

รายงานประจำปี 2562
ANNUAL REPORT 2019



DELIVERING SUSTAINABLE GROWTH



บริษัท ปูนซีเมนต์เอเชีย จำกัด (มหาชน)

Asia Cement

Public Company Limited

Contents



Annual Report 2019



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Message from the Chairman Asia Cement Public Company Limited

In 2019, the demand for cement in Thailand decreased by 3 percent compared to 2018. Despite this, the revenue of the company increased by 9 percent to Baht 10,620 million, while net profit improved significantly to Baht 1,082 million, rising by an impressive Baht 527 million from the year before. The Company managed to attain this higher profitability due to achieving better selling prices, launching of new products and services, decreasing its energy costs, as well as improving efficiency and productivities. The Company continues to focus on strengthening the organization, and focusing on efficient cost managements, to enhance competitiveness and profitability.

The Company is committed to invest in advanced technologies and innovations, in ways that respect our responsibilities and commitments to the highest environmental, social, and governance (ESG) standards. In recognition of building a sustainable business with good ESG practices, we have launched a project to enhance the efficiency of our environmental management. Under this project, the Electrostatic Precipitator of the second production line has been changed to a Bag Filter, which is of the latest technology to lower the plant's dust emission. In addition, we also signed an agreement in 2019 to install the back filter in production line 1, and we anticipate the installation to take place in 2020.

The Company has also continued its vigilant focus on occupational health and safety, to minimize the risks of the workplace. We also continue to deepen our community supports, by continuing activities such as granting of scholarships, providing a mobile medical unit for the local community, sponsoring cultural activities, encouraging staff to join in volunteer activities, and undertaking community visits to gather grassroots opinions and to better understand their social concerns.

The Company was granted the Green Mining Award and CSR-DPIM Continuous Award from the Department of Primary Industries and Mines and the plaque from Thailand Environment Institute, in recognition of our leading status as the industry player achieving the Carbon Level Certificate for 9 consecutive years.

The Company has been able to sustain its good social and environmental governance activities due to the support from our clients, employees and shareholders. On behalf of the Board of Directors and management, on the occasion of the company's 30th anniversary, I would like to thank you.

Mr. Chong Toh
Chairman of the Board

Board of Directors, Executive Committee

Asia Cement Public Company Limited

Board of Directors

As of 31 December 2019

Chairman

Mr. Chong Toh

Directors

Mr. Nopadol Ramyarupa

Mr. Rapee Sukhyanga

Mr. Uran Kleosakul

Mr. Chana Poomee

Mr. Claudio Dealberti

Mr. Kevin Gerard Gluskie

Miss Sim Soek Peng

Mr. Roberto Callieri

Mr. Juan-Francisco Defalque

Executive Committee

As of 31 December 2019

Chairman

Mr. Chong Toh

Directors

Mr. Kevin Gerard Gluskie

Mr. Roberto Callieri

Mr. Claudio Dealberti **Managing Director**

Mr. Nopadol Ramyarupa **Managing Director**



1. Basic Information of the Company

Company:	Asia Cement Public Company Limited
Establishment:	August 23, 1989
Head Office:	23/124-128 Soi Soonvijai, Rama 9 Road, Kwaeng Bangkapi, Khet Huaykwang, Bangkok
Plant:	Pukrang, 4/1 Moo 1, Yotha Sai 2, Tambon Pukrang, Amphur Pra Buddhabat, Saraburi Province
Type of Business:	Manufacturing and Sale of Cement
Registration No.:	0107539000197 (Previous Reg. No. Bor Mor Jor. 620)

Initial Registered Capital :

Registered Capital	Baht 4,290,000,000
Paid-up Capital	Baht 4,290,000,000 comprised of 429,000,000 Common Shares
Par Value	Common Share, Baht 10 per share

Current Registered Capital:

Registered Capital	Baht 4,670,523,072
Paid-up Capital	Baht 4,670,523,072 comprised of 778,420,512 Common Shares
Par Value	Common Share, Baht 6 per share

2. Information of Subsidiaries (The Company holds more than 50% of shares).

2.1 Asia Cement Products Company Limited:

26,999,997 Common Shares, equivalent to 99.99%.

Head Office Address: 23/124 Soi Soonvijai, Rama 9 Road, Kwaeng Bangkapi,
Khet Huaykwang, Bangkok

Type of Business: Manufacturing and Sale of Ready-mixed Concrete

2.2 Asia Cement Energy Conservation Company Limited:

13,999,997 Common Shares, equivalent to 99.99%.

Head Office Address: 23/124-128 Soi Soonvijai, Rama 9 Road,
Kwaeng Bangkapi, Khet Huaykwang, Bangkok

Type of Business: Generating and Sale of Electric Energy

2.3 Jalapathan Cement Public Company Limited:

106,603,319 Common Shares, equivalent to 88.84%.

Head Office Address: 23/124-128 Soi Soonvijai, Rama 9 Road,
Kwaeng Bangkapi, Khet Huaykwang, Bangkok

Type of Business: Manufacturing and Sale of Cement

3. Currently, the Company does not hold more than 10% of shares in any other companies or private enterprises.

4. The Company's Directors do not share interests on any contracts being made by the Company during the fiscal year.
5. Shares holding by the Directors in the Company and Subsidiaries in current fiscal year when compared to the past fiscal year has been increased or decreased as follows:

5.1 The holding of Asia Cement Public Company Limited's share, by Board of Directors:

Name of Director	Number of Share Holding		Increased/Decreased
	Current Fiscal Year	Past Fiscal Year	
1. Mr. Chong Toh	None	None	N/A
2. Mr. Nopadol Ramyarupa	80,000	80,000	No Change
3. Mr. Rapee Sukhyanga	None	None	N/A
4. Mr. Uran Kleosakul	1,468,906	1,468,906	No Change
5. Mr. Chana Poomee	None	None	N/A
6. Mr. Claudio Dealberti	None	None	N/A
7. Mr. Kevin Gerard Gluskie	None	None	N/A
8. Miss Sim Soek Peng	None	None	N/A
9. Mr. Roberto Callieri	None	None	N/A
10. Mr. Juan-Francisco Defalque	None	None	N/A

5.2 The holding of Subsidiary's share, Asia Cement Products Company Limited, by Board of Directors:

Name of Director	Number of Share Holding		Increased/Decreased
	Current Fiscal Year	Past Fiscal Year	
1. Mr. Nopadol Ramyarupa	1	1	No Change
2. Mr. Claudio Dealberti	None	None	N/A

5.3 The holding of Subsidiary's share, Asia Cement Energy Conservation Company Limited, by Board of Directors:

Name of Director	Number of Share Holding		Increased/Decreased
	Current Fiscal Year	Past Fiscal Year	
1. Mr. Nopadol Ramyarupa	None	None	N/A
2. Mr. Rapee Sukhyanga	None	None	N/A
3. Mr. Claudio Dealberti	None	None	N/A

5.4 The holding of Subsidiary's share, Jalapathan Cement Public Company Limited, by Board of Directors:

Name of Director	Number of Share Holding		Increased/Decreased
	Current Fiscal Year	Past Fiscal Year	
1. Mr. Rapee Sukhyanga	None	None	N/A
2. Mr. Nopadol Ramyarupa	None	None	N/A
3. Mr. Roberto Callieri	None	None	N/A
4. Mr. Claudio Dealberti	None	None	N/A
5. Mr. Kevin Gerard Gluskie	None	None	N/A

6. The remuneration of Board of Directors paid in 2019

Name of Director	Remuneration (Baht)
1. Mr. Chong Toh	540,000
2. Mr. Thanet Earsakul	120,000
3. Mr. Nopadol Ramyarupa	360,000
4. Mr. Rapee Sukhyanga	360,000
5. Mr. Uran Kleosakul	360,000
6. Mr. Chana Poomee	360,000
7. Mr. Claudio Dealberti	360,000
8. Mr. Kevin Gerard Gluskie	360,000
9. Mr. Fong Wei Kurk	185,000
10. Miss Sim Soek Peng	360,000
11. Mr. Roberto Callieri	360,000
12. Mr. Juan-Francisco Defalque	360,000
Total	4,085,000

- Remark:**
- Mr. Thanet Earsakul, Company Director passed away on April 4, 2019.
 - Mr. Fong Wei Kurk resigned from the Company Director on July 6, 2019.

Independent Auditor's Report

To the shareholders of Asia Cement Public Company Limited

My opinion

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

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's 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.

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

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the management 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.

PricewaterhouseCoopers ABAS Ltd.



Certified Public Accountant (Thailand) No. 5016
Bangkok
28 February 2020

Asia Cement Public Company Limited
Statement of Financial Position
As at 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	5,448,634,504	5,416,495,439	4,140,638,081	4,124,727,019
Trade and other accounts receivable (net)	8	1,719,808,467	1,852,617,426	1,549,478,688	1,778,480,680
Current portion of long-term loans to					
- related parties	28.4	-	-	-	12,500,000
- others	12	2,619,815	4,658,117	-	-
Inventories (net)	9	1,526,065,168	1,426,249,716	1,041,697,653	906,291,073
Value added tax		31,079,235	43,971,150	17,467,533	30,226,180
Other current assets		35,449,685	10,225,824	30,451,252	5,852,297
Total current assets		8,763,656,874	8,754,217,672	6,779,733,207	6,858,077,249
Non-current assets					
Restricted deposits at financial institutions	10	15,077,404	9,694,457	12,125,947	8,622,939
Investments in subsidiaries	11	-	-	2,861,031,893	2,861,031,893
Other long-term investment		1,000,000	1,000,000	1,000,000	1,000,000
Long-term loans to others	12	-	2,619,815	-	-
Property, plant and equipment (net)	13	7,194,914,746	7,086,562,760	3,139,219,776	2,979,697,115
Advance payments for assets		21,368,515	134,156,232	21,204,120	133,895,328
Right-of-use assets (net)	14	351,600,480	-	54,960,497	-
Intangible assets (net)	15	25,448,390	34,258,962	22,601,430	31,412,002
Goodwill	16	69,400,000	69,400,000	-	-
Extraction rights	17	522,352,699	30,933,898	521,854,387	30,466,352
Deferred tax assets (net)	18	107,971,542	85,830,316	81,757,295	62,862,108
Other non-current assets		61,658,295	23,631,595	53,302,048	15,469,424
Total non-current assets		8,370,792,071	7,478,088,035	6,769,057,393	6,124,457,161
Total assets		17,134,448,945	16,232,305,707	13,548,790,600	12,982,534,410

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited
Statement of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Liabilities and equity					
Current liabilities					
Trade and other accounts payable	19	2,247,919,474	2,390,607,273	1,554,376,947	1,660,624,494
Value added tax		5,473,877	276,488	-	-
Current portion of lease liabilities (net)	20	140,544,888	-	23,108,484	-
Accrued income tax		121,339,123	45,140,199	120,456,867	44,182,075
Other current liabilities		24,862,553	19,199,372	20,389,011	14,494,185
Total current liabilities		2,540,139,915	2,455,223,332	1,718,331,309	1,719,300,754
Non-current liabilities					
Long-term lease liabilities (net)	20	208,064,866	-	32,633,061	-
Extraction right payables	17	563,450,862	-	563,450,862	-
Employee benefit obligations	21	334,690,091	258,176,873	226,506,753	169,181,532
Long-term provisions		52,019,322	49,492,927	16,793,043	15,311,043
Deferred tax liabilities (net)	18	331,567,453	318,034,001	-	-
Other non-current liabilities		-	18,178,786	-	-
Total non-current liabilities		1,489,792,594	643,882,587	839,383,719	184,492,575
Total liabilities		4,029,932,509	3,099,105,919	2,557,715,028	1,903,793,329
Equity					
Share capital					
Authorised share capital					
778,420,512 ordinary shares					
at par value of Baht 6 each					
		4,670,523,072	4,670,523,072	4,670,523,072	4,670,523,072
Issued and fully paid-up share capital					
778,420,512 ordinary shares					
of Baht 6 each					
		4,670,523,072	4,670,523,072	4,670,523,072	4,670,523,072
Share Premium on paid-up ordinary shares		4,612,220,396	4,612,220,396	4,612,220,396	4,612,220,396
Retained earnings					
Appropriated - legal reserve					
	22	467,052,307	467,052,307	467,052,307	467,052,307
Unappropriated					
		1,810,865,314	1,846,303,438	1,105,306,179	1,192,971,688
Other components of equity		850,999,185	850,999,185	135,973,618	135,973,618
Surplus arising from business combination					
under common control					
		333,245,932	333,245,932	-	-
Equity attributable to owners of the parent		12,744,906,206	12,780,344,330	10,991,075,572	11,078,741,081
Non-controlling interests		359,610,230	352,855,458	-	-
Total equity		13,104,516,436	13,133,199,788	10,991,075,572	11,078,741,081
Total liabilities and equity		17,134,448,945	16,232,305,707	13,548,790,600	12,982,534,410

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Revenue from sales of goods and services		10,619,569,681	9,302,833,649	7,011,408,735	6,490,875,446
Cost of goods sold and services		(8,692,326,801)	(8,076,246,461)	(5,611,559,592)	(5,585,684,360)
Gross profit		1,927,242,880	1,226,587,188	1,399,849,143	905,191,086
Management fee income		-	-	101,583,978	84,132,681
Other income	24	81,641,727	132,497,415	286,556,822	521,625,981
Profit before expenses		2,008,884,607	1,359,084,603	1,787,989,943	1,510,949,748
Selling expenses		(119,642,851)	(197,837,731)	(92,804,525)	(181,284,081)
Administrative expenses		(535,236,114)	(493,284,939)	(455,402,326)	(419,856,942)
Other gains (losses) (net)		(24,973,866)	1,845,013	3,993,113	2,957,788
Total expenses		(679,852,831)	(689,277,657)	(544,213,738)	(598,183,235)
Profit before finance costs and income tax expense		1,329,031,776	669,806,946	1,243,776,205	912,766,513
Finance costs	26	(31,697,436)	(8,535,485)	(18,059,721)	(3,944,913)
Profit before income tax expense		1,297,334,340	661,271,461	1,225,716,484	908,821,600
Income tax expense	27	(215,115,928)	(105,842,279)	(202,318,703)	(96,026,240)
Profit for the year		1,082,218,412	555,429,182	1,023,397,781	812,795,360

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2019

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
- Remeasurements of post-employment benefit obligations	21	(6,930,733)	(2,580,328)	(7,132,703)	(1,315,219)
- Income tax on remeasurements of post-employment benefit obligations	18	1,386,147	516,066	1,426,540	263,044
Other comprehensive income (expense) for the year - net of tax					
		(5,544,586)	(2,064,262)	(5,706,163)	(1,052,175)
Total comprehensive income for the year					
		1,076,673,826	553,364,920	1,017,691,618	811,743,185
Profit attributable to:					
Owners of the parent		1,075,525,649	557,045,545	1,023,397,781	812,795,360
Non-controlling interests		6,692,763	(1,616,363)	-	-
		1,082,218,412	555,429,182	1,023,397,781	812,795,360
Total comprehensive income attributable to:					
Owners of the parent		1,069,919,003	555,057,287	1,017,691,618	811,743,185
Non-controlling interests		6,754,823	(1,692,367)	-	-
		1,076,673,826	553,364,920	1,017,691,618	811,743,185
Basic earning per share					
Earnings per share attributable to owners of the parent (Baht per share)					
		1.38	0.72	1.31	1.04
Weighted average number of ordinary share (shares)					
		778,420,512	778,420,512	778,420,512	778,420,512

