

Grand Prix International Public Company Limited

And Subsidiary

Auditor's Report And Financial Statement

For the year ended December 31, 2019

INDEPENDENT AUDITOR'S REPORT

To The Shareholders' of Grand Prix International Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Grand Prix International Public Company Limited and subsidiaries (the Group) and of Grand Prix International Public Company Limited which comprise the consolidated and separate statements of financial position as at December 31, 2019, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Grand Prix International Public Company Limited and subsidiaries and of Grand Prix International Public Company Limited as at December 31, 2019, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. 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 in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are 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.

Key audit matters and significant

Revenue from services recognition. auditing procedures are as follows. (Consolidated financial statements)

Since the Company has revenues from various main business operations such as revenues from sales and services as stated in note to financial statements no.3.1 which may cause errors in revenue recognition. Revenue from services are main revenues recognized in different methods which may have risks in obtaining incorrect information for revenue recognition. I, therefore, have considered such matter as key audit matter

Risk response

I have audited revenue from services recognition of the Company by

- To assess and test information technology system and internal control relating to revenues cycle by inquiring person in charge, understanding and sampling test whether the operation is compliance with internal control system.
- To audit by sampling contract and supporting document during the period and period before the end of reporting period in order to the audit the existence and accuracy whether recording is in conformity with revenues recognition policy.
- To review credit note issued by the Company after reporting period.
- To make analytical review in each revenues account for auditing unusual transaction throughout the period especially posting by journal voucher.
- To audit supporting document relating to credit note approved by authorized officer by sampling and test the accuracy of calculation.

Other Information

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

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

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

If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that 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 the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, 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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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 Thai Standards on Auditing 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 Thai Standards on Auditing, 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 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 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.

D I A International Audit Co., Ltd.

(Ms. Suphaphorn Mangjit)
C.P.A. (Thailand)
Registration No. 8125

February 18, 2020

Grand Prix International Public Company Limited and Subsidiaries

Statements of financial position

As at December 31, 2019

(Unit:Baht)

Assets	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Current assets					
Cash and cash equivalents	4	147,582,925.18	271,015,222.40	146,737,504.96	267,394,004.38
Current investments	5	357,201,913.58	366,893,760.35	357,201,913.58	366,893,760.35
Trade accounts receivable and other current receivables	6	43,162,643.45	83,030,464.47	45,528,891.20	82,460,028.57
Short-term loan to subsidiary	7	-	-	-	2,630,771.06
Inventories	8	7,809,497.02	10,255,687.20	7,809,497.02	10,255,687.20
Total current assets		555,756,979.23	731,195,134.42	557,277,806.76	729,634,251.56
Non-Current Assets					
Restricted bank deposit	9	323,300.00	323,300.00	323,300.00	323,300.00
Investment in a subsidiary	10	-	-	1,602,500.00	1,602,500.00
Other long-term investment	11	187,292,014.11	91,000,000.00	187,292,014.11	91,000,000.00
Long-term loan to related persons	12	508,308.00	400,794.00	508,308.00	400,794.00
Investment property	13	32,239,860.10	32,239,860.10	32,239,860.10	32,239,860.10
Property, plant and equipment	14	184,484,774.16	132,577,836.30	184,480,956.63	132,577,836.30
Intangible assets	15	8,877,779.41	4,429,243.06	8,877,779.41	4,429,243.06
Deferred tax assets	16.1	4,366,431.00	5,304,547.14	4,366,431.00	5,304,547.14
Other non-current assets		2,962,590.19	3,691,706.76	2,962,590.19	3,691,706.75
Total non-current assets		421,055,056.97	269,967,287.36	422,653,739.44	271,569,787.35
Total assets		976,812,036.20	1,001,162,421.78	979,931,546.20	1,001,204,038.91

The notes to the interim financial statement are an integral part of this interim financial statement.

These financial statements have been approved by the shareholders' general meeting No. held on

I do hereby certify that the above financial statements are correct in all aspects.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Grand Prix International Public Company Limited and Subsidiaries

Statements of financial position (Cont.)

As at December 31, 2019

(Unit:Baht)

Liabilities and shareholders' equity	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Current liabilities					
Trade accounts payable and other current payables	17	31,014,565.41	35,837,252.58	29,854,021.21	35,458,047.89
Unearned revenues	18	141,223,453.41	146,060,404.67	138,470,911.59	143,818,587.20
Other payables - Common shares	25.3 e	-	-	-	1,602,500.00
Accrued income tax		2,282,300.36	10,761,223.57	2,282,300.36	10,761,223.57
Total current liabilities		<u>174,520,319.18</u>	<u>192,658,880.82</u>	<u>170,607,233.16</u>	<u>191,640,358.66</u>
Non current liabilities					
Non-current provisions for employee benefits	19.1	24,977,321.46	25,074,661.06	24,977,321.46	25,074,661.06
Total non-current liabilities		<u>24,977,321.46</u>	<u>25,074,661.06</u>	<u>24,977,321.46</u>	<u>25,074,661.06</u>
Total liabilities		<u>199,497,640.64</u>	<u>217,733,541.88</u>	<u>195,584,554.62</u>	<u>216,715,019.72</u>
Shareholders' equity					
Share capital					
Authorized share capital					
600,000,000 common shares of Baht 0.50 each,		<u>300,000,000.00</u>	<u>300,000,000.00</u>	<u>300,000,000.00</u>	<u>300,000,000.00</u>
Issued and paid-up share capital					
600,000,000 common shares of Baht 0.50 each,		300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Premium on share-based payment		110,561,100.00	110,561,100.00	110,561,100.00	110,561,100.00
Share premium		285,434,649.17	285,434,649.17	285,434,649.17	285,434,649.17
Retained earnings(Deficits)					
Appropriated					
Legal reserve	20	30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00
Unappropriated		51,297,178.66	57,427,110.81	58,351,242.41	58,493,270.02
Other components of equity		21,467.73	6,019.92	-	-
Total shareholders' equity		<u>777,314,395.56</u>	<u>783,428,879.90</u>	<u>784,346,991.58</u>	<u>784,489,019.19</u>
Total liabilities and shareholders' equity		<u>976,812,036.20</u>	<u>1,001,162,421.78</u>	<u>979,931,546.20</u>	<u>1,001,204,038.91</u>

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Grand Prix International Public Company Limited and Subsidiaries

Statements of comprehensive income

For the year ended December 31, 2019

(Unit:Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenues from sales and services		719,331,900.38	731,646,751.80	711,303,867.86	731,646,751.80
Cost of sales and services		(430,680,567.28)	(395,364,556.60)	(419,110,107.47)	(395,364,556.60)
Gross Profit		288,651,333.10	336,282,195.20	292,193,760.39	336,282,195.20
Other income		14,555,044.99	12,721,143.71	15,267,082.94	12,726,852.82
Distribution cost		(49,610,132.72)	(45,429,924.64)	(48,612,531.77)	(44,703,233.76)
Administrative expenses		(122,701,053.17)	(135,292,696.75)	(121,965,214.82)	(134,958,937.53)
Finance costs		-	(203,662.13)	-	(203,662.13)
Profit before income tax expense		130,895,192.20	168,077,055.39	136,883,096.74	169,143,214.60
Income tax expense	16.3	(28,179,030.55)	(36,564,169.03)	(28,179,030.55)	(36,564,169.03)
Profit for the year		102,716,161.65	131,512,886.36	108,704,066.19	132,579,045.57
Other comprehensive income					
Components of other comprehensive income that will be reclassified to profit or loss :-					
Exchange difference on translation financial statement		15,447.81	6,019.92	-	-
Other comprehensive income(loss)-net of income tax		15,447.81	6,019.92	-	-
Components of other comprehensive income that will not be reclassified to profit or loss :-					
Gains on remeasurements of defined benefit plans	19.3	6,442,359.00	-	6,442,359.00	-
Income tax on components of other comprehensive income	16.4	(1,288,471.80)	-	(1,288,471.80)	-
Other comprehensive income(loss)-net of income tax		5,153,887.20	-	5,153,887.20	-
Total comprehensive income(loss) for the year		107,885,496.66	131,518,906.28	113,857,953.39	132,579,045.57
Profit attributable to:					
Owners of the company		102,716,161.65	131,512,886.36	108,704,066.19	132,579,045.57
Non-controlling interests		-	-	-	-
Total comprehensive income attributable to :					
Owners of the company		107,885,496.66	131,518,906.28	113,857,953.39	132,579,045.57
Non-controlling interests		-	-	-	-
Earnings per share					
Basic earnings per share		0.17	0.22	0.18	0.22
Weighted average number of common shares (Unit : Shares)		600,000,000	600,000,000	600,000,000	600,000,000

The notes to the interim financial statement are an integral part of this interim financial statement.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturot Komolmis)

Grand Prix International Public Company Limited and Subsidiaries

Statements of changes in shareholders' equity

For the year ended December 31, 2019

(Unit:Baht)

