

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF
S. PACK & PRINT PUBLIC COMPANY LIMITED

I have reviewed the accompanying consolidated and separate statements of financial position as at March 31, 2019, and the related consolidated and separate statements of comprehensive income, the related consolidated and separate statement of changes in shareholders' equity and cash flows for the three - month period then ended and condensed notes to interim financial information of S. PACK & PRINT PUBLIC COMPANY LIMITED and its subsidiary and of S.PACK & PRINT PUBLIC COMPANY LIMITED. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my reviews in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".



(Porntip Amornchailertpattana)

Certified Public Accountant (Thailand) No. 9589

OFFICE OF PITISEVI CO., LTD.

8/4, Floor 1st, 3rd, Soi Viphavadee Rangsit 44,
Ladyao, Chatuchak, Bangkok

May 10, 2019

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019

		Unit : Baht			
		Consolidated		Separate	
		March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Note		(Reviewed)		(Reviewed)	
ASSETS					
CURRENT ASSETS					
	Cash and cash equivalents	41,097,315.01	28,737,713.61	26,325,291.91	23,112,037.63
	Trade accounts and other current receivable - net	193,480,948.90	203,275,197.31	101,034,369.68	112,237,861.23
	Inventories - net	203,620,469.58	192,159,775.13	95,377,662.95	99,138,440.77
	Long - term loans to employees - current portion	824,726.28	996,457.14	407,045.84	517,300.50
	Other current assets	411,691.12	263,514.98	26,067.89	27,465.95
	Total current assets	439,435,150.89	425,432,658.17	223,170,438.27	235,033,106.08
NON - CURRENT ASSETS					
	Investment in subsidiary	-	-	500,100,399.40	500,100,399.40
	Long - term loans to employees - net	624,113.98	584,086.90	280,231.22	174,435.98
	Investment property - net	14,298,750.00	14,298,750.00	-	-
	Property, plant and equipment - net	813,936,307.42	788,689,022.28	154,778,129.42	119,020,187.39
	Intangible assets - net	6,408,313.69	7,225,489.38	2,259,185.90	2,557,086.39
	Deferred tax assets	4,820,844.32	4,804,512.76	3,327,854.67	3,062,435.83
	Other non - current assets	996,125.56	996,125.56	464,681.27	464,681.27
	Total non - current assets	841,084,454.97	816,597,986.88	661,210,481.88	625,379,226.26
	TOTAL ASSETS	1,280,519,605.86	1,242,030,645.05	884,380,920.15	860,412,332.34

Condensed notes to interim financial information are an integral part of these interim financial information.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT MARCH 31, 2019

		Unit : Baht				
		Consolidated		Separate		
		March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
Note		(Reviewed)		(Reviewed)		
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>						
CURRENT LIABILITIES						
	Bank overdraft and loans from financial institutions	13	295,598,545.25	277,574,258.45	96,098,545.25	94,074,258.45
	Trade accounts and other current payable	5.2, 14	176,626,704.98	143,145,872.07	73,164,354.45	62,567,755.50
	Current portion of liabilities					
	Long - term loan from financial institution	15	61,466,800.00	61,466,800.00	-	-
	Provisions for employee benefits	16	316,316.00	-	-	-
	Accrued corporate income tax		4,047,777.45	2,600,626.98	4,047,777.45	2,600,626.98
	Accrued dividend		20,536,450.82	20,536,450.82	20,536,450.82	20,536,450.82
	Other current liabilities		1,230,778.08	2,136,452.39	524,567.75	660,458.74
	Total current liabilities		559,823,372.58	507,460,460.71	194,371,695.72	180,439,550.49
NON - CURRENT LIABILITIES						
	Long - term loan from financial institution - net	15	245,599,600.00	260,966,300.00	-	-
	Provision for employee benefit - net	16	32,615,052.67	32,102,438.00	18,945,494.00	18,409,937.00
	Total non - current liabilities		278,214,652.67	293,068,738.00	18,945,494.00	18,409,937.00
	TOTAL LIABILITIES		838,038,025.25	800,529,198.71	213,317,189.72	198,849,487.49

Condensed notes to interim financial information are an integral part of these interim financial information.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT MARCH 31, 2019

Unit : Baht				
Note	Consolidated		Separate	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
	(Unaudited) (Reviewed)	(Audited)	(Unaudited) (Reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY (Con't)				
SHAREHOLDERS' EQUITY				
Share capital				
Authorized share capital				
	300,000,000	300,000,000	300,000,000	300,000,000
	Common Shares of Baht 1 each			
Issued and paid - up share capital				
	300,000,000	300,000,000	300,000,000	300,000,000
	Common Shares of Baht 1 each			
	278,374,901.60	278,374,901.60	278,374,901.60	278,374,901.60
	Share premium on common shares			
Retained earnings (deficit)				
	30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00
	Appropriated - Legal reserve			
	(165,893,320.99)	(166,873,455.26)	62,688,828.83	53,187,943.25
	Unappropriated			
	442,481,580.61	441,501,446.34	671,063,730.43	661,562,844.85
	Total equity of the Company			
	-	-	-	-
	Non - controlling interests			
	442,481,580.61	441,501,446.34	671,063,730.43	661,562,844.85
	Total shareholders' equity			
	1,280,519,605.86	1,242,030,645.05	884,380,920.15	860,412,332.34
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			

Condensed notes to interim financial information are an integral part of these interim financial information.

