

**Sermsuk Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
30 September 2019
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Sermasuk Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Sermasuk Public Company Limited and its subsidiaries (the "Group") and of Sermasuk Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2019, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year ended as of that date, 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 30 September 2019 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

Valuation of property, plant and equipment	
Refer to notes 2, 3 and 13	
The key audit matter	How the matter was addressed in the audit
<p>The Group and the Company incurred cumulative losses in the consolidated and separate financial statements for many years resulting from market competition. These would trigger possible impairment indicators. As a result, the carrying amounts of the property, plant and equipment may exceed the recoverable amount.</p> <p>In assessing the impairment issue, the management used fair value less costs to sell to determine the recoverable amount. In addition, the carrying value of property, plant and equipment are material to the Company's financial statements. This is the significant area which my audit is focus on.</p>	<p>My audit procedures are as follows:</p> <ul style="list-style-type: none">• gained understanding of the process for estimating the recoverable amount which derived from fair value less costs to sell;• 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.• Use the work of expert engaged by KPMG in evaluating methodologies and key assumptions of the valuation; and• Evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards; and

Recoverability of deferred tax assets	
Refer to notes 2, 3 and 15	
The key audit matter	How the matter was addressed in the audit
The Group and the Company has recognised deferred tax assets from loss carry forward. The recoverability of the deferred tax asset is dependent on future taxable profits and the ability of the Group and the Company to utilise those losses in the future. Management has to use their judgement in forecasting future taxable profits so as to determine the amount of the deferred tax asset. The achievement of such forecasts is inherently uncertain, this is focus and of my audit.	<p>My audit procedures are as follows:</p> <ul style="list-style-type: none"> • Gain understanding of the process for measuring deferred tax assets. • Evaluating the management’s assumption used in projecting the Group’s future taxable profits in relevant profit. I compare key inputs used by the Group to forecast future taxable profits to externally available data such as economic forecasts and the Group’s own historical data and performance and assessed the sensitivity of the outcomes to reasonably possible changes in assumptions. • Test calculation of cash flow projections. • Evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor’s report thereon.

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 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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report the fact. I have nothing to report in this regard.

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

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

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

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

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

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

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

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

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

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

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

(Sureerat Thongarunsang)
Certified Public Accountant
Registration No. 4409

KPMG Phoomchai Audit Ltd.
Bangkok
20 November 2019

Sermsuk Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 September		30 September	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Current assets					
Cash and cash equivalents	5	872,792,975	506,202,042	798,046,976	434,270,322
Trade accounts receivable	4, 6	567,967,095	534,904,158	561,276,635	533,862,974
Other receivables from related parties	4	151,686,762	461,740,858	196,419,132	502,436,362
Other receivables	7	54,926,650	75,513,755	54,155,379	74,551,644
Short-term loans to related parties	4	-	-	125,000,000	125,000,000
Inventories	8	676,486,645	604,588,348	622,125,693	559,622,093
Prepaid excise taxes		2,994,352	4,217,246	2,679,945	3,902,839
Other current assets		42,119,316	21,142,443	39,959,114	19,795,620
Total current assets		2,368,973,795	2,208,308,850	2,399,662,874	2,253,441,854
Non-current assets					
Restricted deposits at financial institution		520,279	517,922	520,279	517,922
Investment in an associate	9	638,310,906	536,464,389	30,000,000	30,000,000
Investments in subsidiaries	10	-	-	606,634,068	606,634,068
Other long-term investments	11	132,570,992	129,662,202	132,570,992	129,662,202
Long-term loan to a related party	4	3,000,000	3,000,000	3,000,000	3,000,000
Investment properties	12	322,984,765	316,485,388	322,984,765	316,485,388
Property, plant and equipment	13	8,743,103,884	8,268,329,835	8,210,953,094	7,758,312,441
Intangible assets	14	18,414,778	19,759,485	16,023,939	16,386,763
Deferred tax assets	15	95,554	3,516,930	-	-
Other non-current assets		172,059,890	173,274,025	171,979,946	172,123,989
Total non-current assets		10,031,061,048	9,451,010,176	9,494,667,083	9,033,122,773
Total assets		12,400,034,843	11,659,319,026	11,894,329,957	11,286,564,627

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

Sermasuk Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September		30 September	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Current liabilities					
Trade accounts payable	4, 16	640,773,569	764,143,418	1,033,306,914	1,157,561,385
Other payables to related parties	4	160,684,719	152,814,925	162,537,827	155,477,105
Other payables	17	663,122,965	651,525,137	629,478,163	628,088,502
Dividends payable		72,516,353	72,921,398	72,516,353	72,921,398
Customers' deposits on bottles and cases		442,711,183	444,429,508	442,711,183	444,429,508
Other current liabilities		37,150,895	48,476,753	35,406,754	47,431,551
Total current liabilities		2,016,959,684	2,134,311,139	2,375,957,194	2,505,909,449
Non-current liabilities					
Long-term loans from a related party	4	-	-	30,968,165	1,530,968,165
Deferred tax liabilities	15	463,526,251	50,972,264	429,297,837	19,076,384
Non-current provisions for employee benefits	18	1,185,893,784	933,446,317	1,173,616,586	924,479,012
Total non-current liabilities		1,649,420,035	984,418,581	1,633,882,588	2,474,523,561
Total liabilities		3,666,379,719	3,118,729,720	4,009,839,782	4,980,433,010
Equity					
Share capital:	19				
Authorised share capital		265,900,484	265,900,484	265,900,484	265,900,484
Issued and paid-up share capital		265,900,484	265,900,484	265,900,484	265,900,484
Premium on ordinary shares	19	1,342,448,425	1,342,448,425	1,342,448,425	1,342,448,425
Retained earnings					
Appropriated	20				
Legal reserve		26,795,766	26,795,766	26,795,766	26,795,766
General reserve		2,285,000,000	2,285,000,000	2,285,000,000	2,285,000,000
Unappropriated (Deficit)		1,118,990,577	1,624,620,032	434,065,458	(464,202,626)
Other components of equity	20	3,694,519,872	2,995,824,599	3,530,280,042	2,850,189,568
Total equity		8,733,655,124	8,540,589,306	7,884,490,175	6,306,131,617
Total liabilities and equity		12,400,034,843	11,659,319,026	11,894,329,957	11,286,564,627

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

Sermsuk Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		2019	2018	2019	2018
		(in Baht)			
Income	4, 21				
Revenue from sale of goods and rendering of services		11,763,248,153	10,819,526,673	11,681,616,351	10,803,488,073
Dividends income	9, 10	4,441,177	4,441,177	1,579,441,177	101,941,177
Other income	22	148,237,840	335,231,622	148,756,080	337,083,775
Total income		11,915,927,170	11,159,199,472	13,409,813,608	11,242,513,025
Expenses	4,21				
Cost of sales of goods and rendering of service	8	8,404,005,996	7,827,770,932	8,353,362,743	7,828,794,548
Distribution cost	23	2,841,171,212	2,678,276,024	2,826,564,954	2,668,234,799
Administrative expenses	24	873,268,633	1,061,772,808	855,260,233	1,050,612,722
Past service cost for employee benefit from amendment of the Labor Protection Act	18	171,829,771	-	169,850,687	-
Total expenses		12,290,275,612	11,567,819,764	12,205,038,617	11,547,642,069
Share of profit of an associate, net of income tax	9	176,846,517	126,934,396	-	-
Profit (loss) before income tax expense		(197,501,925)	(281,685,896)	1,204,774,991	(305,129,044)
Income tax (expense) benefit	27	(255,017,060)	3,948,969	(253,460,449)	10,153,086
Profit (loss) for the year		(452,518,985)	(277,736,927)	951,314,542	(294,975,958)
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Gain from revaluation of land	13	870,460,300	-	847,204,301	-
Defined benefit plan actuarial gains (losses)	18	(66,432,913)	129,230,819	(66,308,072)	127,809,911
Income tax on other comprehensive income	27	(160,769,617)	(25,800,632)	(156,179,246)	(25,561,982)
Total items that will not be reclassified to profit or loss		643,257,770	103,430,187	624,716,983	102,247,929
<i>Items that will be reclassified subsequently to profit or loss</i>					
Net change in fair value of available-for-sale investments	11	2,908,791	(11,635,162)	2,908,791	(11,635,162)
Income tax on other comprehensive income	27	(581,758)	2,327,032	(581,758)	2,327,032
Total items that will be reclassified to profit or loss		2,327,033	(9,308,130)	2,327,033	(9,308,130)
Other comprehensive income for the year					
net of income tax		645,584,803	94,122,057	627,044,016	92,939,799
Total comprehensive income for the year		193,065,818	(183,614,870)	1,578,358,558	(202,036,159)
Earnings (losses) per share (in Baht)	28	(1.70)	(1.04)	3.58	(1.11)

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

Sermsuk Public Company Limited and its Subsidiaries

Statement of changes in equity

	Consolidated financial statements										Total equity
	Retained earnings					Other components of equity					
	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated	Currency translation differences	Fair value changes in available-for-sale investments	Revaluation surplus on land	Share premium from business combination under common control	Total other components of equity	
<i>(in Baht)</i>											
For the year ended 30 September 2018											
Balance at 1 October 2017	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,798,926,772	31,118,966	22,212,582	2,984,134,096	(32,332,915)	3,005,132,729	8,724,204,176
Comprehensive income for the year											
Loss	-	-	-	-	(277,736,927)	-	-	-	-	-	(277,736,927)
Other comprehensive income	-	-	-	-	103,430,187	-	(9,308,130)	-	-	(9,308,130)	94,122,057
Total comprehensive income for the year	-	-	-	-	(174,306,740)	-	(9,308,130)	-	-	(9,308,130)	(183,614,870)
Balance at 30 September 2018	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,624,620,032	31,118,966	12,904,452	2,984,134,096	(32,332,915)	2,995,824,599	8,540,589,306

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

Sermsuk Public Company Limited and its Subsidiaries

Statement of changes in equity

	Consolidated financial statements										
	Retained earnings					Other components of equity					
	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated	Currency translation differences <i>(in Baht)</i>	Fair value changes in available-for-sale investments	Revaluation surplus on land	Share premium from business combination under common control	Total other components of equity	Total equity
For the year ended 30 September 2019											
Balance at 1 October 2018	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,624,620,032	31,118,966	12,904,452	2,984,134,096	(32,332,915)	2,995,824,599	8,540,589,306
Comprehensive income for the year											
Loss	-	-	-	-	(452,518,985)	-	-	-	-	-	(452,518,985)
Other comprehensive income	-	-	-	-	(53,110,470)	-	2,327,033	696,368,240	-	698,695,273	645,584,803
Total comprehensive income for the year	-	-	-	-	(505,629,455)	-	2,327,033	696,368,240	-	698,695,273	193,065,818
Balance at 30 September 2019	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,118,990,577	31,118,966	15,231,485	3,680,502,336	(32,332,915)	3,694,519,872	8,733,655,124