Notes	Consolidated financial statements						Total shareholders equity
	Issued and paid-up share capital	Share premium	Premium on share-based payment	Retained Earnings		Other components of equity	
				Appropriated	Unappropriated	Differences on translating financial statements	
Balance as at January 1, 2018	300,000,000.00	285,434,649.17	110,561,100.00	30,000,000.00	15,913,624.45		741,909,373.62
Dividend					(89,999,400.00)		(89,999,400.00)
Profit for the year					131,512,886.36		131,512,886.36
Other comprehensive expense for the year					-	6,019.92	6,019.92
Balance as at December 31, 2018	300,000,000.00	285,434,649.17	110,561,100.00	30,000,000.00	57,427,110.81	6,019.92	783,428,879.90
Dividend					(113,999,981.00)		(113,999,981.00)
Profit for the year					102,716,161.65		102,716,161.65
Other comprehensive expense for the year					5,153,887.20	15,447.81	5,169,335.01
Balance as at December 31, 2019	300,000,000.00	285,434,649.17	110,561,100.00	30,000,000.00	51,297,178.66	21,467.73	777,314,395.56

The notes to the interim financial statement are an integral part of this interim financial statement.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Grand Prix International Public Company Limited and Subsidiaries

Statements of changes in shareholders' equity

For the year ended December 31, 2019

(Unit:Baht)

Notes	Separate financial statements					Total
	Issued and paid-up share capital	Share premium	Premium on share-based payment	Retained Earnings		
				Appropriated	Unappropriated	
Balance as at January 1, 2018	300,000,000.00	285,434,649.17	110,561,100.00	30,000,000.00	15,913,624.45	741,909,373.62
Dividend					(89,999,400.00)	(89,999,400.00)
Profit for the year					132,579,045.57	132,579,045.57
Other comprehensive expense for the year					-	-
Balance as at December 31, 2018	300,000,000.00	285,434,649.17	110,561,100.00	30,000,000.00	58,493,270.02	784,489,019.19
Dividend					(113,999,981.00)	(113,999,981.00)
Profit for the year					108,704,066.19	108,704,066.19
Other comprehensive expense for the year					5,153,887.20	5,153,887.20
Balance as at December 31, 2019	300,000,000.00	285,434,649.17	110,561,100.00	30,000,000.00	58,351,242.41	784,346,991.58

The notes to the interim financial statement are an integral part of this interim financial statement.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Grand Prix International Public Company Limited and Subsidiaries

Statements of cashflows

For the year ended December 31, 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit for the year	102,716,161.65	131,512,886.36	108,704,066.19	132,579,045.57
Adjustment for :				
Loss from changing in value of cash and cash equivalents	416,579.81	64,750.78	416,579.81	64,750.78
Unrealized loss from charging in value of				
current investments	-	406,015.70	-	406,015.70
Bad debt	877,951.89	101,775.57	877,951.89	101,775.57
Doubtful accounts	-	15,979,551.90	-	15,979,551.90
(Reversal) of allowance for doubtful accounts	(8,034,552.39)	(1,477,789.71)	(8,034,552.39)	(1,477,789.71)
(Revesal) of provisions for goods returned	249,086.01	(424,930.14)	249,086.01	(424,930.14)
Loss from devaluation of inventories	159,457.32	946,111.48	159,457.32	946,111.48
Loss from impairment of investment	3,358,826.87	-	3,358,826.87	-
Depreciation /Amortization	16,460,746.00	13,614,729.33	16,459,857.18	13,614,729.33
Loss from sales of property, plant and equipment	48,871.00	1,618,917.29	48,871.00	1,618,917.29
Amortization of prepaid rental	999,243.75	632,813.40	999,243.75	632,813.40
Loss from sales of other non-current assets	3,190.27	15,000.00	3,190.27	15,000.00
(Reversal) of impairment of other non-current assets	5,678.53	(120,129.22)	5,678.53	(120,129.22)
Estimation of employee benefits expenses	6,849,884.05	2,866,164.00	6,849,884.05	2,866,164.00
Interest expenses	-	203,662.13	-	203,662.13
Income tax expense	28,179,030.55	36,564,169.03	28,179,030.55	36,564,169.03
	152,290,155.31	202,503,697.90	158,277,171.03	203,569,857.11
Changes in operating assets and liabilities				
Trade and other current receivables (Increase) Decrease	46,775,335.51	64,483,805.01	46,469,422.92	65,054,240.91
Inventory (Increase) Decrease	2,286,732.86	(5,291,062.55)	2,286,732.86	(5,291,062.55)
Restricted bank deposit (Increase) Decrease	-	5,100,000.00	-	5,100,000.00
Other non-current assets (Increase) Decrease	(278,995.99)	(6,874,523.97)	(278,995.99)	(6,874,523.97)
Trade and other current payables Increase (Decrease)	(7,370,698.01)	(21,864,324.94)	(8,152,037.52)	(22,243,529.62)
Unearned revenues Increase (Decrease)	(4,836,951.26)	(110,578,970.10)	(5,347,675.61)	(112,820,787.57)
Estimation of employee benefits expenses Increase (Decrease)	(504,864.65)	-	(504,864.65)	-
Cash generated from operating activities	188,360,713.77	127,478,621.35	192,749,753.04	126,494,194.31
Interest paid	-	(203,662.13)	-	(203,662.13)
Income tax paid	(37,008,309.42)	(35,011,405.11)	(37,008,309.42)	(35,011,405.11)
Net cash from operating activities	151,352,404.35	92,263,554.11	155,741,443.62	91,279,127.07

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Grand Prix International Public Company Limited and Subsidiaries

Statements of cashflows (Cont.)

For the year ended December 31, 2019

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash Flows from investing activities :				
Cash repayment for current investments	9,691,846.77	(37,140,096.13)	9,691,846.77	(37,140,096.13)
Cash (paid) for purchase of investment in a subsidiary	-	-	(1,602,500.00)	-
Cash (paid) for short-term loans to a subsidiary	-	-	-	(5,000,000.00)
Cash repayment from short-term loans to a subsidiary	-	-	-	2,369,228.94
Cash (paid) for other long-term investment	(99,650,840.98)	(91,000,000.00)	(99,650,840.98)	(91,000,000.00)
Cash (paid) for from long-term loans to related person	(600,000.00)	(531,650.00)	(600,000.00)	(531,650.00)
Cash repayment from long-term loans to related person	492,486.00	486,449.00	492,486.00	486,449.00
Cash received from sale of property, plant and equipment	-	2,436,925.94	-	2,436,925.94
Cash paid for sale of property, plant and equipment	(63,780,547.36)	(17,739,463.70)	(63,775,841.02)	(17,739,463.70)
Cash paid for purchase of intangible assets	(6,536,533.00)	(910,000.00)	(6,536,533.00)	(910,000.00)
Net cash provided by (used in) investing activities	(160,383,588.57)	(144,397,834.89)	(161,981,382.23)	(147,028,605.95)
Cash flows from financing activities :				
Cash repayment for liabilities under finance lease contract	-	(780,934.80)	-	(780,934.80)
Paid dividend	(113,999,981.00)	(89,999,400.00)	(113,999,981.00)	(89,999,400.00)
Net cash used in financing activities	(113,999,981.00)	(90,780,334.80)	(113,999,981.00)	(90,780,334.80)
Differences on translating financial statements Increase	15,447.81	6,019.92	-	-
Net increase (decrease) in cash and cash equivalents	(123,015,717.41)	(142,908,595.66)	(120,239,919.61)	(146,529,813.68)
Cash and cash equivalents as at the beginning of the year	271,015,222.40	413,988,568.84	267,394,004.38	413,988,568.84
Adjustment effect of exchange rate	(416,579.81)	(64,750.78)	(416,579.81)	(64,750.78)
Cash and cash equivalents as at the end of the year	147,582,925.18	271,015,222.40	146,737,504.96	267,394,004.38

Additional information disclosure relating to cash flows stated in note 26.

The notes to the interim financial statement are an integral part of this interim financial statement.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Grand Prix International Public Company Limited and Subsidiaries

Notes to the financial statements

For the year ended December 31, 2019

1. General information

Registration :

Grand Prix International Public Company Limited ("the Company") is a juristic person which incorporated in Thailand on April 30, 1982. The Company was listed in the Stock of Exchange of Thailand on December 1, 2017.

Place of business :

Head office is located at No. 4/299, Moo 5, Soi Ladplaklao 66, Ladplaklao Road, Kwang Anusaovaree, Khet Bangkhen, Bangkok.

Branch office 1 is located at No. 4/137, Moo5, Soi Ladplaklao 66, Ladplaklao Road, Kwang Anusaovaree, Khet Bangkhen, Bangkok.

Branch office 2 is located at No. 4/309, Moo5, Soi Ladplaklao 66, Ladplaklao Road, Kwang Anusaovaree, Khet Bangkhen, Bangkok.

Branch office 3 is located at No. 4/133, Moo 5, Soi Ladplaklao 66, Ladplaklao Road Kwang Anusaovaree, Khet Bangkhen, Bangkok.

Branch office 4 is located at No. 69, Moo 2, Tambon Bueng Sal, Amphur Ongkharak, Nakhon Nayok Province.

Major Business :

1. Providing space for car motor show exhibition and automotive related products and amarketing promotion services (Events)
2. Advertising media in printing , television and website
3. Production and distribution of books
4. Printing services

The major shareholders : Eamlumnnow group by shareholding 60.65 % (As at December 31, 2018 : 60.85%)

2. Basis of preparation of the financial statements

2.1 Statement of compliance

The Group's financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professional ("FAP"), and the Regulation of The Stock Exchange of Thailand (SET) dated 2 October 2017, regarding the preparation and submission of financial statements and reports for the financial position and financial performance of the listed companies B.E. 2560. The format of presentation of the financial statements in accordance with the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements (No.2) B.E. 2559" dated 11 October 2016.

