



THAITHEPAROS

บริษัท ไทยเทพรส จำกัด (มหาชน)

รายงานประจำปี 2563

ANNUAL REPORT 2020

บริษัท ไทยเทพรส จำกัด(มหาชน)



66th

Growing Together





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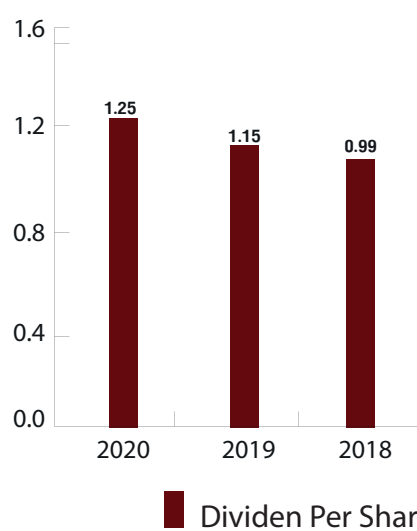
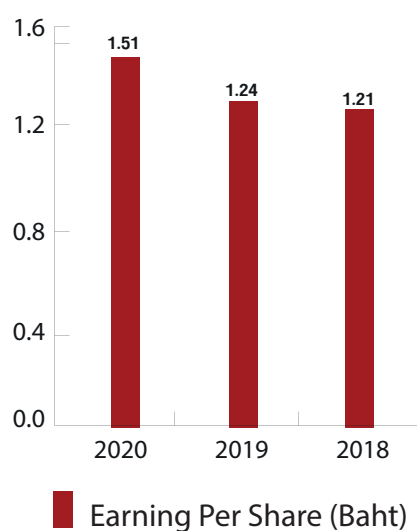
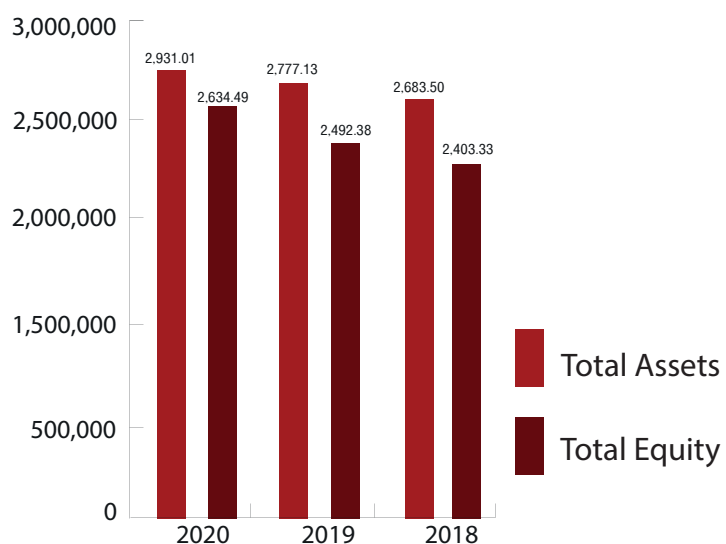
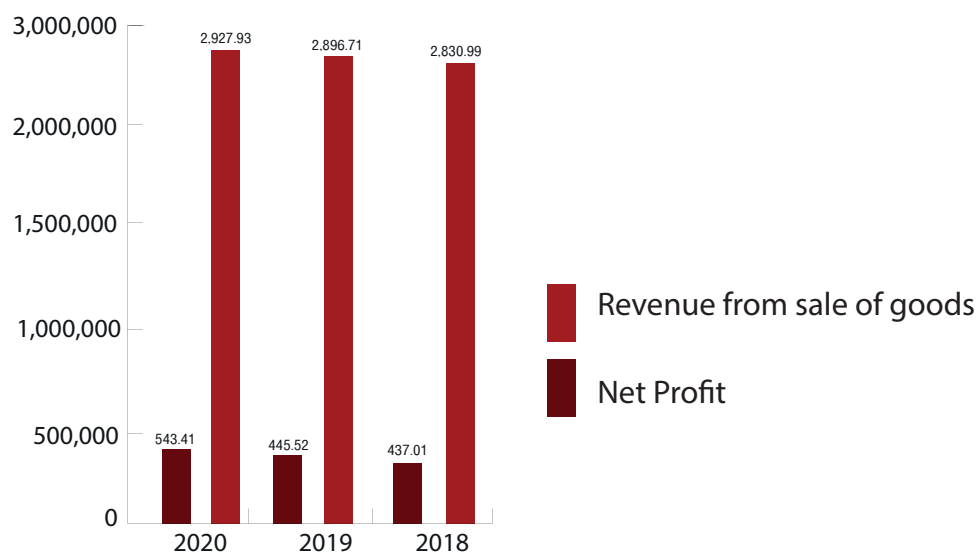
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Financial Statements

Financial Highlights

	(Million Baht)	2020	2019	2018
Statement of financial position				
Total Assets		2,931.01	2,777.13	2,683.50
Total Liabilities		296.52	284.75	280.17
Total Equity		2,634.49	2,492.38	2,403.33
Statement comprehensive income				
Revenue from sale of goods		2,927.93	2,896.71	2,830.99
Cost of Sales of goods		1,859.25	1,921.82	1,895.22
Gross Profit		1,068.68	974.89	935.77
Distribution expenses		270.45	296.35	270.05
Administrative expenses		158.37	159.99	157.76
Profit before income tax expense		675.95	552.66	541.73
Net Profit		543.41	445.52	437.01
Shares or Related information of common stock				
Earning Per Share	(Baht)	1.51	1.24	1.21
Book Value Per Share	(Baht)	7.32	6.92	6.68
Dividend Per Share	(Baht)	1.25	1.15	0.99
Pay out Ratio	(%)	82.81	92.92	81.55
Financial ratio				
Sales Growth	(%)	1.08	2.32	3.52
Net Profit Growth	(%)	21.97	1.95	26.53
Cost of Sales Ratio	(%)	63.50	66.34	66.95
Gross Profit Margin Ratio	(%)	36.50	33.66	33.05
Earning before tax expense	(%)	22.83	19.30	18.91
Net Profit	(%)	18.35	15.55	15.26
Return on Equity	(%)	21.20	18.20	18.49
Return on Assets	(%)	19.04	16.32	16.51
Current Ratio	(time)	6.98	6.55	5.74
Debt Equity Ratio	(time)	0.11	0.11	0.12

Investor. Could study additional information of the issueing company from the FORM 56-1 . Which have been shown on www.sec.co.th or www.thaitheparos.com





Message from the Chairman

MR. Parinya Winyarat
Chairman of the Board

In 2020, the world was paralyzing with the Coronavirus (COVID-19) epidemic causing disruption to the magnitude never faced before. Most of countries have to lock down to reduce the rapid spread of COVID-19 infection. As a result, the global economic situation has prolonged and slowdown. The COVID-19 has impacted on economic situation in Thailand too; especially industries, tourism, export and transportation which have been interrupted and severely affected both in Bangkok and upcountry. Every company has to adapt his business carefully to resilient and agile in this difficult situation as much as possible.

Thaitheparos Public Company Limited, under the operations of the Board of Directors, Executives and employees who have been committed to continuously corporate development for more than 66 years, have been fighting tirelessly and adapted as well against the spread of COVID-19. The company is closely taking care of the safety and well-being of employees to be healthy, safe from infection with COVID-19, and no any infected person who will spread the disease to others; while considering all the related measures and supporting the appropriate guidance to ensure the business continuity. In terms of marketing, sales and logistics which is an important factor for the competitiveness, there are the effective marketing strategies that can reach to our target, as well focus on responding our customers and end users expectations and demands, besides, provide efficient service and delivery in and on time and safely to gain confidence from customers. In the field of production sector, not only to continuously improve our working process and develop production potential, also to emphasize on the personnel potential development, as well as to take care of their health and keep on the production process cleanliness and proper operation behavior.

The company still adheres to the corporate development policy maintaining the products quality standards, as well as ongoing food safety system to gain more trust of customers and end-users both domestically and abroad. In 2020, we also have managed the electricity consumption cost by installing Solar Rooftop of which solar power system can produce electricity for use in conjunction with the electricity distribution system of the Metropolitan Electricity Authority. The company is confident in our potential, growth and business opportunities, competitiveness enhancement in line with the current situation, along with ongoing the risk management. With the effective policy and timely adaptation, well understanding and determination, the company can overcome obstacles with the good performance another year.

The company continues to focus on the principles of good corporate governance concerns about the stakeholders with full social and environmental responsibility as well as ethics and anti-corruption for strengthening their trust and confidence in organization.

On behalf of the Board of Directors, I would like to express my sincerely gratitude for the continued cooperation, support and good response from shareholders, customers, all stakeholders as well as business partners both governmental and private sectors. I would also like to deeply thank the management team and employees for their efforts and dedication in the hard time of COVID-19. I do hope that we can go through this crisis together to achieve our goal and sustainable growth in the future.

PARINYA WINYARAT
Chairman of the Board

Golden Mountain History

THAITHEPAROS PUBLIC
COMPANY LIMITED

In 1954, Mr. Chai Sae Kow established Thai Theparos Factory ROP to manufacture variety of food seasoning and distributed them under the “Golden Mountain” brand name.

Under the professional guidance of Mr. Chai Sae Kow and Mr. Krailas Winyarat. Golden Mountain met with marketing success and achieved remarkable production efficiency. Since then, the company’s management has continually striven for excellence in the industry, and at present, under the leadership of Mr. Parinya Winyarat, “Golden Mountain” is the trademark of Thaitheparos Public Company Limited 66 years



Under thoroughly professional leadership, which has established firm confidence through operational efficiency and successful marketing strategies, Thai Theparos has experienced steady growth and on going development, as a set policy, the company has always devoted a good portion of its resources to research and development in order to secure continual product excellence.

Certified quality system of
international standards.



Policy and Overall Business

Vision, Objectives, Goals, and Strategies

Vision

“SAUCE”

Moves forward to be the leader of condiment manufacturers in Thailand; and eventually becomes “Your taste and happiness”

Mission

“SAUCE aims to run business sustainably with integrity for delivering the high quality products to consistently meet customers and consumers’ satisfaction; and enhances our brand loyalty

คุณค่านิยมหลัก

1. Put the right man on the right job.
2. Push an action as soon as you learn; work out immediately
3. Create the positive thinking as follows: honesty, discipline, educating, hard-work, hygienic practice and economizing.
4. Unity creates happiness and benefits.

Nature of Business

Thaitheparos Public Company Limited is in the food and beverage industry. We are the manufacturer and distributor of seasoning food products under “Golden Mountain” brand consisting of seasoning sauce, chilli sauce, distilled vinegar, tomato ketchup, chilli & tomato sauce, oyster sauce, fermented soy sauce and powdering sauce, fermented soy sauce powder as well as Sriraja chilli sauce under “Sriraja Panich” brand and naturally brewed Japanese soy sauce under “Kinzan Shoyu” brand including house brand.

In 2011, Company product and sale Raw Sauce to associate “Exter (Thailand) company Limited.

Structure of Sales Revenue

In 2020, the Company distributes all our products both domestic and export market. Domestic sales accounts for 87.75% of total sales, consists of wholesalers, discount stores, department stores, restaurants and food shops, retailers and industry, both in Bangkok and up-country, and trading firm. Export sales accounts for 12.25% of total sales, consists of direct exporter and export industrial.

(Unit : Million Baht)

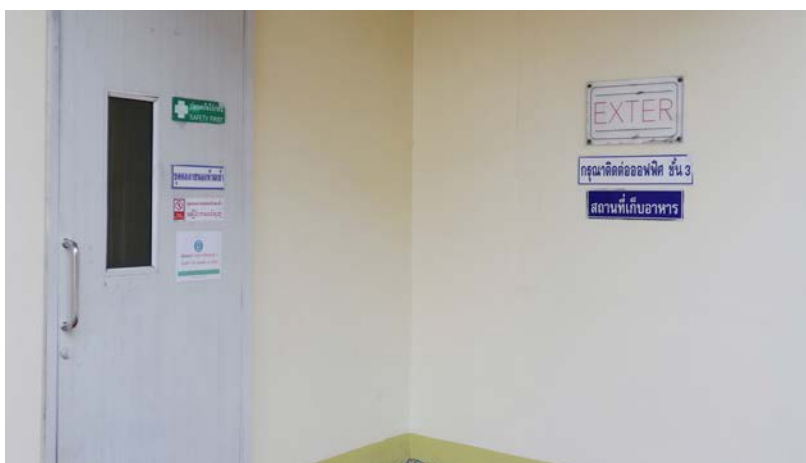
Products	2020		2019		2018	
	Amount	%	Amount	%	Amount	%
Domestic Sales	2,569.38	87.75	2,554.96	88.20	2,527.88	89.29
Export Sales	358.55	12.25	341.75	11.80	303.11	10.71
Total Sales	2,927.93	100.00	2,896.71	100.00	2,830.99	100.00
Increase (Decrease) of Total Sales	31.22	1.08	65.72	2.32	96.32	3.52



Significant Changes



Exter (Thailand) Limited.



Exter (Thailand) Limited.

The company produces “Raw Sauce” distributing to Exter (Thailand) Limited, associated company, since the third quarter of 2011 with total sales in the Tenth year amounting to Baht 38.31 MB increased by 2.13 Baht million or increased 5.89% compared to that of 2019 Baht 36.18 Million



Exter (Thailand) Ltd produces 2 types of products as follows:

1. Natural Identical Flavor such as BR009P, BB003P, RM14, BR039P and BR047P etc.
2. Hydrolysed vegetable protein such as YB018P, YB044P and XB012P etc.

Significant Changes



Golden Mountain Chili Sauce Mild Hot

Golden Mountain Chili Sauce Mild Hot, new package 1 KG in pouch. The design look more modern and the package are suitable for every customers. This product has launched in Q4.



For requirement for Oyster Sauce market,

the Company launched new Oyster Sauce under Ezeeee Brand with new package 2 KG in plastic gallon. This product is focusing to food service and restaurant including all channel.

Business innovation for society and the environment



The demand for electricity, which is a basic factor in the livelihood of both Thailand and the world and the main factors of the manufacturing industry increased. As a result, the source of natural raw materials used as fuel for electricity generation is rapidly reduced, as well as causing environmental impacts, in addition to complying with the government's policy to promote electricity generation from renewable energy. Therefore, the Company has started a project to generate electricity from solar energy mounted on the roof (Solar Rooftop) by being able to use solar energy as an alternative energy for electricity generation in the future. Such investment can be repaid within 5 years



Line S10 (BIB) 20L

Contains 5,10,15% vinegar product, size 20 L BIB and Seasoning Sauce Red cap 20L BIB. The filling process is aseptic packing from bag to closed system by conveying through the piping system by pump. Keep the packing process in a positive condition. Make sure the packing process is in a sterile condition. Overview of the BIB packing line. Most of them are almost automatic, starting from the formation of the conveyor box, along the conveyor belt into the hopper, which is the position of the packing bag, packed into the box before being transported into the box sealing machine and arranged on the pallet with the box lift. The packing area will be located in the old orange juice factory zone

Industry and Competition

In 2020, the economic contraction in the past year make the household debt problem is higher. It has also been replicated by the Coronavirus 2019 (COVID-19) epidemic, which started in the beginning of the year and became more severe and affected the livelihoods of people and businesses in general. Especially the tourism sector also the people change lifestyle. Caused by social distancing (Social Distancing), stay at home, work at home, restaurant closing, city shutdowns, layoffs, sluggish domestic purchasing power, and businesses are shut down. As a result, many businesses, including the Company. We need to adapt ourselves before and after the COVID-19 situation which greatly increases the Company's adaptability.

From the severe slowdown in market conditions; although, the government has measures to restore the economy and focusing on improving the agricultural and food sectors. Restoration of the tourism sector, promoting the creative economy as well as community economic development. The economic condition still cannot return any better as before. Causing new challenges in competition in the new era of life (New Normal)

In 2020, the company (as the market leader) has strategies for solving this crises.

- 1) Increasing the efficiency of product management sufficiently and efficient transportation.
- 2) Focusing on online sales and increase customer engagement through online channels.
- 3) Safety of consumers and employees first
- 4) Preparing every step after the Coronavirus 2019 (COVID-19) situation is resolved.

The company continues to strive to produce quality, safe products to meet the consumer requirement and trading partners.



The Export Market

In 2020, seasoning products of Thailand were exported more than 26,296 million baht that said more than 8.3 % increase compare with 2019. The main products as Soy Sauce, Chili Sauce, Fish Sauce, Instant Curry Paste and Seasoning Powder and other Seasoning products. Only Soy Sauce export more than 1,069.11 million baht which is 4.06% of total value. As for other sauce: Oyster Sauce, Chili Sauce, Seasoning Powder, Curry Paste, fish Sauce were more than 25,227 million baht which is 95.94% of total value.

The main importers of Soy Sauce are USA, Lao, The Netherlands, Vietnam and Australia which acquired more than 602.44 million baht or 56.35% of total value 1,069.11 million baht. As for Chili Sauce are UK, The Netherlands, Germany, USA, and South Korea acquired more than 1,430.83 million baht or 45.63% of total value 3,135.39 million baht.

In 2020, SAUCE export seasoning products totaling 358.55 million baht increase 4.92% or 16.80 million baht compared with 341.75 million baht in 2019. SAUCE has the marketing strategy to expand the market by increasing new customers both old market and new market in 2020 that SAUCE can success in both ways. This year SAUCE can expand the market in Asian Country more than in the past both traditional trade and industrial channel. This year we have the problem from transportation by sea, the shortage of container and vessel make the market slow and stop in some country: for example; EU, India, China and USA.

Marketing & Social Activities



Golden Mountain sauce is once again great, celebrating Yaowarat Chinese New Year. Complete all activities with auspicious menu

Golden Mountain Sauce has organized all activities with auspicious food menus for 2 full days at Yaowarat Chinese New Year 2020, on 25-26 January this year. Has joined in creating happiness and deliciousness through the campaign "Passing happiness Forward the fluff", led by Mr. Bancha Vinyarat, Deputy Managing Director of Thai Theparos Public Company Limited, showing a magnificent stir-fry pan with a giant pan. "Pad Thai Phu Khao Thong" joins two famous chefs, Chef Art Prasopchok (Iron Chef Thailand) and Chef First Thanaphat (Master Chef Thailand Season 2) by selecting auspicious and quality ingredients. Such as small noodles, shrimp, eggs, adding the deliciousness of Pad Thai sauce With food seasoning sauce, orange cover, Golden Mountain brand "Lung Nuad sauce" ready to give out more than 500 participants



In 2020, Golden Rat Year of Glory,

Golden Mountain Sauce has continuously committed to product development and branding under the campaign "Because every dish has a story" to reinforce its leadership in the seasoning sauce market. Which has increased sales every year With many kinds of marketing activities Whether it is in the business of partners, sales promotion, and organizing an Event or Work shop to create Experience for consumers and brands. Get closer to each other Because cooking is happiness and delicious, Thai Theparos company still strives. Develop products to have quality To extend happiness and deliciousness Through various stories Passed from generation to generation



Followed by good activities "As during the COVID-19 situation Even in the state of social distancing,

we still deliver Marketing campaigns Connect with consumers with #at home with flavor campaign. That allows everyone to join and forward good stories and recipes, more than 600 recipes through www.goldenmountainsauce.com/, stay at home with a taste Exclusive workshop entitled "Recipe Forward, Story Forward" through renowned chef Mom Luang Kwantip Devakul (Chef Pom) and Chef from Master Chef Thailand. That came to pass the formula Forward the deliciousness And techniques and secrets in making various dishes This has been well received. "In the past year, Sauce Golden Mountain Central Pattana joined hands to organize" Recipe forwarding, story forwarding "activity in response to Now Normal Lifestyle, giving away secret recipes from famous chefs. And was delivered through famous chefs from the Master Chef Thailand program "Chef Pom - M. Lakwanthip Devakul" "Chef Lat - Raphatson Jirajureechai", vice champion from Master Chef Thailand C. Season 2 and Chef Nu from the famous page Pan of Nunoo, who will create delicious dishes from dishes seasoned with Golden Mountain sauce. By this activity has occurred at Central World Shopping Center Central Court Zone, 6th Floor, 3-5 July, Central Plaza Pinklao Date 10-12 July, 5th floor, in front of Major Cinema And Central Plaza Westgate, 24-26 July, Uniqlo store zone



Vegetarian Festival

This year, Phu Khao Thong has partnered with As strong as Central Pattana organizes a non-monotonous activity, emphasizing vegetarian food and a new style of vegetarian cooking with a special workshop on the vegetarian menu from "Golden Mountain" with Chef "Paopae - Jessica Wang", the latest champion from the program MasterChef All Stars Thailand. Only at Central Plaza Bangna on 17 Oct. 20 at 2:00 p.m. and Central Plaza Rama 3 on 24 Oct. 20 at 4.00 p.m.

