	-	4,971	6,603
Transfers in/(out)		3,205	-	(3,205)	-
Transfer from property plant and equipment		7,365	-	-	7,365
Disposals		(15,739)	-	(2,022)	(17,761)
At 31 December 2019		83,226	39,899	6,757	129,882
Accumulated amortisation					
At 1 January 2018		25,683	-	-	25,683
Acquisitions through business combinations	5	25,368	-	-	25,368
Amortisation for the year		4,222	2,992	-	7,214
At 31 December 2018 and 1 January 2019		55,273	2,992	-	58,265
Amortisation for the year		5,415	3,990	-	9,405
Transfer from property plant and equipment		7,365	-	-	7,365
Disposals		(15,738)	-	-	(15,738)
At 31 December 2019		52,315	6,982	-	59,297
Net book value					
At 31 December 2018		31,496	36,907	7,013	75,416
At 31 December 2019		30,911	32,917	6,757	70,585

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	Separated financial statements
	Software license <i>(in thousand Baht)</i>
<i>Cost</i>	
At 1 January 2018	1,744
At 31 December 2018 and 1 January 2019	1,744
Write-off	(1,744)
At 31 December 2019	-
<i>Amortisation</i>	
At 1 January 2018	1,744
At 31 December 2018 and 1 January 2019	1,744
Write-off	(1,744)
At 31 December 2019	-
<i>Net book value</i>	
At 1 January 2018	-
At 31 December 2018 and 1 January 2019	-
At 31 December 2019	-

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19 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Short-term loans from financial institutions				
secured	192,000	150,000	-	70,000
unsecured	225,034	124,736	-	-
Short-term loans from financial institutions	417,034	274,736	-	70,000
Long-term loans from financial institutions				
secured	784,382	650,309	592,196	367,630
unsecured	28,333	28,333	-	-
Long-term loans	812,715	678,642	592,196	367,630
Loans from related parties unsecured	-	-	-	71,300
Finance lease liabilities	19,743	21,709	2,313	1,792
Total current interest-bearing liabilities	1,249,492	975,087	594,509	510,722

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Within one year	232,673	258,369	142,654	167,875
After one year but within five years	580,042	420,273	449,542	199,755
Total	812,715	678,642	592,196	367,630

As at 31 December 2019 and 2018, short-term loans from financial institutions were short-term loan from financial institution in terms of promissory notes at call, bearing interest at the rate of 2.23% per annum.

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Long-term loans from financial institutions

In September 2019, the Company entered into a long-term loan agreement with a local financial institution for Baht 304.0 million. The Company shall drawdown the loan by 31 December 2019. This loan bears interest as prescribed in the loan agreement. The principle and interest of the loan are repayable every three-month period, in March, June, September, and December of each year, totaling 19 installments. The Company will repay the first installment in March 2020 and shall fully repay the principle and interest within September 2024. Under the installment terms, the 1st - 4th installments shall be repaid at 6.25% of remaining principle, the 5th - 18th installments shall be repaid at 5% of remaining principle and the 19th installment shall be repaid at the remaining principle and interests of the loan agreement. The Company shall comply with certain conditions and restrictions in the loan agreements by placing the ordinary shares of Synnex (Thailand) Public Company Limited, at the market price quoted on the Stock Exchange of Thailand, valued not less than 1.5 times of each drawdown amount and placing the ordinary shares of TBSP Public Company Limited, at the market price quoted on the Stock Exchange of Thailand, valued not less than 1 time of each drawdown amount as collateral.

In September 2019, the Company entered into a long-term loan agreement with a local financial institution for Baht 308.0 million. The Company shall drawdown the loan by 31 December 2019. This loan bears interest as prescribed in the loan agreement. The principle and interest of the loan are repayable every three-month period, in March, June, September, and December of each year, totaling 20 installments. The Company will repay the first installment in March 2020 and shall fully repay the principle and interest within December 2024. Under the installment terms, the 1st - 19th installments shall be repaid at 5% of remaining principle and the 20th installment shall be repaid at the remaining principle and interests of the loan agreement. The Company shall comply with certain conditions and restrictions in the loan agreements by placing the ordinary shares of Synnex (Thailand) Public Company Limited, at the market price quoted on the Stock Exchange of Thailand, valued not less than 1.5 times of each drawdown amount and placing the ordinary shares of TBSP Public Company Limited, at the market price quoted on the Stock Exchange of Thailand, valued not less than 1 time of each drawdown amount as collateral.