(Sign) Directors

(Mr. Anothai Eamlumnnow)

(Mr. Jaturont Komolmis)

2.2 Consolidated financial statements preparation basis

- a) These consolidated financial statements have been prepared by include the financial statements of Grand Prix International Public Company Limited and Subsidiaries by established in the Republic of the Union of Myanmar which Grand Prix International Public Company Limited have control over monetary policy And all operations as follows

<u>Company Name</u>	<u>Business Type</u>	<u>Percentage of shareholding</u>
		2019
GPI Myanmar Co., Ltd.	Providing space for car motor show exhibition and automotive related products	100

- b) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the effective date when such control ceases.
- c) The financial statements of subsidiaries are prepared using the same significant accounting policies as the Company.
- d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- e) Non-controlling interests is the amount of any gain or loss and the net assets of a subsidiary that is not held by the Company and is presented separately in the consolidated income statement and in the shareholders' equity in the consolidated statement of financial position.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise stated.

2.4 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 the unless otherwise stated.

2.5 Use of judgments and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(Sign) Directors
(Mr. Anothai Eamlumnaw) (Mr. Jaturont Komolmis)

Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognized in the financial statements is included in the following :

Note	6	Allowance for doubtful account
Note	8	Allowance for devaluation of inventories
Note	14, 15	Assumptions for future cash flow projections
Note	14	Estimation of useful life and residual values of buildings and equipment
Note	15	Estimation of useful life and residual value of intangible assets Under license agreement And other intangible assets.
Note	16	Deferred tax assets
Note	19	Non-current provisions for employee benefits
Note	27	Provision and contingent liabilities

2.6 Measurement of fair values

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

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

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 Company and subsidiaries Audit Committee.

When measuring the fair value of an asset or a liability, the Company and subsidiaries 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 that the entity can access at the measurement date.
- 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 are unobservable inputs for the asset or liability.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

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.

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

Note	11	Other long-term investments
Note	19	Non-current provisions for employee benefits
Note	33	Financial instruments

2.7 New financial reporting standards

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

During the period, the Company have adopted a number of revised financial reporting standards and interpretations (revised 2018) which are effective for the financial statements for the period beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of those financial reporting standards does not have any significant impacts on the Company financial statements. However, new financial reporting standard has changed key principle as follows.

The management of the Company is currently evaluating the impact on the financial statements from these financial reporting standards which will become effective in the future.

B. Financial reporting standards that will become effective in the future

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

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16*	Leases
TAS32*	Financial Instruments: Presentation
TFRIC16*	Hedges of a Net Investment in a Foreign Operation
TFRIC19*	Extinguishing Financial Liabilities with Equity Instruments

*TFRS - Financial instruments standards

(Sign)

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Directors

(a) TFRS - Financial instruments standards

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

Management has considered the potential impact of adopting and initially applying TFRS-Financial instruments standards on the financial statements and found that there is no material impact on the financial statements in the period of initial application.

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. Lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

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, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised. Under TFRS 16, the Company will recognise right-of-use assets and lease liabilities for its operating leases as disclosed in Note 25.4 As a result, the nature of expenses related to those leases will be changed because the Company will recognise depreciation of right-of-use assets and interest expense on lease liabilities.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply TFRS 16 to all contracts entered into before 1 January 2020 and identified as leases in accordance with TAS 17 and TFRIC 4.

The preliminary impact assessment of initially applying TFRS 16 on the financial statements is as follows:

Statement of financial position

At January 1, 2020	(Unit:Baht)
Increase in right-of-use assets	14,846,687.92
Prepaid expenses	(1,106,110.71)
Book value of fixed assets in leased areas	(2,448,826.33)
Increase in lease liabilities	11,291,750.88

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

3. Significant accounting policies

3.1 Revenues and Expenses Recognition

- a) Revenues from providing area for showing merchandise recognized when completely rendered by using straight-line method based on length of service.
- b) Income from service activities is recognized when services are completed. Long-term activities will be recognized by the method. Percentage of work done
- c) Revenues from printed advertisement are recognized when it is released. Revenues from selling advertising on TV and Website are recognized based on the time when it is broadcasted.
- d) Income from printing services Recognize when service is completed.
- e) Revenues from selling product are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenues from sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances. In case sales with condition return in the specific of time, the Company will estimate provisions for goods returned as at the end of accounting period.
- f) Revenue from other services Recognize when service is completed.
- g) Revenues from interest income are recognized according to the period of time should be received by calculating from principal and its interest rate.
- h) Other income and expenses are recognized on an accrual basis.

3.2 Cash and Cash Equivalents

Cash and cash equivalents represent cash and cash equivalents and short-term investments with high liquidity. Repayment within 3 months from the deposit date and there is no drawback.

3.3 Current investment

Current investments are investments in financial institution deposits which is due Over a period of 3 months but less than 1 year is stated at cost.

Marketable investments in debt securities held available for sales which classified as current assets and presented at fair value. Unrealized gain or less on revaluation of investments is recognized in the statement of income.

3.4 Trade accounts receivable and other current receivables

Trade accounts receivable and other receivables are stated at right to receive less allowance for doubtful accounts. Doubtful accounts are provided based on a review of each receivable at the year end. Bad debts are recognized as administrative expenses in the statement of comprehensive income.

3.5 Inventories

Inventories are stated at the lower of cost or net realizable value. Finished goods are valued at cost by specific method. Cost of raw materials and supplies are valued at cost, using the weighted average method.

The cost of goods comprises raw material cost, conversion cost by allocating fixed manufacturing expenses based on normal manufacture capacity.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

3.6 Other long-term investment

Investment in subsidiary in the separate financial statements are stated at cost less provision for impairment

Other long-term investments in non-marketable equity securities are stated at cost net of allowance for impairment loss (if any).

3.7 Investment property

Investment property refers to real estate held to benefit from rental income either from an increase in the value of an asset or both which present as cost less allowance for impairment (if any)

3.8 Property, plant and equipment

Assets belonging to the Company

Land is stated at cost less provision for impairment (if any).

Building and equipment are stated at cost less accumulated depreciation and provision for impairment (if any).

Cost is included direct related expense incurred in bringing the assets to their present location and condition.

Repairs and maintenance are recorded in the statement of comprehensive income during the accounting period as incurred. The cost of major renovation and replacement cost of property, plant and equipment according to specific period will be included in book value of assets and charged for depreciation. However, in case the replaced items were included in book value of assets will be written off.

Depreciation

Depreciation is recognized as expense in the statement of comprehensive income and calculated on a straight-line method over the estimated useful life of each assets which is separately considered for material components and the estimated useful life of the assets are as follows:

	<u>Number of year</u>
Building	20
Building improvements	3 - 20
Machinery	5, 10, 20
Tools and equipment	2 - 10
Office furniture	5, 10
Office equipment	2 - 10
Vehicle	5, 7, 10

Land and assets under construction are not depreciated.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

3.9 Intangible assets

Intangible assets acquired by the Company and subsidiaries, which have definite useful life, are stated at cost less accumulated amortization and provision for impairment (if any).

Intangible assets is amortized and recorded in the statement of comprehensive income as follows:

- a. Computer software is amortized by using a straight-line method over the economic life of the asset since it is ready to be used within 10 years.
- b. Magazine copyrights is amortized according to the number of magazine as specified in the copyright agreement based on the number of magazine publishing in each of the accounting period under the period as specified in each of copyright agreement.

Intangible assets under development are not amortized.

3.10 Impairment of assets

The Company and subsidiaries has assessed the impairment of property, plant and equipment, other long-term investments, inventories (barter goods) and prepaid rental whenever events or changes indicated that the carrying amount of an asset exceed its recoverable value. The impairment loss will be recognized in the statement of comprehensive income. The Company will reverse the impairment loss whenever there is an indication that there is no longer impairment or reduction in impairment. Recoverable value of assets mean net selling price of assets or utilization value whichever is higher and will be estimated from each asset item or each asset unit generating cash flow, whichever is practical.

3.11 Long-term leases - Financial leases

The leased assets

Leases which transferring a significant portion of the risks and rewards of ownership to the Company and subsidiaries are classified as financial leases. The Company records financial leases as assets at the lower of the fair value of the leased assets or the present value of the minimum lease payments less accumulated depreciation and permanent loss on devaluation. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability according to the contracts so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Financial expenses will be directly recorded in the statement of comprehensive income.

Financial costs

Interest expense and similar costs are recorded in the statement of comprehensive income in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

3.12 Income Tax

Income tax comprises current income tax and deferred income tax.

a. Current Income Tax

The Company and subsidiaries records the current income tax as expense for the occurring period in the statement of comprehensive income by calculating income tax as described in the Revenue Code.

b. Deferred Tax

The Company and subsidiaries records deferred tax of temporary differences between the carrying amounts of assets and liabilities as at the end of reporting period and tax base of related assets and liabilities by using enforceable tax rate as at the end of reporting period.

The Company and subsidiaries recognizes deferred tax liabilities of temporary differences liable to tax for all items. However, deferred tax assets for temporary differences used for tax deduction including unutilized tax loss in the amount probable that the Company has sufficient taxable profit to utilize such temporary difference to deduct tax and unutilized tax loss.