STATEMENT OF COMPREHENSIVE INCOME

(Reviewed)

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2019

	Note	Unit : Baht			
		Consolidated		Separate	
		2019	2018	2019	2018
REVENUES					
Sales income and proceeds from services	5.1	278,204,917.18	269,919,156.41	132,810,194.51	131,637,252.58
Other incomes		1,897,907.49	2,378,226.48	1,029,408.39	1,277,053.03
TOTAL REVENUES		280,102,824.67	272,297,382.89	133,839,602.90	132,914,305.61
EXPENSES					
Cost of sales and services	5.1	247,285,212.01	243,692,204.66	111,889,944.58	121,091,618.12
Distribution costs		10,427,566.86	10,059,864.04	3,879,165.92	3,974,352.66
Administrative expenses	5.1	14,134,752.83	13,671,091.47	6,752,826.59	6,492,620.98
Finance cost	5.1	5,844,339.79	6,311,617.37	635,048.60	534,867.20
TOTAL EXPENSES		277,691,871.49	273,734,777.54	123,156,985.69	132,093,458.96
PROFIT (LOSS) BEFORE INCOME TAX		2,410,953.18	(1,437,394.65)	10,682,617.21	820,846.65
Income tax (expenses) income	12.2	(1,430,818.91)	(269,055.78)	(1,181,731.63)	123,537.89
NET PROFIT (LOSS) FOR THE PERIOD		980,134.27	(1,706,450.43)	9,500,885.58	944,384.54
OTHER COMPREHENSIVE INCOME (LOSS)		-	-	-	-
COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		980,134.27	(1,706,450.43)	9,500,885.58	944,384.54
NET PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the Company		980,134.27	(1,706,450.43)		
Non - controlling interersts		-	-		
NET PROFIT (LOSS) FOR THE PERIOD		980,134.27	(1,706,450.43)		
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :					
Owners of the Company		980,134.27	(1,706,450.43)		
Non - controlling interersts		-	-		
COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		980,134.27	(1,706,450.43)		
BASIC EARNINGS (LOSS) PER SHARE (BAHT : SHARES)					
Equity holders of the parent company	18	0.003	(0.006)	0.032	0.003

Condensed notes to interim financial information are an integral part of these interim financial information.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Reviewed)

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2019

Unit : Baht						
Consolidated						
	Note	Issued and paid - up share capital	Retained earnings (deficit)		Total	
			Share premium	Appropriated Legal reserve		Unappropriated
Beginning balance as at January 1, 2018		300,000,000.00	278,374,901.60	30,000,000.00	(161,865,491.27)	446,509,410.33
Comprehensive loss for the period		-	-	-	(1,706,450.43)	(1,706,450.43)
Ending balance as at March 31, 2018		300,000,000.00	278,374,901.60	30,000,000.00	(163,571,941.70)	444,802,959.90
Beginning balance as at January 1, 2019		300,000,000.00	278,374,901.60	30,000,000.00	(166,873,455.26)	441,501,446.34
Comprehensive income for the period		-	-	-	980,134.27	980,134.27
Ending balance as at March 31, 2019		300,000,000.00	278,374,901.60	30,000,000.00	(165,893,320.99)	442,481,580.61

Condensed notes to interim financial information are an integral part of these interim financial information.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Con't)

(Reviewed)

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2019

	Unit : Baht					
	Separate					
	Note	Issued and paid - up share capital	Retained earnings (deficit)			Total
			Share premium	Legal reserve	Unappropriated	
Beginning balance as at January 1, 2018	300,000,000.00	278,374,901.60	30,000,000.00	46,663,939.09	655,038,840.69	
Comprehensive income for the period	-	-	-	944,384.54	944,384.54	
Ending balance as at March 31, 2018	300,000,000.00	278,374,901.60	30,000,000.00	47,608,323.63	655,983,225.23	
Beginning balance as at January 1, 2019	300,000,000.00	278,374,901.60	30,000,000.00	53,187,943.25	661,562,844.85	
Comprehensive income for the period	-	-	-	9,500,885.58	9,500,885.58	
Ending balance as at March 31, 2019	300,000,000.00	278,374,901.60	30,000,000.00	62,688,828.83	671,063,730.43	

Condensed notes to interim financial information are an integral part of these interim financial information.

STATEMENT OF CASH FLOWS

(Reviewed)

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2019

		Unit : Baht				
		Consolidated		Separate		
Note		2019	2018	2019	2018	
CASH FLOWS FROM OPERATING ACTIVITIES						
	Profit (loss) before income tax	2,410,953.18	(1,437,394.65)	10,682,617.21	820,846.65	
	Reconciliations of net profit (loss) to net cash provided by (used in) operating activities					
	Depreciation	10	13,956,399.34	13,731,299.26	3,401,390.56	3,706,255.73
	Amortization of intangible assets	11	817,175.69	767,071.57	297,900.49	297,900.49
	Allowances for obsolete goods	7	9,516.80	-	-	-
	Allowances for obsolete goods (reversal)	7	(159,813.11)	(794,791.45)	-	-
	(Gain) loss from disposal of fixed assets		(74,597.25)	172,646.74	(74,597.25)	-
	Unrealized (gain) loss from exchange rate		290,112.93	283,774.91	-	276,232.78
	Provision for employee benefit	16	967,482.00	834,923.00	535,557.00	516,405.00
	Interest income		(33,962.60)	(74,024.37)	(16,984.76)	(38,478.32)
	Interest expenses		5,844,339.79	6,311,617.37	635,048.60	534,867.20
	Profit from operating activities before changes in operating assets and liabilities		24,027,606.77	19,795,122.38	15,460,931.85	6,114,029.53
	Decrease (Increase) in operating assets					
	Trade accounts and other current receivable		(14,157,520.59)	(34,894,783.30)	(12,748,277.45)	(14,290,659.61)
	Inventories		(11,310,398.14)	2,999,568.74	3,760,777.82	14,287,708.73
	Other current assets		(148,176.14)	(17,033.65)	1,398.06	22,515.80
	Increase (Decrease) in operating liabilities					
	Trade accounts and other current payable		29,680,873.04	24,258,563.86	8,395,992.98	(438,692.01)
	Other current liabilities		(905,674.31)	(509,787.17)	(135,890.99)	(143,967.79)
	Employee benefits paid during the preiod	16	(138,551.33)	(437,800.00)	-	-
	Cash provided by (used in) operating activities		27,048,159.30	11,193,850.86	14,734,932.27	5,550,934.65
	Interest paid		(4,478,775.35)	(6,311,617.37)	(572,525.13)	(547,102.45)
	Net cash provided by (used in) operating activities		22,569,383.95	4,882,233.49	14,162,407.14	5,003,832.20

Condensed notes to interim financial information are an integral part of these interim financial information.