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2019

	Consolidated financial statements (Baht)										
	Attributable to owners of the parent					Other components of equity					Total equity
	Authorised, issued and fully paid-up share capital	Share premium on paid-up ordinary shares	Retained earnings - Appropriated - legal reserve	Unappropriated	Surplus on revaluation of land	Comprehensive income	Surplus arising from business combination under common control	Total owners of the parent	Non-controlling interests		
Note											
Opening balance as at 1 January 2018	4,670,523,072	4,612,220,396	467,052,307	2,108,587,688	850,999,185	333,245,932	13,042,628,580	354,547,949	13,397,176,529		
Changes in equity for the year 2018											
Net profit for the year	-	-	-	557,045,545	-	-	557,045,545	(1,616,363)	555,429,182		
Other comprehensive income for the year - remeasurements of post - employment benefit obligations (net of tax)	-	-	-	(1,988,258)	-	-	(1,988,258)	(76,004)	(2,064,262)		
Total comprehensive income for the year	-	-	-	555,057,287	-	-	555,057,287	(1,692,367)	553,364,920		
Dividend payment	-	-	-	(817,341,537)	-	-	(817,341,537)	-	(817,341,537)		
Decrease in non-controlling interests from dividend payment of subsidiary	-	-	-	-	-	-	-	(124)	(124)		
Closing balance as at 31 December 2018	4,670,523,072	4,612,220,396	467,052,307	1,846,303,438	850,999,185	333,245,932	12,780,344,330	352,855,458	13,133,199,788		
Opening balance as at 1 January 2019	4,670,523,072	4,612,220,396	467,052,307	1,846,303,438	850,999,185	333,245,932	12,780,344,330	352,855,458	13,133,199,788		
Changes in equity for the year 2019											
Net profit for the year	-	-	-	1,075,525,649	-	-	1,075,525,649	6,692,763	1,082,218,412		
Other comprehensive income for the year - remeasurements of post - employment benefit obligations (net of tax)	-	-	-	(5,606,646)	-	-	(5,606,646)	62,060	(5,544,586)		
Total comprehensive income for the year	-	-	-	1,069,919,003	-	-	1,069,919,003	6,754,823	1,076,673,826		
Dividend payment	-	-	-	(1,105,357,127)	-	-	(1,105,357,127)	-	(1,105,357,127)		
Decrease in non-controlling interests from dividend payment of subsidiary	-	-	-	-	-	-	-	(51)	(51)		
Closing balance as at 31 December 2019	4,670,523,072	4,612,220,396	467,052,307	1,810,865,314	850,999,185	333,245,932	12,744,906,206	359,610,230	13,104,516,436		

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2019

	Separate financial statements (Baht)							Total equity
	Authorised, issued and fully paid-up share capital	Share premium		Retained earnings		Other components of equity		
		on paid-up ordinary shares	on paid-up ordinary shares	Appropriated - legal reserve	Unappropriated	Other comprehensive income	Surplus on revaluation of land	
Note								
Opening balance as at 1 January 2018	4,670,523,072	4,612,220,396	467,052,307	1,198,570,040	135,973,618		11,084,339,433	
Changes in equity for the year 2018								
Net profit for the year	-	-	-	812,795,360	-	-	812,795,360	
Other comprehensive income for the year - remeasurements of post - employment benefit obligations (net of tax)	-	-	-	(1,052,175)	-	-	(1,052,175)	
Total comprehensive income for the year	-	-	-	811,743,185	-	-	811,743,185	
Dividend payment	-	-	-	(817,341,537)	-	-	(817,341,537)	
Closing balance as at 31 December 2018	4,670,523,072	4,612,220,396	467,052,307	1,192,971,688	135,973,618		11,078,741,081	
Opening balance as at 1 January 2019	4,670,523,072	4,612,220,396	467,052,307	1,192,971,688	135,973,618		11,078,741,081	
Changes in equity for the year 2019								
Net profit for the year	-	-	-	1,023,397,781	-	-	1,023,397,781	
Other comprehensive income for the year - remeasurements of post - employment benefit obligations (net of tax)	-	-	-	(5,706,163)	-	-	(5,706,163)	
Total comprehensive income for the year	-	-	-	1,017,691,618	-	-	1,017,691,618	
Dividend payment	-	-	-	(1,105,357,127)	-	-	(1,105,357,127)	
Closing balance as at 31 December 2019	4,670,523,072	4,612,220,396	467,052,307	1,105,306,179	135,973,618		10,991,075,572	

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash flows from operating activities					
Profit before income tax expense		1,297,334,340	661,271,461	1,225,716,484	908,821,600
Adjustments to reconcile profit before income tax to net cash provided:					
Depreciation	13, 14	732,087,147	586,222,575	377,167,330	316,009,080
Depletion and amortisation					
- Intangible assets	15	11,491,645	11,680,409	11,491,645	11,680,409
- Concession fee		20,685,939	-	-	-
- Forestry costs		5,519,983	-	5,447,469	-
- Extraction rights	17	19,433,627	3,062,451	19,392,632	3,021,456
Allowance for doubtful accounts	8	17,864,833	4,506,159	6,708,232	7,062,635
(Reversal of) allowance for sale discount	8	(10,058,946)	(2,666,336)	(11,635,703)	(17,198,330)
(Reversal of) allowance for slow-moving of inventories	9	7,830,831	(9,413,595)	10,096,140	(1,866,523)
Allowance for cost in excess of net realisable value	9	776,253	-	-	-
Allowance for impairment of assets	13	(5,280,679)	(9,859,739)	-	(6,755,412)
Provision for quarry restoration costs		(77,767)	-	(392,000)	-
Provision for retirement benefits	21	81,211,346	20,125,840	57,665,871	13,231,821
Provision for unused annual leave (reversal)	21	(2,200,785)	12,573,717	(1,571,355)	9,056,847
Long-term provisions (reversal)		2,121,000	(615,000)	2,121,000	(615,000)
Provision (reversal of) for decommissioning costs		1,530,390	(28,440)	1,568,000	-
Write-off of bad debts		-	1,184,026	-	485,080
Loss on write-off of fixed assets		30,002,474	1,408,139	233	50,242
Loss on write-off of intangible assets	15	-	2,070,195	-	2,070,195
(Gain) losses on disposal of fixed assets		5,054,698	(287,601)	5,652,377	(204,551)
Loss on termination of leased contracts		302,992	-	-	-
Unrealised gains from exchange rate		(37,135)	(2,673,379)	(40,305)	(2,632,049)
Dividend income from subsidiary	24	-	-	(215,179,951)	(433,999,876)
Interest income	24	(63,465,622)	(65,745,362)	(46,878,715)	(50,181,302)
Interest expense from long-term lease liabilities	26	10,570,100	-	1,761,848	-
Interest expense from extraction rights	26	13,030,384	-	13,030,384	-
		<u>2,175,727,048</u>	<u>1,212,815,520</u>	<u>1,462,121,616</u>	<u>758,036,322</u>
Changes in operating assets and liabilities					
Trade and other accounts receivable		114,693,394	(289,718,178)	235,817,320	(320,364,096)
Inventories		(151,730,168)	(98,084,080)	(188,810,352)	(92,981,626)
Value added tax		18,089,304	15,229,236	12,758,647	5,146,397
Other current assets		-	(3,525,735)	-	919,198
Restricted deposits at financial institutions		(5,382,947)	(122,517)	(3,503,008)	(101,284)
Other non-current assets		1,035,208	1,067,173	1,301,800	1,276,411
Trade and other accounts payable		12,564,989	(123,160,828)	6,959,552	(196,149,696)
Other current liabilities		(5,032,619)	3,609,117	(4,800,974)	7,459,240
Long-term provisions		-	390,000	-	-
Other non-current liabilities		(18,178,786)	(15,714,005)	-	-
Payment for concession fee		(21,310,843)	-	-	-
Payment for forestry costs		(12,876,237)	-	(12,876,237)	-
Provision for quarry restoration costs		(1,322,529)	(1,918,152)	(284,000)	(282,660)
Payments for employee benefit	21	(9,428,076)	(8,099,310)	(7,367,656)	(4,681,200)
Cash generated from operating activities		<u>2,096,847,738</u>	<u>692,768,241</u>	<u>1,501,316,708</u>	<u>158,277,006</u>
Interest income received		63,246,545	62,368,117	47,988,722	51,145,986
Income tax paid		(146,138,631)	(80,557,495)	(143,512,558)	(78,349,634)
Net cash generated from operating activities		<u>2,013,955,652</u>	<u>674,578,863</u>	<u>1,405,792,872</u>	<u>131,073,358</u>

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited**Statement of Cash Flows****For the year ended 31 December 2019**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Payments for investment in subsidiary	11	-	-	-	(260,000,000)
Payment for extraction right	17	(7,571,761)	(71,761)	(7,500,000)	-
Payments for purchase of fixed assets		(705,804,799)	(430,350,333)	(486,302,416)	(311,480,414)
Payments for purchase of intangible assets		(140,233)	-	(140,233)	-
Payments for business acquisition	16	(30,750,000)	(174,250,000)	-	-
Proceeds from disposals of fixed assets		11,814,585	1,233,982	6,361,349	274,600
Proceeds from long-term loan to subsidiary	28.4	-	-	12,500,000	92,500,000
Proceeds from long-term loan to others		4,658,117	5,136,415	-	-
Dividend income received from subsidiary	24	-	-	215,179,951	433,999,876
Interest received from long-term loan to subsidiary		-	-	96,500	1,355,623
Interest received from long-term loan to others		1,900,660	3,521,279	-	-
Net cash used in investing activities		(725,893,431)	(594,780,418)	(259,804,849)	(43,350,315)
Cash flow from financing activities					
Payments for lease liabilities		(140,108,748)	-	(23,070,856)	-
Payments for interest from lease liabilities	26	(10,570,100)	-	(1,761,848)	-
Dividend paid		(1,105,244,257)	(817,341,537)	(1,105,244,257)	(817,341,537)
Dividend paid to non-controlling interests of subsidiaries		(51)	(124)	-	-
Net cash used in financing activities		(1,255,923,156)	(817,341,661)	(1,130,076,961)	(817,341,537)
Net (decrease)/increase in cash and cash equivalents					
Cash and cash equivalents at the beginning of the year	7	5,416,495,439	6,154,056,655	4,124,727,019	4,854,345,513
Cash and cash equivalents at the end of the year		5,448,634,504	5,416,513,439	4,140,638,081	4,124,727,019
Non-cash transactions:					
Accounts receivable - disposal of fixed assets as at 1 January		-	1,200,000	-	-
Cement and spare parts transfer to construction in process during the year		43,307,632	76,091,909	43,307,632	76,091,909
Construction in process transfer to intangible assets		2,540,840	958,371	2,540,840	-
Advance payment for assets transfer to assets		112,787,717	118,673,726	112,691,208	118,673,726
Write-off allowance for impairment of assets	13	2,055,467	-	2,055,467	-
Payable for purchase of fixed assets as at 31 December		153,433,865	280,547,131	54,177,664	169,086,034
Payable for retention as at 31 December	19	4,192,243	1,657,500	200,000	200,000
Dividend payable as at 31 December	19	348,458	235,588	348,458	235,588
Payable for business acquisition as at 31 December	16	-	30,750,000	-	-
Provision for decommissioning costs as at 31 December		1,806,301	6,795,012	-	-
Prepaid land rental for lease liabilities as at 31 December		-	8,628,095	-	-
Right-of-use assets additions during the year under long-term lease liabilities	14	156,038,775	-	13,446,744	-
Change in liabilities arising from financing activities					
Lease liabilities (net)					
- as at 1 January		-	-	-	-
- adjusted items from adoption of TFRS	2.2.2	350,166,531	-	70,215,450	-
- additions during the year		156,038,775	-	13,446,744	-
- change of rental rate charge during the year		(4,849,793)	-	(4,849,793)	-
- termination of contracts during the year		(12,637,011)	-	-	-
- cash payments		(140,108,748)	-	(23,070,856)	-
- as at 31 December	20	348,609,754	-	55,741,545	-

The accompanying notes on pages 11 to 70 are an integral part of these consolidated and separate financial statements.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

1 General information

Asia Cement Public Company Limited (“the Company”) is a public company which is incorporated in Thailand. The addresses of the Company’s registered offices are as follows:

Head office : 23/124 - 128, Soi Soonvijai, Rama 9 Road, Bangkok, Huaykwang, Bangkok.
Saraburi plant : 4/1, Moo 1, Yothasai 2 Road, Pukrang Sub-District, Phra Phutthabat District, Saraburi.

The Company’s principal business operation is manufacture and distribution of cement. The Company has subsidiaries as disclosed in Note 11. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

These consolidated and separate financial statements were authorised for issue by the board of directors on 28 February 2020.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis of preparation

The financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E.2547.

The consolidated and separate financial statements have been prepared under the historical cost convention except where otherwise disclosed in the accounting policies.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 3.

Comparative figures have been reclassified to conform with changes in presentation in the current year as disclosed in Note 32.

An English version of the consolidated and separate financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Group

2.2.1 The Group has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

Thai Financial Reporting Standard no.15, Revenue from contracts with customers (TFRS 15)

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with Thai Accounting Standard no.11, Construction contracts (TAS 11) and Thai Accounting Standard no. 18, Revenue and related interpretations (TAS 18).

The Group has adopted the new TFRS 15, Revenue from contracts with customers from 1 January 2019 by applying the modified retrospective approach but the comparative figures were not restated. The Group did not apply practical expedient relates to completed contracts and contract modifications as allowed by TFRS 15.

The adoption of TFRS 15 mainly affects the Group's accounting treatment on revenue recognition from and services as follows:

Revenue from provided freight services

In previous reporting periods, the Group recognised revenues from provided freight services as other income when goods have been delivered to the customer.

Under TFRS 15, the Group must recognise revenue from provided freight service over a period of time (over time) when the Group has fulfilled the obligation specified the contract with the customer.

The transaction price will need to be allocated to the distinct performance obligations based on the material stand alone selling price of sales and services.

However, the effects of the Group's accounting treatment from adoption of TFRS 15 are not material to retained earnings as at 1 January 2019 in the consolidated and separate financial statements.

The following tables show the amounts of affected line items in the current year from the adoption of TFRS 15 compared to the previous revenue recognition standards (TAS 11 and TAS 18).

	Consolidated financial statements		
	Amounts as reported Baht	Impacts from TFRS 15 Baht	Amounts under the previous revenue standards Baht
Statement of comprehensive income for the year ended 31 December 2019			
Revenue from sales of goods and services	10,619,569,681	(461,438,392)	10,158,131,289
Other income	81,641,727	31,132,676	112,774,403
Cost of goods sold and services	(8,692,326,801)	481,541,698	(8,210,785,103)
Selling expenses	(119,642,851)	(51,235,982)	(170,878,833)
Separate financial statements			
	Amounts as reported Baht	Impacts from TFRS 15 Baht	Amounts under the previous revenue standards Baht
Statement of comprehensive income for the year ended 31 December 2019			
Revenue from sales of goods and services	7,011,408,735	(321,791,564)	6,689,617,171
Cost of goods sold and services	(5,611,559,592)	373,027,546	(5,238,532,046)
Selling expenses	(92,804,525)	(51,235,982)	(144,040,507)

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020 which have been early adopted by the Group

Thai Financial Reporting Standard no.16, Leases (IFRS 16)

On 1 January 2019, the Group applies IFRS 16, Leases and adjust cumulative impact to opening retained earnings (modified retrospective approach). From the preliminary impact assessment, the management considered that the Group is affected by significant lease liabilities on rental of land, office building, machinery and vehicles, previously classified as operating leases under TAS 17, Leases. The following items are recognised on the date adoption of IFRS 16.

- Liabilities under lease agreements in consolidated and separate financial statements in the amount of Baht 350.17 million and Baht 70.22 million, respectively, are recognised in accordance with the obligations and discounting to present values with incremental borrowing rates of the lessees as of 1 January 2019. The incremental borrowing rates used in calculation of liabilities under lease agreements of consolidated and separate financial statement are 1.96% to 4.02% and 2.52% to 3.21%, respectively.
- Right-of-use assets in consolidated and separate financial statements in the amount of Baht 358.79 million and Baht 70.22 million, respectively, are recognised equal to the present value of liabilities under the lease agreements as of 1 January 2019 adjusted by prepaid rent, which was previously recognised.

