

**I.C.C. International Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2020
and
Independent Auditor's Report

Independent Auditor’s Report

To the Shareholders of I.C.C. International Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of I.C.C. International Public Company Limited and its subsidiaries (the “Group”) and of I.C.C. International Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

| Valuation of inventory | |
|---|--|
| Refer to Note 4(g) and 8 | |
| The key audit matter | How the matter was addressed in the audit |
| <p>The Company sells fashion goods and others which are subject to rapid change in consumer's demand. As a result there is the risk that holding a high amount of inventory may result in the Company being unable to sell products before market trend and customer demand changes which may result in the cost of inventories being higher than net realizable value including any inventory obsolescence. Therefore, the valuation of inventories involve management's judgment in determining the adequate provision for obsolete stocks to present the appropriate valuation of inventory. I considered this to be a key audit matter.</p> | <p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • understanding the process of inventories valuation by inquiry of the responsible person in this area, and identifying controls and performing tests of controls over the inventory process; • testing on samples of the inventory aging report to check aging with the related documents to consider that these were classified in the appropriate aging bracket with the assistance of KPMG IT Audit; • assessing the appropriateness of the methodology used for calculating the provision for obsolete by challenging the assumptions, category of inventory and comparing with historical experience and testing on a sample of the detail of outstanding balances and sales plan; • considering the value of inventories by comparing cost and the selling price less related selling expenses and testing on a sample basis with the related supporting documents; and • assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards. |

| Valuation of investment in non-listed equity instruments | |
|---|---|
| Refer to Note 4(d) and 26 | |
| The key audit matter | How the matter was addressed in the audit |
| <p>TFRS 9 was implemented by the Group on 1 January 2020. This new standard required the Group to measure investments in equity instruments at fair value.</p> <p>The Group has classified investment in non-listed equity instruments as investments in financial assets at fair value through other comprehensive income (“FVOCI”).</p> <p>Determining the fair value of these financial instruments require the use of valuation models. The valuation models use various unobservable inputs which are subject to high estimation uncertainty. The use of different valuation models and assumptions could produce significantly different estimates of fair value.</p> <p>Due to high degree of judgement and the material impact to the Group’s financial statements, I considered this to be a key audit matter.</p> | <p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • understanding the investment valuation process including assessing the appropriateness of valuation methodology and the inputs used for valuation; • assessing the appropriateness of the key assumptions used in valuation by comparing these to externally published industry data and considering whether these assumptions are consistent with the current market environment; • testing on samples of the investments by involve KPMG valuation specialists to assist in evaluation of the valuation methodology used and evaluate the financial parameters applied to the discount rate; and • assessing the adequacy of disclosure in accordance with the relevant Thai Financial Reporting Standards. |

| First time adoption of TFRS 16 Leases | |
|---|--|
| Refer to Note 4(m) and 14 | |
| The key audit matter | How the matter was addressed in the audit |
| <p>The Group has several leases agreements, which mainly are store rental. The first-time adoption of TFRS 16 required the Group to identify all contracts that contain a lease. Management had to collect a high amount of data to identify all leases and determine their contractual terms such as lease period, discount rate, renewal options, non-lease components, etc. As at 31 December 2020, the Group recognised right-of-use assets amounting to Baht 383.93 million and Baht 381.88 million and lease liabilities amounting to Baht 400.66 million and Baht 398.40 million in consolidated and separate statement of financial position, respectively.</p> <p>The Group elected to use the modified retrospective transition approach as at 1 January 2020 recognising the significant right-of-use assets and lease liabilities at that date.</p> <p>Due to high degree of judgement and the material impact to the Group's financial statements, I considered this to be a key audit matter.</p> | <p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • understanding of the Group's policy, data collection process, and process for, and controls over, identification of all leases and the determination of their contractual terms. • obtaining the Group's quantification of right-of-use assets and the lease liabilities. For a sample of leases, corroborating the values recognised with the data collected and assessed the appropriateness of the determination of the lease terms and the calculation of the right-of-use assets and lease liabilities; • testing the reconciliation to the Group's operating lease commitments as reported in the prior year financial statements, and verified the key service contracts to assess whether they contained a lease under TFRS 16; • testing the calculation of the adjustment on first time adoption of TFRS 16; and • assessing the adequacy of disclosure in accordance with the relevant Thai Financial Reporting Standards. |

| Revenue recognition - consignment | |
|--|---|
| Refer to Note 4(s) and 20 | |
| The key audit matter | How the matter was addressed in the audit |
| <p>The Company is the leader in distribution of fashion consumer products in department stores as major channel and various stores as the minor channel.</p> <p>In consignment sales, the control of the product does not pass to the distributor at that point in time. Revenue from sales should not be recognized until the control of the product has passed to the consumer. The terms of the arrangement may stipulate that the Company can control or deliver the product to the consumer, and the consignee will pay for the product when they are sold to the consumer. I considered this to be a key audit matter.</p> | <p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • understanding and assessing the design and testing the operating effectiveness of internal controls related to recognition of the consignment sales; • testing on samples of net sales transactions after deduction of transactions that are not delivered to consumer; • testing on samples of journal entries posted to revenue accounts to consider any possible irregular sales transactions; • performing reconciliation between the input data with data in ERP system with the assistance of KPMG IT Audit; • comparing revenue reported by group of products in the current reporting period with prior period to identify unusual transactions; and • assessing the adequacy of disclosures in accordance with the relevant Thai Financial Report Standards. |

Emphasis of Matters

I draw attention to note 3 to the financial statements which describes the impact of the adoption of certain new accounting policies from 1 January 2020 on the Group and the Company and note 5 to the financial statements which describes the impact of the COVID-19 outbreak on the Group's and the Company's business together with management's plan to address these circumstances, and the adoption of the guidance on temporary accounting relief measures providing additional accounting options for the treatment of the impact of COVID-19 outbreak in the financial information for the year ended 31 December 2020. My opinion is not modified in respect of these matters.

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(Ekkasit Chuthamsatid)
Certified Public Accountant
Registration No. 4195

KPMG Phoomchai Audit Ltd.
Bangkok
19 February 2021

I.C.C. International Public Company Limited and its Subsidiaries

Statement of financial position

| Assets | Note | Consolidated | | Separate | |
|---|-------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | financial statements | | financial statements | |
| | | 31 December | | 31 December | |
| | | 2020 | 2019 | 2020 | 2019 |
| <i>(in Baht)</i> | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 7 | 1,795,163,197 | 1,113,700,825 | 1,780,973,190 | 1,095,120,351 |
| Current investments | | 576,541,068 | 806,882,408 | 576,541,068 | 806,882,408 |
| Trade receivables | 6, 26 | 1,083,001,665 | 1,415,823,425 | 1,076,076,313 | 1,396,405,968 |
| Other receivables | 6 | 260,005,756 | 139,593,469 | 260,312,255 | 139,686,369 |
| Short-term loans to related parties | 6 | 57,500,000 | 57,500,000 | 176,000,000 | 181,500,000 |
| Inventories | 8 | 2,999,778,863 | 3,658,212,900 | 2,986,326,711 | 3,644,478,380 |
| Real estate projects under development | 9 | 98,050,788 | 110,515,073 | - | - |
| Out put VAT on consignment sales of inventories | | 236,003,153 | 307,839,892 | 236,003,153 | 307,839,892 |
| Other current assets | | 26,176,824 | 37,224,689 | 22,741,621 | 32,604,599 |
| Total current assets | | 7,132,221,314 | 7,647,292,681 | 7,114,974,311 | 7,604,517,967 |
| Non-current assets | | | | | |
| Restricted deposits at financial institution | | 2,948,839 | 2,948,839 | - | - |
| Other non-current financial assets | 3, 26 | 19,686,554,095 | 10,910,520,085 | 19,686,554,095 | 10,910,520,085 |
| Investments in associates | 10 | 892,238,287 | 935,929,895 | 707,226,870 | 707,322,963 |
| Investments in subsidiaries | 11 | - | - | 26,449,222 | 39,441,952 |
| Long-term loan | | 3,550,000 | - | 3,550,000 | - |
| Investment properties | 12 | 1,129,446,666 | 927,692,802 | 1,193,790,523 | 993,349,958 |
| Property, plant and equipment | 13 | 2,662,658,666 | 2,870,697,068 | 2,592,704,896 | 2,794,957,235 |
| Right-of-use assets | 3, 14 | 383,926,579 | - | 381,876,828 | - |
| Other intangible assets | 15 | 90,849,724 | 100,051,633 | 83,311,907 | 92,118,330 |
| Other non-current assets | 16 | 243,409,608 | 249,695,033 | 239,937,939 | 242,560,410 |
| Total non-current assets | | 25,095,582,464 | 15,997,535,355 | 24,915,402,280 | 15,780,270,933 |
| Total assets | | 32,227,803,778 | 23,644,828,036 | 32,030,376,591 | 23,384,788,900 |

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

I.C.C. International Public Company Limited and its Subsidiaries
Statement of financial position

| Liabilities and equity | Note | Consolidated financial statements | | Separate financial statements | |
|--|-----------|--------------------------------------|----------------------|----------------------------------|----------------------|
| | | 31 December | | 31 December | |
| | | 2020 | 2019 | 2020 | 2019 |
| <i>(in Baht)</i> | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term loans | | | | | |
| from financial institutions | 17 | 31,050,161 | 37,680,164 | - | - |
| Trade payables | 6 | 1,005,406,946 | 1,328,033,637 | 986,474,855 | 1,303,870,391 |
| Other payables | 6 | 410,636,540 | 528,099,086 | 404,542,667 | 515,379,784 |
| Current portion of lease liabilities | 3, 6, 26 | 194,894,025 | - | 193,823,801 | - |
| Short-term loans from related parties | 6 | 22,000,000 | 10,000,000 | - | - |
| Current portion of advance received from rental income | | 6,662,408 | - | 6,662,408 | - |
| Total current liabilities | | 1,670,650,080 | 1,903,812,887 | 1,591,503,731 | 1,819,250,175 |
| Non-current liabilities | | | | | |
| Lease liabilities | 3, 14, 26 | 205,761,446 | - | 204,580,782 | - |
| Deferred tax liabilities | 23 | 2,452,848,824 | 672,275,178 | 2,450,507,497 | 669,893,624 |
| Provisions for employee benefits | 18 | 553,591,652 | 562,105,926 | 523,768,188 | 530,963,024 |
| Advance received from rental income | | 191,274,984 | - | 191,274,984 | - |
| Other non-current liabilities | | 36,916,353 | 36,946,734 | 35,263,437 | 35,708,910 |
| Total non-current liabilities | | 3,440,393,259 | 1,271,327,838 | 3,405,394,888 | 1,236,565,558 |
| Total liabilities | | 5,111,043,339 | 3,175,140,725 | 4,996,898,619 | 3,055,815,733 |

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

I.C.C. International Public Company Limited and its Subsidiaries

Statement of financial position

| Liabilities and equity | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|--------------------------------------|------------------------------|----------------------------------|------------------------------|
| | | 31 December | | 31 December | |
| | | 2020 | 2019 | 2020 | 2019 |
| <i>(in Baht)</i> | | | | | |
| Equity | | | | | |
| Share capital: | | | | | |
| Authorised share capital <i>(500 million ordinary shares, par value at Baht 1 per share)</i> | | <u>500,000,000</u> | <u>500,000,000</u> | <u>500,000,000</u> | <u>500,000,000</u> |
| Issued and paid-up share capital <i>(291 million ordinary shares, par value at Baht 1 per share)</i> | | 290,633,730 | 290,633,730 | 290,633,730 | 290,633,730 |
| Share premium: | | | | | |
| Share premium on ordinary shares | | 1,487,143,830 | 1,487,143,830 | 1,487,143,830 | 1,487,143,830 |
| Share premium on treasury shares | | 51,433,146 | 51,433,146 | 51,433,146 | 51,433,146 |
| Retained earnings: | | | | | |
| Appropriated | | | | | |
| Legal reserve | 19 | 50,000,000 | 50,000,000 | 50,000,000 | 50,000,000 |
| General reserve | 19 | 2,030,721,100 | 1,961,196,666 | 2,030,721,100 | 1,961,196,666 |
| Unappropriated | | 11,498,629,208 | 11,318,201,899 | 11,401,641,244 | 11,169,975,496 |
| Other components of equity | | <u>11,719,604,678</u> | <u>5,315,787,967</u> | <u>11,721,904,922</u> | <u>5,318,590,299</u> |
| Equity attributable to owners of the parent | | <u>27,128,165,692</u> | <u>20,474,397,238</u> | <u>27,033,477,972</u> | <u>20,328,973,167</u> |
| Non-controlling interests | | <u>(11,405,253)</u> | <u>(4,709,927)</u> | <u>-</u> | <u>-</u> |
| Total equity | | <u>27,116,760,439</u> | <u>20,469,687,311</u> | <u>27,033,477,972</u> | <u>20,328,973,167</u> |
| Total liabilities and equity | | <u>32,227,803,778</u> | <u>23,644,828,036</u> | <u>32,030,376,591</u> | <u>23,384,788,900</u> |

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

I.C.C. International Public Company Limited and its Subsidiaries

Statement of comprehensive income

| | Note | Consolidated | | Separate | |
|--|-------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | financial statements | | financial statements | |
| | | Year ended 31 December | | Year ended 31 December | |
| | | 2020 | 2019 | 2020 | 2019 |
| <i>(in Baht)</i> | | | | | |
| Revenue from sale of goods | 20 | 7,809,024,222 | 11,309,214,280 | 7,624,325,299 | 11,048,058,101 |
| Cost of sales of goods | 8, 22 | <u>5,489,383,328</u> | <u>7,568,023,010</u> | <u>5,367,211,080</u> | <u>7,433,499,338</u> |
| Gross profit | | <u>2,319,640,894</u> | <u>3,741,191,270</u> | <u>2,257,114,219</u> | <u>3,614,558,763</u> |
| Other income | | | | | |
| Dividend income | | 343,451,334 | 531,071,210 | 358,399,717 | 570,780,051 |
| Gain on disposal of assets | | 10,266,488 | 157,239,117 | 9,876,563 | 157,009,212 |
| Other income | | <u>166,336,551</u> | <u>280,494,193</u> | <u>181,832,675</u> | <u>311,699,878</u> |
| Total other income | | <u>520,054,373</u> | <u>968,804,520</u> | <u>550,108,955</u> | <u>1,039,489,141</u> |
| Profit before expenses | | <u>2,839,695,267</u> | <u>4,709,995,790</u> | <u>2,807,223,174</u> | <u>4,654,047,904</u> |
| Expenses | | | | | |
| Distribution costs | 22 | 1,420,330,323 | 2,488,425,065 | 1,413,944,035 | 2,485,956,487 |
| Administrative expenses | 22 | <u>1,306,043,538</u> | <u>1,468,979,720</u> | <u>1,251,484,982</u> | <u>1,416,971,798</u> |
| Total expenses | | <u>2,726,373,861</u> | <u>3,957,404,785</u> | <u>2,665,429,017</u> | <u>3,902,928,285</u> |
| Profit from operating activities | | 113,321,406 | 752,591,005 | 141,794,157 | 751,119,619 |
| Finance costs | | 87,178,276 | 2,315,455 | 84,378,515 | - |
| Share of profit (loss) of associates accounted for using equity method | 10 | <u>(29,709,392)</u> | <u>25,039,094</u> | <u>-</u> | <u>-</u> |
| Profit (loss) before income tax expense | | <u>(3,566,262)</u> | <u>775,314,644</u> | <u>57,415,642</u> | <u>751,119,619</u> |
| Tax expense | 23 | <u>55,757,406</u> | <u>56,275,535</u> | <u>55,535,799</u> | <u>55,875,287</u> |
| Profit (loss) for the year | | <u>(59,323,668)</u> | <u>719,039,109</u> | <u>1,879,843</u> | <u>695,244,332</u> |

