

Independent Financial Advisor Opinion Report  
Ratification of the connected transaction of Sahakij Packaging Company Limited  
Financial Aid Entry Types

presented to the shareholders of



S. Pack & Print Public Company Limited

prepared by



AIRA Advisory Company Limited

April 22, 2026



## Definition

Abbreviations	Meaning
"SEC Office"	The Securities and Exchange Commission
"The Stock Exchange of Thailand"	The Stock Exchange of Thailand
"Securities Act"	Securities and Exchange Act, B.E. 2535 (1992)
"Announcement of Connected Transactions"	Notification of the Capital Market Supervisory Board No. Torjor 21/2008 Re: Rules for Connected Transactions dated 31 August 2008 (including amendments) and Notification of the Stock Exchange Board of Thailand Re: Disclosure of Information and Practices of Listed Companies in Connected Transactions, B.E. 2546 (2003) (Amendments)
"The Company" or "SPACK"	S. Pack & Print Public Company Limited
"SHK" or "Subsidiaries"	Sahakij Packaging Company Limited
"OJP"	OJI Paper (Thailand) Company Limited
"Connected Persons"	Persons related to the company under Section 89/1 of the Securities and Exchange Act, which refers to: (a) Directors of a juristic person that has the power to control the company's business. (b) Spouses, minor children, or adopted minor children of the directors mentioned in (a). (c) Juristic persons over which the persons mentioned in (a) or (b) have the power to control the business. (d) Any person who acts with the understanding or agreement that if the company enters into a transaction providing financial benefits to said person, the following persons will also receive financial benefits (specific to that transaction): <ol style="list-style-type: none"><li>1. Directors of the company.</li><li>2. Executives of the company.</li><li>3. Persons with the power to control the company's business.</li><li>4. Directors of the persons who have the power to control the company's business.</li><li>5. Spouses, minor children, or adopted minor children of the persons listed in 1, 2, 3, or 4</li></ol>
"Major Shareholder"	Any person who holds shares in any juristic person, whether directly or indirectly, in an amount exceeding 10 percent of the total number of voting rights of such juristic person. For this purpose, the shareholding of such person shall also include shares held by related persons.
"Related Parties"	Persons under Section 258 (1) to (7) of the Securities and Exchange Act B.E. 2535 (1992)
"Independent Financial Advisor"	AIRA Advisory Company Limited
"Auditor"	Office of Pitisevi Company Limited , which is the certified auditor of the Company and its subsidiaries.



## Table of Contents

Page

Executive Summary

9

### Part 1 Nature and details of the ratification of the receipt of financial assistance from a connected person

1.1	Entry Origin	16
1.2	Date of Transaction	17
1.3	Parties and the nature of the relationship involved.	18
1.4	Summary of the essence of the contract related to this transaction	19
1.5	General characteristics of the item	26
1.6	Item types and sizes, and item size calculations	26
1.7	Total value of the reward	28
1.8	Use of funds received from receiving financial aid	28
1.9	Attending voting meetings at meetings of the Board of Directors and directors with interest in the Company	29
1.10	SPACK's Board of Directors Opinion	30
1.11	The opinion of the Audit Committee and/or the Board of Directors differs from the opinion of the Board of Directors of SPACK.	33
1.12	Shareholders with an Interest in the Transaction	33
1.13	Summary of Sahakij Packaging Company Limited	34
1.14	Summary of Oji Paper (Thailand) Company Limited	34

### Part 2 Reasonableness of the transaction

2.1	Purpose and Needs of Entry into the Transaction	35
2.2	History of providing and receiving financial assistance between SPACK and its subsidiaries and connected persons	35
2.3	Impact of Financial Assistance and Financial Position of the Group	37
2.4	Connected Transaction Policy and Transaction Approval Authority	39
2.5	Reasonableness of the interest rate and conditions of the transaction	47
2.6	Reasonableness of Transaction	49
2.7	Impact if the shareholders' meeting approves or disapproves the ratification process	54

### Part 3 Opinion of the Independent Financial Advisor on the Shareholders' Resolution

56

#### **Attachment :**

Attachment 1	Company Profile of S. PACK & PRINT PUBLIC COMPANY LIMITED ("SPACK")
Attachment 2	Company Profile of Sahakij Packaging Company Limited ("SMK")
Attachment 3	Company Profile of Oji Paper (Thailand) Company Limited ("OJP")



April 22, 2026

Attention Shareholders of S. PACK &amp; PRINT PUBLIC COMPANY LIMITED

Subject Ratification of the connected transaction between Sahakij Packaging Company Limited and the connected person of S. PACK & PRINT PUBLIC COMPANY LIMITED financial aid entry types