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

Sermsuk Public Company Limited and its Subsidiaries

Statement of changes in equity

	Separate financial statements								
	Retained earnings					Other components of equity			
	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	(Deficit) <i>(in Baht)</i>	Fair value changes in available-for-sale investments	Revaluation surplus on land	Total other components of equity	Total equity
For the year ended 30 September 2018									
Balance at 1 October 2017	265,900,484	1,342,448,425	26,795,766	2,285,000,000	(271,474,597)	22,212,582	2,837,285,116	2,859,497,698	6,508,167,776
Comprehensive income for the year									
Loss	-	-	-	-	(294,975,958)	-	-	-	(294,975,958)
Other comprehensive income	-	-	-	-	102,247,929	(9,308,130)	-	(9,308,130)	92,939,799
Total comprehensive income for the year	-	-	-	-	(192,728,029)	(9,308,130)	-	(9,308,130)	(202,036,159)
Balance at 30 September 2018	265,900,484	1,342,448,425	26,795,766	2,285,000,000	(464,202,626)	12,904,452	2,837,285,116	2,850,189,568	6,306,131,617

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

Sermsuk Public Company Limited and its Subsidiaries

Statement of changes in equity

	Separate financial statements								
	Retained earnings					Other components of equity			
	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated (in Baht)	Fair value changes in available-for-sale investments	Revaluation surplus on land	Total other components of equity	Total equity
For the year ended 30 September 2019									
Balance at 1 October 2018	265,900,484	1,342,448,425	26,795,766	2,285,000,000	(464,202,626)	12,904,452	2,837,285,116	2,850,189,568	6,306,131,617
Comprehensive income for the year									
Profit	-	-	-	-	951,314,542	-	-	-	951,314,542
Other comprehensive income	-	-	-	-	(53,046,458)	2,327,033	677,763,441	680,090,474	627,044,016
Total comprehensive income for the year	-	-	-	-	898,268,084	2,327,033	677,763,441	680,090,474	1,578,358,558
Balance at 30 September 2019	265,900,484	1,342,448,425	26,795,766	2,285,000,000	434,065,458	15,231,485	3,515,048,557	3,530,280,042	7,884,490,175

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

Sermsuk Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		2019	2018	2019	2018
		30 September			
		30 September			
		(in Baht)			
Cash flows from operating activities					
Profit (loss) for the year		(452,518,985)	(277,736,927)	951,314,542	(294,975,958)
<i>Adjustments for reconcile loss to cash receipts (payments)</i>					
Depreciation and amortisation		596,258,355	664,768,128	567,732,701	632,469,640
Interest income		(5,173,235)	(3,262,852)	(8,557,509)	(6,585,575)
Dividends income		(4,441,177)	(4,441,177)	(1,579,441,177)	(101,941,177)
Unrealised loss (gain) on exchange		(26,221)	954,846	(26,221)	(59,740)
Allowance for doubtful accounts (reversal of)	6, 7	52,283	(3,924,753)	52,283	(3,924,753)
Losses on inventories devaluation (reversal of)		1,307,968	(12,402,903)	(3,915,369)	(12,401,785)
Gain on disposal of condo-miniums and equipment		(19,694,969)	(121,275,144)	(19,346,971)	(121,700,497)
Reversal of impairment loss on equipment		-	(25,322,165)	-	(25,322,165)
Fair value changes in investment properties	12	(6,499,377)	(2,903,000)	(6,499,377)	(2,903,000)
Provisions for employee benefits expense		90,133,259	77,453,847	88,823,390	76,171,311
Past service cost for employee benefit from amendment of the Labor Protection Act		171,829,771	-	169,850,687	-
Share of profit of an associate, net of income tax	9	(176,846,517)	(126,934,396)	-	-
Income tax (benefit) expense	27	255,017,060	(3,948,969)	253,460,449	(10,153,086)
		449,398,215	161,024,535	413,447,428	128,673,215
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		(34,531,067)	91,123,635	(28,881,791)	115,293,763
Other receivables from related parties		346,054,096	(164,861,575)	306,017,230	(148,567,257)
Other receivables		22,002,952	24,673,807	21,812,112	25,183,202
Inventories		(73,206,265)	120,211,841	(58,588,231)	106,136,443
Prepaid excise taxes		1,222,894	16,638,366	1,222,894	16,638,366
Other current assets		(10,858,320)	20,438,344	(11,874,568)	19,903,136
Other non-current assets		(10,118,966)	(27,006,544)	(8,966,358)	(25,934,472)
Trade accounts payable		(123,369,849)	(74,247,892)	(128,400,506)	(95,666,829)
Other payables to related parties		7,896,015	(88,138,973)	11,232,978	(87,878,626)
Other payables		(4,833,089)	15,869,849	(7,942,685)	30,203,565
Customers' deposits on bottles and cases		(1,718,325)	(10,144,108)	(1,718,325)	(10,144,108)
Other current liabilities		(11,325,859)	10,876,103	(12,024,797)	12,101,777
Employee benefit paid		(74,066,595)	(73,133,293)	(73,962,695)	(71,801,693)
Net cash from operating activities		482,545,837	23,324,095	421,372,686	14,140,482

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

Sermsuk Public Company Limited and its Subsidiaries

Statement of cash flows

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		For the year ended 30 September		For the year ended 30 September	
		2019	2018	2019	2018
<i>(in Baht)</i>					
<i>Cash flows from investing activities</i>					
Interest received		5,173,235	3,262,852	8,557,509	6,585,575
Dividends received		43,441,177	101,941,177	1,579,441,177	101,941,177
Purchase of plant machinery and equipment		(182,307,339)	(266,011,929)	(162,996,183)	(246,590,168)
Sale of condo-miniums and equipment		20,249,426	207,714,583	19,901,426	207,714,583
Purchase of intangible assets		(2,104,001)	(9,732,772)	(2,092,559)	(9,080,772)
Restricted deposits at financial institution		(2,357)	(4,645)	(2,357)	(4,645)
Net cash from (used in) investing activities		(115,549,859)	37,169,266	1,442,809,013	60,565,750
<i>Cash flows from financing activities</i>					
Repayment of long-term loans from a related party		-	-	(1,500,000,000)	-
Dividend paid to the owners of the Company		(405,045)	-	(405,045)	-
Net cash used in financing activities		(405,045)	-	(1,500,405,045)	-
Net increase in cash and cash equivalents		366,590,933	60,493,361	363,776,654	74,706,232
Cash and cash equivalents at 1 October		506,202,042	445,708,681	434,270,322	359,564,090
Cash and cash equivalents at 30 September	5	872,792,975	506,202,042	798,046,976	434,270,322
<i>Non-cash transactions</i>					
Payables for acquisition of machinery and equipment		14,549,034	7,258,032	7,450,464	7,258,032
Revaluation surplus on land		870,460,300	-	847,204,301	-

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

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 20 November 2019.

1 General information

Sermsuk Public Company Limited, “the Company”, is incorporated in Thailand and has its registered office at 90 CW Tower, 31st – 32nd Floor, Ratchadapisek Road, Huay Khwang Bangkok Thailand. The Company has its factories and warehouses in the important regions in Thailand.

The Company was listed on the Stock Exchange of Thailand in June 1975.

The immediate and ultimate parent companies during the period were So Water Co., Ltd. and Thai Beverage Public Company Limited. Both were incorporated in Thailand.

The principal activities of the Group are to produce and distribute soft drinks, drinking water, sport drinks, energy drinks and other beverages, including as distributor of soda, tea and other beverages. Details of the Company’s subsidiaries as at 30 September 2019 and 2018 were as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2019	2018
<i>Direct subsidiaries</i>				
Great Brands Limited	Manage brands	Hong Kong	100.00	100.00
Sermsuk Holdings Co., Ltd.	Investment and holding shares in other companies	Thailand	99.99	99.99
Sermsuk Training Co., Ltd.	Human resources development and organisation	Thailand	99.99	99.99
<i>Indirect subsidiaries</i>				
Serm Suk Beverage Co., Ltd.	Produce and distribute tea, and sports drinks	Thailand	99.99	99.99
Wrangyer Beverage (2008) Co., Ltd.	Produce and distribute energy drink	Thailand	99.99	99.99

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2 Basis of preparation of the financial statements

(a) *Statement of compliance*

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

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2018. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies.

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 32.

(b) *Basis of measurement*

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

<i>Items</i>	<i>Measurement bases</i>
Available-for-sale financial assets	Fair value
Investment properties	Fair value
Property, plant and equipment	Revaluation
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in Note 3 (m)

(c) *Functional and presentation currency*

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

(d) *Use of judgements and estimates*

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

Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 30 September 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:

Note 3 (r)	Current and deferred taxation;
Note 12	Valuation of investment properties;
Note 13	Valuation of property, plant and equipment;
Note 15	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; and
Note 18	Measurement of defined benefit obligations: key actuarial assumptions.

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Measurement of fair values

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

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 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 such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

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

- Level 1: quoted prices (unadjusted) 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 12 investment properties
- Note 13 property, plant and equipment
- Note 29 financial instruments

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(e) *Financial position and operating plan*

The Group incurred a net loss of Baht 452.52 million for the year ended 30 September 2019 (2018: Baht 277.74 million) and the Company incurred profit of Baht 951.31 million for the year ended 30 September 2019 (2018 loss: Baht 294.98 million) and the Company has no deficit as of 30 September 2019 (2018 deficit: Baht 464.20 million).

The Company's management has given careful consideration to the Group's and Company's financial and liquidity position and has executed plans to growth target sale for volume and market share by implementing modern technology in the sales and improve the efficiency of distribution to reach targeted customers to support diversify of products. Moreover, the Group has expense control plans for various areas to improve its financial position, liquidity, cash flows and operating results.

Moreover, the Group had no loan from financial institutions and had unutilised credit facilities which cover its current liabilities. Management believes that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

3 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") and the Group's interests in an associate.

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 derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investee

The Group's interests in equity-accounted investee are interests in associate.

Associate is that entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

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For the year ended 30 September 2019

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

Transactions eliminated on consolidation

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

(b) Foreign currencies

Foreign currency transactions

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

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

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

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates average approximating the foreign exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

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When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances and call deposits. 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

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

A receivable are measured at value less allowance for doubtful accounts which are assessed on 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 of finished goods, work in progress and other supplies are calculated using the weighted average cost principle and cost of raw materials, supplies, and spare part are calculated using the moving-average cost principle. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost.

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.

The Group records an allowance for decline in value of inventories for all deteriorated and obsolete inventories.

(f) Investments

Investments in an associate and subsidiaries

Investments in an associate and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investment in an associate in the consolidated financial statements is accounted for using the equity method.

Investments in equity securities

Marketable equity securities are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

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

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

Disposal of investments

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

If the 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 on initial recognition and subsequently at fair value, with any change recognised in profit or loss.

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.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value 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 stated at cost less accumulated depreciation, allowance for loss of marketing equipment and impairment losses except for land which is stated at its revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less impairment losses.

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

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

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Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation reserve in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised in other comprehensive income and presented in the revaluation reserve in equity to the extent that an amount had previously been included in the revaluation reserve relating to the specific property, with any remaining loss recognised immediately in profit or loss.

Subsequent costs

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

Depreciation

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

Depreciation is charged to profit or loss on a 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:

Buildings, warehouses and improvement	20 - 30 years
Condominium	30 years
Machinery, equipment and tools	5 - 20 years
Vehicles	5 - 10 years
Furniture and office equipment	3 - 5 years
Plastic pallets	5 years
Container	12 - 15 years
Marketing promotion equipment	5 years

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

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

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(i) ***Intangible assets***

Trademarks

Trademarks that are acquired by the Group and have infinite useful lives are measured at cost.

