

**INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

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

I have reviewed the accompanying consolidated and separate statements of financial position as at September 30, 2019, and the related consolidated and separate statements of comprehensive income for the three - month and nine - month periods then ended, the related consolidated and separate statement of changes in shareholders' equity and cash flows for the nine - month periods then ended and condensed notes to interim financial information of S. PACK & PRINT PUBLIC COMPANY LIMITED and its subsidiary and of S.PACK & PRINT PUBLIC COMPANY LIMITED. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

**Scope of review**

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

**Conclusion**

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



( Porntip Amornchailertpattana )

Certified Public Accountant (Thailand) No. 9589

OFFICE OF PITISEVI CO., LTD.  
8/4, Floor 1<sup>st</sup>, 3<sup>rd</sup>, Soi Viphavadee Rangsit 44,  
Ladyao, Chatuchak, Bangkok

November 13, 2019

**S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**STATEMENT OF FINANCIAL POSITION**

**AS AT SEPTEMBER 30, 2019**

		Unit : Baht			
		Consolidated		Separate	
		September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Note		(Reviewed)		(Reviewed)	
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
	Cash and cash equivalents	50,650,055.14	28,737,713.61	36,968,853.51	23,112,037.63
	Trade accounts and other current receivable - net	183,659,608.24	203,275,197.31	102,636,782.25	112,237,861.23
	Inventories - net	179,402,685.19	192,159,775.13	69,535,080.44	99,138,440.77
	Long - term loans to employees - current portion	575,426.17	996,457.14	320,270.11	517,300.50
	Other current assets	316,027.40	263,514.98	30,649.30	27,465.95
	<b>Total current assets</b>	<b>414,603,802.14</b>	<b>425,432,658.17</b>	<b>209,491,635.61</b>	<b>235,033,106.08</b>
<b>NON - CURRENT ASSETS</b>					
	Investment in subsidiary	-	-	500,100,399.40	500,100,399.40
	Long - term loans to employees - net	432,029.49	584,086.90	304,381.70	174,435.98
	Investment property - net	14,298,750.00	14,298,750.00	-	-
	Property, plant and equipment - net	791,487,508.96	788,689,022.28	150,648,057.25	119,020,187.39
	Intangible assets - net	4,759,529.98	7,225,489.38	1,653,454.91	2,557,086.39
	Deferred tax assets	7,026,732.45	4,804,512.76	5,138,135.86	3,062,435.83
	Other non - current assets	879,375.56	996,125.56	347,931.27	464,681.27
	<b>Total non - current assets</b>	<b>818,883,926.44</b>	<b>816,597,986.88</b>	<b>658,192,360.39</b>	<b>625,379,226.26</b>
	<b>TOTAL ASSETS</b>	<b>1,233,487,728.58</b>	<b>1,242,030,645.05</b>	<b>867,683,996.00</b>	<b>860,412,332.34</b>

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

**S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**STATEMENT OF FINANCIAL POSITION (Con't)**

**AS AT SEPTEMBER 30, 2019**

		Unit : Baht				
		Consolidated		Separate		
		September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
Note		(Reviewed)		(Reviewed)		
<b><u>LIABILITIES AND SHAREHOLDERS' EQUITY</u></b>						
<b>CURRENT LIABILITIES</b>						
	Bank overdraft and loans from financial institutions	13	335,000,000.00	277,574,258.45	70,000,000.00	94,074,258.45
	Trade accounts and other current payable	5.2, 14	112,903,579.81	143,145,872.07	58,742,287.93	62,567,755.50
	Current portion of liabilities					
	Long - term loan from financial institution	15	61,466,800.00	61,466,800.00	-	-
	Provisions for employee benefits	16	221,710.00	-	-	-
	Accrued corporate income tax		1,619,604.02	2,600,626.98	1,619,604.02	2,600,626.98
	Accrued dividend		20,536,148.42	20,536,450.82	20,536,148.42	20,536,450.82
	Other current liabilities		1,461,332.32	2,136,452.39	582,562.93	660,458.74
	<b>Total current liabilities</b>		<b>533,209,174.57</b>	<b>507,460,460.71</b>	<b>151,480,603.30</b>	<b>180,439,550.49</b>
<b>NON - CURRENT LIABILITIES</b>						
	Long - term loan from financial institution - net	15	214,866,200.00	260,966,300.00	-	-
	Provision for employee benefit - net	16	44,130,626.67	32,102,438.00	26,387,441.00	18,409,937.00
	<b>Total non - current liabilities</b>		<b>258,996,826.67</b>	<b>293,068,738.00</b>	<b>26,387,441.00</b>	<b>18,409,937.00</b>
	<b>TOTAL LIABILITIES</b>		<b>792,206,001.24</b>	<b>800,529,198.71</b>	<b>177,868,044.30</b>	<b>198,849,487.49</b>

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

**S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**STATEMENT OF FINANCIAL POSITION (Con't)**

**AS AT SEPTEMBER 30, 2019**

	Unit : Baht			
	Consolidated		Separate	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Note	(Reviewed)	(Reviewed)	(Reviewed)	
<b>SHAREHOLDERS' EQUITY</b>				
Share capital				
Authorized share capital				
300,000,000 Common Shares of Baht 1 each	300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Issued and paid - up share capital				
300,000,000 Common Shares of Baht 1 each	300,000,000.00	300,000,000.00	300,000,000.00	300,000,000.00
Share premium on common shares	278,374,901.60	278,374,901.60	278,374,901.60	278,374,901.60
Retained earnings (deficit)				
Appropriated - Legal reserve	30,000,000.00	30,000,000.00	30,000,000.00	30,000,000.00
Unappropriated	(167,093,174.26)	(166,873,455.26)	81,441,050.10	53,187,943.25
<b>Total equity of the Company</b>	<b>441,281,727.34</b>	<b>441,501,446.34</b>	<b>689,815,951.70</b>	<b>661,562,844.85</b>
Non - controlling interests	-	-	-	-
<b>Total shareholders' equity</b>	<b>441,281,727.34</b>	<b>441,501,446.34</b>	<b>689,815,951.70</b>	<b>661,562,844.85</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,233,487,728.58</b>	<b>1,242,030,645.05</b>	<b>867,683,996.00</b>	<b>860,412,332.34</b>