STATEMENT OF CASH FLOWS (Con't)

(Reviewed)

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2019

		Unit : Baht			
		Consolidated		Separate	
Note		2019	2018	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES					
	Loans to employees	(238,900.00)	(180,000.00)	(238,900.00)	(180,000.00)
	Receipt of loans to employees	370,603.78	748,564.82	243,359.42	406,387.10
	Interest income	33,962.60	74,024.37	16,984.76	38,478.32
	Acquisition of fixed assets	10 (13,128,161.48)	(832,202.49)	(13,069,487.09)	(176,464.49)
	Cash received from disposal of fixed assets	95,125.75	293,065.36	74,603.25	-
	Net cash provided by (used in) investing activities	(12,867,369.35)	103,452.06	(12,973,439.66)	88,400.93
CASH FLOWS FROM FINANCING ACTIVITIES					
	Increase (Decrease) in bank overdraft and				
	loans from financial institutions	18,024,286.80	(4,428,130.97)	2,024,286.80	(6,504,250.17)
	Repayments for long - term loans from				
	financial institutions	15 (15,366,700.00)	(15,366,700.00)	-	-
	Net cash provided by (used in) financing activities	2,657,586.80	(19,794,830.97)	2,024,286.80	(6,504,250.17)
	Net cash and cash equivalent increase (decrease)	12,359,601.40	(14,809,145.42)	3,213,254.28	(1,412,017.04)
	Cash and cash equivalents at beginning balance	28,737,713.61	45,283,701.95	23,112,037.63	26,099,313.96
	Cash and cash equivalents at ending balance	41,097,315.01	30,474,556.53	26,325,291.91	24,687,296.92

Supplemental disclosures of cash flows information

1. Non - cash transactions (Unit : Baht)

The Company and its subsidiary purchased

	fixed assets on credit	10	2,144,282.50	-	2,138,082.50	-
	Transfers of deposit to fixed assets		23,951,769.00	245,000.00	23,951,769.00	-

2. Unutilized credit facilities for future working capital

	(Unit : Million Baht)		1,369	1,310	862	942
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Condensed notes to interim financial information are an integral part of these interim financial information.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2019 (UNAUDITED BUT REVIEWED)

1. GENERAL INFORMATION

The Company registered the change of the status of the Company to be a public company limited under Public Company Act with the Ministry of Commerce on April 20, 1994. The Company's head office is located at No. 119, Karnjanavanich Road, Takarm, Hadyai, Songkhla and its branch office is located in Sinsakhon Printing City Industrial Estate, No. 30/32, Moo 1, Kokkharm Subdistrict, Muang Samutsakorn District, Samutsakorn.

The Subsidiary's address in Sinsakhon Printing City Industrial Estate, No. 30/32, Moo 1, Kokkharm Subdistrict, Muang Samutsakorn District, Samutsakorn.

The Company is a subsidiary of Oji Holdings Corporation Company Limited registered Japan, which holds 75.72% of the Company's authorized capital.

The Company and its subsidiary operate in offset printing business, and manufacture corrugated and duplex board packaging products.

2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation of interim financial statements

The statutory financial statements are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are presented on a condensed basis in accordance with Thai Accounting standards No. 34 (revised 2018), "Interim Financial Reporting" including related interpretations and guidelines promulgated by the Federation of Accounting Professions and the Rules of the Stock Exchange of Thailand in connection with accounting. However, the Company and its subsidiary has presented the statement of financial position, statement of comprehensive income, statements of changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements. The notes to interim financial information are prepared in a condensed format.

The interim financial statements have been prepared in order to provide additional information of financial statements for the year ended December 31, 2018. The interim financial statements do not include all of the financial information required for full annual financial statements but focus on new activities, events and new situation and will not present information repeatedly from those has already been disclosed. Therefore, these interim financial statements shall be read collectively with the financial statements for the year ended December 31, 2018.

The interim financial statements are presented in Thai Baht, which is the Company's and its subsidiary's functional currency unless otherwise stated.

2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS (Con't)

2.2 Basis of preparation of consolidated interim financial statements

The consolidated interim financial statements included the financial statements of the Company and its subsidiary, Sahakij Packaging Company Limited, and are prepared on the same basis as the consolidated financial statements for the year ended December 31, 2018, with no structural changes related to subsidiary occurring during the current period.

2.3 Basis of preparation of separate interim financial statements

The separate interim financial statements, which present investments in subsidiary under the cost method, have been prepared solely for the benefit of the public.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

3.1 Adoption of new accounting standards effective in the current period

In current period, the Company and its subsidiary has applied the revised (revised 2018) and newly Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) and Interpretations (TSIC and TFRIC) as announced by the Federation of Accounting Professions which the Company and its subsidiary disclosed in the notes to the financial statements for the year ended December 31, 2018.

The above-mentioned standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, provision of interpretations and accounting guidance to users of accounting standards and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company and its subsidiary.