The Group uses the following practical expedients when applying this standard retrospectively in accordance with IFRS 16 to leases previously classified as operating leases applying TAS 17.

- not to apply leases for which the lease term ends within 12 months of the date of initial application.
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

The following tables show differences between operating lease commitments disclosed applying TAS 17 as at 31 December 2018 and lease liabilities recognised in the statement of financial position as at 1 January 2019.

	Consolidated financial statements Baht	Separate financial statements Baht
Operating lease commitments disclosed as at 31 December 2018	166,470,800	56,215,582
<u>Add</u> Lease from adoption of IFRS 16	221,091,841	30,290,263
<u>Less</u> Short-term leases recognised on a straight-line basis as expenses	(11,578,116)	(5,623,732)
<u>Less</u> Low value leases recognised on a straight-line basis as expenses	(2,694,921)	(2,383,781)
<u>Add</u> Purchase or extension options reasonably certain to be exercised	1,430,800	
<u>Less</u> Contracts reassessed as service agreements	(5,694,567)	(5,091,463)
	<u>369,025,837</u>	<u>73,401,869</u>
<u>Less</u> Deferred interest expenses	(18,859,306)	(3,186,419)
Additional lease liabilities from IFRS 16 adoption	350,166,531	70,215,450
Finance lease liabilities (net) as at 31 December 2018	-	-
Long-term lease liabilities (net) recognised as at 1 January 2019	<u>350,166,531</u>	<u>70,215,450</u>
Of which are:		
Current portion of lease liabilities (net)	125,621,980	21,591,876
Long-term lease liabilities (net)	<u>224,544,551</u>	<u>48,623,574</u>
	<u>350,166,531</u>	<u>70,215,450</u>
As at 1 January 2019, right-of-use assets are categorised as follows:		
	Consolidated financial statements Baht	Separate financial statements Baht
Land	87,233,890	-
Building and office	3,957,277	1,650,633
Machinery and equipment	43,881,322	14,497,267
Vehicles	223,722,137	54,067,550
	<u>358,794,626</u>	<u>70,215,450</u>

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.2.3 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020 which have not been early adopted by the Group

1) Financial instruments

The new financial standards relate to financial instruments are:

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

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

The Group's management is currently assessing the impact from the adoption of these standards and expects that the impact of these standards are not material to the consolidated and separate financial statements.

2) Other new/amended standards

The new and amended financial reporting standards that will have significant impact on the Group are:

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TFRS 3	Business combinations
TFRIC 23	Uncertainty over income tax treatments

Amendment to TAS 12, Income tax - clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

Amendment to TAS 23, Borrowing costs - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Amendment to TFRS 3, Business combinations - clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The previously held interest is therefore re-measured.

TFRIC 23, Uncertainty over income tax treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- That the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Group has not early adopted the new and amended Thai Financial Reporting Standards that are effective for accounting periods beginning on or after 1 January 2020. The Group's management is currently assessing the impacts from the adoption of these standards.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.3 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

(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 gains and losses 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 recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.4 Cash and cash equivalents

In the consolidated and separate statements of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less from date of acquisition and are not used as collateral.

In the consolidated and separated statements of financial position, bank overdrafts are shown in current liabilities.

2.5 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end which is generally based on collection experience and analysis of aged receivable. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are recognised in profit or loss within administrative expenses.

2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories and recognised as a cost of sale in the period which they arise.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.7 Investment in subsidiaries

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations except business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurements are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(2) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Disposal of subsidiaries

When the Group ceases to have control, it shall cease to consolidate its subsidiaries. Any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.7 Investment in subsidiaries (Cont'd)

(4) Business combination under common control

The Group accounts for a business combination under common control by measuring acquired assets and liabilities of the acquiree in the proportion of interests under common control at the carrying values of the acquiree presented at the highest level of the consolidation prior to the business combination under common control at the acquisition date. The Group retrospectively adjusts the business combination under common control transactions as if the combination occurred from the beginning of the period of which the financial statements in the previous period are comparatively presented in accordance with the guidance of business combination under common control as issued by the Federation of Accounting Professions.

Costs of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs. Other costs directly attribute to business combination under common control, such as professional fees of legal advisors and other advisors, registration fees, and costs relating to preparation of information for shareholders, are capitalised as an investment in the separate financial statements while immediately recognised as expenses in the consolidated financial statements in the period of which the business combination occurs.

The difference between costs of business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "Surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed (transfer to retained earnings).

(5) Separate financial statement

In the separate financial statements, investments in subsidiaries, associates and joint ventures are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2.8 General investments

General investment is investment in non-marketable equity securities which is initially recorded at cost, which is equal to the fair value of consideration paid plus transaction cost.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment method.

2.9 Property, plant and equipment

Land is stated at fair value less allowance for impairment (if any). The fair value is appraised by an independent professional appraiser by using the market approach. The Group periodically reviews the appraisal value to ensure that the book value at the end of the reporting period is not significantly different from the fair value.

Plant and equipment are stated at historical cost less accumulated depreciation and allowance for impairment (if any). Initial cost includes other direct cost related to the assets acquisition.

Mine and quarries are stated at cost less accumulated depletion and allowance for impairment (if any).

Mine and quarries cost which use as source of raw material for production cement and concrete, respectively consist of:

- Mine and quarries cost which are owned by the Company and subsidiaries, the cost includes the land and land improvement costs.
- Quarries cost which is not owned by subsidiaries, the cost represent the land improvement costs.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.9 Property, plant and equipment (Cont'd)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

The increase in the carrying amount arising from revaluation of land is credited to other comprehensive income and presented as surplus on revaluation of land in equity. The decrease that offsets the previous increase of the same asset is charged in the other comprehensive income and debited against the surplus on revaluation of land in equity, other decreases are charged to profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to write off the cost of each asset to their residual values over the estimated useful lives as follows:

Buildings and leasehold improvement	5 - 30 years
Machinery, tools and equipment	5 - 30 years
Fixtures and office equipments	3 - 10 years
Vehicles	5 - 12 years

The depletion rate of mine and quarries cost is determined by the ratio between the actual units of resources extracted for the year and total number of units extractable from the mine and quarries.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains or losses on disposals of property, plant and equipment are determined by comparing the net proceeds from disposal of assets with the carrying amount of assets and are recognised as other gains (losses) (net) in profit or loss. When revalued assets are sold, the amounts of surplus on revaluation are transferred to retained earnings.

2.10 Goodwill

Goodwill is separately reported in the consolidated statement of financial position.

The Group initially recorded goodwill at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain on profit or loss.

Goodwill is tested annually for impairment and carried at cost less allowance for impairment losses. Allowance for impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.11 Intangible assets

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use or sell;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 10 years.

Mining Concessions

Mining concessing is stated at cost less accumulated depletion. The initial cost consists of the fee obtaining a concessions certificate and the cost of requesting permission to use the forest reserve. The depletion calculated by the ratio of the actual units of extracted for the year and total number of extractable units.

2.12 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The Group recognises an impairment loss in profit or loss. Except for land that has been revalued and recognised as the surplus on revaluation in the equity, such impairment loss is recognised in equity only the amount not excess the previous surplus on revaluation.

2.13 Leases

Where the Group is the lessee, leases are recognised as a right-of-use asset and a corresponding liability at the commencement date. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is measured at cost, which is initially measured at the present value of the lease payments. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in the lease, if that can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Payments associated with short-term leases and leases of low-value assets are recognised as an expense in the profit or loss on a straight-line basis over the lease period.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.14 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for temporary difference arising from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised.
- investments in subsidiaries where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Employee benefits

The Group operates various post-employment benefits schemes as follows:

2.15.1 Post-employment

(1) Defined contribution plan

A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the Provident Fund Act. B.E. 2530. The Group pays contribution to the fund by monthly at rates of 5% - 10% of salary. The contributions are recognised as expense in profit or loss when they are due.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

2 Accounting policies (Cont'd)

2.15 Employee benefits (Cont'd)

2.15.1 Post-employment (Cont'd)

(2) Retirement benefits plan

A retirement benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation.

(3) Termination benefits plan of a subsidiary

Termination benefits plan of a subsidiary is the benefits provided to employees in the event that the employee resigns before retirement age. The subsidiary is unable to cancel such benefits. The amount of benefits that an employee will receive which usually dependent on factors such as year of service, compensation and discount rate etc.

2.15.2 Other Long-term benefits

Unused annual leave plan

Unused annual leave plan is the benefit plan for employee which they will receive upon retirement. The amount of benefits that an employee will receive is usually dependent on factors such as years of service, number of annual leave days and discount rate etc.

The liability of retirement benefits plan, unused annual leave plan and termination benefits plan of a subsidiary are recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised as follows:

- For retirement benefit plan of the Group and termination benefits plan of a subsidiary, charged or credited to equity in other comprehensive income in the period which they arise.
- For unused annual leave plan of the Group, charged to profit or loss in the period which they arise.

Past-service costs are recognised immediately in profit or loss.

2.15.3 Short-term employee benefits

Salary, wage, bonus and social security fund contribution are recognised as expenses when the transactions occur. The employee benefits are recognised when there was legal or traditional obligations in the past, which causes a constructive obligation.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, which is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
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2 Accounting policies (Cont'd)

2.18 Revenue recognition

Revenues include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue is recorded net of value added tax. It is recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

The Group's revenue recognition from sales of goods and services is as follows:

- Revenue from sales of goods is recognised at point in time, when the control of the goods are transferred to the customer and
- Revenue from provided freight service is recognised over a period of time (over time) when the Group has fulfilled the obligation specified in the contract with customers.

Other income is recognised as follow:

- Rental income is recognised using the straight-line method over the term of the lease on an accrual basis.
- Interest income is recognised using the effective interest method.
- Income from sale of scrap is recognised when sales occur.
- Dividend income is recognised when the right to receive payment is established.

2.19 Finance costs

Finance costs comprise bank charge, interest expense from lease liabilities and interest expense from long term provisions.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period which the dividends are approved by the Company's shareholders, and an interim dividend is approved by the Board of Directors.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Board of directors that makes strategic decisions.

Asia Cement Public Company Limited
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3 Critical accounting estimates and judgements

Estimates, assumption and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The result of accounting estimates may differ from the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(1) Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates losses which are expected to occur based upon the historical collection experience, aging analysis of outstanding debts and the prevailing economic condition.

(2) Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of plant and equipment and to review estimated useful lives and residual values when there are any changes.

The Group measures land at revalued amounts. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates as described in Note 13.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that the recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

(3) Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

(4) Deferrand tax assets

Deferred tax assets are recognised in respect of temporary differences which occur from tax losses in the past which it is probable that taxable profit will be available against these differences and losses can be utilised. Significant management judgments is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

(5) Employee benefit obligations

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the assumption relates to discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefits obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Group considers the yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefits liability.

Additional information of other key assumptions for employee benefits obligations are disclosed in Note 21.

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

3 Critical accounting estimates and judgements (Cont'd)

(6) Provision for decommissioning costs

The Group have an obligation to demolish the concrete batching plants and restore the leased lands before returning the areas to the lessors at the end the lease agreements. The Group recognise a provision the decommissioning cost when it is probable that an obligation will arise as a result of past events and the amount to be paid can be reliably estimated. Measurement of provision for decommissioning costs requires the management to exercise judgement in estimating future decommissioning cost, discount rates and the economic useful lives of the assets.

4 Fair value estimation

The Group's financial assets and liabilities that are measured or disclosed at fair value within the fair value hierarchy which can be categorised as follows:

- Level 1 : The fair value of financial instruments is based on the closing prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity - specific estimates.
- Level 3 : The fair value of financial instruments is not based on observable market date.

The measurement of fair value of land is disclosed in Note 13.

The disclosure of fair value of long-term loans to related parties and long-term loans to others are disclosed in Note 28.4 and 12, respectively.

5 Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. As at 31 December 2019, the Group's debt to equity ratio is 0.31:1 (2018 : 0.24: 1) and the Company's debt to equity ratio is 0.23 : 1 (2018 : 0.17 : 1)

6 Segment information

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

For management purposes, the Group is organised into business units based on its products and services and has three reportable segments as follows: (1) Manufacturing of cement (2) Manufacturing of ready-mixed concrete and (3) Generate electricity. There are no operating segments that have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The Group is operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

For the years 2019 and 2018, the Group have no major customer with revenue of 10 percent or more of the Group's revenues.

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6 Segment information (Cont'd)

Revenue and profit information regarding. The Group's operating segments for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements											
	Statement of Comprehensive Income for the years ended						Elimination of inter-segment revenue					
	Cement segment		Ready-mixed concrete segment		Generate electricity segment		2019		2018		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from external customer	7,874,685,708	7,141,615,924	2,744,883,973	2,161,217,725	-	-	-	-	10,619,569,681	-	9,302,833,649	-
Inter segment revenue	1,194,155,807	1,110,427,685	344,564,314	96,604,947	388,309,509	376,927,063	(1,927,029,630)	(1,583,959,695)	-	(1,583,959,695)	-	-
Interest income	49,402,643	51,538,252	5,259,626	7,151,891	10,497,150	10,123,837	(1,693,797)	(3,068,618)	63,465,622	(3,068,618)	65,745,362	-
Dividend income	215,179,951	433,999,876	-	-	-	-	(215,179,951)	(433,999,876)	-	(433,999,876)	-	-
Other income	128,804,885	162,715,729	27,425,472	19,966,230	5	4	(138,054,257)	(115,929,910)	18,176,105	(115,929,910)	66,752,053	-
Total revenue	9,462,228,994	8,900,297,466	3,122,133,385	2,284,940,793	398,806,664	387,050,904	(2,281,957,635)	(2,136,958,099)	10,701,211,408	(2,136,958,099)	9,435,331,064	-
Cost of goods sold and services	(7,016,942,777)	(6,859,370,390)	(2,882,763,613)	(2,203,123,317)	(54,744,968)	(58,372,741)	1,959,249,110	1,612,174,568	(7,995,202,248)	1,612,174,568	(7,508,691,880)	(7,508,691,880)
Selling expenses	(92,807,737)	(181,302,567)	(42,039,814)	(16,535,164)	-	-	15,204,700	-	(119,642,851)	-	(197,837,731)	(197,837,731)
Administrative expenses	(508,081,356)	(478,930,808)	(76,505,797)	(78,069,397)	(4,829,645)	(4,236,144)	89,143,278	86,619,404	(500,273,520)	86,619,404	(474,616,945)	(474,616,945)
Depreciation charge	(507,012,629)	(467,925,527)	(162,771,269)	(37,307,486)	(64,580,499)	(81,705,164)	2,277,250	715,602	(732,087,147)	715,602	(586,222,575)	(586,222,575)
Other gains (losses) (net)	(24,360,438)	3,094,546	(741,453)	(1,249,389)	128,025	(144)	-	-	(24,973,866)	-	1,845,013	-
Total expense	(8,149,204,937)	(7,984,434,746)	(3,164,821,946)	(2,336,284,753)	(124,027,087)	(144,314,193)	2,065,874,338	1,699,509,574	(9,372,179,632)	1,699,509,574	(8,765,524,118)	(8,765,524,118)
Profit (loss) before finance costs and income tax	1,313,024,057	915,862,720	(42,688,561)	(51,343,960)	247,779,577	242,736,711	(216,083,297)	(437,448,525)	1,329,031,776	(437,448,525)	669,806,946	669,806,946
Finance costs (expenses)	(22,107,634)	(8,735,051)	(11,308,739)	(2,865,865)	(28,316)	(35,395)	1,747,253	3,100,826	(31,697,436)	3,100,826	(8,535,485)	(8,535,485)
Income tax credits (expenses)	(215,950,666)	(96,256,505)	2,902,164	(7,598,033)	(2,064,077)	(1,987,741)	(3,349)	-	(215,115,928)	-	(105,842,279)	(105,842,279)
Profit(loss) for the year	1,074,965,757	810,871,164	(51,095,136)	(61,807,858)	272,687,184	240,713,575	(214,339,393)	(434,347,699)	1,082,218,412	(434,347,699)	555,429,182	555,429,182

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7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash on hand	35,460	615,009	35,460	15,000
Deposits at bank - current accounts	81,391,216	125,421,469	74,874,436	99,503,447
- savings accounts	630,791,828	839,444,961	380,720,185	575,202,572
- fixed accounts within 3 months	4,736,416,000	4,451,014,000	3,685,008,000	3,450,006,000
	<u>5,448,634,504</u>	<u>5,416,495,439</u>	<u>4,140,638,081</u>	<u>4,124,727,019</u>

As at 31 December 2019 and 2018, fixed deposit accounts within 3-months of the Group bear interest at the rates of 0.70% - 1.55% per annum (2018 : 0.78% - 1.50% per annum) and the Company at the rates of 0.85% - 1.55% per annum (2018 : 0.78% - 1.50% per annum).