Other intangible assets

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

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

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

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

Software licenses	3 - 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

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

Calculation of recoverable amount

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

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

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

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

(k) Interest-bearing liabilities

Interest-bearing liabilities are recognised as stated in the agreement.

(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

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

Defined benefit plans

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

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

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

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

Other long-term employee benefits

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

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 recognises 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 recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

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

(o) Revenue

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

Sale of goods and services rendered

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

Investments

Revenue from investments comprises rental income from investment properties and dividend and interest income from investments and bank deposits.

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Rental income

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

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income and other income

Interest income and other income are recognised in profit or loss as they accrue.

(p) Finance costs

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

(q) Lease payments

Payments made under operating leases are recognised 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.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(r) Income tax

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

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

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Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of 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 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.

(s) *Earnings (losses) per share*

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

(t) *Related parties*

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

(u) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other income, administrative expenses, finance costs and share of profit of an associate.

Sermsuk Public Company Limited and its Subsidiaries

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For the year ended 30 September 2019

4 Related parties

Relationships with parent company, an associate and subsidiaries are described in notes 1, 9 and 10. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Singapore/ Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Thai Beverage Public Co., Ltd.	Thailand	Parent Company and common director
Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold 50% indirectly
Bangkok Glass PLC.	Thailand	The Company hold ordinary shares
Sang Som Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Beer Thai (1991) PLC.	Thailand	Direct subsidiary of the ultimate parent company
Beer Thip Brewery (1991) Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Sura Bangyikhan Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Piromsurang Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Sunthronpirom Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thipchalothorn Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Surathip Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Krittayabun Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Modern Trade Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Pomburapa Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Pomthip (2012) Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Pomkit Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Num Yuk Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Pan International(Thailand) Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Beverage Logistics Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Beverage Recycle Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Beverage Marketing Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Dhospaak Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Drinks Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Horeca Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Bev Tech Co., Ltd	Thailand	Direct subsidiary of the ultimate parent company
Cash Van Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
C A C Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Chang International Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Traditional Trade Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
ASM Management Co.,Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Molasses Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Kankwan Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Oishi Group PLC.	Thailand	Direct subsidiary of the ultimate parent company
Oishi Trading Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Oishi Ramen Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Oishi Food Service Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company

Sermsuk Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 30 September 2019

Name of entities	Country of incorporation/ nationality	Nature of relationships
Bangkok Art Biennale Management Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Food of Asia Co.,Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Spice of Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
The QSR of Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
Max Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
Bistro Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
F&N Interflavine Pte Ltd.	Singapore	Affiliated company in associate of the ultimate parent company
The Southeast Insurance PLC.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
The Southeast Capital Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
The Southeast Life Insurance PLC.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
F & B International Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
BJC Specialties Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
N.C.C. Management and Development Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
Big C Supercenter PLC.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly and common directors
North Park Golf And Sports Club Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly and common directors
The Pet Co., Ltd.	Thailand	The Company and directors hold ordinary shares and common directors
Crown Seal PLC.	Thailand	The Company hold ordinary shares and common director
Muangthai Insurance PLC.	Thailand	The directors hold ordinary shares and common director
Muangthai Life Insurance PLC.	Thailand	The directors hold ordinary shares and common director
Phatra-leasing PLC.	Thailand	Common directors
Berli Jucker PLC.	Thailand	Common directors

Sermsuk Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 30 September 2019

Name of entities	Country of incorporation/ nationality	Nature of relationships
Thai Malaya Glass Co., Ltd.	Thailand	Common directors
Gaew Grung Thai Co., Ltd.	Thailand	Controlling equity holder of the ultimate parent company holds substantial shares indirectly
TCC Hotel Asset Management Co., Ltd.	Thailand	Controlling equity holder of the ultimate parent company holds substantial shares indirectly
Petform (Thailand) Co., Ltd.	Thailand	Associated Company

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

Transactions	Pricing policies
Sales of goods and rendering of services	Cost plus gross profit margin
Other income	Contractual prices, mutually agreed price
Interest income and interest expense	Rate as mutually agreed with reference to interest rate quoted by domestic commercial bank
Purchase of finished goods and raw materials	Cost of finished goods and raw materials plus gross profit margin
Subsidy for marketing expenses	Actual price stated in invoice
Directors' remuneration representing salary, director bonus and meeting allowance	Approval by the Company's directors and shareholders
Distribution cost	Contractual prices, mutually agreed price
Administrative expenses	Contractual prices, mutually agreed price

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Significant transactions for the years ended 30 September 2019 and 2018 with related parties were as follows:

	Consolidated financial statements For the year ended 30 September		Separate financial statements For the year ended 30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sale of goods and rendering of services	-	-	-	11,082
Dividend income	-	-	1,500,000	-
Interest income	-	-	3,875	3,875
Purchase of finished goods and services	-	-	269,309	342,085
Distribution cost and administrative expenses	-	-	39,553	41,550
An associate				
Purchase of raw materials	934,131	872,667	934,131	872,667
Dividend income	75,000	97,500	75,000	97,500
Other income	17,792	5,161	17,792	5,161
Distribution cost	326	418	326	418
Key management personnel				
Key management personnel compensation				
Post-employment benefits	3,991	2,908	3,991	2,908
Other long-term benefits	6	6	6	6
Directors' remunerations	8,103	7,755	8,103	7,755
Total key management personnel compensation	12,100	10,669	12,100	10,669
Other related parties				
Sale of goods and rendering of services	4,161,940	3,842,434	4,088,969	3,836,362
Other income	44,015	55,353	42,547	55,353
Dividend income	4,441	4,441	4,441	4,441
Interest income	121	122	121	122
Purchase of finished goods and raw materials	3,451,051	3,064,363	3,349,230	2,994,285
Subsidy for marketing expense	442,867	610,793	442,867	610,793
Distribution cost	379,638	407,667	377,518	407,667
Administrative expenses	119,646	136,245	118,932	135,598

Balances as at 30 September 2019 and 2018 with related parties were as follows:

Sermsuk Public Company Limited and its Subsidiaries
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<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Ultimate parent company	389	101	389	101
Subsidiaries	-	-	3	-
Other related parties	288,942	324,762	283,741	323,751
Total	289,331	324,863	284,133	323,852

<i>Other receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	44,774	40,726
An associate	36,176	90	36,176	90
Other related parties	115,511	461,651	115,469	461,620
Total	151,687	461,741	196,419	502,436

<i>Loans to related parties</i>	Interate rate		Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018	2019	2018
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<i>Short-term loan</i>						
Subsidiary	3.10	3.10	-	-	125,000	125,000
<i>Long-term loan</i>						
Other related party	3.85 - 4.05	3.90 - 4.05	3,000	3,000	3,000	3,000
Total			3,000	3,000	128,000	128,000

There were no movements on the short-term and long-term loans to related parties for the year ended 30 September 2019 and 2018.

Balance as at 30 September 2019 and 2018 with related parties were as followings:

<i>Trade accounts payable to related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	432,855	426,475
An associate	62,358	143,819	62,358	143,819
Other related parties	357,628	398,218	340,645	381,694
Total	419,986	542,037	835,858	951,988

<i>Other payables to related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Ultimate parent company	82	-	82	-
Subsidiaries	-	-	6,144	2,739
Other related parties	160,603	152,815	156,312	152,738
Total	160,685	152,815	162,538	155,477

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<i>Long-term loans from related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018	2019	2018
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiary	-	-	<u>-</u>	<u>-</u>	<u>30,968</u>	<u>1,530,968</u>

Movements during the years ended 30 September of loans from related parties were as follows:

<i>Loans from related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiary				
At 1 October	-	-	1,530,968	1,530,968
Decrease	-	-	(1,500,000)	-
At 30 September	<u>-</u>	<u>-</u>	<u>30,968</u>	<u>1,530,968</u>

Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Non-current provisions for employee benefits	47,600	44,685	47,600	44,685

Significant agreements with related parties

On 21 May 2009, the Company entered into a long-term loan agreement with The Pet Co., Ltd., “Borrower”, in the amount of Baht 3 million, and repay within 20 May 2014. The agreement shall continue to be in effect for another period of five years if there is no change at the maturity date. Interests are payable quarterly at the MRR of a financial institution at the beginning of each quarter. Subsequently on 1 January 2013, the Company and the Borrower agreed to change the interest rate to Money Market Rate of a financial institution at the beginning of each quarter. On 21 May 2019, the long-term loan agreement has been renewed in the amount of Baht 3 million, and repay within 20 May 2024. The agreement shall continue to be in effect for another period of five years if there is no change at the maturity date in same terms and conditions

On 12 December 2012, the Company entered into a short-term loan agreement with Wrangyer Beverage (2008) Co., Ltd. of Baht 125 million which is repayable at call. Interest is payable quarterly at rate as stipulated in the agreement. On 21 May 2013, the Company entered into an addendum of such short-term loan agreement in order to amend interest rate of the Agreement.

On 18 December 2014, the Company entered into a short-term loan agreement with Great Brands Limited, “Lender” for a loan facility of Baht 1,700 million. Interest is at rate as stipulated in the agreement or further agreed which is repayable in full after one year from the drawdown date or such other date which the Lender specifies. Subsequently on 29 June 2018, the Company and the Lender made an amendment whereby the parties agreed to extend the loan maturity date for eight years from the date acquired the loan to 24 December 2022. As at 30 September 2019, the Company had utilised loan facility totalling Baht 30.97 million. (2018: Baht 1,530.97 million). During 2019, the Company has repaid Baht 1,500 million to the related company.

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Manufacturing agreement

The Company entered into an agreement with its subsidiary in order to appoint to produce drinking water under “Crystal” trademark. The Company has to comply with conditions as specified in the agreement. The agreement is for three years and ends on 31 March 2018, provided that the existing contract will be automatically renewed for additional periods (three year each), unless one of the contracting parties objects to such extension within ninety days prior to the lapse of each contract term. The agreement had been automatically renewed for additional periods (three year each) until to 31 March 2021, the parties agree to amend the agreement reflecting 10% product price increase (from the original price) which is effective from 2 January 2019, subject to further price change to be agreed by the parties.

The Company entered into an agreement with its related party in order to appoint to produce drinking water under “Crystal” trademark. The Company has to comply with conditions as specified in the agreement. The agreement is for three years and ends on 15 November 2018 by currently adopting the original terms and conditions in all respects for automatic renewal contract from 16 November 2018 to 15 November 2019.

The Company entered into an agreement with its related party in order to appoint to produce drinking water under “Crystal” trademark. The Company has to comply with conditions as specified in the agreement. The agreement is for two years and effective from 1 October 2017 to 30 September 2019.

The Company will enter into an addendum to the manufacturing agreement with its related party in order to produce drinking water under “Crystal” trademark at Thai Drink Company Limited (Lampang branch). The Company has to comply with conditions as specified in the addendum to be retroactively effective from 1 April 2019 onwards.

The subsidiary company will enter into an agreement with a related party in order to appoint the subsidiary company to produce energy drink under “Ranger” trademark. The parties has to comply with conditions as specified in the agreement. The agreement is retroactively effective for one year from 24 June 2019 to 23 June 2020, unless earlier terminated by the parties.