The Company and subsidiaries will review carrying amount of deferred tax assets at each reporting date and will reduce such carrying amount if it is probable that the Company and subsidiaries will have no sufficient future taxable profits for benefit utilization of partial or all deferred tax assets.

The Company and subsidiaries will record deferred tax directly to shareholders' equity in case income tax incurred is related to the transaction recorded directly to shareholders' equity.

3.13 Earnings per share

Basic earnings per share

Earnings per share as stated in the statement of comprehensive income is basic earnings per share. The basic earnings per share is determined by dividing net profit for the year by the weighted average number of common shares issued and paid-up.

3.14 Use of Accounting Estimates

The preparation of financial statements in conformity with Thai financial reporting standards requires management to make estimates and assumptions that may affect to amounts reported in the financial statements and notes related thereto. Subsequent actual results may differ from estimates.

3.15 Provision for liabilities

The Company and subsidiaries recognizes a provision for liabilities when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

3.16 Employee benefit obligations

a. Provident Fund

The Company and subsidiaries has established provident fund under the defined contribution plan. The fund's assets are separated entitles which are administered by the external fund manager. The Company and employees made contribution into such provident fund. The Company's contribution payments to the provident fund were recorded as expenses in the statement of comprehensive income in the incurred period.

b. Employee benefits

Post-employment benefits and other long-term employee benefits, the Company and subsidiaries has obligations in respect of the severance payments it must pay to employees upon retirement under labor law. The Company treats these severance payment obligations as the post-employment benefits. In addition, the Company provides other long-term employee benefits such as full-time working period reward. The obligation under the post-employment benefits and other long-term employee benefits are determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method. Under the new accounting policy, the Company's commitment about long-term employee benefits under the labor law were recognized in the financial statements using the Projected Unit Credit Method, in the past such benefits were recognized when paid.

3.17 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Company and subsidiary are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in Thai Baht, which is the company’s functional and presentation currency of the Company and subsidiary.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gain and loss resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

(Sign) Directors

(Mr. Anothai Eamlumnaw)

(Mr. Jaturont Komolmis)

c) Subsidiary

The results and financial position of subsidiary (which is not the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income or income statement are translated at average exchange rates; and
- All resulting exchange differences are recognized in other comprehensive income.

3.18 Foreign Currency Transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the statement financial position date are translated to Thai Baht at the foreign exchange rates ruling at that date. Gain or loss on exchange rate is recorded in statement of income.

Non-monetary assets and liabilities measured at historical cost in foreign currencies are translated to Thai Baht at the date of the transactions.

3.19 Financial Instruments

Financial Instruments shown in the statement of financial position consist of Cash and cash equivalents, trade accounts receivable and other current receivables, Investments in debt securities, long-term loan to related persons, trade accounts payable and other current payables, unearned revenues, long-term loans and liabilities under financelease contract. Accounting policies, basis of recognition and measurement have been disclosed separately for each related transaction.

3.20 Related Party Transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company and subsidiaries, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company and subsidiaries. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personal, including directors and officers of the Company and subsidiaries and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, more than the legal form.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

4. Cash and cash equivalents

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash	116,043.25	3,677,936.00	111,298.00	109,889.25
Current accounts	1,873,440.53	381,132.47	1,873,440.53	381,132.47
Savings deposit	145,562,237.17	266,804,352.52	144,721,562.20	266,751,181.25
Fixed deposit	31,204.23	151,801.41	31,204.23	151,801.41
Total	147,582,925.18	271,015,222.40	146,737,504.96	267,394,004.38

The Company has bank overdrafts total amount of Baht 23.00 million at interest rate MOR per annum. and short-term loan amount of Baht 25.00 million at interest rate MLR per annum. Such credit line have been secured by mortgaging certain land with its construction of the Company as stated in note 14.2. At the end of the period, the Company did not use such credit line.

5. Current investment

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Fixed deposit due on maturity date	357,201,913.58	366,893,760.35	357,201,913.58	366,893,760.35
Total	357,201,913.58	366,893,760.35	357,201,913.58	366,893,760.35

As at December 31, 2019, the Company had investments in fixed deposit due payment twelve-month with a three bank at interest rate 0.90% - 1.95 % per annum.

As at December 31, 2018, the Company had investments in fixed deposit due payment ten-month and twelve-month with bank at interest rate 0.90 - 1.50% per annum.

(Sign) Directors

(Mr. Anothai Eamlumnaw)

(Mr. Jaturont Komolmis)

6. Trade accounts receivable and other current receivables

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade accounts receivable :				
Trade accounts receivable - Related companies				
(See Note 25.3.a)	57,331.67	705,712.62	57,331.67	705,712.62
Trade accounts receivable - Other parties	37,234,845.14	35,455,682.25	37,170,461.78	35,455,682.25
Check in advance	44,625.00	2,475,106.76	44,625.00	2,475,106.76
	<u>37,336,801.81</u>	<u>38,636,501.63</u>	<u>37,272,418.45</u>	<u>38,636,501.63</u>
Less Allowance for doubtful accounts	(3,875,077.11)	(5,451,132.79)	(3,875,077.11)	(5,451,132.79)
Provisions for goods returned	(2,078,234.24)	(1,829,148.23)	(2,078,234.24)	(1,829,148.23)
Net	<u>31,383,490.46</u>	<u>31,356,220.61</u>	<u>31,319,107.10</u>	<u>31,356,220.61</u>
Other current receivables :				
Other receivables - related company				
(See Note 25.3.a)	1,186,360.71	1,221,744.86	4,652,062.99	1,301,223.61
Accrued income	9,381,384.03	14,204,046.11	9,381,384.03	14,204,046.11
Prepaid expenses	7,713,391.30	44,183,819.76	6,693,800.10	43,533,905.11
Deposit	20,000.00	5,073,830.00	20,000.00	5,073,830.00
Other	674,278.63	1,523,513.41	658,798.66	1,523,513.41
	<u>18,975,414.67</u>	<u>66,206,954.14</u>	<u>21,406,045.78</u>	<u>65,636,518.24</u>
Less Allowance for doubtful accounts :				
Accrued income	(7,196,261.68)	(9,532,710.28)	(7,196,261.68)	(9,532,710.28)
Deposit	-	(5,000,000.00)	-	(5,000,000.00)
	<u>(7,196,261.68)</u>	<u>(14,532,710.28)</u>	<u>(7,196,261.68)</u>	<u>(14,532,710.28)</u>
Net	<u>11,779,152.99</u>	<u>51,674,243.86</u>	<u>14,209,784.10</u>	<u>51,103,807.96</u>
Total	<u>43,162,643.45</u>	<u>83,030,464.47</u>	<u>45,528,891.20</u>	<u>82,460,028.57</u>

(Sign)

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Directors

Aging of trade accounts receivable are as follows.

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Undue	22,292,945.86	26,719,486.04	22,292,945.86	26,719,486.04
Over due :				
1 - 90 days	10,387,265.98	6,465,882.80	10,387,265.98	6,465,882.80
91 - 180 days	425,416.86	-	361,033.50	-
181- 365 days	342,400.00	803,690.95	342,400.00	803,690.95
More than 365 days up	3,888,773.11	4,647,441.84	3,888,773.11	4,647,441.84
Total	37,336,801.81	38,636,501.63	37,272,418.45	38,636,501.63

Movement of the allowance for doubtful accounts for the year as follows:

Beginning of the year	34,485,605.26	19,983,843.07	19,983,843.07	5,482,080.88
Increase	-	15,979,551.90	-	15,979,551.90
Write off	(877,951.89)	(81,545.49)	(877,951.89)	(81,545.49)
Received	(8,034,552.39)	(1,396,244.22)	(8,034,552.39)	(1,396,244.22)
End of the year	25,573,100.98	34,485,605.26	11,071,338.79	19,983,843.07

7. Short-term loan to a subsidiary

As at December 31, 2018, the Company had loan to a subsidiary amount of Baht 2.63 million, evidenced by promissory notes with interest rate at 1.65% per annum, due at call.

8. Inventories

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Finished goods	3,196,670.51	4,115,122.77	3,196,670.51	4,115,122.77
Work in process	2,007,256.06	2,535,321.41	2,007,256.06	2,535,321.41
Raw materials	5,806,646.98	6,646,862.23	5,806,646.98	6,646,862.23
	11,010,573.55	13,297,306.41	11,010,573.55	13,297,306.41
Less Allowance for inventories devaluation	(3,201,076.53)	(3,041,619.21)	(3,201,076.53)	(3,041,619.21)
Net	7,809,497.02	10,255,687.20	7,809,497.02	10,255,687.20

(Sign) Directors

(Mr. Anothai Eamlumnaw)

(Mr. Jaturont Komolmis)

Movement of the allowance for inventories devaluation for the year as follows:

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning of the year	3,041,619.21	2,095,507.73	3,041,619.21	2,095,507.73
Increase	159,457.32	946,111.48	159,457.32	946,111.48
End of the year	<u>3,201,076.53</u>	<u>3,041,619.21</u>	<u>3,201,076.53</u>	<u>3,041,619.21</u>

9. Restricted bank deposit

The Company had fixed deposit at 2 banks amount to Baht 0.32 million by using fixed deposit as collateral for letter guarantee for electricity usage to Metropolitan Electricity Authority, purchasing agreement in oil product to a private company and monthly postage service to Thai Post Co.,Ltd. as stated in note 27.4

10. Investments in subsidiary

Investments in subsidiary as presented in the separate financial statements as at follows:

Company's name	Paid up capital		Holdings (%)	Cost	
	USD	BAHT		USD	BAHT
GPI Myanmar Co.,Ltd.	50,000	1,602,500.00	100	50,000	1,602,500.00
Total		<u>1,602,500.00</u>			<u>1,602,500.00</u>

According to Board of Director meeting No.6/2018 held on November 12, 2018, resolved the company to invest in GPI Myanmar Co.,Ltd., which the company registered on November 28, 2018, the said investment in GPI Myanmar Co., Ltd. is a subsidiary of the Company from November 28, 2018.