8 Trade and other accounts receivable (net)

	Note	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts receivable					
- other companies		1,764,546,142	1,881,814,273	770,259,430	817,770,261
- related companies	28.2	41,622,876	34,299,540	779,927,319	976,032,226
<u>Less</u> Allowance for doubtful accounts					
- other companies		(61,113,658)	(43,248,825)	(17,947,082)	(11,238,850)
Allowance for sales discount					
- other companies		(42,843,606)	(52,902,552)	(27,498,597)	(39,231,070)
- related companies	28.2	-	-	(96,770)	-
		<u>1,702,211,754</u>	<u>1,819,962,436</u>	<u>1,504,644,300</u>	<u>1,743,332,567</u>
Other accounts receivable					
- other companies		6,439,584	9,103,644	1,360,281	5,704,974
- related companies	28.2	-	-	28,531,776	18,852,250
Accrued incomes					
- other companies		33,095	15,019	-	-
- related companies	28.2	-	-	8,340,028	223,128
Interest receivables					
- other companies		5,111,407	6,792,990	3,633,733	4,801,904
- related companies	28.2	-	-	-	38,336
Advance payment					
- other companies		498,479	2,685,613	498,479	2,685,613
Prepaid expense		5,121,726	13,370,178	2,470,091	2,841,908
Advance to employee		392,422	687,546	-	-
		<u>1,719,808,467</u>	<u>1,852,617,426</u>	<u>1,549,478,688</u>	<u>1,778,480,680</u>

Asia Cement Public Company Limited
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8 Trade and other accounts receivables (net) (cont'd)

Outstanding trade accounts receivables as at 31 December 2019 and 2018 can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts receivables				
- other companies (net)				
Aged on the basis of due dates				
Not yet due	1,319,936,862	1,399,244,462	595,071,123	630,333,235
Past due				
Up to 3 months	307,844,958	357,106,411	119,899,328	146,251,156
3 - 6 months	50,513,211	66,417,363	27,822,975	31,583,417
6 - 12 months	26,972,023	30,630,003	12,839,980	7,881,453
Over 12 months	59,279,088	28,416,034	14,626,024	1,721,000
	<u>1,764,546,142</u>	<u>1,881,814,273</u>	<u>770,259,430</u>	<u>817,770,261</u>
<u>Less</u> Allowance for doubtful accounts	(61,113,658)	(43,248,825)	(17,947,082)	(11,238,850)
<u>Less</u> Allowance for sales discount				
- other companies	<u>(42,843,606)</u>	<u>(52,902,552)</u>	<u>(27,498,597)</u>	<u>(39,231,070)</u>
Trade accounts receivables				
- other companies (net)	<u>1,660,588,878</u>	<u>1,785,662,896</u>	<u>724,813,751</u>	<u>767,300,341</u>
Trade accounts receivables				
- related companies (net)				
Aged on the basis of due dates				
Not yet due	41,622,876	34,299,540	424,520,238	445,258,344
Past due				
Up to 3 months	-	-	229,950,836	201,987,123
3 - 6 months	-	-	125,456,245	191,334,167
6 - 12 months	-	-	-	107,978,968
Over 12 months	-	-	-	29,473,624
	<u>41,622,876</u>	<u>34,299,540</u>	<u>779,927,319</u>	<u>976,032,226</u>
<u>Less</u> Allowance for sales discount				
- related companies	<u>-</u>	<u>-</u>	<u>(96,770)</u>	<u>-</u>
Trade accounts receivables				
- related companies (net)	<u>41,622,876</u>	<u>34,299,540</u>	<u>779,830,549</u>	<u>976,032,226</u>

As at 31 December 2019, trade receivable of the Company included promissory note from trade receivable amounting to Baht 56.96 million (2018 : Baht 44.42 million) which discounted with 1 financial institution (2018 : 2 financial institutions) that can recourse to the Company. The amount received from the discounted promissory note is presented as account payable from factoring as disclosed in Note 19.

Asia Cement Public Company Limited
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9 Inventories (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials	332,759,287	342,653,061	226,972,250	285,055,744
Work in progress	570,519,193	408,071,547	362,367,222	143,621,298
Finished goods	129,247,557	144,397,959	74,121,411	79,035,610
Spare parts and supplies	904,498,860	933,970,836	627,094,277	637,641,133
	1,937,024,897	1,829,093,403	1,290,555,160	1,145,353,785
<u>Less</u> Allowance for slow-moving				
- raw materials	(4,005,141)	(4,005,141)	-	-
- spare parts and supplies	(408,514,295)	(400,683,464)	(250,860,394)	(240,764,254)
Allowance for cost in excess of net realisable value	(776,253)	-	-	-
	1,523,729,208	1,424,404,798	1,039,694,766	904,589,531
Goods in transit	2,335,960	1,844,918	2,002,887	1,701,542
	1,526,065,168	1,426,249,716	1,041,697,653	906,291,073

During the year ended 31 December 2019, the Group recognised loss from allowance for slow-moving inventories of Baht 7.83 million (For the year ended 31 December 2018: reversal of Baht 9.41 million) and the Company of Baht 10.10 million (For the year ended 31 December 2018: reversal of Baht 1.87 million) as cost of sales in the statement of comprehensive income.

As at 31 December 2019, inventory cost of Baht 1.35 million of the Group are stated at cost in excess of net realisable value (2018: Nil).

10 Restricted deposits at financial institutions

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deposits at bank - current accounts	5,762,927	4,796,926	4,690,327	4,546,327
- savings accounts	9,314,477	4,897,531	7,435,620	4,076,612
	15,077,404	9,694,457	12,125,947	8,622,939

As at 31 December 2019 and 2018, restricted deposits at financial institutions of the Group and the Company have interest at the rate 0.38% per annum (2018: 0.37% per annum).

As at 31 December 2019 and 2018, the Group's restricted deposits at financial institutions are pledged as security for quarry - area restoration funds. The funds will be used for the restoration annual plan or in a specific period as stated in an appendix of mining concession certificates.

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11 Investment in subsidiaries

(a) As at 31 December 2019 and 2018, investment in subsidiaries consists of investment in the Company's ordinary shares as follows:

Name	Country of incorporation/ Place of business	Nature of business	Paid-up share capital		Shareholding interest (%)		Separate financial statements		Dividend income (Note 24)	
			2019	2018	2019	2018	Cost method		For the years ended 31 December	
			Baht	Baht	%	%	2019	2018	2019	2018
Jalaprathan Cement Plc.	Thailand	Manufacture and distribution of cement	1,200,000,000	1,200,000,000	88.84	88.84	1,191,031,893	1,191,031,893	-	-
Asia Cement Products Co., Ltd.	Thailand	Manufacture and distribution of concrete	270,000,000	270,000,000	99.99	99.99	270,000,000	270,000,000	-	-
Asia Cement Energy Conservation Co., Ltd.	Thailand	Manufacture and distribution of electricity, steam or gas	1,400,000,000	1,400,000,000	99.99	99.99	1,400,000,000	1,400,000,000	215,179,951	433,999,876
Total							2,861,031,893	2,861,031,893	215,179,951	433,999,876

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11 Investment in subsidiaries (Cont'd)

- (b) The movement of net investment in subsidiaries for the years ended 2019 and 2018 are as follows.

	Separate financial statement	
	Cost method	
	2019	2018
	Baht	Baht
Opening balance as at 1 January	2,861,031,893	2,601,031,893
Increase during the year	-	260,000,000
Closing balance as at 31 December	<u>2,861,031,893</u>	<u>2,861,031,893</u>

- (c) Additional investment in a subsidiary - Asia Cement Products Company Limited

On 26 June 2018, the Extraordinary General Shareholders Meeting no. 1/2561, has passed a resolution to approve the additional investment in capital increase in ordinary shares of a subsidiary of Baht 26.00 million, at the price of Baht 10.00 per share, totalling of Baht 260.00 million. During the year ended 31 December 2018, the Company has fully paid for the such shares. The additional investment did not affect to the Company's shareholding interest.

- (d) Capital increase of a subsidiary - Asia Cement Products Company Limited

On 26 June 2018, the Extraordinary General Shareholders Meeting no.1/2018 of Asia Cement Products Company Limited, has passed a resolution to increase its registered capital from Baht 10.00 million (1.00 million shares at a par value of Baht 10.00 per share) to a registered capital of Baht 270.00 million (27.00 million shares at par value of Baht 10.00 per share) by issuing 26.00 million new ordinary shares at Baht 10.00 per share, totalling of Baht 260.00 million. The subsidiary registered the capital increase in full amount with the Ministry of Commerce on 6 July 2018.

12 Long-term loans to others

As at 31 December 2019 and 2018, long term loans to others represent unsecured loans of two subsidiaries in Baht currency which have the period of 6 to 7 years. Principal and interest are payable on a monthly basis, bearing interest at a rate of 2.00% per annum. (2018: 2.00% per annum).

The fair value of long-term loans to others is close to the carrying amount (Level 3 of fair hierarchy).

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13 Property, plant and equipment (net)

	Consolidated financial statement											Total Baht
	Operating assets					Unused assets but not classified as held for sales					Construction in progress Baht	
	Revaluation method	Cost method				Cost method				Construction in progress Baht		
Land Baht	Quarry Baht	Buildings and leasehold improvement Baht	Machinery and equipment Baht	Fixtures and office equipment Baht	Vehicles Baht	Construction in progress Baht	Buildings and leasehold improvement Baht	Machinery and equipment Baht	Vehicles Baht		Construction in progress Baht	
As at 1 January 2018												
Cost/Fair value	2,767,321,692	614,135,691	4,564,495,254	16,639,358,289	335,127,482	932,633,422	847,151,485	297,851,078	1,447,633,251	99,127,992	51,581,745	28,596,417,381
Less: Accumulated depreciation	-	(165,314,139)	(4,029,423,693)	(14,411,744,613)	(291,682,231)	(791,310,203)	-	(152,653,269)	(717,418,716)	(91,418,735)	-	(20,650,965,599)
Less: Allowance for impairment	(65,012,508)	(54,758,241)	-	-	-	-	(8,925,004)	(145,197,809)	(730,214,535)	(7,709,257)	(51,581,745)	(1,063,399,099)
Net book amount	2,702,309,184	394,063,311	535,071,561	2,227,613,676	43,445,251	141,323,219	838,226,481	-	-	-	-	6,882,052,683
For the year ended 31 December 2018												
Opening net book amount	2,702,309,184	394,063,311	535,071,561	2,227,613,676	43,445,251	141,323,219	838,226,481	-	-	-	-	6,882,052,683
Additions	-	-	6,795,012	14,558,019	674,799	192,523	626,365,436	-	-	-	-	648,585,789
Increase from business acquisition	-	-	68,066,200	58,590,200	343,600	8,600,000	-	-	-	-	-	135,600,000
Transfer in (out)	-	-	88,651,908	779,324,421	10,807,641	20,638,385	(896,318,028)	-	35,859,370	-	(38,963,697)	-
Transfer to intangible assets	-	-	-	-	-	-	(958,360)	-	-	-	-	(958,360)
Disposal/write-off - cost	-	-	(7,426,027)	(29,527,719)	(9,148,810)	(3,305,993)	(543,200)	-	-	-	-	(49,951,749)
- accumulated depreciation	-	-	6,000,353	29,351,987	8,938,910	3,305,983	-	-	-	-	-	47,597,233
Depreciation charge (Note 25)	-	(11,484,527)	(58,534,784)	(470,494,654)	(14,865,151)	(30,843,459)	-	-	-	-	-	(586,222,575)
Impairment charge	-	-	-	(2,169,592)	-	-	8,925,004	-	(35,859,370)	-	38,963,697	9,859,739
Closing net book amount	2,702,309,184	382,578,784	638,624,223	2,607,246,338	40,196,240	139,910,658	575,697,333	-	-	-	-	7,086,562,760
As at 31 December 2018												
Cost/Fair value	2,767,321,692	614,135,691	4,720,582,347	17,462,303,210	337,804,712	958,758,337	575,697,333	297,851,078	1,483,492,621	99,127,992	12,618,048	29,329,693,061
Less: Accumulated depreciation	-	(176,798,666)	(4,081,958,124)	(14,852,887,280)	(297,608,472)	(818,847,679)	-	(152,653,269)	(717,418,716)	(91,418,735)	-	(21,189,590,941)
Less: Allowance for impairment	(65,012,508)	(54,758,241)	-	(2,169,592)	-	-	-	(145,197,809)	(766,073,905)	(7,709,257)	(12,618,048)	(1,053,539,360)
Net book amount	2,702,309,184	382,578,784	638,624,223	2,607,246,338	40,196,240	139,910,658	575,697,333	-	-	-	-	7,086,562,760

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13 Property, plant and equipment (net) (Cont'd)

	Consolidated financial statement											Total Baht						
	Operating assets						Unused assets but not classified as held for sales											
	Revaluation method	Buildings and leasehold improvement			Cost method			Buildings and leasehold improvement			Construction in progress		Construction in progress Baht					
Land Baht		Quarry Baht	Fixtures and office equipment	Machinery and equipment	Vehicles Baht	Construction in progress Baht	Machinery and equipment	Vehicles Baht	Construction in progress Baht	Construction in progress Baht								
For the year ended 31 December 2019																		
Opening net book amount	2,702,309,184	382,578,784	638,624,223	2,607,246,338	40,196,240	139,910,658	575,697,333	-	-	-	-	-	-	-	-	-	7,086,562,760	
Additions	-	-	1,806,301	57,646,806	965,426	11,821,022	666,888,371	-	-	-	-	-	-	-	-	-	-	739,127,926
Transfer in (out)	-	-	119,730,342	583,520,207	15,191,443	148,448,383	(858,971,243)	(31,602)	(7,887,530)	-	-	-	-	-	-	-	-	-
Transfer to intangible assets	-	-	-	-	-	-	(2,540,840)	-	-	-	-	-	-	-	-	-	-	(2,540,840)
Disposals/write-off	-	-	(20,894,795)	(147,430,523)	(30,568,479)	(35,043,122)	(29,607,914)	(7,591,000)	(2,218,561)	(20,408,467)	-	-	-	-	-	-	-	(315,789,059)
- cost	-	22,026,194	20,471,427	132,924,060	30,492,095	35,043,105	-	3,922,364	1,872,789	20,109,801	-	-	-	-	-	-	-	266,861,835
- accumulated depreciation	-	(10,887,380)	(66,470,279)	(448,148,302)	(15,443,084)	(45,694,977)	-	-	-	-	-	-	-	-	-	-	-	(586,644,022)
Depreciation charge (Note 25)	-	-	(4,318,374)	(577,686)	-	-	-	3,700,238	8,233,302	298,666	-	-	-	-	-	-	-	7,336,146
Impairment charge	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing net book amount	2,702,309,184	371,691,400	688,948,845	2,785,180,900	40,833,641	254,485,069	351,465,707	-	-	-	-	-	-	-	-	-	-	7,194,914,746
As at 31 December 2019																		
Cost/Fair value	2,767,321,692	592,109,493	4,821,224,195	17,956,039,700	323,393,102	1,083,984,620	351,465,707	290,228,476	1,473,386,530	78,719,526	12,618,048	-	-	-	-	-	-	29,750,491,089
Less: Accumulated depreciation	-	(165,659,852)	(4,127,956,976)	(15,168,111,522)	(282,559,461)	(829,499,551)	-	(148,730,905)	(715,545,927)	(71,308,934)	-	-	-	-	-	-	-	(21,509,373,128)
Less: Allowance for impairment	(65,012,508)	(54,758,241)	(4,318,374)	(2,747,278)	-	-	-	(141,497,571)	(757,840,603)	(7,410,592)	(12,618,048)	-	-	-	-	-	-	(1,048,203,215)
Net book amount	2,702,309,184	371,691,400	688,948,845	2,785,180,900	40,833,641	254,485,069	351,465,707	-	-	-	-	-	-	-	-	-	-	7,194,914,746

For the year ended 31 December 2019, depreciation expense is presented in cost of manufacturing in amounting to Baht 571.31 million (2018 : Baht 567.78 million), the remaining is included in administrative expenses.