Appointment agreement

The Company entered into an agreement with a related company to be appointed to distribute bottled green tea. The Company has to comply with conditions as specified in the agreement for a period of three years and ends on 28 February 2018, with a renewal option to extend for a further period of one year from the expiration date. The Company renewed the contract for three years and ends on 28 February 2021.

The Company entered into agreement with a related company to act as a distributor for product under “100 Plus” trademark. The Company has to comply with conditions as specified in the agreement for a period of three years, effective from 1 April 2015 to 31 March 2018. Unless there is a notification from a party tendering to the other with a view to terminate the agreement not later than 30 days prior to the expiration date, this agreement continues to be in effect for the successive one-year term. The agreement was automatically extended for additional periods from 1 April 2018 to 31 March 2019.

The Company entered into a distributor Agreement with a related company in order to appoint this related company to be a distributor the products under "Crystal" "Wrangyer" and "est" trademarks. The parties have to comply with the conditions as specified under this agreement. This agreement is retroactively effective from 1 January 2017 to 31 December 2019. If the Company does not show the intention to renew the contract in writing in advance for at least 90 days ahead, the existing contract will be extended for an additional period of 1 year.

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Sell and purchase agreement

The Company entered into agreement with a related company to act as a distributor for Soda products which the Company is a non-producer. The Company has to comply with conditions as specified in the agreement. The agreement is retrospectively effective from 1 May 2017 to 30 September 2018. If either party does not show the intention to renew the contract in advance for at least 30 days ahead, the existing contract will be extended for additional periods of 1 year by currently adopting the original terms and conditions in all respects for automatic renewal contract from 1 October 2018 to 30 September 2019.

The Company will enter into "Sale and purchase Agreement" with a related company to sell and purchase a product under "Sarsi" trademark. All parties have to comply with conditions as specified in the agreement for a period of one year to be retroactively effective from 1 June 2018 to 31 May 2019. If either party does not show the intention to renew the contract in advance for at least 6 months before the set expiry date, the existing contract will be extended for an additional period of 1 year by currently adopting the original terms and conditions in all respects for automatic renewal contract from 1 June 2019 to 31 May 2020.

Co-packing and distribution agreement

The Company and its subsidiary entered into a "Co-packing and Distribution" agreement with a related company to produce and distribute returnable glass bottled tea drinks. The Company and its subsidiary have to comply with certain conditions contained in the agreement for a period of five years which ends on 31 July 2017. Unless there is notification to terminate the agreement, this agreement continues to be in effect for the successive 5 years term. The Company renewed the contract for 1 year and ends on 31 July 2018. On 25 June 2018, the Company renewed the contact for one year and ends on 31 July 2019. Currently, the Agreement has been renewed for one year and two months effective from 1 August 2019 to 30 September 2020. The Parties has the right to terminate the Agreement by sending written to other parties 90 days prior the expiry date.

The Company entered into a "Co-packing and Distribution" agreement with a related company to produce and distribute carbonated soft drink under "est" trademark. The Company has to comply with conditions as specified in the agreement for a period of three years, effective from 1 January 2015 to 31 December 2017. Unless there is notification from either party gives to other to terminate the agreement not later than 6 months prior to the expiration date, this agreement continues to be in effect for the successive 3 years term. Currently, the Parties entered into the Addendum of Co-packing agreement for product under "est" trademark to add the countries where the products will be exported.

The Company entered into a "Co-packing" agreement with a related company to produce product under "est" trademark for the export purpose only. The Company has to comply with conditions as specified in the agreement for a period of one year, effective from 1 April 2016 to 31 March 2017. Unless there is notification from either party gives to other to terminate the agreement not later than 90 days prior to the expiration date, this agreement continues to be in effect for the successive 1 year term by currently adopting the original terms and conditions in all respects for automatic renewal contract : for the third time from 1 April 2019 to 31 March 2020.

The Company entered into a "Co-packing and Distribution" agreement with a related company to produce and distribute product under "100 Plus" trademark. The Company has to comply with conditions as specified in the agreement for a period of three years, effective from 1 June 2015 to 31 May 2018. Unless there is notification from either party gives to other to terminate the agreement not later than 6 months prior to the expiration date, this agreement continues to be in effect for the successive 3 years term by adopting the original terms and conditions in all respects for automatic renewal contract : the first time from 1 June 2015 to 31 May 2018 and the second time from 1 June 2018 to 31 May 2021.

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The Company entered into a “Co-packing and Distribution” agreement with a related company to produce and distribute product under “Sarsi” trademark. The agreement is retroactively effective for one year from 1 June 2018 to 31 May 2019 by currently adopting the original terms and conditions in all respects for automatic renewal contract from 1 June 2019 to 31 May 2020.

Consultancy services agreement

The Company entered into a software licensing with a related company to manage the permission and maintenance the system. The agreement is for a period of 3 years ends on 31 August 2018 with service fee in amount of Bath 1.23 million per month. In 1 September 2018 the agreement was automatically extended for two years and ends on to 31 August 2020.

Sublease agreement for office space and service agreement

On 16 July 2017, the Company entered into a sublease agreement for office space and service agreement with a related company. The agreement is for a period from 16 July 2017 to 22 May 2020. The Company is committed to pay rental and service fee on the rates as stipulated in the agreement. This agreement shall be renewed period by notify in advance at least 90 days and will be effected for another 1 year each from the expiration of the initial term or any renewal principal.

The Company entered into a renewal sublease agreement for office space and warehouse with a related company. The agreement is for three years from 1 March 2019 to 28 February 2022. The Company is committed to pay rental and service fee and has to comply with terms and conditions as stipulated in the agreement.

The Company has entered into a Lease Agreement ("Agreement") with a related company as a lessee. The Agreement has been effective from the first date the lessee stored its assets at the leased premises 24 July 2019 to 31 May 2022. In the event that the lessee intends to extend the Agreement, the lessee shall submit a written notice a least 60 days to the lessor prior to the expiry date to the Agreement. Once submitted, the Agreement shall be extended for another 3 years term with the same conditions.

Sales and Purchase agreement

The Company has entered into a Memorandum of Understanding regarding the sale of waste material with Thai Beverage Recycle Co.,Ltd. which recorded in the sales of scrap in the amount of Baht 0.29 million. This Memorandum of Understanding has been effective from the signing date 23 August 2019 until the sale of waste material has been completed.

Commitments with related parties

Operating lease commitments

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Within one year	41,400	44,451	41,297	44,143
After one year but within five years	101,729	91,276	101,729	91,173
After five years	59,778	76,728	59,778	76,728
Total	202,907	212,455	202,804	212,044

Other commitments

As at 30 September 2019, the Company had commitments for purchase orders for goods with related parties amounting to Baht 381.43 million (2018: Baht 8.23 million).

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5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Cash on hand	26,951	47,184	26,930	47,154
Cash at banks - current accounts	47,298	63,349	46,572	51,052
Cash at banks - savings accounts	729,544	395,669	655,545	336,064
Highly liquid short-term investments	69,000	-	69,000	-
Total	872,793	506,202	798,047	434,270

The currency denomination of cash and cash equivalents as at 30 September was as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	845,802	477,328	798,047	434,270
Hong Kong Dollars (HKD)	26,991	28,874	-	-
Total	872,793	506,202	798,047	434,270

6 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related parties	4	289,331	324,863	284,133	323,852
Other parties		295,604	225,541	294,112	225,511
Total		584,935	550,404	578,245	549,363
<i>Less</i> allowance for doubtful accounts		(16,968)	(15,500)	(16,968)	(15,500)
Net		567,967	534,904	561,277	533,863

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Bad and doubtful debt expenses (reversal)	1,468	(4,597)	1,468	(4,597)

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	289,331	324,863	284,133	323,852
	289,331	324,863	284,133	323,852
Other parties				
Within credit terms	234,546	160,275	233,054	160,245
Overdue:				
Less than 1 month	35,017	40,620	35,017	40,620
1 - 3 months	9,575	9,208	9,575	9,208
3 - 6 months	3,179	3,525	3,179	3,525
Over 6 months	13,287	11,913	13,287	11,913
	295,604	225,541	294,112	225,511
Less allowance for doubtful accounts	(16,968)	(15,500)	(16,968)	(15,500)
Net	278,636	210,041	277,144	210,011
Total	567,967	534,904	561,277	533,863

The normal credit term granted by the Group ranges from 15 days to 60 days.

Trade accounts receivable of the Group and the Company as at 30 September 2019 and 2018 were denominated entirely in Thai Baht.

7 Other receivables

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Other receivables	41,677	25,563	41,249	25,286
Less allowance for doubtful accounts	(14,658)	(16,073)	(14,658)	(16,073)
Net	27,019	9,490	26,591	9,213
Prepaid expenses	17,437	50,567	17,237	50,325
Advance payment	2,361	2,935	2,217	2,492
Unearned revenue	8,110	12,522	8,110	12,522
Total	54,927	75,514	54,155	74,552

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Bad and doubtful debts Expenses (reversal)	(1,415)	671	(1,415)	671

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8 Inventories

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Finished goods	406,931	363,511	402,357	354,505
Work in progress	2,074	3,872	2,074	3,872
Raw materials and supplies	260,094	228,769	212,792	197,514
Spare parts	95,523	97,963	90,430	93,258
Other supplies	2,721	2,637	2,721	2,637
	767,343	696,752	710,374	651,786
<i>Less</i> allowance for decline in value	(90,856)	(92,164)	(88,248)	(92,164)
Net	676,487	604,588	622,126	559,622

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Inventories recognised as an expense in ‘cost of sales of goods’:				
- Cost	8,436,653	7,823,956	8,385,385	7,824,838
- Write-down to net realisable value	8,422	11,994	7,194	11,994
- Reversal of write-down	(9,730)	(25,514)	(11,110)	(24,395)
Net	8,435,345	7,810,436	8,381,469	7,812,437

9 Investment in an associate

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
At 1 October	536,464	507,030	30,000	30,000
Share of net profit of an associate	176,847	126,934	-	-
Dividend income	(75,000)	(97,500)	-	-
At 30 September	638,311	536,464	30,000	30,000

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Investment in an associate as at 30 September 2019 and 2018, and dividend income from this investment for the year ended 30 September 2019 and 2018, were as follows:

Consolidated financial statements											
	Ownership interest		Paid-up capital		Cost			Equity		Dividend income	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	
	(%)				<i>(in thousand Baht)</i>						
Petform (Thailand) Limited	40	40	75,000	75,000	<u>30,000</u>	<u>30,000</u>	<u>638,311</u>	<u>536,464</u>	<u>75,000</u>	<u>97,500</u>	
Separate financial statements											
	Ownership interest		Paid-up capital		Cost			Dividend income			
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	
	(%)				<i>(in thousand Baht)</i>						
Petform (Thailand) Limited	40	40	75,000	75,000	<u>30,000</u>	<u>30,000</u>	<u>75,000</u>	<u>97,500</u>			

Petform (Thailand) Limited mainly manufactures and distributes PET preforms, closures, and PET bottles. This associate is not publicly listed and consequently does not have published price quotations.

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The following table summarises the financial information of the associate as included in its own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in this company.