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

I.C.C. International Public Company Limited and its Subsidiaries

Statement of comprehensive income

| | Note | Consolidated | | Separate | |
|---|------|------------------------|----------------------|------------------------|----------------------|
| | | financial statements | | financial statements | |
| | | Year ended 31 December | | Year ended 31 December | |
| | | 2020 | 2019 | 2020 | 2019 |
| <i>(in Baht)</i> | | | | | |
| Other comprehensive income | | | | | |
| Items that will be reclassified subsequently to profit or loss | | | | | |
| Exchange differences on translating financial statements | | 3,501,225 | (6,063,839) | - | - |
| Loss on measurement available-for-sale investments | 26 | - | (212,901,898) | - | (212,901,898) |
| Income tax relating to item that will be reclassified | 23 | - | 42,580,380 | - | 42,580,380 |
| Total items that will be reclassified subsequently to profit or loss | | 3,501,225 | (176,385,357) | - | (170,321,518) |
| Items that will not be reclassified to profit or loss | | | | | |
| Gain on investments in equity instruments designated at FVOCI | 26 | 127,057,411 | - | 127,057,411 | - |
| Gains on remeasurements of defined benefit plans | 18 | - | 40,841,202 | - | 36,875,832 |
| Share of other comprehensive income of associates accounted for using equity method | | 1,087,395 | - | - | - |
| Income tax relating to items that will not be reclassified | 23 | (25,208,047) | (7,375,166) | (25,208,047) | (7,375,166) |
| Total items that will not be reclassified to profit or loss | | 102,936,759 | 33,466,036 | 101,849,364 | 29,500,666 |
| Other comprehensive income (expense) for the year, net of tax | | 106,437,984 | (142,919,321) | 101,849,364 | (140,820,852) |
| Total comprehensive income for the year | | 47,114,316 | 576,119,788 | 103,729,207 | 554,423,480 |
| Profit (loss) attributable to: | | | | | |
| Owners of parent | | (52,358,596) | 725,196,331 | 1,879,843 | 695,244,332 |
| Non-controlling interests | | (6,965,072) | (6,157,222) | - | - |
| Profit (loss) for the year | | (59,323,668) | 719,039,109 | 1,879,843 | 695,244,332 |
| Total comprehensive income (expense) attributable to: | | | | | |
| Owners of parent | | 52,992,856 | 585,099,493 | 103,729,207 | 554,423,480 |
| Non-controlling interests | | (5,878,540) | (8,979,705) | - | - |
| Total comprehensive income (expense) for the year | | 47,114,316 | 576,119,788 | 103,729,207 | 554,423,480 |
| Basic earnings (loss) per share (in Baht) | 24 | (0.18) | 2.50 | 0.01 | 2.39 |

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

I.C.C. International Public Company Limited and its Subsidiaries
Statement of changes in equity

| Consolidated financial statements | | | | | | | | | | | | | |
|--|--|---|---|-------------------|----------------------|-----------------------|--|---|--|--|--|----------------------------------|-----------------------|
| | Retained earnings | | | | | | Other components of equity | | | | | | |
| | Issued and paid-up share capital | Share premium on ordinary shares | Share premium on treasury shares | Legal reserve | General reserve | Unappropriated | Translation reserve <i>(in Baht)</i> | Remeasuring in available-for-sale investments | Share of other comprehensive income of associates using equity method | Total other components of equity | Equity attributable to owners of the parent | Non- controlling interests | Total equity |
| Year ended 31 December 2019 | | | | | | | | | | | | | |
| Balance at 1 January 2019 | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,869,149,212 | 11,003,253,799 | (97,085) | 5,488,911,817 | 536,109 | 5,489,350,841 | 20,240,964,558 | 4,269,778 | 20,245,234,336 |
| Transactions with owners, recorded directly in equity | | | | | | | | | | | | | |
| <i>Distributions to owners</i> | | | | | | | | | | | | | |
| Dividends | 25 - | - | - | - | - | (351,666,813) | - | - | - | - | (351,666,813) | - | (351,666,813) |
| Total distributions to owners | - | - | - | - | - | (351,666,813) | - | - | - | - | (351,666,813) | - | (351,666,813) |
| Comprehensive income for the year | | | | | | | | | | | | | |
| Profit or loss | - | - | - | - | - | 725,196,331 | - | - | - | - | 725,196,331 | (6,157,222) | 719,039,109 |
| Other comprehensive income | - | - | - | - | - | 33,466,036 | (3,241,356) | (170,321,518) | - | (173,562,874) | (140,096,838) | (2,822,483) | (142,919,321) |
| Total comprehensive income (expense) for the year | - | - | - | - | - | 758,662,367 | (3,241,356) | (170,321,518) | - | (173,562,874) | 585,099,493 | (8,979,705) | 576,119,788 |
| Transfer to general reserve | - | - | - | - | 92,047,454 | (92,047,454) | - | - | - | - | - | - | - |
| Balance at 31 December 2019 | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,961,196,666 | 11,318,201,899 | (3,338,441) | 5,318,590,299 | 536,109 | 5,315,787,967 | 20,474,397,238 | (4,709,927) | 20,469,687,311 |

I.C.C. International Public Company Limited and its Subsidiaries

Statement of changes in equity

| Consolidated financial statements | | | | | | | | | | | | | | |
|---|--|---|---|-------------------|----------------------|-----------------------|--|-----------------------|--|--|--|----------------------------------|-----------------------|-----------------------|
| | Retained earnings | | | | | | Other components of equity | | | | | | | |
| | Issued and paid-up share capital | Share premium on ordinary shares | Share premium on treasury shares | Legal reserve | General reserve | Unappropriated | Translation reserve <i>(in Baht)</i> | Fair value reserve | Share of other comprehensive income of associates using equity method | Total other components of equity | Equity attributable to owners of the parent | Non- controlling interests | Total equity | |
| Year ended 31 December 2020 | | | | | | | | | | | | | | |
| Balance at 31 December 2019 as reported | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,961,196,666 | 11,318,201,899 | (3,338,441) | 5,318,590,299 | 536,109 | 5,315,787,967 | 20,474,397,238 | (4,709,927) | 20,469,687,311 | |
| Impact of changes in accounting policies | 3 | - | - | - | - | 500,076,867 | - | 6,304,142,342 | - | 6,304,142,342 | 6,804,219,209 | - | 6,804,219,209 | |
| Balance at 1 January 2020 | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,961,196,666 | 11,818,278,766 | (3,338,441) | 11,622,732,641 | 536,109 | 11,619,930,309 | 27,278,616,447 | (4,709,927) | 27,273,906,520 | |
| Transactions with owners, recorded directly in equity | | | | | | | | | | | | | | |
| <i>Distributions to owners</i> | | | | | | | | | | | | | | |
| Dividends | 25 | - | - | - | - | (203,443,611) | - | - | - | - | (203,443,611) | - | (203,443,611) | |
| Decrease in non-controlling interests of the subsidiary from dissolution of the subsidiary | | - | - | - | - | - | - | - | - | - | - | (816,786) | (816,786) | |
| Total distributions to owners | | - | - | - | - | (203,443,611) | - | - | - | - | (203,443,611) | (816,786) | (204,260,397) | |
| Comprehensive income for the year | | | | | | | | | | | | | | |
| Profit or loss | | - | - | - | - | (52,358,596) | - | - | - | - | (52,358,596) | (6,965,072) | (59,323,668) | |
| Other comprehensive income | | - | - | - | - | - | 2,414,693 | 101,849,364 | 1,087,395 | 105,351,452 | 105,351,452 | 1,086,532 | 106,437,984 | |
| Total comprehensive income (expense) for the year | | - | - | - | - | (52,358,596) | 2,414,693 | 101,849,364 | 1,087,395 | 105,351,452 | 52,992,856 | (5,878,540) | 47,114,316 | |
| Transfer to general reserve | | - | - | - | 69,524,434 | (69,524,434) | - | - | - | - | - | - | - | |
| Transfer to retained earnings | | - | - | - | - | 5,677,083 | - | (5,677,083) | - | (5,677,083) | - | - | - | |
| Balance at 31 December 2020 | | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 2,030,721,100 | 11,498,629,208 | (923,748) | 11,718,904,922 | 1,623,504 | 11,719,604,678 | 27,128,165,692 | (11,405,253) | 27,116,760,439 |

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

I.C.C. International Public Company Limited and its Subsidiaries

Statement of changes in equity

| | Note | Separate financial statements | | | | | Unappropriated | Other components of equity | Total equity | |
|--|------|--|-------------------------------------|-------------------------------------|-------------------|----------------------|-----------------------|-------------------------------|-----------------------|---|
| | | Issued and paid-up share capital | Share premium on ordinary shares | Share premium on treasury shares | Retained earnings | | | | | Remeasuring in available-for-sale investments |
| | | | | | Legal reserve | General reserve | | | | |
| <i>(in Baht)</i> | | | | | | | | | | |
| Year ended 31 December 2019 | | | | | | | | | | |
| Balance at 1 January 2019 | | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,869,149,212 | 10,888,944,765 | 5,488,911,817 | 20,126,216,500 | |
| Transactions with owners, recorded directly in equity | | | | | | | | | | |
| <i>Distributions to owners</i> | | | | | | | | | | |
| Dividends | 25 | - | - | - | - | - | (351,666,813) | - | (351,666,813) | |
| Total distributions to owners | | - | - | - | - | - | (351,666,813) | - | (351,666,813) | |
| Comprehensive income for the year | | | | | | | | | | |
| Profit or loss | | - | - | - | - | - | 695,244,332 | - | 695,244,332 | |
| Other comprehensive income | | - | - | - | - | - | 29,500,666 | (170,321,518) | (140,820,852) | |
| Total comprehensive income (expense) for the year | | - | - | - | - | - | 724,744,998 | (170,321,518) | 554,423,480 | |
| Transfer to general reserve | | - | - | - | - | 92,047,454 | (92,047,454) | - | - | |
| Balance at 31 December 2019 | | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,961,196,666 | 11,169,975,496 | 5,318,590,299 | 20,328,973,167 | |

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

I.C.C. International Public Company Limited and its Subsidiaries

Statement of changes in equity

| | Note | Issued and paid-up share capital | Share premium on ordinary shares | Share premium on treasury shares | Separate financial statements | | | Other components of equity | Total equity |
|--|------|--|-------------------------------------|-------------------------------------|-------------------------------|----------------------|-----------------------|-------------------------------|-----------------------|
| | | | | | Retained earnings | | | | |
| | | | | | Legal reserve | General reserve | Unappropriated | | |
| <i>(in Baht)</i> | | | | | | | | | |
| Year ended 31 December 2020 | | | | | | | | | |
| Balance at 31 December 2019 as reported | | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,961,196,666 | 11,169,975,496 | 5,318,590,299 | 20,328,973,167 |
| Impact of changes in accounting policies | 3 | - | - | - | - | - | 497,076,867 | 6,307,142,342 | 6,804,219,209 |
| Balance at 1 January 2020 | | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 1,961,196,666 | 11,667,052,363 | 11,625,732,641 | 27,133,192,376 |
| Transactions with owners, recorded directly in equity | | | | | | | | | |
| <i>Distributions to owners</i> | | | | | | | | | |
| Dividends | 25 | - | - | - | - | - | (203,443,611) | - | (203,443,611) |
| Total distributions to owners | | - | - | - | - | - | (203,443,611) | - | (203,443,611) |
| Comprehensive income for the year | | | | | | | | | |
| Profit or loss | | - | - | - | - | - | 1,879,843 | - | 1,879,843 |
| Other comprehensive income | | - | - | - | - | - | - | 101,849,364 | 101,849,364 |
| Total comprehensive income (expense) for the year | | - | - | - | - | - | 1,879,843 | 101,849,364 | 103,729,207 |
| Transfer to general reserve | | - | - | - | - | 69,524,434 | (69,524,434) | - | - |
| Transfer to retained earnings | | - | - | - | - | - | 5,677,083 | (5,677,083) | - |
| Balance at 31 December 2020 | | 290,633,730 | 1,487,143,830 | 51,433,146 | 50,000,000 | 2,030,721,100 | 11,401,641,244 | 11,721,904,922 | 27,033,477,972 |

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

I.C.C. International Public Company Limited and its Subsidiaries

Statement of cash flows

| | Consolidated | | Separate | |
|---|-----------------------------|---------------------------|-----------------------------|---------------------------|
| | financial statements | | financial statements | |
| | Year ended 31 December | | Year ended 31 December | |
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in Baht)</i> | | | |
| <i>Cash flows from operating activities</i> | | | | |
| Profit (loss) for the year | (59,323,668) | 719,039,109 | 1,879,843 | 695,244,332 |
| <i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i> | | | | |
| Tax expense | 55,757,406 | 56,275,535 | 55,535,799 | 55,875,287 |
| Finance costs | 87,178,276 | 2,315,455 | 84,378,515 | - |
| Depreciation and amortisation | 448,206,514 | 237,386,666 | 440,380,901 | 232,629,804 |
| (Reversal of) impairment loss recognised in profit or loss | (437,822) | 32,703,807 | 12,651,001 | 55,815,255 |
| Gain on derivative | (3,307,917) | - | (3,307,917) | - |
| Share of (profit) loss of investments in associates accounted for using equity method | 29,709,392 | (25,039,094) | - | - |
| Reversal of bad and doubtful debts expenses | - | (1,931,647) | - | (1,517,253) |
| (Reversal of) losses on inventories devaluation | 1,138,328 | (10,076,349) | 3,525,839 | (6,872,958) |
| Loss on impairment real estate projects under development | 349,817 | 1,809,392 | - | - |
| Gain on disposal of assets | (940,535) | (157,239,117) | (900,913) | (157,009,212) |
| (Gain) loss on disposal of investments | - | 1,793,048 | (3,866,418) | 1,793,048 |
| Expenses for employee benefits | 54,894,188 | 64,371,592 | 52,614,575 | 61,098,134 |
| Dividends income | (343,451,334) | (531,071,210) | (358,399,717) | (570,780,051) |
| Interest income | (15,584,780) | (35,028,967) | (17,171,119) | (37,110,754) |
| | <u>254,187,865</u> | <u>355,308,220</u> | <u>267,320,389</u> | <u>329,165,632</u> |
| <i>Changes in operating assets and liabilities</i> | | | | |
| Trade receivables | 334,053,089 | 375,588,490 | 321,560,984 | 369,815,339 |
| Other receivables | (130,487,865) | (19,428,779) | (130,701,465) | (19,428,779) |
| Inventories | 657,295,709 | (291,148,451) | 654,625,830 | (271,364,812) |
| Real estate projects under development | 12,114,468 | 12,155,821 | - | - |
| Other current assets | 83,087,907 | (17,162,596) | 81,903,021 | (20,144,860) |
| Other non-current assets | 15,835,189 | 5,855,242 | 12,172,235 | 3,511,369 |
| Trade payables | (322,626,691) | 54,543,245 | (317,395,536) | 67,468,481 |
| Other payables | (116,893,809) | (153,692,658) | (110,270,163) | (151,600,685) |
| Advance received from rental income | 197,937,392 | - | 197,937,392 | - |
| Other non-current liabilities | (30,381) | (5,517,053) | (445,473) | (5,747,453) |
| Net cash generated from operating activities | <u>984,472,873</u> | <u>316,501,481</u> | <u>976,707,214</u> | <u>301,674,232</u> |
| Provisions for employee benefits paid | (63,408,463) | (50,229,497) | (59,809,411) | (42,808,981) |
| Taxes paid | (28,038,048) | (45,932,351) | (27,514,378) | (43,700,667) |
| Net cash from operating activities | <u>893,026,362</u> | <u>220,339,633</u> | <u>889,383,425</u> | <u>215,164,584</u> |

