



Unique Mining Services Public Company Limited



Content

01

Financial
Highlights

03

Message from
Chairman
and Acting CEO

04

Board of
Directors

07

Corporate
Information

08

Nature of
Business

15

Structure of
Business

16

Risk
Factors

18

Major
Shareholders

19

Organization
Structure

25

Corporate
Governance

34

The Summarized
of Connected
Transaction

35

Management
Discussion and
Analysis

38

Report of Audit
Committee

40

Independent
Auditor's Report
and Financial
Statements



Financial Highlights

		2018	2019
Operating results			
Revenue from sales of goods and rendering of services	(THB. Million)	249.14	125.55
Total revenues	(THB. Million)	253.47	127.07
Gross profit (loss) margin	(THB. million)	16.34	32.57
Net profit (loss)	(THB. million)	(63.99)	(41.78)
Profit (loss) per share*	(Baht / Share)	(0.13)	(0.06)
Financial ratios			
Gross profit (loss) margin	(%)	6.56	25.95
Net profit (loss) margin	(%)	(25.68)	(32.87)
Return on equity	(%)	(61.27)	(66.68)
Return on asset	(%)	(7.56)	(6.49)
Total assets	(THB. Million)	845.84	643.37
Total liabilities	(THB. Million)	741.41	580.72
Total equity	(THB. Million)	104.43	62.65
Book value per share*	(Baht / Share)	0.15	0.09

* Par value of 0.50 Baht per share





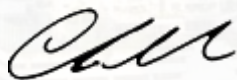
Message from Chairman and Acting CEO

The overall economy was stagnant with high uncertainty in 2019. It resulted from the Trade War between China & the USA that has been persisting for a long time, the international conflicts such as the Middle East tensions towards the US and Thai political unrest, especially. Those unfavorable result directly and indirectly affected our nation macro economy and ultimately many industries. The exports have shrunk in many countries, Including Thailand. With the Thai currency appreciation & the political instability, it caused turmoil in the government work. Many solutions to various economic problems were quite difficult to take actions and/or delayed.

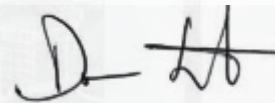
In 2019, the Company mainly focused on purchasing coal imported from Indonesia by the domestic suppliers. We aimed at selling quality products in a reasonable price in order to maintain the good clientele. Although the overall sales volume decreased due to the reduction of coal selling prices to consumers, the Company had a higher profit margin resulting from becoming a service provider in the coal

business. As a matter of this fact, the corporate results were in a good shape with reduced losses.

In 2020, the Company aims to increase sales by offering quality products at a reasonable price, along with improving the work systems to be more environmentally friendly. The Company growth will go together with environmental awareness and conservations. However from the current situation, the whole world has been affected by the outbreak of a new strain of the coronavirus (COVID-19) which is severe and also affecting the economy around the world and in Thailand too, which affects the economy and stops the growth in all sectors. It is not currently possible to predict when the pandemic of this new strain of the coronavirus (COVID-19) will end. If it takes 6 months, it is likely that the Thai economy will substantially slow down. In this regard, the Company is aware and tries its best to operate the business as well as possible.



Mr. Chalermchai Mahagitsiri
Chairman of the Board of Directors



Mr. Dome Liewlomviboon
Acting Chief Executive Officer

Board of Directors



Mr. Chalermchai Mahagitsiri

(41 Years)

Chairman of the Board of Directors

Date of appointment : June 11 , 2012

% of Shareholding as of Dec 31, 2019 : - None -

Educations Background

- M.S. in Finance, Boston University, USA , 2004
- B.S. in Finance, Suffolk University, USA , 2001

Trainings / Certifications

- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 53/2005
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 30/2004
- Capital Market Academy Leadership Program, Capital Market Academy (CMA), Class 17/2013

Working experiences

- Feb. 2018 - Present Director, Seven Utilities and Power Plc.
- 2018 - Present Director
Four One One Ecommerce Co., Ltd.
- 2018 - Present Director, Siam Taco Co.,Ltd.
- Oct. 2016 - Present Director, PMT Property Co.,Ltd.
- Sep. 2016 - Present Director, Laser Game Asia Co.,Ltd.
- Sep. 2016 - Present Director ,TTA Suez Co.,Ltd.
- Mar. 2016 - Present Director ,Natural Bev Co.Ltd.
- Jun. 2013 - Present Chairman , PM Thoresen Asia Holdings
Public Co.,Ltd.
- Jan. 2012 - Present President and CEO,
Thoresen Thai Agencies Plc.
- Jun. 2012 - Present CEO and Executive Vice Chairman ,
Mermaid Maritime Plc.
- 1998 - Present Director, Lakewood Country Club Co.,Ltd.
- 1998 - Present Director, Lakewood Land Co.,Ltd.

Meeting attendance for year 2019 : 3 of 4 Meetings

Relation among family with other directors and executives :

-None-

Mr. Taratorn Wongprasat

(46 Years)

Vice Chairman / Independent director /

Chairman of the nomination and remuneration committee

Date of appointment : January 24 ,2013

% of Shareholding as of Dec 31, 2019 : - None -

Educations Background

- Pratt Institute, Brooklyn, NY. Degree: Bachelor of Architecture
- Rensselaer Polytechnic Institute (R.P.I) Troy, NY.
- Suffield Academy, Suffield, CT. High School Diploma

Trainings / Certifications

-None-

Working experiences

- Managing Director, Dan Wongprasat Architect Co.,Ltd.
- Project Architecture, Architect 49 Co.,Ltd.
- Project Architecture, Robert G. Boughey Architects
- Architecture, Stephen Potters, New York, USA.
- Architecture, Lauster & Radu, New York, USA.

Meeting attendance for year 2019 : 4 of 4 Meetings

Relation among family with other directors and executives :

-None-

**Mr.Nitipat Amnatthaloengsak****(63 years)**

Independent director / Chairman of Audit committee

Mr.Ekatip Tippavang**(35 years)**

Independent director / Audit committee

Date of appointment : July 23, 2018**% of Shareholding as of Dec 31, 2019** : - None -**Educations Background**

- LL.B. Thammasat University, Thailand
- BARRISTER-AT-LAW, Thai Bar Association

Trainings / Certifications

- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 149/2018

Working experiences

2017 - Present	Independent Director / Chairman of Audit Committee, Seven Utilities and Power Plc.
2006 - 2010	Legal consultant, Blumental richter and sumeth Co.,Ltd.
1981 - 1988	Legal consultant , Kasikornbank Plc.

Meeting attendance for year 2019 : 3 of 4 Meetings**Relation among family with other directors and executives** :

-None-

Date of appointment : July 23, 2018**% of Shareholding as of Dec 31, 2019** : - None -**Educations Background**

- M.B.A. (Accounting), Ramkamhaeng University
- B.B.A. (Accounting), Assumption University

Trainings / Certifications

- Director Accreditation Program (DAP) , Thai Institute of Directors Association (IOD), Class 149/2018

Working experiences

2018 - Present	Independent Director / Audit Committee Seven Utilities and Power Plc.
2015 - Present	Senior Executive Vice President R J Energy Co.,Ltd.
2014 - 2015	Chief Executive Officer We love Accounting Co.,Ltd.
2010 - 2014	Senior Executive Vice President Legal Thanamit

Meeting attendance for year 2019 : 4 of 4 Meetings**Relation among family with other directors and executives** :

-None-



Mr.Suvicha Panichpol

(49 Years)

Indipendent Director /
The Nomination and remuneration committee

Date of appointment : February 21, 2018

% of Shareholding as of Dec 31, 2019 : - None -

Educations Background

- Bachelor's degree of Faculty of Accounting ,
Chulalongkorn University

Trainings / Certifications

- Director Certification Program (DCP), Thai Institute of
Directors Association (IOD), Class 2012

Working experiences

2014 - Present Chief Executive Officer , Gold Shore Co.,Ltd.

2006 - 2012 Chief Executive Officer , Energy Absolute Plc.

Meeting attendance for year 2019 : - Meetings

Relation among family with other directors and executives :

-None-

Mr.Dome Liewlomviboon

(53 Years)

Director / Acting Chief Executive Officer /
The Nomination and remuneration committee

Date of appointment : May 11, 2017

% of Shareholding as of Dec 31, 2019 : - None -

Educations Background

- M.B.A. (Banking and Finance) ,
Case Western Reserve University , Ohio - USA , 1995
- Bachelor's degree of Faculty of Dentistry ,
Chulalongkorn University , 1991

Trainings / Certifications

-None-

Working experiences

2012 - Present Director Business Development,
Thoresen Thai Agencies Plc.

2010 - 2012 Finance Manager ,
Bangkok Weaving Mills Co.,Ltd.

2008 - 2010 Manager, KPMG Advisory (Thailand)

2007 - 2008 Vice President, BT Securities Co.,Ltd.

2001 - 2004 Manager , KPMG Advisory (Thailand)

1999 - 2001 Junior Asset Manager,
Bangkok Capital Alliance Co.,Ltd.

1996 — 1999 Assistant Manager,
Krungthai Thanakit Plc.

Meeting attendance for year 2019 : 4 of 4 Meetings

Relation among family with other directors and executives :

-None-

Corporate Information

The Company	Unique Mining Services Public Company Limited
Head Office	26/23 Orakarn Tower, 7th Floor, Soi Chidlom Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330
Plants	1. Suansom Plant 88/8, 88/9 Moo 5, Suansom, Ban Paew, Samutsakhon 74120 2. Nakornluang Plant 108, Moo 2, Klongsaka, Nakornluang, Phra nakhon Si Ayutthaya 13260
Company Registration	No. 0107547000095 (0107547000099)
Registered Capital	THB. 352,369,106 with Common Stock 704,738,212 shares
Paid-up Capital	THB. 352,369,106 with Common Stock 704,738,212 shares
Par value	0.50 per share
Telephone No.	(+ 662) 655 - 7501 - 2
Fax No.	(+662) 655-7504
Website	www.umspcl.com

Securities Registrar

Thailand Securities Depository (Thailand) Co., Ltd. (TSD)

93 Ratchadaphisek Road, Dindaeng,

Dindaeng , Bangkok 10400

Telephone No. : (+662) 009-9389

Fax No. : (+662) 009-9476

Auditor

KPMG Phoomchai Audit Ltd.

Mr. Banthit Tangpakorn Certified Public Accountant Registration No. 8509

48th - 50th Floors , Empire Tower, 1 South Sathorn Road,

Yannawa, Sathorn, Bangkok 10120

Telephone No. : (+662) 677-2000

Nature of Business



Unique Mining Services Public Company Limited or “ UMS ” operates import high quality coal, Bituminous and Sub-bituminous, with medium moderate calorific value and less environmental impact. The coal is mainly imported from Indonesia to distribute to large-size, medium and small-sized businesses especially to those located in Bangkok and other provinces. The primary industrial targets of UMS were food and beverage sector, pulp and paper including cement industries. UMS imported coal to preparing and handling to serve high-coal-quality to the factories categorized by industrial manufacturing production. Additional, UMS participated in auctions bidding for selling from cements and power generation industries.

UMS lays out its strategic blueprints to deliver coal to customers in a timely manner through complete supply chain management with efficient administration in coal stockpiles and warehouses to ensure coal adequacy for delivery to customers. This enables customers never have to worry about stocking up coal and preparing stations or warehouse to store coal on its own.

Business Goals

The Company aims to sell coal for medium and small sized manufacturers. Our Company selects good coal specifications along with low environmental impacts to match each customer's requirement. Our Company's coal-based energy solutions present a lower cost production base than fuel-oil based processing. We see it as imperative that we give our clients truthful knowledge and understanding about the application of coal as the lower cost fuel option which also provides enhanced environmental-friendly properties to their industrial applications.

In addition, we have a policy to diversify risk of revenue structure by supplying the small and medium sized industrial customers in several industries. We believe that this will mitigate business risk derived from any particular industry which may have negative impact from the business cycle. The Company set business objectives aligned with environmental-friendly policies by implementing several measurements along with our business process to prevent and reduce any repercussion to environment.



Products and Services

Coal is a fossil fuel that has a large amount of reserves with coal resources spread in more than 100 countries around the world causing coal to be a fuel with high volume stability. The price is very competitive which the resulting is the cheaper prices than other fuels, especially natural gas and fuel oil coal is a type of natural fuel which has a solid state and contains important minerals, carbon. Generally, coal has dark brown or black color and can be divided into many types. The best quality coal (which is considering the heat value moisture content and sulfur content), respectively, including anthracite, bituminous, sub bituminous and lignite.

UMS focuses on sell bituminous and sub-bituminous coals as these are good quality containing moderate calorific value, moisture and ash at appropriate level and low sulfur content in particular, compared to fuel oil (fuel oil has a sulfur content of approximately 0.1% to 3.0 %), be getting less environmental pollution. UMS does not offer anthracite coal due to its higher cost, limited domestic consumption and lack of growth trend. Lignite is the lowest quality coal as it carries a lot of sulfur content causing a higher impact on the environment and is so unpopular with customers as a result.

UMS's business workflow begins with the import of coal from Indonesia or procures from domestic suppliers for sale to industrial facilities. For all large industrial plants and some medium-sized factories, UMS is able to deliver coal to customers immediately, without a stop at UMS's warehouse, whilst some small and medium industrial customers require coal that undergoes the coal preparation and screening process. Each imported run-of-mine coal (50,000 tons) have different qualities in terms of calorific value, level of moisture, ash and sulfur content. Therefore, it is important that these coals are properly graded prior to transport. Each type of run-of-mine coal has different attributes such as the calorific value although they come from the same mine. (Coal in each different soil layer will have different features, for instance the sub-bituminous coal can be divided into several types depending on the calorific value, moisture, ash and sulfur content, etc.), The coal will then be mixed with UMS's unique formula to meet customer requirements. The coal will also be sized to have quality appropriate for the boilers used in the industrial plant of each customer since boilers are differently engineered to achieve highest combustion. UMS provides delivery service to its customers on a daily basis for ease of customer use which trims the number of coals that need to be kept in the customer's storage facility since many customers do not have enough sites to store coal.



Competition

The business of coal sales for industrial enterprise in Thailand is operated by about 20 large-size operators combining with small-and-medium-sized operators. Especially for small-sized Company segment, the supply has been growing for years resulting in intense price competitions. This year the coal prices were slightly higher and a bit fluctuate.

The Company focuses on increasing the customers to sale to small-and-medium-sized factories and look for more opportunities to penetrate the market of large industrial customers in order to expand the customer base and boost sales volume for more sustainable growth.

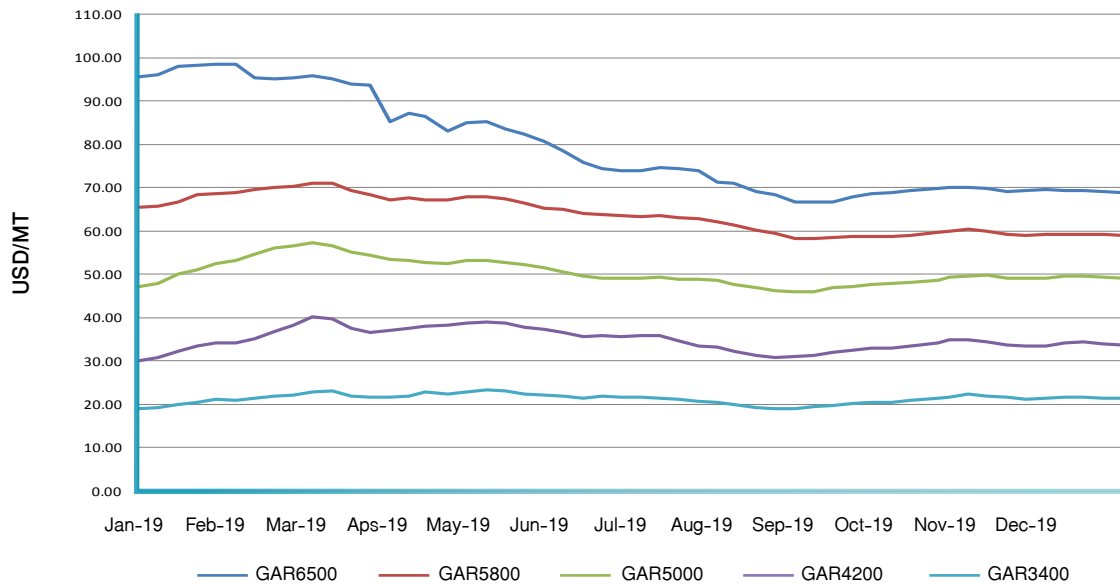
Industry Outlook

For the overview of coal industry in Thailand in 2019, coal remains an important energy source for industrial development because the price of coal is lower than gas and fuel oil especially in the countries with high economic growth rates such as Asian countries including Thailand because of its cheap price. The demand of coal had been decreasing during the first 10 months of 2019. Thailand imported 19.19 million tons of coal which decreased about 9.94 % compared to the same period of 2018. Most of coals were high quality coals distributed to power plant and other industrial segments.

The overall coal market for the year 2020, although the trend of Chinese coal imports will decline and control coal prices in China but the demand for coal in Asian countries such as India, Vietnam, which uses coal to generate electricity is likely to increase. Thereby the overall coal demand shall be stable or slightly increase.

The overview of Thai market of coal in 2020, it is expected that the demand might be unchanged or slightly decreased since coal is a main source of power for industrial business. Coal price is also expected to slight fluctuation but unexpectedly of political shall effect coal price.