During October 1, 2019 to August 1, 2022, Sahakij Packaging Company Limited ("**Subsidiary**" or "**SHK**"), a subsidiary of S. Pack & Print Public Company Limited ("the **Company**" or "**SPACK**") entered into a short-term loan agreement on the basis of recall with Oji Paper (Thailand) Co., Ltd. ("**OJP**"), a connected party, in which Oji Holdings Corporation Co., Ltd. ("**Oji Holdings**"), the major shareholder in the proportion of 75.72% of the issued and paid-up capital of the Company. SHK had received a letter of approval for SHK to receive financial assistance from OJP and has entered into 8 loan agreements as follows:

Date of Entry	Loan Debt (Million Baht)	Payment Terms		Interest rate conditions under the loan agreement as of the date of transaction
		Principal	Interest	
October 1, 2019	200.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>1/</sup> plus 4% of the deposit interest rate was 1.56% per annum.
March 2, 2020	100.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>1/</sup> plus 4% of the deposit interest rate was 1.14% per annum.
November 2, 2020	20.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>1/</sup> plus 4% of the deposit interest rate was 1.14% per annum.
January 4, 2021	20.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>1/</sup> plus 4% of the deposit interest rate was 1.14% per annum.
March 1, 2021	40.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>1/</sup> plus 4% of the deposit interest rate was 0.88% per annum.
September 1, 2021	40.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>1/</sup> plus 4% of the deposit interest rate was 0.88% per annum.
March 30, 2022	40.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>2/</sup> plus 0.09% of the deposit interest rate was 0.65% per annum.
August 1, 2022	40.00	At call	Every Quarter <sup>3/</sup>	Fixed Deposit Interest <sup>2/</sup> plus 0.09% of the deposit interest rate was 0.65% per annum.

**Grand Total**                      500.00 Million Baht

- Note
- 1/ This is the fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower.
  - 2/ This is the interest rate on fixed deposits of Thai commercial banks or any other sources, which will be determined by the lender and notified to the borrower.
  - 3/ The loan interest rate will be reviewed and adjusted by the lender at the end of March, June, September, and December from the date of the contract and notified to the borrower.

The transaction is due to the Bank's conditions. SHK had to complete the repayment of the loan by March 2024 and had a net loss that was mainly affected by the high financing cost burden as the Bank charged an average short-term loan interest rate of 2.20% per annum and an average long-term loan interest rate of 4.77% per annum. By entering into the transaction, SHK will be able to repay the loan from the bank and receive the loan interest rate lower than the bank's conditional interest rate, which will reduce SHK's financing costs and increase the flexibility in



cash flow management to ensure sufficient working capital. However, SHK entered into the transaction without reporting to the Company, which caused the Company not to present the transaction to the Board of Directors for approval before making the transaction, and did not disclose information to the Stock Exchange of Thailand, nor did it seek approval from the Company's shareholders' meeting as stipulated in the Notification of the Capital Market Supervisory Board No. Torjor 21/2008 on Rules for Connected Transactions dated 31 August 2008 (including amendments) and Notification of the Stock Exchange Board of Thailand Re: Disclosure of Information and Practices of Listed Companies in Connected Transactions, B.E. 2546 (2003) (Amendments) (hereinafter collectively referred to as "Announcement of Connected Transactions")

The reason why the transaction is classified as a connected transaction is because SHK and OJP have the same true shareholder, Oji Holdings, i.e., SHK is an indirect subsidiary of Oji Holdings through the Company, in which Oji Holdings holds 75.72% of the issued and paid-up capital of the Company, while OJP is an indirect subsidiary of Oji Holdings through Oji Imaging Media Company Limited ("OJM"), in which Oji Holdings holds 100% of the issued and paid-up capital of OJM. Aoki also serves as a director of OJP and Oji Holdings.



Note 1/ Oji Holdings is a large Japanese holding company in the pulp and paper products industry.  
2/ OJM operates in the Functional Materials segment with a primary role in Imaging Media.

Therefore, the Board of Directors' Meeting No. 5/2025 held on November 13, 2025 resolved to ratify SHK's entering into a connected transaction that receives financial assistance from a connected company. This is a transaction that occurred between October 1, 2019 and August 1, 2022 and was approved to be proposed to the 2026 Annual General Meeting of Shareholders on April 22, 2026 for consideration and approval of the ratification of the connected transaction. The agenda of the Company's Board of Directors Meeting No. 5/2025 is as follows: Mr. \* Akio Hasebe did not attend the meeting on the agenda.

Note \* Mr. Akio Hasebe is the Chairman of the Board of Directors of the Company and is also a director and executive director of Oji Holdings Corporation Co., Ltd. ("Oji Holdings"), both of which SHK and OJP are indirect subsidiaries of Oji Holdings.