In February 2018, the Company entered into a long-term loan agreement with a local financial institution for Baht 172.0 million. The Company had to drawdown such loan within 3 months since February 2018 and fully drawdown within 3 months since the first drawdown date. This loan bears interest as prescribed in the loan agreement. The loan is repayable in May and September, commencing from May 2018, whereby repayable at 14% of its principle in May and 6% of its principle in September, and the principle shall be fully repaid within 5 years commencing from the first drawdown date. The interests are repayable every three-month period, in March, June, September, and December of each year. The Company shall comply with certain conditions and restrictions in the loan agreements by placing the ordinary shares of Synnex (Thailand) Public Company Limited, at the market price quoted on the Stock Exchange of Thailand, valued not less than 1 time of each drawdown amount and placing the ordinary shares of TBSP Public Company Limited, at the market price quoted on the Stock Exchange of Thailand, valued not less than 1 time of each drawdown amount as collateral.

In March 2017, the Group entered into a joint loan agreement with a local financial institution for Baht 193.8 million, whereby Baht 101.8 million pertained to the parent company and Baht 92.0 million pertained to a subsidiary. The Group had to fully drawdown such loan at once, within March 2017. This loan bears interest as prescribed in the loan agreement. The principle and interests of this loan are monthly repayable, which shall be fully repaid within 3 years commencing from the first drawdown date. The Group shall comply with certain conditions and restrictions in the loan agreements and the company has mortgaged some land, including structures thereon, in the Sinsakorn Industrial Estate, with the financial institution to secure this loan.

As at 31 December 2019, the Group and the Company had unutilised credit facilities totaling Baht 982.74 million and Baht 108.83 million, respectively (2018: Baht 1,144.29 million for the Group and Baht 196.80 million for the Company).

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The Company and its subsidiaries shall comply with certain conditions and restrictions in the loan agreements such as shall not mortgage the land and buildings, not reduction of registered capital. (see note 16) etc.

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

	Consolidated financial statements					
	2019			2018		
	Minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Minimum lease payments	Interest	Present value of minimum lease payments
Within one year	7,849	(658)	7,191	11,689	(686)	11,003
After one year but within five years	13,195	(643)	12,552	11,269	(563)	10,706
Total	21,044	(1,301)	19,743	22,958	(1,249)	21,709

	Separate financial statements					
	2019			2018		
	Minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Minimum lease payments	Interest	Present value of minimum lease payments
Within one year	898	(77)	821	1,373	(43)	1,330
After one year but within five years	1,620	(128)	1,492	466	(4)	462
Total	2,518	(205)	2,313	1,839	(47)	1,792

As at 31 December 2019 and 2018, the Company and subsidiaries had entered into finance lease agreements with several local leasing companies to purchase vehicles and forklifts. Such lease agreements have terms expiring up to 2024, and bear interest at rates ranging from 1.70 % to 42.35 % per annum in 2019 (2018: ranging from 2.89% to 42.35% per annum). Most of the agreements are repayable in 36 installments and 60 installments.

The ownership of the vehicles and forklifts purchased under finance lease agreements will be transferred to the Company and subsidiaries when the last installments are made.

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Changes in liabilities arising from financing activities

	Consolidated financial statements			Total
	Short-term loans	Long-term loans	Finance lease liabilities	
	<i>(in thousand Baht)</i>			
2019				
Balance at 1 January 2019	274,736	678,643	21,709	975,088
Changes from financing cash flows	142,298	134,260	(12,101)	264,457
Other changes:				
Finance leases	-	-	(517)	(517)
Other non-cash movement	-	(188)	10,652	10,464
Balance at 31 December 2019	417,034	812,715	19,743	1,249,492
	Separate financial statements			Total
	Short-term loans	Long-term loans	Finance lease liabilities	
	<i>(in thousand Baht)</i>			
2019				
Balance at 1 January 2019	141,300	367,630	1,792	510,722
Changes from financing cash flows	(141,300)	224,754	(1,639)	81,815
Other changes:				
Other non-cash movement	-	(188)	2,160	1,972
Balance at 31 December 2019	-	592,196	2,313	594,509

20 Other payables

	Consolidated financial statements		Separate financial statements		
	Note	2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related parties	6	4,850	1,774	583	670
Other parties					
Accrued operating expenses		70,154	52,109	7,277	7,196
Advance receive		2,711	5,342	-	61
Revenue Department payables		5,309	3,491	525	388
Accrued dividend		806	533	806	533
Accrued interest		101	233	-	204
Others		42,246	49,776	1,868	1,635
		121,327	111,484	10,476	10,017
Total		126,177	113,258	11,059	10,687

As at 31 December 2019 and 2018, some trade accounts payable in consolidated financial statement amounting to Baht 12.48 million and Baht 35.50 million, respectively, were design and software development payables, which arose from receiving of services provided by the subsidiary under service agreement with other company for improvement of Full Cloud Billing Solution management system. The Group shall repay this amount after receive payments from design and software development receivables.