Indonesian Coal Price within 12 Months (January – December 2019)

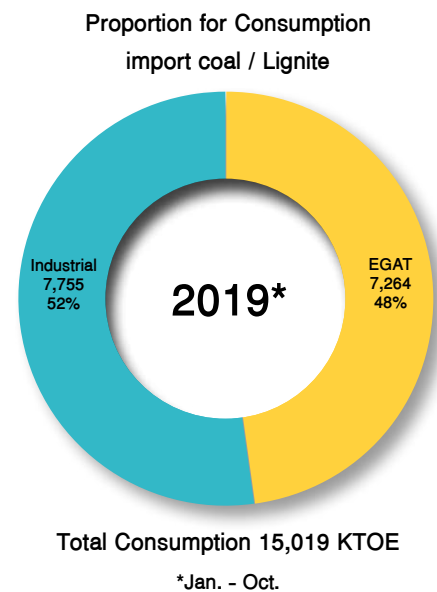
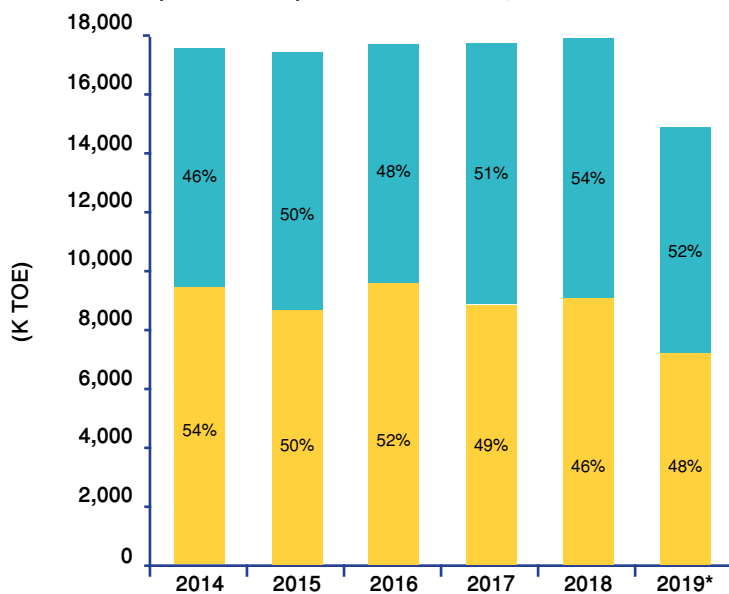


Source : www.argusmedia.com

The consumption of coal and lignite in Thailand

In 2019 (Jan. - Oct.), a total of about 15,019 KTOE, were decrease by 8.0 % as below

The consumption of import Coal and Lignite



Consumption Increasing ▼ 8.0%

Source : Energy and Planning Office , Department of Energy

TAB 4.1-3

Consumption of Lignite and Coal Classified by Sector

Unit : Ktoe

Date	Coal				Lignite			Coal and Lignite		
	IPP	SPP	Industry*	Total	EGAT	Industry*	Total	Electricity	Industry*	Total
2009	2,274.9	1,183.7	6,771.1	10,229.7	3,918.2	890.4	4,808.6	7,376.8	7,661.5	15,038.3
2010	2,276.4	1,452.2	6,860.5	10,589.1	3,964.2	879.6	4,843.8	7,692.8	7,740.1	15,432.9
2011	2,406.2	1,236.3	6,555.1	10,197.5	4,250.8	1,245.5	5,496.3	7,893.3	7,800.5	15,693.8
2012	3,347.0	1,280.8	6,991.0	11,618.7	4,150.0	702.6	4,852.6	8,777.8	7,693.5	16,471.3
2013	3,471.3	1,465.2	6,317.9	11,254.4	4,182.4	774.3	4,956.7	9,118.9	7,092.2	16,211.1
2014	3,849.7	1,515.9	7,700.4	13,066.0	4,216.0	591.7	4,807.6	9,581.6	8,292.1	17,873.6
2015	3,657.2	1,466.6	8,565.9	13,689.7	3,587.6	269.9	3,857.5	8,711.4	8,835.8	17,547.2
2016	3,744.3	1,476.5	8,369.2	13,589.9	4,063.8	233.7	4,297.5	9,284.5	8,602.9	17,887.4
2017	3,567.6	1,323.4	8,959.1	13,850.1	3,938.0	170.3	4,108.3	8,829.0	9,129.4	17,958.4
2018	3,759.2	1,612.0	10,083.0	15,454.2	3,509.8	182.2	3,692.0	8,881.0	10,265.2	19,146.2
2019 (10 MTHS)	3,274.3	1,165.5	7,625.5	12,065.4	2,823.8	130.0	2,953.8	7,263.7	7,755.5	15,019.2
2018 (10 MTHS)	3,255.4	1,359.9	8,627.0	13,242.3	2,934.1	151.2	3,085.3	7,549.4	8,778.2	16,327.6
Fuel Share (%)										
2009	15.1	7.9	45.0	68.0	26.1	5.9	32.0	49.1	50.9	100.0
2010	14.8	9.4	44.5	68.6	25.7	5.7	31.4	49.8	50.2	100.0
2011	15.3	7.9	41.8	65.0	27.1	7.9	35.0	50.3	49.7	100.0
2012	20.3	7.8	42.4	70.5	25.2	4.3	29.5	53.3	46.7	100.0
2013	21.4	9.0	39.0	69.4	25.8	4.8	30.6	56.3	43.7	100.0
2014	21.5	8.5	43.1	73.1	23.6	3.3	26.9	53.6	46.4	100.0
2015	20.8	8.4	48.8	78.0	20.4	1.5	22.0	49.6	50.4	100.0
2016	20.9	8.3	46.8	76.0	22.7	1.3	24.0	51.9	48.1	100.0
2017	19.9	7.4	49.9	77.1	21.9	0.9	22.9	49.2	50.8	100.0
2018	19.6	8.4	52.7	80.7	18.3	1.0	19.3	46.4	53.6	100.0
2019 (10 MTHS)	21.8	7.8	50.8	80.3	18.8	0.9	19.7	48.4	51.6	100.0
GROWTH RATE (%)										
2010	0.1	22.7	1.3	3.5	1.2	-1.2	0.7	4.3	1.0	2.6
2011	5.7	-14.9	-4.5	-3.7	7.2	41.6	13.5	2.6	0.8	1.7
2012	39.1	3.6	6.7	13.9	-2.4	-43.6	-11.7	11.2	-1.4	5.0
2013	3.7	14.4	-9.6	-3.1	0.8	10.2	2.1	3.9	-7.8	-1.6
2014	10.9	3.5	21.9	16.1	0.8	-23.6	-3.0	5.1	16.9	10.3
2015	-5.0	-3.2	11.2	4.8	-14.9	-54.4	-19.8	-9.1	6.6	-1.8
2016	2.4	0.7	-2.3	-0.7	13.3	-13.4	11.4	6.6	-2.6	1.9
2017	-4.7	-10.4	7.0	1.9	-3.1	-27.1	-4.4	-4.9	6.1	0.4
2018	5.4	21.8	12.5	11.6	-10.9	7.0	-10.1	0.6	12.4	6.6
2019 (10 MTHS)	0.6	-14.3	-11.6	-8.9	-3.8	-14.0	-4.3	-3.8	-11.7	-8.0

Remarks : * = Preliminary data

Compiled by : Energy Policy and Planning Office (EPPO)

Source: Energy Policy and Planning Office, Ministry of Energy

TAB 4.1-2

Consumption of Lignite and Coal Classified by Sector

Unit : 1,000 Tons

Date	Coal				Lignite			Coal and Lignite		
	IPP	SPP	Industry*	Total	EGAT	Industry*	Total	Electricity	Industry*	Total
2009	3,644.5	1,896.4	10,847.8	16,388.7	15,818.3	2,042.5	17,860.8	21,359.2	12,890.3	34,249.5
2010	3,646.9	2,326.6	10,991.1	16,964.5	16,004.2	2,017.7	18,021.9	21,977.6	13,008.7	34,986.4
2011	3,854.9	1,980.6	10,501.7	16,337.2	17,161.2	2,857.0	20,018.2	22,996.7	13,358.7	36,355.3
2012	5,362.2	2,051.9	11,200.1	18,614.1	16,754.3	1,611.6	18,365.9	24,168.3	12,811.7	36,980.0
2013	5,561.2	2,347.4	10,121.8	18,030.4	16,884.9	1,776.2	18,661.1	24,793.6	11,898.0	36,691.5
2014	6,167.6	2,428.6	12,336.6	20,932.8	17,020.4	1,357.2	18,377.6	25,616.6	13,693.8	39,310.4
2015	5,859.1	2,349.7	13,723.2	21,932.0	14,483.5	619.2	15,102.7	22,692.3	14,342.3	37,034.6
2016	5,998.6	2,365.5	13,408.0	21,772.1	16,405.9	536.1	16,942.0	24,770.0	13,944.1	38,714.1
2017	5,715.6	2,120.2	14,353.2	22,189.0	15,898.3	390.6	16,288.9	23,734.0	14,743.9	38,477.9
2018	6,022.5	2,582.5	16,153.8	24,758.8	14,169.5	417.9	14,587.4	22,774.5	16,571.7	39,346.2
2019 (10 MTHS)	5,245.7	1,867.3	12,216.7	19,329.6	11,400.2	298.1	11,698.3	18,513.2	12,514.8	31,028.0
2018 (10 MTHS)	5,215.3	2,178.7	13,821.1	21,215.2	11,845.4	346.8	12,192.2	19,239.4	14,167.9	33,407.3
Fuel Share (%)										
2009	10.6	5.5	31.7	47.9	46.2	6.0	52.1	62.4	37.6	100.0
2010	10.4	6.6	31.4	48.5	45.7	5.8	51.5	62.8	37.2	100.0
2011	10.6	5.4	28.9	44.9	47.2	7.9	55.1	63.3	36.7	100.0
2012	14.5	5.5	30.3	50.3	45.3	4.4	49.7	65.4	34.6	100.0
2013	15.2	6.4	27.6	49.1	46.0	4.8	50.9	67.6	32.4	100.0
2014	15.7	6.2	31.4	53.2	43.3	3.5	46.8	65.2	34.8	100.0
2015	15.8	6.3	37.1	59.2	39.1	1.7	40.8	61.3	38.7	100.0
2016	15.5	6.1	34.6	56.2	42.4	1.4	43.8	64.0	36.0	100.0
2017	14.9	5.5	37.3	57.7	41.3	1.0	42.3	61.7	38.3	100.0
2018	15.3	6.6	41.1	62.9	36.0	1.1	37.1	57.9	42.1	100.0
2019 (10 MTHS)	16.9	6.0	39.4	62.3	36.7	1.0	37.7	59.7	40.3	100.0
GROWTH RATE (%)										
2010	0.1	22.7	1.3	3.5	1.2	-1.2	0.9	2.9	0.9	2.2
2011	5.7	-14.9	-4.5	-3.7	7.2	41.6	11.1	4.6	2.7	3.9
2012	39.1	3.6	6.7	13.9	-2.4	-43.6	-8.3	5.1	-4.1	1.7
2013	3.7	14.4	-9.6	-3.1	0.8	10.2	1.6	2.6	-7.1	-0.8
2014	10.9	3.5	21.9	16.1	0.8	-23.6	-1.5	3.3	15.1	7.1
2015	-5.0	-3.2	11.2	4.8	-14.9	-54.4	-17.8	-11.4	4.7	-5.8
2016	2.4	0.7	-2.3	-0.7	13.3	-13.4	12.2	9.2	-2.8	4.5
2017	-4.7	-10.4	7.0	1.9	-3.1	-27.1	-3.9	-4.2	5.7	-0.6
2018	5.4	21.8	12.5	11.6	-10.9	7.0	-10.4	-4.0	12.4	2.3
2019 (10 MTHS)	0.6	-14.3	-11.6	-8.9	-3.8	-14.0	-4.1	-3.8	-11.7	-7.1

Remarks : * = Preliminary data

Compiled by : Energy Policy and Planning Office (EPPO)

Source: Energy Policy and Planning Office, Ministry of Energy

The Consumption of Lignite and coal Classified by Sector total volume of about 31.028 million tons. Lignite consumption of about 11.698 million tons in year 2019, which is about 11.400 million tons were used in the electricity sector of EGAT and the rest of 0.298 million tons were used in various industrial sectors including cement, paper and food processing while the consumption of imported coal of approximately 19.329 million tons in 2019 decreased by 8.9% , 12.216 million tons of which were used in the industrial factories and the remaining of approximately 7.112 million tons were spent on the fuel used in power generation of the SPP and IPP.

Coal Procurement Procedure

UMS has a standard procedure for product sourcing and services as below:

1. UMS procures coal from domestic suppliers or imports bituminous and sub-bituminous coals from Indonesia, where Indonesia is one of the top three coal producer countries. UMS selects the quality coal for best coal in Calorific Value, moisture level, ash and sulfur to match with customers' demand. Because Indonesia locates not far from Thailand, compare to others coal producer countries so the transport cost is low which UMS has lower cost of operations. UMS would issue a letter of credit to Indonesian supplier and UMS import about 50,000 tons which transport the coal by mother vessel to Thailand.
2. The main vessel from Indonesia will anchorage at Koh Sri Chang. Then transfer the coal to lighters which can be done 1,500 - 2,500 tons per lighter. The lighter will be alongside at Nakornluang site, Ayutthaya port for discharging.
3. UMS can deliver coal to its customer right away by an in-land transport. In case the Company has to transport to its storage area in Ayutthaya for screening and quality improving, after completion of screening and quality improving, finished coal will be transported to customers' site via an in-land transport.
4. UMS has a regulation to maintain a certain inventory level for achieving customer demand.
5. UMS takes 45 days for the procurement transaction from Indonesia to its warehouse in Thailand.

From the historical data, it is founded that coal price are adjusted according to the world prices. The Company has the policy of sourcing coal from many vendors to reserve coal for achieve the business expansion and for the balancing of power to negotiate prices with other vendors which is the diversification of purchasing coal.

Besides the price factor, the reliability, the trust for the source of coal are the another factor that the Company focuses heavily on the quality of coal, production, transportation coal to the port and the reputation of the supplier etc. Moreover, the Company has the good relations with its partners for a long time. The Company is confident that it will receive the high quality coal from its partners.

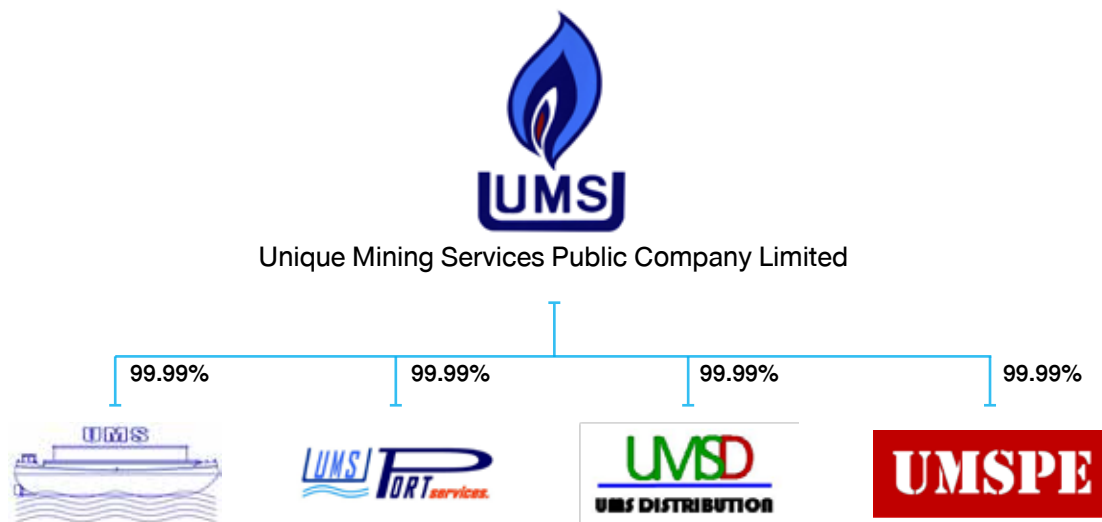
The Company has the policy to supply good quality coal, environmentally friendly to meet the customers need. Moreover, the Company has the good quality control checks since buying from supplier, mine, transportation, production line and delivery to the customers for ensuring customer satisfaction.

Structure of Business

Unique Mining Services Public Company Limited or “ UMS ” imports good quality coal, which has a medium calorific value and less negative impact to environment. Target groups of customers are food and beverages industry, pulp and paper industry and cement industry.

Company’s strategies are tailor-made based upon imported coal that is matched to the engineering specification of each factory’s boiler.

The Company hold 99.99% in owned subsidiaries 4 businesses are as follows ;



1. UMS Lighter Co., Ltd.

operates marine transportation by lighter which has capacity of 1,500 - 2,500 tons

2. UMS Port Services Co., Ltd.

operates the port service at Nakornluang district, Phra nakhon Si Ayutthaya.

3. UMS Distribution Co., Ltd.

operates the businesses for Importing and distributing the fertilizer and provide the logistics service to the customers. Currently, the Company temporarily stop the operation.

4. UMS Pellet Energy Co., Ltd.

operates import and export of biomass fuels, and transport and land transport. Currently, the Company temporarily stop the operation.

Risk Factors

The risk factors that may affect the Company's operations are as follows ;

1. Risk from volatile cost prices which vary depending on the trading price of the global market

The major factors which affect costs of goods sold are the coal price, freight rates and currency exchange rates which depend upon world market rates. Thus, the price volatility of these factors will directly impact the cost of goods sold. If the coal price and freight rates are increased whilst exchange rate is depreciated, the cost of goods sold will increase.

The effect of coal price and the freight rates to the cost prices.

The price of coal and freight rates in the world move due to changes in demand and minor supply in the world market. The trends for coal prices have still slightly fluctuated in recent years. It will be a minor effect of the Company. Although, the demand for coal are rising from India and Vietnam, while the supply from Indonesia control the coal mine. It will affect to small coal mine to be closed so it takes effect to the coal price at the end of the year.