A cooking competition in the concept of "Robinson, a fusion-style vegetarian food battle to compete for the best of provincial food menus." Win a prize of over 15,000 baht, an activity created for consumers to choose the right products for the menu And create a new and unique Japanese menu by being held on October 17, 2020 with 4 branches participating: Robinson, Lopburi Robinson Kamphaengphet Robinson Buriram Robinson Chaiyaphum Which has been accepted to participate in the activities as well



And reinforces the consumers to choose the Golden Mountain sauce and create a vegetarian menu from the long-established Golden Mountain sauce. In the event, there will be a cooking competition for savory dishes and desserts using products from Golden Mountain sauce to create new vegetarian dishes and use creativity to win 15,000 baht.



In addition to private agencies Golden Mountain sauce also participated in activities with government agencies. By the Thai Theparos Company Had the opportunity to work with Organization of King Mongkut's University of Technology Ladkrabang in KMITL Street Food Project, which is an activity created to educate entrepreneurs. To build a career And know how to use products that are suitable for the menu to create

Income in your own way And reinforcing the target group of street food entrepreneurs to choose Golden Mountain sauce and reinforce the long-standing golden mountain sauce. In the activity, there is a Work Shop to cook food suitable for the Street Food group and apply Golden Mountain sauce to be used in cooking this time.

The seminar "How to win the hearts of consumers" Thai Theparos Company has the opportunity to be a provider of knowledge development training. And have publicized And educate students on the differences of each Golden Mountain sauce to be able to recognize and differentiate each sauce bottle. For the benefit of choosing the right menu. Also has an opportunity Working with educational institutions that are vocational training institutes can be further expanded and also promote the brand to the young target group. Reinforcing the target group of students Turned to use even more Golden Mountain sauce



And end good activities Make a beautiful income with fair activities, public relations and selling products at the event.

The 4th Ded Fair restaurant, delicious in 7 districts Organized great again in the event. The 4th Ded Fair Shop, Phu Khao Thong has joined the activity with Work Point. And is the main sponsor of the event From October 29 – November 1, 2020, a total of 4 days in the event there are many activities such as a booth selling special Golden Mountain brand products. Golden Minute event on the center stage and Food Truck selling food in the Golden Mountain style. Comes with a spicy menu

"Mala Sauce Golden Mountain" and what should not be missed is Work Shop On Stage, the Golden Mountain has created a special menu using products of the Golden Mountain brand. Let's cook to see each other in front of you. With its delicious and easy flavor, it can be made at home.

Risks Factors

Operation Risk

- Customer Dependence

More than 1,000 wholesalers (Yi pua), retailers and end users are our valued customers very long time with a good business relationship. The company will not receive any affectation if we lost anyone of them except the major three discount stores.

In the past three years, sales revenue of the three major discount stores accounts to 22% of total sales as follows:

Thousand Baht	2020	2019	2018
Sales revenue of three major discount stores	657,666	630,180	641,990
% of total sales	22.46	21.76	22.68

Besides the discount stores, we employs all distribution channel covering wholesalers (yi pua), restaurants, food stores as well as industry and more than 6,000 retailers nationwide.

From the factors of various customers, high quality of products, and the trade mark “Golden Mountain” brand name which is well known among customers more than 66 years establishing a significant advantage over competitors.

Production Risk

- Lack of Raw Materials

Although the company purchases raw material from a few manufacturers or suppliers, Most of them are major suppliers and they can supply raw material to the company throughout the year so we has never experience in lacking of raw materials. We can purchase its from another suppliers but the price will be higher than major suppliers slightly. Seasonal raw materials such as chili and garlic which have been processed for supporting the production throughout the year.

In the fourth quarter of 2008, we have affected by the lacking of seasonal raw materials and lost revenue accounts to Baht 23 million or equal to 1% of total sales. After that we has never experiences lacking of raw materials as the increasing of storage tank.

Management Risks

As of the Annual General Meeting of Shareholders 2020, Winyarat family holding share equal to 75.88% of entire shares which can control the resolution of the meeting in the matter of the appointment director or other matters which shall propose to the meeting for consideration and approval. Except the matters stipulating that the majority vote must not be less than third – fourth of the shareholders who come to participate in the meeting. Therefore, the other shareholders could not collect votes in order to examine and balance the matters proposed by major shareholders.

General Information and Other significant

Name of Company	Thaitheparos public company limited (former name Thai Theparos Food Products Public Company Limited)
Head office	208 Moo 6 Taiban Road, Taiban Sub-District, Muang District, Samutprakarn, Thailand 10280 Tel: +66-2703-4444 Fax: +66-2387-1163, +66-2703-4444 Ext 3000 www.thaitheparos.com
Registration No.	0107536001265
Branch 1	162/1 Moo 2, Ban-Fon Mae Ta Road, Chompoo District, Muang District, Lampang Province 52000 Tel: (054) 251-149, (054) 251-005 Fax: (054) 251-138
Established	1954
First Trade Date	20 January 1995
Symbol	SAUCE
Industry / Sector	Agro and Food Industry / Food and Beverage
Registered Share Capital	600 Million Baht (600,000,000 shares of Baht 1 par value)
Issued and paid up Capital	360 Million Baht (360,000,000 shares of Baht 1 par value)
Dividend Policy	Minimum of 50% of net profit annually and will be paid in next year.
Number of Staff	Head office 763 persons
Fiscal Year	1 January - 31 December
Other Reference	A. Register Thailand Securities Depository Co., Ltd 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand. Tel: (66 2) 009 9000 Fax: (66 2) 009 9991 SET Contact center: (66 2) 009 9999 Website: http://www.set.or.th/tsd E-mail: SETContactCenter@set.or.th B. Auditors Ms. Orawan Chotiwiwiyakul CPA Registration Number 10566 or Mrs. Siripen Sukcharoenyingyong CPA Registration Number 3636 or Ms. Orawan Chunhakitpaisan CPA Registration Number 6105 KPMG Phoomchai Audit Limited. 50 nd Floor Empire Tower 1 South Sathorn Road, Yannawa, Sathorn Bangkok 10120 Tel: +66-2677-2000 Fax: +66-2677-2222
Associate	EXTER (THAILAND) LTD. 208 Moo 6 Taiban Road, Taiban Sub-District, Muang District, Samutprakarn, Thailand 10280 Tel: +66-2755-2888 Fax: +66-2755-2887
Core Business	Manufacturer and distributor of seasoning food products under "Exter" brand export to Europe and South East Asia.
Registered Share Capital	40 Million Baht (2,000,000 shares of Baht 10.00 par value)
Issued and paid up Capital	40 Million Baht (2,000,000 shares of Baht 10.00 par value)
Proportion holds shares	40%
Nature of Business	Thaitheparos PLC. is the manufacturer and distributor of seasoning food products under "Golden Mountain" brand consisting of seasoning sauce, chilli sauce, distilled vinegar, tomato ketchup, chilli & tomato sauce, oyster sauce, fermented soy sauce and powdering sauce, fermented soy sauce powder, as well as Sriraja chilli sauce under "Sriraja Panich" brand and naturally brewed Japanese soy sauce under "Kinzan Shoyu" brand including house brand.



Security information and Shareholders

1. Share capital

Registered Share Capital 600 Million Baht (600,000,000 shares of Baht 1 par value)

Issued and paid up Capital 360 Million Baht (360,000,000 shares of Baht 1 par value)

2. Shareholders

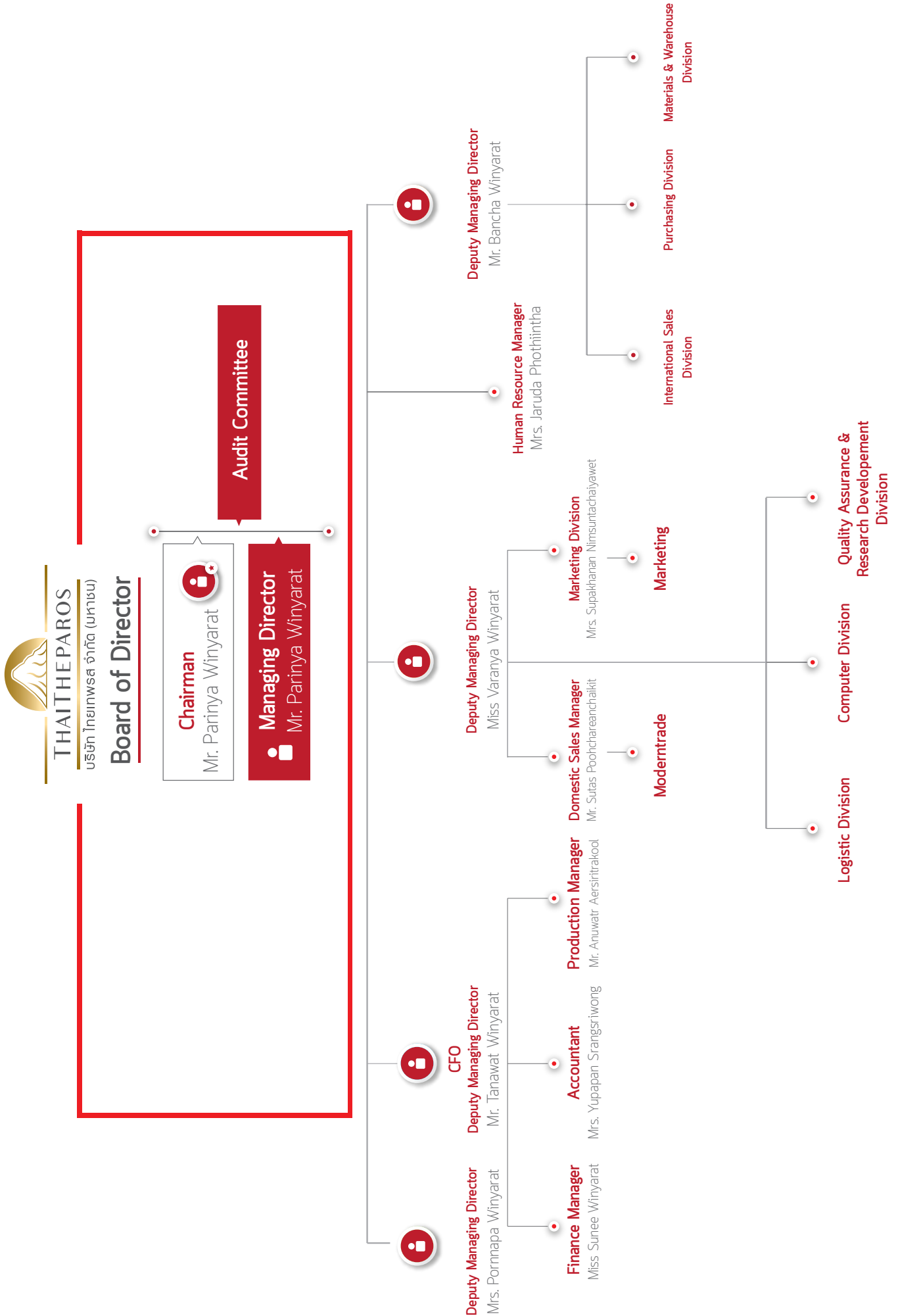
Major Shareholders as of the Annual General Meeting of Shareholders 2020 hold on April 23, 2020.

Major	Shareholders	Shares	(%) of Total Share
1.	WINYARAT FAMILY	273,161,620	75.88
2.	Bangkok Life Insurance PLC.	11,464,300	3.18
3.	Ms. Jaruda Pothiinta	5,665,100	1.57
4.	Ms. Pattama Sethanukul	4,200,000	1.17
5.	Green Spot (Thailand) Co.Ltd.	3,861,000	1.07
6.	Miss Natechanok Suwanacheep	3,650,000	1.01
7.	Bangkok Insurance PLC	3,579,500	0.99
8.	Mr. Cherdchoo Soponpanich	2,921,400	0.81
9.	Miss Wanpen Kanbou	2,400,000	0.67
10.	CS Capital Co,Ltd	2,346,300	0.65
Total		313,249,220	87.00

Remark WINYARAT FAMILY consist of :

Major Shareholders	Shares	(%) of Total Share
Mr.Parinya Winyarat and related persons	167,790,580	46.61
Miss.Malee Winyarat and related persons	58,103,470	16.14
Mrs.Pornnapa Winyarat and related persons	47,267,570	13.13
WINYARAT FAMILY TOTAL	273,161,620	75.88

Management Structure





Board of Directors

	1	2	3	4
5	6	7	8	9

1. Mr. Parinya Winyarat

(Director / Chairman of the Board and Managing Director)

Date of Birth	: May 26, 1954
Age	: 66 yrs.
Education	: Honorary Doctor of Home Economics (Food and Nutrition) Faculty of Home Economics Technology Rajamangala University of Technology, Thailand Bachelor Degree in Chemistry, National Taiwan University
Experience	
2000 - Present	: Managing Director, Thai Theparos Public Company Limited
1993 - Present	: Director / Chairman of the Board and Managing Director Thai Theparos Public Company Limited
No. of holding shares	: 119,158,580 shares,
No. of share changed	: -
Position in Other Listed Companies	: None
Position in None listed companies	
2018 - Present	Director Thepland Company Limited
2017 - Present	Director Rachakram Agriculture Company Limited
2011 - Present	Director Bangpa-in Sport club Company Limited
2010 - Present	Director Rachakram Property Company Limited
2008 - Present	Director Siam Agrotex Company Limited
2005 - Present	Director Rachakram Land Company Limited
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: Mr. Bancha Winyarat's Father and Mr. Tanawat Winyarat's uncle.
Director remuneration	: 1,155,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of Director's Meeting

2. Mrs. Pornnapa Winyarat

(Director/Deputy Managing Director)

Date of Birth	: July 26, 1949
Age	: 71 yrs.
Education	: -
Director Training Program	: Director Accreditation Program (DAP) Class 37/2005 Thai Institute of Directors Association
Experience	
1996 - Present	: Deputy Managing Director, Thai Theparos Public Company Limited
1993 - Present	: Director, Thai Theparos Public Company Limited
No. of holding shares	: 16,958,570 shares
No. of share changed	: -
Position in Other Listed Companies	: None
Position in None listed companies	: None
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: Mr. Tanawat Winyarat's Mother and Mr. Parinya Winyarat's Elder
Director remuneration	: 525,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of Director's Meeting

3. Miss Malee Winyarat

(Director)

Date of Birth	: February 14, 1954
Age	: 66 yrs.
Education	: Bachelor Degree in Business Administration (Money and Banking) Ramkhamhaeng University
Director Training Program	: Director Accreditation Program (DAP) Class 37/2005 Thai Institute of Directors Association
Experience	
1993 - Present	: Director Thai Theparos Public Company Limited
1993 - 2010	: Director and Deputy Managing Director (Accounting and Finance) Thai Theparos Public Company Limited
1987 - 1993	: Accounting and Finance Manager, Thai Theparos Public Company Limited
No. of holding shares	: 14,004,520 shares
No. of share changed	: -
Relation Among family with the Company	: Mr. Parinya Winyarat's niece and Mr. Bandit Winyarat's sister
Director remuneration	: 525,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of Director's Meeting

4. Mr. Bandit Winyarat

(Director)

Date of Birth	: October 2, 1956
Age	: 64 yrs.
Education	: Master of Arts, Major: Man and Environment Management, Chiang Mai University Bachelor Degree in Engineering, Adamson University, Philippines
Director Training Program	: Director Accreditation Program (DAP) Class 37/2005 Thai Institute of Directors Association
Experience	
1993 - Present	: Director Thai Theparos Public Company Limited
1993 - 2008	: Deputy Managing Director Thai Theparos Public Company Limited
1987 - 2007	: Branch Manager (Lampang) Thai Theparos Public Company Limited
No. of holding shares	: 26,427,020 shares
No. of shares Changed	: -
Position in Other Listed Companies	: None
Position in None Listed Companies	: None
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: Mr. Parinya Winyarat's niece and Miss Malee Winyarat's Brother
Director remuneration	: 525,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 4 out of 5 Board of Director's Meeting (The COVID-19 situation occurred. Therefore unable to attend the meeting.)

5. Mr. Tanawat Winyarat

(CFO / Director/Deputy Managing Director)

Date of Birth	: November 13, 1972
Age	: 48 yrs.
Education	: Master of Science in Finance, Bentley College , Massachusetts, USA : Master of Science in Manufacturing System Engineering, Rensselaer Polytechnic Institute, USA : Bachelor of Science in Management System Rensselaer Polytechnic Institute, USA
Director Training Program 2020	: TFRS and accounting relief measures from Covid 19 (for non-financial corporations)
2018	: Orientation Course-CFO Focus on Financial Reporting Class 4/2018 (CFO0411)
Experience	
2018 - Present	: CFO Thaitheparos Public Company Limited.
2014 - Present	: Deputy Managing Director Thaitheparos Public Company Limited.
2010 - Present	: Director, Thaitheparos Public Company Limited.
2004 - 2012	: Marketing Manager Thaitheparos Public Company Limited.
No. of holding shares	: 25,709,000 shares
No. of share changed	: -
Position in Other Listed Companies	: None
Position in none Listed Companies	: 2 Positions:-
2010 - Present	: Director, Exter (Thailand) Limited
2005 - Present	: Director, Ratchatayothin Co.,Ltd
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: Mrs. Pornapa Winyarat's son Mr. Parinya Winyarat 's nephew
Director remuneration	: 315,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of Director's Meeting

6. Mr. Bancha Winyarat

(Director/Deputy Managing Director)

Date of Birth	: April 27, 1985
Age	: 35 yrs.
Education	: MSc & DIC in Environmental Engineering, Imperial College London, U.K. : Bachelor of Engineering in Engineering with Business Finance with First Class Honours , University College London ,U.K
Director Training Program	: -
Experience	
2014 - Present	: Deputy Managing Director Thaitheparos Public Company Limited.
2010 - Present	: Director, Thaitheparos Public Company Limited.
2011 - Present	: Purchasing Manager Thaitheparos Public Company Limited.
No. of holding shares	: 27,632,000 shares
No. of share changed	: -
Position in Other Listed Companies	: None
Position in None Listed Companies	: 4 position :-
2018 - Present	Nakornluang Agricultural Company Limited
2017 - Present	Director/Bangpa-in Sport club Company Limited
2010 - Present	Director Exter (Thailand) Limited
2015 - Present	Director Gower Intertrade Company Limited
Position in None listed companies	
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: Mr. Parinya Winyarat 's son
Director remuneration	: 315,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of

7. Mr. Phot Kongputhi

(Independent Director / Audit Committee Chairman)

Date of Birth	: October 18, 1938
Age	: 82 yrs.
Education	: Accounting, A.B.I., Institute of Book - Keeper, London
Director Training Program	: -
Experience	
2018 - Present	: Audit Committee Chairman Thaitheparos Public Company Limited
2011 - Present	: Audit Committee Thaitheparos Public Company Limited
2002 - Present	: Independent Director Thaitheparos Public Company Limited
No. of holding shares	: None
No. of share changed	: -
Position in Other Listed Companies	: None
Position in None Listed Companies	: 1 position
2002 - Present	Director and Managing Director Promma Mining Co.,Ltd.
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Relation Among family with the Company	: -
Director remuneration	: 385,000 Baht
Audit Committee Remuneration	: 198,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of Director's Meeting
Attended Audit Committee's Meeting	: Attended 4 out of 4 Audit
2020	

8. Mr. Jirawit Masrangsang

(Independent Director / Audit Committee)