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21 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Statement of financial position				
Non-current provisions for:				
Post-employment benefits	112,875	92,776	8,237	6,119
Other long-term benefits	8,630	10,070	150	154
Total	121,505	102,846	8,387	6,273

Defined benefit plan

The Group and the Company operate defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration, length of service and long service award based on the Group's policy.

The defined benefit plan exposes the Group to actuarial risks, such as longevity risk and interest rate risk.

Movement in the present value of the defined benefit obligations:

Present value of the defined benefit obligations	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
At 1 January	102,846	29,288	6,273	5,948
Included in profit or loss:				
Current service cost	8,020	6,875	550	637
Past service cost	26,964	-	2,074	-
Interest on obligations	2,626	2,119	182	175
	37,610	8,994	2,806	812
Transfers to other Companies	(1,156)	-	-	-
Actuarial gains	257	(87)	-	-
	36,711	8,907	2,806	812
Acquisition through business combinations	-	60,509	-	-
Included in other comprehensive income				
Actuarial gain				
- Demographic assumptions	(1,059)	4,736	(217)	-
- Financial assumptions	(7,359)	(3,904)	(840)	-
- Experience adjustment	2,437	5,178	1,353	(445)
	(5,981)	6,010	296	(445)
Benefits paid	(12,071)	(1,868)	(988)	(42)
At 31 December	121,505	102,846	8,387	6,273

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On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised increased.

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	2.04 - 2.82	2.17 - 2.76	2.04	2.68
Future salary growth	4.93 - 5.50	5.50 - 7.23	4.93	7.23
Employee turnover rate	0 - 19	4 - 32	0 - 19	4 - 32

Assumptions regarding future mortality have been based on published statistics and Thai Mortality tables.

At 31 December 2019, the average duration of the defined benefit obligations was 8 years (2018:12 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

<i>Effect to the defined benefit obligation</i> <i>At 31 December</i>	Consolidated financial statements			
	1% increase in assumption		1% decrease in assumption	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Discount rate	(5,322)	(4,342)	5,739	4,701
Future salary growth	9,458	7,974	(8,838)	(7,431)
Employee turnover	(5,781)	(4,154)	6,207	4,724

<i>Effect to the defined benefit obligation</i> <i>At 31 December</i>	Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Discount rate	(191)	(181)	199	191
Future salary growth	191	209	(184)	(200)
Employee turnover	(210)	(288)	219	240

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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22 Share capital

	Par value per share (in Baht)	2019		2018	
		Number (thousand shares)	Baht (in thousand Baht)	Number (thousand shares)	Baht (in thousand Baht)
<i>Authorised share capital</i>					
At 1 January					
- ordinary shares	1.00	420,207	420,207	360,207	360,207
Increase of new shares	1.00	42,021	42,021	60,000	60,000
At 31 December					
- ordinary shares		462,228	462,228	420,207	420,207
<i>Issued and paid-up share capital</i>					
At 1 January					
- ordinary shares	1.00	420,207	420,207	360,207	360,207
Increase of new shares	1.00	42,020	42,020	60,000	60,000
At 31 December					
- ordinary shares		462,227	462,227	420,207	420,207

In February 2018, the shareholders have resolved to increase authorised share capital of the Company in amount of 60 million shares, to allocate increased ordinary shares for right offering to the existing shareholders in the allocation rate of 6 existing shares to 1 newly issued ordinary share, at the offering price of Baht 10.00 per share. Resulting in share premium on ordinary shares of Baht 540 million.

At the annual general meeting of the shareholders of the Company held on 25 April 2019, the shareholders have resolved as follows:

1. Decrease of the authorised share capital in amount of Baht 1.00 from amount of Baht 420,206,768 (420,206,768 ordinary shares, at par value of Baht 1.00 per share) to Baht 420,206,767 (420,206,767 ordinary shares, at par value of Baht 1.00 per share) by reducing 1 registered share with par value of Baht 1.00.
2. Increase of the authorised share capital in amount of Baht 42,021,000 from amount of Baht 420,206,767 (420,206,767 ordinary shares, at par value of Baht 1.00 per share) to Baht 462,227,767 (462,227,767 ordinary shares, at par value of Baht 1.00 per share) by issuing new ordinary shares of Baht 42,021,000 (42,021,000 ordinary shares, at par value of Baht 1 per share) for supporting stock dividend.

The Company registered the decrease and increase in share capital with the Ministry of Commerce on 3 May 2019.

23 Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

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24 Reserves

Reserves comprise: Appropriations of profit and/or retained earnings.