For the year 2020, coal consumption is expected to increase from Asian countries such as Vietnam and India due to the construction of coal-fired power plants. Therefore, it is stable the demand for coal or decline from the economic slowdown. Together with dust pollution problems which may have to postpone or delay the construction of a coal-fired power plant project.

For the freight rate in case of the Company has a plan to import coal continuously, the Company do the contract with shipping Company. The Company will specify the price in advance as following as the world market rate as well. Therefore, the Company will set the supporting team for following up the coal price and freight rate closely to manage the cost of the good efficiently.

The effect from the exchange rate to the cost of products

The Company imports coal from abroad and the freight cost is denominated in US dollars. It affects to the Company because the Company purchases coal in the US dollar while the Company's sales to the domestic industry in Thai Baht. It makes the Company has the risks from the exchange rate if the Thai Baht has weakened. That affects to the high cost. However, the Company protect the effect of fluctuation in exchange rate by buying forward contract for the coal and freight rate. Therefore, the Company can reduce the risk of exchange rate.

2. Risk from new competitors

Since business of coal trading which requires less investment in terms of equipment and machinery, there is an opportunity for new comers to enter the business, especially when there are only a few existing players in this market. Currently, many new competitors has entered coal distribution market, as a result, gross margin is narrowed. Therefore, the Company has set key strategies to differentiate its products from other competitors for adding value and meeting the customer satisfaction. The Company has extensive experience and know-how to screen and improve the quality of coal to match each type of boiler used in each industry as well as our ability to promptly give advice to our customers on technical and other services related enquiries.



At present, the Company screens and improves coal quality to be optimal to each type of boiler used by small and medium sized manufacturers in order to ensure the highest efficiency and reduce the cost of production. Such an approach was well received by our customers. It causes the customers trust in ordering products from the Company. The Company has a large number of existing customers which is good for future business expansion.

3. Risk from substitute products and market expansion

Generally, primary energy resources being used by domestic industries can be classified into 3 types including fuel oil, natural gas, and coal. Whilst, fuel oil was the most popular choice among manufacturing companies due to its availability and ease of use (ease of maintenance) natural gas has mostly been used in power plants due to its lower cost compared to bunker oil. Coal is still not in widespread use due to the lack of the knowledge and correct understanding by the user. In the case of other types of alternative fuels that have lower prices, such as biomass fuel will not affect the Company's coal sales much because it is a limited amount of fuel which is not enough to produce steam of industrial plants.

From the past to present, the coal has the advantage of being a low-cost fuel with the cost of producing steam fuel is 3 times lower than fuel oil and it has very little environmental impact (bituminous and sub-bituminous types). Therefore, the various industrial plants tend to change to use more coal and the Company has been in the coal business for a long time. Therefore, it has a large customer base in many industries. However, the sale amount is decrease in the past. It will take effect to the customer to be decrease too. The Company began to build relationships with the old customers who stopped buying coal from the Company. The existing customers who repeated order for more coal from the Company. The Company will continue to expand the market with this group of customers.

4. Risk from environmental impact

Coal is classified into many types; ranking from the best heat generating quality and the least environmental hazard are Anthracite, Bituminous, Sub bituminous, and Lignite. While Lignite normally generates more polluted gas, the other types of coals with superior quality are more environmental friendly.

Currently, the Company imports bituminous and Sub-bituminous coal types which have superior quality and generates low sulphur (sulphur content is in range 0.1% -1.5% while sulfur content in fuel oil is in range 0.1%-3.0%) Thus; good quality coal creates less environmental. In addition, the Company has a closed storage system which complies with the government regulations and the Company manages particulate dispersion cautiously. Specifically, it has managed to reduce particulate dispersion by covering coal stockyard with plastic sheet, spraying water, planting tree in the high and fences around the warehouse, checking air and water quality regularly, planting pine trees, covering plastic sheet around truck to prevent coal from falling to the pavement and cleaning wheels of every truck before departure. Furthermore, the Company is executing more effective preventive measurement during production activities by dust dispersion control system of dust shield with water spraying to ensure the capacity of preventing environmental impact from Company's operation.



Major Shareholders

The list of the top 10 major shareholders of the Company as of March 14, 2019 is shown in the table below. (The par value is 0.50 baht)

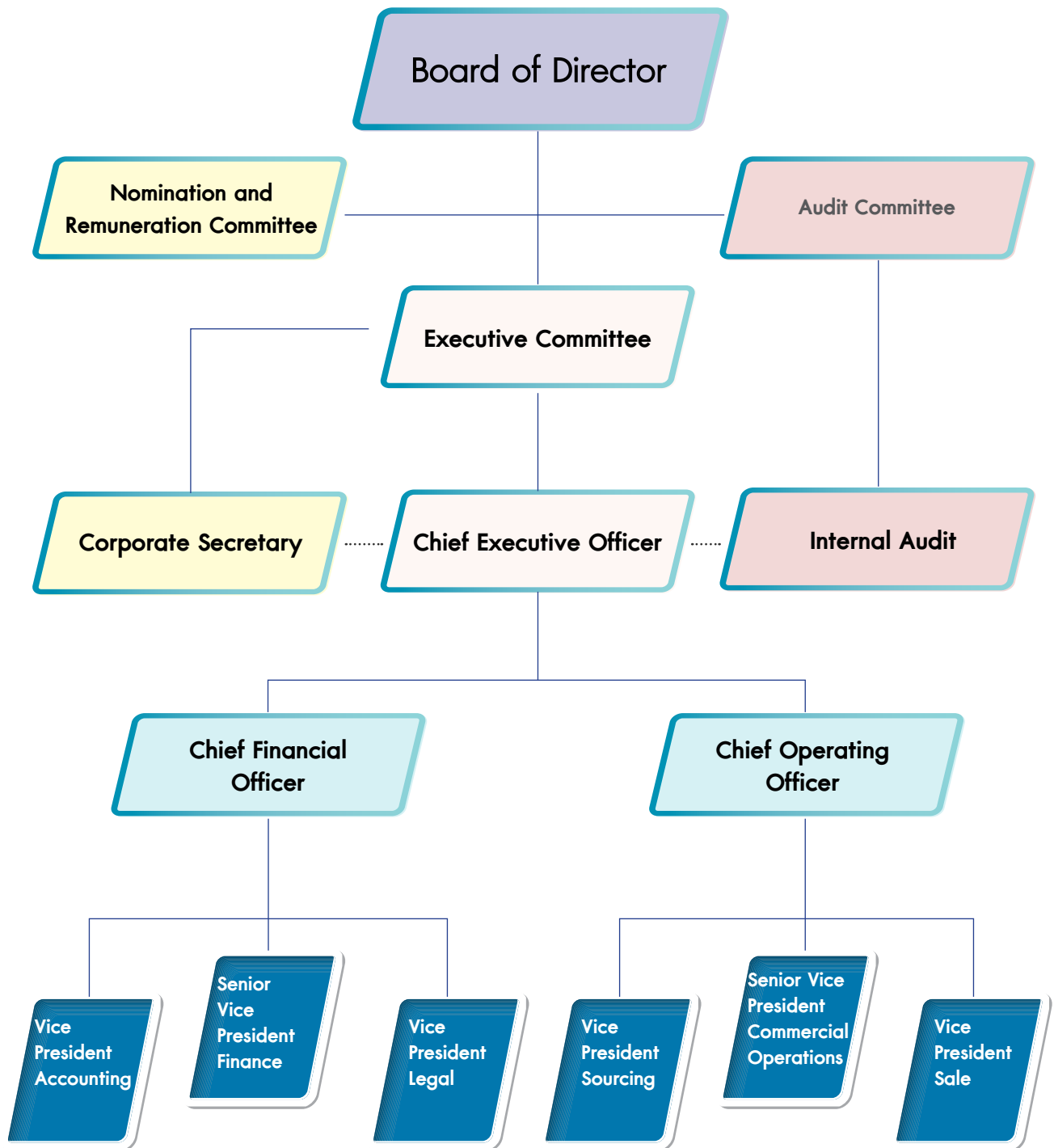
No.	Shareholders' List	Number of Shares	Proportion (%)
1	Athene Holding Co.,Ltd.*	654,878,013	92.93
2	Mr. Prayudh Mahagitsiri	6,558,900	0.93
3	Miss. Amporn Sripothong	2,548,966	0.36
4	Mr. Suthee Lim-Atiboon	1,766,666	0.25
5	Mrs. Ratchada Chanthawarang	1,443,366	0.20
6	Mr. Suchart Sutanontpaibul	897,500	0.13
7	Miss Ornicha Suwatthanapim	800,000	0.11
8	Thai NVDR Company Limited	717,468	0.10
9	Mr. Banyat Wutthisethpaiboon	700,000	0.10
10	Mr. Wasin Patikulseth	688,400	0.10
	Other shareholders	33,738,933	4.79
	Total	704,738,212	100.00

Remark : *Thoresen Thai Agencies Public Company Limited held shareholder of 99.99%

Dividend Policy

The Company will be pay dividend to shareholder not less than 40% of net profits after deduct the legal reserved. However, it must be approved on the shareholders' meeting of the Company except the Company need for capital expenditure to expand the business.

Organization Structure



The management structure of the Company is consisted of four committees including The Board of Directors, The Audit Committee, The Nomination and Remuneration Committee and The Board of Executive Directors. Details of which are as follows:

1. The Board of Directors

The Board of Directors consists of 6 directors as follows (As of December 31, 2019)

- | | |
|---------------------------------|---|
| 1. Mr. Chalermchai Mahagitsiri | Chairman of the Board of Directors |
| 2. Mr. Taratorn Wongprasat | Vice Chairman / Independent Director / Audit Committee /
Chairman of the Nomination and Remuneration Committee |
| 3. Mr. Dome Liewlomviboon | Director / Acting Chief Executive Officer /
Nomination and Remuneration Committee |
| 4. Mr. Nitipat Amnatthaloengsak | Independent Director / Chairman of Audit Committee |
| 5. Mr. Ekatip Tippavang | Independent Director / Audit Committee |
| 6. Mr. Suvicha Panichpol | Independent Director / Nomination and Remuneration Committee |

Authorized directors to sign on behalf of the Company are Mr. Chalermchai Mahagitsiri and Mr. Dome Liewlomviboon, two persons signs together with affixation of the Company's seal.

Duties and Responsibilities of the Board of Directors

1. Authority and responsibility according to the Public Company Act and other related laws which are authorities and duties of Directors or Board of Directors of public Company.
2. Authority and responsibility according to the articles of association of Company which are defined to be of the Board of Directors.
3. Consider long term business plan, budget and annual investment plan.
4. Consider annual financial statements.
5. Consider annual salary adjustment budget, employees' bonus budget, managements' welfare, directors' remuneration and dividend payment to shareholders.
6. Establish management structure, appoint management, managing director and other committees as appropriate.
7. Supervise and manage Company's performance in accordance with laws, Company's objectives and articles of association as well as shareholders' resolutions.

If the committees or connected persons are related to the transaction that may create any conflict of interest with Company, the related committees are not permitted to vote on that transaction.

Besides the resolution of the Board of Directors, a three-quarter (3/4) vote of eligible shareholders present at the meeting is required to approve the following events:

- The sale or transfer of the whole or important parts of the business.
- The purchase or acceptance of transfer to other companies or private companies.
- The signing, amending or terminating of contracts with respect to the leasing of the whole or important parts of the business, the assignment of the management of the business of the Company to other persons or business merger/acquisition with the purpose of profit and loss sharing.
- The amendment of memorandum of association or articles of association.
- The increase and decrease in capital, debenture issuance, merger/acquisition and wind up the Company.

2. The Audit Committee

The Audit Committee consists of 3 directors as follows:

- | | |
|---------------------------------|-----------------------------|
| 1. Mr. Nitipat Amnatthaloengsak | Chairman of Audit committee |
| 2. Mr. Ekatip Tippavang | Audit committee |
| 3. Mr. Taratorn Wongprasat | Audit committee |

Duties and Responsibilities of Audit Committee

1. Review Company's financial reports accurately and adequately.
2. Review Company's internal control and internal audit sufficiently and efficiently. Consider the independence of internal audit department and approve the appointment, change or retire head of internal audit department or other departments which are responsible for internal audit.
3. Review the Company to complies with SEC and SET rules and regulations, and laws concerning the Company's business.
4. Consider and propose for the appointment of the Company's auditor who is independent with the Company. Moreover, they shall propose the auditor fee and attend the meeting with auditor without management at least one time per year.
5. Consider connected transactions and conflicts of interest according to laws and regulations of SET to ensure the reasonableness and create most benefit to Company.
6. Prepare Audit Committee report to disclose in the Company annual report. Such report must be signed by chairman of audit committee and consists of the following :
 - a) Opinions regarding the correctness, completeness and reliability of Company's financial reports.
 - b) Opinions regarding the sufficiency of Company's internal control system.
 - c) Opinions regarding the compliance with SET rules and regulations, and laws concerning the Company's business.
 - d) Opinions regarding the auditors qualification.
 - e) Opinions regarding the connected transactions.
 - f) Total attendance of audit committees and the attendance of each audit committee.
 - g) Opinions or notices regarding audit committee perform according to the charter.
 - h) Any transactions which shareholders or investors should know under duties and responsibilities assigned by the Board of Directors.
7. Any other matters assigned by the Board of Directors which approved by audit committee.

Tenure of the audit committee are three years. Audit committee members who are retired by rotation could be re-elected. In the case of an audit committee position which is vacant with any reasons except by retired by rotation, The Board of Directors could appoint anyone who has complete qualifications to be an audit committee member to fulfill the rest position. Terms of such position are those remaining for the period of the substituted audit committee.

3. The Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee consists of 3 directors as following ;

- | | |
|----------------------------|---|
| 1. Mr. Taratorn Wongprasat | Chairman of The Nomination and Remuneration Committee |
| 2. Mr. Dome Liewlomviboon | The Nomination and Remuneration Committee |
| 3. Mr. Suvicha Panichpol | The Nomination and Remuneration Committee |

Duties and Responsibilities of The Nomination and Remuneration Committee

1. Determine and propose the structure, composition and attribute of the BOD and any committees.
2. Propose the qualified candidate to be a director to the BOD so as to propose to shareholders' meeting to approve in case there are any vacancies in the BOD.
3. Determine and shortlist the appropriate candidate for MD and establish the replacement plan for top executives.
4. Nominate, promote, transfer and terminate the Company's top executives, i.e., MD, Vice MD including the executives of the subsidiaries.
5. Recommend on the assessment of the performance of the executives.
6. Propose the remuneration structure for directors, MD and the management of the Company and its subsidiaries including meeting fee, annual bonus and any other benefits.
7. Determine the risk on the HR management.
8. Perform any other assignments appointed by the BOD.

In order to accomplish the scope of work, NRC has the authority to direct the Company's employee to participate, opine and provide any related documents, NRC also has the right to hire an independent advisor to provide any related advises in which any other fee incurred will be charged to the Company.

4. The Board of Executive Directors

The Board of Executive Directors consists of 2 directors as following ;

- | | |
|--------------------------------|--------------------|
| 1. Mr. Chalermchai Mahagitsiri | Executive Director |
| 2. Mr. Dome Liewlomviboon | Executive Director |

Duties and Responsibilities of the Board of Executive Directors are as following ;

1. Define the policy, direction and operate the business according to the Company policy.
2. Conduct the business strategies.
3. Conduct investment strategies and fund raising plans according to the Company policy.
4. Authority to employ, appoint, dismiss, approve an employment rate, adjust salary and present the reward or bonus to person who employs as assistant managing director or higher position.
5. Determine the employees' welfare and remuneration according to Company situation under effective law.
6. Consider the meeting agendas before requesting the approval from The Board of Directors.
7. Consider, approve investment projects, acquire and dispose fixed assets, and sign the commercial agreements according to the general Company's transactions. Nevertheless, such transactions must be complied with laws and regulation which pass the approval of The Board of Directors.

All of above approved from the Board of Executive Directors, however, do not include the approvals of Executive Directors who have conflict of interest, as well as important transactions which need to request the approval from shareholders regarding to the purchase or disposal the Company's important assets according to The Stock Exchange of Thailand laws and regulations.

Executive Management

Management of Company as of as of December 31, 2019 consists of 5 persons as follows:

- | | |
|-----------------------------|---|
| 1. Mr. Dome Liewlomviboon | Acting Chief Executive Officer / Acting Chief Financial Officer |
| 2. Mr. Ratchata Titayanurak | Acting Chief Operating Officer |
| 3. Ms. Nuanchan Vasinanuruk | Senior Vice President Finance |
| 4. Ms. Phakamat Prabyai | Vice President Accounting |
| 5. Mr. Chakkrit Amsakul | Vice President Commercial Operations |

Remarks : Mr.Ratchata Titayanurak has appointed as the Chief Operating Officer effective on November 14, 2019

Duties and Responsibilities of Chief Executive Officer

1. Determine the significant issues of Company, mission, objectives, policy, overall operating performance, production, customer relationship and any responsibility to Board of Directors.
2. Approve the normal operational transactions within budget of Baht 3 million.
3. Consider fund raising issues and present to Executive Board.
4. Hire, appoint, dismiss as well as determine salary and bonus to the employees who rank below assistant to managing director position.
5. Act and represent the Company to the outside related business and benefit to Company.
6. Approve and appoint any advisors regarding to the necessity issues for business operation.
7. Perform the general administration of Company.
8. Any other matters assigned by the Board of Directors and Executive Board.

All of above approved from Chief Executive Officer , However, do not include approvals of Chief Executive Officer who may have a conflict of interest , as well as important transactions which need to request the approval from shareholders regards to the purchase or dispose the Company's important assets according to The Stock Exchange of Thailand laws and regulations

Qualification of management

The Company certifies that our management team have ethics, capacity, and considerable experience, are honest and careful to protect the benefits of Company. They have the intention to operate business continuously. Moreover, they understand and response to public as well as they don't have any prohibit qualifications according to Securities and Exchange Act 1992.