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13 Property, plant and equipment (net) (Cont'd)

	Separate financial statement (All assets are operating assets)							Total Baht
	Revaluation method	Cost method						
		Land Baht	Quarry Baht	Buildings and leasehold improvement Baht	Machinery and equipment Baht	Fixtures and office equipment Baht	Vehicles Baht	
As at 1 January 2018								
Cost/Fair value	492,562,344	546,241,109	3,385,903,201	11,750,318,148	282,706,950	796,435,451	614,966,115	17,869,133,318
Less Accumulated depreciation	-	(146,812,633)	(3,171,412,407)	(10,679,797,859)	(256,492,934)	(660,455,968)	-	(14,914,971,801)
Less Allowance for impairment	(43,206,729)	(54,758,241)	-	-	-	-	(8,810,879)	(106,775,849)
Net book amount	449,355,615	344,670,235	214,490,794	1,070,520,289	26,214,016	135,979,483	606,155,236	2,847,385,668
For the year ended 31 December 2018								
Opening net book amount	449,355,615	344,670,235	214,490,794	1,070,520,289	26,214,016	135,979,483	606,155,236	2,847,385,668
Additions	-	-	-	12,765,714	610,399	192,523	428,116,769	441,685,405
Transfer in (out)	-	-	20,344,047	580,636,604	7,495,473	16,538,164	(625,014,288)	-
Disposals/write-off - cost	-	-	(200,986)	(4,087,260)	(6,444,871)	(2,762,807)	-	(13,495,924)
- accumulated depreciation	-	-	200,984	3,993,415	6,418,433	2,762,802	-	13,375,634
Depreciation charge (Note 25)	-	(5,722,160)	(21,497,850)	(252,946,757)	(8,728,740)	(27,113,573)	-	(316,009,080)
Impairment charge	-	-	-	(2,055,467)	-	-	8,810,879	6,755,412
Closing net book amount	449,355,615	338,948,075	213,336,989	1,408,826,538	25,564,710	125,596,592	418,068,596	2,979,697,115
As at 31 December 2018								
Cost/Fair value	492,562,344	546,241,109	3,406,046,262	12,339,633,206	284,367,951	810,403,331	418,068,596	18,297,322,799
Less Accumulated depreciation	-	(152,534,793)	(3,192,709,273)	(10,928,751,201)	(258,803,241)	(684,806,739)	-	(15,217,605,247)
Less Allowance for impairment	(43,206,729)	(54,758,241)	-	(2,055,467)	-	-	-	(100,020,437)
Net book amount	449,355,615	338,948,075	213,336,989	1,408,826,538	25,564,710	125,596,592	418,068,596	2,979,697,115

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13 Property, plant and equipment (net) (Cont'd)

	Separate financial statement (All assets are operating assets)								
	Revaluation method	Cost method						Construction in progress	Total Baht
		Land Baht	Quarry Baht	Buildings and leasehold improvement Baht	Machinery and equipment Baht	Fixtures and office equipment Baht	Vehicles Baht		
For the year ended 31 December 2019									
Opening net book amount	449,355,615	338,948,075	213,336,989	1,408,826,538	25,564,710	125,596,592	418,068,596	2,979,697,115	
Additions	-	-	-	56,828,397	861,326	11,821,022	457,882,141	527,392,886	
Transfer in (out)	-	-	39,207,707	438,376,841	8,331,464	144,122,508	(630,038,520)	-	
Transfer to intangible assets	-	-	-	-	-	-	(2,540,840)	(2,540,840)	
Disposals/write-off - cost	-	-	(11,246,388)	(103,506,002)	(28,193,826)	(35,025,622)	-	(177,971,838)	
- accumulated depreciation	-	-	11,246,387	89,437,089	28,193,326	35,025,610	-	163,902,412	
Depreciation charge (Note 25)	-	(6,189,739)	(23,911,291)	(272,147,586)	(9,551,854)	(41,514,956)	-	(353,315,426)	
Impairment charge	-	-	-	2,055,467	-	-	-	2,055,467	
Closing net book amount	449,355,615	332,758,336	228,633,404	1,619,870,744	25,205,146	240,025,154	243,371,377	3,139,219,776	
As at 31 December 2019									
Cost/Fair value	492,562,344	546,241,109	3,434,007,581	12,731,332,442	265,366,915	931,321,239	243,371,377	18,644,203,007	
Less Accumulated depreciation	-	(158,724,532)	(3,205,374,177)	(11,111,461,698)	(240,161,769)	(691,296,085)	-	(15,407,018,261)	
Less Allowance for impairment	(43,206,729)	(54,758,241)	-	-	-	-	-	(97,964,970)	
Net book amount	449,355,615	332,758,336	228,633,404	1,619,870,744	25,205,146	240,025,154	243,371,377	3,139,219,776	

For the year ended 31 December 2019, depreciation expense is presented in cost of manufacturing in amounting to Baht 338.41 million (2018 : Baht 297.48 million), the remaining is included in administrative expenses.

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13 Property, plant and equipment (net) (Cont'd)

As at 31 December 2019, the allowance for impairment of plant, machinery and equipment related to the manufacturing of clinker at Takli plant of Jalapraphan Cement Public Company Limited in amounting to Baht 919.48 million (2018 : Baht 931.71 million).

Fair value of the Group's land was assessed by an independent appraiser in 2017 by using market approach. The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown as "Surplus on revaluation of land" in the equity. The key information used to assess the fair value is the comparable price per square wah of land that has the same size and in the close area adjusted with the assumptions of independent appraiser. The fair value is measured at level 3 of the fair value hierarchy.

Key assumptions used in the revaluation are summarised below.

	The Company's Land	The subsidiary's land - Jalapraphan Cement Public Company Limited	Impact to fair value when assumptions are increased
Price per square Wah (Baht)	700 - 2,000	35 - 10,500	Increase at fair value

A breakdown of land carried on the revaluation basis is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Thousand Baht	2018 Thousand Baht	2019 Thousand Baht	2018 Thousand Baht
Original cost	1,499,795	1,499,795	322,595	322,595
Surplus from revaluation	1,267,526	1,267,526	169,968	169,968
Revalued amount	2,767,321	2,767,321	492,563	492,563
Less Allowance for impairment	(65,012)	(65,012)	(43,207)	(43,207)
Net book value	2,702,309	2,702,309	449,356	449,356

As at 31 December 2019, the Group has buildings and equipment that are fully depreciated but still in use. The carrying amount before deducting accumulated depreciation and allowance for impairment of those assets amounted to Baht 17,797.73 million (2018 : Baht 16,653.22 million) and the Company amounted to Baht 13,825.00 million (2018 : Baht 13,732.00 million).

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14 Right-of-use assets (net)

	Consolidated financial statements					Total Baht
	Land Baht	Building and office Baht	Machinery and equipment Baht	Vehicles Baht		
For the year ended 31 December 2019						
Opening net book amount	-	-	-	-	-	-
Adjustment from adoption of TFRS 16 on 1 January 2019 (Note 2.2.2)	87,233,890	3,957,277	43,881,322	223,722,137	358,794,626	
Additions during the year	20,612,275	-	19,897,752	115,528,748	156,038,775	
Termination of leased contracts during the year - cost	(3,740,145)	-	(12,208,099)	-	(15,948,244)	
- accumulated depreciation	1,047,172	-	1,961,069	-	3,008,241	
Change of rental rate charge during the year	-	-	(4,849,793)	-	(4,849,793)	
Depreciation charge (Note 2.5)	(34,293,987)	(1,358,790)	(17,022,225)	(92,768,123)	(145,443,125)	
Closing net book amount	70,859,205	2,598,487	31,660,026	246,482,762	351,600,480	
As at 31 December 2019						
Cost	104,106,020	3,957,277	46,721,182	339,250,885	494,035,364	
Less Accumulated depreciation	(33,246,815)	(1,358,790)	(15,061,156)	(92,768,123)	(142,434,884)	
Net book amount	70,859,205	2,598,487	31,660,026	246,482,762	351,600,480	

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14 Right-of-use assets (net) (Cont'd)

	Separate financial statements				Total Baht
	Building and office Baht	Machinery and equipment Baht	Vehicles Baht		
For the year ended 31 December 2019					
Opening net book amount	-	-	-	-	-
Adjustment from adoption of TFRS 16 on 1 January 2019 (Note 2.2.2)	1,650,633	14,497,267	54,067,550	70,215,450	70,215,450
Additions during the year	-	-	13,446,744	13,446,744	13,446,744
Change of rental rate charge during the year	-	(4,849,793)	-	(4,849,793)	(4,849,793)
Depreciation charge (Note 25)	(963,365)	(4,783,694)	(18,104,845)	(23,851,904)	(23,851,904)
Closing net book amount	687,268	4,863,780	49,409,449	54,960,497	54,960,497
As at 31 December 2019					
Cost	1,650,633	9,647,474	67,514,294	78,812,401	78,812,401
Less Accumulated depreciation	(963,365)	(4,783,694)	(18,104,845)	(23,851,904)	(23,851,904)
Net book amount	687,268	4,863,780	49,409,449	54,960,497	54,960,497

For the year ended 31 December 2019, depreciation expense is presented in cost of goods sold for the consolidated financial statements amounting to Baht 126.03 million, and the separate financial statements of Baht 9.34 million, the remaining is included in administrative expenses.

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15 Intangible assets (net)	Consolidated financial statements				Separate financial statements			
	Leasehold right - office building Baht	Software Baht	Mining concession Baht	Total Baht	Leasehold right - office building Baht	Software Baht	Mining concession Baht	Total Baht
As at 1 January 2018								
Cost	185,875,000	38,915,741	18,045,241	242,835,982	185,875,000	38,915,741	16,156,641	240,947,382
Less Accumulated amortisation/depletion	(164,153,381)	(18,178,449)	(13,452,956)	(195,784,786)	(164,153,381)	(18,178,449)	(13,452,956)	(195,784,786)
Net book amount	21,721,619	20,737,292	4,592,285	47,051,196	21,721,619	20,737,292	2,703,685	45,162,596
For the year ended 31 December 2018								
Opening net book amount	21,721,619	20,737,292	4,592,285	47,051,196	21,721,619	20,737,292	2,703,685	45,162,596
Transfer from fixed assets	-	-	958,360	958,360	-	-	-	-
Write off - cost	-	-	(14,628,355)	(14,628,355)	-	-	(14,628,355)	(14,628,355)
- accumulated amortisation	-	-	12,558,170	12,558,170	-	-	12,558,170	12,558,170
Amortisation/depletion charge (Note 25)	(7,447,412)	(3,891,574)	(341,423)	(11,680,409)	(7,447,412)	(3,891,574)	(341,423)	(11,680,409)
Closing net book amount	14,274,207	16,845,718	3,139,037	34,258,962	14,274,207	16,845,718	292,077	31,412,002
As at 31 December 2018								
Cost	185,875,000	38,915,741	4,375,246	229,165,987	185,875,000	38,915,741	1,528,286	226,319,027
Less Accumulated amortisation/depletion	(171,600,793)	(22,070,023)	(1,236,209)	(194,907,025)	(171,600,793)	(22,070,023)	(1,236,209)	(194,907,025)
Net book amount	14,274,207	16,845,718	3,139,037	34,258,962	14,274,207	16,845,718	292,077	31,412,002

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15 Intangible assets (net) (Cont'd)

	Consolidated financial statements				Separate financial statements			
	Leasehold right - office building Baht	Software Baht	Mining concession Baht	Total Baht	Leasehold right - office building Baht	Software Baht	Mining concession Baht	Total Baht
For the year ended 31 December 2019								
Opening net book amount	14,274,207	16,845,718	3,139,037	34,258,962	14,274,207	16,845,718	292,077	31,412,002
Additions	-	140,233	-	140,233	-	140,233	-	140,233
Transfer from fixed assets	-	1,371,590	1,169,250	2,540,840	-	1,371,590	1,169,250	2,540,840
Amortisation/depletion charge (Note 25)	(7,447,412)	(3,969,329)	(74,904)	(11,491,645)	(7,447,412)	(3,969,329)	(74,904)	(11,491,645)
Closing net book amount	6,826,795	14,388,212	4,233,383	25,448,390	6,826,795	14,388,212	1,386,423	22,601,430
As at 31 December 2019								
Cost	185,875,000	40,427,564	5,544,496	231,847,060	185,875,000	40,427,564	2,697,536	229,000,100
Less Accumulated amortisation/depletion	(179,048,205)	(26,039,352)	(1,311,113)	(206,398,670)	(179,048,205)	(26,039,352)	(1,311,113)	(206,398,670)
Net book amount	6,826,795	14,388,212	4,233,383	25,448,390	6,826,795	14,388,212	1,386,423	22,601,430

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16 Goodwill

	Consolidated financial statements	
	2019	2018
	Baht	Baht
As at 1 January		
Cost	69,400,000	-
<u>Less</u> Allowance for impairment	-	-
Net book amount	<u>69,400,000</u>	<u>-</u>
For the year ended 31 December		
Opening net book amount	69,400,000	-
Additions during the year	-	69,400,000
Closing net book amount	<u>69,400,000</u>	<u>69,400,000</u>
As at 31 December		
Cost	69,400,000	69,400,000
<u>Less</u> Allowance for impairment	-	-
Net book amount	<u>69,400,000</u>	<u>69,400,000</u>

On 28 June 2018, the Board of Directors' meeting of the subsidiary - Asia Cement Products Company Limited passed a resolution approved the acquisition of 13 ready-mixed concrete plants of Chonburi Concrete Product Public Company Limited, totalling of Baht 205.00 million.

The fair values of the identifiable assets acquired from Chonburi Concrete Product Public Company Limited as at the date of business acquisition are summarised as follows:

	(Unit: Thousand Baht)
Plant machinery and equipment	135,600
<u>Add</u> Difference between cost of business acquisition and net value of business	<u>69,400</u>
Value of business acquisition	205,000
<u>Less</u> Outstanding payable as at 31 December 2018	<u>(30,750)</u>
Net cash payment for business acquisition	<u>174,250</u>

Asia Cement Public Company Limited
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16 Goodwill (Cont'd)

The Group presented the excess of the cash payment for the business acquisition over its net assets value of Baht 69.40 million as a separate item in the consolidated statement of financial position under "Goodwill" in non-current assets.