Date of Birth	: May 5, 1938
Age	: 82 yrs.
Education	: Bachelor of Commerce Thammasat University Bachelor of Accountancy Thammasat University
Director Training Program	: None
Experience	
2017 – Present	: Independent Director / Audit Committee Thaitheparos Public Company Limited
2001 – Present	: Independent Auditor (CPA Registration No. 1309) CFO (Chief Financial Officer) Hemaraj Land and Development PCL.
1991 – 2001	
1989 – 1991	: Project Director Windmill Golf Club and Bangpakong Golf Club Green Valley Country Club , Bangkok
1967 – 1989	: Deputy Director (Accounting Department) Kasikorn Bank PCL.
No. of holding shares	: -
No. of share changed	: -
Position in Other Listed Companies	: None
Position in Other Companies	: Director J.M.C. Business Co.,Ltd.
Position in Rival Companies/ Connected Business that May Cause Conflict of Interest	: None
Family Relationship with other directors	: None
Director Remuneration	: 385,000 Baht
Audit Committee Remuneration	: 132,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of Director's Meeting
Attended Board of Audit Committee Meeting in 2020	: Attended 4 out of 4 Audit Committee's Meeting

9. Mr. Niwat Wongprompreeda

(Independent Director / Audit Committee)

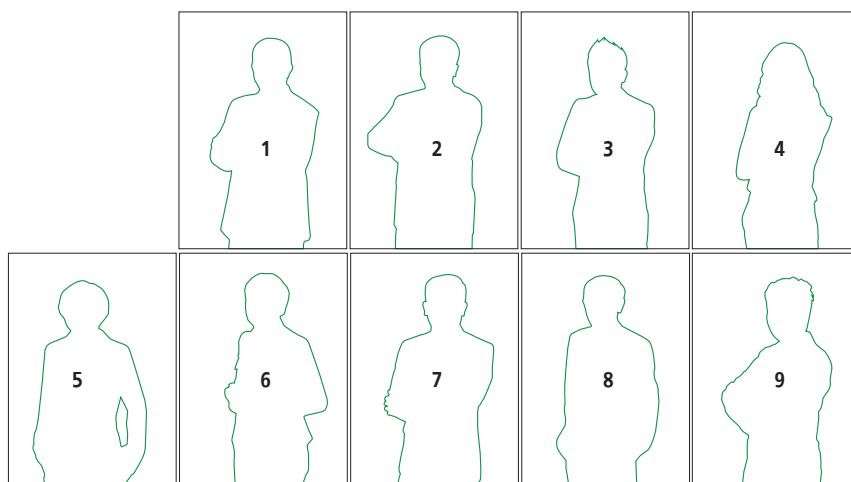
Date of Birth	: February 15, 1961
Age	: 59 yrs.
Education -	: Ph. D. In Communication Arts Chulalongkorn University Certificate in Integrated Marketing Communication Northwestern University Certificate in Marketing Management , MAT M.S. in Advertising, Medill School of Journalism Northwestern University, USA Bachelor of Arts program in Journalism (Second Class Honors) Thammasat University Certificate of Commerce , Assumption Commercial College
Directors Training Program	: Director Certification Program (DCP) Class 31/2003 Thai Institute of Directors Association
Present Position	
2017 – Present	: Independent Director/Audit Committee Thaitheparos Public Company Limited
Experienced	
2003 – 2005	: Independent Director Traffic Corner Pcl.
2002 – Present	: Executive Director, Video Research International (Thailand) Ltd. Client Service Director SC Matchbox Co. Ltd. Account Director Far East Advertising Co., Ltd. Head of Advertising Department Faculty of Journalism and Mass Communication Thammasat University Advisor (Research and Marketing) Saha Pattana Piboon Co.,Ltd. Assistant Dean for Student Affairs Faculty of Journalism and Mass Communication Thammasat University
1991 – 1992	
1990 – 1991	
1989 – 1990	
1987 – 1990	
1987 – 1989	
No. of holding shares	: -
No. of share changed	: -
Position in Other Listed Companies	: None
Position in Rival Companies/ Connected Business that may cause Conflicts of Interest	: None
Family Relationship with other Directors	: None
Director Remuneration	: 385,000 Baht
Audit Committee Remuneration	: 132,000 Baht
Attended Board of Director's Meeting in 2020	: Attended 5 out of 5 Board of Director's Meeting
Attended Board of Audit Committee Meeting in 2020	: Attended 4 out of 4 Audit Committee's Meeting

Director		Historial Forward	No.of share changed		Carry Forward
		January 1, 2020	Buy	Sale	December 31,2020
1.Mr. Parinya	Winyarat	119,158,580	-	-	119,158,580
2.Mrs. Pornnapa	Winyarat	16,958,570	-	-	16,958,570
3.Miss Malee	Winyarat	14,004,520	-	-	14,004,520
4.Mr. Bandit	Winyarat	26,427,020	-	-	26,427,020
5.Mr. Tanawat	Winyarat	25,709,000	-	-	25,709,000
6.Mr. Bancha	Winyarat	27,632,000	-	-	27,632,000
7.Mr. Phot	Kongputhi	-	-	-	-
8. Mr. Jirawit	Masrangsang	-	-	-	-
9. Mr. Niwat	Wongprompreeda	-	-	-	-
Total		229,889,690	-	-	229,889,690



Management Team

1. **Mr. Parinya Winyarat**
Chairman of the Board and Managing Director
2. **Mr. Tanawat Winyarat**
Director/Deputy Managing Director
3. **Mr. Bancha Winyarat**
Director/Deputy Managing Director
4. **Miss Varanya Winyarat**
Director/Deputy Managing Director
5. **Miss Sunee Winyarat**
Finance Manager
6. **Mrs. Jaruda Pothiinta**
Human Resource Manager
7. **Mr. Sutas Phucharoenchakij**
Domestic Sale Manager
8. **Mr. Anuwatr Aersitrakool**
Production Manager
9. **Mrs. Yupapan Srangsiwong**
Accountant



Management Team

4. Miss. Varanya Winyarat (Deputy Managing Director)

Age : 37 yrs.
 Education : Bachelor of Arts with a major in Economics ,
 University of California
 Experience
 2014 – Present : Deputy Managing Director
 Thai theparos Public Company Limited.
 2013 : Marketing Manager
 Thai theparos Public Company Limited.
 No. of holding shares : 21,000,000 shares
 No. of shares changed : -

5. Miss Sunee Winyarat (Finance Manager) Corporate secretary)

Age : 61 yrs.
 Education : Bachelor Degree in Economics,
 Ramkamhaeng University
 Experience
 2008 – Present : Corporate Secretary
 1994 – Present : Finance Manager
 Thai theparos Public Company Limited
 Seminar : Corporate Secretary Development
 Program, Chulalongkorn University
 No. of holding share : 13,066,530 shares
 No. of shares changed : -

6. Mrs. Jaruda Phothiinha (Human Resource Manager)

Age : 60 yrs.
 Education : Bachelor of Public Administration
 Sukhothai Thammathirat University
 Experience
 2004 – Present : Human Resource Manager
 Thai theparos Public Company Limited
 No. of holding shares : 5,665,100 shares
 No. of shares changed : -

7. Mr. Sutas Poochareanchaikit (Domestic Sales Manager)

Age : 52 yrs.
 Education : Master of Business Administration
 Ramkamheang University
 : Bachelor of Business Administration
 (Marketing)
 Dhonburi Rajabhat University
 Experience
 2017 – Present : Domestic Sales Manager
 Thai theparos Public Company Limited
 2012 – 2017 : Up Country Sales Division Manager
 Thai theparos Public Company Limited
 No. of holding shares : -
 No. of shares changed : -

8. Mr. Anuwatr Aersitrakool (Production Manager)

Age : 54 yrs.
 Education : Master of Business Administration
 Ramkamheang University
 : Bachelor of Agriculture Industry,
 King Mongkut Institute of
 Technology Ladkrabang
 Experience
 2005 – Present : Production Manager
 Thai theparos Public Company Limited
 2001 – 2005 : Plant Manager
 Wang Palm Oils Company Limited
 (Wangkanai Group)
 No. of holding shares : -

9. Mrs. Yupapan Srangsiwong (Accountant)

Age : 59 yrs.
 Education : Bachelor of Business Administration in
 Accounting Manager (Accounting)
 Experience
 1992 – Present : Accounting Manager (Accountant)
 Thai theparos Public Company Limited
 1988 – 1992 : Supervisor, cost accounting unit, accounting
 department Thai theparos Public Company
 Limited
 Trained 2020 : Income Taxes
 : e-withholding Tax, an alternative to withholding
 tax and National e-Payment
 No. of holding shares : -
 No. of shares changed : -

Management Team	Historical Forward January 1, 2020	No. of share changed		Carry Forward December 31, 2020
		Buy	Sale	
4. Miss Varanya Winyarat	21,000,000	-	-	21,000,000
5. Miss Sunee Winyarat	13,066,530	-	-	13,066,530
6. Mrs. Jaruda Phothiinha	5,665,100	-	-	5,665,100
7. Mr. Sutas Poochareanchaikit	-	-	-	-
8. Anuwatr Aersitrakool	-	-	-	-
9. Mrs. Yupapan Srangsiwong	-	-	-	-
Total	39,731,630	-	-	39,731,630

Corporate Secretary

Sauce has appointed Miss Sunee Winyarat, Finance Manager as Corporate Secretary. She has suitable knowledge and experience to perform this function and assumes the of the Secretary to the Board of Directors and the Audit Committee.

Remuneration for Directors and the Management

Remuneration for Directors: On approval by the Annual General Meeting of the shareholders, the Company set the remuneration for Directors and additional salary for the Audit Committee.

Remuneration for the Management: The Board set the remuneration for the Management. The Executive Director will have salary and bonus in addition to the remuneration.

The Company has provided all remuneration for Directors and the Management for the year 2020 as follow:

	Person	Remuneration for Director
Directors	9	4,515,000.00
Directors and Management	15	<u>22,405,872.00</u>
Total		<u>26,920,872.00</u>

*Salary / bonus / consultant fee / contribution to provident fund / contribution to social security fund / perdium

	(million)				
	Person	2020	2019	Change	%
Remuneration for Director	9	4.52	4.52	-	-
Salary/Bonus & other - Directors	9	15.33	17.06	(1.73)	(10.14)
Total Directors	9	19.85	21.58	(1.73)	8.02
Salary/Bonus & other - Management	6	7.07	7.49	(0.42)	(5.60)
Total Directors and Management	15	26.92	29.07	(2.15)	(7.40)

Personnel

In 2020, The Company has 763 employees decrease to the year of 2019 in each operation as follow:

Person	2020	2019	Change	%
Management	5	5	-	-
Production Department	447	442	5	1.13
Quality Assurance & Research Development Department	23	23	-	-
Engineering Division	14	15	(1)	(6.67)
Sales Department, Marketing Department and Logistic Division	213	215	(2)	(0.93)
Accounting Department, Financial Department	29	33	(4)	(12.12)
Computer Division	7	6	1	16.67
Human Resource Department	17	21	(4)	(19.05)
Purchasing Division.	6	6	-	-
Quality management Division and Secretaries	2	1	1	100
Total	763	767	(4)	(0.52)

Remuneration is a key success factor to attract and retain a better performance in SAUCE of which include salary, wages, overtime payment, cost of living, the incentive fee, commission, allowances, bonuses, severance pay and provident fund of which for the year 2020 totally Bht 261.96 million; decrease of Bht 280.52 million or 18.56 million or 6.62% in 2019, (this amount included Directors and Advisors Remuneration). Besides, SAUCE provides other welfares to our employees.

SAUCE recognizes the importance of our employees, so the key role of our policy is Human Resource Development by training and empowering staff skills both in-house and outside. We have an annual training plan including ON THE JOB TRAINING for new staff and the rotated staff.

The Company has no significant labor disputes in the past 3 years.

The Principles of Good Corporate

The Board of Director realizes on the importance of good corporate governance which is for transparency, accountability, business competency and confidence to stakeholders, investors as well as relevant persons and set the good corporate governance policy covering an important principle as follows

1. Right of Shareholders

SAUCE recognizes on the right of shareholders and gives the importance and facilities to all shareholders to get the basic shareholder's right both in the position of investor in the securities and the owner of the company. Shareholders have the right to purchase, sell or transfer their securities independently as well as the right to receive the appropriate net profit, to join the shareholders meeting, give their opinions in the meeting. All shareholders have the right to vote according to their holding shares. The vote is counted one vote per share. No shareholders have privilege to restrict the right of other shareholders

Besides the above mentioned Basic Shareholders' rights, SAUCE gives the importance on the information disclosure correctly, in time and transparently to shareholders by disclosing the important information via the company's website both Thai and English version. In 2020, the Board of Directors has principle the activity for the matter of promoting and giving the facilities in using the right of shareholders as follows:

1.1 Disclosure the Board of Directors' Meeting's resolution no.2/2020 which held on March 12, 2020 providing to arrange the Annual General Meeting of Shareholders on April 23, 2020 via the Stock Exchange of Thailand's website since the had pass the resolution to fix the meeting date.

1.2 The company will send the Invitation Letter for attending the Annual General Meeting of Shareholders no less than 21 days prior to the meeting date which mention the time, place to attend the meeting and the agenda completely in accordance with the articles of the Stock Exchange of Thailand and the company's Article of Association which has sufficient information regarding the issues to be decided at the meeting. Each agenda will be specified whether it is for approve, disapprove or for abstain.

Invitation letter for attending the annual general meeting of shareholders has been disclosed in advance one month prior to meeting date on company's website at "Investor Relation" Menu. Shareholders will have opportunity to receive information before the meeting adequately. They can propose the additional agenda to the shareholders meeting according to the time provided by the company.

The company will notify the shareholders of such meeting through Thai newspaper 30 days which published from March 17-18-19, 2020. In the attending the meeting, the company shall inform shareholders to bring the documents required prior to attending the meeting and attached the proxy and specify the name of Independent Director and Audit Committee Chairman or appoint any other person as a proxy to attend and vote on their behalf in meeting.

1.3 On the meeting date, the company give shareholders to register prior one hour before the meeting begin and printing the voting ticket for each agenda to all shareholders.

1.4 Before the meeting Begin, the Chairman will explain the voting procedure and vote-counting method which will be in an efficient and transparent (counting by staff of Audit Firm). One share will count as one Vote and the resolution is by the majority votes. In case the resolution which is provided the votes not less than two-third of all votes of shareholders who attend the meeting and have the right to vote or the resolution which provide the votes not less than three-fourth of all votes of Shareholders who attend the meeting and have the right to vote which shall be in accordance with the laws and the company article's of association.

1.5 During the meeting, Chairman of the Board gives the opportunity and be allowed sufficient time to give opinions, ask questions and propose the additional agenda for appropriate time. The director will inform and give the information to shareholders with completely.

Besides, shareholders who attend the meeting afterwards the meeting begin, have the right to vote in the agenda which is being considered and still not passing the resolution.

1.6 The company has set the policy to the Board of Directors attending the Annual General Meeting of Shareholders, shareholders can ask questions to them. Board of Directors who attend the Annual General Meeting of Shareholders 2020 which was held on April 23, 2020 comprise of Board of executive director consisting of 3 persons : Chairman of the Board, and Deputy Managing Director 3 person and non executive director 2 persons, Audit Committee Chairman 1 person and audit committee member 3 person. The company, therefore, has a total of 9 directors attending the shareholders meeting.

2. Equitable treatment of shareholders

SAUCE gives precedence to equal treatment of shareholders. The Board of Directors has set up a supervision policy to take care of the company by paying attention to the right of shareholders, and to treat all shareholders fairly and equally. This is achieved as follows:

2.1 Managing the shareholder meetings effectively, and in line with the regulations of the company. Consideration and voting will take place in accordance with the agenda, including the consideration about committees to appoint, remuneration for committees, the auditor to appoint, approving the auditor's fees and other agenda items that are raised by the shareholders in the meeting.

2.2 Shareholders who are not comfortable to attend the meeting may authorize the independent committee/ chairman or any other person, to represent them to attend the meeting and vote.

2.3 In order to vote about any agenda item, ballot papers will be used in order to carry out counting of the votes effectively and fast. The company will only archive the ballots in case some shareholders object or abstain. The auditor will evaluate the votes and ensures the vote is executed correctly, including archiving the ballots to be able to check later.

2.4 During the general shareholders' meeting minutes will be drawn up completely and correctly. The following points shall be included: conclusion of the meeting and the result of voting, by showing clear details with the numbers of voters who agreed, disagreed and abstained, and the total number of the votes for each agenda item, including questions, explanation and the opinion of the meeting. The aforementioned minutes will be distributed to all concerned parties within 14 days after the general meeting. The aforementioned minutes will also be published on the company's website. The company has published the conclusion of the shareholders' meeting on the website of the Stock Exchange of Thailand, in order to inform all shareholders as soon as the meeting was finished.

2.5 SAUCE has a policy that confidential information shall not be disclosed. Confidential information will be taken out before disclosing information to the public. The executives have to report all changes in the situation of the assets of the company. Executives are prohibited to trade assets of the company, from one month before the disclosure to the public and 2 weeks after it. The company strictly follows the guidelines of good practice from the Security and Exchange Commission.

The Board of Directors and executive with the position of general manager or higher, and accounting manager and finance manager with a comparable level, have to report the shares that they hold in the company. This also applies to their spouses and underage children. They have to report any changes in their shareholdings, after buying, selling, transferring or accepting a transfer to the Security and Exchange Commission within 3 days, and also report to the secretary of the Board.

3. Role of stakeholders

SAUCE has given precedence to the rights of every group of stakeholders, both insider stakeholders e.g. shareholders, employees and executives, and outsider stakeholders, e.g. customers, rivals, trade partners, creditors, the government sector and other concerned parties including communities. Because the company realizes that support from stakeholders will enable the company to compete and generate profit, which is part of being successful in the long term.

3.1 Shareholders: the company is engrossed with operating the business in order to create a stable development and a competitive position, by considering the risks at present and in the future, in order to gain value for shareholders of the company in the long term. The company shall disclose clear, fair, fast, timely, correct and complete information, and seriously strive to protect the assets of the company, including paying dividend, in order to let shareholders have the topmost satisfaction.

3.2 The Board of Directors and executives are the people who have access to all information to be able to make the best assessment how to take care of every group of company stakeholders, both insider stakeholders and outsider stakeholders, in an equal and fair manner.

3.3 Employees: the company always realizes that the employees of the company are the most important resource, so the company is prepared to support the personnel continuously, by emphasizing development of knowledge, abilities, skills, and the quality of an employee. The Company provides continuous and regular management training, both inside and outside, like training-on-the-job for new employees, or for employees who change position, or move to another department, etc. Besides that, the company also takes care of employees' welfare, with providing facilities, such as association provident fund, scholarships for employee's children, tourist trips, the arrangement rehearsals for the fire prevention and hazard protection systems, etc. This is done to support a good quality of life, which is suitable to live in society and have a chance to grow with the development of the company.

3.4 Customers: the company is determined to give customers topmost satisfaction, both in quality and service, for the company's products, including timely delivery, fully meeting the requirements of customers by paying attention to and being responsible to a customer. The annual satisfaction survey gives the customers an opportunity to share their opinions. The Company also manages a program to continuously promote relationships between customers and the company. It organizes trips, both domestic and abroad, invites customers to visit factories etc. Sales administrator has been set up to respond to complaints from customers.

3.5 Trade partners: the Company acknowledges the importance of treating trade partners in accordance with the commercial conditions and to treat them in accordance with contracts. The Company also has a Code of Conduct, which contains rules for fair and honest behavior.

3.6 Competitors: the Company follows the commercial competition rules, and does not use dishonest ways to destroy commercial rivals, but allows the market mechanism to work.

3.7 Creditor: the Company behaves in accordance with the conditions of business agreements, and maintains the duty to behave towards the creditor as a good debtor. The company also gives information in advance to creditors.

3.8 Government sector and other concerned parties: the Company always follows laws and regulations from the government and other concerned parties, and has no intention to disobey the aforementioned practices.

3.9 Communities, society and environment: the Company is concerned about communities, society and the environment, and manages these issues as follows;

- Waste water treatment system: the waste water treatment system of the company can process twice the amount of waste water as needed. At this moment BOD is not more than specified in the law. Over a period of 12 months, the average BOD of 2020 for the company was 7.75 milligram per liter (the law requires that the BOD at a temperature 20 C during 5 days does not exceed 20 milligrams per liter).