**Table A : List of Loan Disbursement and Payment Movements between SHK and OJP**

Unit : Million Baht

Transaction Period	Quoted	SHK Gets Loans From OJP	SHK Repayment OJP	End-of-period balance
Q4 2019	-	200.00	-	200.00
Q2 2020	200.00	100.00	-	300.00
Q4 2020	300.00	20.00	-	320.00
Q1 2021	320.00	60.00	-	380.00
Q3 2021	380.00	40.00	-	420.00
Q1 2022	420.00	40.00	-	460.00
Q3 2022	460.00	40.00	-	500.00
Q4 2022	500.00	-	5.00	495.00
Q1 2023	495.00	-	10.00	485.00
Q1 2024	485.00	-	50.00	435.00
Q3 2024	435.00	-	30.00	405.00
Q4 2024	405.00	-	10.00	395.00
Q1 2025	395.00	-	35.00	360.00
Q2 2025	360.00	-	25.00	335.00
Q3 2025	335.00	-	25.00	310.00
Q4 2025	310.00	-	15.00	295.00

As mentioned above, the transaction is classified as a connected transaction under the Connected Transaction Announcement because it is a transaction in which the subsidiary receives financial assistance in the form of a loan from a connected person. The transaction value or remuneration in the form of loan interest SHK payable to the connected person at the interest rate specified in the loan agreement is between 0.42% and 2.60% per annum, amounting to a total interest payment of not more than 42.84 million baht, calculated from the value of the loan debt multiplied by the interest rate according to the terms of the loan agreement from the date of the contract. The Company has calculated the transaction size under the 1st Loan Agreement dated 1 October 2019 and the 2nd Loan Agreement dated 2 March 2020 to be 4.95%, which is a large transaction that exceeds 3.00% of the net tangible asset value, as detailed in the table below.

**Table B : Values used to calculate item size**

Unit : Million Baht

Date of Entry	Debt Loans	The date on which the full principal is expected to be repaid	Expected loan interest to be paid throughout the loan <sup>1/</sup>	Calculated Transaction Value <sup>2/</sup>	% NTA calculated <sup>3/</sup>	Summary of Item Size
1 October 2019	200.00	December 31, 2025	13.03	13.03	3.00%	Medium
2 March 2020	100.00	June 2, 2027	8.56	21.59	4.95%	Large size
2 November 2020	20.00	September 2, 2027	1.87	1.87	0.37%	Medium
4 January 2021	20.00	March 4, 2028	1.96	3.83	0.75%	Medium
1 March 2021	40.00	June 1, 2028	3.99	7.82	1.52%	Medium
1 September 2021	40.00	March 1, 2029	4.20	8.19	1.53%	Medium
30 March 2022	40.00	March 30, 2030	4.52	4.52	0.77%	Medium
August 1, 2022	40.00	June 30, 2030	4.71	9.22	1.57%	Medium
<b>Total</b>	<b>500.00</b>		<b>42.84</b>			

Origin: Information on the ratification of financial assistance to connected persons.



- Note**
- 1/ Calculated from the loan value multiplied by the interest rate according to the conditions of the loan agreement from the date of the loan agreement (the date of the transaction) to the date on which the borrower is expected to repay the entire principal debt to the lender.
  - 2/ The Company includes transactions that occurred during the 6 months prior to the date of agreement to enter into the transaction that were made by the same person or related persons and close relatives of such persons.
  - 3/ The Company measures the transaction size by comparing the transaction value with the higher value between the reference amount of the percentage of transaction value per net tangible asset according to the latest consolidated financial statements and the minimum value according to the financial assistance criteria, whichever is higher.

From Table B. above. If the transaction size is calculated from the total amount of loan interest that SHK is expected to pay throughout the loan period, the total amount does not exceed 42.84 million baht. According to the consolidated financial statements ended December 31, 2025, the audited version of the Company was 6.01%, which is a large transaction exceeding 3.00% of the net tangible asset value, as detailed in Part 1, Clause 1.6 of this Report.