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 (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

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25 Segment information and disaggregation of revenue

<i>For the year ended 31 December</i>	Consolidated financial statements					
	Manufacturing of continuous paper forms and securities printing		Providing information technology system and software services		Total	
	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>					
Information about reportable segments						
External revenue	2,462,782	2,051,983	34,133	-	2,496,915	2,051,983
Inter-segment revenue	101,767	82,120	24,722	-	126,489	82,120
Total revenue	2,564,549	2,134,103	58,855	-	2,623,404	2,134,103
Disaggregation of revenue						
Primary geographical markets						
Thailand	2,310,961	1,931,068	34,133	-	2,345,094	1,931,068
Asia	124,874	97,076	-	-	124,874	97,076
Others	26,947	23,839	-	-	26,947	23,839
Total revenue	2,462,782	2,051,983	34,133	-	2,496,915	2,051,983
Timing of revenue recognition						
At a point in time	2,462,782	2,051,983	26,174	-	2,488,956	2,051,983
Over time	-	-	7,959	-	7,959	-
Total revenue	2,462,782	2,051,983	34,133	-	2,496,915	2,051,983
Segment profit before income tax	463,606	135,480	2,102	-	465,708	135,480
Tax expense (income)	44,895	12,736	402	-	45,297	12,736
Total profit	418,711	122,744	1,700	-	420,411	122,744
Segment assets	4,216,130	4,074,442	23,674	-	4,239,804	4,074,442
Segment liabilities	1,733,139	1,432,824	13,012	-	1,746,151	1,432,824
Reconciliation of reportable segment profit or loss						
			2019		2018	
			<i>(in thousand Baht)</i>			
Profit or loss						
Total profit before income tax for reportable segments			420,411		122,744	
Elimination of inter-segment gains			(203,937)		(60,609)	
Share of profit of investments in associate and joint ventures			193,360		241,171	
Profit for the year			409,834		303,306	

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Promotional privileges

The Group has been granted promotional certificates by the Office of the Board of Investment for printing services. The Group has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

For the year ended 31 December	Consolidated financial statements					
	2019			2018		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
	<i>(in thousand Baht)</i>					
Export sales	-	154,139	154,139	-	123,281	123,281
Local sales	38,536	2,277,296	2,315,832	65,305	1,848,401	1,913,706
Local services	-	51,104	51,104	-	34,344	34,344
Eliminations	-	(24,160)	(24,160)	-	(19,348)	(19,348)
Total revenue	38,536	2,458,379	2,496,915	65,305	1,986,678	2,051,983

26 Other income

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Management fee	4,926	2,266	33,059	30,765
Rental income	816	-	14,080	13,166
Interest income	665	259	60	57
Dividend income	404	505	404	505
Others	10,053	21,893	1,478	1,428
Total	16,864	24,923	49,081	45,921

27 Employee benefit expenses

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Salaries and wages		418,269	389,601	21,283	22,219
Defined contribution plans	21	36,711	8,907	2,806	812
Others		163,682	126,603	14,022	13,430
Total		618,662	525,111	38,111	36,461

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Contribution plan

The contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at the rate of 5% of their basic salaries and by the Group at the rate of 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.

28 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

		Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	financial statements	financial statements
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress		(30,170)	52,210	(5,143)	19,755
Raw materials and consumables used		815,514	691,864	93,641	98,049
(Reversal of) loss on decline in value of inventories		10,422	(4,968)	(250)	569
Employee benefit expenses	27	618,662	525,111	38,111	36,461
Depreciation and amortisation		152,749	136,681	3,286	5,606
Commission and transportation expenses		46,122	32,005	2,024	2,368
Rental		61,187	64,517	1,171	1,171
Utilities expenses		51,747	42,746	1,469	1,277
Others		639,783	438,643	233,691	188,132
Total cost of sale of goods and rendering of services, distribution costs and administrative expenses		<u>2,366,016</u>	<u>1,978,809</u>	<u>368,000</u>	<u>353,388</u>

29 Finance costs

		Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	financial statements	financial statements
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Interest expense:					
Related parties	6	-	-	894	706
Financial institutions		33,826	26,930	17,447	14,651
Total		<u>33,826</u>	<u>26,930</u>	<u>18,341</u>	<u>15,357</u>

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30 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018 (Restated)	2019	2018
<i>(in thousand Baht)</i>					
Current tax expense					
Current year		52,653	560	3,418	149
Correction of error	3	-	19,990	-	-
		<u>52,653</u>	<u>20,550</u>	<u>3,418</u>	<u>149</u>
Deferred tax expense					
Movements in temporary differences		(7,356)	(7,814)	2,153	(1,611)
Total income tax expense (benefit)		<u>45,297</u>	<u>12,736</u>	<u>5,571</u>	<u>(1,462)</u>