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

## STATEMENT OF COMPREHENSIVE INCOME

(Reviewed)

FOR THE THREE - MONTH PERIOD ENDED SEPTEMBER 30, 2019

	Note	Unit : Baht			
		Consolidated		Separate	
		2019	2018	2019	2018
<b>REVENUES</b>					
Sales income and proceeds from services	5.1	263,805,008.49	287,048,133.31	140,352,521.31	140,596,817.30
Other incomes		759,876.88	1,220,801.11	507,691.11	912,104.87
<b>TOTAL REVENUES</b>		<b>264,564,885.37</b>	<b>288,268,934.42</b>	<b>140,860,212.42</b>	<b>141,508,922.17</b>
<b>EXPENSES</b>					
Cost of sales and services	5.1	228,244,650.83	253,086,927.55	115,456,651.74	122,582,768.11
Distribution costs		9,981,526.22	11,877,249.28	4,162,431.89	3,895,053.99
Administrative expenses	5.1	13,682,367.42	11,018,526.58	6,935,032.42	5,823,847.62
Finance cost	5.1	5,743,052.47	6,070,317.38	456,297.42	481,883.30
<b>TOTAL EXPENSES</b>		<b>257,651,596.94</b>	<b>282,053,020.79</b>	<b>127,010,413.47</b>	<b>132,783,553.02</b>
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>		<b>6,913,288.43</b>	<b>6,215,913.63</b>	<b>13,849,798.95</b>	<b>8,725,369.15</b>
Income tax (expenses) income	12.2	(1,644,598.04)	(1,429,329.00)	(1,317,777.93)	(1,329,486.46)
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>		<b>5,268,690.39</b>	<b>4,786,584.63</b>	<b>12,532,021.02</b>	<b>7,395,882.69</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<b>5,268,690.39</b>	<b>4,786,584.63</b>	<b>12,532,021.02</b>	<b>7,395,882.69</b>
<b>NET PROFIT (LOSS) ATTRIBUTABLE TO :</b>					
Owners of the Company		5,268,690.39	4,786,584.63		
Non - controlling interersts		-	-		
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>		<b>5,268,690.39</b>	<b>4,786,584.63</b>		
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :</b>					
Owners of the Company		5,268,690.39	4,786,584.63		
Non - controlling interersts		-	-		
<b>COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<b>5,268,690.39</b>	<b>4,786,584.63</b>		
<b>BASIC EARNINGS (LOSS) PER SHARE (BAHT : SHARE)</b>					
Equity holders of the parent company	18	0.018	0.016	0.042	0.025

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

## STATEMENT OF COMPREHENSIVE INCOME (Con't)

(Reviewed)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2019

		Unit : Baht				
		Consolidated		Separate		
Note		2019	2018	2019	2018	
<b>REVENUES</b>						
	Sales income and proceeds from services	5.1	808,367,569.56	832,296,349.50	409,073,703.77	399,579,548.61
	Other incomes		5,448,347.04	2,513,049.61	2,808,743.93	1,393,380.05
	<b>TOTAL REVENUES</b>		<b>813,815,916.60</b>	<b>834,809,399.11</b>	<b>411,882,447.70</b>	<b>400,972,928.66</b>
<b>EXPENSES</b>						
	Cost of sales and services	5.1	719,923,438.58	743,152,492.97	345,409,607.50	359,256,872.61
	Distribution costs		31,162,587.63	30,661,835.42	12,476,683.18	11,370,467.85
	Administrative expenses	5.1	43,172,651.06	42,254,889.33	21,609,059.67	20,592,990.50
	Finance cost	5.1	17,445,712.12	18,467,119.43	1,656,224.63	1,525,466.92
	<b>TOTAL EXPENSES</b>		<b>811,704,389.39</b>	<b>834,536,337.15</b>	<b>381,151,574.98</b>	<b>392,745,797.88</b>
	<b>PROFIT (LOSS) BEFORE INCOME TAX</b>		<b>2,111,527.21</b>	<b>273,061.96</b>	<b>30,730,872.72</b>	<b>8,227,130.78</b>
	Income tax (expenses) income	12.2	(2,331,246.21)	(1,511,163.99)	(2,477,765.87)	(888,194.10)
	<b>NET PROFIT (LOSS) FOR THE PERIOD</b>		<b>(219,719.00)</b>	<b>(1,238,102.03)</b>	<b>28,253,106.85</b>	<b>7,338,936.68</b>
	<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<b>(219,719.00)</b>	<b>(1,238,102.03)</b>	<b>28,253,106.85</b>	<b>7,338,936.68</b>
	<b>NET PROFIT (LOSS) ATTRIBUTABLE TO :</b>					
	Owners of the Company		(219,719.00)	(1,238,102.03)		
	Non - controlling interersts		-	-		
	<b>NET PROFIT (LOSS) FOR THE PERIOD</b>		<b>(219,719.00)</b>	<b>(1,238,102.03)</b>		
	<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :</b>					
	Owners of the Company		(219,719.00)	(1,238,102.03)		
	Non - controlling interersts		-	-		
	<b>COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>		<b>(219,719.00)</b>	<b>(1,238,102.03)</b>		
	<b>BASIC EARNINGS (LOSS) PER SHARE (BAHT : SHARE)</b>					
	Equity holders of the parent company	18	(0.001)	(0.004)	0.094	0.024

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

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Reviewed)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2019