**Table C : Loans from financial institutions and loans from connected persons at the end of 2018-2025** Unit : Million Baht

	December 31							
	2018	2019	2020	2021	2022	2023	2024	2025
<b>Loans to bank :</b>								
- Short-term loans	277.57	109.50	18.00	-	93.00	-	-	-
- Long-term loans	322.43	260.97	199.50	138.03	76.57	15.10	-	-
Total loans to bank	600.01	370.47	217.50	138.03	169.57	15.10	-	-
Loans from OJP	-	200.00	320.00	420.00	495.00	485.00	395.00	295.00
<b>Total Loans [1]</b>	<b>600.01</b>	<b>570.47</b>	<b>537.50</b>	<b>558.03</b>	<b>664.57</b>	<b>500.10</b>	<b>395.00</b>	<b>295.00</b>
<b>Shareholders' Equity [2]</b>	<b>441.50</b>	<b>449.55</b>	<b>526.44</b>	<b>595.80</b>	<b>605.74</b>	<b>626.60</b>	<b>683.03</b>	<b>713.49</b>
<b>Loans to Equity (Times)</b> [3]=[1]÷[2]	<b>1.36</b>	<b>1.27</b>	<b>1.02</b>	<b>0.94</b>	<b>1.10</b>	<b>0.80</b>	<b>0.58</b>	<b>0.41</b>

Source : Consolidated Financial Statements of the Company's Auditor Edition

As a result of the above, the Company has obligations in relation to the connection transaction. As follows:

- 1) Disclosure of information on the connection transaction to the Stock Exchange of Thailand in accordance with the announcement of the connected transaction
- 2) Request for approval of the connected transaction from the shareholders' meeting of the Company With not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote. The Company must send a notice of meeting to shareholders at least 14 days in advance before the date of the shareholders' meeting.
- 3) Appoint an independent financial advisor to express an opinion on the Company's connected transactions and submit such opinion to the SEC and the Stock Exchange of Thailand.

Due to the fact that SHK entered into the connected transaction without reporting it to the Company, the Company did not present it to the Board of Directors for approval before making the transaction, did not disclose the information to the Stock Exchange of Thailand, nor did it seek approval from the Company's shareholders' meeting according to its duties under the Announced Connected Transaction. The Company also approved the proposal to



the 2026 Annual General Meeting of Shareholders on April 22, 2026 to consider and approve the ratification of the connected transaction. The votes must be received by not less than three-fourths of the total number of votes of the shareholders who attend the meeting and have the right to vote. The votes of the interested shareholders are Oji Holdings, which holds 75.72% of the issued and paid-up capital of the Company. At the Board of Directors Meeting No. 5/2025, Audit Committee of the Company The Board of Directors has an opinion consistent with the resolution of the Board of Directors and no member of the Audit Committee has an opinion that differs from the resolution of the Board. The Company's Audit Committee has informed and certified to the Independent Financial Advisor that the Company has notified SHK to prepare a monthly report on inter-party transactions to be submitted to the Company's Audit Committee. Consider and review the annual audit plan. 2026 Together with the Internal Auditor to increase the scope of audit of related party transactions that are loan/lending transactions, as well as to increase the scope of other audits of the Company and its subsidiaries in accordance with the Announcement of Connected Transactions including other notifications, such as the acquisition or disposal of assets, etc. However, the Company has established an action plan as follows: (1) Review and improvement of the Corporate Governance Policy; Policy on inter-party transactions, including approval authority and (2) the preparation of a training plan for the Group's executives and personnel to understand the duties to be performed in accordance with the Connected Transaction Announcement, as well as other rules and regulations of the SEC and the Stock Exchange of Thailand. It is proposed as an agenda item to the Board of Directors Meeting No. 2/2026 which will be held in May 2026 for further approval.

Subsequently, the Board of Directors' Meeting No. 1/2026 on February 26, 2026 resolved to appoint AIRA Advisory Co., Ltd. ("AIRA" or "Independent Financial Advisor") as a financial advisor approved by the Office of the Auditor General. The SEC shall act as an independent financial advisor to provide opinions on the connected transactions and present them to the shareholders of the Company. To consider and decide on an appropriate resolution. AIRA has no interest in the Company that causes it to lack its independence to act as an independent financial advisor to provide an opinion on the connected transaction.

The information in the report of the Independent Financial Advisor is based on interviews and documents received from the Company, as well as information that is generally disseminated to the public, and the Independent Financial Advisor has also considered an overview of important economic factors in the pre-transaction years, namely 2016 - 2018, the period of transactions 2019 - 2022, and the post-transaction period of 2023 - 2025. If there is a material change in the information after the date of this report, the opinion of the independent financial advisor regarding the transaction may also change, as the case may be. The sources of information used to produce this report were derived from;

- Information related to transactions that are disseminated through the information system of the Stock Exchange of Thailand and/or the Company's website and/or that is publicly disclosed in general.
- Annual Registration Statement of the Company
- The Company's consolidated financial statements for the period ended 31 December 2016-2018 and for the six-month period ended 30 June 2019 have been audited and reviewed by the auditor (the period before the 1<sup>st</sup> transaction on 1 October 2019).
- The Company's consolidated financial statements for the year ended December 31 , 2020-2025 as audited by the auditor