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

I.C.C. International Public Company Limited and its Subsidiaries

Statement of cash flows

| | Consolidated | | Separate | |
|--|-----------------------------|----------------------|-----------------------------|----------------------|
| | financial statements | | financial statements | |
| | Year ended 31 December | | Year ended 31 December | |
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in Baht)</i> | | | |
| <i>Cash flows from investing activities</i> | | | | |
| Increase (decrease) in current investments | 230,341,340 | (394,080,393) | 230,341,340 | (394,080,393) |
| Proceeds from redemption of debenture held to maturity | - | 20,000,000 | - | 20,000,000 |
| Proceeds from sale of equity securities | 87,844,416 | - | 87,844,416 | - |
| Acquisition of equity securities | (221,890,088) | (226,818,591) | (221,890,088) | (226,818,591) |
| Proceeds from reduction of other non-marketable equity instruments | - | 19,530,816 | - | 19,530,816 |
| Cash receipt from dissolution of the subsidiary | - | - | 3,866,418 | - |
| Acquisition of investments in associates | - | (114,240,000) | - | (114,240,000) |
| Proceeds from sale of assets | 23,184,006 | 237,548,051 | 23,144,286 | 237,318,145 |
| Acquisition of assets | (228,839,651) | (346,637,883) | (227,346,267) | (343,614,682) |
| Proceeds from repayment of loans to related parties and employees | 104,666 | 33,466,892 | 7,104,666 | 52,117,916 |
| Loan to related party | - | - | (1,500,000) | - |
| Loan to other party | (3,550,000) | - | (3,550,000) | - |
| Dividends received | 358,399,717 | 570,780,051 | 358,399,717 | 570,780,051 |
| Interest received | 24,866,852 | 30,367,612 | 26,453,191 | 32,449,399 |
| Net cash from (used in) investing activities | 270,461,258 | (170,083,445) | 282,867,679 | (146,557,339) |
| <i>Cash flows from financing activities</i> | | | | |
| Increase (decrease) in bank overdrafts and short-term borrowing from financial institutions | (6,630,003) | 17,680,164 | - | - |
| Proceeds from short-term borrowings from related parties | 22,000,000 | 20,000,000 | - | - |
| Repayment of short-term borrowings from related parties | (10,000,000) | (20,000,000) | - | - |
| Payment of lease liabilities | (284,831,358) | - | (282,954,654) | - |
| Dividends paid to owners of Company | (203,443,611) | (351,537,209) | (203,443,611) | (351,537,209) |
| Interest paid | (2,187,778) | (2,195,785) | - | - |
| Decrease in non-controlling interests of the subsidiary | 816,786 | - | - | - |
| Net cash used in financing activities | (484,275,964) | (336,052,830) | (486,398,265) | (351,537,209) |
| Net increase (decrease) in cash and cash equivalents, before effect of exchange rate changes | 679,211,656 | -285,796,642 | 685,852,839 | (282,929,964) |
| Effect of exchange rate changes on cash and cash equivalents | 2,250,716 | -4,876,834 | - | - |
| Net increase (decrease) in cash and cash equivalents | 681,462,372 | (290,673,476) | 685,852,839 | (282,929,964) |
| Cash and cash equivalents at 1 January | 1,113,700,825 | 1,404,374,301 | 1,095,120,351 | 1,378,050,315 |
| Cash and cash equivalents at 31 December | 1,795,163,197 | 1,113,700,825 | 1,780,973,190 | 1,095,120,351 |
| <i>Non-cash transactions</i> | | | | |
| Decrease in fair value of investment | 127,057,411 | (212,901,898) | 127,057,411 | (212,901,898) |
| Payable for purchases of assets | (6,661,661) | 4,497,118 | (6,661,661) | 4,003,372 |
| Transfer other non-current assets to right-of-use assets | 16,420,880 | - | 16,420,880 | - |
| Transfer property, plant and equipment to investment properties | 215,399,399 | - | 215,399,399 | - |
| Transfer property, plant and equipment to other intangible assets | 2,950,000 | - | 2,950,000 | - |
| Increase in right-of-use assets | (70,467,364) | - | (70,178,042) | - |
| Decrease in right-of-use assets | 63,507,749 | - | 63,507,749 | - |

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

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

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I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 19 February 2021.

1 General information

I.C.C. International Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in December 1978. The Company’s registered office at 530 Soi Sathupradit 58, Bang Phong Phang subdistrict, Yannawa district, Bangkok.

The Company’s major shareholders during the financial year were Saha Pathana Inter-Holding Public Company Limited (24.79% shareholding) and I.D.F. Company Limited (9.53% shareholding). Both companies were incorporated in Thailand.

The principle activity of the Company is distributing consumer products. Details of the Company’s subsidiaries as at 31 December 2020 and 2019 are given in note 11.

2 Basis of preparation of financial statements

(a) Statement of compliance

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

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 *Financial Instruments* and relevant standards and interpretations and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency.

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

(c) Use of judgements and estimates

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

(i) Judgements

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

- | | |
|-------------|---|
| 4(m) and 14 | Leases: <ul style="list-style-type: none">- whether an arrangement contains a lease;- whether the Group is reasonably certain to exercise extension options;- whether the Group exercise termination options;- whether the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees/sub-leasees; |
| 5 | Impact of COVID-19 Outbreak; |
| 10 | Equity-accounted investees: whether the Group has significant influence over an investee; and |
| 11 | Consolidation: whether the Group has de facto control over an investee. |

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- | | |
|------|--|
| 4(m) | Determining the incremental borrowing rate to measure lease liabilities; |
| 5 | Impact of COVID-19 Outbreak; |
| 8 | Allowance for decline in value is equal to net realisable value; |
| 18 | Measurement of defined benefit obligations: key actuarial assumptions; |
| 23 | Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; |
| 26 | Measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate; and |
| 26 | Determining the fair value of financial instruments on the basis of significant unobservable inputs. |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16 *Leases*. Impact of changes in accounting policies on shareholders' equity are as follows:

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|-------|--|---|--|----------------------------------|
| | | Unappropriated retained earnings | Other components of equity <i>(in thousand Baht)</i> | Unappropriated retained earnings | Other components of equity |
| At 31 December 2019 - as reported | | 11,318,202 | 5,315,788 | 11,169,975 | 5,318,590 |
| <i>Increase (decrease) due to:</i> | | | | | |
| Adoption of TFRS - Financial instruments standards | | | | | |
| (1) Classification of financial instruments | (a.1) | - | 7,917,783 | - | 7,920,783 |
| Reversal of allowance for impairment | | 597,148 | - | 594,148 | - |
| (2) Impairment losses on financial assets | (a.2) | - | - | - | - |
| (3) Derivative | (a.3) | (9,403) | - | (9,403) | - |
| Related tax | | (87,668) | (1,613,641) | (87,668) | (1,613,641) |
| Adoption of TFRS 16 - net of tax | (b) | - | - | - | - |
| At 1 January 2020 | | 11,818,279 | 11,619,930 | 11,667,052 | 11,625,732 |

A. TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings and other components of equity on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019. The disclosure requirements of TFRS for financial instruments have not generally been applied to comparative information.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The details of accounting policies are disclosed in note 4(d) and 4(n). The impact from adoption of TFRS - Financial instruments standards are as follows:

(a.1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed. However, the Group may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

The following table shows classification and measurement categories under TAS 105 and TFRS 9.

| Consolidated and separate financial statements | | | |
|---|---------------------|--|--|
| Classification under TAS 105 at 31 December 2019 | | Classification under TFRS 9 at 1 January 2020 | |
| | Carrying amounts | Fair value through profit or loss | Fair value through other comprehensive income |
| <i>(in thousand Baht)</i> | | | |
| Other financial assets | | | |
| Equity instruments available-for-sale | 8,917,669 | - | 8,917,669 |
| Other non-marketable equity instruments | 1,992,851 | - | 10,507,782 |
| | <u>10,910,520</u> | <u>-</u> | <u>19,425,451</u> |
| Derivative liabilities | - | (9,403) | - |

The Group and the Company intends to hold non-marketable equity securities, for the long-term strategic purposes. The Group has designated them as measured at FVOCI. The accumulated gain (loss) on measurement of these investments will not be reclassified to profit or loss.

(a.2) Impairment - Financial assets

TFRS 9 introduces the ‘expected credit loss’ (ECL) model whereas previously the Group estimated the allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets, lease receivables and debt investments measured at FVOCI, except for investments in equity instruments.

The Group has determined that the application of TFRS 9’s impairment requirements at 1 January 2020 results in no material impact on the financial statements.

(a.3) Derivatives

Under TFRS 9, all derivatives are measured at fair value in the statement of financial position. The Group designates certain derivative held for risk management.

Previously, TFRS were silent on the requirements of derivatives held for risk management purposes. In 2019, the Group accounted for these transactions when they were exercised.

| | Consolidated financial statements | Separate financial statements |
|--|--|--|
| | <i>(in thousand Baht)</i> | |
| Impact of derivative as at 1 January 2020 | | |
| Increase in other current financial liabilities | (9,403) | (9,403) |
| Increase in deferred tax liabilities | 1,881 | 1,881 |
| Decrease in retained earnings | (7,522) | (7,522) |

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B. TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases and relevant lease incentives in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group has elected not to separate non-lease components and account for the transaction as a single lease component. As at 1 January 2020, the Group and the Company recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

| <i>Impact from the adoption of TFRS 16</i> | Consolidated financial statements | Separate financial statements |
|---|--|--|
| | <i>(in thousand Baht)</i> | |
| <i>At 1 January 2020</i> | | |
| Increase in right-of-use assets | 641,152 | 637,927 |
| Decrease in leasehold rights | (16,421) | (16,421) |
| Increase in lease liabilities | 624,731 | 621,506 |
| Retained earnings | - | - |
| | | |
| | Consolidated financial statements | Separate financial statements |
| <i>Measurement of lease liability</i> | <i>(in thousand Baht)</i> | |
| Operating lease commitment as disclosed at 31 December 2019 | 126,222 | 122,278 |
| Extension and termination options reasonably certain to be exercised | 709,384 | 709,116 |
| | 835,606 | 831,394 |
| Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020 | 624,731 | 621,506 |
| Weighted-average incremental borrowing rate (% per annum) | 1.73 | 1.73 |

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4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

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

Subsidiaries

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

Non-controlling interests

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

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

Interests in equity - accounted investees

The Group’s interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

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

Transactions eliminated on consolidation

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

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(b) *Investments in subsidiaries and associates*

Investments in subsidiaries and associates in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

Disposal of investments in the separate financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

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

(c) *Foreign currencies*

Foreign currency transactions

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

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

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

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI (*2019: available-for-sale equity investments*) (except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss).

Foreign operations

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

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

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

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

(d) Financial instruments

Accounting policies applicable from 1 January 2020

(d.1) Recognition and initial measurement

Trade receivables, debt securities issued and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

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Financial assets – subsequent measurement and gains and losses

| | |
|------------------------------------|---|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. |
| Financial assets at amortised cost | These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. |
| Debt investments at FVOCI | These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. |
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. |

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(d.3) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.5) Derivatives

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Accounting policies applicable before 1 January 2020

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

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

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

Disposal of investments

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

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

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Derivatives

Derivatives were recognised when they were exercised.

(e) *Cash and cash equivalents*

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

(f) *Trade and other accounts receivable*

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

A receivable is measured at transaction price less allowance for expected credit loss (*2019: allowance for doubtful accounts*) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(g) *Inventories*

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

Cost of inventories in categories of trading, consignment goods sales to distributor with condition, manufactured inventories and work-in-progress are calculated using the weighted average cost principle and for cost of inventories on real estate-condominium is calculated using the specific method. Cost of inventory comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

(h) *Real estate development projects*

Real estate development projects are projects for the development of properties with the intention of sale in the ordinary course of business. They are stated at the lower of cost and estimated net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

The cost of real estate development projects comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding real estate development projects are capitalised, on a specific identification basis, as part of the cost of the property until the completion of development.

(i) *Sales VAT on consignment sales of inventories*

Sales VAT on consignment sales shall be recorded and payable when the goods have been delivered to distributor and sales VAT has been submitted to the Revenue Department. This sales VAT shall be recorded as current asset in the statement of financial position. The Company shall also call for VAT from distributor after the goods have been sold to customers.

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(j) *Investment properties*

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

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

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

| | |
|-------------------|---------------|
| Land improvements | 5 years |
| Buildings | 10 - 40 years |

(k) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property and accounted for at book value.

Subsequent costs

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

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Depreciation

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

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment except for the computer has been determined by using the Sum of Year's Digits Method. The estimated useful lives are as follows:

| | | |
|----------------------------|---------|-------|
| Buildings and improvements | 20 - 50 | years |
| Office equipment | 3 - 5 | years |
| Furniture and fixtures | 5 | years |
| Vehicles | 5 | years |

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

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

(l) Intangible assets

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives which were trademarks and license database of customers are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

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

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

| | | |
|-------------------------------|----|-------|
| Trademarks | 10 | years |
| License database of customers | 10 | years |
| Software licenses | 10 | years |

No depreciation is provided on software under development.