	Unit : Baht				
	Consolidated				
Issued and paid - up share capital	Retained earnings (deficit)			Unappropriated	Total
	Share premium	Legal reserve	Appropriated		
Beginning balance as at January 1, 2018	300,000,000.00	278,374,901.60	30,000,000.00	(161,865,491.27)	446,509,410.33
Dividend paid	-	-	-	(8,400,000.18)	(8,400,000.18)
Net loss for the period	-	-	-	(1,238,102.03)	(1,238,102.03)
Other comprehensive income (loss) for the period	-	-	-	-	-
Ending balance as at September 30, 2018	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>(171,503,593.48)</u>	<u>436,871,308.12</u>
Beginning balance as at January 1, 2019	300,000,000.00	278,374,901.60	30,000,000.00	(166,873,455.26)	441,501,446.34
Net loss for the period	-	-	-	(219,719.00)	(219,719.00)
Other comprehensive income (loss) for the period	-	-	-	-	-
Ending balance as at September 30, 2019	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>(167,093,174.26)</u>	<u>441,281,727.34</u>

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

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

(Reviewed)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2019

	Unit : Baht				
	Separate				
	Issued and paid - up share capital	Retained earnings (deficit)			Total
		Share premium	Legal reserve	Unappropriated	
Beginning balance as at January 1, 2018	300,000,000.00	278,374,901.60	30,000,000.00	46,663,939.09	655,038,840.69
Dividend paid	-	-	-	(8,400,000.18)	(8,400,000.18)
Net profit for the period	-	-	-	7,338,936.68	7,338,936.68
Other comprehensive income (loss) for the period	-	-	-	-	-
Ending balance as at September 30, 2018	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>45,602,875.59</u>	<u>653,977,777.19</u>
Beginning balance as at January 1, 2019	300,000,000.00	278,374,901.60	30,000,000.00	53,187,943.25	661,562,844.85
Net profit for the period	-	-	-	28,253,106.85	28,253,106.85
Other comprehensive income (loss) for the period	-	-	-	-	-
Ending balance as at September 30, 2019	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>81,441,050.10</u>	<u>689,815,951.70</u>

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



## STATEMENT OF CASH FLOWS

(Reviewed)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2019

		Unit : Baht			
		Consolidated		Separate	
Note		2019	2018	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
	Profit (loss) before income tax	2,111,527.21	273,061.96	30,730,872.72	8,227,130.78
	Reconciliations of net profit (loss) to net cash provided by (used in) operating activities				
	Depreciation	42,059,021.57	42,369,221.41	10,063,610.70	10,953,932.49
	Amortization of intangible assets	2,479,500.83	2,428,662.10	903,631.48	903,631.48
	Allowances for obsolete goods	1,109,033.55	1,272,693.84	-	-
	Allowances for obsolete goods (reversal)	(437,005.12)	(1,489,937.24)	-	-
	(Gain) loss from disposal of fixed assets	33,210.68	170,639.92	(81,248.58)	(2,006.82)
	Unrealized (gain) loss from exchange rate	(133,412.59)	662,185.18	(75,231.03)	-
	Provision for employee benefit	14,020,222.89	2,885,547.00	7,977,504.00	1,543,015.00
	Interest income	(100,794.45)	(189,031.48)	(58,977.36)	(98,669.66)
	Interest expenses	17,445,712.12	18,467,119.43	1,656,224.63	1,525,466.92
	Profit from operating activities before changes in operating assets and liabilities	78,587,016.69	66,850,162.12	51,116,386.56	23,052,500.19
	Decrease (Increase) in operating assets				
	Trade accounts and other current receivable	(4,336,179.93)	(45,298,604.11)	(14,350,690.02)	(25,042,792.41)
	Inventories	12,085,061.52	(2,979,709.37)	29,603,360.33	3,434,787.21
	Other current assets	(52,512.43)	(43,980.43)	(3,183.35)	(1,801.96)
	Other non - current assets	116,750.00	(160,000.00)	116,750.00	(160,000.00)
	Increase (Decrease) in operating liabilities				
	Trade accounts and other current payable	(33,219,257.27)	37,347,978.50	(5,890,950.14)	18,978,822.35
	Other current liabilities	(675,120.07)	(51,712.23)	(77,895.81)	(140,425.65)
	Employee benefits paid during the period	(1,770,324.22)	(667,610.00)	-	(299,678.00)
	<b>Cash provided by (used in) operating activities</b>	50,735,434.29	54,996,524.48	60,513,777.57	19,821,411.73
	Interest paid	(16,636,834.39)	(18,367,267.48)	(1,676,610.90)	(1,497,149.57)
	Income tax paid	(5,534,488.86)	(1,548,956.95)	(5,534,488.86)	(1,548,956.95)
	<b>Net cash provided by (used in) operating activities</b>	28,564,111.04	35,080,300.05	53,302,677.81	16,775,305.21

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

## STATEMENT OF CASH FLOWS (Con't)

(Reviewed)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2019

		Unit : Baht			
		Consolidated		Separate	
Note		2019	2018	2019	2018
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
	Loans to employees	(458,900.00)	(300,000.00)	(458,900.00)	(180,000.00)
	Receipt of loans to employees	1,031,988.38	2,028,644.10	525,984.67	1,130,512.24
	Interest income	100,794.45	189,031.48	58,977.36	98,669.66
	Acquisition of fixed assets	10 (18,901,892.68)	(2,899,255.61)	(15,578,621.69)	(791,961.32)
	Acquisition of intangible assets	11 (13,541.43)	-	-	-
	Cash received from disposal of fixed assets	264,442.62	295,080.18	81,258.58	2,013.82
	<b>Net cash provided by (used in ) investing activities</b>	<b>(17,977,108.66)</b>	<b>(686,499.85)</b>	<b>(15,371,301.08)</b>	<b>259,234.40</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
	Increase (Decrease) in bank overdraft and				
	loans from financial institutions	57,425,741.55	(1,240,702.53)	(24,074,258.45)	(12,531,905.99)
	Repayments for long - term loans from				
	financial institutions	15 (46,100,100.00)	(46,100,100.00)	-	-
	Dividend paid	(302.40)	(8,397,773.76)	(302.40)	(8,397,773.76)
	<b>Net cash provided by (used in) financing activities</b>	<b>11,325,339.15</b>	<b>(55,738,576.29)</b>	<b>(24,074,560.85)</b>	<b>(20,929,679.75)</b>
	<b>Net cash and cash equivalent increase (decrease)</b>	<b>21,912,341.53</b>	<b>(21,344,776.09)</b>	<b>13,856,815.88</b>	<b>(3,895,140.14)</b>
	<b>Cash and cash equivalents as at beginning balance</b>	<b>28,737,713.61</b>	<b>45,283,701.95</b>	<b>23,112,037.63</b>	<b>26,099,313.96</b>
	<b>Cash and cash equivalents as at ending balance</b>	<b>50,650,055.14</b>	<b>23,938,925.86</b>	<b>36,968,853.51</b>	<b>22,204,173.82</b>