- SHK's financial statements for the year ended December 31 , 2017-2024 as audited by the auditor (pre-transaction period to current period)
- OJP's financial statements for the accounting period ended December 31 , 2017-2022 as audited by the auditor (period before the transaction to the most recent year of the transaction)
- 4 letters of approval from Oji Holdings Corporation Co., Ltd ., amounting to a total approval amount of 500 million baht, are as follows:
  - 1) Letter No. P1C-19-030 dated October 1, 2019 with an approval limit of 200 million baht.
  - 2) Letter No. P1C-20-004 dated February 26, 2020, approval limit of 140 million baht.
  - 3) Letter No. P1C-21-010 dated February 24, 2021, approval limit of 80 million baht.
  - 4) Letter No. P1C-22-025 dated March 22 , 2022, with an approval limit of 80 million baht.
- Loan agreements related to financial assistance transactions
- Information from the Company's executives and directors
- Information and other relevant documents received from the Company

In addition, the Independent Financial Advisor considers to provide an opinion on the transaction under the following assumptions:

- All information and documents received by the Independent Financial Advisor from the Company are complete and accurate. It is realistic and reliable as of today.
- There is no event that occurs or is likely to occur that may have a significant impact on the Group's financial position and operating results.

In the event that all information and documents obtained by the Independent Financial Advisor as mentioned above are inaccurate and/or untrue and/or incomplete and/or there are significant changes in the future, which may affect the consideration and opinion of the Independent Financial Advisor this time. Therefore, the Independent Financial Advisor cannot confirm the potential impact on the Company and its shareholders from the occurrence of such incidents. In addition, the opinion of the independent financial advisor is intended to provide an independent opinion to the shareholders of the Company. to enter into such connected transactions only. The decision to vote for the transaction is at the discretion of the shareholders of the Company. The Company shall consider the pros, disadvantages and risks, as well as opinions on issues related to the transaction in accordance with the Independent Financial Advisor Opinion Report attached to the Invitation to the Shareholders' Meeting. However, the opinion of the Independent Financial Advisor does not guarantee the success of the transaction and the related effects that may or may not occur, and therefore, the Independent Financial Advisor is not responsible for any direct or indirect impact of the transaction.

The Independent Financial Advisor has considered the reasonableness in relation to this financial assistance transaction as detailed in this Independent Financial Advisor's Opinion Report. Consider and analyze the information as mentioned above in accordance with professional standards independently and fairly without any interest. In terms of direct and indirect benefits, based on the information received, taking into account the interests of the Company's minority shareholders.



## Executive Summary

During October 1, 2019 and August 1, 2022, Sahakij Packaging Company Limited ("Subsidiary" or "SHK"), a subsidiary of S. Pack & Print Public Company Limited (the "Company" or "SPACK") has entered into a short-term on-demand loan agreement with OJI Paper (Thailand) Company Limited ("OJP"), a connected party, which is a type of on-demand loan agreement for 8 transactions, in which the Company has calculated the transaction size under the 1st Loan Agreement dated 1 October 2019 and the 2nd Loan Agreement dated 2 March 2020 to be 4.95%, which is a large transaction that exceeds 3.00% of the net tangible asset value, as detailed in the table below.

### The value used to calculate the item size

Unit : Million Baht

Date of Entry	Debt Loans	The date on which the full principal is expected to be repaid	Expected loan interest to be paid throughout the loan <sup>1/</sup>	Calculated Transaction Value <sup>2/</sup>	% NTA calculated <sup>3/</sup>	Summary of Item Size
1 October 2019	200.00	December 31, 2025	13.03	13.03	3.00%	Medium
2 March 2020	100.00	June 2, 2027	8.56	21.59	4.95%	Large size
2 November 2020	20.00	September 2, 2027	1.87	1.87	0.37%	Medium
4 January 2021	20.00	March 4, 2028	1.96	3.83	0.75%	Medium
1 March 2021	40.00	June 1, 2028	3.99	7.82	1.52%	Medium
1 September 2021	40.00	March 1, 2029	4.20	8.19	1.53%	Medium
30 March 2022	40.00	March 30, 2030	4.52	4.52	0.77%	Medium
August 1, 2022	40.00	June 30, 2030	4.71	9.22	1.57%	Medium
<b>Total</b>	<b>500.00</b>			<b>42.84</b>		

Origin: Information on the ratification of financial assistance to connected persons.

Note 1/ Calculated from the loan value multiplied by the interest rate according to the conditions of the loan agreement from the date of the loan agreement (the date of the transaction) to the date on which the borrower is expected to repay the entire principal debt to the lender.

2/ The Company includes transactions that occurred during the 6 months prior to the date of agreement to enter into the transaction that were made by the same person or related persons and close relatives of such persons.