	Petform (Thailand) Limited	
	2019	2018
	<i>(in thousand Baht)</i>	
Revenue	3,659,901	3,057,780
Profit from continuing operations	455,009	319,958
Other comprehensive income	(516)	479
Total comprehensive income	454,493	320,437
Attributable to NCI	278,162	193,024
Group's share of total comprehensive income	176,847	126,934
Current assets	488,733	636,646
Non-current assets	1,679,183	1,784,327
Current liabilities	(442,850)	(788,249)
Non-current liabilities	(24,718)	(289,369)
Net assets	1,700,348	1,343,355
Attributable to NCI	1,020,209	806,013
Carrying amount of interest in associate	680,139	537,342

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10 Investments in subsidiaries

Investments in subsidiaries as at 30 September 2019 and 2018, and dividend income from those investments for the year ended 30 September 2019 and 2018, were as follows:

Subsidiaries	Type of business	Ownership interest		Separate financial statements				Dividend income	
		2019		Paid-up capital		Cost		2019	2018
		2019	2018	2019	2018	2019	2018	2019	2018
		(%)		(in thousand Baht)					
Direct subsidiaries									
Sermsuk Holdings Co., Ltd.	Investment and holding shares in other companies	99.99	99.99	600,000	600,000	600,000	600,000	-	-
Great Brands Limited	Manage brands	100.00	100.00	HKD 1,000	HKD 1,000	4,134	4,134	1,500,000	-
Sermsuk Training Co., Ltd.	Human resources development and organisation	99.99	99.99	2,500	2,500	2,500	2,500	-	-
Total						606,634	606,634	1,500,000	-

All subsidiaries were incorporated in Thailand, except Great Brands Limited which was incorporated in Hong Kong.

On 9 August 2019, Great Brands Limited, a direct subsidiary of the Company in Hong Kong Special Administrative Region of the People's Republic of China, approved the dividend payment Baht 1,500 million (1,000,000 ordinary shares with Baht 1,500 per share). The payment was made in August 2019.

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11 Other long-term investments

Other long-term investments as at 30 September 2019 and 2018, and dividend income from those investments for the year ended 30 September 2019 and 2018, were as follows:

	Consolidated and Separate financial statements			
	Cost method		Dividend income	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Equity securities available for sale</i>				
Crown Seal Public Company Limited	50,772	47,863	1,587	1,587
<i>Non marketable equity securities</i>				
The Pet Company Limited	7,000	7,000	700	700
Bangkok Glass Public Company Limited	74,799	74,799	2,154	2,154
	<u>81,799</u>	<u>81,799</u>	<u>2,854</u>	<u>2,854</u>
Total	<u>132,571</u>	<u>129,662</u>	<u>4,441</u>	<u>4,441</u>

Movements during the year ended 30 September 2019 and 2018 were as follows:

	Consolidated and Separate financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
<i>Equity securities available for sale</i>		
At 1 October	47,863	59,498
Valuation adjustment	2,909	(11,635)
At 30 September	<u>50,772</u>	<u>47,863</u>
<i>Investments-other related parties</i>		
At 1 October	81,799	81,799
At 30 September	<u>81,799</u>	<u>81,799</u>
<i>Total Other long-term investments</i>		
At 1 October	129,662	141,297
Valuation adjustment	2,909	(11,635)
At 30 September	<u>132,571</u>	<u>129,662</u>

Other long-term investments of the Group and the Company as at 30 September 2019 and 2018 were denominated entirely in Thai Baht.

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12 Investment properties

	Consolidated and Separate financial statements		
	Land	Building	Total
	<i>(in thousand Baht)</i>		
At 1 October 2017	308,482	5,100	313,582
Fair value adjustments	2,723	180	2,903
At 30 September 2018 and 1 October 2018	311,205	5,280	316,485
Fair value adjustments	6,680	(180)	6,500
At 30 September 2019	317,885	5,100	322,985

Investment properties were revalued as at 30 September 2019 and 2018 by Thai Property Appraisal Lynn Philips Co., Ltd., a firm of independent professional valuers, at open market values on an existing use basis.

Investment properties comprise lands which are held for business operations in the future but not yet utilised and land and building that are leased to third parties for a period of three years.

Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio on an annual basis.

The fair value measurement for investment property of Baht 322.99 million (2018: Baht 316.49 million) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	<i>(in thousand Baht)</i>
Balance at 1 October 2018	316,485
Gain included in "other income"	
Changes in fair value (unrealised)	6,500
Balance at 30 September 2019	322,985

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs
Market Approach	<ul style="list-style-type: none"> • Asking price of comparable property • Source of data used in valuation

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13 Property, plant and equipment

	Consolidated financial statements											
	Historical cost	Land Surplus on revaluation	Buildings, warehouses and improvement	Condo-miniums	Machinery, equipment and tools	Vehicles <i>(in thousand Baht)</i>	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipments	Assets under construction and installation	Total
<i>Cost/revaluation</i>												
At 1 October 2017	500,266	3,730,168	2,649,175	172,100	6,627,108	1,739,577	339,637	361,539	1,376,668	3,948,095	69,516	21,513,849
Additions	-	-	24,674	-	72,011	7,496	6,088	5,940	68,063	13,347	56,440	254,059
Transfers	-	-	7,548	-	54,005	986	39	-	-	(324)	(62,254)	-
Transfer to Non-current												
Asset held for sale	-	-	-	(172,100)	-	-	(22,036)	-	-	-	-	(194,136)
Disposals	-	-	(1,403)	-	(23,717)	(70,485)	(6,334)	(2,218)	(96,160)	(176,609)	-	(376,926)
At 30 September 2018												
and 1 October 2018	500,266	3,730,168	2,679,994	-	6,729,407	1,677,574	317,394	365,261	1,348,571	3,784,509	63,702	21,196,846
Additions	-	870,460	25,407	-	61,924	10,569	17,887	7,000	58,608	14,459	85,091	1,151,405
Transfers	-	-	23,670	-	23,369	551	254	-	-	96	(47,940)	-
Disposals	-	-	(12,528)	-	(48,042)	(78,174)	(6,569)	(463)	(97,847)	(125,472)	-	(369,095)
At 30 September 2019	500,266	4,600,628	2,716,543	-	6,766,658	1,610,520	328,966	371,798	1,309,332	3,673,592	100,853	21,979,156

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	Consolidated financial statements											
	Historical cost	Land Surplus on revaluation	Buildings, warehouses and improvement	Condo-miniums	Machinery, equipment and tools	Vehicles <i>(in thousand Baht)</i>	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipments	Assets under construction and installation	Total
<i>Depreciation and impairment losses</i>												
At 1 October 2017	-	-	1,474,539	142,319	4,993,002	1,573,654	296,502	347,436	253,269	3,698,614	-	12,779,335
Depreciation charge for the year	-	-	97,664	2,438	262,652	56,483	19,252	6,919	105,623	102,765	-	653,796
Transfer to Non-current Asset held for sale	-	-	-	(144,757)	-	-	(21,621)	-	-	-	-	(166,378)
Loss on impairment	-	-	-	-	-	-	-	-	(25,322)	-	-	(25,322)
Disposals	-	-	(775)	-	(23,595)	(70,463)	(6,313)	(2,216)	(38,265)	(176,618)	-	(318,245)
At 30 September 2018 and 1 October 2018	-	-	1,571,428	-	5,232,059	1,559,674	287,820	352,139	295,305	3,624,761	-	12,923,186
Depreciation charge for the year	-	-	85,797	-	262,177	39,566	20,072	6,552	94,434	84,537	-	593,135
Disposals	-	-	(12,512)	-	(47,671)	(77,926)	(6,543)	(462)	(15,046)	(125,439)	-	(285,599)
At 30 September 2019	-	-	1,644,713	-	5,446,565	1,521,314	301,349	358,229	374,693	3,583,859	-	13,230,722
<i>Allowance for loss of marketing promotion equipments</i>												
At 1 October 2017	-	-	-	-	-	-	-	-	-	5,330	-	5,330
At 30 September 2018 and 1 October 2018	-	-	-	-	-	-	-	-	-	5,330	-	5,330
At 30 September 2019	-	-	-	-	-	-	-	-	-	5,330	-	5,330

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	Consolidated financial statements											
	Historical cost	Land Surplus on revaluation	Buildings, warehouses and improvement	Condo-miniums	Machinery, equipment and tools	Vehicles <i>(in thousand Baht)</i>	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipments	Assets under construction and installation	Total
Net book value												
At 1 October 2017	<u>500,266</u>	<u>3,730,168</u>	<u>1,174,636</u>	<u>29,781</u>	<u>1,634,106</u>	<u>165,923</u>	<u>43,135</u>	<u>14,103</u>	<u>1,123,399</u>	<u>244,151</u>	<u>69,516</u>	<u>8,729,184</u>
At 30 September 2018												
and 1 October 2018	<u>500,266</u>	<u>3,730,168</u>	<u>1,108,566</u>	<u>-</u>	<u>1,497,348</u>	<u>117,900</u>	<u>29,574</u>	<u>13,122</u>	<u>1,053,266</u>	<u>154,418</u>	<u>63,702</u>	<u>8,268,330</u>
At 30 September 2019	<u>500,266</u>	<u>4,600,628</u>	<u>1,071,830</u>	<u>-</u>	<u>1,320,093</u>	<u>89,206</u>	<u>27,617</u>	<u>13,569</u>	<u>934,639</u>	<u>84,403</u>	<u>100,853</u>	<u>8,743,104</u>

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	Separate financial statements											Total
	Land		Buildings, warehouses and improvement	Condo- miniums	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing and installation	Assets under construction and installation	
	Historical cost	Surplus on revaluation										
<i>(in thousand Baht)</i>												
Cost/revaluation												
At 1 October 2017	375,763	3,546,607	2,332,529	172,100	6,022,763	1,731,677	330,321	337,681	1,492,574	3,948,096	55,673	20,345,784
Additions	-	-	21,072	-	63,419	7,275	4,888	5,940	68,062	13,347	41,788	225,791
Transfers	-	-	6,847	-	30,407	986	39	-	-	(324)	(37,955)	-
Transfer to Non-current												
Asset held for sale	-	-	-	(172,100)	-	-	(22,036)	-	-	-	-	(194,136)
Disposals	-	-	(716)	-	(23,161)	(70,485)	(6,334)	(2,218)	(96,143)	(176,609)	-	(375,666)
At 30 September 2018												
and 1 October 2018	375,763	3,546,607	2,359,732	-	6,093,428	1,669,453	306,878	341,403	1,464,493	3,784,510	59,506	20,001,773
Additions	-	847,204	23,582	-	49,156	10,569	17,167	7,000	58,608	14,458	73,948	1,101,692
Transfers	-	-	23,670	-	19,341	551	254	-	-	96	(43,912)	-
Disposals	-	-	(12,514)	-	(47,410)	(76,867)	(6,530)	(463)	(97,725)	(125,472)	-	(366,981)
At 30 September 2019	375,763	4,393,811	2,394,470	-	6,114,515	1,603,706	317,769	347,940	1,425,376	3,673,592	89,542	20,736,484