**Supplemental disclosures of cash flows information**

## 1. Non - cash transactions (Unit : Baht)

The Company and its subsidiary purchased

fixed assets on credit	10	2,301,499.87	-	2,161,099.87	-
Transfers of deposit to fixed assets	10	23,951,769.00	-	23,951,769.00	-

## 2. Unutilized credit facilities for future working capital

(Unit : Million Baht)		1,360	920	888	622
-----------------------	--	-------	-----	-----	-----

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

**S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION**  
**FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2019 (UNAUDITED BUT REVIEWED)**

**1. GENERAL INFORMATION**

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

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

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

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

**2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS**

**2.1 Basis of preparation of interim financial statements**

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

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

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

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

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

### **2.2 Basis of preparation of consolidated interim financial statements**

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

### **2.3 Basis of preparation of separate interim financial statements**

The separate interim financial statements, which present investments in subsidiary under the cost method less impairment losses (if any), have been prepared solely for the benefit of the public.

## **3. ADOPTION OF NEW ACCOUNTING STANDARDS**

### **3.1 Adoption of new accounting standards effective in the current period**

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

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

#### TFRS 15 Revenue from Contracts with Customers

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

#### Thai Accounting Standard ("TAS")

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

#### Thai Accounting Standard Interpretations ("TSIC")

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

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

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

##### Thai Financial Reporting Standard Interpretation ("TFRIC")

TFRIC 13 (revised 2017)	Customer loyalty programmes
TFRIC 15 (revised 2017)	Agreements for the construction of real estate
TFRIC 18 (revised 2017)	Transfers of assets from customers

This newly TFRS 15 has no impact to the Company and its subsidiary.

#### 3.2 New Thai Accounting Standards not yet adopted

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

##### Thai Accounting Standards ("TAS")

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

##### Thai Financial Reporting Standard ("TFRS")

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

##### Thai Financial Reporting Standard Interpretation ("TFRIC")

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

##### The set of TFRSs related to financial instruments

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

##### Thai Accounting Standard ("TAS")

TAS 101	Bad and Doubtful Debts
TAS 103	Disclosures in the Financial Statements of Bank and Similar Financial Institutions
TAS 104	Accounting for Troubled Debt Restructuring
TAS 105	Accounting for Investment in Debts and Equity securities
TAS 106	Accounting for Investment Companies
TAS 107	Financial Instruments: Disclosure and Presentation

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

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

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

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

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

#### Thai Accounting Standards ("TAS")

TAS 1 (revised 2019)	Presentation of Financial Statements
TAS 2 (revised 2019)	Inventories
TAS 7 (revised 2019)	Statement of Cash Flows
TAS 8 (revised 2019)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2019)	Events after the Reporting Period
TAS 16 (revised 2019)	Property, Plant and Equipment
TAS 20 (revised 2019)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2019)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2019)	Related Party Disclosures
TAS 26 (revised 2019)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2019)	Separate Financial Statements
TAS 29 (revised 2019)	Financial Reporting in Hyperinflationary Economics
TAS 32 (revised 2019)	Financial Instruments : Presentation
TAS 33 (revised 2019)	Earnings per Share
TAS 34 (revised 2019)	Interim Financial Reporting
TAS 36 (revised 2019)	Impairment of Assets
TAS 37 (revised 2019)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2019)	Intangible Assets
TAS 40 (revised 2019)	Investment Property
TAS 41 (revised 2019)	Agriculture

#### Thai Financial Reporting Standards ("TFRS")

TFRS 2 (revised 2019)	Share-based Payments
TFRS 4 (revised 2019)	Insurance Contracts
TFRS 5 (revised 2019)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2019)	Exploration for and Evaluation of Mineral Resources
TFRS 7 (revised 2019)	Financial Instruments : Disclosures
TFRS 8 (revised 2019)	Operating Segments
TFRS 10 (revised 2019)	Consolidated Financial Statements
TFRS 12 (revised 2019)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2019)	Fair Value Measurement
TFRS 15 (revised 2019)	Revenue from Contracts with Customers
TFRS 16	Leases

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

#### 3.3 New Thai Accounting Standards announce during the period not yet adopted (Con't)

##### Thai Accounting Standard Interpretations ("TSIC")

TSIC 10 (revised 2019)	Government Assistance - No Specific Relation to Operating Activities
TSIC 25 (revised 2019)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 29 (revised 2019)	Service Concession Arrangements: Disclosures
TSIC 32 (revised 2019)	Intangible Assets - Web Site Costs

##### Thai Financial Reporting Standard Interpretations ("TFRIC")

TFRIC 1 (revised 2019)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 5 (revised 2019)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2019)	Applying the Restatement Approach under TAS 29 (revised 2018) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2019)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2019)	Service Concession Arrangements
TFRIC 14 (revised 2019)	TAS 19 (revised 2018) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 16 (revised 2019)	Hedges of a Net Investment in a Foreign Operation
TFRIC 17 (revised 2019)	Distributions of Non-cash Assets to Owners
TFRIC 19 (revised 2019)	Extinguishing Financial Liabilities with Equity Instruments
TFRIC 20 (revised 2019)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2019)	Levies
TFRIC 22 (revised 2019)	Foreign Currency Transactions and Advance Consideration

##### Accounting Treatment Guidance for Financial Instruments and Disclosures of Insurance Company

The above-mentioned standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, provision of interpretations and accounting guidance to users of accounting standards and clarifications directed towards disclosures in the notes to financial statements. However, some of these financial reporting standards involve changes to key principles, as discussed below.-

##### TFRS 16 Leases

TFRS 16 supersedes TAS 17 (revised 2018) Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value. However, accounting by lessors under TFRS 16 is substantially unchanged from TAS 17 (revised 2018). Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17 (revised 2018).