- Environmental and safety arrangements in work places by considering safety, occupational health and environment, and offering conveniences to employees and customers.

- Supporting the conservation of the environment.

- Supporting activities of students from educational institutes regularly and continuously, including the annual activities on children's day.

- Supporting activities of the government sector, both inside Samutprakarn province and Bangkok.

- Supporting public charity activities with government and other parties from the private sector.

- Supporting activities to support the Buddhism.

- Running welfare stores where economically priced goods are sold, and discounts are given to employees and customers from nearby communities, including general customers, etc.

4. Disclosure and Transparency

Board of Directors recognizes an importance of information disclosure with completeness, accountability both in financial and general including significant information effecting market of the share by issuing such information to the investors and shareholders to all channels of the Stock Exchange of Thailand.

Regarding to the Investor Relation, the company has not yet set up an investor relation office since the Investor Relation activity is still small, but assigned Marketing Manager to communicate with the investors, institutes, shareholders as well as analysts and stakeholders. The investors can access the information through the company secretary at Tel no. 02-703-4444 or via website: www.thaitheparos.com

In 2020, the company has disclosed sufficiently significant financial information in the financial statements in accordance with the Stock Exchange of Thailand and Office of Securities and Stock Exchange Commission and accounting standards by the information disclosure system of the Stock Exchange of Thailand. The financial statements has been audited and given and opinions without any condition by Certified Public Accountant, Audit Committee Meeting and Board of Director before disclosing to shareholders. Board of Directors have disclosed the responsibilities of Board of Directors to the financial report in the annual report as well.

The company has disclosed the summary of its Performance Result, Reviewed Financial Statements and quarterly & yearly Management Discussion and Analysis, the Declaration of Dividend Payment, fixing the date of Annual General Meeting of Shareholders

For more convenience to shareholders, sauce has set up the "shareholders" menu on company website since 2007 (In 2011 change to "Investor Relation").

Invitation letter for attending the annual general meeting of shareholders has been disclosed in advance one month prior to meeting date on company's website at "shareholder" menu. Shareholders will have opportunity to receive information before the meeting adequately. They can propose the additional agenda to the shareholders meeting according to the time provided by the company.

Sauce has improved the aforesaid information by disclosing via company's website which is always up to date.

Sauce has disclosed the significant information and news regularly. Shareholders and stakeholders will receive the information with completely via channels as follows

1. The Stock Exchange of Thailand's website
 - Quarterly and yearly financial statements
 - Annual report
 - Form 56-1
 - News (F45-1, MD &A, the declaration of dividend payment, Shareholder's resolution, Connected transaction, etc.)
2. Office of the Securities and Stock Exchange of Thailand Commission
3. Ministry of Commerce
4. Thai Newspaper (Invitation Letter to attend the Meeting, Balance sheet and loss and profit of account, the declaration of dividend payment etc.)
5. Company's website (www.thaitheparos.com) Both Thai and English version.
6. Company Visit
7. Deliver the Invitation Letter to Shareholders by mail.

5. Responsibilities of the Board

5.1 Structure of the Board of Directors

The company's Board of Directors is comprised of qualified persons who possess knowledge, abilities and experience which are beneficial to the company. The election of Board members follows the resolutions of the Shareholder's Meetings, as well as the rules, regulations and the company's Articles of Association. The number of directors is appropriate to the company's business operations.

The Board of Directors has 9 members comprised of:

- 2 Non-Executive Directors, equal to 22.22% of the Board member
- 4 Executive Directors, equal to 44.44% of the Board member
- 3 Independent Directors, equal to 33.33% of the Board member

(Two Independent Directors have adequate expertise and experience to review creditability of the financial report)

The primary authorized directors with signatory authority on behalf of the company are Mr. Parinya Winyarat, Mr. Tanawat Winyarat, Mr. Bancha Winyarat must be signed by two authorized directors and affixed with the Company Seal.

Qualifications of Independent Directors

1. An Independent Director must not hold more than 0.5 percent of the Company's shares with voting rights, or those of any affiliated or associated company.
2. An Independent Director must not take part in management and not be an employee, staff member, or adviser who receives a regular salary; nor be in a profession such as auditor, lawyer, etc., that might effect the giving of impartial opinions to the company. Furthermore, the Independent Director must not be someone who has control over the company, the affiliated or the associated company, nor be a person with a conflict of interest, except in cases where he or she has resigned from any such position at least two years previously.
3. An Independent Director must have no direct or indirect business relationship that would restrict the Directors' Independence and impartiality, in an amount or value significant to the company's income, nor benefit, either directly or indirectly from the finances or management of the company, the affiliated or associated company, nor be a person with a conflict of interest that could affect him or her from giving an unbiased opinion.
4. An Independent Director must not be a close relative of any senior executives or a major shareholder of the company, the affiliated or associated company. Neither shall he be a person with a conflict of interest, nor be a representative acting to safeguard the interests of any.

Term of Office

As required by our Articles of Association, in the General Shareholders Meeting, 1/3 of the directors have to be retired by rotation. The Directors of the public company limited have to be retired in the first and second year by random procedure, and the coming years, the directors who are entitled for the longest period have retired by rotation. The retired directors can be re-elected for another period. The Shareholders Meeting may vote any of directors for retirement before their term ending by the votes not less than 3/4 of total shareholders attending in the meeting and have the right to vote of which the total shares not less than half of total shareholders.

Regarding the term of office of the Audit of Committee shall hold office for a term of 2 years.

Directorship of the Board of Directors and Executives in other Companies

At present, not Sauce director or executive holds a directorship in more than three other listed companies, nor are any in the position of chairman, executive director with signatory authority in excess of three companies.

Separation of the Chairman of The Board and the Managing Director

The Chairman of the Board, and the Managing Director is the same person because the Chairman is appointed to be in charge for the Managing Director.

Corporate Secretary

Sauce has appointed Miss Sunee Winyarat Finance Manager as Corporate Secretary. She has suitable knowledge and experience to perform this function and assumes the of the Secretary to the Board of Directors and the Audit Committee.

Board of Director

As of December 31,2020 Board of Directors of Thai Theparos Public Company Limited consists of 9 qualified persons as follows:

1. Mr. Parinya	Winyarat	Chairman of the Board and Managing Director
2. Mrs. Pornnapa	Winyarat	Director/Deputy Managing Director
3. Mr. Tanawat	Winyarat	Director/Deputy Managing Director
4. Mr. Bancha	Winyarat	Director/Deputy Managing Director
5. Miss Malee	Winyarat	Director
6. Mr. Bandit	Winyarat	Director
7. Mr. Phot	Kongputhi	Independent Director / Audit Committee Chairman
8. Mr. Jirawit	Masrangsan	Independent Director Audit Committee Member
9. Mr. Niwat	Wongprompreeda	Independent Director Audit Committee Member

Recruitment of The Board of Directors

SAUCE do not have the nominating committee. The Board of Directors will propose the qualified person to the Shareholders Meeting for approval.

Independent Directors have adequate expertise and experience to creditability of the financial report at least 1 person.

Sauce has two independent directors namely ; Mr.Phot Kongputhi , Mr. Jirawit Masrangsan. They also have adequate expertise and experience to creditability of the financial report

There is no limit on percentage of the director's representatives in each of shareholders' groups.

As required by our regulation, Board of Directors consist of directors which not less than five persons and half of total directors have domicile in Thailand. The Board of Directors Election have been acted by the Shareholders Meeting. The shareholders has right to vote only one time (one share one vote). Every shareholder has to vote one person with all his votes, which can not separate any to other persons or other groups. In the General Shareholders Meeting, 1/3 of the directors have to be retired by rotation. The Directors of the public company limited have to be retired in the first and second year by random procedure, and the coming years, the directors who are entitled for the longest period have retired by rotation. The retired directors can be re-elected for another period. The Shareholders Meeting may vote any of directors for retirement before their term ending by the votes not less than 3/4 of total shareholders attending in the meeting and have the right to vote of which the total shares not less than half of total shareholders.

5.2 Committees

The Board has set up an Audit Committee to monitor the business operation.

The Company has no a remuneration committee, but uses a proper evaluation procedure; information from the same industry and size, also the Company operation result are considered.

Audit Committee consist of 3 persons as follows:

- | | |
|-----------------------------|---|
| 1. Mr. Phot Kongputhi | Independent Director / Audit Committee Member |
| 2. Mr. Jirawit Masrangsarn | Independent Director Audit Committee Member |
| 3. Mr. Niwat Wongprompreeda | Independent Director Audit Committee Member |

The Audit Committee number 1 and 2 who have adequate expertise and experience to review creditability of the financial reports.

Audit committee Duties and Responsibilities

1. To review the Company's financial reporting process to ensure that it is accurate and adequate;
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, and to determine an independent of the internal audit unit, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;
3. To review the Company's compliance with the law on Securities and Exchange, the SET's regulations, and the laws relating to the Company's business;
4. To consider, select and nominate independent persons to be the Company's auditors, and to propose such persons' remuneration, as well as to attend a non-management meeting with the auditors at least once a year;
5. To consider the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the SET's regulations, to be ensured that the said transactions are reasonable and made for the highest benefit of the Company;
6. To prepare the Audit Committee's report which must be signed by the Audit Committee's Chairman and consist of at least the following information to be disclosed in the Company's annual report:
 - the number of the Audit Committee meetings, and the attendance of such meetings by each member of the Audit Committee,
 - an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - an opinion on the adequacy of the Company's internal control system,
 - an opinion on the compliance with the law on Securities and Exchange, the SET's regulations, or the laws relating to the Company's business,
 - an opinion on the suitability of an auditor,
 - an opinion on the transactions that may lead to conflicts of interests,
 - an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
 - other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors; and
7. To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

Board of Executive Director consist of 4 persons as follows:

- | | |
|---------------------------|---|
| 1. Mr. Parinya Winyarat | Chairman of the Board and Managing Director |
| 2. Mrs. Pornnapa Winyarat | Director/Deputy Managing Director |
| 3. Mr. Tanawat Winyarat | Director/Deputy Managing Director |
| 4. Mr. Bancha Winyarat | Director/Deputy Managing Director |

Board of Executive Director's Duties and Responsibilities

To oversight company's efficiency Corporate Governance and business strength, the business expansion and investment in accordance with the Board of Directors policies. To look after financial management and screening other issues that will be proposed to the Board of Directors for determination and also operate other assignment from the Board of Directors.

5.3 Board of Director's Duties and Responsibilities

The Board of Directors is responsible to SAUCE's shareholders.

The Board has roles and responsibilities as follow:

1. Supervise and manage the company so that it complies with the law and the company objectives, the Articles of Association and the resolutions of Shareholder's meeting.
2. Approve the Vision, Mission, Values and Statement of Business Conduct.
3. Monitor the company's performance and progress toward achieving objectives as well as compliance with the laws, regulations and related policies.

4. Set up company's policies.
5. Ensure the existence of an effective internal control system and appropriate risk management framework.
6. Ensure effective audit system executed by both internal and external auditors.
7. Approve quarterly, and annual financial report; ensure that the reports are prepared under generally accepted accounting standards.
8. Ensure the disclosure of information correctly, completely and transparently.
9. Ensure protect the conflict of interest.
10. Consider and screen the other issues which will propose to shareholder meeting for consideration.

Policy on Corporate Governance

The Board of Directors realize on the importance of good corporate governance, which is for accountability, business competency, and confidence of shareholders, investors and all related party. The Board has set the policy to cover all important aspect as follow :

Equally and fairly treat to shareholders and all stakeholders.

Focus in the additional long term value of the Company, carefully manage, be competence and efficient for maximum benefit of the shareholders. Precaution on any conflict of interests, and be responsible on own decisions and actions.

Do business with accountability, and auditable. Enough information should be accessible for all related party.

Inside Information Rules and Practices

Our inside information rules and practices are not disclosed inside information before the information to be disclosed to public which the management have to report the company securities movement in management accounts in every movement as well. The management are forbidden to trade all of their accounts 1 month before and 2 weeks after the information is disclosed and made to public. The company is strictly perform according to inside trading practices of the Securities and Stock Exchange Commission.

Internal Control

The company maintains an internal control structure and monitors that structure to ensure that the company's operations comply with established policies and procedures. The objectives of the internal control structure are to provide reasonable, but not absolute, assurance as to the integrity and reliability of financial statements, protect asset from unauthorized use of disposition, and ensure that

5.4 Board of Directors' Meetings

The Board of Directors set periodical meetings in February, March, May, August, and November. Special meeting can be called as required. The agenda is clearly set in advance and including the review of operation.

The secretary issues invitation with agenda and information 7 days in advance. A regular meeting consumes 2.5-3 hours. In 2020, there are 5 regular meetings with all the directors attend except Mr. Bandit Winyarat Attended 4 out of 5 Board of Directors' Meeting

5.5 Remuneration for Directors and the Management

Remuneration for Directors: On approval by the Annual General Meeting of the shareholders, the Company set the remuneration for Directors and additional salary for the Audit Committee.

Remuneration for the Management: The Board set the remuneration for the Management. The Executive Director will have salary and bonus in addition to the remuneration.

The Company has provided all remuneration for Directors and the Management for the year 2020 as follow:

	Person	Remuneration for Directors	*Salary/Bonus & other	Total
Directors	9	4,515,000.00	15,330,023.00	19,845,023.00
Management	6	-	7,075,849.00	7,075,849.00
Directors and Management	15	4,515,000.00	22,405,872.00	26,920,872.00

*Salary / bonus / consultant fee / contribution to provident fund / contribution to social security fund / peridium

Corporate Social Responsibility : CSR

Corporate Social Responsibilities: CSR)

SAUCE strongly recognizes the interests of all stakeholders including, investors, employees, the community and the environment. These are translated into the company's Corporate Social Responsibility policy, principles and directions and laid influential grounds of employees and executives' practices.

This policy is a guideline for shared practice comprised of 7 categories.

1. Ethical Business Operation

We are committed to ensure that our business is fairly conducted according to ethical, professional and legal standard. The company embraces the guidelines of the good corporate governance by following on Corporate Governance of the Stock Exchange of Thailand (SET).

2. Anti-Corruption

Our company is operated with transparency and has no involvement with any kinds of corruption. We have a commitment to full legal compliance. Moreover, there are reliable external and internal inspection agencies to monitor our business.

Members of Board of Director, executives and all employees are strictly obliged to company rules, regulations and business integrity to impede business bribery. Violators are subject to the highest punishment.

3. Respect on Human Right

We emphasize on booting a standard human right, human right and freedom. Our employees are equally treated with respect and no subjection on gender and diversity. Furthermore, we are against child labor employment.

4. Labor justic and Employee Responsibility

We promote a quality of life of our employees to meet labor standards by enforcing a fair treatment and an equality of opportunity in employment, a standard social welfare and a safe working environment.

Occupational Health and Safety Policy

"Working safely and attentively for no accidents"

In addition, we have continually engaged in a project named "Employees' Children Tuition Fee Fund" which was first established in 1992 by Mrs.Kim-Siew Sae-Tung (a wife of Mr.Chai Sae-Kow, a founder of a company). This fund is conducted aiming to support a tuition fee of our employees' children who have a good record on studying and pleasant behaviors.

5. Consumer Responsibility

- The company has set up a Hotline Number service to gather comments and complaints about our products and sale service from customers for further improvement.

- We continuously develop alternative methods and means that can effectively help extend our production and manufacturing quality to certify international standard; Good Manufacturing Practices (GMP), Hazard Analysis and Critical Control Points (HACCP) and ISO 9001:2008.

Quality Policy

"Produce high-quality and safe products according to food regulations to serve our customers' needs and satisfaction."

HAL-Q Policy

"Produce quality and health-concern condiment, without any restricted contaminants as Islamic provision."

- We have invested and utterly utilized our resources in Research and Development (R&D) to bring high quality products to consumers.

6. Environmental Conservation

- We are aware of environmental issues that can affect human life and well-being. Therefore, the company has implemented green technology and environmental friendly production process. We carefully use and reduce the consumption of energy resources. We have initiated waste and water recycling project.

Environmental Management System (EMS) Policy

"1. Continually manage and develop an Environmental Management System

2. Operate under relevant environmental rules and regulations

3. Carefully manage the use of energy resources and lessen pollution from its source "

Energy Conservation Worthily Policy

"consume resources and energy; continuously develop under a related conservation energy law"

- We have adopted a new "Green Carton" packaging which is a packaging innovation for environment reduce the use of natural resources. It's also lighter and stronger.

- Our employees are implanted the concept of the energy and environmental conservation. They have played a part in reducing energy consumptions.

7. Community or Society Development

We actively establish an engagement among our local community, society, country and Thai citizens. The company has valued the importance of supporting and creating our stakeholders' advantages. We attempt to engage ourselves to our community and society, where we belong to and largely share cultivation. Therefore our CSR's vision reflects through diverse projects and activities.

SAUCE is continuing with our full determination and capacity to drive and sustain our CSR strategies and projects. We are looking forward to delivering the great prospect to and our community, society and Thai citizens.

This Corporate Social Responsibility policy will become effective on December 4th, 2013.



(Parinya Winyarat)
Chairman of the Board

CSR ACTIVITIES – SAUCE has organized projects and CSR activities as follows :

By the way, we have many projects and activities on the social responsibility from the company.

EVERY DISH HAS A STORY

ภูเขาทอง
SINCE 1954

เพราะทุกจาน มีเรื่องราว

“ Fighting Power ”
คนไทยไม่ทิ้งกัน **ภูเขาทอง** ไม่ทิ้งคุณ ”

สนับสนุนขอฟรี! สำหรับจิตอาสา
เพื่อนำไปปรุงอาหารแจกพี่น้องชาวไทย
ผู้ได้รับผลกระทบจาก COVID-19

“ เราพร้อมสนับสนุนพลังจิตอาสาทั่วประเทศ ”
สามารถลงทะเบียนรับขอส่งปรุงรส ตราภูเขาทอง ได้ที่ลิงค์ใต้โพสต์

วันนี้ - 30 เมษายน 2563

ติดต่อสอบถามข้อมูลได้ที่ Inbox
f ขอส่งปรุงรส by thaitheparos



Due to Covid 19 pandemic in Thailand throughout all regions over the world at the beginning of 2020. Sauce has a wide range of policy to help people who affected this crisis by organizing many activities as follows:

Provide Seasoning Products for Cooking

During Covid 19 pandemic , Sauce provide seasoning products to the hospitals , temples, foundation , food stores and volunteers which has its activities to cook food for people who affected by this situation in Bangkok , Bangkok Metropolitan Area, Nakorn Pathom, Samutsakorn , Samutsongkram , Chonburi, Pathumthani, Phuket, Kampangpeth etc.



National Children Day 2020 “Dek Dee Phukaonthong no. 6 th”

On January 11, 2020, Welcome Children to Sauce under the concept “Dek Dee Phukaonthong 6 th”. Many recreational activities managed for all of them such as cooking competition. Famous chef from Master Chef Thailand had been invited to be referee.



Provide Scholarship for employee's children 2020 # no. 28 th

Sauce has a policy supporting to employee's children continuously who are good behavior and academic performance. In 2020, Sauce provided scholarship to 86 children which had divided two class; primary and secondary for 60 children and 26 children respectively. Totaling amount of 341,000 Baht.



To educate academic knowledge on environment

On June 17, 2020, Sauce has joined the seminar “Basin Management and Environmental Governance Project” organized by Office of the Industrial Province of Samutprakarn and provide survival bags with golden mountain seasoning products to person who attended the seminar, the Office of the Industrial Province of Samutprakarn and also village chief in order to distribute its to the vulnerable group in Samutprakarn Area.



Donate money for building “Reading Pavilion”

On July 14, 2020, Sauce donate money amounting of 35,000 Baht for building “Reading Pavilion” supporting to “Love to read Project” for the school nearby the Company.



Community Relation Project



Sauce realized the importance of environment and to conduct the business in comply with regulatory requirement. In 2020, Sauce has set up “Community Relation Project” in order to ensure that Sauce operate the business with minimize the environment impacts by surveying the living of people surrounded by the company , community satisfaction and solving the environmental problem occurred. Sauce also provided seasoning products to build a positive relationship with the community.



