

**Selic Corp Public Company Limited
and its Subsidiaries**

Condensed interim financial statements
for the three-month and six-month periods ended
30 June 2019
and
Independent auditor's review report



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Selic Corp Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Selic Corp Public Company Limited and its subsidiaries, and of Selic Corp Public Company Limited, respectively, as at 30 June 2019; the consolidated and separate statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2019; the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2019; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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



Other Matter

The consolidated and separate statements of financial position of Selic Corp Public Company Limited and its subsidiaries, and of Selic Corp Public Company Limited as at 31 December 2018, which are included as comparative information, were audited by another auditor who expressed an unqualified opinion thereon in his report dated 27 February 2019. Furthermore, the consolidated and separate statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2018, the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2018 of Selic Corp Public Company Limited and its subsidiaries, and of Selic Corp Public Company Limited, which are included as comparative information, were reviewed by another auditor who expressed an unmodified conclusion thereon in his report dated 9 August 2018.

D. Yin

(Dussanee Yimsuwan)
Certified Public Accountant
Registration No. 10235

KPMG Phoomchai Audit Ltd.
Bangkok
9 August 2019

Selic Corp Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<i>Current assets</i>					
Cash and cash equivalents		131,549	210,781	40,029	199,373
Trade accounts receivable	3, 4, 5, 15	314,728	125,972	178,264	139,704
Other receivables	4, 15	20,968	4,435	10,214	4,410
Inventories	3	333,134	79,229	103,540	79,229
Other current assets	15	14,419	14,230	3,717	4,639
Total current assets		814,798	434,647	335,764	427,355
<i>Non-current assets</i>					
Investments in subsidiaries	3, 6	-	-	1,039,997	9,997
Property, plant and equipment	3	339,879	102,064	92,746	102,062
Goodwill	3	378,310	-	-	-
Intangible assets	3	165,653	4,521	3,852	4,521
Deferred tax assets	7	5,486	2,320	2,739	2,320
Other non-current assets		1,032	1,040	1,023	1,040
Total non-current assets		890,360	109,945	1,140,357	119,940
Total assets	10	1,705,158	544,592	1,476,121	547,295

(Mr.EK Suwatthanaphim)

(Mr.Narong Suwatthanaphim)



The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
(in thousand Baht)					
Current liabilities					
Short-term loans from					
financial institutions	8	37,562	67,216	37,562	67,216
Trade accounts payable	4, 15	249,215	96,002	140,844	96,002
Other payables	4, 15	237,699	21,960	219,173	21,871
Current portion of long-term loans					
from financial institution	8	119,564	-	26,633	-
Current portion of finance lease					
liabilities	8	3,282	995	718	995
Current tax payable		12,994	-	2,832	-
Other current liabilities	15	809	661	525	661
Total current liabilities		661,125	186,834	428,287	186,745
Non-current liabilities					
Long-term loans from					
financial institutions	8	577,206	-	172,428	-
Long-term loans from related party	8	-	-	500,000	-
Finance lease liabilities	8	4,353	362	148	362
Deferred tax liabilities	3, 7	55,722	-	-	-
Non-current provisions for					
employee benefits	9	14,181	8,088	10,881	8,088
Total non-current liabilities		651,462	8,450	683,457	8,450
Total liabilities	10	1,312,587	195,284	1,111,744	195,195

(Mr.EK Suwatthanaphim)

(Mr.Narong Suwatthanaphim)

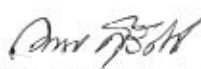


The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Equity					
Share capital					
Authorised share capital	11	159,000	140,000	159,000	140,000
Issued and paid-up share capital	11	145,000	140,000	145,000	140,000
Share premium on ordinary shares		177,835	177,835	177,835	177,835
Retained earnings					
Appropriated					
Legal reserve		3,030	3,030	3,030	3,030
Unappropriated		68,097	28,441	38,512	31,235
Other components of equity		(1,393)	-	-	-
Equity attributable to owners of the parent		392,569	349,306	364,377	352,100
Non-controlling interests		2	2	-	-
Total equity		392,571	349,308	364,377	352,100
Total liabilities and equity		1,705,158	544,592	1,476,121	547,295

 (Mr.EK Suwatthanaphim) (Mr.Narong Suwatthanaphim)

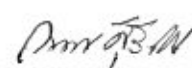


The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended		Three-month period ended	
		30 June		30 June	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Revenue					
Revenue from sale of goods	4, 10	349,184	153,097	179,018	152,759
Net foreign exchange gain		-	2,757	-	1,343
Other income	4	4,134	1,416	10,248	1,405
Total revenue		353,318	157,270	189,266	155,507
Expenses					
Cost of sales of goods	4	263,339	117,265	139,940	117,265
Distribution costs		8,566	4,699	3,508	4,401
Administrative expenses	4, 15	42,463	30,976	25,266	29,340
Net foreign exchange loss	15	839	-	883	-
Finance costs	4	10,770	55	11,491	55
Total expenses		325,977	152,995	181,088	151,061
Profit before tax expense	10	27,341	4,275	8,178	4,446
Tax expense		(6,051)	46	(2,120)	46
Profit for the period		21,290	4,321	6,058	4,492
Profit attributable to:					
Owners of the parent		21,290	4,321	6,058	4,492
Non-controlling interests		-	-	-	-
Profit for the period		21,290	4,321	6,058	4,492
Basic earnings per share (in Baht)	12	0.073	0.015	0.021	0.015

 (Mr. EK Suwatthanaphim) (Mr. Narong Suwatthanaphim)

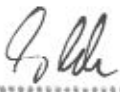
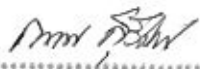