11. Other long-term investment

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Long-term deposits at bank	186,563,340.98	91,000,000.00	186,563,340.98	91,000,000.00
Other non-marketable equity securities :				
Invesments in other company	4,087,500.00	-	4,087,500.00	-
Less Provision for impairment	(3,358,826.87)	-	(3,358,826.87)	-
Net	<u>728,673.13</u>	<u>-</u>	<u>728,673.13</u>	<u>-</u>
Total	<u>187,292,014.11</u>	<u>91,000,000.00</u>	<u>187,292,014.11</u>	<u>91,000,000.00</u>

As at December 31, 2019, the Company had investments in fixed deposit due payment thirteen - month and fourteen - month with a financial institution at interest rate 1.60 % - 1.95% per annum. (2018 : 1.60% per annum)

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

12. Long-term loan to related persons

As at December 31, 2019, the Company had loan to employees Baht 0.51 million, with payment due within two years deducted from salaries and monthly wages, bearing no interest under welfare condition. (2018 : Baht 0.40 million) as stated in note 25.3 c)

13. Investment property

As at December 31, 2019 and 2018, The Company had investment property at book value of Baht 32.24 million, the fair value amounted to Baht 49.64 million. The fair value of such investment properties is determined by purchase and selling price of the land.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

14. Property, plant and equipment

(Unit: Baht)

	Consolidated financial statements									
	Property	Building	Building improvement	Office furniture and fixtures	Machine	Tools and equipment	Office equipment	Vehicle	Construction in progress	Total
Cost										
As at January 1, 2018	61,868,013.23	94,676,393.71	7,995,872.94	6,848,832.45	53,436,697.32	11,415,193.01	26,597,428.07	35,827,130.78	-	298,665,561.51
Purchase	4,550,000.00	-	2,032,258.62	403,001.43	40,500.00	2,435,547.33	3,435,063.73	2,772,000.00	2,972,488.65	18,640,859.76
Disposal/Write off	-	-	(54,899.18)	0.00	(16,779,229.06)	(11,500.00)	(873,747.48)	-	-	(17,719,375.72)
As at December 31, 2018	66,418,013.23	94,676,393.71	9,973,232.38	7,251,833.88	36,697,968.26	13,839,240.34	29,158,744.32	38,599,130.78	2,972,488.65	299,587,045.55
Purchase	-	-	5,471,697.74	622,838.28	37,944,509.86	5,750,348.28	2,921,754.39	5,350,002.66	8,115,365.99	66,176,517.20
Disposal/Write off	-	(96,535.00)	-	-	-	-	(66,587.82)	-	-	(163,122.82)
Transfer in (out)	-	-	2,572,488.65	-	-	-	-	-	(2,572,488.65)	-
As at December 31, 2019	66,418,013.23	94,579,858.71	18,017,418.77	7,874,672.16	74,642,478.12	19,589,588.62	32,013,910.89	43,949,133.44	8,515,365.99	365,600,439.93
Accumulated depreciation										
As at January 1, 2018	-	66,038,916.87	3,887,806.04	5,390,163.99	47,733,534.35	3,560,822.92	19,938,780.01	21,985,306.64	-	168,535,330.82
Depreciation for the year	-	1,798,870.92	988,185.73	508,199.05	1,663,437.14	1,964,625.96	2,907,034.65	2,307,057.47	-	12,137,410.92
Disposal/Write off	-	-	-	-	(12,789,019.14)	(11,499.00)	(863,014.35)	-	-	(13,663,532.49)
As at December 31, 2018	-	67,837,787.79	4,875,991.77	5,898,363.04	36,607,952.35	5,513,949.88	21,982,800.31	24,292,364.11	-	167,009,209.25
Depreciation for the year	-	1,785,454.35	2,026,115.69	610,640.74	1,360,413.76	2,819,319.97	3,171,122.75	2,528,405.08	-	14,301,472.34
Disposal/Write off	-	(62,302.34)	-	-	-	-	(66,222.56)	(66,490.92)	-	(195,015.82)
As at December 31, 2019	-	69,560,939.80	6,902,107.46	6,509,003.78	37,968,366.11	8,333,269.85	25,087,700.50	26,754,278.27	-	181,115,665.77
Net book value										
As at December 31, 2018	66,418,013.23	26,838,605.92	5,097,240.61	1,353,470.84	90,015.91	8,325,290.46	7,175,944.01	14,306,766.67	2,972,488.65	132,577,836.30
As at December 31, 2019	66,418,013.23	25,018,918.91	11,115,311.31	1,365,668.38	36,674,112.01	11,256,318.77	6,926,210.39	17,194,855.17	8,515,365.99	184,484,774.16
Depreciation for the year 2018										12,137,410.92
Depreciation for the year 2019										14,301,472.34

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

(Unit: Baht)

	Separate financial statements									
	Property	Building	Building improvement	Office furniture and fixtures	Machine	Tools and equipment	Office equipment	Vehicle	Construction in progress	Total
Cost										
As at January 1, 2018	61,868,013.23	94,676,393.71	7,995,872.94	6,848,832.45	53,436,697.32	11,415,193.01	26,597,428.07	35,827,130.78	-	298,665,561.51
Purchase	4,550,000.00	-	2,032,258.62	403,001.43	40,500.00	2,435,547.33	3,435,063.73	2,772,000.00	2,972,488.65	18,640,859.76
Disposal/Write off	-	-	(54,899.18)	0.00	(16,779,229.06)	(11,500.00)	(873,747.48)	-	-	(17,719,375.72)
As at December 31, 2018	66,418,013.23	94,676,393.71	9,973,232.38	7,251,833.88	36,697,968.26	13,839,240.34	29,158,744.32	38,599,130.78	2,972,488.65	299,587,045.55
Purchase	-	-	5,471,697.74	622,838.28	37,944,509.86	5,750,348.28	2,917,048.05	5,350,002.66	8,115,365.99	66,171,810.86
Disposal/Write off	-	(96,535.00)	-	-	-	-	(66,587.82)	-	-	(163,122.82)
Transfer in (out)	-	-	2,572,488.65	-	-	-	-	-	(2,572,488.65)	-
As at December 31, 2019	66,418,013.23	94,579,858.71	18,017,418.77	7,874,672.16	74,642,478.12	19,589,588.62	32,009,204.55	43,949,133.44	8,515,365.99	365,595,733.59
Accumulated depreciation										
As at January 1, 2018	-	66,038,916.87	3,887,806.04	5,390,163.99	47,733,534.35	3,560,822.92	19,938,780.01	21,985,306.64	-	168,535,330.82
Depreciation for the year	-	1,798,870.92	988,185.73	508,199.05	1,663,437.14	1,964,625.96	2,907,034.65	2,307,057.47	-	12,137,410.92
Disposal/Write off	-	-	-	-	(12,789,019.14)	(11,499.00)	(863,014.35)	-	-	(13,663,532.49)
As at December 31, 2018	-	67,837,787.79	4,875,991.77	5,898,363.04	36,607,952.35	5,513,949.88	21,982,800.31	24,292,364.11	-	167,009,209.25
Depreciation for the year	-	1,785,454.35	2,026,115.69	610,640.74	1,360,413.76	2,819,319.97	3,170,233.94	2,528,405.08	-	14,300,583.53
Disposal/Write off	-	(62,302.34)	-	-	-	-	(66,222.56)	(66,490.92)	-	(195,015.82)
As at December 31, 2019	-	69,560,939.80	6,902,107.46	6,509,003.78	37,968,366.11	8,333,269.85	25,086,811.69	26,754,278.27	-	181,114,776.96
Net book value										
As at December 31, 2018	66,418,013.23	26,838,605.92	5,097,240.61	1,353,470.84	90,015.91	8,325,290.46	7,175,944.01	14,306,766.67	2,972,488.65	132,577,836.30
As at December 31, 2019	66,418,013.23	25,018,918.91	11,115,311.31	1,365,668.38	36,674,112.01	11,256,318.77	6,922,392.86	17,194,855.17	8,515,365.99	184,480,956.63
Depreciation for the year 2018										12,137,410.92
Depreciation for the year 2019										14,300,583.53

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

Property, plant and equipment

14.1 As at December 31, 2019, the Company has a fully depreciated property, plant and equipment still in use have cost value of Baht 116.93 million (2018 : Bah 110.14 million)

14.2 As at December 31, 2019 and 2018, Certain of land with its construction at book value amounting to Baht 42.49 million have been used as collateral for bank overdraft, short-term loans from financial institution as stated in note 4.