Donate Money to Thienfah Foundation Hospital

On January 25,2020, Sauce donate money to Thienfah Foundation Hospital amounting to 100,000 Baht to purchase medical supplies and help charity and victims on the occasion of Chinese New Year 2020



Fulfill Happiness to Children

On January 16-19, 2020 Sauce has organized “Fulfill Happiness to Children no. 5 th” supporting canteen improvement, purchase school supplies, kitchenware and medical to the school

In 2020, Sauce joined “Faith of Mountain Group” which is the group of teachers who teach students on the hill tribe located at Ban Kui Ta and Ban Ma O Kuo , Tambol Mae Jan, Amphur Aumphang , Tak Province with 415-652 meters high above sea level and far away from the community around 74-85 kilometers . It has 60 students since kindergarten to primary class. Sauce had lunch catering and dinner to all students and teachers including activities on Children’s Day and provide gifts to Children such as bicycles, money, toys and clothes for children and adults. Total amounting of 120,000 Baht.

Internal Control and Risk Management

Internal control and Risk management

Internal control

Auditor Committee's Opinion

The company maintains an internal control structure and monitors that structure to ensure that the company's operations comply with established policies and procedures. The objectives of the internal control structure are to provide reasonable, but not absolute, assurance as to the integrity and reliability of financial statements, protect asset from unauthorized use of disposition, and ensure that transactions are executed in accordance with the authorization management.

The board of directors of Thaitheparos Public Company Limited at a meeting No. 1/2021 held on February 19, 2021. The board of directors assigned the Audit Committee to evaluate the internal control system of the company in 2020. The Audit Committee has the question to the management related 5 parts of the internal control program as follows :

1. Organization and environment
2. Risk management
3. Management operation control,
4. Information technology & communication program and
5. Monitoring program.

To ensure internal control system and internal audit program. In an Audit Committee's opinion, "internal control system of Thaitheparos Public Company Limited is adequate , appropriate and efficacious",



Audit Committee's Report

To : The Shareholders of Thai Theparos Food Products Public Company Limited

The Audit Committee of Thaitheparos Public Company Limited has been assigned by the Board of Director. During the accounting period for the year ended December 31, 2020, there are 4 audit committee meetings and all of them attend meeting.

Audit Committee Responsibilities are as follow :

1. To review the quarterly and the yearly financial statement of the company in 2020. In our opinion, Thaitheparos Public Company Limited 's financial statement is correct ,complete and credible. Also the company prepared financial statement under Accounting Standard as indicated in The Accounting Act B.E. 2543 ,the Declaration of the Securities and Stock Exchange Committee , the Declaration of the Stock Exchange of Thailand including disclose correctly and sufficiently detailed information of financial statement.

2. To ensure internal control system and internal audit program . In our opinion, internal control system of Thaitheparos Public Company Limited is adequate , appropriate and efficacious.

3. To ensure Good Corporate Governance, the Audit Committee ensure the company to follow the Good Corporate Governance Practice and give opinion that Thaitheparos Public Company Limited have follow the declaration of the Securities and Stock Exchange Committee including relevant law and disclose information adequately, correctly, completely as well as emphasizing to do business strictly and accountability.

Considering in conflicts of interest transaction for the year 2019, audit committee give an opinion that connected transaction of Thaitheparos Public Company Limited. is fairly transaction It will not give any benefit to person with a conflict of interests. It is an appropriate transaction and utmost usefulness for the company.

4. To Select Auditor for the year 2021. The Audit Committee select and offer to the Board of Director concerning auditor appointment including auditor's fee which is suitable for the company. In our opinion, the shareholders Meeting is hereby advised to elect Ms. Orawan Chotiwiwiyakul CPA Registration No. 10566 or Mrs. Siripen Sukcharoenyingyong, CPA Registration No. 3636 or Ms. Orawan Chuhakitpaisan, CPA Registration No. 6105 of KPMG Phoomchai Audit (Thailand) Co. Ltd. As the auditor of the company for the year 2021.

The above mentioned auditors are independent. They do not have any relevant to the company and do not give any services except audit of accounting.

During the year 2020, Audit Committee attended the meeting with Auditor of company independently in order to ask for their opinions for any matter 4 times.

5. In our opinion, audit committee operating are independent. The Board of Directors have reported the operating results to the audit committee continual. There are not any events which may cause important effects to the company's operating results.

On behalf of the Audit Committee



Mr. Phot Kongputhi
Independent Director and Audit Committee Member

19 February 2021

Related party transactions

The company has no related parties transaction with shareholders or by common shareholders or directors. Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Company were as follows:

Name of entire	Exter (Thailand) Ltd.(Exter BV Netherland 60% shareholding)		
Nature of relationship	Associate, 40% shareholding Mr. Tanawat Winyarat and Mr. Bancha Winyarat are co director		
		2020 (in thousand Baht)	2019
Transactions	Purchase of raw materials	-	-
	Sales of goods	38,311	36,181
Pricing policies	Market price		
The necessary	The purpose of Foundation Exter (Thailand) Limited is to, export “EXTER” reaction flavour in European countries and South East Asia region and authorized Thaitheparos Public Company Limited to be the sole manufacturer of the main raw material in Thailand.		
		2020 (in thousand Baht)	2019
Transactions	Rental income	2,748	1,960
	Other income		
	Water utility charge	477	244
	Electricity charge	3,155	3,504
	steam charge	5,114	4,409
	Other	5,309	3,333

Pricing policies	Contractually agreed price which compared to the lease of the company nearby.		
The necessary	Sauce entered into a building granted – lease agreement for use as an office and factory with Exter Thailand totally 880 square meters which it is benefits for mutual companies on transportation cost saving as well as management and utilities' convenience.		
		2020	2019
Transactions	Loan to associated company	11,000	12,000
	interest	106	548
Pricing Policy	MLR (KBANK)+0.5%		
The necessary	Sauce provided loan to Exter Thailand for our mutual benefits on monetary liquidity of Exter Thailand with the reasonable loan interest.		

Audit Committee give an opinion relating to the related party transaction according to the Audit Committee's report dated February 19, 2021 as follows.

"Considering in conflicts of interest transaction for the year 2020, audit committee give an opinion that connected transaction of Thaitheparos Public Company Limited. is fairly transaction. It will not give any benefit to person with a conflict of interests. It is an appropriate transaction and utmost usefulness for the company."

Management Discussion and Analysis

Management Discussion and Analysis Translation For the year ended December 31, 2020 and December 31, 2019 Operating and Financial Status

Overview

Operating Results in 2020 is better than 2019 resulting in higher net profit from the previous year by 21.97% or Bt. 97.89 million. Total sales increased 1.08% or an increased Bt. 31.22 million. Corona virus is continuing its spread across the world consumer's behavior continue to change and the lockdown with stimulus package from central government to care economy. More and more industrial and restaurant customers came back to operation. Smaller products sizes are more essential for in house consumption.

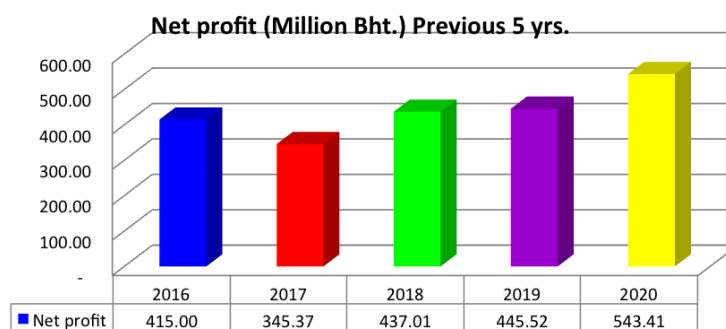
For export sales, increased 4.92% or increased by Bt. 16.80 million, expected from distributors and consumers stock up on foods and consumer products.

Cost of sales decreased 3.26% or decreased by Bt. 62.57 million. Due to the increased in raw materials purchase from abroad with strong baht. The production process has been adjusted to increase the efficiency of using raw materials, we also improved quality and cost of packaging. Especially the consumption of bottles of size 100-300 milliliters more than in 2019 by 11-12%.

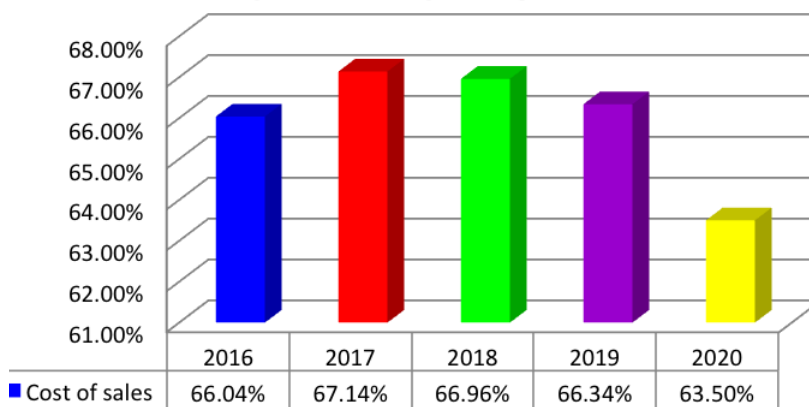
Distribution expenses decreased 8.74% or decreased by Bt. 25.90 million due to the spread of Covid 19. Causing activities related to advertising expenses and lower marketing expenses.

Administrative expenses decreased 1.01% or decreased by Bt. 1.62 million due to lower employee expenses

(in million Baht)	2020	%	2019	%	Change	%
Domestic Sales	2,282.15	77.04	2,263.51	77.07	18.64	0.82
Industrial Sales	283.17	9.56	295.63	10.07	(12.46)	(4.21)
Sales to associate	38.31	1.29	36.18	1.23	2.13	5.89
Export Sales	358.55	12.10	341.75	11.64	16.80	4.92
Total	2,962.18	100.00	2,937.07	100.00	25.11	0.85
Less volume rebates	(34.25)	(1.16)	(40.36)	(1.37)	6.11	(15.14)
Net Sales	2,927.93	98.84	2,896.71	98.63	31.22	1.08
Cost of Sales	1,859.25	63.50	1,921.82	66.34	(62.57)	(3.26)
Distribution Expenses	270.45	9.24	296.35	10.23	(25.90)	(8.74)
Administrative Expenses	158.37	5.41	159.99	5.52	(1.62)	(1.01)
Net Profit	543.41	18.56	445.52	15.38	97.89	21.97



Cost of sales (% of sales) compared 5 Years



Operating Analysis

Profitability

Thai Theparos Plc's net profit for year ended December 31. As follow:-

The net profit margin on total income increased from 15.21 % to 18.35 %.

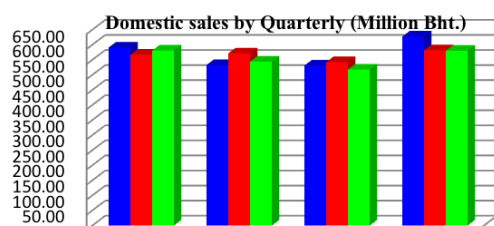
	2020	2019	Change	%
Net profit (Million Baht)	543.41	445.52	97.89	21.97
Gross Profit %	36.50	33.66	2.84	
Net Profit %	18.35	15.21	3.14	
Return on Equity %	21.20	18.20	3	
Return on Total Assets %	19.04	16.32	2.72	

The company's net profit in 2020 to increased by 21.97% or Bt. 97.89 million from the year 2019.

(Million Baht)	2020	%	2019	%	Change	%
1.Domestic Sales	2,282.15	77.05	2,263.51	77.07	18.64	0.82
Industrial Sales	283.17	9.56	295.63	10.07	(12.46)	(4.21)
Sales to associate	38.31	1.29	36.18	1.23	2.13	5.89
Export Sales	358.55	12.10	341.75	11.64	16.80	4.92
Total	2,962.18	100.00	2,937.07	100.00	25.11	0.85
Less volume rebates	(34.25)	(1.16)	(40.36)	(1.37)	6.11	(15.14)
Net sales	2,927.93	98.84	2,896.71	98.63	31.22	1.08
2.Cost of sales of goods	1,859.25		1,921.82	(62.57)	(3.26)	
% of total sales of goods	63.50%		66.34%	(2.84)		
3. Distribution expenses	270.45		296.35	(25.90)	(8.74)	
% of total sales of goods	9.24%		10.23%	(0.99)		
4. Administrative expenses	158.37		159.99	(1.62)	(1.01)	
% of total sales of goods	5.41%		5.52%	(0.11)		
5. Other income						
Interest income	7.00		7.46	(0.46)	(6.17)	
Other	25.90		25.60	0.30	1.17	
Total Other Income	32.90		33.06	(0.16)	(0.48)	

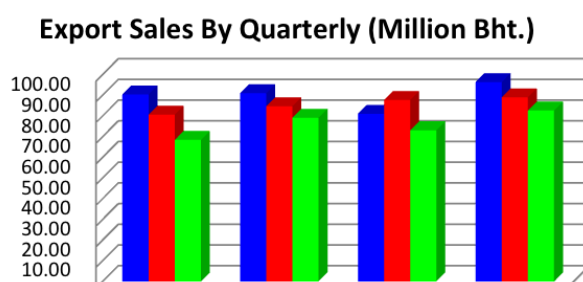
Total domestic sales in 2020 increased 0.82% or Bt.18.64 million, while industrial sales decreased by 4.21% or Bt.12.46 million. Caused by the epidemic of Covid-19, industrial factories reduce production capacity, causing the company to deliver products that do not meet the target, some delayed and stopped ordering around the third quarter.

For that reason as a result, sales in 2020 have increased by 1.08 % or Bt. 31.22 million.



	Q1	Q2	Q3	Q4	SOU
2020	590.92	532.82	531.01	627.40	2,282.15
2019	567.52	571.47	542.49	582.03	2,263.51
2018	580.62	544.28	517.83	580.48	2,223.21

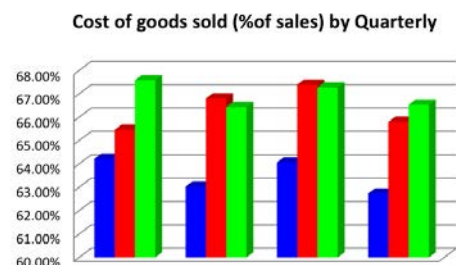
Export Sales increased by 4.92% or Bt. 16.80 million. Due to the increasing from Asia, America.



	Q1	Q2	Q3	Q4	SOU
2020	90.33	90.98	80.93	96.31	358.55
2019	80.55	84.60	87.65	88.95	341.75
2018	68.39	79.07	73.04	82.61	303.11

The sale of associated companies in 2020 , Exter (Thailand) Limited sales of 5.89% in higher than that of 2019 or an increased of Bt.2.13 million. The reason come from and increased demand for ready-to-eat products due to the covid-19 outbreak and industrial customers, stockpiles were higher in Q2&Q3/2020. In the Q4/2020, there were some shortage of containers and shipping lines, (Suspend some route and some of them have increased their shipping prices.

(Million Baht)	2020	2019	Change	%
Exter (Thailand)	38.31	36.18	2.13	5.89



	Q1	Q2	Q3	Q4	SOU
2020	64.22%	63.03%	64.06%	62.73%	63.50%
2019	65.46%	66.80%	67.39%	65.80%	66.34%
2018	67.58%	66.43%	67.27%	66.53%	66.96%

Cost of goods sold decreased 2.84% of total sales from 66.34% of total sales in 2019 to 63.50% in 2020.

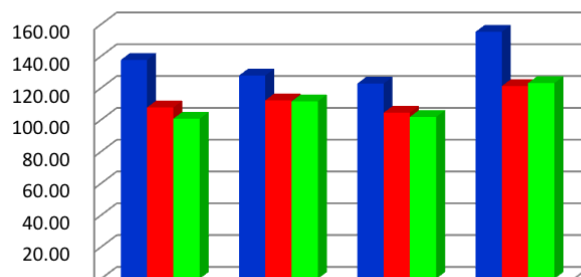
The distribution expenses of sales decreased 0.99% of total sales from 10.23% of total sales in 2019 to 9.24% in 2020.

The administrative expenses decreased 0.11% of total sales from 5.52% of total sales in 2019 to 5.41% in 2020.

From the reasons mentioned above Performance for the year As of December 31, 2020

The company had a net profit of Bt. 543.41 million, an increase of Bt. 97.89 million or 21.97% over the same period of the year 2019.

Net profit (Million Bt.) by Quarterly



	Q1	Q2	Q3	Q4	SOU
2020	137.59	127.80	122.74	155.28	543.41
2019	107.73	112.23	104.39	121.17	445.52
2018	100.62	111.58	101.75	123.06	437.01

Sauce has earning before income tax (EBT) for the year ended December 31, 2020, as follows:-

	2020	2019	Change	%
Earning before income tax expense	675.95	552.66	123.29	22.31
EBT Margin %	22.83	18.86	3.97	

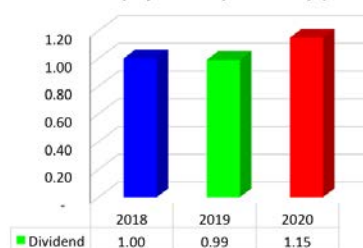
Dividend Policy

Minimum of 50% of net profit annually and will be paid in next year.

At the annual general meeting of the shareholders of the Company held on 23 April 2020, the shareholders approved the appropriation of dividend for 2019 amounting 360 million shares, operation of Bt. 1.15 per share, amounting to Bt.414 million (payout ratio 92.92%). An investor must be listed on May 5, 2020 to be eligible for dividend payout. The payment of dividend to share holder is set to be on May 19, 2020.

	2020	2019	Change	%
Net profit (Last year)	445.52	437.01	8.51	1.95
Dividends paid (Million Baht)	414.00	356.40	57.60	16.16
Dividends per share (Baht)	1.15	0.99	0.16	16.16
Dividends pay out %	92.92	81.55	11.36	

Dividend payment by Annually (Baht)



Report and Analysis of Financial Position**Financial Structure****Debt Equity Ratios**

In 2020 0.11 equal to 0.11 in 2019. The financial structure insignificant to the financial status most liabilities being current liabilities.

	2020		2019	
	Million Baht	%	Million Baht	%
Total liabilities	296.52	10.12	284.75	10.25
Equity	2,634.49	89.88	2,492.38	89.75
Total assets	2,931.01	100.00	2,777.13	100.00
Trade accounts payable	89.19	3.04	75.01	2.70
Income tax payable	69.47	2.37	99.57	3.59
Other accounts payable	89.00	3.04	53.13	1.91
Non current liabilities	48.86	1.67	57.04	2.05
Total liabilities	296.52	10.12	284.75	10.25
Issued and paid-up share capital	360.00	12.28	360.00	12.96
Premium on ordinary shares	615.60	21.00	615.60	22.17
Fair value change in investment	-	-	(0.06)	(0.00)
Legal reserve retained earning	60.00	2.05	60.00	2.16
Unappropriated retained earning	1,598.89	54.55	1,456.84	52.46
Total equity	2,634.49	89.88	2,492.38	89.75

The company has no debt from loans. The company uses most of its capital structure from shareholders' equity.

Liquidity**Cash flows**

(Million Baht)	2020	2019	Change	%
Cash flows from operating activities	654.52	605.37	49.15	8.12
Net cash uses in investment activities	(167.86)	(172.43)	4.57	(2.65)
Net cash uses in financing activities	(414.00)	(356.40)	(57.60)	16.16
Net in cash and cash equivalents	-	-	-	-
(Decrease) Increase	72.66	76.54	(3.88)	(5.07)

(Million Baht)	2020	2019	Change	%
Current assets	1,727.46	1,491.69	235.77	15.81
Current liabilities	247.65	227.71	19.94	8.76
Current ratio (Time)	6.98	6.55	0.42	6.48

Current ratio

In 2020 is 6.98 times, increased from 6.55 times in 2019. This result from the increased of current assets by Bt. 235.77 million, most of which are cash and cash equivalents, temporary investment and current liabilities increased by Bt.19.94 million, most of which were trade payables and income tax.

However, the company has strictly adhered to the financial management policy. You can see that the company has a high working capital ratio, there is no liquidity problem. As of December 31, 2020, the company has cash and cash equivalents of over 548.92 million baht and still has overdraft loan facility That has not been used from large banks more than 92.50 million baht to support the need for emergency funds.