The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2019	2018	2019	2018
	(in thousand Baht)			
Profit for the period	21,290	4,321	6,058	4,492
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	(1,287)	-	-	-
Other comprehensive income (expense) for the period	(1,287)	-	-	-
Total comprehensive income for the period	20,003	4,321	6,058	4,492
Total comprehensive income attributable to:				
Owners of the parent	20,003	4,321	6,058	4,492
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	20,003	4,321	6,058	4,492



 (Mr.EK Suwatthanaphim) (Mr.Narong Suwatthanaphim)



The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
	Note	2019	2018	2019	2018
		(in thousand Baht)			
Revenue					
Revenue from sale of goods	4, 10	706,599	295,422	330,321	293,382
Net foreign exchange gain		1,040	1,262	-	680
Other income	4	6,050	2,110	20,656	2,099
Total revenue		713,689	298,794	350,977	296,161
Expenses					
Cost of sales of goods	4	532,329	224,173	254,598	224,137
Distribution costs		16,040	7,523	6,778	7,008
Administrative expenses	4, 15	85,225	62,107	49,465	59,040
Net foreign exchange loss	15	2,552	-	1,445	-
Finance costs	4	21,165	106	22,987	106
Total expenses		657,311	293,909	335,273	290,291
Profit before tax expense	10	56,378	4,885	15,704	5,870
Tax expense		(11,166)	(125)	(2,871)	(125)
Profit for the period		45,212	4,760	12,833	5,745
Profit attributable to:					
Owners of the parent		45,212	4,760	12,833	5,745
Non-controlling interests		-	-	-	-
Profit for the period		45,212	4,760	12,833	5,745
Basic earnings per share (in Baht)	12	0.156	0.016	0.044	0.020

(Mr.EK Suwatthanaphim)

(Mr.Narong Suwatthanaphim)



The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2019	2018	2019	2018
	(in thousand Baht)			
Profit for the period	45,212	4,760	12,833	5,745
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	(1,393)	-	-	-
Other comprehensive income (expense) for the period	(1,393)	-	-	-
Total comprehensive income for the period	<u>43,819</u>	<u>4,760</u>	<u>12,833</u>	<u>5,745</u>
Total comprehensive income attributable to:				
Owners of the parent	43,819	4,760	12,833	5,745
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	<u>43,819</u>	<u>4,760</u>	<u>12,833</u>	<u>5,745</u>




 (Mr.EK Suwatthanaphim) (Mr.Narong Suwatthanaphim)



The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

Consolidated financial statements

		Retained earnings			Other components of equity		Equity		
		Legal reserve	Unappropriated	Translating foreign operations	attributable to owners of the parent	Non-controlling interests	Total equity		
		(in thousand Baht)							
Six-month period ended 30 June 2018									
Balance at 1 January 2018		3,030	44,482	-	365,347	-	365,347		
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners of the parent	13	-	(7,560)	-	(7,560)	-	(7,560)		
Dividends		-	(7,560)	-	(7,560)	-	(7,560)		
Total contributions by and distributions to owners of the parent		-	(7,560)	-	(7,560)	-	(7,560)		
Comprehensive income for the period									
Profit for the period		-	4,760	-	4,760	-	4,760		
Total comprehensive income for the period		-	4,760	-	4,760	-	4,760		
Balance at 30 June 2018		3,030	41,682	-	362,547	-	362,547		



(Signature)

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The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

Consolidated financial statements

	Note	Retained earnings			Other components of equity			Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Translating foreign operations	Equity attributable to owners of the parent	
<i>(in thousand Baht)</i>								
Six-month period ended 30 June 2019								
Balance at 1 January 2019		140,000	177,835	3,030	28,441	-	349,306	2 349,308
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners of the parent								
Share dividends	13	5,000	-	-	(5,000)	-	-	-
Dividends	13	-	-	-	(556)	-	(556)	(556)
Total contributions by and distributions to owners of the parent		5,000	-	-	(5,556)	-	(556)	(556)
Comprehensive income for the period								
Profit for the period		-	-	-	45,212	-	45,212	45,212
Other comprehensive income (expense)		-	-	-	-	(1,393)	(1,393)	(1,393)
Total comprehensive income for the period		-	-	-	45,212	(1,393)	43,819	43,819
Balance at 30 June 2019								
		145,000	177,835	3,030	68,097	(1,393)	392,509	2 392,571

Signature

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(Mr. EK Suwattananaphim) (Mr. Narong Suwattananaphim)



Selic Corp Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

Separate financial statements							
		Retained earnings					
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Total equity	
	Note			(in thousand Baht)			
Six-month period ended 30 June 2018							
Balance at 1 January 2018		140,000	177,835	3,030	44,484	365,349	
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends	13	-	-	-	(7,560)	(7,560)	
Total contributions by and distributions to owners		-	-	-	(7,560)	(7,560)	
Comprehensive income for the period							
Profit for the period		-	-	-	5,745	5,745	
Total comprehensive income for the period		-	-	-	5,745	5,745	
Balance at 30 June 2018		140,000	177,835	3,030	42,669	363,534	

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The accompanying notes from an integral part of the interim financial statements

(Mr.EK Suwathanaphim)

[Signature]

(Mr.Narong Suwathanaphim)



Selic Corp Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Separate financial statements				
	Retained earnings				Total equity
Note	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	
			(in thousand Baht)		
Six-month period ended 30 June 2019					
Balance at 1 January 2019	140,000	177,835	3,030	31,235	352,100
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Share dividends	5,000	-	-	(5,000)	-
Dividends	-	-	-	(556)	(556)
Total contributions by and distributions to owners	5,000	-	-	(5,556)	(556)
Comprehensive income for the period					
Profit for the period	-	-	-	12,833	12,833
Total comprehensive income for the period	-	-	-	12,833	12,833
Balance at 30 June 2019	145,000	177,835	3,030	38,512	364,377



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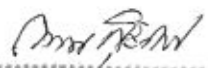
(Mr. EK Suwattthanaphim) (Mr. Narong Suwattthanaphim)