Compensation for Board of Directors as of December 31, 2019

Name	Amount (Baht / Year)				
	Standard Monthly Fee	BOD	AC	NRC	Total
1. Mr.Chalermchai Mahagitsiri	TTA has a policy to the management who is the director of the subsidiary will not be remunerated				
2. Mr.Dome Liewlomviboon	TTA has a policy to the management who is the director of the subsidiary will not be remunerated				
3. Mr. Nitipat Amnatthaloengsak	192,000	36,000	43,200		271,200
4. Mr. Ekatip Tippavang	192,000	48,000	48,000		288,000
5. Mr. Taratorn Wongprasat	192,000	48,000	36,000	7,200	283,200
6. Mr. Suvicha Panichpol	192,000	-		-	192,000
Total					1,034,400

Remark :

BOD = Board of Directors Meeting

AC = Audit Committee Meeting

NRC = The Nomination and Remuneration Committee Meeting

Executive Management Compensations as of December 31, 2019

benefits	2019 ¹ (Million Baht)	2018 ² (Million Baht)
Salary	3.70	4.10
Bonus	0.24	0.27
Other compensation	0.26	0.29
- Provident fund		
Total	4.20	4.66

Remarks : 1. **For 2019** 1.Miss Nuanchan Vasinanuruk 2. Miss Phakamat Prabyai 3. Mr.Chakkrit Amsakul 4.Mr.Narongsak Amnuaychaikij (Mr.Rachata Titayanuruk did not receive the salary from UMS because TTA has a policy to the management who is the director of the subsidiary will not be remunerated)

2. **For 2018** 1.Miss Nuanchan Vasinanuruk 2. Miss Phakamat Prabyai 3. Mr.Chakkrit Amsakul 4.Mr.Narongsak Amnuaychaikij

Corporate Governance

The Company has complied with the principles of good corporate governance and the Company considered the implementation of the principles of good corporate governance for listed companies in 2017 or the Corporate Governance Code (CG Code) issued by the Securities and Exchange Commission to be suitable for the organization. The Board of Directors has considered and realized the role as the leader of the organization (Governing Board) by carefully considering such practices and understanding the benefits and importance of implementing CG Code to create value for the business which has been divided into 5 categories according to the guidelines of the Stock Exchange of Thailand. Due to good corporate governance will help the company to have more credibility, build long-term competitiveness with other companies with details as follows:

Section 1 Rights of Shareholders

The Company values the importance of shareholders' right, therefore, the Company assures that Company's shareholders shall have the same basic right, namely rights to buy, sell, or transfer shares, rights to obtain adequate information, rights to participate and vote in the shareholders' meeting on significant issues and rights to share in the profits of the Company. The details are as follows:

1. The Company sends meeting notices in advance containing details of the agenda and related appendices together with the opinions of the Board of Directors, proxy forms determined by the Ministry of Commerce, a list of all Independent Directors, and a map showing the meeting venue. These notices also contain details about the documents which each shareholder needs to bring to the meeting, together with Company regulations on the meeting and voting procedures. In addition, shareholders may view information about each meeting agenda on the Company's website before receiving the notice by mail. The Company allows registration of shareholders at least an hour prior to each meeting.
2. Before every meeting Chairman of the Board or the person assigned by the Chairman will clarify the voting method and vote count as clearly specified in the Company's regulations. The Company has counted the votes of shareholders who vote disagree or abstain from deducting from the total number of votes attending the meeting. The remaining votes will be considered as votes approved in that agenda. Moreover, it shows the summary of all votes in the meeting room which the Company will clearly separate the vote for each matter to protect the rights of shareholders.
3. The chairman allocates a suitable period of time for the meeting, conducts each meeting suitably and transparently, allowing through expression of views and queries before each ballot round and summarizes meeting resolutions on each agenda.
4. The meeting gives shareholders who come late a chance to vote on agenda still under consideration and not voted.
5. All directors attend each shareholder meeting. Directors are required to address relevant questions and concerns, posed by shareholders (if any).
6. The Company regularly disseminates information to shareholders via The Stock Exchange of Thailand's channel, media and publications, including its website.
7. The Company sets up a channel of minor shareholders to contact directly via E-mail addresses. Apart from these channels, minor shareholders can directly contact the Company's secretary or the investor relations unit.
8. The Company explicitly discloses shareholding structure in affiliated and subsidiary companies, therefore, shareholders feel confident of transparent management structure that are allowed to scrutiny.
9. The Company conducts its business efficiently for the sustainable growth of the Company and optimum returns to shareholders.

Section 2 Equality Treatment of Shareholders

The Company values and treats all shareholders fairly through the following actions:

- (1) Allowing each shareholder to propose agenda for consideration at shareholders' meeting ahead of the actual meeting date, announced to all investors via The Stock Exchange of Thailand's news portal and Company's website in advance. Moreover, criteria for agenda proposals and screening processes are clearly defined on the corporate website.
- (2) The Company offer opportunities for Shareholders to propose agenda items and nominate candidate qualified to be proposed for the election as Company's directors prior to the Annual General Meeting date based on criteria and procedure clearly defined by the Company. Detail and methods are disclosed and disseminated for the shareholders' information via Company's Website. In this regard, the selection of directors, directors at the meeting, the Company provided voting for the election of directors individually.
- (3) Convening the meeting in sequence of agenda as specified in the notice and not adding agenda without notifying shareholders in advance, so that shareholders may have enough time for data assessment before making their decisions.
- (4) Providing shareholders with a list of all Independent Directors on the proxy forms that can decide balloting directors, to encourage them to dictate how they need to vote. These proxy forms serve as an option to appoint Independent Directors as their proxies, and a choice over which Independent Directors to entrust their views.
- (5) Encouraging shareholders to use ballots. "Voting tickets" provided for each significant agenda are collected at the meeting and then added up the pre-cast votes before announcing the resolution to the meeting. For transparency and reference, the Company will file all voting tickets bearing witnesses' signatures.
- (6) Recording the minutes accurately and completely for sending it to The Stock Exchange of Thailand and the Securities and Exchange Commission within 14 days after the meeting. The minutes will also be posted on corporate website.
- (7) Establishing the Board of Directors' measurements to control the usage and prevent the misuse of internal information (insider trading) for personal benefit of concerned persons, including the Board of Directors, executives and staff in related department (including spouses and minor child of concerned persons).

In addition, if the Board of Directors or executives sell or buy the Company shares, They are required to report the shareholdings to The Securities and Exchange Commission (SEC) within 3 working days period for public disclosure.

Section 3 The Roles of Stakeholders

The Company commits responsibilities for all stakeholders to ensure sustainable mutual benefits, providing that the corporate administration or business operations of the Company shall not have an impact on the rights of stakeholders or create damage to stakeholders. If damage occurs, the Company determines the appropriate measures to benefit every party.

The Company places importance on the rights of all stakeholders. The details are as follows

Shareholders : Besides the basic rights of shareholders and the rights stipulated by the laws and the Company's article of association, such as rights to attend the shareholders' meetings and vote at the meeting, rights to freely express opinions at the shareholders' meetings, and rights to receive an appropriate return. The Company gives shareholders the right, as the owner of the Company, to make suggestions and comments on the Company's affairs through the independent directors. Each comment and suggestion will be carefully considered and presented to the Board of Directors.

Employees :	The Company believes that employees are the most valuable assets. The Company always develops competence of every employee to support business expansion plan. Furthermore, the Company treats its employees in such a way that they feel happy to perform their assigned tasks, improve working environment to ensure safe, modern and healthy welfare appropriately.
Trading partners :	The Company purchases products and services according to commercial terms including perform the contracts with partners fairly.
Creditors :	The Company considers the conditions with all creditors appropriately subject to economic situation and complies with loans agreements.
Customers :	The Company takes care and responses to all customers by providing standard quality products as well as keeps their confidential data. In addition, the Company set up customer relationship department to receive feedback, suggestions and opinions from customers.
Competitors :	Competitors will be treated fairly under normal competitive term and avoid the improper competition.
Communities :	The Company is responsible to environment of community and society. The Company complies with related rules and regulations to protect stakeholders' right fairly.
Independent Auditor :	The Company cooperates with independent auditors to disclose information correctly and transparently.
Society :	The Company continuously organizes activities to improve quality of communities such as environment, education and create jobs in community as well as the ISO 14000 standard and so on.

Section 4 Information Disclosure and Transparency

The Information disclosure represents an important principle of good corporate governance. The Company pays close attention to the information that needs to be disseminated to The Stock Exchange of Thailand and shareholders, particularly for its accuracy, adequacy, timeliness, and equitable treatment. The Company will disclose information at www.umspcl.com, or contact to investor@uniquecoal.com by Mr. Dome Liewlomviboon, Acting Chief Executive Officer and Acting Chief Financial Officer. He is responsible for answer the questions. The Company has clear procedure for information disclosure to The Stock Exchange of Thailand under ordinary and urgent circumstances.

The various information of the company including the annual report, Form 56-1, company information, quarterly operating results news which has been disclosed to the public including shareholders and investors, which will be published on the company's website to allow users to receive news in time and get the most benefit.

The Company always valued the accuracy, completeness, timeliness, and transparency of information disclosure and is committed to its best practices.

Section 5 Responsibilities of the Board of Directors

1. Structure

A. Composition

The Board of directors consists of 6 directors, which is considered suitable for the business. The composition of the Board of Directors is as follows:

- Two executive directors who have conflict of interest.
- Four independent directors with no conflict of interest, no relationship and not representative of major shareholders.

B. Definition of Terms and Number of Companies Where Directors Can Serve

The Board of Directors consists of 6 members, 4 of them were independent directors which was accounted more than one-third of all directors set by The Stock Exchange of Thailand. The director who has completed his/her terms, one-third directors with the longest terms must retire. Directors who are retired by rotation could be re-elected.

Moreover, The Board of Directors also agreed for the issue of the number of companies where directors can serve to be one important key in considering for appointing the director. In addition, the Company where each director serves has disclosed in attachment 1 of Form 56-1, annual report and corporate website.

C. Qualifications of Independent Director

The Independent Director shall consist of at least one-third of all director or not always less than three persons. The qualifications of independent director in accordance with rules and regulations of SEC are as follows.

- (1) holding shares not exceeding one per cent of the total number of shares with voting rights of the applicant, its parent Company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- (2) neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the applicant, its parent Company, subsidiary Company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the office. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the applicant;
- (3) not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the applicant or its subsidiary company;
- (4) neither having nor used to have a business relationship with the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the applicant, its parent Company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the office.
- (5) neither being nor used to be an auditor of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the office;
- (6) neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the applicant, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the office;
- (7) not being a director appointed as representative of directors of the applicant, major shareholder or shareholder who is related to major shareholder;

- (8) not undertaking any business in the same nature and in competition to the business of the applicant or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the applicant or its subsidiary company;
- (9) not having any other characteristics which cause the inability to express independent opinions with regard to the applicant's business operations.

D. Aggregation or Segregation of Position

The Chairman and the Managing Director is always not the same person. The Chairman is elected by the Board of Directors, whereas the Chief Executive Officer comes from nomination. The Chairman is the leader and contributes significant decision-making of the Company's policy which is the result from The Board of Directors' meeting which is considered and determined goals with management. The chairman shall ensure that The Board of Directors meetings proceed efficiently and effectively. During each meeting all Directors are urged to actively participate such as raise essential questions, meeting, recommend, supervise and support management through managing director regularly. But the chairman shall not interfere to routine work which is responsible by managing director. Managing Director is head of management team. The Board of Directors authorizes managing director or acting or representative to sign on behalf of Company. Managing Director authorizes management team according to specified authorities efficiently and clearly. Hence, there is a clear distinction between the roles of The Board of Directors and the Management.

E. Company Secretary

The Company has appointed a corporate secretary who is Miss Phasita Nilnoree. The roles and responsibilities are the following :

- Handle and keep documents
- Registration of Directors.
- Meeting notices, minute of The Board of Directors, and corporate annual report.
- Appointment of Shareholders Meeting and minute of Shareholders Meeting.
- Record of connected transactions which report by directors or management.
- Communicate with shareholders and ensuring that they are properly taken care of.
- Communicating with related regulatory agencies.

2. Sub-committees

The Board of Directors has appointed sub-committees to handle specific aspects. Their qualifications and responsibilities have been defines in their respective charters. A majority of their members are Independent Directors. The Chairman does not belong to any sub-committee. The sub-committees are regularly report their findings to The Board of Directors.

Currently, the Company has appointed two sub-committees, namely The Audit Committee and The Nomination and Remuneration Committee. Their member names, responsibilities, and report of each sub-committee are described in the Annual Report.

3. Business Ethics

The Board of Directors stipulated the business ethics in good corporate governance principles by conducting equitable treatment, transparency, auditable, and respect to the rights of all stakeholders which will create confidence and acceptance of efficient performance and transparency of Company. The code of conducts consists of eight principles

- Conflicts of interest
- Responsibility to shareholders
- Responsibility to employees
- Responsibility to customers
- Responsibility to trading partner
- Responsibility to competitors
- Responsibility to society and communities
- Follow-up the action

4. Conflicts of Interest

The Company has policy to protect conflicts of interest which define the measurement to avoid any conflict and interest for personal benefit. The procedure for directors and employees are as following ;

1. Prohibit Directors, Management and employees bring inside information of Company to use for their personal stock trading or use inside information to operate business which compete with the Company or related business.
2. Avoid doing personal transaction related to the Company which may cause conflict of interest.
3. If the Company has any transactions which are beneficial to the Company, the Company shall treat such transaction on arm length basis. Directors and employees which have conflicts of interest shall not approve such transactions.
4. If the Company has related transaction to Shareholders, Directors, Managements or related persons, the appointed Audit Committee shall approve on such transactions.

Connected transactions must be considered by The Board of Directors for reasonableness of the transactions and the Audit Committee shall approve the disclosure in the annual report and Form 56-1 including publishing on the company website.

5. The Board of Directors' Meeting

The meeting date of the Board of Directors has been specified in advance for each year while clear meeting agenda has been determined quarterly. Other agendas are jointly decided by the Chairman and Managing Director as necessary. However, each director may propose matters which they consider materially. In 2019, The Board of Directors convened totally 4 times. The Board of Directors always received an invitation, draft minute of meeting and complete supporting documents for consideration ahead of each meeting.

Normally , an ordinary The Board of Director's meeting last approximately two hours. The Company's secretary always attend the meeting, record minute of meeting and keep document files of meeting correctly and completely. The Company's secretary also advises the Board of Directors regarding related rules and regulations.

The minutes of meeting of the Board of Director's meeting covers all important issues and the resolutions were unanimously approved. The discussion and opinion of directors were clearly recorded. All documents were systematically filed under tight security. Generally, all directors attended every meeting except for legitimate reasons for absence. If he knows in advance, he will send an apology letter to the Chairman when they could not attend a meeting. Record of the Board of Directors' attendance in 2019 (as of December 31, 2019) was as follows :

Attendance of The Board of Directors and Sub-committee's meeting in 2019

Director	Position	BOD	AC.	NRC	Shareholder meeting AGM
		4 Times	4 Times	1 Times	
		No. of Attendance/No. of Meeting (Times)			
1. Mr. Chalermchai Mahagitsiri	Chairman of the Board of Directors	3 / 4			1 / 1
2. Mr. Taratorn Wongprasat	Vice Chairman / Independent Director / Audit committee / Chairman of NRC	4 / 4	3 / 4	1 / 1	-
3. Mr. Dome Liewlomviboon	Director / Acting Chief Executive Officer / Member of NRC	4 / 4		1 / 1	1 / 1
4. Mr. Nitipat Amnatthaloengsak	Independent Director / Chairman of Audit Committee	3 / 4	3 / 4		1 / 1
5. Mr. Ekatip Tippavang	Independent Director / Audit Committee	4 / 4	4 / 4		1 / 1
6. Mr. Suvicha Panichpol	Independent Director / Member of NRC	-		-	-

6. Compensation of Directors and Management

A. Directors' Compensation

The Annual General Shareholders' Meeting for 2019 approved Directors and sub-committees' remuneration, taking into account the Company's business, size, performance as well as the duties and responsibilities of The Board of Directors and sub-committees. The Directors' and sub-committees' remuneration packages for 2019 were the same as those of 2018 to accommodate the performance of the Company. The details are as follows;

- the monthly compensation of 16,000 Baht per person for the Company's Chairman and non-executive directors, with the attendance fee of 12,000 Baht/time/person
- The attendance fee for the Audit Committee is 12,000 Baht/time/person
- The attendance fee for the Nomination and Remuneration Committee is 6,000 Baht/time/ person
- The attendance fee of the Chairman of each committee will be 1.2 times of each committee. The attendance fee will be provided only Members who attended the meeting.

B. Compensation Policy for Subsidiaries' Board Members

The subsidiaries or joint venture Company which the Company invests directly or indirectly comply with the business condition are treated as Company assets in line with legal criteria or investment conditions. As a rule, the boards of these companies are kept minimum, for instance, the Chief Executive Officer and senior management executive directly responsible for the success of such project according to Company's policies and strategies. Therefore, Managing Director and executives as director of subsidiaries are not entitles to extra compensation except allowance because it is considered as routine work which is clearly specified in good corporate governance principles of Company as well.

C. Managing Director's Compensation

The Managing Director's compensation is determined clearly and transparently decided by the Chairman. Consideration is based on duties and responsibilities, linked to the Company financial results and annual performance evaluation.

D. Executives' Compensation

Chief Executive Officer will consider compensation of each executive appropriately for increasing salary of executive. Consideration is based on individual performance and Company's financial results. In addition, performance compared with goals of each department was considered as well.

The Company disclosed total compensation in Form 56-1. Besides, holding securities, warrant of individual were also disclosed transparently to support Company's good corporate governance principles.