TFRS 15 Revenue from Contracts with Customers

This standard is established a comprehensive framework for determining whether, how much and when revenue is recognized. Revenue should be recognized when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. It replaces existing revenue recognition standards as follows.-

Thai Accounting Standard ("TAS")

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't)

3.1 Adoption of new accounting standards effective in the current period (Con't)

Thai Accounting Standard Interpretations ("TSIC")

TSIC 31 (revised 2017) Revenue - barter transactions involving advertising services

Thai Financial Reporting Standard Interpretation ("TFRIC")

TFRIC 13 (revised 2017) Customer loyalty programmes

TFRIC 15 (revised 2017) Agreements for the construction of real estate

TFRIC 18 (revised 2017) Transfers of assets from customers

This revised Thai accounting standard (TAS), Thai Financial Reporting Standard (TFRS), Interpretation (TSIC and TFRIC) has no impact to the Company and its subsidiary.

3.2 New Thai Accounting Standards not yet adopted

The Federation of Accounting Professions issued the newly the set of TFRSs related to financial instruments, which are effective for fiscal years beginning on or after January 1, 2020.

Thai Accounting Standards ("TAS")

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standard ("TFRS")

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretation ("TFRIC")

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The set of TFRSs related to financial instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled as follows.-

Thai Accounting Standard ("TAS")

TAS 101 Bad and Doubtful Debts

TAS 103 Disclosures in the Financial Statements of Bank and Similar Financial Institutions

TAS 104 Accounting for Troubled Debt Restructuring

TAS 105 Accounting for Investment in Debts and Equity securities

TAS 106 Accounting for Investment Companies

TAS 107 Financial Instruments: Disclosure and Presentation

3. ADOPTION OF NEW ACCOUNTING STANDARDS (Con't)

3.2 New Thai Accounting Standards not yet adopted (Con't)

The management of the Company and its subsidiary is still evaluating the possible impact on the financial statements in the year in which the set of TFRSs related to financial instruments will be applied.

3.3 New Thai Accounting Standards announce during the period not yet adopted

In current period, the Federation of Accounting Professions has issued Notification regarding the newly Thai Financial Reporting Standard (TFRS) and Interpretations (TFRIC) which were announced and these have been published in the Royal Gazette. The Company and its subsidiary has not applied such standards before the effective period as follows.-

Effective for the financial statements for fiscal years beginning on or after January 1, 2020

Thai Financial Reporting Standard ("TFRS")

TFRS 16 Leases

Thai Financial Reporting Standard Interpretation ("TFRIC")

TFRIC 22 Foreign Currency Transactions and Advance Consideration

The above-mentioned standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, provision of interpretations and accounting guidance to users of accounting standards and clarifications directed towards disclosures in the notes to financial statements. The management of the Company and its subsidiary is still evaluating the possible impact on the financial statements in the year in which Thai Financial Reporting Standard (TFRS) will be applied.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2018 excepted the accounting policy regarding revenue recognition which the Company and its subsidiary has adopted the newly Thai Financial Reporting Standard No. 15 "Revenue from Contracts with Customers" as described in Condensed Notes 3.1 to interim financial information. TFRS 15 applies mainly to sales income and proceeds from services. The effect of this change in accounting policy is immaterial to the comparative interim financial information.

5. RELATED PARTY TRANSACTIONS

The Company has certain transactions with subsidiary and related parties. Part of assets, liabilities, income and expenses are incurred from such related transactions. These companies are related through common shareholdings and/or directorships as follows.-

The Related Company	Relation and pricing policy	Position and Business		Percentage of Holding	
		Activities	Location	Mar 31, 2019	Dec 31, 2018
Oji Holdings Corporation Co., Ltd.	1	Management	Japan	-	-
Sahakij Packaging Co., Ltd.	2	Produce and sell packaging production	Thailand	100	100
GS Paperboard & Packaging Sdn Bhd.	3	Produce and sell packaging products	Malaysia	-	-
Union and Oji Interpack Co., Ltd.	3	Produce and sell packaging products	Thailand	-	-
Oji Industrial Materials Management Co., Ltd.	3	Management	Japan	-	-
Oji Fibre Solutions (NZ) Ltd.	3	Produce and sell packaging products	New Zealand	-	-
Kyokuyo Pulp & Paper Co., Ltd.	3	Trading	Japan	-	-

The nature of relationship and pricing policy with its subsidiary company, related company and related persons are as follows.-

1. The Company's parent company

The guarantee fees for the loans of the Company and its subsidiary is charged at the rate of 0.20% per annum of the outstanding loan balance at each quarter.

2. Subsidiary

The Company set raw material and finished goods sales price at cost plus agreed margin rates of 10% to 15% and machinery mutually agreed rate.

3. Subsidiary of parent company

The Company and companies in the group purchase and sell raw materials and finished goods at market price for the management fee charged at actual price.