The accompanying notes from an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
Note	2019	2018	2019	2018
	(in thousand Baht)			
Cash flows from operating activities				
Profit for the period	45,212	4,760	12,833	5,745
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	11,166	125	2,871	125
Finance costs	21,165	106	22,987	106
Depreciation and amortisation	24,100	11,596	11,387	11,590
Provisions expense for employee benefits	4,319	1,360	3,420	1,360
Unrealised (gain) loss on exchange	3,519	(1,000)	2,166	(593)
Reversal of doubtful debts expenses	5 (572)	(862)	-	(862)
Reversal of losses on inventories devaluation	(1,366)	-	(1,366)	-
Gain on disposal of plant and equipment	(4,159)	(791)	(2,290)	(791)
Interest income	(165)	(478)	(98)	(471)
	103,219	14,816	51,910	16,209
Changes in operating assets and liabilities				
Trade accounts receivable	(29,566)	13,491	(40,074)	11,023
Other receivables	(7,170)	(1,157)	(5,804)	(1,157)
Inventories	(62,594)	5,637	(22,945)	5,601
Other current assets	784	869	922	2,375
Other non-current assets	17	341	17	298
Trade accounts payable	95,126	(16,204)	46,306	(16,203)
Other payables	(9,797)	132	(10,677)	387
Other current liabilities	(2,382)	(186)	(136)	(170)
Provisions for employee benefits paid	(628)	(1,350)	(628)	(1,350)
Net cash generated from operating	87,009	16,389	18,891	17,013
Taxes paid	(10,634)	(2,185)	(458)	(2,185)
Net cash from operating activities	76,375	14,204	18,433	14,828

 (Mr.EK Suwatthanaphim) (Mr.Narong Suwatthanaphim)



The accompanying notes form an integral part of the interim financial statements

Selic Corp Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Cash flows from investing activities					
Acquisition of subsidiaries, net of cash acquired	3, 6	(787,677)	-	(824,000)	-
Acquisition of plant and equipment		(11,230)	(6,123)	(1,401)	(6,123)
Proceeds from sale of equipment		4,159	934	2,290	934
Acquisition of intangible assets		(1,426)	-	-	-
Interest received		165	478	98	471
Net cash used in investing activities		(796,009)	(4,711)	(823,013)	(4,718)
Cash flows from financing activities					
Proceeds from short-term borrowings from financial institutions	8	57,304	-	15,013	-
Repayment of short-term borrowings from financial institutions	8	(90,451)	(411)	(44,667)	(411)
Proceeds from long-term borrowings from financial institutions	8	700,000	-	200,000	-
Payment of borrowing fee for long-term borrowings from financial institution		(3,500)	-	(1,000)	-
Proceeds from long-term borrowings from related party	8	-	-	500,000	-
Payment by a lessee for reduction of the outstanding liability relating to a finance lease	8	(1,804)	(485)	(524)	(485)
Dividends paid to owners of the Company	13	(556)	(7,560)	(556)	(7,560)
Interest paid		(17,804)	(107)	(22,079)	(107)
Net cash from (used in) financing activities		643,189	(8,563)	646,187	(8,563)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		(76,445)	930	(158,393)	1,547
Effect of exchange rate changes on cash and cash equivalents		(2,787)	-	(951)	-
Net increase (decrease) in cash and cash equivalents		(79,232)	930	(159,344)	1,547
Cash and cash equivalents at 1 January		210,781	121,528	199,373	108,396
Cash and cash equivalents at 30 June		131,549	122,458	40,029	109,943

Non-cash transactions

Consideration payable for investment	3	206,000	-	206,000	-
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The accompanying notes from an integral part of the interim financial statements

(Signature)

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Selic Corp Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

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(Mr.EK Suwatthanaphim)

(Mr.Narong Suwatthanaphim)

Selic Corp Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from Thai language financial statements, and were approved and authorised for issue by the Board of Directors of the Company on 9 August 2019.

1 General information

Selic Corp Public Company Limited, the “Company”, is incorporated in Thailand and has its registered offices at 270 Liapkhlongphasicharoenfangtai Road, Nong Khaem, Bangkok, Thailand.

The Company was listed on the Market for Alternative Investment (“MAI”) on 18 October 2016.

The Company’s major shareholders during the financial period were Mr. Narong Suwatthanaphim (29.64% shareholding) and Mr. Ek Suwatthanaphim (24.96% shareholding). Both persons were directors of the Company.

The principal activities of the Company and subsidiaries (“the Group”) are production and distribution of adhesives used in industrial including self-adhesive label for domestic and international markets. Details of the Company’s subsidiaries as at 30 June 2019 and 31 December 2018 were as follows:

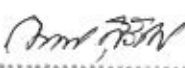
Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2019	31 December 2018
E.V.A International Co., Ltd.	Wholesales of industrial chemicals	Thailand	99.97	99.97
PMC Label Materials Co., Ltd.	Production and distribution of self-adhesive label	Thailand	99.99	-
PMC Label Materials Pte. Ltd.	Distribution of self-adhesive label	Singapore	100.00	-

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.



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(Mr.EK Suwatthanaphim) (Mr.Narong Suwatthanaphim)



Selic Corp Public Company Limited and its Subsidiaries
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For the three-month and six-month periods ended 30 June 2019 (Unaudited)

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2018 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2019. The primary change is that the Group has initially adopted TFRS 15 *Revenue from Contracts with Customers* ("TFRS 15"), which replaced TAS 18 *Revenue* ("TAS 18"), TAS 11 *Construction Contracts* ("TAS 11") and related interpretations.

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such change in accounting policy has no material impacts on the financial statements.

For a number of new and revised TFRS which are not yet effective for current period, the Group has not early adopted these standards in preparing these interim financial statements before the effective date. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 16.