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

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(m) Lease

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises finance lease receivables at the amount of the Group's net investment in the lease, which comprises the present value of the lease payments and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group applies the derecognition and impairment requirements in TFRS 9 to the net investment in the lease (See note 4(m)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

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

(n) *Impairment of financial assets*

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, loans to others and related parties), debt investments measured at FVOCI, contract assets, lease receivables, and loan commitments issued which are not measured at FVTPL.

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Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 12 months past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Group recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

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Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 12 months past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 January 2020

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

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

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

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

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

Reversal of impairment

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

(o) Impairment of non-financial assets

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

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An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

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

(p) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

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

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

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

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

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Other long-term employee benefits

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

Termination benefits

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

Short-term employee benefits

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

(q) Provisions

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

(r) Measurement of fair values

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

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The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

(s) Revenue

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

Sale of goods

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Sale of real estate

Sale of real estate development project is recognised when the construction works are completed and the ownership has been transferred to buyers.

(t) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

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(u) Interest

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

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

(v) Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

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

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

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

(w) *Earnings (loss) per share*

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

(x) *Related parties*

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

(y) *Segment reporting*

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

5 Impact of COVID-19 Outbreak

In March 2020, in an effort to contain the impact of COVID-19, provincial governments decided to temporarily shut down or reduce operating hours of the Group's operating offices since 22 March 2020. The management is closely monitoring the situation to ensure the safety of the Group's staff and to manage the negative impact on the business as much as possible. At 31 December 2020, the situation of COVID-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak on the following:

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(a) Lease modifications

In March 2020, the Group was granted a rent concession starting from March 2020 as a result of the COVID-19 situation. The Group has monthly deducted lease liabilities in proportion to the reduced rental, reversed depreciation of ROU assets and interest on lease liabilities in proportion to the reduced rental, and recognised the differences to profit or loss for the year ended 31 December 2020, amounting to Baht 2.85 million in the consolidated financial statements.

6 Related parties

Relationships with associates and subsidiaries are described in notes 10 and 11. Other related parties that the Group had significant transactions with during the year were as follows:

| Name of entities | Country of incorporation/ nationality | Ownership interest (%) | Nature of relationships |
|--|--|-------------------------------|---|
| Key management personnel | Thai | - | Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company. |
| Saha Pathana Inter-Holding Plc. | Thai | 9.97 | Major shareholders, 24.79% shareholding, some common shareholders and directors |
| I.D.F. Company Limited | Thai | 9.00 | Major shareholders, 9.53% shareholding, some common shareholders and directors |
| Saha Pathanapibul Plc. | Thai | 10.19 | 8.53% shareholding, some common shareholders and directors |
| Tiger Distribution & Logistics Co., Ltd. | Thai | 19.90 | Some common directors |
| Sahapat Real Estate Co., Ltd. | Thai | 19.90 | Some common directors |
| O.C.C. Plc. | Thai | 19.73 | 0.55% shareholding, some common directors |
| SSDC (Tigertex) Co., Ltd. | Thai | 19.58 | Some common directors |
| International Laboratories Co., Ltd. | Thai | 19.56 | 1.10% shareholding, some common directors |
| DF Inter Co., Ltd. | Thai | 19.00 | Some common directors |
| Thai Cubic Technology Co., Ltd. | Thai | 19.00 | Some common directors |
| H & B Intertex Co., Ltd. | Thai | 19.00 | Some common directors |
| International Commercial Coordination (Hong Kong) Ltd. | Hong Kong | 19.00 | Some common directors |
| Pan Asia Footwear Plc. | Thai | 18.91 | Some common directors |
| United Utilities Co., Ltd. | Thai | 18.56 | Some common directors |
| Top Trend Manufacturing Co., Ltd. | Thai | 18.00 | Some common directors |

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| Name of entities | Country of incorporation/ nationality | Ownership interest (%) | Nature of relationships |
|--|--|-------------------------------|---|
| SHOP Global (Thailand) Co., Ltd. | Thai | 17.42 | Some common directors |
| Bangkok Tokyo Socks Co., Ltd. | Thai | 17.31 | Some common directors |
| Pan Land Co., Ltd. | Thai | 16.67 | Some common directors |
| BNC Real Estate Co., Ltd. | Thai | 16.67 | Some common directors |
| Better Way (Thailand) Co., Ltd. | Thai | 16.48 | Some common directors |
| Erawan Textile Co., Ltd. | Thai | 16.41 | Some common directors |
| Thai Gunze Co., Ltd. | Thai | 16.00 | Some common directors |
| Shiseido Professional (Thailand) Co., Ltd. | Thai | 15.00 | Some common directors |
| Tsuruha (Thailand) Co., Ltd. | Thai | 15.00 | Some common directors |
| S & J International Enterprises Plc. | Thai | 14.61 | Some common directors |
| K. Commercial and Construction Co., Ltd. | Thai | 14.50 | Some common directors |
| Raja Uchino Co., Ltd. | Thai | 13.59 | Some common directors |
| Thai Takeda Lace Co., Ltd. | Thai | 12.76 | Some common directors |
| Champ Ace Co., Ltd. | Thai | 12.50 | Some common directors |
| Treasure Hill Co., Ltd. | Thai | 12.00 | Some common directors |
| Morgan De Toi (Thailand) Co., Ltd. | Thai | 12.00 | Some common directors are close member of the family of the Company's management |
| Lion Corporation (Thailand) Co., Ltd. | Thai | 12.00 | Some common directors are close member of the family of the Company's management |
| Thai Sports Garment Co., Ltd. | Thai | 12.00 | Some common directors |
| Sahacogen (Chonburi) Plc. | Thai | 11.30 | Some common directors |
| Thanulux Plc. | Thai | 11.09 | 3.44% shareholding, some common directors |
| Kewpie (Thailand) Co., Ltd. | Thai | 10.77 | Some common directors are close member of the family of the Company's management |
| Waseda Education (Thailand) Co., Ltd. | Thai | 10.71 | Some common directors |
| Textile Prestige Plc. | Thai | 10.43 | Some common directors |
| Far East DDB Plc. | Thai | 10.14 | Some common directors |
| Kai I.T. Service Co., Ltd. | Thai | 10.00 | Indirect holding by Vitayasithi Co., Ltd. |
| Thai Takaya Co., Ltd. | Thai | 10.00 | Some common directors are close member of the family of the Company's management |
| Total Way Image Co., Ltd. | Thai | 10.00 | Some common directors are close member of the family of the Company's management |
| E.P.F. Co., Ltd. | Thai | 10.00 | Some common directors are close member of the family of the Company's management |
| Worldbest Corporation Co., Ltd. | Thai | 10.00 | Some common directors |
| Saha Capital Tower Co., Ltd. | Thai | 10.00 | Some common directors |

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| Name of entities | Country of incorporation/ nationality | Ownership interest (%) | Nature of relationships |
|--|--|-------------------------------|--|
| K.T.Y. Industry Co., Ltd. | Thai | 9.93 | Some common directors |
| Dairy Thai Co., Ltd. | Thai | 9.13 | Some common directors are close member of the family of the Company's management |
| First United Industry Co., Ltd. | Thai | 9.12 | Some common directors |
| Wien International Co., Ltd. | Thai | 9.00 | Some common directors |
| Osoth Inter Laboratories Co., Ltd. | Thai | 9.00 | Some common directors |
| Saha Lawson Co., Ltd. | Thai | 9.00 | Some common directors are close member of the family of the Company's management |
| Transcosmos (Thailand) Co., Ltd. | Thai | 9.00 | Some common directors |
| American Food Co., Ltd. | Thai | 9.00 | Some common directors are close member of the family of the Company's management |
| Sun 108 Co., Ltd. | Thai | 8.25 | Some common directors |
| Janome (Thailand) Co., Ltd. | Thai | 8.00 | Some common directors |
| Thai Bunka Fashion Co., Ltd. | Thai | 8.00 | Some common directors are close member of the family of the Company's management |
| Thai Staflex Co., Ltd. | Thai | 8.00 | Some common directors |
| Molten Asia Polymer Products Co., Ltd. | Thai | 7.80 | Some common directors are close member of the family of the Company's management |
| Seino Saha Logistic Co., Ltd. | Thai | 7.75 | Some common directors are close member of the family of the Company's management |
| Sahachol Food Supplies Co., Ltd. | Thai | 6.90 | Some common directors |
| SRP Nanasai Co., Ltd. | Thai | 6.33 | Some common directors |
| Molten (Thailand) Co., Ltd. | Thai | 6.00 | Some common directors are close member of the family of the Company's management |
| Sahapat Properties Co., Ltd. | Thai | 5.75 | Some common directors |
| Pattaya Manufacturing Co., Ltd. | Thai | 5.33 | Some common directors |
| People's Garment Plc. | Thai | 5.25 | 0.60% shareholding, some common directors |
| Thai Wacoal Plc. | Thai | 5.09 | 3.80% shareholding, some common directors |
| Thai Monster Co., Ltd. | Thai | 5.00 | Some common directors are close member of the family of the Company's management |
| Saha Komehyo Co., Ltd. | Thai | 5.00 | Some common directors |
| BNC Maesot Co., Ltd. | Thai | 5.00 | Some common directors |

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| Name of entities | Country of incorporation/ nationality | Ownership interest (%) | Nature of relationships |
|---|--|-------------------------------|---|
| Thai Hoover Industry Co., Ltd. | Thai | 4.75 | Some common directors |
| Thai Arusu Co., Ltd. | Thai | 4.17 | Some common directors |
| The Mall Ratchasima Co., Ltd. | Thai | 4.00 | Some common directors are close member of the family of the Company's management |
| Ratchasima Shopping Complex Co., Ltd. | Thai | 4.00 | Some common directors are close member of the family of the Company's management |
| Pens Marketing and Distribution Co., Ltd. | Thai | 3.50 | Some common directors |
| Thai Naxis Co., Ltd. | Thai | 3.38 | Some common directors |
| Thai President Foods Plc. | Thai | 1.25 | Some common directors are close member of the family of the Company's management |
| President Bakery Plc. | Thai | 0.70 | Some common directors are close member of the family of the Company's management |
| Newcity (Bangkok) Plc. | Thai | 0.79 | Some common directors are close member of the family of the Company's management |
| Can Co., Ltd. | Thai | - | Some common directors |
| Koraj Watana Co., Ltd. | Thai | - | Some common directors |
| Sun and Sand Co., Ltd. | Thai | - | Some common directors |
| Paknumpo Wattana Co., Ltd. | Thai | - | Some common directors |
| Maharachapreuk Co., Ltd. | Thai | - | Some common directors |
| Vira Law Office Co., Ltd. | Thai | - | Some common directors |
| Sukhatasana Co., Ltd. | Thai | - | Some common directors |
| Intanin Chiangmai Co., Ltd. | Thai | - | Some common directors |
| Inter South Co., Ltd. | Thai | - | Some common directors |
| Eastern I.C.C. Co., Ltd. | Thai | - | Some common directors |
| S.T. (Thailand) Co., Ltd. | Thai | - | Some common directors are close member of the family of the Company's management |
| International Commercial Coordination Co., Ltd. | Thai | - | Some common directors |
| Train Time Test Co., Ltd. | Thai | - | Some common directors |
| Best Factory Outlet Co., Ltd. | Thai | - | Some common directors |
| Champ Kabin Co., Ltd. | Thai | - | Some common directors |
| WBLP Co., Ltd. | Thai | - | Some common directors |
| Scentimetal (Thailand) Co., Ltd. | Thai | - | Some common directors |
| Munk Production Co., Ltd. | Thai | - | Some common directors |
| Data First Co., Ltd. | Thai | - | Some common directors |

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

| Transactions | Pricing policies |
|--|---|
| Sales of goods | Market price or contractually agreed prices |
| Dividends income | According to the declaration |
| Other income | Contractually agreed prices |
| Purchase of goods or receiving of services | Contractually agreed prices |
| Purchase/sale of assets | Contractually agreed prices |
| Distribution costs | Contractually agreed prices |
| Other expenses | Contractually agreed prices |
| Interest income | At the rates of 0.90% - 6.03% per annum |
| Interest expense | At the rates of 3% - 4% per annum |
| Rental income | Contractually agreed prices |
| Rental expense | Contractually agreed prices |

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

| <i>Year ended 31 December</i> | Consolidated | | Separate | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | | | | |
| Sales of goods | - | - | 16,933 | 24,792 |
| Other income | - | - | 7,564 | 8,591 |
| Purchases of goods | - | - | 57,913 | 110,895 |
| Distribution costs | - | - | 3,969 | 10,012 |
| Other expenses | - | - | 1,834 | 1,475 |
| Associates | | | | |
| Sales of goods | 92 | 428 | 26 | 361 |
| Dividends income | 14,948 | 39,709 | 14,948 | 39,709 |
| Other income | 1,816 | 4,566 | 1,816 | 4,566 |
| Purchases of goods | 74,824 | 122,023 | 74,824 | 122,023 |
| Distribution costs | 277 | 301 | 277 | 301 |
| Other expenses | 5,930 | 7,372 | 5,639 | 7,046 |
| Other related parties | | | | |
| Sales of goods | 315,902 | 383,398 | 302,312 | 367,511 |
| Dividends income | 322,122 | 487,719 | 322,122 | 487,719 |
| Other income | 153,594 | 149,481 | 153,589 | 149,419 |
| Purchases of goods | 4,754,533 | 6,600,023 | 4,754,139 | 6,585,790 |
| Purchase of assets | 41,476 | 109,068 | 41,476 | 109,023 |
| Distribution costs | 214,345 | 295,408 | 214,332 | 295,332 |
| Other expenses | 51,576 | 97,513 | 49,272 | 94,564 |
| Key management personnel | | | | |
| Key management personnel compensation | | | | |
| Short-term employee benefits | 59,668 | 79,116 | 55,982 | 74,721 |
| Long-term benefits | 7,910 | 7,882 | 5,659 | 6,649 |
| Total key management personnel compensation | 67,578 | 86,998 | 61,641 | 81,370 |