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	Separate financial statements											
	Land		Buildings, warehouses and improvement	Condo- miniums	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing and installation	Assets under construction and installation	Total
	Historical cost	Surplus on revaluation										
<i>Depreciation and impairment losses</i>												
At 1 October 2017	-	-	1,257,272	142,319	4,463,048	1,566,322	288,389	323,576	394,168	3,698,614	-	12,133,708
Depreciation charge for the year	-	-	81,953	2,438	239,986	56,144	18,758	6,919	104,572	102,765	-	613,535
Transfer to Non-current Asset held for sale	-	-	-	(144,757)	-	-	(21,621)	-	-	-	-	(166,378)
Loss on impairment	-	-	-	-	-	-	-	-	(25,322)	-	-	(25,322)
Disposals	-	-	(513)	-	(23,040)	(70,463)	(6,313)	(2,216)	(38,249)	(176,618)	-	(317,412)
At 30 September 2018 and 1 October 2018	-	-	1,338,712	-	4,679,994	1,552,003	279,213	328,279	435,169	3,624,761	-	12,238,131
Depreciation charge for the year	-	-	75,446	-	246,882	39,337	19,460	6,552	93,402	84,537	-	565,616
Disposals	-	-	(12,512)	-	(47,039)	(76,620)	(6,504)	(462)	(14,970)	(125,439)	-	(283,546)
At 30 September 2019	-	-	1,401,646	-	4,879,837	1,514,720	292,169	334,369	513,601	3,583,859	-	12,520,201

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	Separate financial statements											Total
	Land		Buildings, warehouses and improvement	Condo- miniums	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing and installation	Assets under construction and installation	
	Historical cost	Surplus on revaluation										
<i>(in thousand Baht)</i>												
<i>Allowance for loss of marketing promotion equipments</i>												
At 1 October 2017	-	-	-	-	-	-	-	-	-	5,330	-	5,330
At 30 September 2018 and 1 October 2018	-	-	-	-	-	-	-	-	-	5,330	-	5,330
At 30 September 2019	-	-	-	-	-	-	-	-	-	5,330	-	5,330
Net book value												
At 1 October 2017	<u>375,763</u>	<u>3,546,607</u>	<u>1,075,257</u>	<u>29,781</u>	<u>1,559,715</u>	<u>165,355</u>	<u>41,932</u>	<u>14,105</u>	<u>1,098,406</u>	<u>244,152</u>	<u>55,673</u>	<u>8,206,746</u>
At 30 September 2018 and 1 October 2018	<u>375,763</u>	<u>3,546,607</u>	<u>1,021,020</u>	<u>-</u>	<u>1,413,434</u>	<u>117,450</u>	<u>27,665</u>	<u>13,124</u>	<u>1,029,324</u>	<u>154,419</u>	<u>59,506</u>	<u>7,758,312</u>
At 30 September 2019	<u>375,763</u>	<u>4,393,811</u>	<u>992,824</u>	<u>-</u>	<u>1,234,678</u>	<u>88,986</u>	<u>25,600</u>	<u>13,571</u>	<u>911,775</u>	<u>84,403</u>	<u>89,542</u>	<u>8,210,953</u>

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The gross amount of the Group's fully depreciated buildings and equipment that was still in use as at 30 September 2019 and 2018 are summarised as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Buildings and equipment	<u>9,687,084</u>	<u>9,241,568</u>	<u>8,770,814</u>	<u>8,708,261</u>

Measurement of fair value

Fair value hierarchy

The fair value of property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers regularly provide the fair value of the Group's land portfolio.

The fair value measurement for property in the consolidated financial statements of Baht 5,100.89 million and separate financial statements of Baht 4,769.57 million has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	Consolidated financial statement	Separate financial statements
	<i>(in thousand Baht)</i>	
Balance at 1 October 2018	4,230,434	3,922,370
Gain included in "Other comprehensive income"		
Gain on revaluation on land	870,460	847,204
Gain included in "Profit or loss for the period"		
Gain on revaluation on land	-	-
Balance at 30 September 2019	<u><u>5,100,894</u></u>	<u><u>4,769,574</u></u>

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs
Sales Comparison Approach	<ul style="list-style-type: none"> • Asking price of comparable property • Source of data used in valuation

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14 Intangible assets

	Consolidated financial statements		
	Trademark	Software licenses	Total
	<i>(in thousand Baht)</i>		
<i>Cost</i>			
At 1 October 2017	2,000	52,100	54,100
Additions	-	9,356	9,356
At 30 September 2018 and 1 October 2018	2,000	61,456	63,456
Additions	-	2,104	2,104
At 30 September 2019	2,000	63,560	65,560
<i>Amortisation</i>			
At 1 October 2017	-	32,723	32,723
Amortisation for the period	-	10,974	10,974
At 30 September 2018 and 1 October 2018	-	43,697	43,697
Amortisation for the year	-	3,448	3,448
At 30 September 2019	-	47,145	47,145
<i>Net book value</i>			
At 1 October 2017	2,000	19,377	21,377
At 30 September 2018 and 1 October 2018	2,000	17,759	19,759
At 30 September 2019	2,000	16,145	18,415
		Separate financial statements	
		Software licenses	
		<i>(in thousand Baht)</i>	
<i>Cost</i>			
At 1 October 2017			48,336
Additions			8,705
At 30 September 2018 and 1 October 2018			57,041
Additions			2,093
At 30 September 2019			59,134
<i>Amortisation</i>			
At 1 October 2017			30,591
Amortisation for the period			10,063
At 30 September 2018 and 1 October 2018			40,654
Amortisation for the year			2,456
At 30 September 2019			43,110
<i>Net book value</i>			
At 1 October 2017			17,745
At 30 September 2018 and 1 October 2018			16,387
At 30 September 2019			16,024

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15 Deferred tax

Deferred tax assets and liabilities as at 30 September were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Total	591,926	839,772	(1,055,357)	(887,227)
Set off of tax	(591,831)	(836,255)	591,831	836,255
Net deferred tax assets (liabilities)	<u>95</u>	<u>3,517</u>	<u>(463,526)</u>	<u>(50,972)</u>

	Separate financial statements			
	Assets		Liabilities	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Total	584,695	831,438	(1,013,993)	(850,515)
Set off of tax	(584,695)	(831,438)	584,695	831,438
Net deferred tax liabilities	<u>-</u>	<u>-</u>	<u>(429,298)</u>	<u>(19,077)</u>

Movements in total deferred tax assets and liabilities for the year ended 30 September 2019 and 2018 were as follows:

	Consolidated financial statements			
	At 1 October 2018	(Charged) / Credited to:		At 30 September 2019
		Profit or loss <i>(Note 27)</i>	Other comprehensive income	
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Inventories	18,632	(262)	-	18,370
Employee benefit obligations	183,956	37,472	13,323	234,751
Loss carry forward	627,409	(298,389)	-	329,020
Others	9,775	10	-	9,785
Total	<u>839,772</u>	<u>(261,169)</u>	<u>13,323</u>	<u>591,926</u>
Deferred tax liabilities				
Property, plant and equipment	(746,033)	-	(174,092)	(920,125)
Investment properties	(25,910)	(1,300)	-	(27,210)
Long-term investments	(3,227)	-	(582)	(3,809)
Others	(112,057)	7,844	-	(104,213)
Total	<u>(887,227)</u>	<u>6,544</u>	<u>(174,674)</u>	<u>(1,055,357)</u>
Net	<u>(47,455)</u>	<u>(254,625)</u>	<u>(161,351)</u>	<u>(463,431)</u>

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	Consolidated financial statements			At 30 September 2018
	At 1 October 2017	(Charged) / Credited to:		
		Profit or loss (Note 27)	Other comprehensive income	
		<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>				
Inventories	21,526	(2,894)	-	18,632
Employee benefit obligations	210,950	(1,193)	(25,801)	183,956
Loss carry forward	612,216	15,193	-	627,409
Others	15,624	(5,849)	-	9,775
Total	860,316	5,257	(25,801)	839,772
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(746,033)	-	-	(746,033)
Investment properties	(25,329)	(581)	-	(25,910)
Long-term investments	(5,554)	-	2,327	(3,227)
Others	(111,331)	(726)	-	(112,057)
Total	(888,247)	(1,307)	2,327	(887,227)
Net	(27,931)	3,950	(23,474)	(47,455)

	Separate financial statements			At 30 September 2019
	At 1 October 2018	(Charged) / Credited to:		
		Profit or loss (Note 27)	Other comprehensive income	
		<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>				
Inventories	18,633	(783)	-	17,850
Employee benefit obligations	185,956	36,942	13,262	236,160
Loss carry forward	617,074	(296,174)	-	320,900
Others	9,775	10	-	9,785
Total	831,438	(260,005)	13,262	584,695
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(709,321)	-	(169,441)	(878,762)
Investment properties	(25,910)	(1,300)	-	(27,210)
Long-term investments	(3,227)	-	(582)	(3,809)
Others	(112,057)	7,845	-	(104,212)
Total	(850,515)	6,545	(170,023)	(1,013,993)
Net	(19,077)	(253,460)	(156,761)	(429,298)

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	At 1 October 2017	Separate financial statements (Charged) / Credited to:		At 30 September 2018
		Profit or loss (Note 27) (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Inventories	21,113	(2,480)	-	18,633
Employee benefit obligations	212,669	(1,151)	(25,562)	185,956
Loss carry forward	596,134	20,940	-	617,074
Others	15,624	(5,849)	-	9,775
Total	845,540	11,460	(25,562)	831,438
Deferred tax liabilities				
Property, plant and equipment	(709,321)	-	-	(709,321)
Investment properties	(25,329)	(581)	-	(25,910)
Long-term investments	(5,554)	-	2,327	(3,227)
Others	(111,331)	(726)	-	(112,057)
Total	(851,535)	(1,307)	2,327	(850,515)
Net	(5,995)	10,153	(23,235)	(19,077)

The recoverability of deferred income tax assets resulting from tax losses carry-forward and temporary differences is reviewed and assessed, using forecasts that are based on the actual operating results and the expected future performance based on management's estimates and assumptions of revenue growth and the development of operating margins of the Group companies concerned. The Group has recognised tax losses as deferred tax assets because the Group considers that it is probable that future taxable profit will be available against which such losses can be used. These were following the Group's business plan to increase the Group's profit from operating activities in the future. Deviations from these estimates and assumptions can affect the value of deferred tax assets. The actual outcome may differ significantly from the outcome estimated by management. The tax losses expire in 2021 to 2023.

16 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
(in thousand Baht)					
Related parties	4	419,986	542,037	835,858	951,988
Other parties		220,788	222,106	197,449	205,573
Total		640,774	764,143	1,033,307	1,157,561

Trade accounts payable of the Group and the Company as at 30 September 2019 and 2018 were denominated entirely in Thai Baht.