5. RELATED PARTY TRANSACTIONS (Con't)

5.1 The significant transactions with related companies are as follows.-

	Unit : Baht			
	For the three - month period end March 31,			
	Consolidated		Separate	
	2019	2018	2019	2018
Parent company				
Guarantee fee	297,395.86	321,983.52	48,821.90	46,356.15
Subsidiary				
Sales income	-	-	45,015.00	-
Purchases	-	-	636,692.35	1,230,172.00
Other expenses	-	-	-	3,100.00
Related companies				
Sales income	183,791.80	241,990.00	-	-
Purchases	91,175,478.96	60,825,467.92	45,656,965.78	32,097,726.05
Management fees	-	136,423.47	-	136,423.47

Management's benefit expenses

The Company and its subsidiary had salaries, bonus, meeting allowances, contributions to the social security fund, provident funds, other welfare and post-employment benefits to their directors and management recognized as expenses as follows.-

	Unit : Baht			
	For the three - month period end March 31,			
	Consolidated		Separate	
	2019	2018	2019	2018
Short - term benefits	4,938,817.12	4,987,354.04	3,303,187.12	3,239,151.58
Post - employment benefits	114,883.00	161,183.00	70,826.00	66,861.00
Total	5,053,700.12	5,148,537.04	3,374,013.12	3,306,012.58

5. RELATED PARTY TRANSACTIONS (Con't)

5.2 The outstanding balances of accounts with related companies are as follows.-

	Unit : Baht			
	Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Trade accounts and other current receivable				
<u>Trade accounts receivable</u>				
Subsidiary	-	-	48,166.05	-
Related company	84,436.70	206,214.47	-	-
Total Trade accounts receivable	84,436.70	206,214.47	48,166.05	-
<u>Other current receivable</u>				
Related company	179,870.79	-	179,870.79	-
<u>Advance payment</u>				
Subsidiary	-	-	76,500.00	-
Related company	-	3,778.40	-	-
Total Advance payment	-	3,778.40	76,500.00	-
<u>Assets receivable</u>				
Subsidiary	-	-	-	131,433.05
Total Trade accounts and other current receivable	264,307.49	209,992.87	304,536.84	131,433.05
Trade accounts and other current payable				
<u>Trade accounts payable</u>				
Subsidiary	-	-	437,151.88	179,229.60
Related companies	85,512,551.04	72,606,360.23	42,710,838.04	37,071,007.27
Total Trade accounts payable	85,512,551.04	72,606,360.23	43,147,989.92	37,250,238.87
<u>Accrued expenses</u>				
Parent company	599,521.27	302,125.41	95,386.26	46,564.36
Related company	-	561,201.64	-	561,201.64
Total accrued expenses	599,521.27	863,327.05	95,386.26	607,766.00
Total Trade accounts and other current payable	86,112,072.31	73,469,687.28	43,243,376.18	37,858,002.87

Other matters

1. The ultimate parent company has guaranteed it's subsidiary's facilities of Baht 700 million.
2. The parent company has guaranteed the Company's facilities of Baht 160 million until March 27, 2019, as described in Condensed Note 13 to the interim financial statement.

6. **TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLE - NET**

Trade accounts and other current receivable consist of.-

	Unit : Baht			
	Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
<u>Trade accounts and notes receivable</u>				
Note receivables	1,434,395.48	1,808,094.43	-	-
Trade account - Related company	84,436.70	206,214.47	48,166.05	-
- Other companies	186,149,888.72	177,434,073.65	99,412,636.73	88,718,660.78
Total	187,668,720.90	179,448,382.55	99,460,802.78	88,718,660.78
<u>Less</u> Allowances for doubtful accounts	(4,998,607.85)	(4,998,607.85)	(3,321,911.87)	(3,321,911.87)
Trade accounts and note receivables - net	182,670,113.05	174,449,774.70	96,138,890.91	85,396,748.91
<u>Others current receivable</u>				
Prepaid expense	5,431,514.24	3,516,132.19	2,795,880.64	1,769,056.65
Deposit of machinery	-	23,951,769.00	-	23,951,769.00
Receivable from the Revenue Department	266,911.10	5,503.00	266,911.10	5,503.00
Assets receivable - Subsidiary	-	-	-	131,433.05
Other receivable	1,255,001.28	712,449.02	826,220.77	606,883.72
Advance payment for goods	1,823,661.14	189,866.90	584,466.26	189,866.90
Advance payment	2,033,748.09	449,702.50	422,000.00	186,600.00
Total Others current receivable	10,810,835.85	28,825,422.61	4,895,478.77	26,841,112.32
Total Trade accounts and Other current receivable - net	193,480,948.90	203,275,197.31	101,034,369.68	112,237,861.23

Trade account and note receivables aged by number of days are as follows.-

	Unit : Baht			
	Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Accounts receivables not yet due	164,116,826.90	158,614,991.50	83,600,912.25	76,579,446.15
Accounts receivables over due				
Under or equal to 3 months	17,992,233.19	14,785,117.91	11,976,925.70	7,767,637.47
Over 3 months to 6 months	62,504.21	994,468.75	62,504.21	994,468.75
Over 6 months to 12 months	498,548.75	55,196.54	498,548.75	55,196.54
Over 12 months	4,998,607.85	4,998,607.85	3,321,911.987	3,321,911.87
Total	187,668,720.90	179,448,382.55	99,460,802.78	88,718,660.78
<u>Less</u> Allowances for doubtful accounts	(4,998,607.85)	(4,998,607.85)	(3,321,911.87)	(3,321,911.87)
Trade accounts and note receivable - net	182,670,113.05	174,449,774.70	96,138,890.91	85,396,748.91

7. INVENTORIES - NET

Inventories consist of.-

	Unit : Baht			
	Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Finished goods	14,897,057.00	10,363,347.27	6,240,175.62	4,315,018.98
Work-in-process	15,323,510.25	16,959,657.02	2,146,476.97	2,366,458.47
Raw materials	154,942,906.19	147,261,815.28	73,936,059.26	81,094,224.18
Supplies and packing materials	4,757,270.04	4,964,658.70	2,757,023.58	2,877,059.55
Spare parts	8,302,234.65	8,276,947.45	7,425,132.58	7,432,816.44
Goods in transit	6,741,411.24	5,827,565.51	2,872,794.94	1,052,863.15
Total	204,964,389.37	193,653,991.23	95,377,662.95	99,138,440.77
<u>Less</u> Allowance for obsolete goods	(1,343,919.79)	(1,494,216.10)	-	-
Total inventories - net	203,620,469.58	192,159,775.13	95,377,662.95	99,138,440.77