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	Before tax	2019 Tax (expense) benefit	Net of tax	Before tax	2018 Tax (expense) benefit	Net of tax
<i>(in thousand Baht)</i>						
Items that will be reclassified to profit or loss						
Fair value changes in available-for-sale investments	(5,838)	1,168	(4,670)	(4,393)	878	(3,515)
Share of other comprehensive gains (losses) of associate and joint ventures	(3,441)	688	(2,753)	2,641	(528)	2,113
Items that will not be reclassified to profit or loss						
Share of other comprehensive gains of associate and joint ventures	-	-	-	3,966	(793)	3,173
Defined benefit plan actuarial gains (losses)	5,981	(1,196)	4,785	(6,010)	1,202	(4,808)
Total	<u>(3,298)</u>	<u>660</u>	<u>(2,638)</u>	<u>(3,796)</u>	<u>759</u>	<u>(3,037)</u>

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	Separate financial statements					
	Before tax	2019 Tax (expense) benefit	Net of tax <i>(in thousand Baht)</i>	Before tax	2018 Tax (expense) benefit	Net of tax
<i>Items that will be reclassified to profit or loss</i>						
Fair value changes in available-for-sale investments	(5,838)	1,168	(4,670)	(4,393)	879	(3,514)
Share of other comprehensive gains (losses) of subsidiaries	74	(15)	59	(36)	7	(29)
Share of other comprehensive gains (losses) of associates and joint ventures	(3,441)	688	(2,752)	2,677	(535)	2,142
<i>Items that will not be reclassified to profit or loss</i>						
Share of other comprehensive gains (losses) of subsidiaries	6,158	(1,232)	4,926	(4,895)	979	(3,916)
Share of other comprehensive gains (losses) of associates and joint ventures	-	-	-	3,967	(793)	3,174
Defined benefit plan actuarial gains (losses)	(296)	59	(237)	445	(89)	356
Total	<u>(3,343)</u>	<u>668</u>	<u>(2,675)</u>	<u>(2,235)</u>	<u>448</u>	<u>(1,787)</u>

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<i>Reconciliation of effective tax rate</i>	Consolidated financial statements			
	2019		2018	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		455,130		316,042
Share of profit of investments in an associate and joint ventures		<u>(193,360)</u>		<u>(241,171)</u>
		261,770		74,871
Income tax using the Thai corporation tax rate	20	52,354	20	14,974
Net income from promotional privileges		(62)		-
Additional expenses for tax purposes		(9,357)		-
Recognition of previously unrecognised tax losses		(4,994)		-
Income not subject to tax		(81)		(17,617)
Expenses not deductible for tax purposes		1,225		8,357
Current year losses for which no deferred tax assets were recognised		8		23
Reversal of deferred tax assets of previously recognised tax losses		2,467		-
Loss carry forward		3,736		-
Correction of error		-		19,990
Under (over) provided in prior years		-		560
Total income tax expense	17.30	<u>45,296</u>	6.70	<u>12,736</u>

<i>Reconciliation of effective tax rate</i>	Separate financial statements			
	2019		2018	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		391,452		301,389
Share of (profit) loss of investments in subsidiaries		(174,401)		177,059
Share of (profit) loss of investments in an associate and joint ventures		<u>(201,601)</u>		<u>(277,752)</u>
		15,450		200,696
Income tax using the Thai corporation tax rate	20	3,090	20	40,139
Income not subject to tax		(80)		(41,750)
Expenses not deductible for tax purposes		95		-
Reversal of deferred tax assets of previously recognised tax losses		2,466		-
Others		-		149
Total income tax expense	36.06	<u>5,571</u>	0.73	<u>(1,462)</u>

<i>Deferred tax</i> <i>At 31 December</i>	Consolidated financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Total	34,235	28,805	(48,959)	(50,871)
Set off of tax	(6,923)	(7,367)	6,923	7,367
Net deferred tax assets (liabilities)	<u>27,312</u>	<u>21,438</u>	<u>42,036</u>	<u>43,504</u>

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	Consolidated financial statements (Charged) / Credited to			
	At 1 January 2019	Profit or loss	Other comprehensive income	At 31 December 2019
		<i>(in thousand Baht)</i>		
Deferred tax assets				
Accounts receivable (<i>doubtful accounts</i>)	2,499	(1,045)	-	1,454
Inventories (<i>allowance for decline in value</i>)	2,138	1,913	-	4,051
Available for sale	3,329	-	1,168	4,496
Provision for employee benefit	20,161	4,126	(54)	24,234
Loss carry forward	1,430	(1,430)	-	-
Total	29,557	3,564	1,114	34,235
Deferred tax liabilities				
Property, plant and equipment (<i>difference from depreciation</i>)	(87)	87	-	-
Property, plant and equipment (<i>revaluation</i>)	(51,439)	2,606	-	(48,833)
Finance lease	(97)	(28)	-	(126)
Total	(51,624)	2,665	-	(48,959)
Net	(22,067)	6,229	1,114	14,724