The ability to pay debt and practice according to the loan

The company has no debt resulting from loan of any kind. Most of liabilities are from trade account payable and accrued expenses. The company has performed its duty as a good debtor and paid debt in accordance with customer's trade agreement.

Company's policy to set the commercial credit (term)

The company categorizes sales as follows:

1. Sell cash
2. Sell on credit
 - Credit traditional sales and Export sales give credit 30-45 days.
 - Modern trade and Industrial have 60 days of credit.

(Million Baht)	2020	2019	Change	%
Net/Sales	2,927.93	2,896.71	31.22	1.08
Trade accounts receivable-Net	322.06	311.97	10.09	3.23
Average trade receivables	317.02	314.10	2.92	0.93
Accounts receivable Turnover	9.24	9.22	0.02	0.22
Debt Collection Period Days	39.00	39.00	0.00	0.00
Inventories Turnover Period Days	81.00	80.00	1.00	1.25
Cash Cycle Period Days	102.00	105.00	(3.00)	(2.86)

As of December 31, 2020, payment is tracked and credit is carried out strictly to customers.

Overall, the average trade receivable turnover rate of the Company in 2020, better payments than the year 2019, accounting for 0.22 percent of average trade receivables compared to net sales there is no debtor problem.

The company has a strict financial management policy, the company has a high working capital ratio. No liquidity problems which looks at the collection period of 39 days, no different from that of 2019. Showed slower inventories turnover period is 81 days, an increase of 1 day from 80 days in 2019. As for the ingredients stored in seasonal stocks such as chilli and garlic have the shelf life is more than 180 days. Cash cycle period in 2020 102 days, a decrease of 3 days from 105 days in 2019.

Quality of Assets

(Million Baht)	2020	2019	Change	%
Current assets	1,727.46	1,491.69	235.77	15.81
Non current assets	1,203.55	1,285.44	(81.89)	(6.37)
Total assets	2,931.01	2,777.13	153.88	5.54
Current assets / Total assets %	58.94	53.71	5.23	
Non current assets / Total assets %	41.06	46.29	(5.23)	

Change in Assets

The Company has total assets as at December 31, 2020 amounting to Bt. 2,931.01 million increased by 5.54% compared to total assets of Bt. 2,777.13 million as of December 31, 2019.

As of December 31, 2020, Sauce has current assets and non-current assets as 58.94 and 41.06 of the total assets compared to 53.71 and 46.29 as at December 31, 2019.

Current assets increased by Bt. 235.77 million or 15.81% from 2019. Mostly from cash and cash equivalents, current investments, net trade accounts, inventories and advance payments for raw materials.

Non-current assets decreased by Bt. 81.89 million or 6.37% from the year 2019, mainly due to decreased property, plant and equipment.

	2020 Million Baht	%	2019 Million Baht	%
Property, plant and equipment	918.76	31.35	996.63	35.89
Cash and cash equivalent	548.92	18.73	476.26	17.15
Inventories	420.99	14.36	411.74	14.83
Current investments	397.90	13.58	267.81	9.64
Trade accounts	322.06	10.99	311.97	11.23
Other long-term investment	40.38	1.36	40.37	1.45
Investments in associates	21.46	0.73	18.19	0.65
Advance payment for raw materials	20.62	0.70	-	-
Unused land	189.90	6.48	189.90	6.84
Deferred tax assets	15.75	0.54	18.87	0.68
Other current assets	9.47	0.32	9.73	0.35
Long-term loans to associate	9.00	0.31	11.00	0.40
Other receivables	5.51	0.19	13.18	0.47
Bank deposits under commitment	4.59	0.16	4.59	0.17
Intangible assets	2.94	0.10	4.62	0.17
Current portion of loan to associate -				
Loan to associate	2.00	0.07	1.00	0.04
Other non-current assets	0.76	0.03	1.27	0.04
Total assets	2,931.01	100.00	2,777.13	100.00

For property, plant and equipment change down, because the company has proceeded to write off the depreciable value from the asset list. Trade accounts receivable during the COVID-19 epidemic, the company has assisted in stock management for stores, distributors who do hotel business. And the closed restaurant resumed business. Began to pay the outstanding invoices, the company has set up sufficient allowance for doubtful accounts. According to the facts as of December 31, 2020 there is an allowance for doubtful debts of Bt. 4.30 million, which is more than Bt. 2.27 million as of December 31, 2019. Due to the covid-19 epidemic and economic conditions.

(Million Baht)	2020	2019	Change	%
Related parties	9.91	14.42	(4.51)	(31.28)
Other parties	316.45	299.82	16.63	5.55
Total	326.36	314.24	12.12	3.86
Less allowance for doubtful accounts	(4.30)	(2.27)	(2.03)	89.43
Net trade accounts receivable	322.06	311.97	10.09	3.23

Inventory in the part of finished goods higher. This was due to the slowdown in sales in September.

(Million Baht)	2020	2019	Change	%
Finished goods	81.26	74.88	6.38	8.52
Work in progress	132.58	126.83	5.75	4.53
Raw materials	192.50	208.31	(15.81)	(7.59)
Raw materials in transit	14.74	2.27	12.47	549.34
Supplies	0.41	0.69	(0.28)	(40.58)
Less allowance for devaluation of inventories	(0.49)	(1.24)	0.75	(60.48)
Total inventories	421.00	411.74	9.26	2.25

Long-term investment will be due in 2029 for the amount of Bt. 40 million.

(Million Baht)	2020	2019	Change	%
Debentures	40.00	40.00	0.00	0.00
Investment in marketable equity security	0.38	0.37	0.01	2.70
Total long-term investment	40.38	40.37	0.01	0.02

Allowance for impairment losses

Unused land

(Million Baht)	2020	2019	Change	%
Unused land at cost	204.07	204.07	-	-
Less allowance for impairment losses	(14.17)	(14.17)	-	-
Net	189.90	189.90	-	-

The company has land not used for operations which had been acquired for the purpose of plant expansion in 1994. The company had reconsidered the purpose and cancelled the expansion project since current plant is able to support the growth of the company.

According to the appraisal report of an independent appraiser dated September 14, 2018, the independent appraiser appraised the land that has not been used to operate the company using the market price comparison method. With an appraised value of 189.90 baht.



THAITHEPAROS PUBLIC COMPANY LIMITED

Financial Statements

**Financial statements for the year ended
31 December 2020
and
Independent Auditor's Report**



Report of The Board of Directors' Responsibilities For Financial Report

Financial Statements of Thaitheparos PLC. are prepared in accordance with generally accepted accounting principles under the Accounting Act B.E. 2543 which included Accounting Standards issued under the Accounting Professions Act B.E.2547 and the regulations of the Securities and Stock Exchange Committee related to the preparation and presentation of financial report under the Securities and Stock Exchange Act B.E. 2535 including the declaration of Trade Registered Department subject to "Fixing the abbreviation transactions needed in the Financial Statements B.E. 2544" dated 14 September 2001 according to the act under section 11 paragraph 3 of the Accounting Act B.E. 2543.

The Board of Directors is responsible for the Financial report of Thaitheparos PLC. to ensure that it is presented the financial position, revenues, expenses and cash flows with actual and reasonable by recording accounting data correctly, completely and sufficiently in order to maintain the assets and also protect fraud or irregularities. The preparation of Financial report, the Board of Directors has considered Accounting Policy with reasonable and generally accepted accounting principals including disclose important data in the Financial Statement Notes adequately which the auditor has provided the opinion of Thaitheparos PLC.'s Financial Statement in the Audit report of Certified Public Accountant.

On behalf of The Board of Directors



(Mr. Parinya Winyarat)
Chairman of The Board



(Mr. Tanawat Winyarat)
Director

19 February 2021

Audit report of Certified Public Accountant



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Independent Auditor's Report

To the Shareholders of Thaitheparos Public Company Limited

Opinion

I have audited the financial statements in which the equity method is applied and separate financial statements of Thaitheparos Public Company Limited (the "Company"), which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at 31 December 2020, the related 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 financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020 and its 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 Financial Statements in which the Equity Method is Applied and Separate Financial Statements section of my report. I am independent of 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 financial statements in which the equity method is applied 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 financial statements in which the equity method is applied and separate financial statements of the current period. These matters were addressed in the context of my audit of the financial statements in which the equity method is applied and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Recoverability of trade receivables

Refer to Notes 3(e), 3(k), and 22 to the financial statements

The key audit matter	How the matter was addressed in the audit
<p>The Company has a variety of distribution channels covering wholesalers (Yi Pua), retailers (Car Units), modern trade, restaurants, food stores, manufacturing factories industry as well as export and oversea customers which the Company grants credit term to those customers. The Company's customers are mostly a large number of wholesalers (Yi Pua) which are significant to total sales and to the amount of trade receivables of the Company.</p> <p>A significant judgements and estimates are required in determining the expected credit loss on trade receivables, including the key assumption and relevant information used by management, in order to assess the adequacy of expected credit loss allowance for trade receivables that the Company estimated. Due to the book value of the Company's trade receivables is significant. Accordingly, it is considered a key audit matter.</p>	<p>My audit procedures included;</p> <ul style="list-style-type: none"> - obtaining an understanding of and evaluating the design and implementation, and operating effectiveness of management's key internal controls relating to credit control, collection of trade receivables, follow up of overdue balances, and aging analysis process; - assessing the reasonableness of the key data, and assumptions used in the expected credit loss calculation adopted by management, including the basis of the segmentation of the trade receivables; - testing whether trade receivables were correctly categorised in trade receivables aging report by sampling test with invoices and sampling test the receipt reports with the bank statement for recalculating an average loss rate. - testing the calculation of expected credit losses on trade receivables; - sampling test cash receipts from customers subsequent to the financial year end relating to trade receivables balance at 31 December 2020; and - assessing the appropriateness of the disclosures in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements in which the equity method is applied 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 financial statements in which the equity method is applied 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 financial statements in which the equity method is applied 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 financial statements in which the equity method is applied 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

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

In preparing the financial statements in which the equity method is applied and separate financial statements, management is responsible for assessing 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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied 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 financial statements in which the equity method is applied 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 financial statements in which the equity method is applied 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 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 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 financial statements in which the equity method is applied 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied 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 equity-accounted investees of the Company to express an opinion on the financial statements in which the equity method is applied. I am responsible for the direction, supervision and performance of the audit of the financial statements in which the equity method is applied. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements in which the equity method is applied 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.



(Orawan Chotiwiwiyakul)
Certified Public Accountant
Registration No. 10566

KPMG Phoomchai Audit Ltd.
Bangkok
19 February 21

Thaitheparos Public Company Limited
Statements of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Assets	<i>Note</i>				
				(in Baht)	
Current assets					
Cash and cash equivalents	5	548,917,902	476,257,619	548,917,902	476,257,619
Current investments	22	397,901,246	267,812,082	397,901,246	267,812,082
Trade receivables	4, 22	322,056,371	311,967,129	322,056,371	311,967,129
Other receivables		5,506,477	13,178,317	5,506,477	13,178,317
Current portion of loans to associate	4	2,000,000	1,000,000	2,000,000	1,000,000
Inventories	6	420,992,411	411,740,146	420,992,411	411,740,146
Advance payment for raw materials purchased		20,622,500	-	20,622,500	-
Other current assets		9,466,477	9,731,085	9,466,477	9,731,085
Total current assets		1,727,463,384	1,491,686,378	1,727,463,384	1,491,686,378
Non-current assets					
Bank deposits under commitment	24	4,593,000	4,593,000	4,593,000	4,593,000
Investments in associate	7	21,454,026	18,186,104	8,000,000	8,000,000
Other long-term investments	22	40,378,846	40,369,132	40,378,846	40,369,132
Long-term loans to associate	4	9,000,000	11,000,000	9,000,000	11,000,000
Land not used in operations	8	189,904,000	189,904,000	189,904,000	189,904,000
Property, plant and equipment	9	918,763,252	996,628,856	918,763,252	996,628,856
Intangible assets	10	2,937,129	4,620,952	2,937,129	4,620,952
Deferred tax assets	19	15,750,239	18,869,303	16,841,048	19,306,528
Other non-current assets	4	762,836	1,265,677	762,836	1,265,677
Total non-current assets		1,203,543,328	1,285,437,024	1,191,180,111	1,275,688,145
Total assets		2,931,006,712	2,777,123,402	2,918,643,495	2,767,374,523

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

Thaitheparos Public Company Limited
Statement of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
Liabilities and equity	Note	(in Baht)			
Current liabilities					
Trade payables		89,192,861	75,011,822	89,192,861	75,011,822
Other payables	4, 11	88,992,711	99,570,063	88,992,711	99,570,063
Current income tax payable		69,469,293	53,127,744	69,469,293	53,127,744
Total current liabilities		247,654,865	227,709,629	247,654,865	227,709,629
Non-current liability					
Non-current provisions for employee benefits	12	48,861,901	57,036,390	48,861,901	57,036,390
Total non-current liability		48,861,901	57,036,390	48,861,901	57,036,390
Total liabilities		296,516,766	284,746,019	296,516,766	284,746,019
Equity					
Share capital	13				
(60,000,000 ordinary shares, par value at Baht 10 per share)					
Authorised share capital		600,000,000	600,000,000	600,000,000	600,000,000
Issued and paid-up share capital					
(60,000,000 ordinary shares, par value at Baht 10 per share)		360,000,000	360,000,000	360,000,000	360,000,000
Share premium					
Share premium on ordinary shares		615,600,000	615,600,000	615,600,000	615,600,000
Retained earnings					
Appropriated					
Legal reserve	14	60,000,000	60,000,000	60,000,000	60,000,000
Unappropriated		1,598,889,946	1,456,842,077	1,586,526,729	1,447,093,198
Other component of equity		-	(64,694)	-	(64,694)
Total equity		2,634,489,946	2,492,377,383	2,622,126,729	2,482,628,504
Total liabilities and equity		2,931,006,712	2,777,123,402	2,918,643,495	2,767,374,523

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

Statement of Comprehensive Income

Thaitheparos Public Company Limited
Statement of comprehensive income

		Financial statements in which the equity method is applied		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2020	2019	2020	2019
		(in Baht)			
Revenue					
Revenue from sale of goods	4, 15	2,927,928,025	2,896,712,868	2,927,928,025	2,896,712,868
Other income	4, 16	32,898,291	33,064,385	32,898,291	33,064,385
Total revenue		2,960,826,316	2,929,777,253	2,960,826,316	2,929,777,253
Expenses					
	18				
Cost of sale of goods		1,859,250,918	1,921,815,826	1,859,250,918	1,921,815,826
Distribution expenses		270,454,574	296,347,324	270,454,574	296,347,324
Administrative expenses		158,367,173	159,992,048	158,367,173	159,992,048
Total expenses		2,288,072,665	2,378,155,198	2,288,072,665	2,378,155,198
Profit for operating activities		672,753,651	551,622,055	672,753,651	551,622,055
Share of profit of investment in associate	7	3,267,922	1,034,895	-	-
Losses on remeasuring financial asset		(71,154)	-	(71,154)	-
Profit before income tax		675,950,419	552,656,950	672,682,497	551,622,055
Income tax expense	19	(132,537,800)	(107,134,917)	(131,884,216)	(106,927,938)
Profit for the year		543,412,619	445,522,033	540,798,281	444,694,117
Other comprehensive income					
Item that may be reclassified to profit or loss					
Net change in fair value of available-for-sale investments		64,694	(73,826)	64,694	(73,826)
Item that will not be reclassified to profit or loss					
Gain on remeasurements of defined benefit plans	12	15,794,062	-	15,794,062	-
Income tax relating to item that will not be reclassified	19	(3,158,812)	-	(3,158,812)	-
Other comprehensive income for the year, net of income tax		12,699,944	(73,826)	12,699,944	(73,826)
Total comprehensive income for the year		556,112,563	445,448,207	553,498,225	444,620,291
Basic earnings per share	20	1.51	1.24	1.50	1.24

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

Statement of changes in equity

Thaitheparos Public Company Limited

Statement of changes in equity

Financial statements in which the equity method is applied						
				Retained earnings	Other component of equity	
	Issued and paid-up	Share Premium on			Net change in fair value of available-for-sale	
Note	Share capital	ordinary shares	Legal reserve	Unappropriated	investments	Total equity
	(in Baht)					
Year ended 31 December 2019						
Balance at 1 January 2019	360,000,000	615,600,000	60,000,000	1,367,720,044	9,132	2,403,329,176
Transaction with owners, recorded directly in equity						
Distribution to owners of the Company						
Dividends to owners of the Company	21	-	-	-	(356,400,000)	(356,400,000)
Total distribution to owners of company		-	-	-	(356,400,000)	(356,400,000)
Comprehensive income for the year						
Profit for the year	-	-	-	445,522,033	-	445,522,033
Other comprehensive income	-	-	-	-	(73,826)	(73,826)
Total comprehensive income (expense) for the period	-	-	-	445,522,033	(73,826)	445,448,207
Balance at 31 December 2019	360,000,000	615,600,000	60,000,000	1,456,842,077	(64,694)	2,492,377,383

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

Thaitheparos Public Company Limited
Statement of changes in equity

Financial statements in which the equity method is applied						
				Retained earnings	Other component of equity	
		Issued and paid-up	Share Premium on	Legal reserve	Unappropriated	Net change in fair value of available-for-sale investments
	Note	Share capital	ordinary shares	(in Baht)		
Year ended 31 December 2020						
Balance at 1 January 2020		360,000,000	615,600,000	60,000,000	1,456,842,077	(64,694)
Transaction with owners, recorded directly in equity						
<i>Distribution to owners of the Company</i>						
Dividends to owners of the Company	21	-	-	-	(414,000,000)	-
Total distribution to owners of company		-	-	-	(414,000,000)	-
Comprehensive income for the year						
Profit for the year		-	-	-	543,412,619	-
Other comprehensive income		-	-	-	12,635,250	64,694
Total comprehensive income for the year		-	-	-	556,047,869	64,694
Balance at 31 December 2020		360,000,000	615,600,000	60,000,000	1,598,889,946	-

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

Thaitheparos Public Company Limited
Statement of changes in equity

Separate financial statements							
				Retained earnings		Other component of equity	
		Issued and paid-up	Share Premium on	Legal reserve	Unappropriated	Net change in fair value of available-for-sale investments	Total equity
	Note	Share capital	ordinary shares	(in Baht)			
Year ended 31 December 2019							
Balance at 1 January 2019		360,000,000	615,600,000	60,000,000	1,358,799,081	9,132	2,394,408,213
Transaction with owners, recorded directly in equity							
<i>Distribution to owners of the Company</i>							
Dividends to owners of the Company	21	-	-	-	(356,400,000)	-	(356,400,000)
Total distribution to owners of the Company		-	-	-	(356,400,000)	-	(356,400,000)
Comprehensive income for the year							
Profit for the year		-	-	-	444,694,117	-	444,694,117
Other comprehensive income		-	-	-	-	(73,826)	(73,826)
Total comprehensive income (expense) for the period		-	-	-	444,694,117	(73,826)	444,620,291
Balance at 31 December 2019		360,000,000	615,600,000	60,000,000	1,447,093,198	(64,694)	2,482,628,504

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

Thaitheparos Public Company Limited
Statement of changes in equity

Separate financial statements						
				Retained earnings	Other component of equity	
	Note	Issued and paid-up Share capital	Share Premium on ordinary shares	Legal reserve	Unappropriated	Net change in fair value of available-for-sale investments
				(in Baht)		Total equity
Year ended 31 December 2020						
Balance at 1 January 2020		360,000,000	615,600,000	60,000,000	1,447,093,198	(64,694) 2,482,628,504
Transaction with owners, recorded directly in equity						
Distribution to owners of the Company						
Dividends to owners of the Company	21	-	-	-	(414,000,000)	- (414,000,000)
Total distribution to owners of the Company		-	-	-	(414,000,000)	- (414,000,000)
Comprehensive income for the year						
Profit for the year		-	-	-	540,798,281	- 540,798,281
Other comprehensive income		-	-	-	12,635,250	64,694 12,699,944
Total comprehensive income for the year		-	-	-	553,433,531	64,694 553,498,225
Balance at 31 December 2020		360,000,000	615,600,000	60,000,000	1,586,526,729	- 2,622,126,729