Movements in allowance for obsolete in value of inventories are as follows.-

	Unit : Baht	
	Consolidated	
	Mar 31, 2019	Dec 31, 2018
Beginning balance for the period/year	1,494,216.10	2,319,423.15
<u>Add</u> Increase during the period/year	9,516.80	839,398.96
<u>Less</u> Reversal during the period/year	(159,813.11)	(1,664,606.01)
Ending balance for the period/year	1,343,919.79	1,494,216.10

8. INVESTMENT IN SUBSIDIARY

Investment in subsidiary is as follows.-

Company	Unit : Baht							
	Paid - up (Million Baht)		Investment ownership (%)		Investment Separate Cost method		Dividend income	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Mar 31, 2018
<u>Subsidiary</u>								
Sahakit Packaging Company Limited	600	600	100	100	500,100,399.40	500,100,399.40	-	-

9. INVESTMENT PROPERTY - NET

Investment property consist of.-

	Unit : Baht	
	Consolidated	
	Mar 31, 2019	Dec 31, 2018
<u>Investment property - land</u>		
Cost	17,475,660.00	17,475,660.00
<u>Less</u> Allowance for impairment	(3,176,910.00)	(3,176,910.00)
Net book value	14,298,750.00	14,298,750.00
Fair value	14,298,750.00	14,298,750.00

10. PROPERTY, PLANT AND EQUIPMENT - NET

Movements of the property, plant and equipment for the three - month period ended March 31, 2019 are summarized below.-

	Unit : Baht	
	Consolidated	Separate
Net book value as at January 1, 2019	788,689,022.28	119,020,187.39
Acquisition during the period at cost	15,272,443.98	15,207,569.59
Disposals during the period at net book value at disposal date	(20,528.50)	(6.00)
Transfers of deposit to fixed assets	23,951,769.00	23,951,769.00
Depreciation for the period	(13,956,399.34)	(3,401,390.56)
Net book value as at March 31, 2019	813,936,307.42	154,778,129.42

10.1 The Company and its subsidiary had acquired land, building and equipment by cash payment amounting to Baht 13.13 million for the consolidated financial statement and Baht 13.07 million for the separate financial statement.

10.2 The Company and its subsidiary have mortgaged their land and buildings and certain machinery with commercial banks as collaterals for their loans as described in Condensed Notes 13 to the interim financial statement at cost amounting to Baht 648.71 million and carrying amounting to Baht 505.02 million for the consolidated financial statements (cost amounting to Baht 133.43 million and carrying amounting to Baht 93.81 million for the separate financial statements).

11. INTANGIBLE ASSETS - NET

Movements of intangible assets for the three - month period ended March 31, 2019 are summarized below.-

	Unit : Baht	
	Consolidated	Separate
Net book value as at January 1, 2019	7,225,489.38	2,557,086.39
Amortization for the period	(817,175.69)	(297,900.49)
Net book value as at March 31, 2019	6,408,313.69	2,259,185.90

12. DEFERRED TAX

Deferred tax assets and liability are as follows.-

	Unit : Baht			
	Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Deferred tax assets	8,476,651.32	8,340,924.45	4,453,481.18	4,346,369.78
Deferred tax liability	(3,655,807.00)	(3,536,411.69)	(1,125,626.51)	(1,283,933.95)
Net	4,820,844.32	4,804,512.76	3,327,854.67	3,062,435.83

12.1 Movements in deferred tax assets and liability during the period were as follows.-

	Unit : Baht			
	Consolidated			
	(Changed) Credit for the period to			
	As at Jan 1, 2019	Profit or loss	Other comprehensive income	As at Mar 31, 2019
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	986,211.63	-	-	986,211.63
Inventories	298,843.22	(30,059.26)	-	268,783.96
Provisions for employee benefit	6,420,487.60	165,786.13	-	6,586,273.73
Investment property	635,382.00	-	-	635,382.00
Total	8,340,924.45	135,726.87	-	8,476,651.32
<u>Deferred tax liability</u>				
Property, plant and equipment	(3,536,411.69)	(119,395.31)	-	(3,655,807.00)
Net	4,804,512.76	16,331.56	-	4,820,844.32

12. DEFERRED TAX (Con't)

12.1 Movements in deferred tax assets and liability during the period were as follows.- (Con't)

	Unit : Baht			
	Consolidated			
	As at Jan 1, 2018	(Changed) Credit for the period to		As at Mar 31, 2018
		Profit or loss	Other comprehensive income	
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	986,211.62	-	-	986,211.62
Inventories	463,884.69	(158,958.37)	-	304,926.32
Provisions for employee benefit	6,504,962.56	207,937.67	-	6,712,900.23
Investment property	635,381.99	-	-	635,381.99
Total	8,590,440.86	48,979.30	-	8,639,420.16
<u>Deferred tax liability</u>				
Property, plant and equipment	(2,888,218.27)	(119,392.27)	-	(3,007,610.54)
Net	5,702,222.59	(70,412.97)	-	5,631,809.62

	Unit : Baht			
	Separate			
	As at Jan 1, 2019	(Changed) Credit for the period to		As at Mar 31, 2019
		Profit or loss	Other comprehensive income	
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	664,382.38	-	-	664,382.38
Provisions for employee benefit	3,681,987.40	107,111.40	-	3,789,098.80
Total	4,346,369.78	107,111.40	-	4,453,481.18
<u>Deferred tax liability</u>				
Property, plant and equipment	(1,283,933.95)	158,307.44	-	(1,125,626.51)
Net	3,062,435.83	265,418.84	-	3,327,854.67