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

| <i>Trade accounts receivable</i> | Consolidated financial statements | | Separate financial statements | |
|--|--|----------------|--|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | - | - | 6,385 | 10,953 |
| Associates | - | 118 | - | 118 |
| Other related parties | 89,998 | 104,613 | 89,008 | 102,272 |
| Total | 89,998 | 104,731 | 95,393 | 113,343 |
| Less allowance for expected credit loss (2019: allowance for doubtful accounts) | (907) | (1,289) | (907) | (1,289) |
| Net | 89,091 | 103,442 | 94,486 | 112,054 |
| Reversal of expected credit losses (2019: Bad and doubtful debts expense) for the year | (382) | (6,888) | (382) | (6,888) |

| <i>Other receivables</i> | Consolidated financial statements | | Separate financial statements | |
|--------------------------|--|---------------|--|---------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | - | - | 576 | 93 |
| Associates | 4 | 227 | 4 | 227 |
| Other related parties | 153,646 | 43,076 | 153,646 | 43,076 |
| Total | 153,650 | 43,303 | 154,226 | 43,396 |

| <i>Short-term loans to</i> | Interest rate | | Consolidated financial statements | | |
|----------------------------|------------------------------------|-----------------|--|----------|-------------------|
| | At 31 December (% per annum) | At 1 January | Increase | Decrease | At 31 December |
| | <i>(in thousand Baht)</i> | | | | |
| 2020 | | | | | |
| Associates | 5.25 - 6.03 | 27,500 | - | - | 27,500 |
| Other related parties | 3.43 - 3.98 | 30,000 | - | - | 30,000 |
| Total | | 57,500 | | | 57,500 |
| 2019 | | | | | |
| Associates | 6.03 | 60,000 | - | (32,500) | 27,500 |
| Other related parties | 3.98 - 4.38 | 30,000 | - | - | 30,000 |
| Total | | 90,000 | | | 57,500 |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

| <i>Short-term loans to</i> | Interest rate | | Separate financial statements | | |
|--|------------------------------------|-----------------|--------------------------------------|----------|-------------------|
| | At 31 December (% per annum) | At 1 January | Increase | Decrease | At 31 December |
| 2020 | | | | | |
| Subsidiaries | 0.90 - 1.72 | 124,000 | 1,500 | (7,000) | 118,500 |
| Associates | 5.25 - 6.03 | 27,500 | - | - | 27,500 |
| Other related parties | 3.43 - 3.98 | 30,000 | - | - | 30,000 |
| Total | | 181,500 | | | 176,000 |
| 2019 | | | | | |
| Subsidiaries | 1.50 - 1.52 | 142,651 | - | (18,651) | 124,000 |
| Associates | 6.03 | 60,000 | - | (32,500) | 27,500 |
| Other related parties | 3.98 - 4.38 | 30,000 | - | - | 30,000 |
| Total | | 232,651 | | | 181,500 |
| <i>Less allowance for expected credit loss (2019: allowance for doubtful accounts)</i> | | (141) | | | - |
| Net | | 232,510 | | | 181,500 |

| <i>Trade accounts payable</i> | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--|------------------|--------------------------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | - | - | 1,449 | 21,708 |
| Associates | 16,715 | 19,830 | 16,715 | 19,830 |
| Other related parties | 828,057 | 1,148,239 | 826,203 | 1,144,820 |
| Total | 844,772 | 1,168,069 | 844,367 | 1,186,358 |

| <i>Other payables</i> | Consolidated financial statements | | Separate financial statements | |
|-----------------------|--|----------------|--------------------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | - | - | 177 | 303 |
| Associates | 1,326 | 1,274 | 1,310 | 1,238 |
| Other related parties | 54,425 | 118,741 | 54,425 | 118,741 |
| Total | 55,751 | 120,015 | 55,912 | 120,282 |

| <i>Lease liabilities</i> | Consolidated financial statements | | Separate financial statements | |
|--------------------------|--|----------|--------------------------------------|----------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Other related parties | 42,631 | - | 42,173 | - |
| Total | 42,631 | - | 42,173 | - |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

| | Interest rate | | Consolidated financial statements | | |
|---------------------------------------|------------------------------------|-----------------|---|--------------------------------|-------------------|
| | At 31 December (% per annum) | At 1 January | Increase (in thousand Baht) | Decrease (in thousand Baht) | At 31 December |
| <i>Short-term loans from</i> | | | | | |
| 2020 | | | | | |
| Other related parties | 3.00 | 10,000 | 22,000 | (10,000) | 22,000 |
| Total | | 10,000 | | | 22,000 |
| 2019 | | | | | |
| Other related party | 4.00 | 10,000 | 20,000 | (20,000) | 10,000 |
| Total | | 10,000 | | | 10,000 |
| | | | Consolidated and separate financial statements | | |
| <i>Other commitments</i> | | | 2020 | 2019 | |
| | | | <i>(in thousand Baht)</i> | | |
| Guarantees for related parties | | | 401,402 | 334,970 | |

7 Cash and cash equivalents

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | | | | |
| | | | <i>(in thousand Baht)</i> | |
| Cash on hand | 2,908 | 1,563 | 2,645 | 1,492 |
| Cash at banks-current accounts | 303,056 | 224,020 | 300,192 | 218,637 |
| Cash at banks-saving accounts | 680,669 | 546,726 | 671,052 | 533,771 |
| Highly liquid short-term investment | 804,280 | 333,700 | 804,280 | 333,700 |
| Others | 4,250 | 7,692 | 2,804 | 7,520 |
| Cash and cash equivalents in the statement of financial position and cash flows | 1,795,163 | 1,113,701 | 1,780,973 | 1,095,120 |

As at 31 December 2020, the Group has fixed deposit receipt with maturity period less than 3 months issued by financial institutions in amounting to Baht 804.28 million (2019: Baht 333.70 million) with interest rates between 0.30% - 0.50% per annum (2019: 0.90% - 1.00% per annum), which was recorded as highly liquid short-term investments.

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

8 Inventories

| | Consolidated financial statements | | Separate financial statements | |
|--|--|-------------------------|--|-------------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Finished goods | 1,222,995 | 1,258,411 | 1,219,193 | 1,257,412 |
| Consignment goods | 1,723,021 | 2,338,341 | 1,722,334 | 2,338,341 |
| Work in process | 5,495 | 8,123 | - | - |
| Raw material | 31,233 | 33,995 | - | - |
| Goods in transit | 88,319 | 89,489 | 88,319 | 88,718 |
| Less allowance for decline in value | <u>(84,139)</u> | <u>(83,001)</u> | <u>(56,374)</u> | <u>(52,848)</u> |
| | 2,986,924 | 3,645,358 | 2,973,472 | 3,631,623 |
| Real estate awaiting for sale | | | | |
| - Condominium | 12,855 | 12,855 | 12,855 | 12,855 |
| Total | <u>2,999,779</u> | <u>3,658,213</u> | <u>2,986,327</u> | <u>3,644,478</u> |
| Inventories recognised in ‘cost of sales of goods’: | | | | |
| - Cost | 5,488,245 | 7,578,099 | 5,363,685 | 7,440,372 |
| - (Reversal of) write-down to net realisable value | <u>1,138</u> | <u>(10,076)</u> | <u>3,526</u> | <u>(6,873)</u> |
| Net | <u>5,489,383</u> | <u>7,568,023</u> | <u>5,367,211</u> | <u>7,433,499</u> |

9 Real estate projects under development

| | Consolidated financial statements | | Separate financial statements | |
|--|--|-----------------------|--|-----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Show houses | 7,719 | 7,541 | - | - |
| Land and development costs of projects for sale | 27,934 | 44,312 | - | - |
| Construction in progress | 64,557 | 60,471 | - | - |
| Less allowance for decline in value | <u>(2,159)</u> | <u>(1,809)</u> | <u>-</u> | <u>-</u> |
| Total | <u>98,051</u> | <u>110,515</u> | <u>-</u> | <u>-</u> |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

10 Investments in associates

| | Consolidated financial statements | | Separate financial statements | |
|--|--|---------------------------|--|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | | | | |
| | | <i>(in thousand Baht)</i> | | |
| At 1 January | 935,930 | 837,165 | 707,323 | 593,443 |
| Share of net profits (losses) of associates | (29,709) | 25,039 | - | - |
| Share of other comprehensive income of associates | 1,087 | - | - | - |
| Acquisitions/additional investments | - | 114,240 | - | 114,240 |
| Dividends income | (14,948) | (39,709) | - | - |
| Allowance for impairment | - | (360) | (96) | (360) |
| Currency transaction differences | (122) | (445) | - | - |
| At 31 December | 892,238 | 935,930 | 707,227 | 707,323 |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

Investments in associates as at 31 December 2020 and 2019, and dividend income from those investments for the year then ended were as follows;

| | Type of business | Ownership interest | | Paid-up capital | | Cost | | Allowance for impairment | | At Cost - Net | | Equity | | Dividend income for the year | |
|---|---|--------------------|-------|--------------------|---------|----------------|----------------|--------------------------|--------------|----------------|----------------|----------------|----------------|------------------------------|---------------|
| | | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | | (%) | | (in thousand Baht) | | | | | | | | | | | |
| Associates | | | | | | | | | | | | | | | |
| Nanan Cambo Solution Co., Ltd. | Investing in property | 49.00 | 49.00 | 12,960 | 12,960 | 6,475 | 6,475 | (640) | (544) | 5,835 | 5,931 | 5,232 | 5,293 | - | - |
| Boon Capital Holding Co., Ltd. | Investment | 32.00 | 32.00 | 700,000 | 700,000 | 224,000 | 224,000 | - | - | 224,000 | 224,000 | 237,358 | 228,263 | - | - |
| International Leather Fashion Co., Ltd. | Leather shoes | 28.00 | 28.00 | 50,000 | 50,000 | 21,728 | 21,728 | - | - | 21,728 | 21,728 | 33,362 | 39,900 | 560 | 560 |
| Thai Secom Security Co., Ltd. | Sales and lender of burglar alarm systems and securities service provider | 25.50 | 25.50 | 378,934 | 378,934 | 196,983 | 196,983 | - | - | 196,983 | 196,983 | 282,824 | 261,578 | 11,595 | 9,276 |
| Issara United Co., Ltd. | Property Development | 25.00 | 25.00 | 300,000 | 300,000 | 74,999 | 74,999 | - | - | 74,999 | 74,999 | 177,493 | 185,017 | - | 7,500 |
| Worldclass Rent a Car Co., Ltd. | Rent car | 25.00 | 25.00 | 380,000 | 380,000 | 93,682 | 93,682 | - | - | 93,682 | 93,682 | 75,003 | 128,235 | 2,793 | 7,973 |
| Issara United Development Co., Ltd. | Hotel | 25.00 | 25.00 | 360,000 | 360,000 | 90,000 | 90,000 | - | - | 90,000 | 90,000 | 80,966 | 87,644 | - | 14,400 |
| Total | | | | | | 707,867 | 707,867 | (640) | (544) | 707,227 | 707,323 | 892,238 | 935,930 | 14,948 | 39,709 |

All associates mainly operate in Thailand, except Nanan Cambo Solution Co., Ltd. which operates in Cambodia.

None of the Group's associates are publicly listed and consequently do not have published price quotations.

I.C.C. International Public Company Limited and its subsidiaries
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The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

| | Boon Capital Holding Co., Ltd. | | Thai Secom Security Co., Ltd. | |
|---|-----------------------------------|-----------------------|----------------------------------|-------------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Revenue | 38,085 | 22,114 | 1,709,254 | 1,712,390 |
| Profit from continuing operations | 28,423 | 12,257 | 134,381 | 101,493 |
| Other comprehensive income | - | - | 4,264 | - |
| Total Comprehensive income (100%) | <u>28,423</u> | <u>12,257</u> | <u>138,645</u> | <u>101,493</u> |
| Group's share of total comprehensive income | 9,095 | 3,922 | 35,354 | 25,881 |
| Current assets | 20,338 | 9,163 | 1,489,187 | 1,359,906 |
| Non-current assets | 1,055,561 | 1,038,278 | 383,119 | 390,113 |
| Current liabilities | (334,155) | (334,120) | (264,082) | (236,999) |
| Non-current liabilities | - | - | (254,166) | (251,743) |
| Net assets | <u>741,744</u> | <u>713,321</u> | <u>1,354,058</u> | <u>1,261,277</u> |
| Carrying amount of interest in associate | 237,358 | 228,263 | 282,824 | 261,578 |

Immaterial associates

The Group also has interest in a number of individually immaterial associates.

The following is summarised financial information for the Group's interest in immaterial associates based on the amounts reported in the Group's consolidated financial statements:

| | Immaterial associates | |
|---|------------------------------|-----------------------|
| | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | |
| Carrying amount of interests in immaterial associates | 372,056 | 446,089 |
| Group's share of: | | |
| - Profit from continuing operations | (73,071) | (4,764) |
| - Other comprehensive income | - | - |
| - Total comprehensive income | <u>(73,071)</u> | <u>(4,764)</u> |

11 Investments in subsidiaries

| | Separate financial statements | |
|--------------------------------------|--|----------------------|
| | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | |
| At 1 January | 39,442 | 47,253 |
| Liquidation | (48,924) | - |
| Reversal of allowance for impairment | 48,924 | - |
| Allowance for impairment | <u>(12,993)</u> | <u>(7,811)</u> |
| At 31 December | <u>26,449</u> | <u>39,442</u> |

I.C.C. International Public Company Limited and its subsidiaries
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Investments in subsidiaries as at 31 December 2020 and 2019, and dividend income from those investments for the year then ended were as follows:

| | Type of business | Ownership interest | | Paid-up capital | | Separate financial statements | | | | At cost - net | | Dividend income for the year | |
|----------------------------------|---|--------------------|-------|-----------------|---------|-------------------------------|----------------|------------------|------------------|---------------|---------------|------------------------------|----------|
| | | 2020 | 2019 | 2020 | 2019 | Cost | | Impairment | | 2020 | 2019 | 2020 | 2019 |
| | | (%) | | | | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Subsidiaries | | | | | | | | | | | | | |
| WBRE Co., Ltd. | Property Development | 99.99 | 99.99 | 50,000 | 50,000 | 49,999 | 49,999 | (37,376) | (24,383) | 12,623 | 25,616 | - | - |
| Amis Du Monde SARL | Trading | - | 81.99 | - | 53,785 | - | 48,924 | - | (48,924) | - | - | - | - |
| Canchana International Co., Ltd. | Distributing | 60.00 | 60.00 | 16,300 | 16,300 | 13,826 | 13,826 | - | - | 13,826 | 13,826 | - | - |
| Thai Itokin Co., Ltd. | Manufacturing and distributing apparels | 58.16 | 58.16 | 111,250 | 111,250 | 80,101 | 80,101 | (80,101) | (80,101) | - | - | - | - |
| Total | | | | | | <u>143,926</u> | <u>192,850</u> | <u>(117,477)</u> | <u>(153,408)</u> | <u>26,449</u> | <u>39,442</u> | <u>-</u> | <u>-</u> |

All subsidiaries were operate in Thailand, except Amis Du Monde SARL which was operate in France and Canchana International Co., Ltd. which was operate in Cambodia.

At 31 December 2020, Amis Du Monde SARL has completed the liquidation and returned its capital to the Company amounting to Euro 0.11 million.

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations.

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

12 Investment properties

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------|--|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Cost | | | | |
| At 1 January | 1,152,179 | 1,227,985 | 1,241,585 | 1,317,391 |
| Additions | - | 3 | - | 3 |
| Transfers from property, plant and equipment | 215,399 | - | 215,399 | - |
| Disposals | (7,278) | (75,809) | (7,278) | (75,809) |
| At 31 December | 1,360,300 | 1,152,179 | 1,449,706 | 1,241,585 |
| Depreciation and impairment losses | | | | |
| At 1 January | (224,486) | (222,968) | (248,235) | (245,403) |
| Depreciation charge for the year | (6,367) | (8,874) | (7,680) | (10,188) |
| Disposals | - | 7,356 | - | 7,356 |
| At 31 December | (230,853) | (224,486) | (255,915) | (248,235) |
| Net book value | | | | |
| At 1 January | 927,693 | 1,005,017 | 993,350 | 1,071,988 |
| At 31 December | 1,129,447 | 927,693 | 1,193,791 | 993,350 |

The fair value of investment properties as at 31 December 2020 and 2019, investment properties were revalued by UK Valuation and Agency Co., Ltd. which is the independent valuer in 2016 and 2018, at open market values on an existing use basis. The appraised value was Baht 4,498 million (2019: Baht 2,257 million).