(b) Functional and presentation currency

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

(c) Use of judgements and estimates

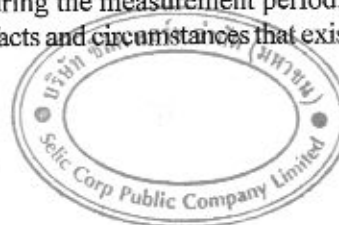
In preparing these interim financial statements, judgements and estimates are made by management in applying the Group's accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018, except for fair value measurement of assets acquired and liabilities assumed at the acquisition date as disclosed in note 3.

3 Acquisitions of subsidiaries

On 4 January 2019, the Group purchased 100% of the ordinary shares of PMC Label Materials Co., Ltd. ("PMCT"), a manufacturer and distributor of self-adhesive label which is incorporated in Thailand, and PMC Label Materials Pte. Ltd. ("PMCS"), a distributor of self-adhesive label in Singapore and Malaysia which is incorporated in Singapore, for a total consideration of Baht 1,030 million. The transaction was accounted for a business combination.

Taking control of PMC Label Materials Co., Ltd. and PMC Label Material Pte. Ltd., downstream business of the Group, will enable the Group to expand its market to other industrial market through label production and enhance the Group's capabilities to develop new products, including broaden the Group's distribution channel and customer base in international market.

The Group has engaged the independent appraisers to determine the fair values of identifiable assets acquired and liabilities assumed which were mainly property, plant and equipment, and intangible assets. The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, then the acquisition accounting will be revised.



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Identifiable assets acquired and liabilities assumed

	PMCT	Fair value PMCS (in thousand Baht)	Total
Cash and cash equivalents	21,388	14,935	36,323
Trade accounts receivable	144,015	17,883	161,898
Inventories	179,739	10,206	189,945
Property, plant and equipment	239,589	2,331	241,920
Intangible assets	146,370	16,890	163,260
Other receivables and other assets	9,012	1,239	10,251
Short-term loans from financial institutions	(3,493)	-	(3,493)
Finance lease liabilities	(2,601)	-	(2,601)
Trade accounts payable	(55,292)	(5,159)	(60,451)
Deferred tax liabilities - net	(50,878)	(3,774)	(54,652)
Non-current provisions for employee benefits	(2,402)	-	(2,402)
Other payables and other liabilities	(27,131)	(1,177)	(28,308)
Total identifiable net assets received	598,316	53,374	651,690
Goodwill arising from the acquisition	328,684	49,626	378,310
Purchase consideration transferred	927,000	103,000	1,030,000
Cash acquired			(36,323)
Net cash outflows			993,677
<i>Less consideration payable</i>			<i>(206,000)</i>
Net cash outflows in 2019			787,677

The trade receivables comprise gross contractual amounts due of Baht 163.7 million, of which Baht 1.8 million was expected to be uncollectible at the acquisition date.

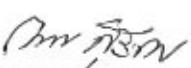
The consideration payable will be paid to the former shareholders who sold the shares to the Group when the terms and conditions in the Share Sale and Purchase Agreement are met. Under such terms, the payment shall be made by 2 installments which are expected to pay in 2020 and 2021.

The assets, liabilities and operating results have been included in the Group's consolidated interim financial statement for the six-month period ended 30 June 2019 since the acquisition date. During the period from acquisition date to 30 June 2019, the subsidiaries contributed revenue of Baht 425.6 million and profit of Baht 40.6 million to the Group's results. If the acquisition had occurred on 1 January 2019, management estimates that consolidated revenue and consolidated profit for the six-month period ended 30 June 2019 would have increased by Baht 374.9 million and Baht 32.7 million, respectively.

Acquisition-related costs

The Group incurred acquisition-related costs of Baht 20.8 million. Most acquisition costs have been occurred during the year 2018 and included in administrative expenses in the Group's consolidated statement of income for the year ended 31 December 2018 totaling Baht 20.5 million and for the six-month period ended 30 June 2019 totaling Baht 0.3 million (30 June 2018: Baht 1.7 million).


 (Mr. EK Suwatthanaphim)


 (Mr. Narong Suwatthanaphim)



Selic Corp Public Company Limited and its Subsidiaries
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4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Individuals/entities	Country of incorporation/ nationality	Nature of relationships
E.V.A. International Co., Ltd.	Thailand	Subsidiaries, 99.97% shareholding
PMC Label Materials Co., Ltd.	Thailand	Subsidiaries, 99.99% shareholding
PMC Label Materials Pte. Ltd.	Singapore	Subsidiaries, 100% shareholding
Trade Ally International Co., Ltd.	Thailand	A person or a close member of that director's family as director and common director
Trade Ally International Pte. Ltd.	Singapore	A person or a close member of that director's family as director and common director
S.O.M. International Co., Ltd.	Thailand	A person or a close member of that director's family as director and common directors
News EVA Co., Ltd.	Thailand	A person or a close member of that director's family as director and common directors
Big Jet Travel Co., Ltd.	Thailand	A person or a close member of that director's family as director and common director
International Legal Counsellors Thailand Ltd.	Thailand	A person or a close member of that director's family as director
Narongwong Group Co., Ltd.	Thailand	A person or a close member of that director's family as director and common director
Humanica Public Co., Ltd.	Thailand	A person or a close member of that director's family as director and common director
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group

The significant pricing policies for transactions with related parties during the six-month period ended 30 June 2019 are as follows:

Transactions

Sale of goods/Purchase of goods
 Rendering/Receiving of services
 Land and building rental

 Consultant fee
 Management personnel compensation
 Interest expense
 Loan guarantee

Pricing policies

Price approximated market price
 Mutually agreed amount
 Mutually agreed price referenced to the valuation of an independent appraiser
 Mutually agreed amount
 Mutually agreed amount
 Contract price based on market
 Free of charge