	Consolidated financial statements (Charged) / Credited to				
	At 1 January 2018	Profit or loss	Other comprehensive income	Business combination	At 31 December 2018
		<i>(in thousand Baht)</i>		<i>(Note 5)</i>	
Deferred tax assets					
Accounts receivable (<i>doubtful accounts</i>)	1,216	591	-	692	2,499
Inventories (<i>allowance for decline in value</i>)	192	1,314	-	632	2,138
Available for sale	2,450	-	879	-	3,329
Non-current provision for employee benefit	4,816	2,032	1,211	12,102	20,161
Loss carry forward	-	1,430	-	-	1,430
Total	8,674	5,367	2,090	13,426	29,557
Deferred tax liabilities					
Property, plant and equipment (<i>difference from depreciation</i>)	-	42	-	(36,972)	(36,875)
Intangible assets	-	598	-	(7,980)	(7,382)
Finance lease	-	(1,150)	-	(6,217)	(7,367)
Total	55	(510)	-	(51,169)	(51,624)
Net	8,729	4,857	2,090	(37,743)	(22,067)

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	At 1 January 2019	Separate financial statements (Charged) / Credited to		At 31 December 2019
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Accounts receivable (<i>doubtful accounts</i>)	1,216	(1,216)	-	-
Inventories (<i>allowance for decline in value</i>)	306	(50)	-	256
Available for sale	3,328	-	1,167	4,496
Non-current provision for employee benefit	1,255	113	396	1,764
Finance lease	(32)	(93)	-	61
Loss carry forward	1,430	(1,430)	-	-
Total	7,503	(2,583)	1,563	6,577
	At 1 January 2018	Separate financial statements (Charged) / Credited to		At 31 December 2018
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Accounts receivable (<i>doubtful accounts</i>)	1,216	-	-	1,216
Inventories (<i>allowance for decline in value</i>)	192	114	-	306
Available for sale	2,450	-	878	3,328
Provision for employee benefit	1,190	154	(89)	1,255
Loss carry forward	-	1,430	-	1,430
Total	5,048	1,698	789	7,535
Deferred tax liabilities				
Finance lease	-	(32)	-	(32)
Property, plant and equipment (<i>difference from depreciation</i>)	55	(55)	-	-
Total	55	(87)	-	(32)
Net	5,103	1,611	789	7,503

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31 Basic earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to ordinary shareholders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares outstanding during the year, adjusted for the effect of stock dividends payments as described in note 32. Basic EPS for the previous year was recalculated as if the stock dividends payments started from the beginning of reported year.

For the year ended 31 December	Consolidated financial statements		Separate Financial statements	
	2019	2018 (Restated)	2019	2018 (Restated)
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (Basic)	386,050	302,851	385,880	302,851
Weighted average number of ordinary shares outstanding at 31 December	462,227	445,591	462,227	445,591
Basic earnings per share <i>(in Baht)</i>	0.84	0.68	0.84	0.68

32 Dividends

The shareholders of the Company have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share <i>(in Baht)</i>	Amount <i>(in million Baht)</i>
<i>2019</i>				
Annual dividend	25 April 2019	May 2019	0.55	231.11
Interim dividend	14 August 2018	September 2018	(0.18)	(75.64)
Additional dividend			0.37	155.47
Interim dividend	7 August 2019	September 2019	0.20	92.45
<i>2018</i>				
Annual dividend	20 April 2018	May 2018	0.67	241.34
Interim dividend	15 August 2017	September 2017	(0.15)	(54.03)
Additional dividend			0.52	187.31

In addition, at the annual general meeting of the shareholders of the Company held on 25 April 2019, the shareholders approved the dividend payment as stock dividend of 42,021,000 shares at par value of Baht 1.00 per share, totalling Baht 42,021,000 in the ratio of 10 primary shares per 1 stock dividend. In May 2019, the issued stock dividend was 42,019,700 shares.

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33 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result for operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows from fixed interest rate loan. The Group is primarily exposed to interest rate risk from its borrowings (see note 19). Management, however, consider that the interest rate risk is not material hence, the Group has no hedging agreements to protect against such risk.