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17 Other payables

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Accrued employee benefit	198,506	191,510	194,583	187,490
Other payables	264,711	247,336	243,826	232,183
Excise taxes payable	78,499	81,429	72,468	79,741
Accrued marketing expense	56,362	62,657	56,362	62,657
Accrued utilities expense	27,174	27,744	24,368	25,169
Others	37,871	40,849	37,871	40,849
Total	663,123	651,525	629,478	628,089

The currency denomination of other payables as at 30 September was as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Thai Baht (THB)	657,238	646,291	626,674	623,122
Euro (EUR)	559	3,470	559	3,289
United States Dollars (USD)	5,287	1,721	2,245	1,678
Hongkong Dollar (HKD)	24	26	-	-
Pound Sterling (GBP)	15	17	-	-
Total	663,123	651,525	629,478	628,089

18 Non-current provisions for employee benefits

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Statement of financial position				
Obligations for:				
Long-term employee benefit				
- long service award	42,375	34,745	42,267	34,669
Post-employment benefit				
- retirement benefit	1,143,519	898,701	1,131,350	889,810
Total	1,185,894	933,446	1,173,617	924,479
Statement of financial position				
<i>Non-current</i>				
Non-current provisions for employee				
benefits	1,185,894	933,446	1,173,617	924,479
Total	1,185,894	933,446	1,173,617	924,479

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	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Statement of comprehensive income:				
Recognised in profit or loss:				
Long-term employee benefits				
- long service award	3,965	4,876	3,955	4,864
- Actuarial losses (gains)	9,325	(4,279)	9,303	(4,270)
Post-employment benefit				
- retirement benefit	246,614	76,857	243,357	75,577
Total	259,904	77,454	256,615	76,171
Recognised in other comprehensive income:				
Actuarial losses (gains) recognised in the year	66,433	(129,231)	66,308	(127,810)
Cumulative actuarial gains recognised	(371,835)	(438,268)	(371,576)	(437,884)

Employee benefit - Retirement benefit

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

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

The statement of financial position obligation was determined as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Present value of unfunded obligations	1,143,519	898,701	1,131,350	889,810
The statement of financial position obligation was determined	1,143,519	898,701	1,131,350	889,810

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the third quarter of 2019. As a result of this change, the provision for retirement benefits as at 30 September 2019 as well as past service cost recognised during the year in the consolidated and separate financial statements increased by an amount of Baht 172 million and Baht 170 million, respectively.

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Movement of present value of defined benefit obligation were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 October	898,701	1,023,752	889,810	1,013,390
Benefits paid by the plan	(68,229)	(72,678)	(68,125)	(71,347)
	<u>830,472</u>	<u>951,074</u>	<u>821,685</u>	<u>942,043</u>
Include in profit or loss:				
Current service costs	53,148	53,955	52,128	52,896
Interest on obligation	23,695	22,903	23,437	22,681
Past service cost for employee benefit from amendment of the Labor Protection Act	171,830	-	169,851	-
	<u>248,673</u>	<u>76,858</u>	<u>245,416</u>	<u>75,577</u>
Included in other comprehensive income				
Actuarial gains (losses)	66,433	(129,231)	66,308	(127,810)
	<u>66,433</u>	<u>(129,231)</u>	<u>66,308</u>	<u>(127,810)</u>
Others				
Transfer out to the related company	(2,059)	-	(2,059)	-
	<u>(2,059)</u>	<u>-</u>	<u>(2,059)</u>	<u>-</u>
Defined benefit obligations at 30 September	<u>1,143,519</u>	<u>898,701</u>	<u>1,131,350</u>	<u>889,810</u>

Actuarial (gains) and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Financial assumptions	63,178	(114,411)	62,584	(112,911)
Experience adjustment	3,255	(14,820)	3,724	(14,899)
Total	<u>66,433</u>	<u>(129,231)</u>	<u>66,308</u>	<u>(127,810)</u>

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	%			
Discount rate	1.50	2.75	1.50	2.75
Future salary growth	0.00 and 4.00	4.00	0.00 and 4.00	4.00

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

At 30 September 2019, the weighted-average duration of the defined benefit obligation was 8 years (2018: 7 years).

Sensitivity analysis

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

	Consolidated financial statements		Separate financial statements	
	<i>(in thousand Baht)</i>			
Defined benefit obligation 30 September 2019	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(44,304)	47,367	(43,565)	46,561
Future salary growth (1% movement)	111,248	(89,038)	109,426	(87,740)

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

19 Share capital

	Par value per share <i>(in Baht)</i>	Consolidated / Separate financial statements			
		2019		2018	
		Number	Baht	Number	Baht
<i>(thousand shares / thousand Baht)</i>					
Authorised					
At 1 October					
- ordinary shares	1	265,900	265,900	265,900	265,900
At 30 September					
- ordinary shares	1	265,900	265,900	265,900	265,900
Issued and paid-up					
At 1 October					
- ordinary shares	1	265,900	265,900	265,900	265,900
At 30 September					
- ordinary shares	1	265,900	265,900	265,900	265,900

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

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

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20 Reserves

Reserves comprise

Appropriations of profit and/or retained earnings

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

General reserve

The general reserve comprises amounts appropriated from profit for expansion of the Company’s operations.

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes in available-for-sale investments

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

Valuation surplus

The valuation surplus account within equity comprises the cumulative net change in the valuation of land included in the financial statements at valuation until such land is sold or otherwise disposed of.

Valuation surplus is not available for dividend distribution.

21 Segment information

The Group has two reportable segments, as described below, which are the Group’s strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group’s reportable segments.

- Segment 1 Carbonated soft drink: Produce and distribute soft drinks, and sport drink, including as distributor of soda
- Segment 2 Non-Carbonated soft drink: Produce and distribute drinking water, energy drink, and other beverages, including as distributor of tea

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None of the other operations segments meets the quantitative thresholds for determining reportable segments in 2019 or 2018.

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.

Information about reportable segments

	Carbonated soft drink		Non-Carbonated soft drink		Total reportable segments	
	2019	2018	2019	2018	2019	2018
	<i>(in million Baht)</i>					
External revenue	<u>5,208</u>	<u>4,548</u>	<u>6,555</u>	<u>6,272</u>	<u>11,763</u>	<u>10,820</u>
Segment profit before income tax	<u>727</u>	<u>578</u>	<u>2,599</u>	<u>2,414</u>	<u>3,326</u>	<u>2,992</u>
Depreciation and amortisation recorded in distribution cost and administrative expenses	98	110	125	154	223	264
Distribution cost	1,236	1,126	1,555	1,553	2,791	2,519

Reconciliations of reportable segment revenues, profit or loss, and other material items

	2019	2018
	<i>(in million Baht)</i>	
Profit or loss		
Profit for reportable segments	3,326	2,992
Depreciation and amortisation recorded in distribution cost and administrative expenses	(223)	(264)
Distribution cost	<u>(2,791)</u>	<u>(2,519)</u>
	312	209
Unallocated revenue and expenses		
- Other income	153	340
- Administrative expenses	(840)	(958)
Share of profit of investment in an associate, net of income tax	<u>177</u>	<u>127</u>
Consolidated loss before income tax	<u>(198)</u>	<u>(282)</u>

Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

Major customer

Revenue from one customer of the group's 1 and 2 segments represents approximately for the year ended 30 September 2019 Baht 3,663.95 million (2018: Baht 3,492.35 million) of the group's total revenue.

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22 Other income

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Sale of scrap		29,462	41,920	27,546	40,517
Fair value adjustments on investment properties	12	6,500	2,903	6,500	2,903
Gain on disposal of buildings equipment and intangible assets		19,695	179,857	19,347	179,857
Interest income		5,173	3,263	8,558	6,590
Subsidy for sales support		50,999	47,010	50,999	47,010
Others		36,409	60,279	35,806	60,207
Total		148,238	335,232	148,756	337,084

23 Distribution cost

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>(in thousand Baht)</i>				
Personnel expenses	1,250,255	1,101,151	1,248,348	1,099,604
Marketing expenses	540,773	540,401	540,773	540,401
Distribution	425,440	413,847	423,001	408,768
Depreciation and amortisation	143,150	159,600	142,333	158,662
Fuel	183,563	182,797	183,563	182,797
Others	297,990	280,480	288,547	278,003
Total	2,841,171	2,678,276	2,826,565	2,668,235

24 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>(in thousand Baht)</i>				
Personnel expenses	378,836	528,055	364,143	512,184
Depreciation and amortisation	80,504	103,560	79,073	101,140
Fuel	86,830	85,991	86,637	85,778
Others	327,099	344,167	325,407	351,511
Total	873,269	1,061,773	855,260	1,050,613

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25 Employee benefit expenses

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Salaries and wages		1,325,490	1,349,965	1,297,873	1,321,201
Overtime and allowance expense		139,781	132,280	135,688	128,313
Bonus		114,346	121,326	112,309	119,064
Pension costs - defined contribution plans		87,736	83,445	86,299	81,961
Pension costs - defined benefit plans	18	248,673	84,340	245,416	83,060
Others		204,521	227,699	202,334	225,161
Total		2,120,547	1,999,055	2,079,919	1,958,760

Defined benefit plans

Details of the defined benefit plans are given in note 18.

Defined contribution plans

The Group has a provident fund for those employees who indicate their willingness to join. Contributions are made monthly by the employees at 3% of their basic salaries and by the Group at from 5% to 12% 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.

The employees who do not join the provident fund managed by the financial institution may still subscribe to the initial provident fund which is managed by the Company. The Company's contribution is treated as an expense in the year when the service is provided.

26 Expenses by nature

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

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Changes in inventories of finished goods and work in progress		2,268,999	1,914,441	2,265,308	1,909,211
Raw materials and consumables used		5,113,602	4,981,605	4,805,704	4,716,451
Employee benefit expenses	25	2,120,547	1,999,055	2,079,919	1,958,760
Depreciation and amortisation		574,970	663,699	551,709	549,748
Marketing expenses	23	540,773	540,401	540,773	540,401
Distribution	23	425,440	413,847	423,001	408,768
Fuel		270,393	268,787	270,200	268,574
Rental expenses		126,343	120,038	124,432	117,816
Maintenance expenses		117,640	120,399	117,221	119,110
Others		731,569	545,547	1,026,772	958,803
Total expenses		12,290,276	11,567,819	12,205,039	11,547,642

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27 Income tax expense (benefit)

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Current tax expense					
Current year		392	-	-	-
		<u>392</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred tax expense					
Movements in temporary differences	15	254,625	(3,950)	253,460	(10,153)
Income tax expense (benefit)		<u>255,017</u>	<u>(3,950)</u>	<u>253,460</u>	<u>(10,153)</u>

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2019			2018		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
<i>(in thousand Baht)</i>						
Net change in fair value of available-for-sale investments	2,909	(582)	2,327	(11,635)	2,327	(9,308)
Defined benefit plan actuarial gains (losses)	(66,433)	13,323	(53,110)	129,231	(25,801)	103,430
Revaluation of property, plant and equipment	870,460	(174,092)	696,368	-	-	-
Total	<u>806,936</u>	<u>(161,351)</u>	<u>645,585</u>	<u>117,596</u>	<u>(23,474)</u>	<u>94,122</u>

	Separate financial statements					
	2019			2018		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
<i>(in thousand Baht)</i>						
Net change in fair value of available-for-sale investments	2,909	(582)	2,327	(11,635)	2,327	(9,308)
Defined benefit plan actuarial gains (losses)	(66,308)	13,262	(53,046)	127,810	(25,562)	102,248
Revaluation of property, plant and equipment	847,204	(169,441)	677,763	-	-	-
Total	<u>783,805</u>	<u>(156,761)</u>	<u>627,044</u>	<u>116,175</u>	<u>(23,235)</u>	<u>92,940</u>

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Reconciliation of effective tax rate

	Consolidated financial statements			
	2019		2018	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Loss before income tax expense		<u>(197,502)</u>		<u>(281,686)</u>
Income tax using the Thai corporation tax rate	20.00	(39,500)	20.00	(56,337)
Income not subject to tax		(35,735)		(26,786)
Expenses not deductible for tax purposes		1,888		10,594
Expenses for tax incentives		(10,060)		(11,307)
Utilized deferred tax assets		300,000		-
Reversal of previously recognised deferred tax assets		38,424		79,887
Total		<u>(129.12)</u>		<u>(3,949)</u>

	Separate financial statements			
	2019		2018	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		<u>1,204,775</u>		<u>(305,129)</u>
Income tax using the Thai corporation tax rate	20.00	240,955	20.00	(61,026)
Income not subject to tax		(15,888)		(26,275)
Expenses not deductible for tax purposes		2,810		12,013
Expenses for tax incentives		(10,060)		(11,198)
Reversal of previously recognised deferred tax assets		35,643		76,333
Total		<u>(21.04)</u>		<u>(10,153)</u>

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

28 Earnings (losses) per share

The calculations of earnings (loss) per share for the year ended 30 September 2019 and 2018 were based on the earnings (loss) for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year as follows:

	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 (basic)	<u>(452,519)</u>	<u>(277,737)</u>	<u>951,315</u>	<u>(294,976)</u>
Number of ordinary shares outstanding	<u>265,900</u>	<u>265,900</u>	<u>265,900</u>	<u>265,900</u>
Earnings (losses) per share (in Baht)	<u>(1.70)</u>	<u>(1.04)</u>	<u>3.58</u>	<u>(1.11)</u>

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29 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 financial instruments for speculative or trading purposes.