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

The allocation of goodwill to cash-generating units (CGUs) is presented below:

	Consolidated financial statements	
	Goodwill allocation	
	2019	2018
	Baht	Baht
Cash-generating units (Ready-mixed concrete segment)		
Business area no.1	10,410,000	10,410,000
Business area no.2	9,716,000	9,716,000
Business area no.3	18,044,000	18,044,000
Business area no.4	11,104,000	11,104,000
Business area no.5	20,126,000	20,126,000
	69,400,000	69,400,000

The recoverable amount of a CGU is determined based on the value-in-use calculations of units generated income and consideration of gross profit. These calculations use 5-year pre-tax cash flow projections based on financial budgets approved by the Board of Directors of the Group.

The key assumptions used for value-in-use calculations as at 31 December 2019 are as follows:

Discount rate : 6.75% per annum
 Growth rate of sale volume : Reference the growth rate of expected sale volume during the year 2020 to 2022 and 5.00% growth rate for the year 2023 and 2024

The Group considers gross profit based on budgets which reference from the past performance and market growth expectations. The discounted rate used is the pre-tax rate that reflects the risk that is a characteristic relevant to that segment.

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17 Extraction rights

The movement of extraction rights for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening net book amount	33,996,349	36,987,039	33,487,808	36,509,264
Additions during the year	530,497,839	71,761	530,426,078	-
<u>Less</u> Amortisation charge	(19,433,627)	(3,062,451)	(19,392,632)	(3,021,456)
	545,060,561	33,996,349	544,521,254	33,487,808
<u>Less</u> Amortisation charge within 1 year (presented in other current assets)	(22,707,862)	(3,062,451)	(22,666,867)	(3,021,456)
	<u>522,352,699</u>	<u>30,933,898</u>	<u>521,854,387</u>	<u>30,466,352</u>

In March 2019, the Company entered into an agreement to pay special benefits to the state for the issuance of 5 limestone mining concessions, with a total amount of Baht 530.43 million in order to be allowed to use the area of concession of 1,290 rai 9 ngan 239 square wah within a period of 27 years (commencing from 7 March 2019). The area of concessions are located in Phu Krang Sub-district, Phra Phutthabat District, Saraburi.

The Company recognised a special benefit to the government in return for the issuance of a concession certificate as an asset in the statement of financial position in the amount of Baht 530.43 million and amortise such assets by using straight-line method over a period of 27 years.

Under the agreement, the Company has to pay compensation to the state in the amount of Baht 530.43 million. The Company paid the first payment of Baht 7.50 million in March 2019 and the remaining payment was paid by the 11 instalments. Such instalments made the Company have an interest burden amounting to Baht 132.67 million (interest rate 2.60% per annum). The total payment is Baht 655.59 million. During the first 2 years since the date that the Company receive the concessions, the Company has the right to free from payment the obligation.

In addition, the Company has an obligation to pay compensation for forest plantations for compensation and maintenance of a total of Baht 48.87 million, which the company paid in March 2019 of Baht 12.22 million. There is the outstanding balance of Baht 36.65 million.

As at 31 December 2019, liabilities related to the special benefits to the government in return for the issuance of a concession certificate are as follows:

	Consolidated and separate financial statements
	2019
	Million Baht
Liabilities as at 31 December	
Liabilities for special benefits to the government in return for the issuance of a concession certificate	655.59
Deferred interest	(119.63)
Reserve for reforest and compensation for forest maintenance	36.65
	572.61
<u>Less</u> Current portion - reserve for reforest and compensation for forest maintenance	(9.16)
	<u>563.45</u>

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18 Deferred income taxes (net)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets:				
- Deferred tax asset to be recovered within 12 months	18,621,889	21,541,089	8,755,548	4,690,244
- Deferred tax asset to be recovered after more than 12 months	239,652,710	228,781,090	109,853,535	96,029,632
	<u>258,274,599</u>	<u>250,322,179</u>	<u>118,609,083</u>	<u>100,719,876</u>
Deferred tax liabilities:				
- Deferred tax liabilities to be settled within 12 months	(432,108)	(887,276)	(342,700)	(887,276)
- Deferred tax liabilities to be settled after more than 12 months	(481,438,402)	(481,638,588)	(36,509,088)	(36,970,492)
	<u>(481,870,510)</u>	<u>(482,525,864)</u>	<u>(36,851,788)</u>	<u>(37,857,768)</u>
Deferred tax assets (liabilities) (net)	<u>(223,595,911)</u>	<u>(232,203,685)</u>	<u>81,757,295</u>	<u>62,862,108</u>

The movements of deferred tax assets (liabilities), net for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
As at 1 January	(232,203,685)	(231,700,522)	62,862,108	56,635,970
Increase (decrease) in profit or loss (Note 27)	7,221,627	(1,019,229)	17,468,647	5,963,094
Increase (decrease) in other comprehensive income	1,386,147	516,066	1,426,540	263,044
As at 31 December	<u>(223,595,911)</u>	<u>(232,203,685)</u>	<u>81,757,295</u>	<u>62,862,108</u>

Deferred tax assets and liabilities are net presented according to the tax unit in the statement of financial position as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets (net)	107,971,542	85,830,316	81,757,295	62,862,108
Deferred tax liabilities (net)	(331,567,453)	(318,034,001)	-	-
	<u>(223,595,911)</u>	<u>(232,203,685)</u>	<u>81,757,295</u>	<u>62,862,108</u>

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

18 Deferred income taxes (net) (Cont'd)

The movements of deferred tax assets and deferred tax liabilities for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements			
	1 January 2019 Baht	Increase (decrease) in profit or loss Baht	Increase (decrease) in other comprehensive income Baht	31 December 2019 Baht
Deferred tax assets				
Allowance for doubtful accounts	8,649,765	3,572,967	-	12,222,732
Allowance for inventories	80,176,701	1,458,276	-	81,634,977
Allowance for impairment of assets	52,662,220	(13,661,056)	-	39,001,164
Accrued bonus	2,604,702	3,323,336	-	5,928,038
Employee benefit obligation	51,635,374	13,916,496	1,386,147	66,938,017
Provision for restoration cost	5,558,896	(280,060)	-	5,278,836
Provision for decommissioning cost	2,232,932	515,034	-	2,747,966
Provision for compensation for sublease of concession right	3,635,757	(3,635,757)	-	-
Other long-term provisions	565,000	579,739	-	1,144,739
Tax losses	42,600,832	(317,734)	-	42,283,098
Right-of-use assets	-	1,095,032	-	1,095,032
	<u>250,322,179</u>	<u>6,566,273</u>	<u>1,386,147</u>	<u>258,274,599</u>
Deferred tax liabilities				
Depreciation from changing useful lives of assets	(5,648,926)	655,354	-	(4,993,572)
Surplus from revaluation of land	(476,876,938)	-	-	(476,876,938)
	<u>(482,525,864)</u>	<u>655,354</u>	<u>-</u>	<u>(481,870,510)</u>
Deferred tax assets (liabilities) (net)	<u>(232,203,685)</u>	<u>7,221,627</u>	<u>1,386,147</u>	<u>(223,595,911)</u>
	Consolidated financial statements			
	1 January 2018 Baht	Increase (decrease) in profit or loss Baht	Increase (decrease) in other comprehensive income Baht	31 December 2018 Baht
Deferred tax assets				
Allowance for doubtful accounts	7,748,534	901,231	-	8,649,765
Allowance for inventories	82,416,719	(2,240,018)	-	80,176,701
Allowance for impairment of assets	74,311,618	(21,649,398)	-	52,662,220
Accrued bonus	-	2,604,702	-	2,604,702
Employee benefit obligation	46,199,257	4,920,051	516,066	51,635,374
Provision for restoration cost	5,942,526	(383,630)	-	5,558,896
Provision for decommissioning cost	2,067,429	165,503	-	2,232,932
Provision for compensation for sublease of concession right	6,778,558	(3,142,801)	-	3,635,757
Other long-term provisions	688,000	(123,000)	-	565,000
Tax losses	25,599,757	17,001,075	-	42,600,832
	<u>251,752,398</u>	<u>(1,946,285)</u>	<u>516,066</u>	<u>250,322,179</u>
Deferred tax liabilities				
Depreciation from changing useful lives of assets	(6,575,982)	927,056	-	(5,648,926)
Surplus from revaluation of land	(476,876,938)	-	-	(476,876,938)
	<u>(483,452,920)</u>	<u>927,056</u>	<u>-</u>	<u>(482,525,864)</u>
Deferred tax assets (liabilities) (net)	<u>(231,700,522)</u>	<u>(1,019,229)</u>	<u>516,066</u>	<u>(232,203,685)</u>

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18 Deferred income taxes (net) (Cont'd)

The movements of deferred tax assets and deferred tax liabilities for the years ended 31 December 2019 and 2018 are as follows: (Cont'd)

	Separate financial statements			31 December 2019 Baht
	1 January 2019 Baht	Increase (decrease) in profit or loss Baht	Increase (decrease) in other comprehensive income Baht	
Deferred tax assets				
Allowance for doubtful accounts	2,247,770	1,341,646	-	3,589,416
Allowance for inventories	48,152,851	2,019,228	-	50,172,079
Allowance for impairment of assets	11,362,742	(411,094)	-	10,951,648
Accrued bonus	2,058,000	2,560,033	-	4,618,033
Employee benefit obligation	33,836,304	10,038,505	1,426,540	45,301,349
Provision for restoration cost	2,497,209	(135,200)	-	2,362,009
Provision for decommissioning cost	-	313,600	-	313,600
Other long-term provisions	565,000	579,739	-	1,144,739
Right-of-use assets	-	156,210	-	156,210
	<u>100,719,876</u>	<u>16,462,667</u>	<u>1,426,540</u>	<u>118,609,083</u>
Deferred tax liabilities				
Depreciation from changing useful lives of assets	(3,864,364)	1,005,980	-	(2,858,384)
Surplus from revaluation of land	(33,993,404)	-	-	(33,993,404)
	<u>(37,857,768)</u>	<u>1,005,980</u>	<u>-</u>	<u>(36,851,788)</u>
Deferred tax assets (liabilities) (net)	<u>62,862,108</u>	<u>17,468,647</u>	<u>1,426,540</u>	<u>81,757,295</u>
	Separate financial statements			31 December 2018 Baht
	1 January 2018 Baht	Increase (decrease) in profit or loss Baht	Increase (decrease) in other comprehensive income Baht	
Deferred tax assets				
Allowance for doubtful accounts	835,243	1,412,527	-	2,247,770
Allowance for inventories	48,526,156	(373,305)	-	48,152,851
Allowance for impairment of assets	12,713,824	(1,351,082)	-	11,362,742
Accrued bonus	-	2,058,000	-	2,058,000
Employee benefit obligation	30,088,985	3,484,275	263,044	33,836,304
Provision for restoration cost	2,553,741	(56,532)	-	2,497,209
Other long-term provisions	688,000	(123,000)	-	565,000
	<u>95,405,949</u>	<u>5,050,883</u>	<u>263,044</u>	<u>100,719,876</u>
Deferred tax liabilities				
Depreciation from changing useful lives of assets	(4,776,575)	912,211	-	(3,864,364)
Surplus from revaluation of land	(33,993,404)	-	-	(33,993,404)
	<u>(38,769,979)</u>	<u>912,211</u>	<u>-</u>	<u>(37,857,768)</u>
Deferred tax assets (liabilities) (net)	<u>56,635,970</u>	<u>5,963,094</u>	<u>263,044</u>	<u>62,862,108</u>

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18 Deferred income taxes (net) (Cont'd)

At 31 December 2019 and 2018, the Company did not recognise deferred tax assets in respect of losses that can be carried forward against future taxable income as follows:

	Consolidated financial statements	
	2019 Baht	2018 Baht
- 31 December 2021	6,249,676	6,249,676
- 31 December 2022	14,723,928	14,723,928
- 31 December 2023	54,808,387	66,719,110
- 31 December 2024	48,469,014	-
	<u>124,251,005</u>	<u>87,692,714</u>

Deferred tax assets are recognised for tax loss carryforward only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

19 Trade and other accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts payable					
- other companies		1,287,104,681	1,469,350,361	756,270,127	909,081,872
- related companies	28.2	-	(258,992)	1,186,934	3,670,046
Other accounts payable					
- other companies		476,361,989	371,345,785	366,052,608	277,478,665
- related companies	28.2	35,148,265	1,711,680	130,360,407	83,294,867
Fixed asset payable					
- other companies		163,356,841	296,311,389	58,215,248	181,796,612
Accounts payable from factoring		56,955,351	44,419,217	56,955,351	44,419,217
Advance received from customers		32,684,382	39,736,865	24,397,525	29,663,696
Accrued expense					
- other companies		72,265,150	52,617,881	49,290,259	27,924,722
- related companies	28.2	4,372,115	17,740,636	6,410,034	18,149,849
Dividend payable		348,458	235,588	348,458	235,588
Deposits received		115,129,999	95,739,363	104,689,996	84,709,360
Retention payable		4,192,243	1,657,500	200,000	200,000
		<u>2,247,919,474</u>	<u>2,390,607,273</u>	<u>1,554,376,947</u>	<u>1,660,624,494</u>

As at 31 December 2019 and 2018, the account payable from factoring represents the amount received from a bank for factoring with recourse, in accordance with the conditions specified in the factoring agreement. The bank has the right to pursue the Company for payment in the event that it is unable to collect from trade accounts receivable (Note 8).

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20 Lease liabilities (net)

The Group has entered into the lease agreements for rental assets used in the operating activities and has to pay rental expenses following rate specified in the agreements.

As at 31 December 2019 and 2018, lease liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Lease liabilities	365,820,290	-	57,884,460	-
<u>Less</u> Deferred interest expenses	(17,210,536)	-	(2,142,915)	-
Present value of lease liabilities	348,609,754	-	55,741,545	-
<u>Less</u> current portion (net)	(140,544,888)	-	(23,108,484)	-
	<u>208,064,866</u>	<u>-</u>	<u>32,633,061</u>	<u>-</u>

During the year 2019, a subsidiary terminated rental agreements in respect of land and machinery for 5 contracts. The outstanding lease liabilities of such agreements at the termination date was Baht 12.64 million.

As at 31 December 2019 and 2018, minimum lease liabilities payment are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<u>Due for payment</u>				
- Within 1 year	148,671,853	-	24,371,075	-
- Later than 1 year but not later than 5 years	217,148,437	-	33,513,385	-
	<u>365,820,290</u>	<u>-</u>	<u>57,884,460</u>	<u>-</u>

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21 Employee benefit obligations

As at 31 December 2019 and 2018, the employee benefit obligations represents at the present value of unfunded obligation.