12. DEFERRED TAX (Con't)

12.1 Movements in deferred tax assets and liability during the period were as follows.- (Con't)

	Unit : Baht			
	Separate			
	As at Jan 1, 2018	(Changed) Credit for the period to		As at Mar 31, 2018
		Profit or loss	Other comprehensive income	
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	664,382.37	-	-	664,382.37
Provisions for employee benefit	3,444,442.54	163,870.26	-	3,608,312.80
Total	4,108,824.91	163,870.26	-	4,272,695.17
<u>Deferred tax liability</u>				
Property, plant and equipment	(1,761,979.38)	158,310.44	-	(1,603,668.94)
Net	2,346,845.53	322,180.70	-	2,669,026.23

12.2 Income tax expenses for the period are as follows.-

	Unit : Baht			
	For the three - month period end March 31,			
	Consolidated		Separate	
	2019	2018	2019	2018
<u>Current income tax</u>				
Corporate income tax charge for the period	1,447,150.47	198,642.81	1,447,150.47	198,642.81
<u>Deferred tax</u>				
Deferred tax expense (income)				
relating to the original and reversal				
of temporary differences	(16,331.56)	70,412.97	(265,418.84)	(322,180.70)
Income tax expense (income)	1,430,818.91	269,055.78	1,181,731.63	(123,537.89)

13. BANK OVERDRAFT AND LOANS FROM FINANCIAL INSTITUTIONS

Bank overdraft and loans from financial institutions consist of.-

	Interest rate (% p.a.)		Unit : Baht			
			Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Promissory notes	2.45	2.20 - 2.45	292,500,000.00	276,500,000.00	93,000,000.00	93,000,000.00
Trust receipts	3.22 - 3.29	3.23	3,098,545.25	1,074,258.45	3,098,545.25	1,074,258.45
Total			295,598,545.25	277,574,258.45	96,098,545.25	94,074,258.45

The Company and its subsidiary was granted loans from two commercial bank by issuing on demand promissory notes.

The above credit facilities were secured by the mortgage of land, building and certain machinery of the Company and its subsidiary and guaranteed by Oji Holdings Corporation Company Limited, the ultimate parent company.

On March 28, 2019, the Company received a notice from its financial institution payable to cancel its loan guarantee by Oji Holdings Corporation Co., Ltd. of a loan facility of Baht 160 million.

14. TRADE ACCOUNTS AND OTHER CURRENT PAYABLE

Trade accounts and other current payable consist of.-

	Unit : Baht			
	Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
<u>Trade accounts payable and note payable</u>				
Note payable	31,784.07	60,928.00	-	-
Trade accounts payable - Related companies	85,512,551.04	72,606,360.23	43,147,989.92	37,250,236.87
- Other companies	65,298,728.62	54,850,020.58	19,932,148.37	19,109,615.50
Total trade accounts payable and note payable	150,843,063.73	127,517,308.81	63,080,138.29	56,359,852.37
<u>Other current payable</u>				
Other payable	6,485,951.93	5,384,046.81	2,745,228.71	3,034,433.29
Accrued expenses	12,760,398.74	9,117,873.56	3,064,296.35	2,943,051.46
Accrued bonus	3,767,540.03	-	1,916,646.89	-
Asset payable	2,144,282.50	-	2,138,082.50	-
Advance income	625,468.05	1,126,642.89	219,961.71	230,418.38
Total other current payable	25,783,641.25	15,628,563.26	10,084,216.16	6,207,903.13
Total trade accounts and others current payable	176,626,704.98	143,145,872.07	73,164,354.45	62,567,755.50

15. LONG - TERM LOAN FROM FINANCIAL INSTITUTIONS - NET

Long - term loan from financial institutions consist of.-

		Unit : Baht	
		Consolidated	
		Mar 31, 2019	Dec 31, 2018
Beginning balance for the period/year		322,433,100.00	383,899,900.00
<u>Less</u>	Paid during the period/year	(15,366,700.00)	(61,466,800.00)
Total		307,066,400.00	322,433,100.00
<u>Less</u>	Current portion	(61,466,800.00)	(61,466,800.00)
Net		245,599,600.00	260,966,300.00

The subsidiary had entered into long - term loan agreement with a financial institution with the conditions as follows.-

Facility line (Million Baht)	Objective	Interest rate (%)	Term of repayment	Final payment	Collaterals
430	For payment short - term loans	4.77	Quarterly principal installment of Bath 15,366,700 with the first principal repayment on June 30, 2017 and quarterly interest installment with the first payment in June 2014	Within March 29, 2024	The ultimate parent company

16. PROVISION FOR EMPLOYEE BENEFIT - NET

Movements of the present value of the provision for employee benefit for the three - months period ended March 31, 2019 consist of.-

		Unit : Baht	
		Consolidated	Separate
Opening balance as at January 1, 2019		32,102,438.00	18,409,937.00
Current service cost		756,748.00	414,509.00
Interest cost		210,734.00	121,048.00
Employee benefits paid during the period		(138,551.33)	-
Ending balance as at March 31, 2019		32,931,368.67	18,945,494.00
<u>Less</u>	Current portion	(316,316.00)	-
Provisions for employee benefits - net		32,615,052.67	18,945,494.00

16. PROVISION FOR EMPLOYEE BENEFIT - NET (Con't)

The Labor Protection Act (No.7), B.E. 2562 stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days which is increased from the current maximum rate of 300 days. This change is considered a post-employment benefits plan amendment and the Company and its subsidiary has additional liabilities for employee benefits obligations as at March 31, 2019 and December 31, 2018 of Baht 10.56 million and Baht 10.27 million respectively in the consolidated financial statements and Baht 6.04 million and Baht 5.88 million respectively in the separated financial statements.