Measurement of fair value

Fair value hierarchy

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

The fair value measurement for investment property of Baht 4,498 million have been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The valuation technique used in measuring the fair value of investment property by independent valuers were market comparison approach and replacement cost approach. For fair value of land, using Market comparison approach and for building and improvement which were specialised of alternative use and asset modifications building and improvement, using replacement cost.

An entity's current use of an asset is generally its highest and best use, which is physically possible takes into account the physical characteristics, location of a property of the asset that market participants would take into account when pricing the asset.

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
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13 Property, plant and equipment

| | Consolidated financial statements | | | | | | Total |
|---|--|----------------------------|--------------------|---|-----------------|--|--------------------|
| | Land | Buildings and improvements | Office equipment | Furniture and fixtures <i>(in thousand Baht)</i> | Vehicles | Assets under construction and installation | |
| Cost | | | | | | | |
| At 1 January 2019 | 1,988,117 | 802,460 | 1,279,697 | 1,149,013 | 59,809 | 99,662 | 5,378,758 |
| Additions | 105,672 | 29,993 | 39,727 | 40,357 | 3,753 | 118,270 | 337,772 |
| Transfers | - | - | 2,452 | 38,990 | - | (107,290) | (65,848) |
| Disposals | - | - | (16,537) | (41,707) | (7,624) | - | (65,868) |
| At 31 December 2019 and 1 January 2020 | 2,093,789 | 832,453 | 1,305,339 | 1,186,653 | 55,938 | 110,642 | 5,584,814 |
| Additions | 103,000 | 1,316 | 30,064 | 20,295 | - | 65,711 | 220,386 |
| Transfers to other intangible assets | - | 23,790 | 14,651 | 20,870 | - | (62,261) | (2,950) |
| Transfer to investment property | (215,399) | - | - | - | - | - | (215,399) |
| Disposals | - | (3,407) | (39,139) | (53,265) | (4,661) | - | (100,472) |
| At 31 December 2020 | 1,981,390 | 854,152 | 1,310,915 | 1,174,553 | 51,277 | 114,092 | 5,486,379 |
| Depreciation and impairment losses | | | | | | | |
| At 1 January 2019 | - | (581,353) | (979,270) | (915,508) | (53,829) | - | (2,529,960) |
| Depreciation charge for the year | - | (19,849) | (107,304) | (87,565) | (3,525) | - | (218,243) |
| Impairment losses | - | (7,485) | (5,207) | (9,362) | - | - | (22,054) |
| Disposals | - | - | 12,580 | 35,936 | 7,624 | - | 56,140 |
| At 31 December 2019 and 1 January 2020 | - | (608,687) | (1,079,201) | (976,499) | (49,730) | - | (2,714,117) |
| Depreciation charge for the year | - | (19,602) | (105,388) | (75,812) | (3,527) | - | (204,329) |
| Disposals | - | 3,407 | 36,831 | 50,348 | 4,140 | - | 94,726 |
| At 31 December 2020 | - | (624,882) | (1,147,758) | (1,001,963) | (49,117) | - | (2,823,720) |
| Net book value – group’s assets | | | | | | | |
| At 31 December 2019 | 2,093,789 | 223,766 | 226,138 | 210,154 | 6,208 | 110,642 | 2,870,697 |
| At 31 December 2020 | 1,981,390 | 229,270 | 163,157 | 172,590 | 2,160 | 114,092 | 2,662,659 |

The gross amount of the Group’s fully depreciated plant and equipment that was still in use as at 31 December 2020 amounted to Baht 2,097 million (2019: Baht 2,000 million).

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

| | Separate financial statements | | | | | | |
|---|--------------------------------------|-------------------------------|---------------------|--|-----------------|--|--------------------|
| | Land | Buildings and improvements | Office equipment | Furniture and fixtures <i>(in thousand Baht)</i> | Vehicles | Assets under construction and installation | Total |
| Cost | | | | | | | |
| At 1 January 2019 | 1,924,977 | 768,142 | 1,219,457 | 1,139,711 | 53,284 | 99,660 | 5,205,231 |
| Additions | 105,672 | 29,947 | 38,527 | 40,357 | 3,753 | 116,298 | 334,554 |
| Transfers | - | - | 2,452 | 38,990 | - | (107,290) | (65,848) |
| Disposals | - | - | (16,537) | (41,706) | (7,105) | - | (65,348) |
| At 31 December 2019 and 1 January 2020 | 2,030,649 | 798,089 | 1,243,899 | 1,177,352 | 49,932 | 108,668 | 5,408,589 |
| Additions | 103,000 | 231 | 29,848 | 20,295 | - | 65,706 | 219,080 |
| Transfers to other intangible assets | - | 23,790 | 14,651 | 20,870 | - | (62,261) | (2,950) |
| Transfer to investment property | (215,399) | - | - | - | - | - | (215,399) |
| Disposals | - | (3,407) | (36,084) | (53,265) | (4,661) | - | (97,417) |
| At 31 December 2020 | 1,918,250 | 818,703 | 1,252,314 | 1,165,252 | 45,271 | 112,113 | 5,311,903 |
| Depreciation and impairment losses | | | | | | | |
| At 1 January 2019 | - | (555,688) | (929,661) | (901,603) | (47,860) | - | (2,434,812) |
| Depreciation charge for the year | - | (16,511) | (106,539) | (87,129) | (2,549) | - | (212,728) |
| Impairment losses | - | (7,485) | (5,207) | (9,362) | - | - | (22,054) |
| Disposals | - | - | 12,580 | 36,277 | 7,105 | - | 55,962 |
| At 31 December 2019 and 1 January 2020 | - | (579,684) | (1,028,827) | (961,817) | (43,304) | - | (2,613,632) |
| Additions | - | (16,338) | (102,743) | (75,472) | (2,684) | - | (197,237) |
| Disposals | - | 3,407 | 33,776 | 50,348 | 4,140 | - | 91,671 |
| At 31 December 2020 | - | (592,615) | (1,097,794) | (986,941) | (41,848) | - | (2,719,198) |
| Net book value-owned assets | | | | | | | |
| At 31 December 2019 | 2,030,649 | 218,405 | 215,072 | 215,535 | 6,628 | 108,668 | 2,794,957 |
| At 31 December 2020 | 1,918,250 | 226,088 | 154,520 | 178,311 | 3,423 | 112,113 | 2,592,705 |

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2020 amounted to Baht 2,050 million (2019: Baht 1,950 million).

I.C.C. International Public Company Limited and its subsidiaries
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14 Leases

As a lessee

| <i>At 31 December 2020</i> | Consolidated financial statements | Separate financial statements |
|-----------------------------------|--|--|
| | <i>(in thousand Baht)</i> | |
| <i>Right-of-use assets</i> | | |
| Store | 330,106 | 328,580 |
| Buildings | 8,650 | 8,650 |
| Equipment | 11,138 | 11,033 |
| Vehicles | 34,033 | 33,614 |
| Total | <u>383,927</u> | <u>381,877</u> |

During 2020, additions to the right-of-use assets of the Group and the Company were Baht 70.47 million and Baht 70.18 million, respectively and disposals were Baht 63.51 million.

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

| <i>For the year ended 31 December</i> | Consolidated financial statements | | Separate financial statements | |
|--|--|---------|--|---------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Amounts recognised in profit or loss</i> | | | | |
| Depreciation of right-of-use assets: | | | | |
| - Store | 217,150 | - | 215,877 | - |
| - Buildings | 3,920 | - | 3,920 | - |
| - Equipment | 3,819 | - | 3,744 | - |
| - Vehicles | 7,897 | - | 7,780 | - |
| Interest on lease liabilities | 84,992 | - | 84,379 | - |
| Variable lease payments based on sales | 13,956 | - | 13,956 | - |
| Lease expense | - | 357,372 | - | 354,401 |
| Contingent rent expense | - | 7,449 | - | 7,449 |

In 2020, total cash outflow for leases of the Group and the Company were Baht 284.83 million and Baht 282.95 million, respectively.

As a lessor

The leases of investment properties mainly are lands and buildings that are leased to third parties under operating leases. Each of the leases contains an initial non-cancellable period of 1-30 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts.

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
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15 Other intangible assets

| | Consolidated financial statements | | | | Total |
|---|--|--------------------------------------|----------------------|----------------------------------|-----------------|
| | Trademarks | License data base of customers | Software licenses | Software under development | |
| | <i>(in thousand Baht)</i> | | | | |
| Cost | | | | | |
| At 1 January 2019 | 34,087 | 7,955 | 34,537 | 47 | 76,626 |
| Additions | 530 | - | 2,419 | 794 | 3,743 |
| Transfers from property, plant and equipment | - | - | 2,093 | 63,755 | 65,848 |
| At 31 December 2019 and 1 January 2020 | 34,617 | 7,955 | 39,049 | 64,596 | 146,217 |
| Additions | 103 | - | 479 | 1,210 | 1,792 |
| Transfers from property, plant and equipment | 89 | - | 4,281 | (1,420) | 2,950 |
| Disposals | - | - | (13) | (9,212) | (9,225) |
| At 31 December 2020 | 34,809 | 7,955 | 43,796 | 55,174 | 141,734 |
| Amortisation | | | | | |
| At 1 January 2019 | (23,942) | (6,642) | (10,189) | - | (40,773) |
| Amortisation for the year | (258) | (803) | (4,331) | - | (5,392) |
| At 31 December 2019 and 1 January 2020 | (24,200) | (7,445) | (14,520) | - | (46,165) |
| Amortisation for the year | (282) | (400) | (4,043) | - | (4,725) |
| Disposals | - | - | 6 | - | 6 |
| At 31 December 2020 | (24,482) | (7,845) | (18,557) | - | (50,884) |
| Net book value | | | | | |
| At 31 December 2019 | 10,417 | 510 | 24,529 | 64,596 | 100,052 |
| At 31 December 2020 | 10,327 | 110 | 25,239 | 55,174 | 90,850 |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

| | Separate financial statements | | | | Total |
|---|--------------------------------------|--------------------------------------|----------------------|----------------------------------|-----------------|
| | Trademarks | License data base of customers | Software licenses | Software under development | |
| | <i>(in thousand Baht)</i> | | | | |
| Cost | | | | | |
| At 1 January 2019 | 25,155 | 7,845 | 28,659 | 47 | 61,706 |
| Addition | 530 | - | 2,137 | 794 | 3,461 |
| Transfers from property, plant and equipment | - | - | 2,093 | 63,755 | 65,848 |
| At 31 December 2019 and 1 January 2020 | 25,685 | 7,845 | 32,889 | 64,596 | 131,015 |
| Additions | 103 | - | 292 | 1,210 | 1,605 |
| Transfers from property, plant and equipment | 89 | - | 4,281 | (1,420) | 2,950 |
| Disposals | - | - | (13) | (9,212) | (9,225) |
| At 31 December 2020 | 25,877 | 7,845 | 37,449 | 55,174 | 126,345 |
| Amortisation | | | | | |
| At 1 January 2019 | (23,270) | (6,641) | (4,131) | - | (34,042) |
| Amortisation for the year | (258) | (803) | (3,794) | - | (4,855) |
| At 31 December 2019 and 1 January 2020 | (23,528) | (7,444) | (7,925) | - | (38,897) |
| Amortisation for the year | (281) | (400) | (3,461) | - | (4,142) |
| Disposals | - | - | 6 | - | 6 |
| At 31 December 2020 | (23,809) | (7,844) | (11,380) | - | (43,033) |
| Net book value | | | | | |
| At 31 December 2019 | 2,157 | 401 | 24,964 | 64,596 | 92,118 |
| At 31 December 2020 | 2,068 | 1 | 26,069 | 55,174 | 83,312 |

16 Other non-current assets

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------|--|----------------|--|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Deposits and guarantees | 171,827 | 179,530 | 171,214 | 177,824 |
| Refundable tax | 64,568 | 41,060 | 63,137 | 37,062 |
| Leasehold rights | - | 16,421 | - | 16,421 |
| Others | 7,015 | 12,684 | 5,587 | 11,253 |
| Total | 243,410 | 249,695 | 239,938 | 242,560 |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
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17 Interest-bearing liabilities

| | <i>Note</i> | Consolidated financial statements | | Separate financial statements | |
|--|-------------|--|---------------------------|--|----------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | | <i>(in thousand Baht)</i> | | |
| Bank overdrafts - unsecured | | 7,050 | 7,680 | - | - |
| Short-term loans from financial institutions - unsecured | | 24,000 | 30,000 | - | - |
| Short-term loans from related party | 6 | 22,000 | 10,000 | - | - |
| Lease liabilities | 6 | 400,655 | - | 398,405 | - |
| Total interest-bearing liabilities | | 453,705 | 47,680 | 398,405 | - |

18 Provisions for employee benefits

Defined benefit plan

The Group operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plan expose the Group to actuarial risks, such as longevity risk, interest rate risk.

| <i>Present value of the defined benefit obligations</i> | Consolidated financial statements | | Separate financial statements | |
|--|--|---------------------------|--|-----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | | <i>(in thousand Baht)</i> | | |
| At 1 January | 562,106 | 588,805 | 530,963 | 549,550 |
| Include in profit or loss: | | | | |
| Current service costs | 54,407 | 52,881 | 52,774 | 50,811 |
| Past service costs | - | 4,574 | - | 4,058 |
| Interest on obligation | 7,263 | 6,917 | 6,616 | 6,229 |
| Reversal of defined benefit obligations | (6,776) | - | (6,776) | - |
| | 54,894 | 64,372 | 52,614 | 61,098 |
| Included in other comprehensive income | | | | |
| Actuarial gain (loss) | | | | |
| - Demographic assumptions | - | 1,021 | - | - |
| - Financial assumptions | - | (5,347) | - | (6,177) |
| - Experience adjustment | - | (36,516) | - | (30,699) |
| | - | (40,842) | - | (36,876) |
| Benefits paid | (63,408) | (50,229) | (59,809) | (42,809) |
| At 31 December | 553,592 | 562,106 | 523,768 | 530,963 |

I.C.C. International Public Company Limited and its subsidiaries
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19 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

General reserve

The Company distributed a general reserve equal to 10% of profit for the each year in order for the company has strength on general reserve base to be maintain stability and increase the Shareowner’s wealth.

Other components of equity

Translation reserve

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve of 2020

The fair value reserve comprise the cumulative net change in the fair value of equity securities designated at FVOCI.