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For the three-month and six-month periods ended 30 June 2019 (Unaudited)

Significant transactions for the three-month and six-month periods ended 30 June with related parties were as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries				
Revenue from sale of goods	-	-	31,212	10,222
Management service income	-	-	8,700	-
Cost of sales of goods	-	-	7	-
Finance costs	-	-	8,125	-
Other related parties				
Revenue from sale of goods	1,136	-	-	-
Administrative expenses	31	-	-	-
Legal consulting fee	132	-	132	-
Land and building rental expense	768	-	768	-
Purchase of intangible assets	1,013	-	-	-
Key management personnel				
Land and building rental expense	-	768	-	768
Consulting fee	428	428	428	428
Key management personnel compensation				
Short-term employee benefit	7,899	6,730	6,056	5,765
Post-employment benefits	284	104	199	104
Other benefits	357	-	357	-
Total	8,540	6,834	6,612	5,869

<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries				
Revenue from sale of goods	-	-	35,125	21,257
Management service income	-	-	17,400	-
Purchase of sales of goods	-	-	12	-
Administrative expenses	-	-	200	-
Finance costs	-	-	16,250	-
Other related parties				
Revenue from sale of goods	3,794	-	-	-
Other income	47	-	-	-
Administrative expenses	239	-	208	-
Legal consulting fee	199	-	199	-
Land and building rental expense	1,535	-	1,535	-
Purchase of intangible assets	1,013	-	-	-
Key management personnel				
Land and building rental expense	-	1,535	-	1,535
Consulting fee	856	856	856	856



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For the three-month and six-month periods ended 30 June 2019 (Unaudited)

<i>six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Key management personnel compensation				
Short-term employee benefit	15,582	13,552	10,343	11,624
Post-employment benefits	522	207	398	207
Other benefits	428	-	428	-
Total	16,532	13,759	11,169	11,831

Balances as at 30 June 2019 and 31 December 2018 with related parties were as follows:

Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiary				
E.V.A. International Co., Ltd.	-	-	28,827	26,840
PMC Label Materials Co., Ltd.	-	-	26,271	-
Other related parties				
Trade Ally International Co., Ltd.	799	-	-	-
Trade Ally International Pte. Ltd.	5,009	-	-	-
Total	5,808	-	55,098	26,840

Other receivables - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiary				
PMC Label Materials Co., Ltd.	-	-	3,103	-
Key management personnel	79	-	79	-
	79	-	3,182	-

Long-term loan from related party

On 30 January 2019, the Company has entered into a long-term loan agreement with PMC Label Materials Co., Ltd. with a credit facility of Baht 500 million. This loan bears interest rate at MLR plus margin per annum in the first year and MLR less margin per annum in the subsequent year, and is repayable on demand. The objective of the loan is for repayment of short-term loan (Bridge loan) from a financial institution used as source of fund for business acquisition as described in note 3. As at 30 June 2019, the credit facility has been fully utilised.

(Signature)

(Mr.EK Suwatthanaphim)

(Signature)

(Mr.Narong Suwatthanaphim)



Selic Corp Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiary				
PMC Label Materials Co., Ltd.	-	-	6	-
Total	<u>-</u>	<u>-</u>	<u>6</u>	<u>-</u>

Other payables - related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Other related party				
Narongwong Group Co., Ltd.	527	-	527	-
Humanica Public Co., Ltd.	132	-	-	-
Key management personnel	-	453	-	453
Total	<u>659</u>	<u>453</u>	<u>527</u>	<u>453</u>

Significant agreements with related parties

As at 30 June 2019, the Group has significant agreements with related parties as follows:

Land and building rental agreement

The Company has land and building rental agreement with a related party for being the operating location. The agreement is effective for 15 years and ending in June 2031 with total rental fee for the year 2019 of Baht 2.9 million (*for the year 2018 of Baht 2.9 million*). The rate will be adjusted every 5 years.

Management service agreement

The Company has management service agreement with a related party. The agreement is effective from date as specified in the agreement with a service fee as stipulated in the agreement and shall be automatically extended for one additional year unless terminated by either party upon giving 30 days advance notice.



 (Mr. EK Suwatthanaphim)



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Selic Corp Public Company Limited and its Subsidiaries
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For the three-month and six-month periods ended 30 June 2019 (Unaudited)

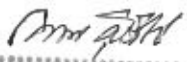
5 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	30 June 2019	31 December 2018	30 June 2019	31 December 2018
		<i>(in thousand Baht)</i>			
Related parties	4	5,808	-	55,098	26,840
Other parties		310,558	126,334	123,166	112,864
Total		316,366	126,334	178,264	139,704
Less allowance for doubtful accounts		(1,638)	(362)	-	-
Net		314,728	125,972	178,264	139,704
Reversal of allowance for doubtful debts for the six-month period ended 30 June		(572)	-	-	-

Aging analysis for trade accounts receivable were as follows:

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	30 June 2019	31 December 2018	30 June 2019	31 December 2018
		<i>(in thousand Baht)</i>			
Related parties					
Within credit terms		1,172	-	35,457	19,117
Overdue:					
Less than 3 months		1,100	-	8,582	4,207
3 - 6 months		2,673	-	11,059	-
6 - 12 months		556	-	-	3,516
Over 12 months		307	-	-	-
	4	5,808	-	55,098	26,840
Other parties					
Within credit terms		223,061	96,437	93,425	89,691
Overdue:					
Less than 3 months		70,992	24,518	21,843	19,942
3 - 6 months		8,400	4,374	4,721	3,231
6 - 12 months		6,004	616	3,177	-
Over 12 months		2,101	389	-	-
		310,558	126,334	123,166	112,864
Less allowance for doubtful accounts		(1,638)	(362)	-	-
		308,920	125,972	123,166	112,864
Net		314,728	125,972	178,264	139,704

The normal credit terms granted by the Group ranges from 30 to 180 days.