3/ The Company measures the transaction size by comparing the transaction value with the higher value between the reference amount of the percentage of transaction value per net tangible asset according to the latest consolidated financial statements and the minimum value according to the financial assistance criteria, whichever is higher.

The Board of Directors' Meeting No. 5/2025 held on November 13, 2025 resolved to ratify the connected transaction which occurred between October 1, 2019 and August 1, 2022 and to propose to the 2026 Annual General Meeting of Shareholders on April 22, 2026 for consideration and approval of the connected transaction in accordance with the duties specified in the Announcement of the connected transaction. The agenda of the Company's Board of Directors Meeting No. 5/2025 is Mr. Akio Hasebe\* did not attend the meeting on the agenda.

Note \* Mr. Akio Hasebe is the Chairman of the Board of Directors of the Company and is also a director and executive director of Oji Holdings Corporation Co., Ltd. ("Oji Holdings"), both of which SHK and OJP are indirect subsidiaries of Oji Holdings.

The transaction was due to SHK's net loss, which was mainly affected by the high financing cost burden due to the Bank's average short-term loan interest rate of 2.20%. and the average long-term loan interest rate is 4.77% per annum. In such a transaction, SHK will receive conditions at a loan interest rate lower than the Bank's conditional interest rate, which will reduce SHK's financing costs.



List	Detailed Summary
<b>Agenda Topics</b>	Consider ratifying the receipt of financial assistance to connected persons.
<b>Attendees</b>	6 directors of the Company, excluding directors 1 person who may have an interest in the resolution on the agenda.
<b>Item description</b>	<p>SHK entered into a connected transaction before receiving approval from the Board of Directors:</p> <p>"Borrower" means SHK, a subsidiary of the Company, which holds 100% of the paid-up capital.</p> <p>"Lender" means OJP, a subsidiary of Oji Imaging Media Company Limited ("OJM"), which holds 97.82% of the paid-up capital.</p> <p>It consists of;</p> <p>The 1st loan amount was 200.00 million baht on October 1, 2019`</p> <p>The second time on March 2, 2020, the loan amount is 100.00 million baht`</p> <p>The 3rd time on November 2, 2020, the loan amount is 20.00 million baht`</p> <p>The 4th time on January 4, 2021, the loan amount is 20.00 million baht`</p> <p>The 5th time on March 1, 2021, the loan amount is 40.00 million baht`</p> <p>The 6th time on September 1, 2021, the loan amount was 40.00 million baht`</p> <p>The 7th time on March 30, 2022, the loan amount was 40.00 million baht`</p> <p>On August 1, 2022, the loan amount was 40.00 million baht`</p> <p>The total amount under the contract <b>is 500.00 million baht.</b></p> <p><u>Note</u> 1/ Loan interest rate = fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus 4% of the deposit interest rate.</p> <p>2/ Loan Interest Rate = Fixed Deposit Interest Rate of Thai Commercial Bank or any other source, which will be determined and notified by the lender to the borrower, plus 0.09% of the deposit interest rate.</p>
<b>Relationship of the parties</b>	Oji Holdings is the major shareholder of the Company, accounting for 75.72% of the issued and paid-up capital of the Company and a major shareholder of OJM, holding 100% of the issued and paid-up capital of OJM.
<b>Reasons and necessity</b>	SHK suffered a net loss due to the main impact of SHK's financing costs, which were interest on loans from banks, which were charged at a high interest rate on loans, with an average short-term loan interest rate of 2.20%. While SHK is obliged to complete the repayment of loans to the Bank by March 2024, which is in accordance with the terms of the contract, the management is of the opinion that SHK will use the money to repay the loan from the Bank and receive conditions at a lower loan interest rate than the interest rate according to the Bank's conditions, which will reduce SHK's financing costs .
<b>Supporting reasons</b>	<ol style="list-style-type: none"> <li>1) Although SHK has relatively limited liquidity, it also has the ability to access financial institutional funds.</li> <li>2) The Company also has sufficient liquidity and the ability to access the funds of financial institutions that will provide the necessary assistance to SHK. In order to repay the debt to OJP as expected.</li> </ol>

This is because SHK receives only one financial assistance from OJP and there are many transactions, and the two parties have a relationship in the manner mentioned above. It is classified as a connected transaction according to the Notification of the Capital Market Supervisory Board No. Torjor 21/2008 on Rules for Connected Transactions dated 31 August 2008 (including amendments) (hereinafter referred to as "**Notification of TJOR 21/2008**") and Notification of the Stock Exchange Board of Thailand Disclosure of Information and Practices of Listed Companies in Connected Transactions B.E. 2546 (2003) (hereinafter collectively referred to as "**Connected**