7. Development of directors and executives

The Board of Directors regularly improve themselves by attending seminar, courses and meetings organized by the Institute of Directors of Thailand (IOD), The Stock Exchange of Thailand, and SEC, and bring such knowledge to develop Company further.

Employee Improvement Policy of the Company

The Company has continuously encouraged the employees to continue training in terms of increasing knowledge in the work in various fields to develop employees' potential more effectively. In addition, the development of security. The Company sent its staff to train firefighters and fire evacuation training "fire drills and fire escape" on December 19, 2019.

The Role of Strategic Partners

Human resources must know and understand the work of all department and must have the knowledge of the business as which is currently known as a business partner. Besides it must be stated clearly that any of activities of human resources can make the Company get more the benefit or get something in return to the Company.

The Role of being the expert in working

The work of human resources must have both of administrative role and service role to staffs. The service role is a routine work such as recruiting, hiring , salary , managing the staff's data, staff training , evaluation of performance completely so the human resource try to find the ways to improve the performance of the administration to get the result fast and efficiently by applying the technology for working fast and reduce the manpower which is unnecessary in the Company. Moreover, the Company will get the output for human resources fast moving , high quality under low cost conducted.

The Role of improvement for employee

Human resource need to set up the return or welfare to the staff which is able to competitive and to set up the career development and training/seminar for development , flexible working hours including CSR activities for motivation the staff and understanding the all of the group of generation in the Company.

The Role of the Leader skills

The nature of personnel in the organization during the current economic situation. There are many changes such as new attendance, resignation, migration, position adjustment etc. Therefore, setting the rules The Human Resources Department has set up a system to support change, which is a matter that human resource professionals must have expertise and understand such nature. Moreover, acting as a change leader is the use of modern enterprise management systems to reduce operational procedures (in some cases that are not necessary, which can reduce the procedure). Besides, being the leader for changes is to use the modern management system such as to reduce the process work which is unnecessary and eliminate them out of working.

In addition, the Company had improved and provide the good welfare to the staff and special benefits to the employees in different ways which is non-monetary returns and others as below.

- Welfare medical expenses , the Company has developed a form of payment for the hospital both outpatient and inpatient to meet the cost of living in the present and making the employee to be comfortable and receive the good medical treatment in case of illness. Moreover, the employee can admit to the hospital without having to pay money before. So that all employees are treated well in sickness and also to improve the amount of medical expenses for employees to achieve the equality in the Company.
- To Provide the benefit for aid in case of family members (including father mother , husband , wife and son) died.
- Provident fund to employees for saving money. The Company will contribute to the fund with a number of employees. Employees will have the money to spend on termination of employment.
- Reward for the years of service to the employee who work for 10 consecutive years, 15 years , 20 years and 25 years. The Company will provide souvenirs and certificate to express its appreciation and thanks to them.
- The Company will provide the annual physical check up.

The Summarized of Connected Transaction

In the year 2019, the Company had connected transactions with related parties. The Company has taken special care to those transactions appropriately complying with Regulations of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) and the capital market supervisory board. However, The auditing Committee monitored the authorization approval and reviewed the connected transactions as regulated comply by the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC) and the capital market supervisory board. The details of the transactions were disclosed in notes of the financial statements for the year ended December 31, 2019 as detail as follows ;

Related Parties	Affiliation	Details	For the Year 2018 (Jan.-Dec.) (Baht)	For the Year 2019 (Jan.-Dec.) (Baht)	Outstanding as of Dec. 31, 2019 (Baht)
Thoresen Thai Agencies Plc.	Holds the 99.99% stake in Athene Holdings Co., Ltd. which holds 92.93% stake of UMS	- Office rental (Orakarn building) - Office service (Orakarn building) - Network Maintenance - Loan (Promissory note) - Interest expenses - Meeting room services - Electricity - Water Supply - Others	1,136,400.00 568,200.00 360,000.00 - 26,315,000.00 27,500.00 92,862.00 4,457.00 -	983,400.00 491,700.00 300,000.00 40,000,000.00 24,486,505.00 15,000.00 228,084.00 7,661.00 7,307.00	81,000.00 43,335.00 26,750.00 530,000,000.00 23,486,505.00 2,675.00 17,141.00 627.00 622.00
Athene Holdings Co., Ltd.	Athene Holdings Co.,Ltd. is a major shareholder of the company by holding 92.93% of shares.	- Loan (Promissory note) - Interest expenses	- 1,124,999.00	75,000,000.00 30,822.00	- -

Management Discussion and Analysis

The overall economy was stagnant with high uncertainty in 2019. It resulted from the Trade War between China & the US that has been persisting for a long time, the international conflicts such as the Middle East tensions towards the US. They directly and indirectly affected our nation economy in the grand schemes in many industries. The exports have shrunk in many countries, including Thailand. With the Thai currency appreciation & the political instability, it caused turmoil in the government work. Many solutions to various economic problems were quite difficult to take actions and/or delayed.

The Company mainly focused on purchasing coal imported from Indonesia by the domestic suppliers. We aimed at selling quality products in a reasonable price in order to maintain the good clientele. Although the overall sales volume decreased due to the reduction of coal selling prices to consumers, the company had a higher profit margin resulting from becoming a service provider in the coal business. As a result, the Company has a net loss of operations decreased from the previous year to THB 41.78 million, which is a better trend.

In 2020, the Company aims to increase sales by offering quality products at a reasonable price, along with improving the work systems to be more environmentally friendly. The company growth will go together with environmental awareness and conservations.

Financial Highlights

Unit : Million Baht	2018	2019	% YOY
Total revenues	253.47	127.07	(49.87%)
Gross profits (losses)	16.34	32.57	99.33%
EBITDA	3.10	18.48	496.13%
Net Loss	(63.99)	(41.78)	34.71%
Gross profit (Loss) margin (%)	6.56	25.95	295.55%
EBITDA margin (%)	1.22	14.54	1,089.12%
Net profit (Loss) margin (%)	(25.24)	(32.88)	(30.23%)
Loss per share* (Baht per share)	(0.13)	(0.06)	53.85%
Total assets	845.84	643.37	(23.94%)
Total liabilities	741.41	580.72	(21.67%)
Total equity	104.43	62.65	(40.01%)

*Total share of common stock 505,591,055 shares (Weighted Average) for the Year 2018

*Total share of common stock 704,738,212 shares for the Year 2019

Performance Analysis

During the fiscal year January 1, 2019 to December 31, 2019, the Company's total revenue was at THB 127.07 million which compared with the Year 2018, the Company's total revenue was THB 253.47 million or decreasing at the rate of 49.87% due to the coal price in this year is lower than the previous year and the price competition is higher than the previous year. Therefore, it will effect to the decreasing of sale volume. However, the Company is transform itself as service providers which is relating to coal business such as the screening coal and land leasing service for coal storage. Therefore, the Company has increased gross profit margin or equivalent to 25.95% of sales and service income compared to year 2018. The Company has a net loss of THB 41.78 million, which is compared to the previous year with a net loss of THB 63.99 million or equivalent to a decrease of 6.56%.

Financial Position Analysis

Total Assets

The Company's Consolidated Total Assets at December 31, 2019 was at THB 643.37 million or equivalent to a decrease of 23.94% compared with the year 2018 at December 31, 2018 which is mainly due to the capital increase and the Company repay loans to the related company in January 2019. That effects to cash and cash equivalents decreased from THB 207.41 million to THB 40.84 million at December 31, 2018 and at December 31, 2019 respectively or decreasing at the rate of 80.31% from the previous year. The inventory decreased from THB 19.25 million to THB 10.47 million at December 31, 2018 and December 31, 2019 respectively or equivalent to a decrease of 45.61% from the previous year.

Net Trade and Other Accounts Receivable

The Company's Consolidated Net Trade and Other Accounts Receivable at December 31, 2019 was at THB 19.80 million or decreased about THB 6.20 million from December 31, 2018 due to the decrease of sales volume. As a result, the average Collection Period increased from 42 days in 2018 to 67 days in 2019. Due to the services which related the coal business has to wait for the monthly report for bill payment, that will effect to the increasing the total collection period.

Net Inventory

The Company's Consolidated Net Inventory at December 31, 2019 was at THB 10.47 million or decreased from THB 19.25 million at December 31, 2018 in accordance with the sale volume. In this year the sale volume decreased from the previous year. And the Company released the coal in the stock slowly. That would effect to the increasing the average product sales duration from 27 days in 2018 to 108 days in 2019.

Statements of Cash Flow

Cash Flow from Operating Activities

For the year ended December 31, 2019, the Company and its subsidiaries had net cash flows used in operating activities of THB 29.51 million. The main item is the decreasing in trade accounts payable and as well as the decreasing the inventory which is accordance with sale volume.

Cash Flow from Investing Activities

The Company's Consolidated Net Cash Flow used Investing Activities at December 31, 2019 was at THB 10.17 million which was maintenance expenses or improving fixed assets to be in good condition efficiently.

Cash Flow from Financing Activities

The Company's Consolidated Net Cash Flow from Financing Activities at December 31, 2019 was at THB 185.92 million which was due to the repayment short term loans from the related parties.

Financial Ratios

Current Ratio

The Company's Consolidated Current Ratio in 2019 was at 0.13 time and the Quick Ratio was at 0.11 time which decreased from 2018 due to the Company has used all proceeds from the capital increase to repay debt.

Account Receivable Turnover and Collection Period

The Company and subsidiaries has turnover rate of accounts receivable decreased from 8.70 times to 5.48 times for 2018 and 2019 respectively. Due to the Company has the average collection period increased from 42 days to 67 days for 2018 and 2019 respectively.

Inventory Turnover and Period

The Company's Consolidated Inventory Turnover decreased from 13.29 times in 2018 to 3.37 times in 2019 due to the Company's ability to release the inventory slowly. Therefore it would effect to the average of selling period increased from 27 days in 2018 to 108 days in 2019.

Gross Profit Margin

The Company's Consolidated Gross Profit Margin increased to 25.95% in 2019 which compared to the previous year was 6.56% . Due to the Company has increased the service income from last year. Therefore the gross profit was higher than the previous year.

Debt to Equity Ratio

The Company's Consolidated Debt to Equity Ratio increased from 7.10 times in 2018 to 9.27 times in 2019 due to the Company has accumulated losses increased, resulting in the shareholders' equity decreased to THB 62.65 million. Therefore, the debt to equity ratio is higher than the previous year.

Capital Structure

Liabilities

The Company's Consolidated Liabilities at December 31, 2019 were mainly from short-term loan from related Company at THB 530.00 million and others THB 23.66 million.

Equity

The Company's Consolidated Net Equity at December 31, 2019 was at THB 62.65 million.

Capital Structure

In consideration of the appropriation of the proportions of capital structure as of December 31, 2019, the Consolidated Debt to Equity Ratio was at 9.27 times which is higher than the average of the industry. Most of the debt was Short-term Loan from the related Company. Therefore, the Company needs to adjust the financial structure more appropriately. Moreover, the Company has always been aware of such matters and it has put this in the long-term plan of the Company.

Report of the Audit Committee

Attention to Shareholders of Unique Mining Services Public Company Limited

The audit committee comprises of 3 independent directors who have experiences in business management financial management and law, namely Mr.Nitipat Amnatthaloengsak, as Chairman of Audit Committee, Mr.Ekatip Tippavang and Mr.Taratorn Wongprasat. as the committee.

In accordance with the duties and responsibilities assigned by the Board of Directors, the Audit Committee held 4 (four) meetings during the year 2019 (January 1, 2019 - December 31, 2019). The Audit Committee, through various meeting with related managements, auditors and internal audit department manager to consider the following matters;

- The Audit Committee has reviewed the financial statement quarterly and annually before presenting to the Board of Directors to ensure that the statements are accurate, complete and comply with rules and regulations, with sufficient disclosure and transparency. The Audit Committee also provided recommendations and suggestions for the improvement of Company to the Board of director.
- Considering and approving the internal audit plan for the year 2019. The plan is conducted and prioritized by risk base management concept and emphasized on effective and efficient compliance. The internal audit system has been developed and improved continuously to sustain good internal control. Audit Committee makes sure that the Company has implemented appropriate risk management system.
- Making sure internal audit department independently perform good control and monitor the internal operation of Company. The Audit Committee has followed the performance of internal audit work and quick response to the finding.
- Proposing principles of good corporate governance and reviewing the Company's compliance with the laws and regulations of Securities Exchange and Commission, The Stock Exchange of Thailand and the laws.
- Audit committee studied, reviewed and approved connected transaction to make sure that this transaction is transparence, and bring in benefit to the Company. The decision was made by only independent directors and the transaction has been disclosed and complied with SET rules and regulations. And it is emphasized to comply with the agreements made with communities and various government agencies.
- Reviewing the performance and independence of the Auditors and nominating Mr. Banthit Tangpakorn CPA No. 8509, Mr.Sakda Kaothanthong CPA no.4628 Mr.Veerachai Ratanajaratkul CPA No. 4323 and Mr.Watchara Watchara Pattarapitak CPA No. 6669 of KPMG Phoomchai Audit Ltd. to be auditor of the Company for the fiscal year 2019(January 1, 2019 - December 31, 2019), as well as proposed their annual remuneration. This appointment will be submitted to the Board of Directors and to get the approval from shareholders' meeting.
- Evaluation of the performance of the Audit Committee

- The Audit Committee has evaluated the performance of the Audit Committee jointly and severally with the Audit Committee Charter approved by the Board of Directors as following the relevant regulations and as assigned by the Board of Directors , and performance appraisal meets the criteria set by the Securities and Exchange Commission. The results of the appraisal show that the Audit Committee has performed its duties with great efficiency. In summary, the Audit Committee has performed the duties assigned by using the knowledge, ability , prudence and there is sufficient independence. They also provide comments and suggestions for the benefit of all stakeholders equally, the Audit Committee attaches great importance to have an internal control system and risk management continuously. Good governance is ensured by adequate internal control system appropriate to the business of the Company. Moreover, the Company has the effective risk management, accurate and reliable accounting , financial reporting and compliance with relevant laws and regulations, as well as efficient management.



(Mr.Nitipat Amnatthaloengsak)

Chairman of the Audit Committee



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Independent Auditor's Report

To the Shareholders of Unique Mining Services Public Company Limited

Opinion

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

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

I draw attention to Note 2 to the accompanying financial statements which describes that the Group and the Company incurred a net loss during the year ended 31 December 2019 of Baht 41.8 million and Baht 40.3 million, respectively. As of that date, the Group's and the Company's current liabilities exceeded current assets by Baht 504.5 million and Baht 543.5 million, respectively, and the deficit balances were Baht 766.3 million and Baht 803.5 million, respectively. However, the Group and the Company are in process of solving the financial position, financial performance and financial liquidity problems of the Group and the Company by implementing policies and procedures in an attempt to manage its liquidity risk and other circumstances. These circumstances indicate the existence of a material uncertainty that may cast significant doubt about the Group's and the Company's ability to continue as a going concern. My opinion is not modified in respect of this matter.

b



Key Audit Matter

Key audit matter is the matter that, in my professional judgment, was of most significance in my audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Impairment of investment properties and property, plant and equipment	
Refer to Notes 4, 10 and 11 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
<p>The Company has operated at a loss for several years and coal sales volume is in the declining trend. Moreover, the Company has some part of investment properties which have not been utilised in business operation and held for a currently undetermined future use. The management considers these are the indicators of possible impairment.</p> <p>To determine the recoverable amount of the assets, the management considers value in use and fair value less costs to sell. The consideration of recoverable amount involve the application of management's judgment. In addition, the carrying value of investment properties and property, plant and equipment are material to the Company's financial statements, this is the most significant area which my audit is focus on.</p>	<p>Among others, I performed the following procedures:</p> <ul style="list-style-type: none"> • gained understanding of the process for estimating the recoverable amount including the value in use which derived from discounted cash flow to present value and fair value less costs to sell; • assessed the appropriateness of significant assumptions made by management by comparing with the actual past operation results, the future Company's business plan and external market analysis; • performed sensitivity analysis calculation based on the expected movements in such assumption to ascertain the impact of reasonably possible changes; • inspected the relevant documents, which are engagement letter for the service provided by the independent property valuer to the Company and the valuation report, to obtain the understanding of objective, methodologies and assumptions used by valuer; • performed an evaluation of the competence, capabilities and objectivity of the valuer, engaged by the Company; • checked the property detail provided to valuer with asset register and detail of property on valuation report for the completeness of property in valuation scope;



Impairment of investment properties and property, plant and equipment	
Refer to Notes 4, 10 and 11 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
	<ul style="list-style-type: none"> involved with KPMG external expert to evaluate the appropriateness of methodologies and assumptions used by independent property valuer; and tested the calculations and considered the adequacy of disclosures in accordance with the Thai Financial Reporting Standard.

Other Information

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

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

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

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

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

b



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

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

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

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

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

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

B



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

A handwritten signature in blue ink, appearing to read 'B. Tangpakorn', with a large, stylized flourish at the end.