Fair value reserve of 2019

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

20 Segment information and disaggregation of revenue

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.

The business operation involves 3 principal segments; Cosmetics toiletries & perfumeries, Women’s apparel and Men’s apparel. Segment performance is considered by using the measure operating profit in the financial statements. The Company has not report segment assets and segment liabilities due to the management believe that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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Information about reportable segments

| | Cosmetics toiletries & perfumeries | | Women's apparel | | Men's apparel | | Total reportable segments | | Others | | Total | | Elimination of inter-segment revenue | | Total | |
|--|--|-------|--------------------|-------|------------------|-------|------------------------------|-------|--------|-------|-------|--------|--|-------|------------|------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| <i>For the year ended 31 December</i> | | | | | | | | | | | | | | | | |
| | <i>(in million Baht)</i> | | | | | | | | | | | | | | | |
| Revenue from sale of goods | 740 | 1,027 | 2,491 | 4,167 | 2,123 | 3,021 | 5,354 | 8,215 | 2,527 | 3,220 | 7,881 | 11,435 | (72) | (126) | 7,809 | 11,309 |
| Segment operating profit | (3) | 50 | (10) | 334 | 120 | 271 | 107 | 655 | (85) | (38) | 22 | 617 | 90 | 34 | 112 | 651 |
| Other income | | | | | | | | | | | | | | | 520 | 969 |
| Unallocated expenses | | | | | | | | | | | | | | | (606) | (870) |
| Share of profit (loss) of investments in associates | | | | | | | | | | | | | | | (30) | 25 |
| Profit (loss) before tax | | | | | | | | | | | | | | | (4) | 775 |

Geographical segments

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

Major customer

The Group has no major customer.

Timing of revenue recognition

The group recognised the major revenue at a point in time.

I.C.C. International Public Company Limited and its subsidiaries
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For the year ended 31 December 2020

21 Employee benefit expenses

| | Note | Consolidated financial statements | | Separate financial statements | |
|----------------------------|------|--------------------------------------|------------------|----------------------------------|------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | <i>(in thousand Baht)</i> | | | |
| Salaries and wages | | 1,190,291 | 1,592,410 | 1,079,582 | 1,501,932 |
| Defined benefit plans | 18 | 54,894 | 64,372 | 52,614 | 61,098 |
| Defined contribution plans | | 9,357 | 25,002 | 6,396 | 22,104 |
| Others | | 47,272 | 68,888 | 41,972 | 68,699 |
| Total | | 1,301,814 | 1,750,672 | 1,180,564 | 1,653,833 |

Defined contribution plans

The defined contribution plans comprise provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates of 3% of their basic salaries and by the Company at rates of 3% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.

22 Expenses by nature

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|--------------------------------------|-------------------|----------------------------------|-------------------|
| | | 2020 | 2019 | 2020 | 2019 |
| | | <i>(in thousand Baht)</i> | | | |
| Purchase of finished goods | | 4,674,947 | 7,669,255 | 4,708,866 | 7,629,728 |
| Changes in inventories of finished goods | | 737,326 | (197,546) | 658,345 | (196,229) |
| Employee benefit expenses | 21 | 1,301,814 | 1,750,672 | 1,180,564 | 1,653,833 |
| Advertising costs and promotional expenses | | 596,278 | 664,466 | 591,513 | 664,318 |
| Depreciation and amortisation expenses | | 412,470 | 237,386 | 405,481 | 232,629 |
| Transportation expenses | | 114,718 | 148,916 | 114,175 | 148,043 |
| Royalty fee | | 88,461 | 93,093 | 87,811 | 91,976 |
| Lease-related expenses (2019: <i>Lease payment</i>) | | 29,891 | 429,797 | 25,734 | 422,784 |
| Impairment losses on assets | | - | 22,054 | - | 22,054 |
| Others | | 259,852 | 707,335 | 260,151 | 667,292 |
| Total cost of sales of goods, distribution costs and administrative expenses | | 8,215,757 | 11,525,428 | 8,032,640 | 11,336,428 |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

23 Income tax

| <i>Income tax recognised in profit or loss</i> | Consolidated financial statements | | Separate financial statements | |
|--|--|---------------|--|---------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Current tax expense | | | | |
| Current year | 261 | 41,268 | - | 40,868 |
| Adjustment for prior years | 19 | - | 19 | - |
| | <u>280</u> | <u>41,268</u> | <u>19</u> | <u>40,868</u> |
| Deferred tax expense | | | | |
| Movements in temporary differences | 55,477 | 15,007 | 55,517 | 15,007 |
| | <u>55,757</u> | <u>56,275</u> | <u>55,536</u> | <u>55,875</u> |

| <i>Income tax</i> | Consolidated financial statements | | | | | |
|---|--|-------------------------------------|----------------|------------------|-------------------------------------|------------------|
| | Before tax | 2020 Tax (expense) benefit | Net of tax | Before tax | 2019 Tax (expense) benefit | Net of tax |
| | <i>(in thousand Baht)</i> | | | | | |
| Recognised in other comprehensive income | | | | | | |
| Equity instruments measured at FVOCI | 127,057 | (25,208) | 101,849 | - | - | - |
| Equity instruments available-for-sale | - | - | - | (212,902) | 42,580 | (170,322) |
| Defined benefit plan actuarial gains | - | - | - | 40,841 | (7,375) | 33,466 |
| Total | <u>127,057</u> | <u>(25,208)</u> | <u>101,849</u> | <u>(172,061)</u> | <u>35,205</u> | <u>(136,856)</u> |

| <i>Income tax</i> | Separate financial statements | | | | | |
|---|--------------------------------------|-------------------------------------|----------------|------------------|-------------------------------------|------------------|
| | Before tax | 2020 Tax (expense) benefit | Net of tax | Before tax | 2019 Tax (expense) benefit | Net of tax |
| | <i>(in thousand Baht)</i> | | | | | |
| Recognised in other comprehensive income | | | | | | |
| Equity instruments measured at FVOCI | 127,057 | (25,208) | 101,849 | - | - | - |
| Equity instruments available-for-sale | - | - | - | (212,902) | 42,580 | (170,322) |
| Defined benefit plan actuarial gains | - | - | - | 36,876 | (7,375) | 29,501 |
| Total | <u>127,057</u> | <u>(25,208)</u> | <u>101,849</u> | <u>(176,026)</u> | <u>35,205</u> | <u>(140,821)</u> |

I.C.C. International Public Company Limited and its subsidiaries
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Reconciliation of effective tax rate

| | Consolidated financial statements | | | |
|--|--|---------------------------|-----------------|---------------------------|
| | 2020 | | 2019 | |
| | <i>Rate (%)</i> | <i>(in thousand Baht)</i> | <i>Rate (%)</i> | <i>(in thousand Baht)</i> |
| Profit (loss) before income tax expense | | <u>(3,566)</u> | | <u>775,314</u> |
| Income tax using the Thai corporation tax rate | 20 | (713) | 20 | 155,063 |
| Income not subject to tax | | (70,558) | | (112,142) |
| Difference in tax and accounting treatment of income and expense | | 12,895 | | 12,724 |
| Current year losses for which no deferred tax asset was recognised | | 114,114 | | 630 |
| Under provided in prior years | | 19 | | - |
| Total | (1,563) | 55,757 | 7 | 56,275 |

Reconciliation of effective tax rate

| | Separate financial statements | | | |
|--|--------------------------------------|---------------------------|-----------------|---------------------------|
| | 2020 | | 2019 | |
| | <i>Rate (%)</i> | <i>(in thousand Baht)</i> | <i>Rate (%)</i> | <i>(in thousand Baht)</i> |
| Profit before income tax expense | | <u>57,416</u> | | <u>751,120</u> |
| Income tax using the Thai corporation tax rate | 20 | 11,483 | 20 | 150,224 |
| Income not subject to tax | | (70,558) | | (112,142) |
| Difference in tax and accounting treatment of income and expense | | 7,858 | | 17,793 |
| Current year losses for which no deferred tax asset was recognised | | 106,734 | | - |
| Under provided in prior years | | 19 | | - |
| Total | 97 | 55,536 | 7 | 55,875 |

Deferred tax
At 31 December

| | Consolidated financial statements | | | |
|--|--|------------------|--------------------|------------------|
| | Assets | | Liabilities | |
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Total | 526,768 | 669,987 | (2,979,617) | (1,342,262) |
| Set off of tax | <u>(526,768)</u> | <u>(669,987)</u> | <u>526,768</u> | <u>669,987</u> |
| Net deferred tax assets (liabilities) | - | - | (2,452,849) | (672,275) |

Deferred tax
At 31 December

| | Separate financial statements | | | |
|--|--------------------------------------|------------------|--------------------|------------------|
| | Assets | | Liabilities | |
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Total | 526,728 | 669,987 | (2,977,235) | (1,339,880) |
| Set off of tax | <u>(526,728)</u> | <u>(669,987)</u> | <u>526,728</u> | <u>669,987</u> |
| Net deferred tax assets (liabilities) | - | - | (2,450,507) | (669,893) |

I.C.C. International Public Company Limited and its subsidiaries
Notes to the financial statements
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| | Consolidated financial statements | | | | At 31 December 2020 |
|---|--|---|---------------------------|----------------------------------|------------------------------------|
| | At 31 December 2019 | Retained earnings/Other components of equity | Profit or loss | Other comprehensive income | |
| <i>Deferred tax</i> | | | | | |
| | | | | | |
| | | | <i>(in thousand Baht)</i> | | |
| <i>Deferred tax assets</i> | | | | | |
| Trade and other receivables | 4,243 | - | 2,363 | - | 6,606 |
| Inventories | 10,205 | - | 1,070 | - | 11,275 |
| Gross profit for consignment goods | 422,879 | - | (93,161) | - | 329,718 |
| Other long-term investments | 104,319 | (89,549) | (7,167) | - | 7,603 |
| Investment properties | 22,148 | - | - | - | 22,148 |
| Right-of-use assets | - | - | 5,076 | - | 5,076 |
| Employee benefit obligation | 106,193 | - | (1,439) | - | 104,754 |
| Advance received from rental income | - | - | 39,588 | - | 39,588 |
| Total | 669,987 | (89,549) | (53,670) | - | 526,768 |
| <i>Deferred tax liabilities</i> | | | | | |
| Derivatives | - | 1,881 | (662) | - | 1,219 |
| Equity instruments measured at FVOCI <i>(2019: Equity instruments available-for-sale)</i> | (1,329,648) | (1,612,221) | - | (25,208) | (2,967,077) |
| Property, plant and equipment | (10,781) | - | (1,145) | - | (11,926) |
| Intangible assets | (1,833) | - | - | - | (1,833) |
| Total | (1,342,262) | (1,610,340) | (1,807) | (25,208) | (2,979,617) |
| Net | (672,275) | (1,699,889) | (55,477) | (25,208) | (2,452,849) |

I.C.C. International Public Company Limited and its subsidiaries
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| | Consolidated financial statements | | | At 31 December 2019 |
|--|--|---------------------------------|----------------------------------|------------------------------------|
| | At 1 January 2019 | (Charged) / Credited to: | | |
| <i>Deferred tax</i> | | Profit or loss | Other comprehensive income | |
| | | <i>(in thousand Baht)</i> | | |
| <i>Deferred tax assets</i> | | | | |
| Trade and other receivables | 4,778 | (535) | - | 4,243 |
| Inventories | 11,944 | (1,739) | - | 10,205 |
| Gross profit for consignment goods | 446,195 | (23,316) | - | 422,879 |
| Other long-term investments | 93,825 | 10,494 | - | 104,319 |
| Investment properties | 22,148 | - | - | 22,148 |
| Property, plant and equipment | 2,424 | (2,424) | - | - |
| Employee benefit obligation | 109,910 | 3,658 | (7,375) | 106,193 |
| Total | 691,224 | (13,862) | (7,375) | 669,987 |
| <i>Deferred tax liabilities</i> | | | | |
| Equity instruments available-for-sale | (1,372,228) | - | 42,580 | (1,329,648) |
| Property, plant and equipment | (9,636) | (1,145) | - | (10,781) |
| Intangible assets | (1,833) | - | - | (1,833) |
| Total | (1,383,697) | (1,145) | 42,580 | (1,342,262) |
| Net | (692,473) | (15,007) | 35,205 | (672,275) |

I.C.C. International Public Company Limited and its subsidiaries
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| | At 31 December 2019 | Separate financial statements (Charged) / Credited to: | | | At 31 December 2020 |
|--|---------------------------|---|---|----------------------------------|---------------------------|
| | | Retained earnings/Other components of equity | Profit or loss (in thousand Baht) | Other comprehensive income | |
| <i>Deferred tax</i> | | | | | |
| <i>Deferred tax assets</i> | | | | | |
| Trade and other receivables | 4,243 | - | 2,363 | - | 6,606 |
| Inventories | 10,205 | - | 1,070 | - | 11,275 |
| Gross profit for consignment goods | 422,879 | - | (93,161) | - | 329,718 |
| Other long-term investments | 104,319 | (89,549) | (7,167) | - | 7,603 |
| Investment properties | 22,148 | - | - | - | 22,148 |
| Right-of-use assets | - | - | 5,036 | - | 5,036 |
| Employee benefit obligation | 106,193 | - | (1,439) | - | 104,754 |
| Advance received from rental income | - | - | 39,588 | - | 39,588 |
| Total | 669,987 | (89,549) | (53,710) | - | 526,728 |
| <i>Deferred tax liabilities</i> | | | | | |
| Derivatives | - | 1,881 | (662) | - | 1,219 |
| Equity instruments measured at FVOCI (2019: Equity instruments available-for-sale) | (1,329,648) | (1,612,221) | - | (25,208) | (2,967,077) |
| Property, plant and equipment | (10,232) | - | (1,145) | - | (11,377) |
| Total | (1,339,880) | (1,610,340) | (1,807) | (25,208) | (2,977,235) |
| Net | (669,893) | (1,699,889) | (55,517) | (25,208) | (2,450,507) |

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For the year ended 31 December 2020

| | At 1 January 2019 | Separate financial statements (Charged) / Credited to: | | At 31 December 2020 |
|---------------------------------------|-------------------------|---|----------------------------------|---------------------------|
| | | Profit or loss <i>(in thousand Baht)</i> | Other comprehensive income | |
| Deferred tax | | | | |
| Deferred tax assets | | | | |
| Trade and other receivables | 4,778 | (535) | - | 4,243 |
| Inventories | 11,944 | (1,739) | - | 10,205 |
| Gross profit for consignment goods | 446,195 | (23,316) | - | 422,879 |
| Other long-term investments | 93,825 | 10,494 | - | 104,319 |
| Investment properties | 22,148 | - | - | 22,148 |
| Property, plant and equipment | 2,424 | (2,424) | - | - |
| Employee benefit obligation | 109,910 | 3,658 | (7,375) | 106,193 |
| Total | 691,224 | (13,862) | (7,375) | 669,987 |
| Deferred tax liabilities | | | | |
| Equity instruments available-for-sale | (1,372,228) | - | 42,580 | (1,329,648) |
| Property, plant and equipment | (9,087) | (1,145) | - | (10,232) |
| Total | (1,381,315) | (1,145) | 42,580 | (1,339,880) |
| Net | (690,091) | (15,007) | 35,205 | (669,893) |

As at 31 December 2020, the Group and subsidiary incurred a tax loss and deferred tax assets have not been recognised in respect of these items of Baht 533.67 million and Baht 60.07 million (31 December 2019: nil, and Baht 71.34 million, respectively).