Transactions Announcement") with the total value of the transaction being the loan interest payable by SHK to OJP throughout the period of receiving financial assistance, which does not exceed Baht 42.84 million as follows:

Loan Agreement Date	Principal Debt (Million Baht)	Loan interest that SHK pays to connected persons throughout the period of receiving financial assistance.	
		The date on which the full principal is expected to be repaid	Estimate (Million Baht)
1 October 1 , 2019	200.00	December 31 , 2025	13.03
2 March 2, 2020	100.00	June 2 , 2027	8.56
3 November 2, 2020	20.00	September 2 , 2027	1.87
4 January 4, 2021	20.00	March 4 , 2028	1.96
5 March 1, 2021	40.00	June 1 , 2028	3.99
6 September 1, 2021	40.00	March 1 , 2029	4.20
7 March 30, 2022	40.00	March 30, 2030	4.52
8 August 1, 2022	40.00	June 30, 2030	4.71
<b>Include loan interest to be paid.</b>			<b>42.84</b>

This is because the transaction is a case where SHK has made similar loan transactions from several connected persons who are the same person. The Company has calculated the transaction size to be between 0.37-4.95% of the net tangible asset value (NTA), which the Board of Directors' Meeting No. 5/2025 held on November 13, 2025 resolved to ratify the connected transaction. and approved the proposal to the Annual General Meeting of Shareholders. 2026 to consider and approve the ratification of the connected transaction. Therefore, the Independent Financial Advisor has considered referring to the Notification of Tor Jo 21/2008 Chapter 4 Calculation of the Value of Connected Transactions. Clause 14 Regarding the SET, the Stock Exchange of Thailand may consider counting several connected transactions as the same transaction. As a result, when the independent financial advisor calculates the total loan interest amount that SHK has to pay to OJP throughout the period of receiving financial assistance, it is not more than 42.84 million baht. Compared to the size of net tangible assets of Baht 712.59 million. According to the latest version of the consolidated financial statements ended December 31 , 2025, the transaction size was 6.01%, which was larger than 3.00% of the NTA as follows:

Transaction	Calculation
Calculation criteria	Interest on loans payable as a whole <u>divided by</u> the value of net tangible assets.
Interest on the loan to be paid as a whole	42.84 million baht
Net tangible assets (NTAs)*	712.59 million baht
Item Size	$(42.84 \text{ Million Baht} \div 712.59 \text{ Million Baht}) \times 100 = \mathbf{6.01\% \text{ of NTA}}$

Note \* Calculated based on total assets – Intangible assets - total liabilities - uncontrollable shareholders' equity.

For this reason, the Company is responsible for preparing and disclosing information to the Stock Exchange of Thailand and arranging for an independent financial advisor to give an opinion on the connected transaction to be presented to the Company's Annual General Meeting of Shareholders for consideration and approval of the connected transaction with not less than three-fourths of the total number of votes of the shareholders present at the meeting and entitled to vote. However, since SHK has entered into such a transaction without the Company's The Company did not propose the matter to the shareholders' meeting for consideration and approval and did not perform its duties under the Connected Transaction Announcement. Therefore, the Board of Directors Meeting No.

5/2025 held on November 13, 2025 resolved to ratify the connected transaction. The Company also approved the proposal to the 2026 Annual General Meeting of Shareholders on April 22, 2026 to consider and approve the ratification of the connected transaction. The votes must be received by not less than three-fourths of the total number of votes of the shareholders who attend the meeting and have the right to vote. The votes of the interested shareholders are Oji Holdings, which holds 75.72% of the issued and paid-up capital of the Company. At the Board of Directors Meeting No. 5/2025, Audit Committee (AC) has an opinion that is consistent with the resolution of the Board of Directors and no AC's member has an opinion that differs from the resolution of the Board of Directors.

AIRA Advisory Co., Ltd. ("**Independent Financial Advisor**"), which was appointed by the Board of Directors Meeting No. 1/2026 on February 26, 2026 as the Independent Financial Advisor of the Company's shareholders, has the following opinions:

### 1 Opinion on the reasonableness of the interest rate and the terms and conditions of the transaction

SHK entered into a financial assistance transaction from OJP with the approval of Oji Holdings for the reason of managing the efficiency of loan transactions within the Group. It can be summarized as follows:

Unit : Million Baht

	December 31							
	2018	2019	2020	2021	2022	2023	2024	2025
Loans to bank :								
- Short-term loans	277.57	109.50	18.00	-	93.00	-	-	-
- Long-term loans	322.43	260.97	199.50	138.03	76.57	15.10	-	-
Loans from OJP	-	200.00	320.00	420.00	495.00	485.00	395.00	295.00
<b>Total loans</b>	<b>600.01</b>	<b>570.47</b>	<b>537.50</b>	<b>558.03</b>	<b>664.57</b>	<b>500.10</b>	<b>395.00</b>	<b>295.00</b>