As at 31 December 2019 and 2018, employee benefit obligations consist of :

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Retirement benefit plan	324,317,159	245,603,156	218,943,747	160,124,685
Unused annual leave plan	10,372,932	12,573,717	7,563,006	9,056,847
	<u>334,690,091</u>	<u>258,176,873</u>	<u>226,506,753</u>	<u>169,181,532</u>

The movements of provision for employee benefits obligations for the years ended 31 December 2019 and 2018 are as follows:

Retirement benefits plan

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance as at 1 January	245,603,156	230,996,298	160,124,685	150,444,930
Current service cost	17,816,263	14,214,007	11,126,107	9,445,278
Post service cost of an amendment bill to the Labour Protection Law	56,608,066	-	42,111,816	-
Interest cost	6,787,017	5,911,833	4,427,948	3,786,543
Effect of transferred employee Remeasurement	-	-	1,388,144	(186,085)
- (Gain) loss arising from financial assumptions changes	(8,089,427)	4,366,989	(5,425,671)	2,831,300
- (Gain)loss arising from experience adjustments	15,020,160	(1,786,661)	12,558,374	(1,516,081)
Benefit payment during the year	<u>(9,428,076)</u>	<u>(8,099,310)</u>	<u>(7,367,656)</u>	<u>(4,681,200)</u>
Closing balance as at 31 December	<u>324,317,159</u>	<u>245,603,156</u>	<u>218,943,747</u>	<u>160,124,685</u>

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21 Employee benefit obligations (Cont'd)

Unused annual leave plan

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance as at 1 January	12,573,717	-	9,056,847	-
Current service cost	896,805	-	557,973	-
Post service cost	(1,861,418)	12,573,717	(1,158,157)	9,056,847
Interest cost	286,391	-	203,481	-
Effect of transferred employee Remeasurement	-	-	77,514	-
- (Gain)loss arising from financial assumptions changes	(1,164,690)	-	(840,510)	-
- (Gain)loss arising from experience adjustments	(357,873)	-	(334,142)	-
Closing balance as at 31 December	10,372,932	12,573,717	7,563,006	9,056,847

The principal actuarial assumptions are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Percent per annum	2018 Percent per annum	2019 Percent per annum	2018 Percent per annum
Discount rate	1.70	2.50	1.70	2.50
Salary increase rate	4.00	5.00	4.00	5.00

Sensitivity analysis for significant assumptions is as follows:

	Changes in assumptions	Increase (decrease) on employee benefit obligation			
		Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Discount rate	Increase by 0.25%	(6,798,311)	(5,440,618)	(4,555,755)	(3,545,248)
Discount rate	Decrease by 0.25%	7,028,330	5,626,729	4,706,066	3,665,475
Salary increase rate	Increase by 0.25%	7,648,299	6,075,092	5,126,308	3,957,882
Salary increase rate	Decrease by 0.25%	(7,428,391)	(5,897,753)	(4,982,578)	(3,843,326)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The weighted average duration of the employee benefit obligations of the Group and the Company for the year ended 31 December 2019 is 8.4 years (2018: the Group and the Company is 9.0 years)

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law became effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay, based on the final wage rate. The Group recognised impact of the amendment to the profit or loss for the year ended 31 December 2019.

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22 Legal reserve

Under the Public Limited Company Act, the Company is required to set aside as a legal reserve at least 5 % of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is not distributable as a dividend.

As at 31 December 2019 and 2018, the Company has fully set aside the legal reserve.

23 Dividend payment

2019

At the Annual General Shareholders' Meeting in 29 March 2019, the shareholders approved the dividend payment from its operation for the year 2018 and brought forward retained earnings at Baht 1.42 per share, totalling Baht 1,105.36 million. The Company paid all dividend to shareholders in April 2019.

2018

At the Annual General Shareholders' Meeting in 30 March 2018, the shareholders approved the dividend payment from its operation for the year 2017 and brought forward retained earnings at Baht 1.05 per share, totalling Baht 817.34 million. The Company paid all dividend to shareholders in April 2018.

24 Other income

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Dividend income (Note 11 (a))	-	-	215,179,951	433,999,876
Interest income	63,465,622	65,745,362	46,878,715	50,181,302
Rental income	1,237,100	1,761,022	1,786,800	300,000
Freight income	-	34,549,784	-	-
Others	16,939,005	30,441,247	22,711,356	37,144,803
	81,641,727	132,497,415	286,556,822	521,625,981

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25 Expenses by nature

The following expenditure items for the years ended 31 December 2019 and 2018 are classified by nature as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Change in inventories of finished goods and work in process	(147,565,295)	94,883,343	(214,142,012)	106,465,074
Raw material and supply used	3,494,969,807	3,304,897,147	1,989,719,185	2,066,241,828
Salaries and wages and other employee benefits	850,588,664	709,754,602	582,492,173	495,394,990
Depreciation, amortisation and depletion	743,578,792	597,902,984	388,658,975	327,689,489
Reversal of impairment charges	(5,280,679)	(9,859,739)	-	(6,755,412)
(Reversal of) allowance for slow-moving inventories	7,830,831	(9,413,596)	10,096,140	(1,866,523)
Allowance for cost in excess of net realisable value	776,253	-	-	-
(Reversal of) allowance for doubtful accounts/write-off bad debts	17,864,833	5,690,185	6,708,232	7,547,715
Rental expenses	39,833,336	112,031,715	11,241,034	33,288,003
Repair and maintenance expenses	585,313,370	599,377,857	467,932,593	499,303,467
Freight expenses	775,610,879	817,610,670	373,027,546	380,978,137
Management fee expenses	18,771,792	21,497,117	18,771,792	21,497,117

26 Finance costs

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Bank charges	8,096,952	8,535,485	3,267,489	3,944,913
Interest expenses from lease liabilities	10,570,100	-	1,761,848	-
Interest expenses from long-term provisions				
- extraction rights	13,030,384	-	13,030,384	-
	31,697,436	8,535,485	18,059,721	3,944,913

Asia Cement Public Company Limited
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27 Income tax expense

Income tax for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Current income tax :				
Current income tax on taxable profit for the year	(222,398,007)	(103,702,060)	(220,252,313)	(101,709,093)
Adjustments income tax of prior year	464,963	(280,241)	464,963	(280,241)
Write-off of non-refundable withholding tax	(404,511)	(840,749)	-	-
Total current income tax	<u>(222,337,555)</u>	<u>(104,823,050)</u>	<u>(219,787,350)</u>	<u>(101,989,334)</u>
Deferred income tax :				
Origination and reversal of temporary differences (Note 18)	7,221,627	(1,019,229)	17,468,647	5,963,094
Total deferred income tax	<u>7,221,627</u>	<u>(1,019,229)</u>	<u>17,468,647</u>	<u>5,963,094</u>
Total income tax expense	<u>(215,115,928)</u>	<u>(105,842,279)</u>	<u>(202,318,703)</u>	<u>(96,026,240)</u>

The tax relating to component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follow:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Deferred income tax arising from remeasurement of post-employment benefit obligation (Note 18)	1,386,147	516,066	1,426,540	263,044

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27 Income tax expense (Cont'd)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basis tax rate of the home country of each company as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Profit before income tax	1,297,334,340	661,271,461	1,225,716,484	908,821,600
Eliminated intercompany transactions	(827,165)	347,825	-	-
	<u>1,296,507,175</u>	<u>661,619,286</u>	<u>1,225,716,484</u>	<u>908,821,600</u>
Tax calculated at a tax rate of 20%	(259,301,435)	(132,323,857)	(245,143,297)	(181,764,320)
Tax effect of:				
Deferred tax assets that are not recognised during the year				
- Tax losses	(9,693,803)	(13,343,822)	-	-
- Allowance for inventories	(263,141)	(357,298)	-	-
- Employee benefits obligation	-	-	293,132	(37,217)
Unrecognised deferred tax assets in prior year but use as taxable this year	2,406,830	-	-	-
Adjust deferred tax asset of prior year and unused tax loss	32,361	(4,347,978)	-	-
Exemption profit under BOI privilege	53,149,316	46,909,820	-	-
Dividend income	-	-	43,035,990	86,799,975
Expenses not deductible for tax purpose	(1,506,508)	(1,258,154)	(969,491)	(744,437)
Write-off of non-refundable withholding tax	(404,511)	(840,749)	-	-
Adjustment income tax of prior year	464,963	(280,241)	464,963	(280,241)
	<u>(215,115,928)</u>	<u>(105,842,279)</u>	<u>(202,318,703)</u>	<u>(96,026,240)</u>
Income tax expense				

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28 Related-party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, subsidiaries, subsidiaries in the same group, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationships between the Company and related companies are as follows:

Related companies	Relationship with the Company
HeidelbergCement AG	Ultimate parent company
Bangkok Bank Public Company Limited	Shareholder
The Siam Cement Public Company Limited	Shareholder
Vaniyuth Company Limited	Shareholder
Jalaprathan Cement Public Company Limited	Direct subsidiary
Asia Cement Energy Conservation Company Limited	Direct subsidiary
Asia Cement Products Company Limited	Direct subsidiary
Jalaprathan Concrete Company Limited	Indirect subsidiary
Hanson Australia PTY Limited	Related company under the same group
HC Trading Malta Limited	Related company under the same group
HeidelbergCement Asia Pte. Ltd.	Related company under the same group
Italcementi S.p.A.	Related company under the same group

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28 Related-party transactions (Cont'd)

28.1 The transactions carrying out with related parties for the years ended 31 December 2019 and 2018 are summarised as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenue from sales of goods and raw material				
Subsidiaries	-	-	1,157,296,678	1,080,013,551
Related companies	221,157,678	189,711,922	179,534,802	189,711,922
	<u>221,157,678</u>	<u>189,711,922</u>	<u>1,336,831,480</u>	<u>1,269,725,473</u>
Management fee income				
Subsidiaries	-	-	101,583,977	84,132,681
	<u>-</u>	<u>-</u>	<u>101,583,977</u>	<u>84,132,681</u>
Revenue from sales of water and heat air				
Subsidiaries	-	-	25,656,402	22,389,117
	<u>-</u>	<u>-</u>	<u>25,656,402</u>	<u>22,389,117</u>
Rental income				
Subsidiaries	-	-	1,786,800	300,000
	<u>-</u>	<u>-</u>	<u>1,786,800</u>	<u>300,000</u>
Interest income				
Subsidiaries	-	-	58,164	1,043,489
Related companies	16,039,816	50,700,392	4,902,556	37,959,888
	<u>16,039,816</u>	<u>50,700,392</u>	<u>4,960,720</u>	<u>39,003,377</u>
Purchase of raw materials				
Subsidiaries	-	-	589,939	3,585,195
	<u>-</u>	<u>-</u>	<u>589,939</u>	<u>3,585,195</u>
Purchase of finished goods				
Subsidiaries	-	-	15,721,046	13,435,788
	<u>-</u>	<u>-</u>	<u>15,721,046</u>	<u>13,435,788</u>

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28 Related-party transactions (Cont'd)

28.1 The transactions carrying out with related parties for the years ended 31 December 2019 and 2018 are summarised as follows: (Cont'd)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Purchase of fixed assets				
Related companies	2,062,916	9,540,457	2,062,916	9,540,457
	<u>2,062,916</u>	<u>9,540,457</u>	<u>2,062,916</u>	<u>9,540,457</u>
Purchase of electrical energy				
Subsidiaries	-	-	388,309,509	376,927,063
	<u>-</u>	<u>-</u>	<u>388,309,509</u>	<u>376,927,063</u>
Interest expense				
Subsidiaries	-	-	62,169	32,209
	<u>-</u>	<u>-</u>	<u>62,169</u>	<u>32,209</u>
Rental expense				
Subsidiaries	-	-	216,000	-
	<u>-</u>	<u>-</u>	<u>216,000</u>	<u>-</u>
Management fee				
Parent company	54,234,492	41,390,102	54,234,492	41,390,102
Related companies	-	19,883,659	-	19,883,659
	<u>54,234,492</u>	<u>61,273,761</u>	<u>54,234,492</u>	<u>61,273,761</u>
Technical service fee				
Parent company	286,094	1,464,546	233,018	731,334
Related companies	2,853,108	121,946	2,853,108	103,231
	<u>3,139,202</u>	<u>1,586,492</u>	<u>3,086,126</u>	<u>834,565</u>
License fee of computer software				
Parent company	17,163,971	13,175,767	17,163,971	13,175,767
	<u>17,163,971</u>	<u>13,175,767</u>	<u>17,163,971</u>	<u>13,175,767</u>

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28 Related-party transactions (Cont'd)

28.2 Outstanding balances as at 31 December 2018 and 2019 from sales of goods and service, purchase of goods, purchase of fixed assets and others are summarised as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Bank deposits				
Related company	1,180,456,263	2,180,617,101	714,593,893	1,250,480,803
Trade accounts receivables (Note 8)				
Subsidiaries (net)	-	-	779,830,549	941,732,686
Related companies	41,622,876	34,299,540	-	34,299,540
	41,622,876	34,299,540	779,830,549	976,032,226
Other accounts receivables (Note 8)				
Subsidiaries	-	-	28,531,776	18,852,250
	-	-	28,531,776	18,852,250
Accrued income (Note 8)				
Subsidiaries	-	-	8,340,028	223,128
	-	-	8,340,028	223,128
Interest receivables (Note 8)				
Subsidiaries	-	-	-	38,336
	-	-	-	38,336
Trade accounts payables (Note 19)				
Subsidiaries	-	-	1,186,934	3,929,038
Related companies	-	(258,992)	-	(258,992)
	-	(258,992)	1,186,934	3,670,046
Other accounts payables (Note 19)				
Parent company	4,652,482	1,515,653	4,652,482	789,073
Subsidiaries	-	-	95,212,142	82,309,767
Related companies	30,495,783	196,027	30,495,783	196,027
	35,148,265	1,711,680	130,360,407	83,294,867
Accrued expenses (Note 19)				
Subsidiaries	-	-	2,037,919	409,213
Related companies	4,372,115	17,740,636	4,372,115	17,740,636
	4,372,115	17,740,636	6,410,034	18,149,849

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28 Related-party transactions (Cont'd)

28.3 Management's benefits for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Salaries and other benefits	42,136,865	38,799,576	30,961,603	29,393,767
Post-employment benefits	4,905,351	1,874,337	2,786,180	849,733
	<u>47,042,216</u>	<u>40,673,913</u>	<u>33,747,783</u>	<u>30,243,500</u>

28.4 Long-term loan to related party

Long-term loan to related party represents long-term loan to a subsidiary, Jalapraphan Cement Public Company Limited. The movement for the years ended 31 December 2019 and 2018 is as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Long-term loans to - Jalapraphan Cement Public Company Limited				
As at 1 January	-	-	12,500,000	105,000,000
Repayment during the year	-	-	(12,500,000)	(92,500,000)
	-	-	-	12,500,000
<u>Less</u> Current portion of long-term loans to related parties	-	-	-	(12,500,000)
As at 31 December	-	-	-	-

This long-term loan to a related party is an unsecured loan dominated in Baht currency and has the interest at a floating rate by reference to the average of 3-month fixed deposit rates announced by 3 financial institutions plus 3% per annum. The principal and interest are payable on a quarterly basis.

29 Commitments

29.1 Long-term service agreements commitments

- The Group have entered into agreements related to the concrete transportation, packing cement and other services. The Group committed to pay service fees calculated based on quantities and distance multiplied by the rate specified in the agreements.
- The Group have entered into others services agreements, mostly related to the repair and maintenance of machines and equipment and the concrete production. The Group has obligation under those agreements as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Within 1 year	112,281,336	105,002,930	75,503,266	58,034,658
Later than 1 year but not later than 5 years	44,108,976	75,599,037	35,865,408	53,958,365
	<u>156,390,312</u>	<u>180,601,967</u>	<u>111,368,674</u>	<u>111,993,023</u>

In addition, a subsidiary has entered into agreements regarding the service of repair and maintenance of machines and equipment which it is committed to pay the service fees calculated from production quantities multiplied by rate specified in the agreements.

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29 Commitments (Cont'd)

29.2 Purchase of raw material commitments

As at 31 December 2019, the Group have entered into agreements to purchase raw materials in the future of approximately Baht 853.36 million (2018 : Baht 933.00 million) and the Company of approximately Baht 725.09 million (2018 : Baht 786.00 million) and another agreements which values will be based on the purchase volume in the future and prices specified in the agreements.

29.3 Capital commitments

As at 31 December 2019, the Group has capital commitment for purchase of machinery and equipment of Baht 272.09 million (2018 : Baht 79.00 million) and the Company of Baht 271.66 million (2018 : Baht 79.00 million).