(Banthit Tangpakorn)
Certified Public Accountant
Registration No. 8509

KPMG Phoomchai Audit Ltd.
Bangkok
24 February 2020

Statements of financial position

Unique Mining Services Public Company Limited and its Subsidiaries

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
(in Baht)					
Current assets					
Cash and cash equivalents	6	40,839,480	207,412,138	14,621,585	183,065,668
Trade accounts receivable	7	16,923,514	22,687,899	13,148,971	15,475,489
Other accounts receivable	5	2,878,481	3,312,515	2,078,613	3,019,772
Inventories	8	10,472,246	19,248,289	10,360,051	19,190,961
Other current assets		1,637,641	1,670,684	1,588,485	1,608,386
Total current assets		72,751,362	254,331,525	41,797,705	222,360,276
Non-current assets					
Restricted deposit at a financial institution	22	1,700,000	-	-	-
Investments in subsidiaries	9	-	-	133,044,666	133,210,169
Investment properties	10	192,178,125	309,076,814	192,178,125	309,076,814
Property, plant and equipment	11	373,145,821	279,677,920	242,950,059	146,401,267
Intangible assets		1,586,876	2,111,158	1,567,996	2,086,282
Other non-current assets		2,009,949	645,878	1,746,971	563,807
Total non-current assets		570,620,771	591,511,770	571,487,817	591,338,339
Total assets		643,372,133	845,843,295	613,285,522	813,698,615

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

Statements of financial position

Unique Mining Services Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2019	2018	2019	2018
(in Baht)					
Current liabilities					
Short-term borrowings from financial institutions	12	10,000,000	42,574,633	10,000,000	42,574,633
Trade accounts payable	5	5,449,926	6,691,814	4,923,161	5,925,612
Other accounts payable	5	29,179,259	41,102,076	28,471,901	40,069,174
Short-term borrowings from related parties	5, 12	530,000,000	645,000,000	540,000,000	655,000,000
Accrued expenses		2,401,068	2,260,901	1,777,658	1,723,370
Other current liabilities		268,377	1,768,085	82,094	1,412,089
Total current liabilities		577,298,630	739,397,509	585,254,814	746,704,878
Non-current liabilities					
Provisions for employee benefit	13	2,405,126	2,014,843	1,602,127	1,278,111
Other non-current liabilities		1,013,746	-	1,013,746	-
Total non-current liabilities		3,418,872	2,014,843	2,615,873	1,278,111
Total liabilities		580,717,502	741,412,352	587,870,687	747,982,989
Equity					
Share capital	14				
Authorized share capital		352,369,106	352,369,106	352,369,106	352,369,106
Issued and paid share capital		352,369,106	352,369,106	352,369,106	352,369,106
Share premium on ordinary shares	14	466,074,567	466,074,567	466,074,567	466,074,567
Retained earnings (deficit)					
Appropriated to legal reserve	15	10,500,000	10,500,000	10,500,000	10,500,000
Deficit		(766,289,042)	(724,512,730)	(803,528,838)	(763,228,047)
Equity attributable to owners of the parent		62,654,631	104,430,943	25,414,835	65,715,626
Non-controlling interests		-	-	-	-
Total equity		62,654,631	104,430,943	25,414,835	65,715,626
Total liabilities and equity		643,372,133	845,843,295	613,285,522	813,698,615

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

Statements of Comprehensive Income

Unique Mining Services Public Company Limited and its Subsidiaries

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2019	2018	2019	2018
		(in Baht)			
Revenues					
Revenues from sales of goods		59,318,158	204,301,707	59,318,157	204,301,707
Revenues from rendering of services		66,230,440	44,841,660	31,943,029	-
Total revenues	16	125,548,598	249,143,367	91,261,186	204,301,707
Costs					
Costs of sales of goods	5	51,241,511	205,009,194	51,287,498	206,271,949
Costs of rendering of services		41,733,008	27,791,875	17,109,953	-
Total costs	18	92,974,519	232,801,069	68,397,451	206,271,949
Gross profits (losses)		32,574,079	16,342,298	22,863,735	(1,970,242)
Other income	5	1,522,747	4,330,644	7,517,109	10,088,337
Profit before expenses		34,096,826	20,672,942	30,380,844	8,118,095
Selling expenses	18	4,836,012	7,460,483	4,836,012	7,460,483
Administrative expenses	5, 18	44,992,027	57,204,020	40,039,470	52,594,564
Reversal of impairment loss on assets	11	-	(12,159,799)	-	-
Total expenses		49,828,039	52,504,704	44,875,482	60,055,047
Loss before finance costs and income tax expense		(15,731,213)	(31,831,762)	(14,494,638)	(51,936,952)
Finance costs	5	25,556,150	30,004,394	25,806,153	30,254,397
Loss before income tax expense		(41,287,363)	(61,836,156)	(40,300,791)	(82,191,349)
Tax expense	19	488,949	2,151,218	-	-
Loss for the year		(41,776,312)	(63,987,374)	(40,300,791)	(82,191,349)
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Gains on remeasurements of defined benefit plans		-	379,021	-	420,495
Total comprehensive income for the year		(41,776,312)	(63,608,353)	(40,300,791)	(81,770,854)
Loss attributable to:					
Owners of the parent		(41,776,312)	(63,987,374)	(40,300,791)	(82,191,349)
Non-controlling interests		-	-	-	-
Loss for the year		(41,776,312)	(63,987,374)	(40,300,791)	(82,191,349)
Total comprehensive income attributable to:					
Owners of the parent		(41,776,312)	(63,608,353)	(40,300,791)	(81,770,854)
Non-controlling interests		-	-	-	-
Total comprehensive income for the year		(41,776,312)	(63,608,353)	(40,300,791)	(81,770,854)
Basic loss per share (in Baht)	20	(0.06)	(0.13)	(0.06)	(0.16)

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

Statements of changes in equity

Unique Mining Services Public Company Limited and its Subsidiaries

	Note	Issued and paid share capital	Share premium	Consolidated financial statements				Non-controlling interests	Total equity
				Retained earnings (deficit)	Equity attributable to owners of the parent				
				Appropriated to legal reserve	Deficit (in Baht)				
Year ended 31 December 2018									
Balance at 1 January 2018		251,692,219	416,355,938	10,500,000	(660,904,377)	17,643,780	-	-	17,643,780
Contributions by owners of the Company									
Issue of ordinary shares	14	100,676,887	49,718,629	-	-	150,395,516	-	-	150,395,516
Total contributions by owners of the Company		352,369,106	466,074,567	10,500,000	(660,904,377)	168,039,296	-	-	168,039,296
Comprehensive income for the year									
Loss		-	-	-	(63,987,374)	(63,987,374)	-	-	(63,987,374)
Other comprehensive income		-	-	-	379,021	379,021	-	-	379,021
Total comprehensive income for the year		-	-	-	(63,608,353)	(63,608,353)	-	-	(63,608,353)
Balance at 31 December 2018		352,369,106	466,074,567	10,500,000	(724,512,730)	104,430,943	-	-	104,430,943
Year ended 31 December 2019									
Balance at 1 January 2019		352,369,106	466,074,567	10,500,000	(724,512,730)	104,430,943	-	-	104,430,943
Comprehensive income for the year									
Loss		-	-	-	(41,776,312)	(41,776,312)	-	-	(41,776,312)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	(41,776,312)	(41,776,312)	-	-	(41,776,312)
Balance at 31 December 2019		352,369,106	466,074,567	10,500,000	(766,289,042)	62,654,631	-	-	62,654,631

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

Statements of changes in equity

Unique Mining Services Public Company Limited and its Subsidiaries

	Note	Issued and paid share capital	Share premium	Separate financial statements		
				Retained earnings (deficit)	Deficit	Total equity/ (capital deficiency)
				Appropriated to legal reserve (in Baht)		
Year ended 31 December 2018						
Balance at 1 January 2018		251,692,219	416,355,938	10,500,000	(681,457,193)	(2,909,036)
<i>Contributions by owners of the Company</i>						
Issue of ordinary shares	14	100,676,887	49,718,629	-	-	150,395,516
Total contributions by owners of the Company		352,369,106	466,074,567	10,500,000	(681,457,193)	147,486,480
Comprehensive income for the year						
Loss		-	-	-	(82,191,349)	(82,191,349)
Other comprehensive income		-	-	-	420,495	420,495
Total comprehensive income for the year		-	-	-	(81,770,854)	(81,770,854)
Balance at 31 December 2018		352,369,106	466,074,567	10,500,000	(763,228,047)	65,715,626
Year ended 31 December 2019						
Balance at 1 January 2019		352,369,106	466,074,567	10,500,000	(763,228,047)	65,715,626
Comprehensive income for the year						
Loss		-	-	-	(40,300,791)	(40,300,791)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	(40,300,791)	(40,300,791)
Balance at 31 December 2019		352,369,106	466,074,567	10,500,000	(803,528,838)	25,414,835

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

Statements of cash flows

Unique Mining Services Public Company Limited and its Subsidiaries

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018	2019	2018
	(in Baht)			
<i>Cash flows from operating activities</i>				
Loss for the year	(41,776,312)	(63,987,374)	(40,300,791)	(82,191,349)
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax expense	488,949	2,151,218	-	-
Finance costs	25,556,150	30,004,394	25,806,153	30,254,397
Depreciation and amortization	34,208,604	34,934,310	24,014,933	26,407,031
Reversal of impairment loss on assets	-	(12,159,799)	-	-
Impairment loss on investment in subsidiary	-	-	165,503	169,541
Provisions for employee benefit	498,562	668,820	333,866	461,010
(Reversal of) bad and doubtful debts expenses	(20,576)	45,668	(20,576)	26,238
(Reversal of) loss on inventories devaluation	1,218,607	(4,263,497)	1,218,607	(4,263,497)
Gain on disposal of property, plant and equipment	-	(1,058,086)	-	(1,063,421)
Interest income	(154,106)	(182,196)	(46,312)	(102,502)
	20,019,878	(13,846,542)	11,171,383	(30,302,552)
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at a financial institution	(1,700,000)	-	-	-
Trade accounts receivable	5,784,961	(3,918,168)	2,347,094	(2,345,803)
Other accounts receivable	434,034	9,175,056	941,159	8,950,703
Inventories	7,557,436	(4,028,481)	7,612,303	(4,245,008)
Other current assets	33,043	868,555	19,901	909,283
Other non-current assets	989,232	3,135,450	196,108	372,140
Trade accounts payable	(1,241,888)	(1,515,100)	(1,002,451)	(2,129,756)
Other accounts payable	404,902	(3,307,793)	1,151,920	(668,477)
Accrued expenses	176,328	(649,258)	90,449	(300,236)
Other current liabilities	(1,499,708)	522,584	(1,329,995)	280,663
Other non-current liabilities	1,013,746	-	1,013,746	-
Net cash generated from (used in) operating	31,971,964	(13,563,697)	22,211,617	(29,479,043)
Provisions for employee benefit paid	(108,279)	(32,000)	(9,850)	(32,000)
Taxes paid	(2,353,303)	(3,042,904)	(1,379,272)	(279,911)
Net cash from (used in) operating activities	29,510,382	(16,638,601)	20,822,495	(29,790,954)

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

Statements of cash flows

Unique Mining Services Public Company Limited and its Subsidiaries

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018	2019	2018
	(in Baht)			
<i>Cash flows from investing activities</i>				
Proceeds from disposal of property, plant and equipment	-	1,308,598	-	1,248,598
Acquisition of property, plant and equipment	(10,261,009)	(8,672,608)	(3,086,750)	(125,830)
Acquisition of intangible assets	(60,000)	(60,000)	(60,000)	(30,000)
Interest received	154,106	182,196	46,312	102,502
Net cash from (used in) investing activities	(10,166,903)	(7,241,814)	(3,100,438)	1,195,270
<i>Cash flows from financing activities</i>				
Proceeds from issue of share capital	-	150,395,516	-	150,395,516
Proceeds from short-term borrowings from financial institutions	34,538,245	177,412,010	34,538,245	177,412,010
Repayment of short-term borrowings from financial institutions	(67,112,878)	(176,837,377)	(67,112,878)	(176,837,377)
Repayment of short-term borrowings from related parties	(115,000,000)	-	(115,000,000)	-
Finance costs paid	(38,341,504)	(2,646,075)	(38,591,507)	(3,026,558)
Net cash from (used in) financing activities	(185,916,137)	148,324,074	(186,166,140)	147,943,591
Net increase (decrease) in cash and cash equivalents	(166,572,658)	124,443,659	(168,444,083)	119,347,907
Cash and cash equivalents at beginning of year	207,412,138	82,968,479	183,065,668	63,717,761
Cash and cash equivalents at ending of year	40,839,480	207,412,138	14,621,585	183,065,668
<i>Non-cash transactions</i>				
Unpaid liabilities from acquisition of property, plant and equipment	1,808	69,283	-	-

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

Notes to the financial statements

For the years ended 31 December 2019

Unique Mining Services Public Company Limited and its Subsidiaries

Note	Contents
1	General information
2	Current operations
3	Basis of preparation of the financial statements
4	Significant accounting policies
5	Related parties
6	Cash and cash equivalents
7	Trade accounts receivable
8	Inventories
9	Investments in subsidiaries
10	Investment properties
11	Property, plant and equipment
12	Interest-bearing liabilities
13	Provisions for employee benefit
14	Share capital
15	Legal reserve
16	Segment information and disaggregation of revenue
17	Employee benefit expenses
18	Expenses by nature
19	Tax expense
20	Basic loss per share
21	Financial instruments
22	Commitments
23	Environmental litigation case
24	Thai Financial Reporting Standards (TFRS) not yet adopted

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 authorized for issue by the Board of Directors on 24 February 2020.

1 General information

Unique Mining Services Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Market for Alternative Investment (MAI) in July 2004. The Company’s registered office at the following addresses:

- Head Office : 26/23 Orakarn Building, 7th Floor, Soi Chidlom, Ploenchit Road, Lumpinee, Pathumwan, Bangkok 10330.
- Branch : 88/8-9 Moo 5, Tambol Suansom, Amphur Baanpaew, Samutsakorn 74120.
- Branch : 108 Moo 2, Tambol Klong Sa-kae, Amphur Nakornluang, Ayudhaya 13260.

The ultimate parent company during the financial year was Thoresen Thai Agencies Public Company Limited (“TTA”), which was incorporated in Thailand.

The principal businesses of the Company are sales of coal and provide related services for domestic industrial. The principal businesses of the Group are sales of coal and provide related services for domestic industrial, transportation by barge conveyance, and port services.

Details of the Company’s subsidiaries as at 31 December 2019 and 2018 are given in note 9.

2 Current operations

The Group and the Company incurred a net loss in the consolidated and separate statement of comprehensive income for the year ended 31 December 2019 of Baht 41.8 million and Baht 40.3 million, respectively (2018: *net loss of Baht 64.0 million and Baht 82.2 million, respectively*). As of that date, the Group’s and the Company’s current liabilities exceeded current assets by Baht 504.5 million and Baht 543.5 million, respectively (2018: *Baht 485.1 million and Baht 524.3 million, respectively*) and the deficit balances were Baht 766.3 million and Baht 803.5 million, respectively (2018: *Baht 724.5 million and Baht 763.2 million, respectively*).

The Company has received financial assistance from TTA, the ultimate parent company, in form of promissory notes which are payable upon the lender’s request. As at 31 December 2019, the Company had outstanding short-term borrowings from TTA and its subsidiaries of Baht 530.0 million (2018: *Baht 645.0 million*) and the Company requested for additional borrowing facilities from TTA up to Baht 430.0 million. However, the drawdown of additional facilities is subject to the approval by TTA. In addition, the ultimate parent company issued the letter to confirm that the ultimate parent company and its subsidiary will not call back the liabilities due from the Company in the next 12 months unless the Company has sufficient funds to meet these obligations earlier. Moreover, the Company issued the additional share capital which offered to existing shareholders in proportion to their shareholding percentage and registered with the Business Development Department, Ministry of Commerce on 28 December 2018 as disclosed in Note 14 to the financial statements.

Moreover, the Group and the Company are in process of solving the financial position, financial performance and financial liquidity problems of the Group and the Company by implementing policies and procedures in an attempt to manage its liquidity risk and other circumstances, maintaining sale volumes, changing sourcing, increasing service income and other income, reducing costs, plan to sell of non-operating assets and expanding and improving the service businesses of the subsidiaries.

The financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will realise its assets and discharge its liabilities in the normal course of business. Therefore, the financial statements have not included any adjustment of the value of assets to realisable value, or of liabilities to the amounts eventually due, and reclassification of accounts, which may be necessary if the Group and the Company is not able to continue as a going concern.

Caution sign

The Stock Exchange of Thailand ("SET") posted a "C" (Caution) sign on the Company's securities traded on the SET when the Group's and the Company's total equity balances were less than 50% of the Group's and the Company's total paid-up share capital which the Company has already published a plan to resolve this cause.

3 Basis of preparation of the financial statements

(a) Statement of compliance

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

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2019. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. There is no material impact on the Group's financial statements. The Group has initial applied TFRS 15 *Revenue from Contracts with Customers* which replaces TAS 18 *Revenue*, TAS 11 *Construction Contracts* and related interpretations. The details of accounting policies are disclosed in note 4(p).

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 24.

(b) Functional and presentation currency

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

(c) Use of judgments and estimates

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

(i) Judgements

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

- | | |
|----|---|
| 16 | Revenue recognition: <ul style="list-style-type: none"> • whether performance obligations in a bundled sale of products and services are capable of being distinct; • whether revenue from sales of products is recognized over time or at a point in time. |
|----|---|

(ii) Assumptions and estimation uncertainties

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

- | | |
|-----------|--|
| 7 | Measurement of allowance for doubtful debts of trade accounts receivable; |
| 10 and 11 | Impairment test of assets: key assumptions underlying recoverable amounts; |
| 13 | Measurement of Provisions for employee benefit: key actuarial assumptions; and |
| 19 | Deferred tax assets have not been recognized. |

4 Significant accounting policies

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

(a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

Subsidiaries

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

Loss of control

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

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) *Foreign currency transactions*

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

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

Foreign currency differences are generally recognized in profit or loss.

(c) Cash and cash equivalents

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

(d) Trade and other accounts receivable

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

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

(e) Inventories

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

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

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

(f) Investments

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method.

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 recognized in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(g) Investment properties

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

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

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

Land improvements	5 and 20 years
Buildings	10 - 20 years

No depreciation is provided on freehold land.

Reclassification to property, plant and equipment

When the use of an investment properties changes such that it is reclassified as property, plant and equipment, its carrying amount at the date of reclassification becomes its cost for subsequent accounting.