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

Statement of cash flows

Thaitheparos Public Company Limited Statement of cash flows

		Financial statements in which the equity method is applied		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2020	2019	2020	2019
		(in Baht)			
<i>Cash flows from operating activities</i>					
Profit for the year		543,412,619	445,522,033	540,798,281	444,694,117
Adjustments to reconcile profit to <i>cash receipts (payments)</i>					
Income tax expense	19	132,537,800	107,134,917	131,884,216	106,927,938
Depreciation and amortisation		115,899,274	117,282,832	115,899,274	117,282,832
(Reversal of) loss on inventories devaluation	18	(751,597)	1,243,758	(751,597)	1,243,758
Reversal of impairment losses on assets	9	(1,355,624)	(514,418)	(1,355,624)	(514,418)
Unrealised loss on exchange rate		9,523	42,393	9,523	42,393
Losses on fair value adjustment of financial asset		71,154	-	71,154	-
Share of profit of investment in associate	7	(3,267,922)	(1,034,895)	-	-
Expected credit losses	22	2,031,471	-	2,031,471	-
Reversal of doubtful debts expenses	22	-	(830,748)	-	(830,748)
Loss on disposal and write-off of inventories		1,071,642	1,153,584	1,071,642	1,153,584
Loss on disposal and write-off of equipment		10,243,676	3,713,272	10,243,676	3,713,272
Non-current provisions for employee benefit	12	9,290,713	19,286,825	9,290,713	19,286,825
Dividend income		(6,476)	(22,666)	(6,476)	(22,666)
Interest income	16	(6,989,538)	(7,437,514)	(6,989,538)	(7,437,514)
		802,196,715	685,539,373	802,196,715	685,539,373
<i>Change in operating assets and liabilities</i>					
Trade receivables		(12,026,115)	5,058,892	(12,026,115)	5,058,892
Other receivables		6,937,642	(6,260,778)	6,937,642	(6,260,778)
Inventories		(9,572,310)	29,290,844	(9,572,310)	29,290,844
Advance payment for raw materials purchased		(20,622,500)	19,632,171	(20,622,500)	19,632,171
Other current assets		264,608	(2,931,653)	264,608	(2,931,653)
Other non-current assets		502,841	501,495	502,841	501,495
Trade payables		14,087,325	(17,484,971)	14,087,325	(17,484,971)
Other payables		(9,323,252)	6,959,834	(9,323,252)	6,959,834
Paid for provisions for employee benefits	12	(1,671,140)	(3,746,709)	(1,671,140)	(3,746,709)
Net cash generated from operating		770,773,814	716,558,498	770,773,814	716,558,498
Income tax paid		(116,252,173)	(111,187,506)	(116,252,173)	(111,187,506)
Net cash from operating activities		654,521,641	605,370,992	654,521,641	605,370,992

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

Thaitheparos Public Company Limited
Statement of cash flows

		Financial statements in which the equity method is applied		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2020	2019	2020	2019
		(in Baht)			
Cash flows from operating activities					
Acquisition of current investments		(130,089,164)	(90,109,553)	(130,089,164)	(90,109,553)
Increase in other long-term investments		-	(20,000,000)	-	(20,000,000)
Loans to associate		-	(12,000,000)	-	(12,000,000)
Acquisition of machines and equipment		(48,447,502)	(56,743,009)	(48,447,502)	(56,743,009)
Proceeds from sales of equipments		1,945,096	27,030	1,945,096	27,030
Acquisition of intangible assets		-	(489,085)	-	(489,085)
Proceeds from repayment of loan to related party		1,000,000	-	1,000,000	-
Dividends received		6,476	22,666	6,476	22,666
Interest received		7,723,736	6,866,821	7,723,736	6,866,821
Net cash from used in investing activities		(167,861,358)	(172,425,130)	(167,861,358)	(172,425,130)
Cash flows from financing activities					
Dividends paid to owners of the Company	21	(414,000,000)	(356,400,000)	(414,000,000)	(356,400,000)
Net cash used in financing activities		(414,000,000)	(356,400,000)	(414,000,000)	(356,400,000)
Net increase in cash and cash equivalents		72,660,283	76,545,862	72,660,283	76,545,862
Cash and cash equivalents at 1 January		476,257,619	399,711,757	476,257,619	399,711,757
Cash and cash equivalents at 31 December	5	548,917,902	476,257,619	548,917,902	476,257,619
<i>Supplemental disclosures of cash flows information:</i>					
Total addition of machines and equipment during the periods	9	47,182,995	57,977,684	47,182,995	57,977,684
Add settlement of payables for machines and equipment previously purchased		2,136,439	897,832	2,136,439	897,832
Less payables on purchase of machines and equipment		(871,932)	(2,136,439)	(871,932)	(2,136,439)
		48,447,502	56,739,077	48,447,502	56,739,077

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

Thaitheparos Public Company Limited
Notes to the financial statements
For the year ended 31 December 2020

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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 2021.

1 General information

Thaitheparos Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 208 Moo 6, Taibarn Road, Tambol Taibarn, Amphur Muang, Samutprakan, Thailand. Its branch is in Lampang.

The Company was listed on the Stock Exchange of Thailand in 20 January 1995.

The Company’s major shareholder during the financial year was the Winyarat Family which holds a 75.88% shareholding.

The principal activities of the Company are the manufacture and distribution of sauces and condiments.

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 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Company’s accounting policies.

The Company has initially applied TFRS – Financial instruments standards which comprise TFRS 9 Financial Instruments and relevant standards and interpretations and TFRS 16 Leases which have no material impact on the financial statements.

In addition, the Company 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. The Company has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

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

(c) 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 Company’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.

Thaitheparos Public Company Limited
Notes to the financial statements
For the year ended 31 December 2020

(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 notes:

3 (r) and 15 Revenue recognition:

- whether revenue from sales of products is recognised over time or at a point in time;

7 Equity-accounted investees: whether the Company has significant influence over an investee.

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following note:

3(e), 3(k), Measurement of ECL allowance for trade receivables and contract assets: key
 and 22 assumptions in determining the average loss rate

At 31 December 2020, the situation of COVID-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Company elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak on the following:

(i) Impairment of assets

The Company considered impairment of trade receivables under provision matrix using historical loss rate and did not take forward-looking information into account.

The Company elected to exclude the COVID-19 situation as impairment indicator for investment in associate, property, plant and equipment, and intangible assets.

3 Significant accounting policies

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

(a) Investments in associate

Investments in associate in the separate financial statements of the Company are measured at cost less allowance for impairment losses. Investments in associate in the financial statements in which the equity method is applied are accounted for using the equity method.

Disposal of investments in the separate financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the first in first out principle applied to the carrying value of the total holding of the investment.

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(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company 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 rate 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.

(c) Financial instruments

Accounting policies applicable from 1 January 2020

(c.1) Recognition and initial measurement

Trade receivable and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(c.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets - business model assessment

The Company makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

Thaitheparos Public Company Limited
Notes to the financial statements
For the year ended 31 December 2020

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment,

'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(c.3) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

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Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

(c.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Accounting policies applicable before 1 January 2020

Investments in other debt and equity securities

Debt securities that the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses, are recognised directly in equity. Impairment losses are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the first in first out principle applied to the carrying value of the total holding of the investment.

(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.

(e) Trade and other receivables

A receivable is recognised when the Company has an unconditional right to receive consideration. If revenue has been recognised before the Company has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss (2019: 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.

Costs are calculated using the following principles:

- | | |
|---|--|
| Finished goods, raw materials and suppliers | - at cost (first in, first out method) |
| Work in progress | - at cost (weighted-average method) |

Thaitheparos Public Company Limited
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Cost 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.

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

(g) Land not use in operations

Land not use in operations is measured at cost less impairment loss.

(h) 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 restoring the site on which they are located. 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 plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

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

Subsequent costs

The cost of replacing a part of an item of property, 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 Company, 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 property, 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 declining balance method basis over the estimated useful lives of each component of an item of property, plant and equipment acquired before 1 January 2012. The percentages apply for declining balance methods are as follows:

	Percentage
Land improvements	20
Building and building improvements	5
Machinery and equipment	20
Furniture, fixtures and office equipment	10 - 33
Vehicles	20

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

Building and building improvements	10 - 20 years
Machinery and equipment	3 - 20 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	5 - 12 years

No depreciation is provided on freehold land, spare parts, and construction in progress.

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

(i) Intangible assets

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

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over their estimated useful lives 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:

Trademarks	3 – 10 years
Computer software	1 – 5 years

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

(j) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Company acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Company recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of rental income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

Accounting policies applicable before 1 January 2020

Assets held under operating leases and expenses under operating leases are recognised in profit or loss on a straight-line basis. 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.

As a lessor, rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Contingent rentals are recognised as income in the accounting period in which they are earned.

(k) Impairment of financial assets

Accounting policies applicable from 1 January 2020

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables, loans to related party), debt investments measured at FVOCI, contract assets, lease receivables, and loan commitments issued which are not measured at FVTPL.

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Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Allowances for expected credit losses on trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Allowances for expected credit losses on all other financial instruments, the Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due, significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Company recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 January 2020

The allowance for doubtful accounts of trade and other account receivables is assessed primarily on analysis of payments history and future expectations of customer payment. Bad debts are written off when incurred.

The carrying amounts of the Company'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.

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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.

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 held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

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

Reversal 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 financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(l) Impairment of non-financial assets

The carrying amounts of the Company'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.

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.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell.

Reversal of impairment

Impairment losses recognised in prior periods in respect of 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.

(m) Trade and other payables

Trade and other payables are stated at cost.

(n) Contract liabilities

A contract liability is the obligation to transfer goods to the customer. A contract liability is recognised when the Company receives or has an unconditional right to receive non-refundable consideration from the customer before the Company recognises the related revenue.

(o) Employee benefits

Defined contribution plans

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

Defined benefit plans

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The Company's net obligation in respect of defined benefit plans is calculated 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 regularly by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Company 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 as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized 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 Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company'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 recognized in profit or loss in the period in which they arise.

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 Company 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.

(p) Provisions

A provision is recognised if, as a result of a past event, the Company 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.

(q) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets at a bid price and liabilities at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

(r) Revenue

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

Sale of goods

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

(s) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

(t) 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 a business combination, or 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 following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures 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 Company 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 and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company 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 Company 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.

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. 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.

(u) Basic earnings per share

Basic earnings per share 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.

(v) Related parties

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

(w) Segment reporting

Segment results that are reported to the Company'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.

4 Related parties

Relationships with associate is described in notes 7. Other related parties that the Company had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Exter (Thailand) Limited. Key management personnel	Thailand Thai	Associate, 40% shareholding Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Company (whether executive or otherwise).

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sales of goods	Market price
Rental income	Contractually agreed price
Interest income	MLR+0.5%
Other income	Mutually agreed price
Service expenses	Mutually agreed price

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

Year ended 31 December	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	(in thousand Baht)	
Associate- Exter (Thailand) Limited.		
Sales of goods	38,311	36,181
Other income		
Interest income	184	548
Rental income	2,748	1,960
Other income	14,055	11,490
Key management personnel		
Key management personnel compensation		
Short-term employee benefit	26,009	26,180
Post-employment benefits	897	2,881
Other long-term benefits	15	13
Total key management personnel compensation	<u>26,921</u>	<u>29,074</u>

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Balances as at 31 December with related party is as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	<i>(in thousand Baht)</i>	
Associate – Exter (Thailand) Limited.		
Trade accounts receivable	9,911	14,418
Other current assets	112	780
Long-term loan to associate	11,000	12,000
Other non-current assets	106	583
Other payables	400	200

Movements during the ended 31 December 2020 of loans to related party was as follows:

	Interest rate			Financial statements in which the equity method is applied/ Separate financial statements		
	at 31 December 2020	at 31 December 2019	at 1 January 2020	Increase	decrease	at 31 December 2020
	<i>(% per annum)</i>			<i>(in thousand Baht)</i>		
Associate – Exter (Thailand) Limited.	MLR+0.5%	MLR+0.5%	12,000	-	(1,000)	11,000
Total			<u>12,000</u>			<u>11,000</u>

The portion due as at 31 December were as follow:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	<i>(in thousand Baht)</i>	
Within 1 year	1,000	1,000
1 – 5 years	8,000	8,000
After 5 years	2,000	3,000
Total	<u>11,000</u>	<u>12,000</u>

Significant agreements with related party

Long-term loan to related party

In April 2019, the company had entered in to long-term lending agreement with Exter (Thailand) Limited, an associated company, amounting to Baht 12 million (2019: Baht 12 million). This loan bears floating interest rate at the rate of MLR+0.5% per annum (2019: none) which will be quarterly repaid principal and interest. For the principal will be repaid from May 2020. The agreement will be matured in March 2026.

Operating lease agreement

On 1 July 2019, the Company entered into a building granted-lease agreement for use as an office with an associated company, Exter (Thailand) Limited, covering 10 years starting from 1 July 2019 to 30 June 2029. The Company will receive monthly rental of Baht 61,824. In this regard, the associated company paid the rental deposit of Baht 200,000.

On 1 January 2020, the Company entered into a building granted-lease agreement for use as an office with an associated company, Exter (Thailand) Limited, covering 10 years starting from 1 January 2020 to 31 December 2029. The Company will receive monthly rental of Baht 158,400 for the 1st year to the 5th year and receive monthly rental of Baht 176,000 for the 6th year to the 10th year. In this regard, the associated company paid the rental deposit of Baht 200,000.

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5 Cash and cash equivalents

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	<i>(in thousand Baht)</i>	
Cash on hand	889	608
Cash at banks – current accounts	3,044	7,321
Cash at banks – savings accounts	494,308	357,546
Highly liquid short-term investments (maturity period less than 3 months from the acquisition date)	50,000	110,000
Cheques on hand	677	783
Total	548,918	476,258

6 Inventories

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	<i>(in thousand Baht)</i>	
Finished goods	81,257	74,884
Work in progress	132,584	126,826
Raw materials	192,495	208,315
Raw materials in transit	14,735	2,267
Supplies	413	692
	421,484	412,984
Less allowance for decline in value	(492)	(1,244)
Total	420,992	411,740

7. Investments in associates

	Financial statements in which the equity method is applied		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
At 1 January	18,186	17,151	8,000	8,000
Share of profits of investments in associate	3,268	1,035	-	-
At 31 December	<u>21,454</u>	<u>18,186</u>	<u>8,000</u>	<u>8,000</u>

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Investments in associates as at 31 December 2020 and 2019 , and dividend income for the years then ended, were as follows:

Financial statements in which the equity method is applied/ Separate financial statements									
	Type of business	Ownership							
		Interest		Paid-up capital		Cost		Equity	
		2020	2019	2020	2019	2020	2019	2020	2019
		(%)						(in thousand Baht)	
Associates									
Exter (Thailand) Limited	Manufacture and distribution of reaction flavours	40	40	40,000	40,000	16,000	16,000	21,454	18,186
Total				<u>40,000</u>	<u>40,000</u>	<u>16,000</u>	<u>16,000</u>	<u>21,454</u>	<u>18,186</u>
Less allowance for impairment						(8,000)	(8,000)		
Net						8,000	8,000		

None of the Company's associates are publicly listed and consequently do not have published price quotations. All of the Company's associates are incorporated in Thailand.

The following summarised financial information on equity-accounted investees is not adjusted for the percentage ownership held by the Company:

	Reporting date	Ownership interest (%)	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total revenues	Total expenses	Net Profit
						(in thousand Baht)					
2020											
Associate											
Exter (Thailand)											
Limited	31 December	40	77,646	35,785	113,431	35,496	22,904	58,400	198,092	189,381	8,711
Total			77,646	35,785	113,431	35,496	22,904	58,400	198,092	189,381	8,711
2019											
Associate											
Exter (Thailand)											
Limited	31 December	40	94,649	37,594	132,243	56,681	29,243	85,924	140,164	137,636	2,528
Total			94,649	37,594	132,243	56,681	29,243	85,924	140,164	137,636	2,528

8 Land not used in operations

**Financial statements in which the equity method is applied/
Separate financial statements**

	2020	2019
	(in thousand Baht)	
Land not used in operations at cost	204,073	204,073
Less allowance for impairment loss	(14,169)	(14,169)
Net	<u>189,904</u>	<u>189,904</u>

The land not used in operations had been acquired for the purpose of plant expansion in 1994. The Company had reconsidered the purpose and cancelled the expansion project since the current plant is able to support the growth of the Company.

Based on the appraisal reports dated 14 September 2018, by the independent appraisal valuer, using the Market Comparison Approach, the land not used in operations was valued at Baht 189.9 million.

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Measurement of fair value

Fair value hierarchy

The fair value of land not used in operations was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for land not used in operations of Baht189.9 million(2019:Baht189.9 million) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of land not used in operations, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market approach: The valuation model considers the selling price by using Weighted Quality Score (WQS) method. Factors that affect pricing include location, land size, utility and land utilisation.	<ul style="list-style-type: none"> Fluctuation of the offering price of similar land; Change on environment around land location's area; Land utilisation condition. 	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> The increase (decrease) of increasing in offering price of similar land.

9 Property, plant and equipment

Financial statements in which the equity method is applied/Separate financial statements

	Land and land improvements	Building and building improvements	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Spare parts	Construction in progress	Advance payment for machinery purchased	Total
Cost									
At 1 January 2019	113,700	586,179	1,871,118	63,624	141,299	26,622	28,388	5,942	2,836,872
Additions	-	-	2,547	1,402	-	4,804	11,986	37,239	57,978
Transfers	-	3,715	47,713	171	4,038	(13,797)	(12,108)	(29,732)	-
Disposals and write-off	-	-	(53,852)	(3,104)	-	-	-	-	(56,956)
At 31 December 2019									
and 1 January 2020	113,700	589,894	1,867,526	62,093	145,337	17,629	28,266	13,449	2,837,894
Additions	714	-	3,060	1,067	-	6,813	7,661	27,868	47,183
Transfers	-	7,160	44,903	414	2,350	(10,444)	(8,825)	(35,558)	-
Disposals and write-off	-	-	(74,221)	(5,705)	(4,985)	(2,625)	-	-	(87,536)
At 31 December 2020	114,414	597,054	1,841,268	57,869	142,702	11,373	27,102	5,759	2,797,541

Accumulated depreciation and impairment losses

At 1 January 2019	283	301,135	1,335,502	49,364	93,862	-	-	-	1,780,146
Depreciation charge for the year	2	18,879	84,599	4,017	7,352	-	-	-	114,849
Reversal of impairment losses on assets	-	-	(514)	-	-	-	-	-	(514)
Disposals and write-off	-	-	(50,443)	(2,773)	-	-	-	-	(53,216)
At 31 December 2019									
and 1 January 2020	285	320,014	1,369,144	50,608	101,214	-	-	-	1,841,265
Depreciation charge for the year	1	19,128	84,530	3,419	7,138	-	-	-	114,216
Reversal of impairment losses on assets	-	-	(1,356)	-	-	-	-	-	(1,356)
Disposals and write-off	-	-	(66,178)	(5,157)	(4,012)	-	-	-	(75,347)
At 31 December 2020	286	339,142	1,386,140	48,870	104,340	-	-	-	1,878,778

Net book value

At 1 January 2019	113,417	285,044	535,616	14,260	47,437	26,622	28,388	5,942	1,056,726
At 31 December 2019									
and 1 January 2020	113,415	269,880	498,382	11,485	44,123	17,629	28,266	13,449	996,629
At 31 December 2020	114,128	257,912	455,128	8,999	38,362	11,373	27,102	5,759	918,763

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2020 amounted to Baht 625.48 million (2019: Baht 615.65million).