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

#### 3.3 New Thai Accounting Standards announce during the period not yet adopted (Con't)

The management of the Company and its subsidiary is still evaluating the possible impact on the financial statements in the year in which Thai Financial Reporting Standard (TFRS) will be applied.

### 4. SIGNIFICANT ACCOUNTING POLICIES

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

### 5. RELATED PARTY TRANSACTIONS

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

The Related Company	Relationship	Operation		Percentage of Holding	
		Type of business	Location	Sep 30, 2019	Dec 31, 2018
Oji Holdings Corporation Co., Ltd.	1	Management	Japan	-	-
Sahakij Packaging Co., Ltd.	2	Produce and sell packaging production	Thailand	100	100
GS Paperboard & Packaging Sdn Bhd.	3	Produce and sell packaging products	Malaysia	-	-
Union and Oji Interpack Co., Ltd.	3	Produce and sell packaging products	Thailand	-	-
Oji Industrial Materials Management Co., Ltd.	3	Management	Japan	-	-
Oji Fibre Solutions (NZ) Ltd.	3	Produce and sell packaging products	New Zealand	-	-
Kyokuyo Pulp & Paper Co., Ltd.	3	Trading	Japan	-	-
Oji Paper (Thailand) Ltd.	3	Produce and sell paper products	Thailand	-	-

The nature of relationship with the Company and its subsidiary and related companies are as follows.-

1. The Company's parent company
2. Subsidiary
3. Subsidiary of the parent company



## 5. RELATED PARTY TRANSACTIONS (Con't)

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

		Unit : Baht			
		For the three - month period ended September 30,			
		Consolidated		Separate	
Pricing policies		2019	2018	2019	2018
<b>Parent company</b>					
Guarantee fee	1	268,637.94	313,279.02	-	43,167.11
<b>Subsidiary</b>					
Purchases	2	-	-	933,329.56	2,229,015.24
<b>Related companies</b>					
Sales income	2	88,000.00	473,695.00	-	-
Purchases	2	58,786,367.19	73,182,241.40	32,968,355.05	45,052,137.77
Management fees	3	13,936.15	167,230.50	13,936.15	167,230.50

		Unit : Baht			
		For the nine - month period ended September 30,			
		Consolidated		Separate	
Pricing policies		2019	2018	2019	2018
<b>Parent company</b>					
Guarantee fee	1	833,252.63	952,452.54	48,821.90	131,408.17
<b>Subsidiary</b>					
Sales income	2	-	-	174,210.74	24,390.00
Purchases	2	-	-	2,038,779.40	5,227,537.39
Other expenses	3	-	-	3,844.00	-
<b>Related companies</b>					
Sales income	2	359,706.80	1,056,120.00	-	-
Purchases	2	224,599,542.71	222,918,140.11	105,508,251.09	129,573,492.37
Management fees	3	161,768.50	389,389.99	161,768.50	389,389.99

## 5. RELATED PARTY TRANSACTIONS (Con't)

5.1 The significant transactions with related companies are as follows.- (Con't)

### Pricing policies

1. As stipulated in the Memorandum of the Guarantee Fee Agreement between Oji Holdings Corporation Limited and the Company and its subsidiary at the rate of 0.20% per annum of the outstanding loan balance at each quarter. However the parent company cancelled the guarantee fees for the loan facility of the Company from the second quarter of 2019 (see Condensed Note 13 to the interim financial statements).
2. Market price
3. Actual price

### **Management's benefit expenses**

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

	Unit : Baht			
	For the three - month period ended September 30,			
	Consolidated		Separate	
	2019	2018	2019	2018
Short - term benefits	4,746,667.08	5,800,302.85	3,309,597.88	3,340,087.26
Post - employment benefits	126,966.00	123,930.00	94,434.00	66,861.00
<b>Total</b>	<b>4,873,633.08</b>	<b>5,924,232.85</b>	<b>3,404,031.88</b>	<b>3,406,948.26</b>

	Unit : Baht			
	For the nine - month period ended September 30,			
	Consolidated		Separate	
	2019	2018	2019	2018
Short - term benefits	15,025,544.01	15,945,539.89	10,089,664.99	9,757,556.24
Post - employment benefits	1,911,187.00	371,792.00	1,434,130.00	200,585.00
<b>Total</b>	<b>16,936,731.01</b>	<b>16,317,331.89</b>	<b>11,523,794.99</b>	<b>9,958,141.24</b>

## 5. RELATED PARTY TRANSACTIONS (Con't)

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

	Unit : Baht			
	Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
<b>Trade accounts and other current receivable</b>				
<u>Trade accounts receivable</u>				
Related company	56,496.00	206,214.47	-	-
<u>Advance payment</u>				
Subsidiary	-	-	12,750.00	-
Related company	-	3,778.40	-	-
Total Advance payment	-	3,778.40	12,750.00	-
<u>Assets receivable</u>				
Subsidiary	-	-	-	131,433.05
Total Trade accounts and other current receivable	56,496.00	209,992.87	12,750.00	131,433.05
<b>Trade accounts and other current payable</b>				
<u>Trade accounts payable</u>				
Subsidiary	-	-	935,283.38	179,229.60
Related companies	38,951,579.19	72,606,360.23	25,540,549.29	37,071,007.27
Total Trade accounts payable	38,951,579.19	72,606,360.23	26,475,832.67	37,250,236.87
<u>Accrued expenses</u>				
Parent company	528,759.96	302,125.41	-	46,564.36
Related company	13,936.15	561,201.64	13,936.15	561,201.64
Total accrued expenses	542,696.11	863,327.05	13,936.15	607,766.00
Total Trade accounts and other current payable	39,494,275.30	73,469,687.28	26,489,768.82	37,858,002.87

### Other matters

1. The ultimate parent company has guaranteed it's subsidiary's facilities of Baht 700 million.
2. The parent company has guaranteed the Company's facilities of Baht 160 million until March 28, 2019, as described in Condensed Note 13 to the interim financial statement.