15. Intangible assets

	(Unit:Baht)		
	Consolidated financial statements / Separate financial statement		
	Computer software	Software under installation	Total
Cost			
As at January 1, 2018	5,876,885.80	484,608.00	6,361,493.80
Increased	980,400.00	1,329,000.00	2,309,400.00
Disposal	-	(484,608.00)	(484,608.00)
As at December 31, 2018	6,857,285.80	1,329,000.00	8,186,285.80
Increased	4,918,140.00	1,960,900.00	6,879,040.00
Disposal	(850,000.00)		(850,000.00)
Transfer in (out)	1,057,770.00	(1,329,000.00)	(271,230.00)
As at December 31, 2019	11,983,195.80	1,960,900.00	13,944,095.80
Accumulated amortization			
As at January 1, 2018	2,764,332.33	-	2,764,332.33
Increased	992,710.41	-	992,710.41
As at December 31, 2018	3,757,042.74	-	3,757,042.74
Increased	1,309,273.65	-	1,309,273.65
As at December 31, 2019	5,066,316.39	-	5,066,316.39
Net book value			
As at December 31, 2018	3,100,243.06	1,329,000.00	4,429,243.06
As at December 31, 2019	6,916,879.41	1,960,900.00	8,877,779.41

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

16. Deferred income tax / income tax expenses

16.1 Deferred tax assets and liabilities after appropriate offsetting have been included in the statement of financial position are as follows :

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax assets	5,635,679.61	5,623,256.06	5,635,679.60	5,623,256.06
Deferred tax liabilities	(1,269,248.61)	(318,708.92)	(1,269,248.60)	(318,708.92)
Total deferred tax assets / net income tax expenses	4,366,431.00	5,304,547.14	4,366,431.00	5,304,547.14

16.2 The movement of deferred tax assets and liabilities as presentation in the consolidated and separate financial statements Incurred for the year ended 31 December 2019 and 2018 are as follows:

(Unit:Baht)

	Consolidated financial statements / Separate financial statements			
	As at	Recognized as (expenses) /		As at
		revenues in	Other comprehensive income or loss	
January 1, 2019	Profit or Losses		December 31, 2019	
Deferred tax assets :				
Allowance for inventories devaluation	608,323.86	31,891.46	640,215.32	
Provision for liabilities :- employee benefits	5,014,932.20	1,269,003.88	4,995,464.28	
	5,623,256.06	1,300,895.34	5,635,679.60	
Deferred tax liabilities :				
Temporary investment				
Temporary differences depreciation	(232,078.24)	(1,007,829.40)	(1,239,907.64)	
Liabilities under financial leases	(86,630.68)	57,289.72	(29,340.96)	
	(318,708.92)	(950,539.68)	(1,269,248.60)	
Deferred tax assets - net	5,304,547.14	350,355.66	4,366,431.00	

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

(Unit:Baht)

	Consolidated financial statements / Separate financial statements			
	As at January 1, 2018	Recognized as (expenses) / revenues in		As at December 31, 2018
		Profit or Losses	Other	
			comprehensive income or loss	
Deferred tax assets :				
Allowance for inventories devaluation	419,101.55	189,222.31	-	608,323.86
Provision for liabilities :- employee benefits	4,441,699.42	573,232.79	-	5,014,932.21
	<u>4,860,800.97</u>	<u>762,455.10</u>	<u>-</u>	<u>5,623,256.07</u>
Deferred tax liabilities :				
Temporary investment	(81,203.14)	81,203.14	-	-
Temporary differences depreciation	(687,347.11)	455,268.87	-	(232,078.24)
Liabilities under financial leases	(38,835.80)	(47,794.89)	-	(86,630.69)
	<u>(807,386.05)</u>	<u>488,677.12</u>	<u>-</u>	<u>(318,708.93)</u>
Deferred tax assets - net	<u>4,053,414.92</u>	<u>1,251,132.22</u>	<u>-</u>	<u>5,304,547.14</u>

16.3 Income tax recognized in profit or loss for the year ended December 31, 2019 and 2018 as follows:

(Unit:Baht)

	Consolidated financial statements / Separate financial statements	
	2019	2018
	Current income tax :	
Income tax expenses	28,529,386.21	37,815,301.25
Deferred tax :		
Changing in temporary differences	(350,355.66)	(1,251,132.22)
Income tax expenses in the statements of comprehensive income	<u>28,179,030.55</u>	<u>36,564,169.03</u>

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

16.4 Income tax on components of other comprehensive income for the year ended December 31, 2019 as follows:

	Consolidated financial statements / Separate financial statements		
	Before income tax	Income (expense) income tax	Net of income tax
Actuarial gains for employee benefit obligations	6,442,359.00	(1,288,471.80)	5,153,887.20

16.5 Reconciliation between income tax expenses and the product of accounting profit multiplied by income tax rate for the year ended December 31, 2019 and 2018 present as follows:

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit before income tax	130,895,192.20	168,077,055.39	136,883,096.74	169,143,214.60
Add back loss without tax for subsidiary	5,987,904.54	1,066,159.21	-	-
Total	136,883,096.74	169,143,214.60	136,883,096.74	169,143,214.60
Tax rate	20	20	20	20
Amount of income tax	27,376,619.35	33,828,642.92	27,376,619.35	33,828,642.92
Tax effect implications for :				
Accounting incomes (expenses) is different				
from taxable incomes and expenses)	183,585.79	146,588.47	183,585.79	146,588.47
Non-deductible expenses	2,647,029.13	3,029,904.80	2,647,029.13	3,029,904.80
Additional deductible expenses	(245,702.86)	(440,967.16)	(245,702.86)	(440,967.16)
Reversal of allowance for doubtful accounts	(1,782,500.86)	-	(1,782,500.86)	-
	802,411.20	2,735,526.11	802,411.20	2,735,526.11
Income tax expense reported in				
the statements of comprehensive income	28,179,030.55	36,564,169.03	28,179,030.55	36,564,169.03
Effective income tax rate	20.59	21.62	20.59	21.62

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

17. Trade accounts payable and other current payables

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade accounts payable				
Other parties	5,942,909.43	9,607,073.33	5,442,905.23	9,607,073.33
Trade notes payable	62,716.48	801,628.69	62,716.48	801,628.69
	<u>6,005,625.91</u>	<u>10,408,702.02</u>	<u>5,505,621.71</u>	<u>10,408,702.02</u>
Other current payables				
Accrued expenses - Other parties	6,261,944.14	7,793,711.58	5,997,386.85	7,465,592.29
Revenue Department payable	5,289,930.40	8,804,575.75	5,000,830.04	8,804,575.75
Suspense output tax	2,240,442.70	2,092,646.11	2,240,442.70	2,092,646.11
Accrued withholding tax	4,059,317.85	3,123,094.96	4,058,657.84	3,123,094.96
Other	7,157,304.41	3,614,522.16	7,051,082.07	3,563,436.76
	<u>25,008,939.50</u>	<u>25,428,550.56</u>	<u>24,348,399.50</u>	<u>25,049,345.87</u>
Total	<u>31,014,565.41</u>	<u>35,837,252.58</u>	<u>29,854,021.21</u>	<u>35,458,047.89</u>

18. Unearned revenues

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Unearned revenues for motor show space	140,886,007.42	145,906,772.67	138,133,465.60	143,664,955.20
Unearned revenues for event	202,000.00	-	202,000.00	-
Others	135,445.99	153,632.00	135,445.99	153,632.00
Total	<u>141,223,453.41</u>	<u>146,060,404.67</u>	<u>138,470,911.59</u>	<u>143,818,587.20</u>

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

19. Non-current provisions for employee benefits

19.1 Movement of the present value of the employee benefit obligations are as follows:

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Balance as at beginning of the year	25,074,661.06	22,208,497.06	25,074,661.06	22,208,497.06
Current service cost	1,606,499.00	2,119,294.00	1,606,499.00	2,119,294.00
Interest cost	653,861.00	746,870.00	653,861.00	746,870.00
Past service cost	4,589,524.05	-	4,589,524.05	-
Employee benefit payment during in the year	(504,864.65)	-	(504,864.65)	-
(Profit) from actuarial estimates	(6,442,359.00)	-	(6,442,359.00)	-
Balance as at end of the year	<u>24,977,321.46</u>	<u>25,074,661.06</u>	<u>24,977,321.46</u>	<u>25,074,661.06</u>

19.2 Employee benefit expenses recognized in the statement of comprehensive income for the year ended December 31, 2019

and 2018 are as follows:

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Costs of selling and services	3,592,017.38	1,539,891.00	3,592,017.38	1,539,891.00
Distribution cost	353,817.15	256,596.00	353,817.15	256,596.00
Administrative expenses	2,904,049.52	1,069,670.00	2,904,049.52	1,069,670.00
Total	<u>6,849,884.05</u>	<u>2,866,157.00</u>	<u>6,849,884.05</u>	<u>2,866,157.00</u>

19.3 Actuarial gains (loss) recognized in other comprehensive income before income tax expense for the year ended

December 31, 2019 are as follows:

	(Unit:Baht)
	Consolidated / Separate financial statements
Included in retained earnings as at January 1,	(9,919,300.00)
Recognized during the period	<u>6,442,359.00</u>
As at December 31, 2019	<u>(3,476,941.00)</u>

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

19.4 Principal actuarial assumptions at the reporting date for the year ended December 31, 2019 and 2018.

(expressed as weighted averages) as follow:

	2019	2018
Discount rate	1.71%	3.07%
Future salary growth	7.02%	10.59%
Employee turnover rate (depend on working period of employee)	0.00 - 22.00%	0.00 - 24.00%
Mortality rate (TMO2017)	100.00%	100.00%
Disability rate (TMO2017)	10.00%	10.00%

19.5 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. Employee benefit obligations.