24 Earnings (loss) per share

| | Consolidated financial statements | | Separate Financial statements | |
|---|--|----------------|----------------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht / in thousand shares)</i> | | | |
| Profit (loss) attributable to ordinary shareholders for the year ended 31 December | | | | |
| Profit (loss) attributable to ordinary shareholders of the Company | <u>(52,359)</u> | <u>725,196</u> | <u>1,880</u> | <u>695,244</u> |
| Number of ordinary shares outstanding | <u>290,634</u> | <u>290,634</u> | <u>290,634</u> | <u>290,634</u> |
| Basic earnings (loss) per share <i>(in Baht)</i> | <u>(0.18)</u> | <u>2.50</u> | <u>0.01</u> | <u>2.39</u> |

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25 Dividends

The shareholders of the Company have approved dividends as follows:

| | Approval date | Payment schedule | Dividend rate per share (Baht) | Amount (in million Baht) |
|------------------|---------------|------------------|--------------------------------------|-----------------------------|
| <i>2020</i> | | | | |
| Interim dividend | 8 April 2020 | May 2020 | <u>0.70</u> | <u>203</u> |
| <i>2019</i> | | | | |
| Annual dividend | 22 April 2019 | May 2019 | <u>1.21</u> | <u>352</u> |

26 Financial instruments

(a) Carrying amounts and fair values

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

| | Carrying amount | Consolidated and separate financial statements | | | | Total |
|---|--------------------|--|---------|------------|-------|------------|
| | | Fair value | | | Total | |
| | | Level 1 | Level 2 | Level 3 | | |
| <i>(in thousand Baht)</i> | | | | | | |
| 31 December 2020 | | | | | | |
| <i>Financial assets measured at fair value through other comprehensive income</i> | | | | | | |
| Equity securities | 19,686,554 | 9,136,287 | - | 10,550,267 | | 19,686,554 |
| <i>Financial liabilities measured at fair value through profit or loss</i> | | | | | | |
| Derivative liabilities | (6,095) | - | (6,095) | - | | (6,095) |
| 31 December 2019 | | | | | | |
| <i>Financial assets and financial liabilities measured at fair value</i> | | | | | | |
| Equity instruments available-for-sale | 8,917,669 | 8,917,669 | - | - | | 8,917,669 |
| Derivative liabilities | - | - | (9,403) | - | | (9,403) |

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Financial instruments measured at fair value level 2 and level 3

The Group determined Level 2 fair values for derivative which is forward exchange contract. The fair value for forward exchange contract is determined using quoted forward exchange rates at the reporting date.

The Group determined Level 3 fair values for investment in non-listed equity instruments. The fair value for the investment is determined using a valuation technique that used significantly unobservable input such as discounted cash flows, dividend discount model, market comparison technique or latest reporting net assets adjusted by relevant factors (if any).

Sensitivity analysis

For the fair values of financial assets measured at fair value, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

| <i>Financial assets measured at fair value</i> | Consolidated and separate financial statements | |
|--|---|------------------------------|
| | 0.05% increase in assumption | 0.05% decrease in assumption |
| <i>Effect to OCI</i> | | |
| 31 December 2020 | | |
| Discount rate | (41,350) | 42,408 |

(in thousand Baht)

(b) Equity securities

| | Consolidated financial statements | | Separate financial statements | |
|--|--|-------------------|--------------------------------------|-------------------|
| | 2020 | 2019 | 2020 | 2019 |
| | | | | |
| | <i>(in thousand Baht)</i> | | | |
| Equity securities | | | | |
| Equity instruments designated at fair value through other comprehensive income | 19,686,554 | - | 19,686,554 | - |
| Equity instruments available-for-sale | - | 8,917,669 | - | 8,917,669 |
| Other non-marketable equity instruments | - | 2,589,999 | - | 2,586,999 |
| | 19,686,554 | 11,507,668 | 19,686,554 | 11,504,668 |
| Less allowance for impairment | - | (597,148) | - | (594,148) |
| Net | 19,686,554 | 10,910,520 | 19,686,554 | 10,910,520 |

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Movements during the year ended 31 December 2020 of equity instruments designated at fair value through other comprehensive income were as follows;

| Consolidated and separate financial statements | | | | | | |
|---|-------------------------|---------------------------|----------|--------------------------|---------------------------|--------------------------|
| | At 1 January 2020 | Purchase | Disposal | Fair value adjustment | At 31 December 2020 | |
| Equity securities | <i>Note</i> | <i>(in thousand Baht)</i> | | | | |
| Listed equity investments | 3 | 8,917,669 | 53,584 | (52,475) | 217,509 | 9,136,287 |
| Non-listed equity investments | 3 | <u>10,507,782</u> | 168,306 | (35,369) | (90,452) | <u>10,550,267</u> |
| Total | | <u>19,425,451</u> | | | | <u>19,686,554</u> |

Movements during the year ended 31 December 2019 of equity instruments as follows;

| Consolidated financial statements | | | | | | |
|--|-------------------------|---------------------------|----------|------------|---------------------------|--------------------------|
| | At 1 January 2019 | Purchase | Disposal | Adjustment | At 31 December 2019 | |
| Equity securities | | <i>(in thousand Baht)</i> | | | | |
| Equity instruments available-for-sales | | 9,091,796 | 38,775 | - | (212,902) | 8,917,669 |
| Other non-marketable equity instruments | | <u>1,836,421</u> | 188,043 | (21,323) | (10,290) | <u>1,992,851</u> |
| Total | | <u>10,928,217</u> | | | | <u>10,910,520</u> |

| Separate financial statements | | | | | | |
|---|-------------------------|---------------------------|----------|------------|---------------------------|--------------------------|
| | At 1 January 2019 | Purchase | Disposal | Adjustment | At 31 December 2019 | |
| Equity securities | | <i>(in thousand Baht)</i> | | | | |
| Equity instruments available-for-sales | | 9,091,796 | 38,775 | - | (212,902) | 8,917,669 |
| Other non-marketable equity instruments | | <u>1,851,721</u> | 188,043 | (21,323) | (25,590) | <u>1,992,851</u> |
| Total | | <u>10,943,517</u> | | | | <u>10,910,520</u> |

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(c) Financial risk management policies

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(c.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(c.1.1) Trade accounts receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 12 months.

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The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables.

| | Consolidated financial statements | | Separate financial statements | |
|--|--|---|--|--|
| | Trade accounts receivables | Allowance for expected credit loss <i>(in thousand Baht)</i> | Trade accounts receivables | Allowance for expected credit loss |
| <i>At 31 December 2020</i> | | | | |
| Within credit terms | 788,251 | - | 789,963 | - |
| Overdue: | | | | |
| Less than 1 month | 157,567 | - | 148,514 | - |
| 1-3 months | 125,624 | - | 124,983 | - |
| 4-12 months | 10,959 | (907) | 10,894 | (907) |
| More than 12 months | 14,861 | (13,353) | 15,982 | (13,353) |
| Total | 1,097,262 | (14,260) | 1,090,336 | (14,260) |
| Less allowance for expected credit loss | (14,260) | | (14,260) | |
| Net | 1,083,002 | | 1,076,076 | |

Loss rates are based on actual credit loss experience over the past 3 years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

| | Consolidated financial statements | Separate financial statements |
|--|--|--|
| <i>Trade accounts receivables</i> | | |
| | <i>(in thousand Baht)</i> | |
| <i>At 31 December 2019</i> | | |
| Within credit terms | 1,295,386 | 1,273,421 |
| Overdue: | | |
| Less than 1 month | 99,491 | 99,491 |
| 1-3 months | 16,708 | 15,946 |
| 4-12 months | 4,773 | 4,249 |
| Over 12 months | 14,956 | 18,790 |
| | 1,431,314 | 1,411,897 |
| Less allowance for doubtful accounts | (15,491) | (15,491) |
| Net | 1,415,823 | 1,396,406 |
| <i>Movement of allowance for expected credit loss of trade accounts receivables</i> | | |
| | <i>(in thousand Baht)</i> | |
| At 1 January 2020 | (15,491) | (15,491) |
| Addition | (58) | (58) |
| Reversal | 1,289 | 1,289 |
| At 31 December 2020 | (14,260) | (14,260) |

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(c.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are reliable banks and financial institutions, for which the Group considers to have low credit risk.

(c.1.3) Guarantees

The Group's policy is to provide financial guarantees only for related parties' liabilities. At 31 December 2020, the Group has issued a guarantee to certain banks in respect of credit facilities granted to related parties (see note 6).

(c.2) Liquidity risk

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

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

| <i>At 31 December 2020</i> | Carrying amount | Consolidated financial statements Contractual cash flows | | | Total |
|--|------------------|---|--|-------------------|------------------|
| | | Within 1 year | More than 1 year but less than 5 years | More than 5 years | |
| <i>(in thousand Baht)</i> | | | | | |
| Non-derivative financial liabilities | | | | | |
| Bank overdrafts and loans from financial institution | 31,050 | 31,050 | - | - | 31,050 |
| Trade payables | 1,005,407 | 1,005,407 | - | - | 1,005,407 |
| Loans from related parties | 22,000 | 22,000 | - | - | 22,000 |
| Lease liabilities | 400,655 | 247,202 | 239,810 | 546 | 487,558 |
| | 1,459,112 | 1,305,659 | 239,810 | 546 | 1,546,015 |
| Derivative financial liabilities | | | | | |
| Forward exchange contracts: | | | | | |
| - Cash outflow | (228,765) | (228,765) | - | - | (228,765) |
| - Cash inflow | 222,670 | 222,670 | - | - | 222,670 |
| | (6,095) | (6,095) | - | - | (6,095) |

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| <i>At 31 December 2020</i> | Carrying amount | Separate financial statements | | | Total |
|--|------------------|-------------------------------|--|-------------------|------------------|
| | | Contractual cash flows | More than 1 year but less than 5 years | More than 5 years | |
| | | Within 1 year | More than 1 year but less than 5 years | More than 5 years | |
| | | <i>(in thousand Baht)</i> | | | |
| <i>Non-derivative financial liabilities</i> | | | | | |
| Trade payables | 986,475 | 986,475 | - | - | 986,475 |
| Lease liabilities | 398,405 | 245,796 | 238,398 | 546 | 484,740 |
| | 1,384,880 | 1,232,271 | 238,398 | 546 | 1,471,215 |
| <i>Derivative financial liabilities</i> | | | | | |
| Forward exchange contracts: | | | | | |
| - Cash outflow | (228,765) | (228,765) | - | - | (228,765) |
| - Cash inflow | 222,670 | 222,670 | - | - | 222,670 |
| | (6,095) | (6,095) | - | - | (6,095) |

| <i>At 31 December 2019</i> | Effective interest rate <i>(% per annum)</i> | Consolidated financial statements | | | Total |
|---|---|-----------------------------------|---------------------------------|---------------|---------------|
| | | Maturity period | | | |
| | | Within 1 year | After 1 year but within 5 years | After 5 years | |
| | | <i>(in thousand Baht)</i> | | | |
| <i>Financial Liabilities</i> | | | | | |
| Bank overdrafts and loans from financial institutions | MLR-0.25, 5.75 | 37,680 | - | - | 37,680 |
| Short-term loans from - Related parties | 4.00 | 10,000 | - | - | 10,000 |
| Total | | 47,680 | - | - | 47,680 |

(c.3) Market risk

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

(c.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

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| <i>Exposure foreign currency at 31 December</i> | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------|--------------------------------------|--------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| United States Dollars | | | | |
| Cash and cash equivalents | 9,617 | 8,402 | - | - |
| Trade payables | (46,727) | (654) | 42,431 | (654) |
| Gross balance sheet exposure | (37,110) | 7,748 | 42,431 | (654) |
| Currency forwards purchase | 42,431 | 654 | (42,431) | 654 |
| Net exposure | 5,321 | 8,402 | - | - |
| Others Currency | | | | |
| Cash and cash equivalents | 248 | 4,862 | 248 | 310 |
| Trade payables | (398) | - | - | - |
| Net exposure | (150) | 4,862 | 248 | 310 |

(c.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. Loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings.

27 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

28 Commitments with non-related parties

| | Consolidated financial statements | | Separate financial statements | |
|------------------------------------|--|----------------|--------------------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| | <i>(in thousand Baht)</i> | | | |
| Other commitments | | | | |
| Unused letters of credit for goods | 245,000 | 245,000 | 223,000 | 223,000 |
| Bank guarantees | 25,928 | 23,051 | 20,488 | 16,540 |
| Services and consulting agreements | 9,023 | - | 8,859 | - |
| Buildings and other constructions | 11,889 | - | - | - |
| Total | 291,840 | 268,051 | 252,347 | 239,540 |

29 Event after the reporting period

At the Board of directors' meeting of the Company held on 19 February 2021, approved the appropriation of dividend from the retained earning of Baht 0.25 per share, amounting to Baht 72.66 million. The dividend will be paid to shareholders during the year 2021.

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30 Thai Financial Reporting Standards (TFRS) not yet adopted

The amendment to TFRS 16 provides an option for lessees not to assess whether COVID-19-related rent concessions are lease modifications, but to directly decrease the lease liability. The impact from the application of the option shall be adjusted to retained earnings on 1 January 2021 and no adjustments are to be made on comparative financial statements. Management is currently considering whether or not to elect to apply the option.

31 Reclassification of accounts

Certain accounts in the 2019 financial statement for comparative purposes, have been reclassified to conform to the presentation in the 2020 financial statements.

| | Consolidated financial statements | | | Separate financial statements | | |
|---|--|-------------------|--|--|-------------------|-------------------|
| | Before reclass. | Reclass. | After reclass. <i>(in thousand Baht)</i> | Before reclass. | Reclass. | After reclass. |
| <i>Statement of financial position</i> | | | | | | |
| Other receivables | - | 139,593 | 139,593 | - | 139,686 | 139,686 |
| Other current assets | 176,818 | (139,593) | 37,225 | 172,291 | (139,686) | 32,605 |
| Available-for-sales investment | 8,917,669 | (8,917,669) | - | 8,917,669 | (8,917,669) | - |
| Other long-term investments | 1,992,851 | (1,992,851) | - | 1,992,851 | (1,992,851) | - |
| Other non-current financial assets | - | <u>10,910,520</u> | 10,910,520 | - | <u>10,910,520</u> | 10,910,520 |
| | | <u>-</u> | | | <u>-</u> | |

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.