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

Trade accounts and other current receivable consist of.-

	Unit : Baht			
	Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
<u>Trade accounts and notes receivable</u>				
Note receivables	1,917,958.02	1,808,094.43	-	-
Trade account - Related company	56,496.00	206,214.47	-	-
- Other companies	177,673,547.50	177,434,073.65	102,407,015.39	88,718,660.78
Total	179,648,001.52	179,448,382.55	102,407,015.39	88,718,660.78
<u>Less</u> Allowances for doubtful accounts	(4,998,607.85)	(4,998,607.85)	(3,321,911.87)	(3,321,911.87)
Trade accounts and note receivables - net	174,649,393.67	174,449,774.70	99,085,103.52	85,396,748.91
<u>Others current receivable</u>				
Prepaid expense	4,182,708.66	3,516,132.19	2,355,994.90	1,769,056.65
Deposit of machinery	2,961,135.00	23,951,769.00	-	23,951,769.00
Receivable from the Revenue Department	237,563.61	5,503.00	237,563.61	5,503.00
Assets receivable - Subsidiary	-	-	-	131,433.05
Other receivable	1,080,303.20	712,449.02	680,870.22	606,883.72
Advance payment for goods	-	189,866.90	-	189,866.90
Advance payment	548,504.10	449,702.50	277,250.00	186,600.00
Total Others current receivable	9,010,214.57	28,825,422.61	3,551,678.73	26,841,112.32
Total Trade accounts and Other current receivable - net	183,659,608.24	203,275,197.31	102,636,782.25	112,237,861.23

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

	Unit : Baht			
	Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
Accounts receivables not yet due	155,732,461.77	158,614,991.50	88,796,179.30	76,579,446.15
Accounts receivables over due				
Under or equal to 3 months	18,879,653.10	14,785,117.91	10,288,924.22	7,767,637.47
Over 3 months to 6 months	37,278.80	994,468.75	-	994,468.75
Over 6 months to 12 months	-	55,196.54	-	55,196.54
Over 12 months	4,998,607.85	4,998,607.85	3,321,911.87	3,321,911.87
Total	179,648,001.52	179,448,382.55	102,407,015.39	88,718,660.78
<u>Less</u> Allowances for doubtful accounts	(4,998,607.85)	(4,998,607.85)	(3,321,911.87)	(3,321,911.87)
Trade accounts and note receivable - net	174,649,393.67	174,449,774.70	99,085,103.52	85,396,748.91

## 7. INVENTORIES - NET

Inventories consist of.-

	Unit : Baht			
	Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
Finished goods	17,146,683.17	10,363,347.27	4,711,326.00	4,315,018.98
Work-in-process	16,196,170.83	16,959,657.02	3,281,996.75	2,366,458.47
Raw materials	126,189,774.80	147,261,815.28	44,140,387.50	81,094,224.18
Supplies and packing materials	5,033,515.92	4,964,658.70	2,464,299.60	2,877,059.55
Spare parts	10,486,576.71	8,276,947.45	8,420,862.30	7,432,816.44
Goods in transit	6,516,208.29	5,827,565.51	6,516,208.29	1,052,863.15
Total	181,568,929.72	193,653,991.23	69,535,080.44	99,138,440.77
<u>Less</u> Allowance for obsolete goods	(2,166,244.53)	(1,494,216.10)	-	-
Total inventories - net	179,402,685.19	192,159,775.13	69,535,080.44	99,138,440.77

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

	Unit : Baht	
	Consolidated	
	Sep 30, 2019	Dec 31, 2018
Beginning balance for the period/year	1,494,216.10	2,319,423.15
<u>Add</u> Increase during the period/year	1,109,033.55	839,398.96
<u>Less</u> Reversal during the period/year	(437,005.12)	(1,664,606.01)
Ending balance for the period/year	2,166,244.53	1,494,216.10

## 8. INVESTMENT IN SUBSIDIARY

Investment in subsidiary is as follows.-

Company	Unit : Baht							
	Paid - up (Million Baht)		Investment ownership (%)		Investment Separate Cost method		Dividend income for the nine - month period ended	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Sep 30, 2018
<u>Subsidiary</u>								
Sahakit Packaging Company Limited	600	600	100	100	500,100,399.40	500,100,399.40	-	-

## 9. INVESTMENT PROPERTY - NET

Investment property consist of.-

	Unit : Baht	
	Consolidated	
	Sep 30, 2019	Dec 31, 2018
<u>Investment property - land</u>		
Cost	17,475,660.00	17,475,660.00
<u>Less</u> Allowance for impairment	(3,176,910.00)	(3,176,910.00)
Net book value	14,298,750.00	14,298,750.00
Fair value	14,298,750.00	14,298,750.00

## 10. PROPERTY, PLANT AND EQUIPMENT - NET

Movements of the property, plant and equipment for the nine - month period ended September 30, 2019 are summarized below.-

	Unit : Baht	
	Consolidated	Separate
Net book value as at January 1, 2019	788,689,022.28	119,020,187.39
Acquisition during the period at cost	21,203,392.55	17,739,721.56
Disposals during the period at net book value at disposal date	(297,653.30)	(10.00)
Transfers of deposit to fixed assets	23,951,769.00	23,951,769.00
Depreciation for the period	(42,059,021.57)	(10,063,610.70)
Net book value as at September 30, 2019	791,487,508.96	150,648,057.25

10.1 The Company and its subsidiary had acquired land, building and equipment by cash payment amounting to Baht 18.90 million for the consolidated financial statement and Baht 15.58 million for the separate financial statement.

10.2 The Company and its subsidiary have mortgaged their land and buildings and certain machinery with commercial banks as collaterals for their loans as described in Condensed Notes 13 to the interim financial statement at cost amounting to Baht 648.71 million and carrying amounting to Baht 497.73 million for the consolidated financial statements (cost amounting to Baht 133.43 million and carrying amounting to Baht 91.88 million for the separate financial statements).