(Unit:Baht)

	Consolidated financial statements / Separate financial statements			
	2019		2018	
	Increase	Decrease	Increase	Decrease
Discount rate (change 0.50%)	(1,050,800.00)	1,118,847.00	(1,037,146.00)	1,105,265.00
Future salary growth (change 0.50%)	1,178,191.00	(1,116,745.00)	1,349,991.00	1,270,454.00
Employee turnover rate (change 0.50%)	(1,326,997.00)	1,414,552.00	(1,563,647.00)	1,684,655.00

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.

On December 13, 2018, the National Legislative Assembly passed the resolution to approve the draft of new Labour Protection Act which was announced in the Royal Gazette on April 5, 2019. This new Act stipulates additional compensation for a terminated employee who has worked for 20 consecutive years or more and shall be entitled to receive payment not less than the last rate of wages for 400 days. Such change is correction post-employment benefit resulting in increasing in provision for long-term employee benefit. The Company, therefore, recognizes the effect from such change as part service cost in statement of income of 2019.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

20. Legal reserve

According to the Public Company Limited Act B.E.2535, the Company has appropriated its reserve as a legal reserve not less than 5% of the annual net profit deducted by the total deficit brought forward (if any) until the reserve reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividends distribution.

21. Dividend

21.1 During the year 2019, the Company paid dividend 2 times total amount of Baht 114.00 million, as follows .

1. According to Annual General Meeting of Shareholders year 2019, held on March 28, 2019, resolved to pay the dividend from the remaining performance for the second quarter of 2018, for the total eligible shares of 600 million shares at the rate of Baht 0.09 per share totalling Baht 54.00 million to the shareholders. The Company already paid on April 19, 2019.
2. According to the Board of Directors Meeting No. 3/2019, held on August 8, 2019, resolved to pay the interim dividend from performance for the second quarter of 2018 and the performance for the first quarter 2019, for the total eligible shares of 600 million shares at the rate of Baht 0.10 per share totalling Baht 60.00 million to the shareholders. The Company already paid on September 6, 2019.

21.2 According to the Board of Directors Meeting No. 4/2018, held on May 10, 2018, resolved to pay the interim dividend from retained earnings of 2017, and the performance for the first quarter of 2018 for the total eligible shares of 600 million shares at the rate of Baht 0.15 per share totalling Baht 90.00 million to the shareholders. The Company already paid on June 7, 2018.

22. Directors' remuneration and management benefit expenses

Directors' remuneration is the benefits paid to the Company's directors excluding salaries and relating benefits which were paid to executive directors according to Section 90 of the Public Company Limited Act.

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels including a chief executive officer in accounting or finance or comparable positions.

23. Provident fund

Provident fund

The Company and the employees has jointly established provident fund in accordance with the provident fund Act B.E. 2530. The Company has to make contribution and the employees have to paid to the fund on monthly basis at rate 5% of their salary and will pay to employees when they resigns according to the regulation of the fund of

For the years ended December 31, 2019 the Company made a contribution to the provident fund in amount of Baht 4.05 million (2018 : Baht 3.52 million)

(Sign) Directors

(Mr. Anothai Eamlumnow) (Mr. Jaturont Komolmis)

24. Expenses by nature

Significant expenses by nature for the years as follows :

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Changing in finished goods and work in process	1,446,517.61	(1,107,424.18)	1,446,517.61	(1,107,424.18)
Raw material used	22,520,084.57	22,487,031.17	22,520,084.57	22,487,031.17
Hire of work expenses for plate and original manuscript	27,831,548.51	27,576,140.73	27,831,548.51	27,576,140.73
Employee expenses	128,606,487.80	119,268,844.05	128,606,487.80	119,268,844.05
Directors' remuneration	5,180,000.00	5,120,000.00	5,180,000.00	5,120,000.00
Management benefit expenses (Note 25.2.e)	39,607,810.66	38,537,621.12	39,607,810.66	38,537,621.12
Service charge for using area for organizing event	121,031,475.66	109,073,921.12	115,234,811.82	109,073,921.12
Structure decoration expenses	57,993,360.63	48,986,589.80	54,718,353.57	48,986,589.80
Advertising expenses	31,603,424.36	24,226,401.72	31,003,082.13	23,499,710.84
Hire of work expenses for organize activities	28,777,490.86	29,148,571.74	27,921,492.43	29,148,571.74
Installation and dismantling of electrical system	12,836,300.00	12,125,210.00	12,836,300.00	12,125,210.00
Depreciation / Amortization	16,460,746.00	13,130,121.33	16,459,857.18	13,130,121.33

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

25. Transaction with related parties

25.1 Relationship between the related parties summarized as follows:

<u>Company's name and related persons</u>	<u>Relationship type</u>
Blue Diamond Golf And Water Sport Club Co., Ltd.	- Common director/shareholder
Yachiyoda Allow Wheel Co., Ltd.	- Common director/shareholder
GPI Myanmar Co.,Ltd.	- Subsidiary and Common director/shareholder
Director/shareholder	- Director / Major Shareholder of the company
Key management	- Person with power and responsibility for planning order and control various businesses of the business, whether directly or indirectly, including directors of the company (Whether acting at the executive level or not.)

<u>Type of transactions</u>	<u>Pricing policy</u>
Provide event organizer services	Close to normal business price of another customer
Provide printing services	Close to normal business price of another customer
Provide advertising services	Close to normal business price of another customer
Provide art work service	Close to normal business price of another customer
Provide office for rental	Agreed-upon prices
Management income	Agreed-upon prices
Interest income - short-term loans	Interest rate of 1.65% per annum
Leasehold rights and event space rental	Agreed-upon prices
Advertising and public relations wages	Close to normal business price of another customer
Location and service fees for organizing seminars	Close to normal business price of another customer

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

25.2 Transactions in the statement of comprehensive income

Significant revenues and expenses with related parties for the year ended December 31, 2019 and 2018 summarized as follows:

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(a) Revenue from services :				
Related companies :				
Blue Diamond Golf				
And Water Sport Club Co., Ltd.	1,121,090.60	1,920,068.50	1,121,090.60	1,920,068.50
Yachiyoda Allow Wheel Co., Ltd.	-	445,500.00	-	445,500.00
Total	<u>1,121,090.60</u>	<u>2,365,568.50</u>	<u>1,121,090.60</u>	<u>2,365,568.50</u>
(b) Other income :				
Subsidiary :				
GPI Myanmar Co.,Ltd.	-	-	-	5,709.11
Related company :				
Blue Diamond Golf				
And Water Sport Club Co., Ltd.	607,000.00	638,400.00	607,000.00	638,400.00
Total	<u>607,000.00</u>	<u>638,400.00</u>	<u>607,000.00</u>	<u>644,109.11</u>
(c) Cost of services :				
Related company :				
Blue Diamond Golf				
And Water Sport Club Co., Ltd.	<u>3,819,741.97</u>	<u>3,064,297.35</u>	<u>3,819,741.97</u>	<u>3,064,297.35</u>
(d) Distribution cost :				
Related company :				
Blue Diamond Golf				
And Water Sport Club Co., Ltd.	<u>170,000.00</u>	<u>170,000.00</u>	<u>170,000.00</u>	<u>170,000.00</u>

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(e) Key executive remuneration :				
Directors' remuneration	5,180,000.00	5,120,000.00	5,180,000.00	5,120,000.00
Executive remuneration :				
Short-term benefits	37,015,455.22	37,312,609.00	37,015,455.22	37,312,609.00
Post-employment benefits	2,592,355.44	1,225,012.12	2,592,355.44	1,225,012.12
	39,607,810.66	38,537,621.12	39,607,810.66	38,537,621.12
Total	44,787,810.66	43,657,621.12	44,787,810.66	43,657,621.12

25.3 Transactions in the statement of financial position

Significant balance with related parties summarized as follows:

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(a) Trade accounts receivable and other current receivables :				
Trade accounts receivable :				
Related companies :				
Blue Diamond Golf				
And Water Sport Club Co., Ltd.	57,331.67	348,332.62	57,331.67	348,332.62
Yachiyoda Allow Wheel Co., Ltd.	-	357,380.00	-	357,380.00
	57,331.67	705,712.62	57,331.67	705,712.62
Other current receivables :				
Subsidiary :				
GPI Myanmar Co., Ltd.	-	-	3,465,702.28	79,478.75
Related company :				
Blue Diamond Golf				
And Water Sport Club Co., Ltd.	1,186,360.71	1,221,744.86	1,186,360.71	1,221,744.86
	1,186,360.71	1,221,744.86	4,652,062.99	1,301,223.61
Total	1,243,692.38	1,927,457.48	4,709,394.66	2,006,936.23

(Sign) Directors

(Mr. Anothai Eamlumnnow)

(Mr. Jaturont Komolmis)

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(b) Short-term loans to subsidiary				
Subsidiary :				
GPI Myanmar Co., Ltd.	-	-	-	2,630,771.06

Movement of Short-term loans to subsidiary were as follows:

	2019	2018	2019	2018
Beginning balance	-	-	2,630,771.06	-
Add	-	-	-	5,000,000.00
Less	-	-	(2,630,771.06)	(2,369,228.94)
Ending balance	-	-	-	2,630,771.06

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(c) Long-term loans to related person :				
Employee	508,308.00	400,794.00	508,308.00	400,794.00

Movement of long-term loan to related person to related person were as follows:

	2019	2018	2019	2018
Beginning balance	400,794.00	355,593.00	400,794.00	355,593.00
Add Additional lending	600,000.00	531,650.00	600,000.00	531,650.00
Less Repayment	(492,486.00)	(486,449.00)	(492,486.00)	(486,449.00)
Ending balance	508,308.00	400,794.00	508,308.00	400,794.00

	(Unit:Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(d) Other non-current assets (Leasehold rights)				
Related company :				
Blue Diamond Golf				
And Water Sport Club Co., Ltd.	1,367,942.83	2,367,186.60	1,367,942.83	2,367,186.60

(Sign) Directors

(Mr. Anothai Eamlumnaw)

(Mr. Jaturont Komolmis)

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
(e) Other payables - Common share :				
Subsidiary :				
GPI Myanmar Co., Ltd.	-	-	1,602,500.00	1,602,500.00

25.4 Commitments - related company

The Company has commitments from entering into a space rental agreement with a related company (Blue Diamond Golf And Water Sport Club Co., Ltd.). According to the contract dated May 11, 2018 with the lease period 3 years starting from May 15, 2018 to May 14, 2021 amount of Baht 12.00 million (Including leasehold rights amount of Baht 3.00 million). At the contract date, the Company has pays all the amount of leasehold rights with rental fee of Baht 6.00 million, And on May 15, 2019 pay rental fee of Baht 3.00 million, totalling amount of Baht 9.00 million, Remaining obligation to pay on May 15, 2020 amount of Baht 3.00 million.

26. Supplementary disclosure of cash flow information

26.1 Non-cash transactions for the year ended December 31, 2019 were as follows:

- The Company purchased office equipment amounting to Baht 2.48 million presented as other payables.
- The Company purchased other intangible assets amounting to Baht 0.07 million presented as other payables.

26.2 Non-cash transactions for the year ended December 31, 2018 were as follows:

- The company has outstanding the investment in the subsidiary amount of Baht 1.60 million presented as share payable.
- The Company purchased office equipment amounting to Baht 0.90 million presented as other payables.
- The Company purchased Other intangible assets amounting to Baht 1.40 million presented as other payables.

(Sign) Directors

(Mr. Anothai Eamlumnnow)

(Mr. Jaturont Komolmis)

27. Commitments and contingent liabilities

27.1 The Company had commitments to pay the rental and service charge according to agreements as follows:

(Unit:Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Within 1 year	9,302,497.58	2,094,541.12	9,302,497.58	2,094,541.12
Over 1 year within 5 years	22,300.00	218,278.95	22,300.00	218,278.95
Total	9,324,797.58	2,312,820.07	9,324,797.58	2,312,820.07

27.2 As at December 31, 2019 the Company has commitments to pay consulting fee to an expert Baht 5.96 million with 1 year.

When the contract is expired and no any party want to terminate, the contract will be automatically renewed.

(2018 : about Baht 6.43 million)

27.3 The Company had commitment to pay supporting expenses of Thai Automotive Industry Association, a co-host of Bangkok International Motor Show, with the Company and a member of Organization International Des Constructeurs D'Automobiles (OICA), an international Association, which has certified standard of such motor show every two years. The Company will pay supporting expenses to such association Baht 5.00 million for the year certified by OICA and Baht 4.00 million for the year uncertified.

27.4 As at December 31, 2019 and 2018, the Company has contingent liabilities from letter of guarantee to Metropolitan Electricity Authority issued by bank for electricity usage amount of Baht 0.31 million and monthly mailing post service with Thailand post Co.,Ltd. amount of Baht 0.01 million, total amount of Baht 0.32 million, secured by fixed deposit as stated in note 9.

27.5 As at December 31, 2019 and 2018, the subsidiary is obliged to organize the Yangon International Motor Show (YIMS).

The subsidiary has to support the such association amount of USD 25,000 per year.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

28. Business segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief decision maker officer in order to make decisions about the allocation of resources to the segment and assess its performance. The chief decision maker officer is the Managing Director of the Company.

The main segment operation of the Company for the year ended December 31, 2019 and 2018 as follows:

(Unit:Baht)

	Consolidated financial statements							
	For the year ended December 31, 2019				For the year ended December 31, 2018			
	Activities	Media & Publishing	Provide printing services	Total	Activities	Media & Publishing	Provide printing services	Total
Revenues from sales and services	617,533,850.18	49,919,112.74	51,878,937.46	719,331,900.38	628,859,053.01	50,827,508.00	51,960,190.79	731,646,751.80
Costs of sales and services	(334,145,877.62)	(50,478,920.61)	(46,055,769.05)	(430,680,567.28)	(305,708,513.89)	(48,069,214.52)	(41,586,828.19)	(395,364,556.60)
Gross Profit	283,387,972.56	(559,807.87)	5,823,168.41	288,651,333.10	323,150,539.12	2,758,293.48	10,373,362.60	336,282,195.20
Other income				14,555,044.99				12,721,143.71
Distribution cost				(49,610,132.72)				(45,429,924.64)
Administrative expenses				(122,701,053.17)				(135,292,696.75)
Financial costs				-				(203,662.13)
Profit before income tax				130,895,192.20				168,077,055.39
Income tax expenses				(28,179,030.55)				(36,564,169.03)
Profit for the year				102,716,161.65				131,512,886.36

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

(Unit:Baht)

Separate financial statements

	For the year ended December 31, 2019				For the year ended December 31, 2018			
	Activities	Media & Publishing	Provide printing services	Total	Activities	Media & Publishing	Provide printing services	Total
Revenues from sales and services	609,505,817.66	49,919,112.74	51,878,937.46	711,303,867.86	628,859,053.01	50,827,508.00	51,960,190.79	731,646,751.80
Costs of sales and services	(322,575,417.81)	(50,478,920.61)	(46,055,769.05)	(419,110,107.47)	(305,708,513.89)	(48,069,214.52)	(41,586,828.19)	(395,364,556.60)
Gross Profit	286,930,399.85	(559,807.87)	5,823,168.41	292,193,760.39	323,150,539.12	2,758,293.48	10,373,362.60	336,282,195.20
Other income				15,267,082.94				12,726,852.82
Distribution cost				(48,612,531.77)				(44,703,233.76)
Administrative expenses				(121,965,214.82)				(134,958,937.53)
Financial costs				-				(203,662.13)
Profit before income tax				136,883,096.74				169,143,214.60
Income tax expenses				(28,179,030.55)				(36,564,169.03)
Profit for the year				108,704,066.19				132,579,045.57

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

29. Disclosures of financial instruments

29.1 Accounting policy

The significant accounting policies and methods adopted the basis of recognition and measurement relating to each class of financial assets and liabilities have been disclosed in notes to financial statements item 3.19.

29.2 Credit risk

The Company is exposed to credit risk respect to trade accounts receivable and other receivables, long-term loans to related person. However, due to its prudent credit policy and having many accounts receivable, the Company does not anticipate material losses from its debt collection. The carrying amount of the assets recorded in the statement of financial position, net of provision for doubtful accounts, represents the Company's maximum exposure to credit risk.

29.3 Fair value of financial instruments

Financial assets shown in statement of financial position consist of cash and cash equivalents, trade accounts receivable and other receivables, short-term loan to a subsidiary , other long-term investment, long-term loans to related party. Financial liabilities shown in statements of financial position consist of bank overdrafts and short- term loans from financial institution, trade accounts payable and other payables, unearned revenue.

The book value of financial assets and liabilities shown in statement of financial position as at December 31, 2019 and 2018 are close to fair value.

30. Capital management

The objective of financial management of the Company is to maintain the ability of operation as a going concern and proper capital structure.

As at December 31, 2019 and 2018 the company has debt to equity ratio as follows:

Debt to equity ratio (equal)	Consolidated financial statement		Separate financial statements	
	2019	2018	2019	2018
	0.26	0.28	0.25	0.28

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)

32. Other

As at December 31, 2018, the Company has commitments in compliance with the agreement. Digital Media Development Project with a private company with the objective to expand the digital media automotive market and have a joint venture agreement and share the same profits, this project ended within 1 year. and in 2019, the Company cancel the joint venture agreement of digital media development project according to memorandum of understanding dated on October 18, 2019 and approve to register a new company with registered capital Baht 4.00 million by shareholding 48 %.

33. Events after the reporting period

33.1 According to the Board of Director meeting no.1/2020 held on January 29, 2020, the Company approved to invest in a private company and paid deposit for share Baht 20.00 million on January 30, 2020.

At present, the Company is preparing due diligence.

33.2 According to Board of Director meeting No.2/2020 held on February 18, 2020, resolved to pay the dividend from retained earnings as of 31 December 2019 for the total eligible shares of 600 million shares at the rate of Baht 0.08 per share totalling Baht 48.00 million to the shareholders. which the company will propose to the 2020, annual general meeting of the company for further approval.

34. Financial statements approval

These financial statements have been approved to be issued by the Company's director on February 18, 2020.

(Sign) Directors

(Mr. Anothai Eamlumnow)

(Mr. Jaturont Komolmis)