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For the year ended 31 December 2020

10 Intangible assets

**Financial statements in which the equity method is applied/
 Separate financial statements**

	computer Software	Trademark license (in thousand Baht)	Total
<i>Cost</i>			
At 1 January 2019	21,576	31,097	52,673
Additions	299	190	489
At 31 December 2019 and 1 January 2020	21,875	31,287	53,162
At 31 December 2020	21,875	31,287	53,162
<i>Amortisation</i>			
At 1 January 2019	15,959	30,148	46,107
Amortisation for the year	1,848	586	2,434
At 31 December 2019 and 1 January 2020	17,807	30,734	48,541
Amortisation for the year	1,556	128	1,684
At 31 December 2020	19,363	30,862	50,225
<i>Net book value</i>			
At 1 January 2019	5,617	949	6,566
At 31 December 2019 and 1 January 2020	4,068	553	4,621
At 31 December 2020	2,512	425	2,937

11 Other payables

**Financial statements in which
 the equity method is applied/
 Separate financial statements**

	Note	2020	2019
		(in thousand Baht)	
Accrued bonus		29,558	30,072
Accrued promotion expenses		16,333	23,455
Accrued logistic expenses		9,823	10,081
Other payables - Revenue department		8,927	8,307
Accrued advertising expenses		5,920	4,802
Accrued electricity expenses		2,934	3,211
Advance received for goods		1,510	3,951
Other payables - Related parties	4	400	200
Others		13,588	15,491
Total		88,993	99,570

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2020

12 Non-current provisions for employee benefits

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	(in thousand Baht)	
At 31 December		
Statement of financial position		
Non-current provisions for:		
Post-employment benefits	42,368	49,934
Other long-term employee benefits	6,494	7,102
Total	<u>48,862</u>	<u>57,036</u>

Post-employment benefit plan

The Company operates a 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 and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Other long-term employee benefits

Other long-term employee benefit obligation was based on the length of service of employee and actuarial assumptions.

Movement in the present value of the defined benefit obligations

	Financial statements in which the equity method is applied/ Separate financial statements			
	Post-employment benefits		Other long-term employee benefits	
	2020	2019	2020	2019
	(in thousand Baht)			
Present value of the defined benefit obligations				
At 1 January	49,934	34,905	7,102	6,591
Include in profit or loss:				
Current service cost	6,644	5,827	1,404	1,497
Past service cost	-	10,887	-	-
Interest on obligation	1,088	932	155	144
	<u>7,732</u>	<u>17,646</u>	<u>1,559</u>	<u>1,641</u>
Include in other comprehensive income				
Actuarial gain				
-Demographic assumptions	(5,139)	-	(750)	-
-Financial assumptions	1,903	-	415	-
-Experience adjustment	(11,399)	-	(824)	-
	<u>(14,635)</u>	<u>-</u>	<u>(1,159)</u>	<u>-</u>
Benefit paid	(663)	(2,617)	(1,008)	(1,130)
At 31 December	<u>42,368</u>	<u>49,934</u>	<u>6,494</u>	<u>7,102</u>

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019

Principal actuarial assumptions

	2020	2019
Discount rate (%)	1.08	2.18
Salary increased rate (%)	5.00	5.50
Employee turnover rate (%)	0 - 27	0 - 34
Retirement age (Year)	55	55

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

At 31 December 2020, the weighted - average duration of the defined benefit obligation was 20.73 years (2019: 21.69 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant.

Effect to the defined benefit obligation

<i>Effect to the defined benefit obligation</i>	Financial statements in which the equity method is applied/ Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	<i>(in thousand Baht)</i>			
At 31 December	2020	2019	2020	2019
Discount rate	(3,020)	(3,956)	3,412	4,499
Future salary growth	2,884	4,908	(2,606)	(4,361)
Turnover rate	(3,235)	(4,272)	2,069	2,837
Life expectancy (1 year)	133	171	(132)	(171)

13 Share capital

	Par value per share (in Baht)	Financial statements in which the equity method is applied/ Separate financial statements			
		2020		2019	
		Number	Amount	Number	Amount
		(thousand shares / in thousand Baht)			
Authorised shares at 31 December	1	600,000	600,000	600,000	600,000
Issued and paid-up					
At 1 January					
- ordinary shares	1	360,000	360,000	360,000	360,000
At 31 December					
- ordinary shares	1	360,000	360,000	360,000	360,000

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.

14 Reserves

Reserves comprise:

Appropriations of profit

Legal reserve

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

15 Segment information and disaggregation of revenue

Management considers that the Company operates in a single line of business, namely sauce segment, therefore, only one major business segment.

Thaitheparos Public Company Limited

Notes to the financial statements

For the year ended 31 December 2020

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market and distribution channels and timing of revenue recognition at the point in time.

Year ended 31 December	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	(in thousand Baht)	
Primary geographical market		
Thailand	2,603,631	2,595,319
International	358,549	341,755
Total	2,962,180	2,937,074
Less volume rebates	(34,252)	(40,361)
Net	2,927,928	2,896,713
Distribution channels		
Domestic sales	2,282,154	2,263,506
Industrial	283,166	295,632
Associate	38,311	36,181
International	358,549	341,755
Total	2,962,180	2,937,074
Less volume rebates	(34,252)	(40,361)
Net	2,927,928	2,896,713

16 Other income

	Financial statements in which the equity method is applied		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)		(in thousand Baht)	
Interest income	6,990	7,438	6,990	7,438
Others	25,908	25,626	25,908	25,626
Total	32,898	33,064	32,898	33,064

17 Employee benefit expenses

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	(in thousand Baht)	
Management		
Wages and salaries	20,848	21,004
Pension costs – defined benefit plans	912	2,894
Pension costs – defined contribution plans	581	580
Others	4,580	4,596
	26,921	29,074
Other employees		
Wages and salaries	184,535	188,383
Pension costs – defined benefit plans	8,617	16,393
Pension costs – defined contribution plans	5,738	5,720
Others	36,150	40,946
	235,040	251,442
Total	261,961	280,516

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Defined benefit plans

Details of the defined benefit plans are given in note 3(o).

Defined contribution plans

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

18 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:

		Financial statements in which the equity method is applied/ Separate financial statements	
	Note	2020	2019
		(in thousand Baht)	
<i>Included in cost of sales of goods:</i>			
Changes in finished goods and work in progress		(12,131)	2,985
Raw materials and consumables used		1,522,333	1,553,557
Write-down to net realisable value (reversal of)		(752)	1,244
Employee benefit expenses	17	136,115	143,908
Depreciation and amortisation		100,712	100,659
Goods for sale promotion		123,809	125,306
Others		(10,835)	(5,843)
Total		1,859,251	1,921,816
<i>Included in distribution costs:</i>			
Marketing expenses		78,761	105,727
Distribution expenses		124,388	123,493
Employee benefit expenses	17	23,561	26,834
Depreciation and amortisation		211	222
Others		43,534	40,071
Total		270,455	296,347
<i>Included in administrative expenses:</i>			
Employee benefit expenses	17	102,285	109,774
Depreciation and amortisation		14,977	16,402
Others		41,105	33,816
Total		158,367	159,992

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19 Income tax

Income tax recognised in profit or loss

	Financial statements in which the equity method is applied		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	132,594	109,511	132,594	109,511
	<u>132,594</u>	<u>109,511</u>	<u>132,594</u>	<u>109,511</u>
Deferred tax expense				
Movements in temporary differences	(56)	(2,376)	(710)	(2,583)
	<u>(56)</u>	<u>(2,376)</u>	<u>(710)</u>	<u>(2,583)</u>
Total income tax expense	<u>132,538</u>	<u>107,135</u>	<u>131,884</u>	<u>106,928</u>

Income tax

		Financial statements in which the equity method is applied/ Separate financial statements			
	Before tax	2020 Tax (expense) benefit	Net of Tax	2019 Tax (expense) benefit	Net of tax
		<i>(in thousand Baht)</i>			
Recognised in other comprehensive income					
Fair value changes available-for-sale investments	81	(16)	65	(92)	18
Gains on remeasurements of Defined benefit plans	15,794	(3,159)	12,635	-	-
Total	<u>15,875</u>	<u>(3,175)</u>	<u>12,700</u>	<u>(92)</u>	<u>(74)</u>

Reconciliation of effective tax rate

		Financial statements in which the equity method is applied		Separate financial statements	
	Rate (%)	2020 (in thousand Baht)	2019 (in thousand Baht)	2020 (in thousand Baht)	2019 (in thousand Baht)
		Rate (%)	Rate (%)	Rate (%)	Rate (%)
Profit before income tax expense		675,950	552,657		
Income tax using the Thai corporation tax rate	20	135,190	110,531		
Income not subject to tax		(1)	(4)		
Expenses additionally deductible for tax purposes		(4,578)	(4,578)		
Expenses not deductible for tax purposes		1,927	1,186		
Total	20	<u>132,538</u>	<u>107,135</u>	19	<u>106,928</u>
Profit before income tax expense		672,682	551,622		
Income tax using the Thai corporation tax rate	20	134,536	110,324		
Income not subject to tax		(1)	(4)		
Expenses additionally deductible for tax purposes		(4,578)	(4,578)		
Expenses not deductible for tax purposes		1,927	1,186		
Total	20	<u>131,884</u>	<u>106,928</u>	19	<u>106,928</u>

Thaitheparos Public Company Limited
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Deferred tax

	2020	Financial statements in which the equity method is applied	
		Assets	Liabilities
At 31 December	2020	2019	2020
			2019
		(in thousand Baht)	
Total	16,862	19,423	(1,112)
Set off of tax	(1,112)	(554)	1,112
Net deferred tax assets	15,750	18,869	-

Deferred tax

	2020	Separate financial statements	
		Assets	Liabilities
At 31 December	2020	2019	2020
			2019
		(in thousand Baht)	
Total	16,862	19,423	(21)
Set off of tax	(21)	(117)	21
Net deferred tax assets	16,841	19,306	-

	At 1 January	Financial statements in which the equity method is applied (Charged) / Credited to:		At 31 December
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
2020				
<i>Deferred tax assets</i>				
Land not used in operations	2,834	-	-	2,834
Property, plant and equipment	1,346	(411)	-	935
Accrued promotion expenses	2,046	(1,144)	-	902
Employee benefit obligations	11,032	1,899	(3,159)	9,772
Others	2,165	270	(16)	2,419
Total	19,423	614	(3,175)	16,862
<i>Deferred tax liabilities</i>				
Others	(554)	(558)	-	(1,112)
Total	(554)	(558)	-	(1,112)
Net	18,869	56	(3,175)	15,750
2019				
<i>Deferred tax assets</i>				
Land not used in operations	2,834	-	-	2,834
Property, plant and equipment	1,988	(642)	-	1,346
Accrued promotion expenses	2,117	(71)	-	2,046
Employee benefit obligations	7,924	3,108	-	11,032
Others	2,066	83	16	2,165
Total	16,929	2,478	16	19,423
<i>Deferred tax liabilities</i>				
Marketable securities	(2)	-	2	-
Others	(452)	(102)	-	(554)
Total	(454)	(102)	2	(554)
Net	16,475	2,376	18	18,869

Deferred tax

	At 1 January	Separate Financial statements (Charged) / Credited to:		At 31 December
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
2020				
<i>Deferred tax assets</i>				
Land not used in operations	2,834	-	-	2,834
Property, plant and equipment	1,346	(411)	-	935
Accrued promotion expenses	2,046	(1,144)	-	902
Employee benefit obligations	11,032	1,899	(3,159)	9,772
Others	2,165	270	(16)	2,419
Total	19,423	614	(3,175)	16,862

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	At 1 January	Separate financial statements (Charged) / Credited to:		At 31 December
		Profit or loss (in thousand Baht)	Other comprehensive income	
2020				
Deferred tax liabilities				
Others	(117)	96	-	(21)
Total	(117)	96	-	(21)
Net	19,306	710	(3,175)	16,841
2019				
Deferred tax assets				
Land not used in operations	2,834	-	-	2,834
Property, plant and equipment	1,988	(642)	-	1,346
Accrued promotion expenses	2,117	(71)	-	2,046
Employee benefit obligations	7,924	3,108	-	11,032
Others	2,066	83	16	2,165
Total	16,929	2,478	16	19,423
Deferred tax liabilities				
Marketable securities	(2)	-	2	-
Others	(222)	105	-	(117)
Total	(224)	105	2	(117)
Net	16,705	2,583	18	19,306

20 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2020 and 2019 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht/thousand shares)			
Profit attributable to ordinary shareholders for the year ended 31 December				
shareholders of the Company (basic)	<u>543,413</u>	<u>445,522</u>	<u>540,798</u>	<u>444,694</u>
Number of ordinary shares outstanding	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>	<u>360,000</u>
Basic earnings per share (in Baht)	<u>1.51</u>	<u>1.24</u>	<u>1.50</u>	<u>1.24</u>

21 Dividends

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2020				
Annual dividend	23 April 2020	May 2020	<u>1.15</u>	<u>414.0</u>
2019				
Annual dividend	24 April 2019	May 2019	<u>0.99</u>	<u>356.4</u>

22 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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**Financial statements in which the equity method is applied/
Separate financial statements**

	Financial instruments measured at FVTPL	Carrying amount Financial instruments measured at amortised cost (in thousand Baht)	Total	Fair value Level 1	Level 2	Total (in thousand Baht)
At 31 December 2020						
Financial assets						
Other financial assets:						
Deposits at financial institutions with maturity more than 3 months	-	397,901	397,901	-	397,901	397,901
Equity instruments	379	-	379	379	-	379
Debt instruments	-	40,000	40,000	-	40,736	40,736
Long-term loans to associate	-	11,000	11,000	-	11,000	11,000
Total other financial assets	379	448,901	449,280			

Financial statements in which the equity method is applied/separate financial statements

	Carrying amount		Fair value Level 1	Level 2	Total (in thousand Baht)
31 December 2019					
Financial asset measured at fair value					
Fixed deposits with maturity more than 3 months	267,812	-	267,812		267,812
Equity securities available for sale	369	369	-		369
Financial asset not measured at fair value					
Debt securities held to maturity	40,000	-	42,022		42,022
Financial instruments measured at fair value					

Type

Valuation technique

Deposits at financial instruments

The fair value of deposits at financial instruments is determined by the present value of cash flows with discounting rates that reflect current interest rate risk of financial instruments

Equity instruments

Based on last bid price in active market as of reporting date.

Debt securities held to maturity

Quoted selling prices from the Thai Bond Market Association at the close of the business on the reporting date.

Long-term loans to associate

The fair value of long-term loans to associate is determined by the present value of cash flows with discounting with market rates.

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(b) Financial risk management policies**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(b.1.1) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 15.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review sale limits are established for each customer and reviewed every six months. Any sales exceeding those limits require approval from manager of sale domestic department. Sale limits exceed Baht of 200,000 is approved by manager of finance department.

The Company limits its exposure to credit risk from tradereceivables by establishing a maximum payment period of three months.

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

		Financial statements in which the equity method is applied/Separate financial statements		
		Trade receivables	Total carrying amounts	Allowance for expected credit loss
At 31 December 2020	Note			
<i>(in thousand Baht)</i>				
Related parties				
Within credit terms		7,062	7,062	-
Overdue:				
Less than 3 months		2,849	2,849	-
3 - 6 months		-	-	-
	4	<u>9,911</u>	<u>9,911</u>	<u>-</u>
Other parties				
Within credit terms		210,583	210,583	1,374
Overdue:				
Less than 3 months		103,162	103,162	230
3 - 6 months		4	4	-
6 - 12 months		398	398	398
Over 12 months		2,300	2,300	2,300
		<u>316,447</u>	<u>316,447</u>	<u>4,302</u>
Less allowance for expected credit loss		<u>(4,302)</u>	<u>(4,302)</u>	
		<u>312,145</u>	<u>312,145</u>	
Net		<u>322,056</u>	<u>322,056</u>	
Expected credit loss for the year				<u>2,031</u>

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Loss rates are based on actual credit loss experience over the past four years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Trade receivables	Note	Financial statements in which the equity method is applied/ Separate financial statements 2019 (in thousand Baht)
<i>At 31 December 2019</i>		
<i>Related parties</i>		
Within credit terms		3,794
Overdue:		
Less than 3 months		5,924
3-6 months		4,700
	4	<u>14,418</u>
		Financial statements in which the equity method is applied/ Separate financial statements 2019 (in thousand Baht)
Other parties		
Within credit terms		191,219
Overdue:		
Less than 3 months		106,069
3-6 months		261
6 - 12 months		-
Over 12 months		2,271
		<u>299,820</u>
<i>Less allowance for doubtful accounts</i>		<u>(2,271)</u>
		<u>297,549</u>
Net		<u>311,967</u>
Reversal of doubtful debts expenses for the year		<u>(831)</u>

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

Movement of allowance for expected credit loss of trade accounts receivables and contract assets	Financial statements in which the equity method is applied/ Separate financial statements (in thousand Baht)
At 1 January 2020	2,271
Addition	<u>2,031</u>
At 31 December 2020	<u>4,302</u>

(b.1.2) Investment in debt securities

The Company limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have a credit rating of at least A from Fitch Ratings (Thailand).

The Company monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain re up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Company supplements this by reviewing changes in bond yields with available press and regulatory information about debtors

Thaitheparos Public Company Limited
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The following table presents the exposure to credit risk for investment in debt securities at amortised cost. It indicates whether assets measured at amortised cost were subject to a 12-month ECL or lifetime ECL allowance.

	Financial statements in which the equity method is applied/ Separate financial statements	
	12-months ECL	Total
At 31 December 2020	<i>(in thousand Baht)</i>	
Debt instruments measured at amortised cost	40,000	40,000
	<u>40,000</u>	<u>40,000</u>
Less allowance for expected credit loss	-	-
Net	<u><u>40,000</u></u>	<u><u>40,000</u></u>

(b.1.3) Cash and cash equivalent and derivatives

The Company's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions with a minimum credit rating of Baa3 or equivalent assigned by Moody's for which the Company considers to have low credit risk.

(b.2) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Financial statements in which the equity method is applied/ Separate financial statements		
	Contractual cash flows		
	Carrying amount	1 year or less	Total
At 31 December 2020		<i>(in thousand Baht)</i>	
Financial liabilities			
Trade payables	89,193	89,193	89,193
Other payables	<u>88,993</u>	<u>88,993</u>	<u>88,993</u>
	<u><u>178,186</u></u>	<u><u>178,186</u></u>	<u><u>178,186</u></u>

	Financial statements in which the equity method is applied/ Separate financial statements				
	Effective interest rate	Within 3 Months	3 months-1 Years	More than 1 Years	Total
At 31 December	<i>(% per annum)</i>				
2019					
Financial Assets					
Cash at bank -savings accounts	0.10 - 0.75	357,546	-	-	357,546
Fixed deposit at bank	0.70 - 1.70	140,000	237,812	-	377,812
Debentures	3.50 - 4.00	-	-	40,000	40,000
Long-term loan to associate	MLR+0.5%	-	-	12,000	12,000
Total		<u><u>497,546</u></u>	<u><u>237,812</u></u>	<u><u>52,000</u></u>	<u><u>787,358</u></u>

(b.3) Market risk

The Company 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 Company does not hold or issue derivatives for speculative or trading purposes.

(b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies.

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	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	(in thousand Baht)	
United States Dollars		
Cash and cash equivalents	532	531
Trade accounts receivable	23,831	18,590
Trade accounts payable	(6,257)	-
Eurozone Euro		
Trade accounts payable	(5,715)	(1,722)
Australia Dollars		
Trade accounts receivable	1,034	1,053
Singapore dollars		
Trade accounts receivable	1,608	471
Gross statement of financial position exposure	<u>15,033</u>	<u>18,923</u>

23 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 Company defines as result from operating activities divided by total shareholders' equity, also monitors the level of dividends to ordinary shareholders.

23 Commitments with non-related parties

	Financial statements in which the equity method is applied/ Separate financial statements	
	2020	2019
	(in thousand Baht)	
Capital commitments		
Contracted but not provided for:		
Building improvements	33	-
Machinery and equipment	6,323	2,133
Total	<u>6,356</u>	<u>2,133</u>
Future minimum lease payments under non-cancellable operating leases for low-value assets		
Within 1 year	293	293
1 - 5 years	439	732
Total	<u>732</u>	<u>1,025</u>
Other commitment		
Bank guarantees	<u>4,593</u>	<u>4,593</u>

Bank guarantees

As at 31 December 2020 The Company has a commitment with a bank in respect of a letter of guarantee issued by the bank in connection with the Company's use of electricity which has been collateralized by pledge of fixed deposits of Baht 4.6 million (2019: Baht 4.6 million)

“BEST FOR CHEFS
& EVERY KITCHEN”





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