## 11. INTANGIBLE ASSETS - NET

Movements of intangible assets for the nine - month period ended September 30, 2019 are summarized below.-

	Unit : Baht	
	Consolidated	Separate
Net book value as at January 1, 2019	7,225,489.38	2,557,086.39
Acquisition during the period at cost	13,541.43	-
Amortization for the period	(2,479,500.83)	(903,631.48)
Net book value as at September 30, 2019	4,759,529.98	1,653,454.91

## 12. DEFERRED TAX

Deferred tax assets and liability are as follows.-

	Unit : Baht			
	Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
Deferred tax assets	10,925,309.88	8,340,924.45	5,941,870.58	4,346,369.78
Deferred tax liability	(3,898,577.43)	(3,536,411.69)	(803,734.72)	(1,283,933.95)
Net	7,026,732.45	4,804,512.76	5,138,135.86	3,062,435.83

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

	Unit : Baht		
	Consolidated		
	(Changed) Credit		
	As at Jan 1, 2019	for the period to profit or loss	As at Sep 30, 2019
<u>Deferred tax assets</u>			
Trade accounts and other current receivable	986,211.63	-	986,211.63
Inventories	298,843.22	134,405.69	433,248.91
Provisions for employee benefit	6,420,487.60	2,449,979.74	8,870,467.34
Investment property	635,382.00	-	635,382.00
Total	8,340,924.45	2,584,385.43	10,925,309.88
<u>Deferred tax liability</u>			
Property, plant and equipment	(3,536,411.69)	(362,165.74)	(3,898,577.43)
Net	4,804,512.76	2,222,219.69	7,026,732.45

## 12. DEFERRED TAX (Con't)

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

	Unit : Baht		
	Separate		
	As at Jan 1, 2019	(Changed) Credit for the period to profit or loss	As at Sep 30, 2019
<u>Deferred tax assets</u>			
Trade accounts and other current receivable	664,382.38	-	664,382.38
Provisions for employee benefit	3,681,987.40	1,595,500.80	5,277,488.20
<b>Total</b>	<b>4,346,369.78</b>	<b>1,595,500.80</b>	<b>5,941,870.58</b>
<u>Deferred tax liability</u>			
Property, plant and equipment	(1,283,933.95)	480,199.23	(803,734.72)
<b>Net</b>	<b>3,062,435.83</b>	<b>2,075,700.03</b>	<b>5,138,135.86</b>

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

	Unit : Baht			
	For the three - month period ended September 30,			
	Consolidated		Separate	
	2019	2018	2019	2018
<u>Current income tax</u>				
Corporate income tax charge for the period	1,619,603.71	1,361,390.35	1,619,603.71	1,361,390.35
<u>Deferred tax</u>				
Deferred tax expense (income)				
relating to the original and reversal				
of temporary differences	24,994.33	67,938.65	(301,825.78)	(31,903.89)
<b>Income tax expense (income)</b>	<b>1,644,598.04</b>	<b>1,429,329.00</b>	<b>1,317,777.93</b>	<b>1,329,486.46</b>

	Unit : Baht			
	For the nine - month period ended September 30,			
	Consolidated		Separate	
	2019	2018	2019	2018
<u>Current income tax</u>				
Corporate income tax charge for the period	4,553,465.90	1,513,669.47	4,553,465.90	1,513,669.47
<u>Deferred tax</u>				
Deferred tax expense (income)				
relating to the original and reversal				
of temporary differences	(2,222,219.69)	(2,505.48)	(2,075,700.03)	(625,475.37)
<b>Income tax expense (income)</b>	<b>2,331,246.21</b>	<b>1,511,163.99</b>	<b>2,477,765.87</b>	<b>888,194.10</b>



### 13. BANK OVERDRAFT AND LOANS FROM FINANCIAL INSTITUTIONS

Bank overdraft and loans from financial institutions consist of.-

	Interest rate (% p.a.)		Unit : Baht			
			Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
Promissory notes	2.20	2.20 - 2.45	335,000,000.00	276,500,000.00	70,000,000.00	93,000,000.00
Trust receipts	-	3.23	-	1,074,258.45	-	1,074,258.45
<b>Total</b>			<b>335,000,000.00</b>	<b>277,574,258.45</b>	<b>70,000,000.00</b>	<b>94,074,258.45</b>

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

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

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

### 14. TRADE ACCOUNTS AND OTHER CURRENT PAYABLE

Trade accounts and other current payable consist of.-

	Unit : Baht			
	Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
<u>Trade accounts payable and note payable</u>				
Note payable	32,644.92	60,928.00	-	-
Trade accounts payable - Related companies	38,951,579.19	72,606,360.23	26,475,832.67	37,250,236.87
- Other companies	45,355,589.66	54,850,020.58	17,178,239.86	19,109,615.50
<b>Total trade accounts payable and note payable</b>	<b>84,339,813.77</b>	<b>127,517,308.81</b>	<b>43,654,072.53</b>	<b>56,359,852.37</b>
<u>Other current payable</u>				
Other payable	5,357,036.49	5,384,046.81	3,730,877.11	3,034,433.29
Accrued expenses	8,691,324.20	9,117,873.56	3,025,143.14	2,943,051.46
Accrued bonus	11,460,741.79	-	5,879,663.27	-
Asset payable	2,311,327.87	-	2,161,099.87	-
Advance income	743,335.69	1,126,642.89	291,432.01	230,418.38
<b>Total other current payable</b>	<b>28,563,766.04</b>	<b>15,628,563.26</b>	<b>15,088,215.40</b>	<b>6,207,903.13</b>
<b>Total trade accounts and others current payable</b>	<b>112,903,579.81</b>	<b>143,145,872.07</b>	<b>58,742,287.93</b>	<b>62,567,755.50</b>