(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 dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

Reclassification to investment properties

When the use of a property changes from owner-occupied to investment properties, its carrying amount is recognized and reclassified as investment properties.

Subsequent costs

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

Depreciation

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

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

Land improvements	3 - 20 years
Buildings	3 - 20 years
Vehicles	5 years
Lighters	25 - 26 years
Machinery	2 - 11 years
Office equipment	2 - 20 years
Dry-docking	5 years

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

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 Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

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

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods for computer software are 3 – 10 years.

(j) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

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

(k) Interest-bearing liabilities

Interest-bearing liabilities are stated at cost.

(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

The Group'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 annually 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 other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period 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 recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

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

Other long-term employee benefits

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

(n) Provisions

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

(o) Measurement of fair values

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

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

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

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

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

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

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

(p) Revenue

Accounting policies for revenue recognition in 2019

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

Sale of goods and services

Revenue from sales of goods is recognized 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 recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore the amount of revenue recognized is adjusted for estimated returns, which are estimated based on the historical data.

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

Accounting policies for revenue recognition in 2018

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

Sale of goods and rendering of services

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

(q) Rental income

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

(r) Investment income

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

(s) Finance costs

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

(t) Lease payments

Payments made under operating leases are recognized in profit or loss on a straight line basis over the term of the lease.

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

(u) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized 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 recognized 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 recognized 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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

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

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

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

(v) *Earnings per share*

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

(w) *Related parties*

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

(x) *Segment reporting*

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

5 Related parties

Relationships with subsidiaries are described in note 9. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation	Nature of relationships
Thoresen Thai Agencies Public Company Limited	Thailand	Ultimate parent
Athene Holdings Ltd.	Thailand	Parent, 92.93% shareholding
PMT Properties Co.,Ltd.	Thailand	59.99% holding by ultimate parent company
Key management personnel		Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

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

Transactions	Pricing policies
Revenues from rendering of services	At mutually agreed rate normally charged to a third party
Dividend income	Upon declaration
Service expenses	At mutually agreed rate normally charged by a third party
Finance costs	At contractually agreed rates
Management benefit expenses	Amount approved by the directors and/or the shareholders

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

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Ultimate parent				
Service expenses (included in administrative expenses)	2,033	2,189	2,033	2,189
Finance costs	24,487	26,315	24,487	26,315
Parent				
Finance costs	31	1,125	31	1,125
Subsidiaries				
Revenues from rendering of services	-	-	6,430	6,026
Service expenses (included in costs of sales of goods)	-	-	-	1,309
Finance costs	-	-	250	250
Other related party				
Revenues from rendering of services	13	11	13	11

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term benefits	5,502	6,055	3,986	5,032
Post-employment benefits	150	336	132	246
Total key management personnel compensation	5,652	6,391	4,118	5,278

Balances as at 31 December with related parties were as follows:

<i>Other accounts receivable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	571	543
Total	-	-	571	543

<i>Trade accounts payable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiary	-	-	-	104
Total	-	-	-	104

<i>Other accounts payable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Ultimate parent	23,658	35,349	23,658	35,349
Parent	-	1,125	-	1,125
Subsidiaries	-	-	42	42
Total	23,658	36,474	23,700	36,516

<i>Movement of loans to</i>	Interest rate	Consolidated financial statements			
	At 31 December (% per annum)	At 1 January	Increase	Decrease	At 31 December
2019					
Ultimate parent	4.60 - 4.70	570,000	-	(40,000)	530,000
Parent	-	75,000	-	(75,000)	-
Total		645,000			530,000
2018					
Ultimate parent	4.60 - 4.70	570,000	-	-	570,000
Parent	1.50	75,000	-	-	75,000
Total		645,000			645,000

<i>Movement of loans to</i>	Interest rate	Separate financial statements			
	At 31 December (% per annum)	At 1 January	Increase	Decrease	At 31 December
2019					
Ultimate parent	4.60 - 4.70	570,000	-	(40,000)	530,000
Parent	-	75,000	-	(75,000)	-
Subsidiaries	2.50	10,000	-	-	10,000
Total		655,000			540,000
2018					
Ultimate parent	4.60 - 4.70	570,000	-	-	570,000
Parent	1.50	75,000	-	-	75,000
Subsidiaries	2.50	10,000	-	-	10,000
Total		655,000			655,000

All short-term borrowings from related parties are unsecured and have repayment terms at call.

On 11 January 2019, the Company made the repayment of short-term borrowings to the ultimate parent company and the parent company; the principle in amount of Baht 40.0 million and Baht 75.0 million, respectively and accrued interest expenses in amount of Baht 35.1 million and Baht 1.2 million, respectively totaling amount of Baht 151.3 million.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
Cash on hand	46	31	15	15
Cash at banks – current accounts	801	151,774	744	151,717
Cash at banks – savings accounts	39,992	55,607	13,863	31,334
Total	40,839	207,412	14,622	183,066

7 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Within credit terms	11,688	15,699	9,878	12,952
Overdue:				
Less than 3 months	5,246	6,999	3,281	2,533
6-12 months	-	164	-	164
Over 12 months	4,922	4,779	4,836	4,693
	<u>21,856</u>	<u>27,641</u>	<u>17,995</u>	<u>20,342</u>
Less allowance for doubtful accounts	<u>(4,932)</u>	<u>(4,953)</u>	<u>(4,846)</u>	<u>(4,867)</u>
Net	<u>16,924</u>	<u>22,688</u>	<u>13,149</u>	<u>15,475</u>

The normal credit terms granted by the Group ranges from 30 - 60 days.

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Coal and others	227,295	235,298	227,295	235,344
Spare parts and supplies	<u>2,368</u>	<u>2,356</u>	<u>2,256</u>	<u>2,253</u>
Total	<u>229,663</u>	<u>237,654</u>	<u>229,551</u>	<u>237,597</u>
Less allowance for declining in value of inventory and inventory deterioration	<u>(219,191)</u>	<u>(218,406)</u>	<u>(219,191)</u>	<u>(218,406)</u>
Net	<u>10,472</u>	<u>19,248</u>	<u>10,360</u>	<u>19,191</u>
Inventories recognized in 'costs of sales of goods':				
- Costs	50,023	209,272	50,068	210,535
- (Reversal of) write-down to net realisable value	<u>1,219</u>	<u>(4,263)</u>	<u>1,219</u>	<u>(4,263)</u>
Net	<u>51,242</u>	<u>205,009</u>	<u>51,287</u>	<u>206,272</u>

9 Investments in subsidiaries

Type of business	Separate financial statements										Dividend income		
	Ownership interest		Paid-up capital		Cost		Impairment		Cost – net of impairment		2019	2018	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	
	(in thousand Baht)												
Direct subsidiaries													
UMS Distribution Co., Ltd.	99.99	99.99	99.99	5,000	5,000	5,000	(4,662)	(4,497)	338	503	-	-	
	99.99	99.99	99.99	110,000	110,000	110,000	-	-	110,000	110,000	-	-	
UMS Port Services Co., Ltd.	99.99	99.99	99.99	18,000	18,000	18,000	-	-	18,000	18,000	-	-	
UMS Pellet Energy Co., Ltd.	99.99	99.99	99.99	18,000	18,000	18,000	(13,293)	(13,293)	4,707	4,707	-	-	
Total				151,000	151,000	151,000	(17,955)	(17,790)	133,045	133,210	-	-	

All subsidiaries were incorporated and mainly operate in Thailand.

10 Investment properties

		Consolidated / separate financial statements			
	Note	Land	Land improvement (in thousand Baht)	Buildings	Total
<i>Cost</i>					
At 1 January 2018		99,723	13,297	216,077	329,097
Reclassification from property, plant and equipment	11	106,461	-	-	106,461
At 31 December 2018 and 1 January 2019		206,184	13,297	216,077	435,558
Reclassification to property, plant and equipment	11	(106,461)	-	-	(106,461)
At 31 December 2019		99,723	13,297	216,077	329,097
<i>Depreciation and impairment loss</i>					
At 1 January 2019		-	6,840	109,162	116,002
Depreciation charge for the year		-	606	9,873	10,479
At 31 December 2018 and 1 January 2019		-	7,446	119,035	126,481
Depreciation charge for the year		-	576	9,862	10,438
At 31 December 2019		-	8,022	128,897	136,919
<i>Net book value</i>					
At 1 January 2018		99,723	6,457	106,915	213,095
At 31 December 2018 and 1 January 2019		206,184	5,851	97,042	309,077
At 31 December 2019		99,723	5,275	87,180	192,178

Investment properties comprise a number of land, land improvement, and buildings located at Suansom Sub-District, Baanpaew District, Samutsakorn Province since they have not been utilised in main business operation.

The fair value of investment properties as at 31 December 2019 of Baht 313.9 million (2018: Baht 421.8 million) was determined by independent professional valuers, at open market values on an existing use basis. The fair value of investment properties has been categorized as a Level 3 fair value.

Valuation technique	Significant unobservable inputs
Land	
- Market comparative method with weighted quality score	• Adjusted market comparable price of land
Land improvement and buildings	
- Forced sale value method	• Forced sale value

11 Property, plant and equipment

Consolidated financial statements									
			Land improvement	Buildings	Vehicle, lighter and dry-docking (in thousand Baht)	Machinery	Office equipment	Assets under construction	Total
Note	Land								
Cost									
At 1 January 2018	199,228		28,736	89,688	203,471	267,077	96,521	7,285	892,006
Additions	-		-	-	48	-	183	8,511	8,742
Transfers	-		-	2,086	6,437	-	-	(8,523)	-
Transfer to investment properties			-	-	-	-	-	-	
Disposals	10	(106,461)	-	(281)	(5,602)	-	(103)	-	(106,461)
At 31 December 2018 and 1 January 2019	92,767		28,736	91,493	204,354	267,077	96,601	7,273	788,301
Additions	-		-	-	100	-	228	9,865	10,193
Transfers	-		468	2	6,595	-	2,200	(9,265)	-
Transfer from investment properties			-	-	-	-	-	-	
At 31 December 2019	106,461		29,204	91,495	211,049	267,077	99,029	7,873	106,461
	199,228								904,955

Consolidated financial statements

	Land	Land improvement	Buildings	Vehicle, lighter and dry-docking (in thousand Baht)	Machinery	Office equipment	Assets under construction	Total
Depreciation and impairment loss								
At 1 January 2018	-	24,467	35,941	101,768	241,409	93,511	5,539	502,635
Depreciation charge for the year	-	1,109	5,845	5,716	9,760	1,454	-	23,884
Reversal of impairment loss	-	-	-	(12,160)	-	-	-	(12,160)
Disposals	-	-	(226)	(5,407)	-	(103)	-	(5,736)
At 31 December 2018 and 1 January 2019	-	25,576	41,560	89,917	251,169	94,862	5,539	508,623
Depreciation charge for the year	-	1,158	5,743	7,454	7,938	893	-	23,186
At 31 December 2019	-	26,734	47,303	97,371	259,107	95,755	5,539	531,809
Net book value								
At 1 January 2018	199,228	4,269	53,747	101,703	25,668	3,010	1,746	389,371
At 31 December 2018 and 1 January 2019	92,767	3,160	49,933	114,437	15,908	1,739	1,734	279,678
At 31 December 2019	199,228	2,470	44,192	113,678	7,970	3,274	2,334	373,146

Separate financial statements									
	Note	Land	Land improvement	Buildings	Vehicle (in thousand Baht)	Machinery	Office equipment	Assets under construction	Total
Cost									
At 1 January 2018		199,228	28,736	59,384	23,027	267,077	92,678	7,245	677,375
Additions		-	-	-	-	-	126	-	126
Transfer to investment properties	10	(106,461)	-	-	-	-	-	-	(106,461)
Disposals		-	-	(281)	(6,147)	-	(103)	-	(6,531)
At 31 December 2018 and 1 January 2019		92,767	28,736	59,103	16,880	267,077	92,701	7,245	564,509
Additions		-	-	-	-	-	219	2,867	3,086
Transfers		-	468	-	-	-	2,200	(2,668)	-
Transfer from investment properties	10	106,461	-	-	-	-	-	-	106,461
At 31 December 2019		199,228	29,204	59,103	16,880	267,077	95,120	7,444	674,056

Separate financial statements

	Land	Land improvement	Buildings	Vehicle (in thousand Baht)	Machinery	Office equipment	Assets under construction	Total
Depreciation and impairment loss								
At 1 January 2018	-	24,467	25,153	22,507	241,409	90,017	5,539	409,092
Depreciation charge for the year	-	1,108	3,141	13	9,760	1,340	-	15,362
Disposals	-	-	(226)	(6,017)	-	(103)	-	(6,346)
At 31 December 2018 and 1 January 2019	-	25,575	28,068	16,503	251,169	91,254	5,539	418,108
Depreciation charge for the year	-	1,158	3,113	4	7,938	785	-	12,998
At 31 December 2019	-	26,733	31,181	16,507	259,107	92,039	5,539	431,106
Net book value								
At 1 January 2018	199,228	4,269	34,231	520	25,668	2,661	1,706	268,283
At 31 December 2018 and 1 January 2019	92,767	3,161	31,035	377	15,908	1,447	1,706	146,401
At 31 December 2019	199,228	2,471	27,922	373	7,970	3,081	1,905	242,950

Securities

As at 31 December 2019, property, plant and equipment used as collateral for borrowing facilities can be summarised as follows:

- The Company's partial land, partial construction thereon and partial machinery located at Klong Sa-kae Sub-District, Nakornluang District, Ayudhaya province with a net book value of Baht 211.4 million (2018: Baht 213.8 million), have been mortgaged with a bank as collateral for borrowing as mentioned in note 12.
- A barge of a subsidiary with a net book value of Baht 13.0 million (2018: Baht 13.9 million), have been mortgaged with a bank as collateral for the bank overdrafts as mentioned in note 12.

Impairment

Subsidiary

During the year 2014, a subsidiary received a request for forfeiture of the barge. This barge provided service to a customer who has a dispute. However, the subsidiary is not a defendant. By the Civil Court and the Appeal Court rendered a judgement to seize the barge according to section 154 of Minerals Act, B.E. 1967. The subsidiary filed a petition to Supreme Court on 29 November 2016. Subsequently on 24 January 2019, the Supreme Court rendered a judgement to disagree with the Civil Court and the Appeal Court judgement. A result from the judgement, the subsidiary was not seized such barge. Thus, the management considered the reversal of relevant impairment loss, the Group recognized the reversal of impairment loss on assets of Baht 12.2 million in the consolidated financial statements for the year ended 31 December 2018.

The Company

In 2019, the management performed tests of impairment of property, plant and equipment by engaging independent professional valuers by using fair market value in exchange and forced sale value. Moreover, management estimated the value in use of such assets for consideration the recoverable amount. Based on the result of the independent valuer's report and the management's assessment, the recoverable amount estimated using the value in use method was higher than fair value. The recoverable amount is higher than the assets' carrying amounts. A result, no additional impairment loss has to be recognized in 2019. As at 31 December 2019, the cash flows were projected over a period of 5 years before a terminal growth rate was applied to reflect management's estimate.

<i>The key assumptions used in the estimation of the value in use</i>	Consolidated and separate financial statements	
	2019	2018
	(%)	
Discount rate	6.41	6.97
Terminal value growth rate	0	0

12 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Current					
Short-term borrowings from financial institutions		10,000	42,575	10,000	42,575
Short-term borrowings from related parties	5	530,000	645,000	540,000	655,000
Total current interest-bearing liabilities		540,000	687,575	550,000	697,575

Short-term borrowings

As at 31 December 2019, the Group has overdraft facility totaling Baht 5.0 million (2018: Baht 5.0 million). The facility is secured by a subsidiary's barge as disclosed in note 11. The Group has unused bank overdrafts facilities amounting to Baht 5.0 million (2018: Baht 5.0 million).

As at 31 December 2019, the Company has short-term borrowing facilities from a financial institution, in form of promissory notes, letter of credit and trust receipts totaling Baht 60.0 million (2018: Baht 60.0 million). The facilities are secured by a subsidiary, and part of the Company's land and construction, and machinery as disclosed in note 11. The Company has unused short-term borrowing facilities amounting to Baht 50.0 million (2018: Baht 17.4 million).

13 Provisions for employee benefit

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Post-employment benefits	2,096	1,740	1,450	1,141
Other long-term employee benefits	309	275	152	137
Total	2,405	2,015	1,602	1,278

Present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
At 1 January	2,015	1,757	1,278	1,270
Included in profit or loss:				
Current service cost	440	395	297	312
Past service cost	-	247	-	128
Interest on obligation	58	50	37	36
Remeasurements of other long-term benefits	-	(23)	-	(15)
	498	669	334	461

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Included in other comprehensive income:				
Actuarial gains				
- Demographic assumptions	-	-	-	-
- Financial assumptions	-	(10)	-	4
- Experience adjustment	-	(369)	-	(425)
	<u>-</u>	<u>(379)</u>	<u>-</u>	<u>(421)</u>
Benefit paid	<u>(108)</u>	<u>(32)</u>	<u>(10)</u>	<u>(32)</u>
	<u>(108)</u>	<u>(32)</u>	<u>(10)</u>	<u>(32)</u>
At 31 December	<u>2,405</u>	<u>2,015</u>	<u>1,602</u>	<u>1,278</u>

In 2018, the Group improved the benefits under its retirement plan for employees who were employed by the Group for twenty years or more, without interruption. Those employees are now entitled to receive severance payment upon retirement of 400 days of wages at the most recent rate. As a result of this change, the provision for retirement benefits as at 31 December 2018 as well as past service cost recognized during the year in the consolidated and the separate financial statements increased by an amount of Baht 0.2 million and Baht 0.1 million, respectively.