30 Contingent liabilities and guarantees

30.1 Bank guarantees

As at 31 December 2019 and 2018, The Group and the Company have outstanding bank guarantees issued by banks as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Guarantee for the application for the right to operate an industrial stone mine with the aim to develop a cement factory in the south of Thailand	300,000,000	300,000,000	300,000,000	300,000,000
Guarantee for electricity	247,626,601	240,749,301	193,991,000	186,780,000
Others	25,062,769	18,402,102	13,745,500	7,579,500
	<u>572,689,370</u>	<u>559,151,403</u>	<u>507,736,500</u>	<u>494,359,500</u>

30.2 Letter of credit

At 31 December 2019, the Company has outstanding letter of credit of EUR 0.24 million (2018 : EUR 0.88 million) related to acquisition of machinery and spare parts.

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31 Financial instruments

Financial risk management policies

The Group's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments : Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other accounts receivables, loan receivables, investment, trade and other accounts payables. The Group has financial risks and has financial risk management policies as follows:

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, notes and other accounts receivable. The management control this risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, Group does not have high concentrations on credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans, other accounts receivable and notes receivables as stated in the statement of financial position.

Interest rate risk

The Group is exposure to interest rate risk relate primarily to cash at banks and, loan receivables. Most of the Group's assets and liabilities bear no interest or floating interest rates or fixed interest rates which are closed to the market rate.

As at 31 December 2019 and 2018, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the date that new interest rate is determined if this occurs before the maturity date.

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31 Financial instruments (Cont'd)

Interest rate risk (Cont'd)

Outstanding balance of financial assets and liabilities and interest rate as at 31 December 2019 and 2018 are summarised as follows:

		Consolidated financial statements						
		At 31 December 2019						
		Baht						
		Fixed rate			Non-interest bearing	Total	Interest rate (percent per annum)	
		Floating rate	Maturity date or the date of determine new rate	1 - 5 years			Floating rate	Fixed rate
		Within 1 year						
Financial assets								
Cash and cash equivalents		630,791,828	4,736,416,000	-	81,426,676	5,448,634,504	0.15 - 0.50	0.70 - 1.55
Trade and other accounts receivables		-	-	-	1,713,795,840	1,713,795,840	-	-
Restricted deposits at financial institutions		9,314,477	-	-	5,762,927	15,077,404	0.38	-
Other long-term investment		-	-	-	1,000,000	1,000,000	-	-
Long-term loans to others		-	2,619,815	-	-	2,619,815	-	2.00
Total financial assets		640,106,305	4,739,035,815	-	1,801,985,443	7,181,127,563		
Financial liabilities								
Trade and other accounts payables		-	-	-	2,100,105,093	2,100,105,093	-	-
Lease liabilities		-	140,544,888	208,064,866	-	348,609,754	-	1.96 - 4.02
Total financial liabilities		-	140,544,888	208,064,866	2,100,105,093	2,448,714,847		

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

31 Financial instruments (Cont'd)

Interest rate risk (Cont'd)

Consolidated financial statements						
At 31 December 2018						
Baht						
	Floating rate	Fixed rate		Non-interest bearing	Total	Interest rate (percent per annum)
		Within 1 year	Maturity date or the date of determine new rate 1 - 5 years			
Financial assets						
Cash and cash equivalents	839,444,961	4,451,014,000	-	126,036,478	5,416,495,439	0.15 - 0.38
Trade and other accounts receivables	-	-	-	1,835,874,089	1,835,874,089	-
Restricted deposits at financial institutions	4,897,531	-	-	4,796,926	9,694,457	0.37
Other long-term investment	-	-	-	1,000,000	1,000,000	-
Long-term loans to others	-	4,658,117	-	-	4,658,117	2.00
Total financial assets	844,342,492	4,455,672,117	-	1,967,707,493	7,267,722,102	
Financial liabilities						
Trade and other accounts payables	-	-	-	2,255,131,045	2,255,131,045	-
Total financial liabilities	-	-	-	2,255,131,045	2,255,131,045	

31 Financial instruments (Cont'd)

Interest rate risk (Cont'd)

	Separated financial statements						
	At 31 December 2019						
	Baht						
	Floating rate	Fixed rate		Non-interest bearing	Total	Interest rate (percent per annum)	
Within 1 year		Maturity date or the date of determine new rate 1 - 5 years	Floating rate			Fixed rate	
Financial assets							
Cash and cash equivalents	380,720,185	3,685,008,000	-	74,909,896	4,140,638,081	0.15 - 0.50	0.85 - 1.55
Trade and other accounts receivables	-	-	-	1,546,510,118	1,546,510,118	-	-
Restricted deposits at financial institutions	7,435,620	-	-	4,690,327	12,125,947	0.38	-
Other long-term investment	-	-	-	1,000,000	1,000,000	-	-
Total financial assets	388,155,805	3,685,008,000	-	1,627,110,341	5,700,274,146		
Financial liabilities							
Trade and other accounts payables	-	-	-	1,425,289,426	1,425,289,426	-	-
Lease liabilities	-	23,108,484	32,633,061	-	55,741,545	-	2.19 - 3.47
Total financial liabilities	-	23,108,484	32,633,061	1,425,289,426	1,481,030,971		

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

31 Financial instruments (Cont'd)

Interest rate risk (Cont'd)

	Separated financial statements						
	At 31 December 2018						
	Baht						
	Floating rate	Fixed rate		Non-interest bearing	Total	Interest rate (percent per annum)	
Within 1 year		Maturity date or the date of determine new rate 1 - 5 years	Floating rate			Fixed rate	
Financial assets							
Cash and cash equivalents	575,202,572	3,450,006,000	-	99,518,447	4,124,727,019	0.15 - 0.38	0.78 - 1.50
Trade and other accounts receivables	-	-	-	1,772,953,159	1,772,953,159	-	-
Restricted deposits at financial institutions	4,076,612	-	-	4,546,327	8,622,939	0.37	-
Other long-term investment	-	-	-	1,000,000	1,000,000	-	-
Long-term loans to related parties	-	12,500,000	-	-	12,500,000	-	1.93
Total financial assets	579,279,184	3,462,506,000	-	1,878,017,933	5,919,803,117		
Financial liabilities							
Trade and other accounts payables	-	-	-	1,546,251,438	1,546,251,438	-	-
Total financial liabilities	-	-	-	1,546,251,438	1,546,251,438		

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

31 Financial instruments (Cont'd)

Exchange rate risk

The Group does not have significant exchange rate risk because there is no significant foreign currency financial assets and liabilities. In addition, the Group considers that it is not necessary to use financial derivatives for the purchase of goods to hedge such risk. The management believe that future fluctuations in exchange rates in the market will not have a significant impact on the Group's operations.

As at 31 December 2019 and 2018, the Group and the Company has the outstanding balance of financial assets and liabilities which denominated in foreign currency as follows:

Consolidated financial statements						
Currency	Financial assets		Financial liabilities		Average exchange rate (Baht per unit of foreign currency)	
	2019	2018	2019	2018	2019	2018
	Baht	Baht	Baht	Baht		
United States Dollar	14,436,602	28,903,318	9,452,825	3,353,883	30.1540	32.4498
Euro	2,597,062	89,714,862	58,611,420	29,979,968	33.7311	37.1252
Danish Kroner	-	-	565,458	4,874,998	4.5165	4.9750
Japanese Yen	-	-	18,443	15,637	0.2759	0.2931
Signapore Dollar	-	-	439,435	-	22.3245	23.6943
Separated financial statements						
Currency	Financial assets		Financial liabilities		Average exchange rate (Baht per unit of foreign currency)	
	2019	2018	2019	2018	2019	2018
	Baht	Baht	Baht	Baht		
United States Dollar	14,431,568	28,639,618	7,551,386	279,153	30.1540	32.4498
Euro	2,597,062	89,714,862	56,935,257	29,025,151	33.7311	37.1252
Danish Kroner	-	-	565,458	4,874,998	4.5165	4.9750
Signapore Dollar	-	-	439,435	-	22.3245	23.6943

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

32 The effect of reclassification

Where necessary, comparative figures have been reclassified to conform with presentation of items in consolidated and separate financial statements in the current year. The effect of reclassification to the consolidated and separate statement of financial position as at 31 December 2018 and 1 January 2018 and the consolidated and separate statement of comprehensive income for the year ended 31 December 2018 are as follows:

	Consolidated financial statements		
	As previously reported	Increase (decrease) from reclassification	After reclassification
	Baht	Baht	Baht
Statement of financial position as at 31 December 2018			
Current assets			
Cash and cash equivalents	5,426,189,896	(9,694,457)	5,416,495,439
Trade and other accounts receivables (net)	1,839,223,565	13,393,861	1,852,617,426
Value added tax	-	43,971,150	43,971,150
Input tax refundable	56,883,202	(56,883,202)	-
Other current assets	23,619,685	(13,393,861)	10,225,824
Non-current assets			
Restricted deposits of financial institutions	-	9,694,457	9,694,457
Extraction right	-	30,933,898	30,933,898
Deferred tax assets (net)	250,322,180	(164,491,864)	85,830,316
Other non-current assets	54,565,493	(30,933,898)	23,631,595
Current liabilities			
Trade and other accounts payables	2,377,346,732	13,260,541	2,390,607,273
Other current liabilities	45,648,454	(26,449,082)	19,199,372
Value added tax	-	276,488	276,488
Non-current liabilities			
Deferred tax liabilities (net)	482,525,865	(164,491,864)	318,034,001
Employee benefit obligations	245,603,156	12,573,717	258,176,873
Long-term provisions	62,066,644	(12,573,717)	49,492,927
Statement of comprehensive income for the year ended 31 December 2018			
Cost of goods sold and services	(8,062,245,978)	(14,000,483)	(8,076,246,461)
Interest income	65,745,362	(65,745,362)	-
Other income	58,676,026	73,821,389	132,497,415
Administrative expenses	(466,425,351)	(26,859,588)	(493,284,939)
Doubtful account	(5,234,901)	5,234,901	-
Other gains (losses) (net)	-	1,845,013	1,845,013
Finance costs	(34,239,615)	25,704,130	(8,535,485)

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

32 The effect of reclassification (Cont'd)

Where necessary, comparative figures have been reclassified to conform with presentation of items in consolidated and separate financial statements in the current year. The effect of reclassification to the consolidated and separate statement of financial position as at 31 December 2018 and 1 January 2018 and the consolidated and separate statement of comprehensive income for the year ended 31 December 2018 are as follows: (Cont'd)

	Separate financial statements		
	As previously reported	Increase (decrease) from reclassification	After reclassification
	Baht	Baht	Baht
Statement of financial position as at 31 December 2018			
Current assets			
Cash and cash equivalents	4,133,349,958	(8,622,939)	4,124,727,019
Trade and other accounts receivables (net)	1,775,638,771	2,841,909	1,778,480,680
Value added tax	-	30,226,180	30,226,180
Input vat refundable	30,982,127	(30,982,127)	-
Other current assets	8,694,206	(2,841,909)	5,852,297
Non-current assets			
Restricted deposits at financial institutions	-	8,622,939	8,622,939
Extraction right	-	30,466,352	30,466,352
Deferred tax assets (net)	100,719,877	(37,857,769)	62,862,108
Other non-current assets	45,935,776	(30,466,352)	15,469,424
Current liabilities			
Trade and other accounts payables	1,650,098,905	10,525,589	1,660,624,494
Other current liabilities	25,775,721	(11,281,536)	14,494,185
Non-current liabilities			
Deferred tax liabilities (net)	37,857,769	(37,857,769)	-
Employee benefit obligations	160,124,685	9,056,847	169,181,532
Long-term provisions	24,367,890	(9,056,847)	15,311,043
Statement of comprehensive income for the year ended 31 December 2018			
Cost of goods sold and services	(5,584,436,660)	(1,247,700)	(5,585,684,360)
Interest income	50,213,510	(50,213,510)	-
Dividend income	433,999,876	(433,999,876)	-
Other income	41,884,182	479,741,799	521,625,981
Administrative expenses	(400,724,326)	(19,132,616)	(419,856,942)
Doubtful account	(7,113,422)	7,113,422	-
Other gain (losses) (net)	-	2,957,788	2,957,788
Finance costs	(18,725,606)	14,780,693	(3,944,913)

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

32 The effect of reclassification (Cont'd)

Where necessary, comparative figures have been reclassified to conform with presentation of items in consolidated and separate financial statements in the current year. The effect of reclassification to the consolidated and separate statement of financial position as at 31 December 2018 and 1 January 2018 and the consolidated and separate statement of comprehensive income for the year ended 31 December 2018 are as follows: (Cont'd)

	Consolidated financial statements		
	As previously reported	Increase (decrease) from reclassification	After reclassification
	Baht	Baht	Baht
Statement of financial position as at 1 January 2018			
Current assets			
Cash and cash equivalents	6,163,628,595	(9,571,940)	6,154,056,655
Trade and other accounts receivables (net)	1,561,615,089	8,986,447	1,570,601,536
Value added tax	-	36,331,961	36,331,961
Input vat refundable	50,052,041	(50,052,041)	-
Other current assets	17,983,292	(8,986,447)	8,996,845
Non-current assets			
Restricted deposits at financial institutions	-	9,571,940	9,571,940
Extraction right	-	33,924,589	33,924,589
Deferred tax assets (net)	251,752,398	(165,371,587)	86,380,811
Other non-current assets	58,605,355	(33,924,589)	24,680,766
Current liabilities			
Trade and other accounts payables	2,219,050,001	127,524	2,219,177,525
Value added tax	-	1,509,156	1,509,156
Other current liabilities	26,682,577	(15,746,760)	10,935,817
Non-current liabilities			
Deferred tax liabilities (net)	483,452,920	(165,371,587)	318,081,333
Long-term provisions	44,869,507	390,000	45,259,507

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

32 The effect of reclassification (Cont'd)

Where necessary, comparative figures have been reclassified to conform with presentation of items in consolidated and separate financial statements in the current year. The effect of reclassification to the consolidated and separate statement of financial position as at 31 December 2018 and 1 January 2018 and the consolidated and separate statement of comprehensive income for the year ended 31 December 2018 are as follows: (Cont'd)

	Separate financial statements		
	As previously reported	Increase (decrease) from reclassification	After reclassification
	Baht	Baht	Baht
Statement of financial position as at 1 January 2018			
Current assets			
Cash and cash equivalents	4,862,867,168	(8,521,655)	4,854,345,513
Trade and other accounts receivables (net)	1,450,308,781	2,587,542	1,452,896,323
Value added tax	-	22,311,951	22,311,951
Input vat refundable	27,458,349	(27,458,349)	-
Other current assets	10,549,640	(2,587,542)	7,962,098
Non-current assets			
Restricted deposits at financial institutions	-	8,521,655	8,521,655
Extraction right	-	33,487,809	33,487,809
Deferred tax assets (net)	95,405,949	(38,769,979)	56,635,970
Other non-current assets	50,233,642	(33,487,809)	16,745,833
Current liabilities			
Trade and other accounts payables	1,675,810,704	126,086	1,675,936,790
Other current liabilities	13,043,997	(5,272,484)	7,771,513
Non-current liabilities			
Deferred tax liabilities (net)	38,769,979	(38,769,979)	-

Asia Cement Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2019

33 Event after the reporting period

On 28 February 2020, the Board of Directors of the Company approved the following matters:

- The submission for approval at the Annual General Meeting of Shareholders to pay a dividend of Baht 1.4199 per share, totalling Baht 1,105.28 million, from its operation for the year 2019 and brought forward retained earnings. The dividend payment is subject to the approval of the shareholders at the Annual General Meeting to be held on 31 March 2020.
- The submission for approval at the Annual General Meeting of Shareholders the reduction of authorised and paid-up share capital from Baht 4,670.52 million to Baht 3,892.10 million by reducing the par value of shares from Baht 6.00 each to Baht 5.00 each and the amendment to clause 4 of the Company's Memorandum of Associate to be consistent with the share capital reduction. The reduction of authorised and paid-up share capital is subject to the approval of the shareholders at the Annual General Meeting to be held on 31 March 2020.



23/124-128 ซอยศูนย์วิจัย ถนนพระรามที่ 9
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