The effective interest rates of interest-bearing liabilities as at 31 December and the periods in which those liabilities mature were as follows:

	Effective interest rate (% per annum)	Consolidated financial statements			Total
		Maturity period			
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
31 December 2019					
Financial assets					
Long-term loans to related parties	5.5	1,873	13,115	-	14,988
Financial liabilities					
Short-term loans from financial institutions	2.23	417,034	-	-	417,034
Long-term loans from financial institutions	2.86 - 3.79	232,673	580,042	-	812,715
Finance lease liabilities	1.70 - 42.35	7,191	12,552	-	19,743
		656,898	592,594	-	1,249,492

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	Effective interest rate (% per annum)	Consolidated financial statements			
		Maturity period			
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
31 December 2018					
Financial liabilities					
Short-term loans from financial institutions	1.92 - 3.10	274,736	-	-	274,736
Long-term loans from financial institutions	2.85 - 3.79	258,369	420,273	-	678,642
Finance lease liabilities	2.89 - 42.35	11,003	10,706	-	21,709
Total		544,108	430,979	-	975,087
Separate financial statements					
Maturity period					
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
31 December 2019					
Financial liabilities					
Long-term loans from financial institutions	2.86 - 3.79	142,654	449,542	-	592,196
Finance lease liabilities	1.70 - 42.35	821	1,492	-	2,313
Total		143,475	451,034	-	594,509
31 December 2018					
Financial liabilities					
Short-term loans from financial institutions	1.92 - 3.10	70,000	-	-	70,000
Loans from related parties	1.97 - 2.35	71,300	-	-	71,300
Long-term loans from financial institutions	2.86 - 3.79	167,875	199,755	-	367,630
Finance lease liabilities	2.89 - 42.35	1,330	462	-	1,792
Total		310,505	200,217	-	510,722

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

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Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets in consolidated and separate financial statements as follows;

	Carrying amount	Consolidated / separate financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
<i>Financial assets measured at fair value</i>					
Equity securities available for sale					
31 December 2019	10,801	10,801	-	-	10,801
31 December 2018	17,146	17,146	-	-	17,146

The Group determines Level 1 fair values for equity securities available for sale based on prices quoted in the Stock Exchange of Thailand.

The following table shows fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

	Consolidated financial statements		Separate financial statements	
	Fair value	Carrying amount <i>(in thousand Baht)</i>	Fair value	Carrying amount
31 December 2019				
<i>Financial assets and financial liabilities not measured at fair value</i>				
Long term loans to related parties	14,988	14,988	-	-
Short-term loans from financial institutions	417,034	417,034	-	-
Long-term loans from financial institutions	812,715	812,715	592,196	592,196
Finance lease liabilities	19,743	19,743	2,313	2,313
31 December 2018				
<i>Financial liabilities not measured at fair value</i>				
Short-term loans from financial institutions	274,736	274,736	70,000	70,000
Loans from related parties	-	-	71,300	71,300
Long-terms loans from financial institutions	678,642	678,642	367,630	367,630
Finance lease liabilities	21,709	21,709	1,792	1,792

Fair values of trade and other receivables, trade and other payables approximate to the carrying amount due to these financial instruments have short-term maturity.

Fair values of loans to related parties and loans from related parties approximate to the carrying amount due to interest rate approximate to market rate.

Fair values of short-term loans from financial institutions and finance lease liabilities approximate to the carrying amount due to interest rate approximate to market rate.

Fair values of long-term loans which bear interest at fixed rate approximate to the carrying amount due to interest rate at fixed rate approximate to market rate.

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34 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Capital commitment				
<i>Contracted but not provide for</i>				
Buildings and other constructions	9,159	-	363	-
Machinery and equipment	14,290	19,160	42	-
Total	23,449	19,160	405	-
Future minimum lease payments under non-cancellable operating leases				
Within one year	66,215	32,579	-	-
After one year but within five years	67,284	36,356	-	-
After five years	130	200	-	-
Total	133,629	69,135	-	-

35 Contingent liabilities

As at 31 December 2019, the Group had contingent liabilities from letters of guarantee which banks issued to certain government agencies and private sectors for the Company and subsidiaries approximate to Baht 151.85 million for the Group and Baht 10.17 million for the Company.

36 Events after the reporting period

At the Board of Directors' meeting of the Company held on 19 February 2020, the Board

- a) approved the appropriation of additional cash dividends based on the operating profit for the year 2019 of Baht 0.40 per share, totaling Baht 184.89 million. The dividend is subject to approve by the shareholders at the annual general meeting to be held in April 2020.
- b) resolved to submit for an approval at the Annual General Meeting of Shareholders ("AGM") of the restructuring of companies under T.K.S. Group by entire business transfer of Service Hall Co., Ltd. ("Service Hall") to TBSP Public Company Limited ("TBSP"), a subsidiary in which the Company holds 97.172% of the total issued and paid-up capital, in exchange for newly-issued common shares of TBSP. The transaction is scheduled to be executed in May 2020 and is pending for the approval from the AGM, to be held in April 2020.