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 (Mr.Narong Suwatthanaphim)



Selic Corp Public Company Limited and its Subsidiaries
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6 Investments in subsidiaries

	Note	Separate financial statements	
		2019	2018
		(in thousand Baht)	
At 1 January		9,997	1,000
Acquisition of subsidiaries	3	1,030,000	-
At 30 June		<u>1,039,997</u>	<u>1,000</u>
At 31 December			<u>9,997</u>


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(Mr. EK Suwatthanaphim)


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(Mr. Narong Suwatthanaphim)



Selic Corp Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

Investments in subsidiaries as at 30 June 2019 and 31 December 2018, and dividend income for the six-month period ended 30 June were as follows:

	Separate financial statements										
	Ownership interest 30 June 2019	Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	30 June 2018
		(in thousand Bahr)									
<i>Subsidiaries</i>											
E.V.A. International Co., Ltd.	99.97	10,000	10,000	9,997	9,997	-	-	9,997	9,997	-	-
PMC Label Materials Co., Ltd.	99.99	100,000	100,000	927,000	-	-	-	927,000	-	-	-
PMC Label Materials Pte. Ltd.											
(Paid-up capital in Singapore Dollars)	100	-	2	103,000	-	-	-	103,000	-	-	-
Total				1,039,997	9,997	-	-	1,039,997	9,997	-	-

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



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(Mr. EK Suwathanaphim) (Mr. Narong Suwathanaphim)

Selic Corp Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

7 Deferred tax

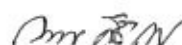
Movements in total deferred tax assets and liabilities for the six-month period ended 30 June were as follows:

Consolidated financial statements						
	At 1 January 2019	(Charged) / Credited to: Profit or loss	Other comprehensive income <i>(in thousand Baht)</i>	Acquired in business combination	Exchange differences	At 30 June 2019
Deferred tax assets						
Trade accounts receivable	-	(23)	-	369	-	346
Inventories	612	6	-	1,428	-	2,046
Provisions for employee benefits	1,617	738	-	481	-	2,836
Others	91	167	-	-	-	258
Total	2,320	888	-	2,278	-	5,486
Deferred tax liabilities						
Property, plant and equipment	-	670	-	(24,926)	(14)	(24,270)
Intangible assets	-	552	-	(32,004)	-	(31,452)
Total	-	1,222	-	(56,930)	(14)	(55,722)
Net	2,320	2,110	-	(54,652)	(14)	(50,236)

Consolidated financial statements						
(Charged) / Credited to:						
	At 1 January 2018	Profit or loss	Other comprehen sive income <i>(in thousand Baht)</i>	Acquired in business combination	Exchange differences	At 30 June 2018
Deferred tax assets						
Trade accounts receivable	19	(8)	-	-	-	11
Provisions for employee benefits	2,116	(42)	-	-	-	2,074
Others	61	15	-	-	-	76
Total	2,196	(35)	-	-	-	2,161

Separate financial statements			
	At 1 January 2019	(Charged) / Credited to: Profit or loss (in thousand Baht)	At 30 June 2019
Deferred tax assets			
Inventories	612	(273)	339
Provisions for employee benefits	1,617	559	2,176
Others	91	133	224
Total	2,320	419	2,739







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	At 1 January 2018	Separate financial statements (Charged) / Credited to:		At 30 June 2018
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	19	(8)	-	11
Provisions for employee benefits	2,116	(42)	-	2,074
Others	61	15	-	76
Net	2,196	(35)	-	2,161

A subsidiary has not recognised deferred tax assets from tax loss of Baht 2.8 million (31 December 2018: Baht 2.4 million) because it is not probable that future taxable profit will be available against which the subsidiary can utilise the benefits therefrom. The tax loss will expire in 2024 (31 December 2018: expire in 2023).

8 Changes in liabilities arising from financing activities

Significant changes in liabilities arising from financing activities for the six-month period ended 30 June 2019 were as follows:

	Consolidated financial statements			Total
	Loans from financial institutions	Loan from related party (in thousand Baht)	Finance lease liabilities	
Balance at 1 January 2019	67,216	-	1,357	68,573
Changes from financing cash flows	666,853	-	(1,804)	665,049
New finance leases	-	-	6,411	6,411
Other non-cash movement	263	-	1,671	1,934
Balance at 30 June 2019	734,332	-	7,635	741,967

	Separate financial statements			Total
	Loans from financial institutions	Loan from related party (in thousand Baht)	Finance lease liabilities	
Balance at 1 January 2019	67,216	-	1,357	68,573
Changes from financing cash flows	169,346	500,000	(524)	668,822
Other non-cash movement	61	-	33	94
Balance at 30 June 2019	236,623	500,000	866	737,489

Long-term loans from financial institution

The Company and PMC Label Materials Co., Ltd., a subsidiary, have entered into long-term loan agreements with a local financial institution dated on 4 January 2019 and 2 January 2019, respectively, for a total credit facility of Baht 900 million. The objective of the loan is to use as source of fund for business acquisition as described in note 3. The loans bear interest rate at MLR less margin per annum and shall be repayable in 95 monthly equally installments commencing from July 2019. As at 30 June 2019, the Group has unutilised credit facility of Baht 200 million.

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The Group's land, machinery, inventories, shares issued by the Company and the subsidiary and claim to receive payment from debtors are used as collateral to secure long-term loans. These loans are guaranteed by the Company and the subsidiary.

Under the terms and conditions of the agreements of long-term loans from financial institution, the Group and the Company shall comply on certain conditions such as maintaining percentage of shareholding and financial ratios.

9 Non-current provisions for employee benefits

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the second quarter of 2019. As a result of this change, the provision for retirement benefits as at 30 June 2019 as well as past service cost recognised during the three-month and six-month periods then ended in the consolidated and separate financial statements increased by an amount of Baht 2.6 million and Baht 2.0 million, respectively.