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(%)</i>			
Discount rate	2.55 - 3.29	2.55 - 3.29	2.55 - 2.92	2.55 - 2.92
Future salary growth	3.00 - 5.00	3.00 - 5.00	5.00	5.00
Employee turnover	1.70 - 34.38	1.70 - 34.38	1.70 - 34.38	1.70 - 34.38

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

Sensitivity analysis

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

Consolidated financial statements				
<i>Effect to the defined benefit obligation At 31 December</i>	1% increase in assumption 2019	2018	1% decrease in assumption 2019	2018
	<i>(in thousand Baht)</i>			
Post-employment benefits				
Discount rate	(193)	(167)	223	194
Future salary growth	231	183	(202)	(160)
Employee turnover	(9)	(7)	12	9
Future mortality	(1)	(1)	1	1
Other long-term employee benefits				
Discount rate	(21)	(19)	24	22
Employee turnover	(2)	(2)	3	2
Future mortality	-	-	-	-
Separate financial statements				
<i>Effect to the defined benefit obligation At 31 December</i>	1% increase in assumption 2019	2018	1% decrease in assumption 2019	2018
	<i>(in thousand Baht)</i>			
Post-employment benefits				
Discount rate	(136)	(117)	155	135
Future salary growth	162	128	(144)	(114)
Employee turnover	(6)	(5)	8	6
Future mortality	(1)	(1)	1	1
Other long-term employee benefits				
Discount rate	(10)	(9)	11	10
Employee turnover	(1)	(1)	2	1
Future mortality	-	-	-	-

14 Share capital

	Par value per share (in Baht)	2019		2018	
		Number	Baht (thousand shares/in thousand Baht)	Number	Baht
Authorized shares at 31 December		704,738	352,369	704,738	352,369
Issued and paid share					
At 1 January					
- ordinary shares	0.5	704,738	352,369	503,384	251,692
Increase of new shares	0.5	-	-	201,354	100,677
At 31 December					
- ordinary shares	0.5	704,738	352,369	704,738	352,369

Increase of share capital to existing shareholders in proportion to their shareholding percentage

At the Extraordinary General Meeting of Shareholders No. 1/2018 held on 13 December 2018, shareholders approved the increase of the Company authorized share capital by 201,353,774 shares at par value of Baht 0.50 each from the existing authorized share capital of Baht 251,692,219 divided into 503,384,438 shares. After increase the share capital, the new authorized share capital was Baht 352,369,106, and total ordinary share is 704,738,212 shares. The share capital was offered to existing shareholders in proportion to their shareholding percentage (Rights Offering: RO) in a ratio of 5 existing ordinary shares to 2 new ordinary shares. The RO price is Baht 0.75 per one share. The Company registered the increase in authorized share capital with the Business Development Department, Ministry of Commerce on 18 December 2018.

To allocate capital increase share, existing shareholders shall have the rights to oversubscribe in the RO based on the ratio specified above by indicating their intention to oversubscribe by no more than 100 percent of existing ordinary shares held by them. Shareholders may oversubscribe, and oversubscription shares may be allocated to such oversubscribing shareholders only when there are shares left after allocation to all shareholders who have subscribed to shares proportionately to their shareholding percentage in the RO.

The subscription date and payment of subscription price was 21 - 27 December 2018. On 28 December 2018, the Company announced the subscription result to the existing shareholders of 201,353,774 shares, resulting in proceeds of Baht 150.4 million (paid-up shares capital of Baht 100.7 million, premium on ordinary shares of Baht 50.3 million net with the costs related to issuing the new shares of Baht 0.6 million). The Company registered the increase in paid-up share capital with the Business Development Department, Ministry of Commerce on 28 December 2018. The new issued ordinary share was traded in the Market for Alternative Investment (MAI) on 10 January 2019.

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.

Movements during the year ended 31 December of share premium were as follows:

	2019 (in thousand Baht)	2018
At 1 January	466,075	416,356
Increase of new shares	-	49,719
At 31 December	<u>466,075</u>	<u>466,075</u>

15 Legal reserve

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

16 Segment information and disaggregation of revenue

Management determined that the Group has reportable segments which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

Business segments

Segment 1	Sales of coal and related services
Segment 2	Transport

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

<i>For the year ended 31 December 2019</i>	Sales of coal and related services	Consolidated financial statements Transport	Elimination of inter-segment transaction <i>(in thousand Baht)</i>	Total	Separate financial statements Sales of coal and related services
Information about reportable segments					
Revenues from operations	91,261	34,288	-	125,549	91,261
Revenues from inter-segment	-	-	-	-	-
From outside customers	91,261	34,288	-	125,549	91,261
Depreciation and amortization	24,015	10,281	(87)	34,209	24,015
Operating loss	(14,495)	(1,285)	49	(15,731)	(14,495)
Finance costs	(25,806)	-	250	(25,556)	(25,806)
Tax income	-	(489)	-	(489)	-
Loss for the year	(40,301)	(1,774)	299	(41,776)	(40,301)
Disaggregation of revenue					
Major products and service lines					
Sales of coal	59,318	-	-	59,318	59,318
Providing services	31,943	34,288	-	66,231	31,943
Total	91,261	34,288	-	125,549	91,261
Timing of revenue recognition					
At a point in time	91,261	-	-	91,261	91,261
Over time	-	34,288	-	34,288	-
Total	91,261	34,288	-	125,549	91,261

<i>As at 31 December 2019</i>	Consolidated financial statements		Separate financial statements Sales of coal and related services
	Transport	Elimination of inter-segment transaction (in thousand Baht)	Total
Total assets	174,527	(144,441)	643,372
Total liabilities	3,459	(10,612)	587,871
<i>For the year ended 31 December 2018</i>	Consolidated financial statements		Separate financial statements Sales of coal and related services
	Transport	Elimination of inter-segment transaction (in thousand Baht)	Total
Revenues from operations	46,150	(1,309)	249,143
Revenues from inter-segment	(1,309)	1,309	-
From outside customers	44,841	-	249,143
Depreciation and amortization	8,737	(210)	34,934
Reversal of impairment loss on assets	12,160	-	12,160
Operating profit (loss)	20,087	18	(31,832)
Finance costs	-	250	(30,004)
Tax income	(2,151)	-	(2,151)
Profit (loss) for the year	17,936	268	(63,987)
<i>As at 31 December 2019</i>	Consolidated financial statements		Separate financial statements Sales of coal and related services
	Transport	Elimination of inter-segment transaction (in thousand Baht)	Total
Total assets	174,527	(144,441)	643,372
Total liabilities	3,459	(10,612)	587,871
<i>For the year ended 31 December 2018</i>	Consolidated financial statements		Separate financial statements Sales of coal and related services
	Transport	Elimination of inter-segment transaction (in thousand Baht)	Total
Revenues from operations	46,150	(1,309)	249,143
Revenues from inter-segment	(1,309)	1,309	-
From outside customers	44,841	-	249,143
Depreciation and amortization	8,737	(210)	34,934
Reversal of impairment loss on assets	12,160	-	12,160
Operating profit (loss)	20,087	18	(31,832)
Finance costs	-	250	(30,004)
Tax income	(2,151)	-	(2,151)
Profit (loss) for the year	17,936	268	(63,987)

Information about reportable segments

<i>For the year ended 31 December 2018</i>	Sales of coal and related services	Consolidated financial statements Transport	Elimination of inter-segment transaction (in thousand Baht)	Total	Separate financial statements Sales of coal and related services
<i>Disaggregation of revenue</i>					
Major products and service lines					
Sales of coal	204,302	-	-	204,302	204,302
Providing services	-	46,150	(1,309)	44,841	-
Total	204,302	46,150	(1,309)	249,143	204,302
<i>Timing of revenue recognition</i>					
At a point in time	204,302	-	-	204,302	204,302
Over time	-	46,150	(1,309)	44,841	-
Total	204,302	46,150	(1,309)	249,143	204,302
<i>As at 31 December 2018</i>					
Total assets	813,699	176,959	(144,815)	845,843	813,699
Total liabilities	747,983	4,118	(10,689)	741,412	747,983

17 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Wages, salaries and bonus	19,413	19,530	11,777	13,289
Defined contribution plans	918	881	580	629
Defined benefit plans	508	669	337	461
Termination benefits	403	-	403	-
Others	2,402	2,485	1,397	1,392
Total	23,644	23,565	14,494	15,771

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates 7%, 10% or 15% of their basic salaries and by the Group at rates 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

18 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Included in costs:</i>				
Changes in inventories of finished goods and work in progress	(473)	(2,872)	(427)	(2,872)
Raw material and consumable used	45,340	190,345	45,340	191,608
(Reversal of) loss on inventories devaluation	785	(4,264)	785	(4,264)
Depreciation and amortization	16,079	16,013	5,887	7,486
Employee benefit expenses	8,726	7,754	3,690	3,291
Rental and service expenses	8,681	5,081	6,865	2,564
Maintenance expenses	2,755	6,255	1,173	2,741
Others	11,082	14,489	5,084	5,718
Total	92,975	232,801	68,397	206,272
<i>Included in selling expenses:</i>				
Transportation expenses	2,152	3,907	2,152	3,907
Employee benefit expenses	1,617	2,631	1,617	2,631
Commission expenses	871	597	871	597
Depreciation and amortization	24	31	24	31
Others	172	294	172	294
Total	4,836	7,460	4,836	7,460

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Included in administrative expenses:</i>				
Depreciation and amortization	18,106	18,891	18,104	18,890
Employee benefit expenses	13,301	13,180	9,187	9,849
Utilities expenses	3,343	2,908	3,342	2,907
Rental and service expenses	1,286	1,208	1,278	1,199
Impairment loss on investment	-	-	166	170
(Reversal of) bad and doubtful debts expenses	(21)	46	(21)	27
Others	8,977	20,971	7,983	19,553
Total	44,992	57,204	40,039	52,595

19 Tax expense

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Tax expense recognized in profit or loss</i>				
Current tax expense				
Current year	489	2,196	-	-
Adjustment for prior years	-	(45)	-	-
	489	2,151	-	-
Deferred tax expense				
Movement in temporary differences	-	-	-	-
Total	489	2,151	-	-

Reconciliation of effective tax rate

	Consolidated financial statements			
	Rate (%)	2019 (in thousand Baht)	Rate (%)	2018 (in thousand Baht)
Loss before income tax expense		<u>(41,287)</u>		<u>(61,836)</u>
Income tax using the Thai corporation tax rate	20	(8,257)	20	(12,367)
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		879		(466)
Current year losses for which no deferred tax asset was recognized		9,063		36,828
Change in unrecognized deferred tax assets during the year		(1,196)		(21,799)
Over provided in prior years		-		(45)
Total	(1)	489	(3)	2,151

Separate financial statements

	Separate financial statements			
	Rate (%)	2019 (in thousand Baht)	Rate (%)	2018 (in thousand Baht)
Loss before income tax expense		<u>(40,301)</u>		<u>(82,191)</u>
Income tax using the Thai corporation tax rate	20	(8,060)	20	(16,438)
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		898		2,225
Current year losses for which no deferred tax asset was recognized		8,845		36,787
Change in unrecognized deferred tax assets during the year		(1,683)		(22,574)
Total	-	-	-	-

Unrecognised deferred tax assets	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Deductible temporary differences				
• Allowance for doubtful accounts - trade and other accounts receivable	1,097	1,102	980	984
• Allowance for declining in value of inventories and inventory deterioration	43,838	43,681	43,838	43,681
• Allowance for impairment losses on investment	-	-	3,591	3,558
• Allowance impairment losses on investment properties and property, plant and equipment	5,397	7,501	5,397	7,501
• Depreciation gap	3,672	3,019	164	-
• Accrued bonus	191	166	116	109
• Provisions for employee benefit	481	403	320	256
	<u>54,676</u>	<u>55,872</u>	<u>54,406</u>	<u>56,089</u>
Loss carry forward	<u>121,613</u>	<u>118,693</u>	<u>121,279</u>	<u>118,576</u>
Total	<u>176,289</u>	<u>174,565</u>	<u>175,685</u>	<u>174,665</u>

The tax loss expire in 2020 to 2025. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in the financial statements of the Group in respect of these items because it is not certain that future taxable profit will be generated against which the Group can utilise the benefits there from.

20 Basic loss per share

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht / thousand shares)</i>			
Loss attributable to ordinary shareholders of the Company	<u>(41,776)</u>	<u>(63,987)</u>	<u>(40,301)</u>	<u>(82,191)</u>
Number of ordinary shares outstanding at 1 January	704,738	503,384	704,738	503,384
Effect of shares issued on 28 December 2018	<u>-</u>	<u>2,207</u>	<u>-</u>	<u>2,207</u>
Weighted average number of ordinary shares outstanding (basic)	<u>704,738</u>	<u>505,591</u>	<u>704,738</u>	<u>505,591</u>
Basic loss per share (in Baht)	<u>(0.06)</u>	<u>(0.13)</u>	<u>(0.06)</u>	<u>(0.16)</u>

21 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board's 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 and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because most of the interest rates from borrowings from financial institutions are floating rates, which based on market rates. The interest rates from short-term borrowings from related parties are fixed rates.

		Consolidated financial statements			
		Maturity period			Total
		Within 1 year	After 1 year But within 5 years (in thousand Baht)	After 5 years	
<i>At 31 December</i>	Interest rates (% per annum)				
2019					
Financial liabilities					
Short-term borrowings from financial institutions	5.63	10,000	-	-	10,000
Short-term borrowings from related parties	4.60 - 4.70	530,000	-	-	530,000
Total		540,000	-	-	540,000
2018					
Financial liabilities					
Short-term borrowings from financial institutions	5.75	42,575	-	-	42,575
Short-term borrowings from related parties	1.50 - 4.70	645,000	-	-	645,000
Total		687,575	-	-	687,575

At 31 December	Interest rates (% per annum)	Separate financial statements			Total
		Maturity period			
		Within 1 year	After 1 year But within 5 years (in thousand Baht)	After 5 years	
2019					
Financial liabilities					
Short-term borrowings from financial institutions	5.63	10,000	-	-	10,000
Short-term borrowings from related parties	2.50 - 4.70	540,000	-	-	540,000
Total		550,000	-	-	550,000
2018					
Financial liabilities					
Short-term borrowings from financial institutions	5.75	42,575	-	-	42,575
Short-term borrowings from related parties	1.50 - 4.70	655,000	-	-	655,000
Total		697,575	-	-	697,575

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Liquidity risk

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

Fair values of financial assets and liabilities

Since the majority of the financial assets and liabilities as at 31 December 2019 and 2018 classified as short-term and borrowings are bearing interest at rates close to current market rate, the carrying amount of the Group's financial instruments does not materially differ from their aggregate fair value.

22 Commitments

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<i>Future minimum lease payment under non-cancellable operating leases</i>				
Within 1 year	1,561	1,588	1,536	1,560
1 - 5 years	-	103	-	77
Total	1,561	1,691	1,536	1,637
<i>Other commitments</i>				
Opened letter of credit for goods but not yet been liability	-	4,655	-	4,655
Bank guarantees	1,631	2,483	1,631	2,483

As at 31 December 2019, the Company had operating lease agreements covering its office space with the ultimate parent and office equipments for periods ranging from 1 years ending on various dates up to December 2020.

As at 31 December 2019, a subsidiary had fixed bank deposit with a local financial institution in amounting of Baht 1.70 million to use as collateral for issuing the bank guarantees of the Company.

23 Environmental litigation case

On 5 August 2016, the Central Administrative Court ordered the Company to file the written answer with relevant evidence to the Court as the interpleader in a lawsuit filed by an association and a number of people in Ayutthaya province against the Government authorities as stated in the complaint. The lawsuit relates to the environmental impact caused by the operations of certain companies, including the Company, which operate in the area under the Government authorities' control. The plaintiffs demand the Government authorities to exercise their power to control or order the companies to follow the plaintiff's certain requests which the plaintiff's claimed to help reducing the environmental impact. The Company has filed the written response to the Court. The Court received the response on 5 October 2016. Subsequently on 25 January 2017, the Central Administrative Court sent a copy of plaintiffs' testimony to the Company. The Company filed a defence in response and the court received the response on 7 February 2017. Subsequently on 8 January 2019, the Central Administrative Court ordered a subsidiary to file the written answer with relevant evidence to the Court as the additional interpleader. A subsidiary has filed the written response to the Court and the Court received the response on 5 March 2019. As at the approved date of these financial statements, the case is in the consideration of the Court. Based on opinion of the expert legal counsel, management believes that the outcome of the Court consideration will not have a significant financial impact on the Company.

24 Thai Financial Reporting Standards (TFRS) not yet adopted

New TFRS, which are relevant to the Group's operations, expected to have material impact on the consolidated and separate financial statements when initially adopted, and will become effective for the financial statements in annual reporting periods beginning on or after 1 January 2020, are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

* TFRS - Financial instruments standards

(a) TFRS - Financial instruments standards

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRS are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled. The impact from adoption of TFRS - Financial instruments are as follows:

(i) Impairment - Financial assets and contract assets

TFRS 9 introduces forward-looking 'expected credit loss' (ECL) model whereas currently the Group estimates allowance for doubtful account by analyzing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments.

(ii) Classification - Financial liabilities

TFRS 9 introduces a new classification and measurement approach for financial liabilities consisting of two principal classification categories: amortised cost and FVTPL. A financial liability is classified as financial liabilities measured at FVTPL if it is held for trading, a derivative or designated as such on the initial recognition.

Under TFRS 9, changes in fair value of financial liabilities classified as FVTPL are generally presented as follows:

- the amount of fair value that changes due to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of fair value changed is presented in profit or loss.

Management has made an assessment of the impact on the consolidated and separate financial statements of these new TFRS and have no material impact on financial statements in the initial period adopted.

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognizes a right-of-use asset and a lease liability, with recognition exemptions for short-term leases and leases of low-value items. As a result, the Group will recognize new assets and liabilities for its operating leases. Lease accounting for lessor remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is currently considering the potential impact from these TFRS on the financial statements in the initial period adopted.



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