The Company and its subsidiary will reflect the effect of the change by recognizing past services costs as expense in the comprehensive income statement of the year in which the law is effective.

17. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION

The Company have been granted investment promotion certificates from the Board of Investments in accordance with Investment Promotion Act, B.E. 2520. For the production of packaging products as follows.-

<u>Certificate no.</u>	<u>Approved date</u>	<u>Company's Name of Promotional Activities</u>	<u>The First Date</u>
2186 (2)/2554	September 29, 2011	S. Pack & Print Plc.	October 2013
1218 (2)/2558	February 24, 2015	S. Pack & Print Plc.	February 2019

Significant rights and privileges granted include the following.-

1. Exemption of import duty and business tax for machinery that are approved by the Board of Investment.
2. Exemption of corporate income tax derived from the profit of the promoted activities for a period of 8 years effective from the first sale generated.
3. Exemption of import duty for raw materials and necessary supplies used in production process of exported goods for the period stated in the certificate. (Exemption for Certificate No.2186 (2)/2554 only)
4. Permission of deduction of investment in installation or construction of facilities at 25% in addition to its usual depreciation.

17. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION (Con't)

Results of the Company's operations under promoted business are classified under promoted and non - promoted business as follows:

	Unit : Thousands Baht		
	Consolidated		
	For the three - month period end March 31, 2019		
	Promoted business	Non - promoted business	Total
Total revenues	48,029	232,074	280,103
Cost and expenses	(43,351)	(228,497)	(271,848)
Finance cost	(228)	(5,616)	(5,844)
Income tax	-	(1,431)	(1,431)
Net profit (loss) for the period	4,450	(3,470)	980
Other comprehensive income	-	-	-
Comprehensive income (loss) for the period	4,450	(3,470)	980

	Unit : Thousands Baht		
	Separate		
	For the three - month period end March 31, 2019		
	Promoted business	Non - promoted business	Total
Total revenues	48,029	85,811	133,840
Cost and expenses	(43,351)	(79,171)	(122,522)
Finance cost	(228)	(407)	(635)
Income tax	-	(1,182)	(1,182)
Net profit (loss) for the period	4,450	5,051	9,501
Other comprehensive income	-	-	-
Comprehensive income (loss) for the period	4,450	5,051	9,501

The classification of results of the Company's operations was applied with 2 bases as following.-

1. Cost and expenses identifiable to each category were directly charged to each of them.
2. Cost and expense unidentifiable to each category were allocated to each of them based on the proportion of their revenues.

18. BASIC EARNINGS (LOSS) PER SHARE

Basis earnings (loss) per share for the period are calculated by dividing the net income (loss) attributable to common shareholders (excluding other comprehensive income (loss)) by the weighted - average number of common shares which are held by third parties during the period as follows.-

	For the three - month period end March 31,			
	Consolidated		Separate	
	2019	2018	2019	2018
Net profit (loss) attributable to ordinary shareholders of the Company (basis) (Unit : Baht)	980,134.27	(1,706,450.43)	9,500,885.58	944,384.54
Number of weighted average common shares (Unit : Share)	300,000,000	300,000,000	300,000,000	300,000,000
Basic earnings (loss) per share (Unit : Baht/Unit)	0.003	(0.006)	0.032	0.003

19. OPERAING SEGMENTS

The Company and its subsidiary have not changed the organization of the reportable segments.

Management considers that the Company and its subsidiary operates in a single line production of packaging and has therefore only one business segment.

Management considers that the Company and its subsidiary operates in a single geographic area, namely in Thailand, and has therefore only one geographic segment.

As a result, all of the revenues, operating profits and assets reflected in these financial statements are related to the referred business and geographical segment.

20. COMMITMENTS AND CONTINGENT LIABILITIES

Commitment

20.1 Operating lease commitments

The Company and its subsidiary has entered into several lease agreement in respect of the lease of vehicle and photocopies. The term of the agreement are generally between 3 - 4 years commencing from the agreement date. The Company and its subsidiary future commitment in respect of rental fees are as follows.-

	Unit : Baht			
	Consolidated		Separate	
	Mar 31, 2019	Dec 31, 2018	Mar 31, 2019	Dec 31, 2018
Less than 1 year	2,008,565.00	2,251,887.10	1,498,265.00	1,139,280.00
More than 1 year but less than 5 years	2,554,248.84	1,484,785.67	1,054,923.84	621,340.00
Total	4,562,813.84	3,736,672.77	2,553,188.84	1,760,620.00

20. COMMITMENTS AND CONTINGENT LIABILITIES (Con't)

Contingent liabilities

20.2 The Company and its subsidiary had outstanding commitments with banks are as follows.-

	Mar 31, 2019		Dec 31, 2018	
	Baht	USD	Baht	USD
<u>Letters of credit</u>				
Parent Company	-	102,069.52	-	73,935.84
Subsidiary	-	22,593.84	-	66,000.00
<u>Letters of guarantee</u>				
Parent Company	6,728,400.00	-	6,728,400.00	-
Subsidiary	6,700,000.00	-	7,129,000.00	-

20.3 The Company was in possession of commitments in respect of guaranteeing credit facilities of a subsidiary amounting to Baht 218 million.

21. CAPITAL MANAGEMENT

The primary objectives of the Company and its subsidiary' capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure.

As at March 31, 2019 and December 31, 2018, debt-to-equity ratio in the consolidated financial statements was 1.89 : 1 and 1.82 : 1 respectively, and the separate financial statements was 0.32 : 1 and 0.30 : 1 respectively.

22. APPROVAL OF FINANCIAL STATEMENT

These interim financial statements have been approved by the Company's Board of Directors on May 10, 2019.