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37 Thai Financial Reporting Standards (TFRS) not yet adopted

New TFRS, which are relevant to the Group's operations, expected to have material impact on the consolidated and separate financial statements when initially adopted, and will become effective for the financial statements in annual reporting periods beginning on or after 1 January 2020, are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation

* TFRS - Financial instruments standards

(a) TFRS - Financial instruments standards

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRS are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

Management is currently considering the potential impact from these TFRS on the financial statements in the initial period adopted.

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Currently, the Group recognises payments made under operating leases in profit or loss on a straight-line basis over the term of the lease, and recognised liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised. Under TFRS 16, the Group will recognise right-of-use assets and lease liabilities for its operating leases. As a result, the nature of expenses related to those leases will be changed because the Group will recognise depreciation of right-of-use assets and interest expense on lease liabilities.

Management is currently considering the potential impact from these TFRS on the financial statements in the initial period adopted.

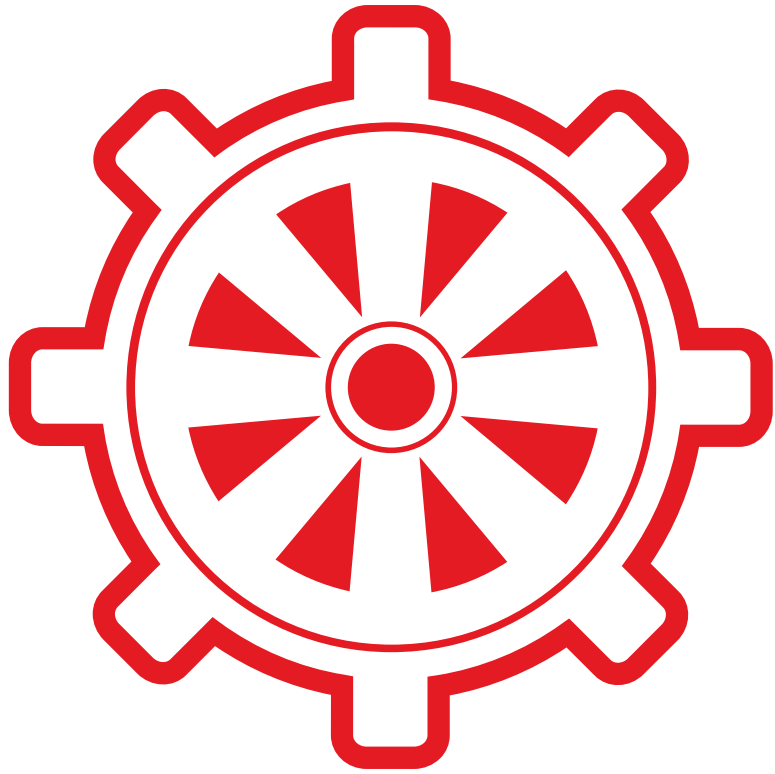
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38 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2018 and statement of comprehensive income for the year ended 31 December 2018, which are included in the 2019 financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2018 financial statements.

	<u>Consolidated financial statements</u>			<u>Separate financial statements</u>		
	Before reclass.	Reclass	After reclass. <i>(in thousand Baht)</i>	Before reclass.	Reclass	After reclass.
<i>Statement of financial position as at 31 December 2018</i>						
Trade accounts receivable and other current receivables	369,890	(369,890)	-	36,144	(36,144)	-
Trade accounts receivable	-	334,478	334,478	-	27,747	27,747
Other receivables	-	35,412	35,412	-	8,397	8,397
Deferred tax assets	28,805	-	28,805	7,535	(32)	7,503
Deferred tax liabilities	50,871	-	50,871	(32)	32	-
Trade accounts payable and other current payable	303,243	(303,243)	-	36,494	(36,494)	-
Trade accounts payable	-	189,985	189,985	-	25,807	25,807
Other payables	-	113,258	113,258	-	10,687	10,687
Current provisions for employee benefit	3,340	(3,340)	-	-	-	-
Non-current provisions for employee benefit	99,506	<u>3,340</u>	102,846	6,273	<u>-</u>	6,273
		<u>-</u>			<u>-</u>	
<i>Statement of comprehensive income for the year ended 31 December 2018</i>						
Revenue from sale of goods and services	2,059,943	(7,960)	2,051,983	309,933	(657)	309,276
Other income	19,379	5,544	24,923	45,825	96	45,921
Gain on sale assets	-	<u>2,416</u>	2,416	-	<u>561</u>	561
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.



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