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

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see Note 4). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

The effective interest rates of loans receivable as at 30 September 2019 and 2018 and the periods in which the loans receivable and debt securities mature or re-price were as follows:

	Effective interest rate (% per annum)	Consolidated financial statements		
		Within 1 year	After 5 years	Total
		(in thousand Baht)		
At 30 September 2019				
Non-current				
Long-term loan to a related party	3.85 - 4.05	-	3,000	3,000
At 30 September 2018				
Non-current				
Long-term loan to a related party	3.90 - 4.05	-	3,000	3,000
Separate financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 5 years	Total
		(in thousand Baht)		
At 30 September 2019				
Current				
Short-term loan to a related party	3.10	125,000	-	125,000
Non-current				
Long-term loan to a related party	3.85 - 4.05	-	3,000	3,000
Total		125,000	3,000	128,000

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	Effective interest rate (% per annum)	Separate financial statements		
		Within 1 year	After 5 years	Total
<i>At 30 September 2018</i>				
Current				
Short-term loan to related party	3.10	125,000	-	125,000
Non-current				
Long-term loan to a related party	3.90 - 4.05	-	3,000	3,000
Total		125,000	3,000	128,000

Foreign currency risk

The Group is exposed to foreign currency risk relating to sales of goods and purchases of assets which are denominated in foreign currencies. The Group expects that changes in exchange rates for assets and liabilities denominated in foreign currencies in the statement of financial position will not materially affect its financial position and results of operations since the Group does not have any foreign currency loans and most of the spending and purchases of raw and packing materials are transacted in local currency. Exchange rate risks are limited only to those related to imported spare parts and equipments.

At 30 September 2019 and 2018, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
United States Dollars					
Other payables	17	(5,287)	(1,721)	(2,245)	(1,678)
Gross statement of financial position exposure		(5,287)	(1,721)	(2,245)	(1,678)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Euro					
Other payables	17	(559)	(3,470)	(559)	(3,289)
Gross statement of financial position exposure		(559)	(3,470)	(559)	(3,289)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Hong Kong Dollars					
Cash and cash equivalents	5	26,991	28,874	-	-
Other payables	17	(24)	(26)	-	-
Gross statement of financial position exposure		26,967	28,848	-	-

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For the year ended 30 September 2019

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
<i>Pound Sterling</i>					
Other payables	17	(15)	(17)	-	-
Gross statement of financial position exposure		(15)	(17)	-	-

Credit risk

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

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

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

Carrying amounts and fair values

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

	Consolidated financial statements	
	Carrying amount	Fair value Level 1
	<i>(in thousand Baht)</i>	
30 September 2019		
<i>Financial assets measured at fair value</i>		
Equity securities available for sale	50,772	50,772
30 September 2018		
<i>Financial assets measured at fair value</i>		
Equity securities available for sale	47,863	47,863

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	Separate financial statements		Total
	Carrying amount	Fair value	
		Level 1 (in thousand Baht)	
30 September 2019			
<i>Financial assets measured at fair value</i>			
Equity securities available for sale	50,772	50,772	50,772
		Level 3 (in thousand Baht)	Total
<i>Financial liabilities not measured at fair value</i>			
Long-term loans from related parties	30,968	23,660	23,660
		Level 1 (in thousand Baht)	Total
30 September 2018			
<i>Financial assets measured at fair value</i>			
Equity securities available for sale	47,863	47,863	47,863
		Level 3 (in thousand Baht)	Total
<i>Financial liabilities not measured at fair value</i>			
Long-term loans from related parties	1,530,968	1,169,660	1,169,660

Financial instruments carried at fair value

Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. The fair value measurement of equity security available for sale is an investment in equity shares of Crown Seal Public Company Limited which listed its equity shares on an exchange and is currently actively traded in the market. The fair value of the investment is determined to be Level 1 under the fair value hierarchy because the equity shares have a published price quotation in an active market at the measurement date.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Capital commitments</i>				
<i>Contracted but not provided for:</i>				
Machinery, equipment and office equipment	12,714	1,166	12,714	1,166
Total	12,714	1,166	12,714	1,166

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For the year ended 30 September 2019

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	25,773	24,528	25,193	23,359
After one year but within five years	39,918	44,602	39,460	43,783
After five years	56,874	60,979	56,874	60,979
Total	122,565	130,109	121,527	128,121

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Other commitments</i>				
<i>Thai Baht</i>				
Bank guarantees	37,729	40,306	33,453	36,030
Total	37,729	40,306	33,453	36,030

The Company entered into land, buildings, structure and other assets lease agreements for the Company's operation for periods from one year to thirty years and expiring in various periods up to December 2038.

31 Credit facilities

As at 30 September 2019 the Group and the Company had unutilised credit facilities totalling Baht 4,343 million and Baht 4,232 million, respectively (2018: Baht 4,393 million and Baht 4,341 million, respectively).

32 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TFRS 16	Leases	2020
TAS 32*	Financial Instruments: Presentation	2020

* TFRS - Financial instruments standards

(a) TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

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(1) Sales of goods

Revenue is currently recognised when the significant risks and rewards of ownership have been transferred to the buyer. Under TFRS 15, revenue will be recognised when a customer obtains control of the goods. For some made-to-order product contracts, the customer controls all of the work in progress as the products are being manufactured. The revenue from these contracts will be recognised as the products are being manufactured. Consequently, revenue and some associated costs for these contracts are recognised over time, before the goods are delivered to the customers' premises.

(2) Transition options

The Group plans to adopt TFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (1 January 2019). As a result, the Group will not apply the requirements of TFRS 15 to the comparative period presented.

The following table summarised the impact from initially applying TFRS 15 on the consolidated and separate financial statements.

<i>Statement of financial position as at 30 September</i>	Consolidated financial statements 2019	Separate financial statements 2019
	<i>(in thousand Baht)</i>	
Increase in contract assets	5,680	5,680
Increase (decrease) in total assets	5,680	5,680
Increase in contract liabilities	(7,354)	(7,354)
(Increase) decrease in total liabilities	(7,354)	(7,354)
(Increase) decrease in retained earnings	5,680	5,680
(Increase) decrease in total equity	5,680	5,680
(Increase) decrease in total liabilities and equity	(1,674)	(1,674)
	Consolidated financial statements 2019	Separate financial statements 2019
	<i>(in thousand Baht)</i>	
<i>Statement of comprehensive income For the year ended 30 September</i>		
Increase (decrease) in revenue from sale of goods	(199,473)	(199,473)
Increase (decrease) in total revenue	(199,473)	(199,473)
(Increase) decrease in costs of sales of goods	(12,600)	(12,600)
(Increase) decrease in costs of rendering of services	217,753	217,753
(Increase) decrease in total expenses	205,153	205,153
Profit (loss) for the year	5,680	5,680

The Group plans to adopt TFRS 15 in its consolidated and separate financial statements, using the cumulative effect method. As a result, the Group will apply all of the requirements of TFRS 15 to each comparative period presented in consolidated and separate financial statements.

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The Group plans to apply the practical expedients as follows:

- For completed contracts, the Group will not restate contracts that begin and end within the same annual reporting period or are completed contracts at the beginning of the earliest period presented.
- For completed contracts that have variable consideration, the Group will use the transaction price at the date the contract was completed rather than estimating variable consideration amounts in the comparative reporting periods.
- For contracts that were modified before the beginning of the earliest period presented, the Group will not retrospectively restate the contract for those contract modifications. Instead, the Group will reflect the aggregate effect of all of the modifications that occur before the beginning of the earliest period presented.
- For all reporting periods presented before the date of initial application, the Group will not disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the Group expects to recognise that amount as revenue.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. These TFRS replaced the following standards:

TAS 101 *Doubtful accounts and bad debts*

TAS 105 *Accounting for investments in Debt and Equity Securities*

TAS 107 *Financial Instruments: Disclosure and Presentation*

(i) Classification – Financial assets

TFRS 9 classifies financial assets into three categories: measured at amortised cost, fair value to other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The standard eliminates the existing TAS 105 categories of held to maturity debt securities, available for sale, trading and general investment. The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed.

(ii) Impairment – Financial assets and contract assets

TFRS 9 introduces forward-looking ‘expected credit loss’ (ECL) model whereas currently the Company estimates allowance for doubtful account by analysis payment histories and future expectation of customer payment. TFRS 9 will require 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, and to contract assets.

(iii) Classification – Financial liabilities

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

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

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

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(iv) Hedge accounting

TFRS 9 provides guidance on hedge accounting while current TFRSs are silent. There are three hedge accounting models and the type of model applied depends on the hedged exposures consisting of a fair value exposure, a cash flow exposure or a foreign currency exposure on a net investment in a foreign operation. Under TFRS 9, the Company is required to ensure that hedge accounting relationships are aligned with the Company's risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

(c) ***TFRS 16 Leases***

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. This standard replaced existing lease standards as follows:

TAS 17 *Leases*

TFRIC 4 *Determining whether an Arrangement contains a Lease*

TSIC 15 *Operating Leases-Incentives*

TSIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*

Currently, the Company recognises payments made under operating leases and relevant lease incentives in profit or loss on a straight line basis over the term of the lease.

Management is presently considering the potential impact of adopting and initially applying TFRS 15, Revenue from Contracts with Customers, TFRS 9, Financial instruments and TFRS 16, Leases standards on the financial statements.

33 Event after the reporting period

At the Board of Directors' meeting of the Company held on 20 November 2019, the Board of Directors agreed to propose a dividend payment of Baht 0.25 per share, totalling Baht 66.48 million. The Board of Directors will propose this matter to the shareholders' meeting for further approval.