**15. LONG - TERM LOAN FROM FINANCIAL INSTITUTIONS - NET**

Long - term loan from financial institutions consist of.-

	Unit : Baht	
	Consolidated	
	Sep 30, 2019	Dec 31, 2018
Beginning balance for the period/year	322,433,100.00	383,899,900.00
<u>Less</u> Paid during the period/year	(46,100,100.00)	(61,466,800.00)
Total	276,333,000.00	322,433,100.00
<u>Less</u> Current portion	(61,466,800.00)	(61,466,800.00)
Net	214,866,200.00	260,966,300.00

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

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

**16. PROVISION FOR EMPLOYEE BENEFIT - NET**

Movements of the present value of the provision for employee benefit for the nine - months period ended September 30, 2019, consist of.-

	Unit : Baht	
	Consolidated	Separate
Opening balance as at January 1, 2019	32,102,438.00	18,409,937.00
Past service cost	10,271,190.00	5,877,532.00
Current service cost	2,925,321.76	1,620,905.00
Interest cost	823,711.13	479,067.00
Employee benefits paid during the period	(1,770,324.22)	-
Ending balance as at September 30, 2019	44,352,336.67	26,387,441.00
<u>Less</u> Current portion	(221,710.00)	-
Provisions for employee benefits - net	44,130,626.67	26,387,441.00

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

The Labor Protection Act (No.7), B.E. 2562 stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. The Act is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiary has additional liabilities for provisions for employee benefits as at December 31, 2018 of Baht 10.27 million in the consolidated financial statements and Baht 5.88 million in the separated financial statements.

The Company and its subsidiary has recorded the effect of the change by recognizing past services costs as expense immediately in the comprehensive income statement in current period as follows.-

	Unit : Baht	
	Consolidated	Separate
Cost of sale and services	8,251,805.00	4,665,336.00
Distribution costs	573,743.00	425,008.00
Administrative expenses	1,445,642.00	787,188.00
Total	10,271,190.00	5,877,532.00

## 17. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION

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

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

Significant rights and privileges granted include the following.-

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

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

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

	Unit : Thousand Baht		
	Consolidated		
	For the nine - month period ended September 30, 2019		
	Promoted business	Non - promoted business	Total
Total revenues	184,104	629,712	813,816
Cost and expenses	(168,538)	(625,721)	(794,259)
Finance cost	(742)	(16,704)	(17,446)
Income tax	-	(2,331)	(2,331)
Net profit (loss) for the period	14,824	(15,044)	(220)
Other comprehensive income (loss)	-	-	-
Comprehensive income (loss) for the period	14,824	(15,044)	(220)

	Unit : Thousand Baht		
	Separate		
	For the nine - month period ended September 30, 2019		
	Promoted business	Non - promoted business	Total
Total revenues	184,104	227,779	411,883
Cost and expenses	(168,538)	(210,957)	(379,495)
Finance cost	(742)	(915)	(1,657)
Income tax	-	(2,478)	(2,478)
Net profit (loss) for the period	14,824	13,429	28,253
Other comprehensive income (loss)	-	-	-
Comprehensive income (loss) for the period	14,824	13,429	28,253

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

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

## 18. BASIC EARNINGS (LOSS) PER SHARE

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

	For the three - month period ended September 30,			
	Consolidated		Separate	
	2019	2018	2019	2018
Net profit (loss) attributable to ordinary shareholders of the Company (basis) (Unit : Baht)	5,268,690.39	4,786,584.63	12,532,021.02	7,395,882.69
Number of weighted average common shares (Unit : Share)	300,000,000	300,000,000	300,000,000	300,000,000
Basic earnings (loss) per share (Unit : Baht/Unit)	0.018	0.016	0.042	0.025

	For the nine - month period ended September 30,			
	Consolidated		Separate	
	2019	2018	2019	2018
Net profit (loss) attributable to ordinary shareholders of the Company (basis) (Unit : Baht)	(219,719.00)	(1,238,102.03)	28,253,106.85	7,338,936.68
Number of weighted average common shares (Unit : Share)	300,000,000	300,000,000	300,000,000	300,000,000
Basic earnings (loss) per share (Unit : Baht/Unit)	(0.001)	(0.004)	0.094	0.024

## 19. OPERAING SEGMENTS

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

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

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

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

## 20. COMMITMENTS AND CONTINGENT LIABILITIES

### Commitment

#### 20.1 Operating lease commitments

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

	Unit : Baht			
	Consolidated		Separate	
	Sep 30, 2019	Dec 31, 2018	Sep 30, 2019	Dec 31, 2018
Less than 1 year	2,327,155.00	2,251,887.10	1,642,180.00	1,139,280.00
More than 1 year but less than 5 years	2,558,303.57	1,484,785.67	1,597,303.57	621,340.00
<b>Total</b>	<b>4,885,458.57</b>	<b>3,736,672.77</b>	<b>3,239,483.57</b>	<b>1,760,620.00</b>

20.2 As at September 30, 2019, the Company had a future obligation from a service contract amounting to Baht 0.98 million.

20.3 As at September 30, 2019, the subsidiary had a future obligation from a machine purchase agreement amounting to Yen 24.15 million.

### Contingent liabilities

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

	Sep 30, 2019		Dec 31, 2018	
	Baht	USD	Baht	USD
<u>Letters of credit</u>				
Parent Company	-	-	-	73,935.84
Subsidiary	-	39,533.34	-	66,000.00
<u>Letters of guarantee</u>				
Parent Company	6,728,400.00	-	6,728,400.00	-
Subsidiary	6,700,000.00	-	7,129,000.00	-

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

**21. CAPITAL MANAGEMENT**

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

As at September 30, 2019 and December 31, 2018, debt-to-equity ratio in the consolidated financial statements was 1.80 : 1 and 1.81 : 1 respectively, and the separate financial statements was 0.26 : 1 and 0.30 : 1 respectively.

**22. EVENTS AFTER REPORTING PERIOD**

On October 1, 2019, the subsidiary to enter into a short - term loans agreement from a related company amounting to Baht 200 million.

**23. APPROVAL OF FINANCIAL STATEMENT**

These interim financial statements have been approved by the Company's Board of Directors on November 13, 2019.