10 Segment information

Since the first quarter of 2019, the Group has two reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions are managed separately because they require different technologies and marketing strategies. For each of the strategic divisions, the chief operating decision maker reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Production and distribution of adhesive for industrial use
- Segment 2 Production and distribution of self-adhesive labels

Information regarding the results of each reportable segment is included below. Performance is measured based on segment earnings before interest, taxes, depreciation and amortisation (EBITDA) as included in the internal management reports that are reviewed by the Group's operation head. Segment EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.


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(Mr. EK Suwatthanaphim)


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(Mr. Narong Suwatthanaphim)



Selic Corp Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
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Information about reportable segments

	Adhesive for industrial use		Self-adhesive labels		Total reportable segments		Elimination		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<i>Three-month period ended 30 June</i>										
External revenues - overseas										
- Asia	29,826	38,400	63,432	-	93,258	38,400	-	-	93,258	38,400
- Australia	13,896	6,725	1,258	-	15,154	6,725	-	-	15,154	6,725
- Africa	15,127	16,372	-	-	15,127	16,372	-	-	15,127	16,372
- America	5,060	945	-	-	5,060	945	-	-	5,060	945
- Others	1,793	982	-	-	1,793	982	-	-	1,793	982
	65,702	63,424	64,690	-	130,392	63,424	-	-	130,392	63,424
External revenues - local	89,584	89,673	129,208	-	218,792	89,673	-	-	218,792	89,673
Inter-segment revenue	24,552	-	6	-	24,558	-	(24,558)	-	-	-
Total segment revenue	179,838	153,097	193,904	-	373,742	153,097	(24,558)	-	349,184	153,097
EBITDA	25,294	10,084	33,697	-	58,991	10,084	(8,639)	-	50,352	10,084
Profit (loss) before tax expense	8,066	4,275	22,602	-	30,668	4,275	(3,327)	-	27,341	4,275

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(Mr.EK Suwattananaphum) (Mr.Narong Suwattananaphum)



Selic Corp Public Company Limited and its Subsidiaries

Notes to the condensed interim financial statements

For the three-month and six-month periods ended 30 June 2019 (Unaudited)

Six-month period ended 30 June	Adhesive for industrial use		Self-adhesive labels		Total reportable segments		Elimination		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<i>(in thousand Baht)</i>										
External revenues - overseas										
- Asia	55,703	60,707	126,056	-	181,759	60,707	-	-	181,759	60,707
- Australia	23,332	19,325	4,379	-	27,711	19,325	-	-	27,711	19,325
- Africa	31,834	27,961	-	-	31,834	27,961	-	-	31,834	27,961
- America	5,060	6,440	-	-	5,060	6,440	-	-	5,060	6,440
- Others	7,487	2,008	-	-	7,487	2,008	-	-	7,487	2,008
	123,416	116,441	130,435	-	253,851	116,441	-	-	253,851	116,441
External revenues - local	183,669	178,981	269,079	-	452,748	178,981	-	-	452,748	178,981
Inter-segment revenue	24,552	-	11	-	24,563	-	(24,563)	-	-	-
Total segment revenue	331,637	295,422	399,525	-	731,162	295,422	(24,563)	-	706,599	295,422
EBITDA	49,784	16,587	68,620	-	118,404	16,587	(16,763)	-	101,641	16,587
Profit (loss) before tax expense	15,410	4,885	47,206	-	62,616	4,885	(6,238)	-	56,378	4,885
Segment assets as at 30 June / 31 December	1,473,138	544,592	1,791,811	-	3,264,949	544,592	(1,559,790)	-	1,705,159	544,592
Segment liabilities as at 30 June / 31 December	1,111,847	195,284	730,121	-	1,841,968	195,284	(529,380)	-	1,312,588	195,284

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Signature

(Mr. Narong Suwatthanaphim)



Selic Corp Public Company Limited and its Subsidiaries
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11 Share capital

	Par value per share (in Baht)	Number	2019 Baht (thousand shares / thousand Baht)	2018 Number (thousand shares / thousand Baht)	Baht
Authorised					
At 1 January					
- ordinary shares	0.5	280,000	140,000	280,000	140,000
Increase registered capital					
- ordinary shares	0.5	38,000	19,000	-	-
At 30 June / 31 December					
- ordinary shares	0.5	318,000	159,000	280,000	140,000
Issued and paid-up					
At 1 January					
- ordinary shares	0.5	280,000	140,000	280,000	140,000
Increase registered capital					
- ordinary shares	0.5	9,999	5,000	-	-
At 30 June / 31 December					
- ordinary shares	0.5	289,999	145,000	280,000	140,000

On 4 April 2019, the annual general meeting of shareholders approved the increase of the Company's registered capital of Baht 140 million to Baht 159 million by issuing million 38 new ordinary shares at a par value of 0.50 baht per share and allocating the newly issued ordinary shares in the amount not exceeding 28 million shares at the par value of Baht 0.50 per share in the form of a General Mandate and approved the increase of the registered capital of Baht 5 million by issuing ordinary shares of no more than 10 million shares with a par value of Baht 0.50 per share to support the stock dividend payment from the unappropriated retained earnings. The Company registered the increase of capital with the Ministry of Commerce on 7 May 2019.

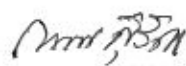
12 Basic earnings per share

The calculations of basic earnings per share for the three-month and six-month periods ended 30 June were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods, after adjusting for the change in the number of ordinary shares as a result of the increase in registered capital arising from the payment of stock dividend of 10 million shares on 26 April 2019, as described in notes 11 and 13. The number of ordinary shares used in calculations of earnings per share for the comparative previous period has been adjusted as if the event had occurred at the beginning of the earliest reporting period as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht / thousand shares)			
For three-month period ended 30 June				
Profit attributable to ordinary shareholders of the Company	21,290	4,321	6,058	4,492
Number of ordinary shares outstanding during the period	289,999	289,999	289,999	289,999
Basic earnings per share (in Baht)	0.073	0.015	0.021	0.015



(Mr. EK Suwatthanaphim)



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Selic Corp Public Company Limited and its Subsidiaries
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	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht / thousand shares)</i>			
For six-month period ended 30 June				
Profit attributable to ordinary shareholders of the Company	45,212	4,760	12,833	5,745
Number of ordinary shares outstanding during the period	289,999	289,999	289,999	289,999
Basic earnings per share (in Baht)	0.156	0.016	0.044	0.020

13 Dividend

At the annual general meeting of the shareholders of the Company held on 4 April 2019, the shareholders approved the unappropriated retained earnings of 2018 in the amount of not more than 10 million shares with a par value of Baht 0.50 per share to shareholders, at the rate of 28 existing shares per 1 stock dividend and pay cash dividend at the rate of Baht 0.0019841 per share or a total amount of not more than Baht 0.6 million. The dividends were paid to shareholders on 26 April 2019.

At the annual general meeting of the shareholders of the Company held on 5 April 2018, the shareholders approved the unappropriated retained earnings of 2017 at the rate of Baht 0.027 per share, totalling Baht 7.6 million. The dividends were paid to shareholders on 26 April 2018.

14 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Capital commitments				
<i>Contracted but not recognised:</i>				
Machinery and equipment under installation	506	340	506	340
Total	506	340	506	340
Future minimum lease payments under non-cancellable operating leases				
Within one year	2,757	1,174	810	1,174
After one year but within five years	51	197	51	197
Total	2,808	1,371	861	1,371
Other commitments				
Unused letters of credit for goods and raw materials	29,721	-	-	-
Bank guarantees	2,934	1,002	1,134	1,002
Total	32,655	1,002	1,134	1,002



 (Mr.EK Suwatthanaphim) (Mr.Narong Suwatthanaphim)



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Forward foreign exchange contracts

The Group and the Company have entered into currency forward contracts with local financial institutions. The detail of the contracts as at 30 June 2019 and 31 December 2018 are as follows:

Consolidated financial statements				
	Foreign currency		Equivalent to Baht	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	(in thousand)		(in thousand Baht)	
Currency forwards purchase				
US Dollar	1,246	200	39,169	6,524
Singapore Dollar	1,127	-	26,207	-
Currency forwards sales				
US Dollar	507	404	15,901	13,061
Euro	37	-	1,304	-
Separate financial statements				
	Foreign currency		Equivalent to Baht	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	(in thousand)		(in thousand Baht)	
Currency forwards purchase				
US Dollar	1,157	200	36,395	6,524
Singapore Dollar	756	-	17,623	-
Currency forwards sales				
US Dollar	253	350	7,961	11,290
Euro	37	-	1,304	-

The above contracts will be gradually due within January 2020 (31 December 2018: due within June 2019).

15 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2018 and the statement of income for the three-month and six-month periods ended 30 June 2018, which are included in the 2019 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2019 interim financial statements as follows:

	Consolidated financial statements			Separate financial statements		
	Before Reclassification	Reclassification	After Reclassification	Before Reclassification	Reclassification	After Reclassification
	(in thousand Baht)					
Statement of financial position						
Trade accounts receivable	-	125,972	125,972	-	139,704	139,704
Other receivables	-	4,435	4,435	-	4,410	4,410
Trade and other receivable	130,382	(130,382)	-	144,114	(144,114)	-
VAT receivable	14,064	(14,064)	-	4,473	(4,473)	-
Other current assets	191	14,039	14,230	166	4,473	4,639

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For the three-month and six-month periods ended 30 June 2019 (Unaudited)

	Consolidated financial statements			Separate financial statements		
	Before Reclassification	Reclassification	After Reclassification	Before Reclassification	Reclassification	After Reclassification
<i>(in thousand Baht)</i>						
Statement of financial position						
Trade accounts payable	-	96,002	96,002	-	96,002	96,002
Other payables	-	21,960	21,960	-	21,871	21,871
Trade and other payable	116,104	(116,104)	-	116,017	(116,017)	-
Payable for equipment	518	(518)	-	518	(518)	-
Other current liabilities	2,001	(1,340)	661	1,999	(1,338)	661
		<u>-</u>			<u>-</u>	
Statement of income						
Three-month period ended						
30 June 2018						
Net foreign exchange gain	-	2,757	2,757	-	1,343	1,343
Other income	2,839	(1,423)	1,416	2,085	(680)	1,405
Administrative expenses	(29,642)	(1,334)	(30,976)	(28,677)	(663)	(29,340)
		<u>-</u>			<u>-</u>	
Six-month period ended						
30 June 2018						
Net foreign exchange gain	-	1,262	1,262	-	680	680
Other income	3,533	(1,423)	2,110	2,779	(680)	2,099
Administrative expenses	(62,268)	161	(62,107)	(59,040)	-	(59,040)
		<u>-</u>			<u>-</u>	

16 Thai Financial Reporting Standards (TFRS) not yet adopted

The new and revised TFRSs have been issued but are not yet effective and have not been applied in preparing these interim financial statements. The new and revised TFRSs that may be relevant to the Company's operations, which become effective for annual financial periods beginning on or after 1 January 2020. The Company does not plan to early adopt these TFRSs.

The new TFRSs are set out below:

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

* TFRS - Financial instruments standards

(a) TFRS - Financial instruments standards

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

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Selic Corp Public Company Limited and its Subsidiaries
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(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognizes a right to use an asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard.

The Company is presently considering the potential impact of adopting and initially applying the above TFRS on the consolidated and separate financial statements.


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