Source : Consolidated Financial Statements of the Company's Auditor Edition

According to the results of the study by the independent financial advisor, the results of the comparison of the interest rate on loans that SHK must pay to OJP with the interest rate paid by SHK to the bank, as well as the interest rate from the case of SHK's issuance of debt securities, are as follows:

Loan Agreement Date	Interest Rate Payable by SHK (% per annum)		
	Payment to OJP <sup>1/</sup>	Payment to the bank	Short-term debt instrument <sup>2/</sup>
October 1, 2019	1.56%	Short-term loans : Average 2.20% / Long-term loans : 4.77%	3.17%
March 2, 2020	1.14%	Short-term loans : Average 2.20% / Long-term loans : 4.77%	2.70%
November 2, 2020	1.14%	Long-term loans : 4.77%	3.91%
January 4, 2021	1.14%	Long-term loans : 4.77%	3.67%
March 1, 2021	0.88%	Long-term loans : 4.77%	3.98%
September 1, 2021	0.88%	Long-term loans : 4.77%	4.78%
March 30, 2022	0.65%	Long-term loans : 4.77%	5.40%
August 1, 2022	0.65%	Long-term loans : 4.77%	5.71%

Based on the results of the comparison of interest rates in the table above. Therefore, the independent financial advisor is of the opinion that the interest rate received by SHK under the conditions of entering into the transaction to receive financial assistance from OJP is appropriate.



- Note** 1/ - The loan agreement for 2019-2021 stipulates the interest rate conditions based on the fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower. According to the approval letter from Oji Holdings, the lender is required to use a fixed deposit interest rate of 0.85-1.50% per annum, so the loan interest rate at the date of signing the contract is 0.88-1.56%. per year
- The 2022 loan agreement stipulates the conditions for fixed deposit interest rates of Thai commercial banks or any other sources, which will be determined by the lender and notified to the borrower. According to the approval letter from Oji Holdings, the lender is required to use a fixed deposit interest rate of 0.65% per annum, so the loan interest rate at the date of the contract is 0.65% per annum.

The loan interest rate will be reviewed and adjusted by the lender and notified to the borrower at the end of March, June, September, and December from the date of each contract.

- 2/ In this report, independent financial advisors considered the interest rates of private bonds with a maturity of less than 3 years that were rated BBB- because there was no data on private debt securities with a credit rating below the investment level. Non-Investment Grade on the Bond Market Association's website or in other reliable public sources. The independent financial advisor considers that the interest rate on private debt securities can be referred to businesses that are still at risk of default and that ordinary investors consider them to be instruments of businesses that can still be invested.

## **2 Opinion from considering the relevant advantages and disadvantages of entering into the transaction**

SHK's net loss was mainly affected by the high financial cost burden and tightness of financial liquidity as a result of its short-term capital structure that relied heavily on current liabilities in the pre-transaction period. The independent financial advisor considered the reasonableness of the transaction. The advantages, disadvantages and risks associated with this connected transaction that the shareholders should consider further in making a decision to approve or disapprove the ratification can be summarized as follows:

1. The independent financial advisor sees the direct benefit of entering into the transaction that SHK can reduce financing costs and have a stronger capital structure, which does not increase new debt burden in a manner that increases financing costs in any way, and can solve financial liquidity problems faster compared to the case of having to borrow from financial institutions. In addition, SHK also reduces its obligations under strict financial institution conditions. SHK or even the Company is aware of the confidence that major shareholders have in the Group, which may lead to advantages in maintaining business relationships, or may be considered for appropriate commercial terms, or the ability to access external sources of capital according to the situation.

Based on the issues under the consideration of the parent company, Oji Holding, which requires the parties to agree to allow the parent company to participate in any negotiations and dispute resolution, the Independent Financial Advisor is of the opinion that SHK is still subject to the risk of changes to the Oji Group's operating policies or management structure within the Oji Group during the economic slowdown or unfavorable conditions, which may have a negative impact on the Company's operations and/or SHK's operations, and may lead to early repayment of loans. In addition, the independent financial advisor is of the opinion that this case reflects that SHK has a capital structure based on short-term loans which still has the risk of debt renewal if the financial market is tight and may not be able to provide new sources of capital to replace the existing debt that is due in time, which may affect liquidity and business continuity.



In the event that the Company fails to comply with the Announcement of the connected transaction, it is a risk to the directors and executives of the Company and its subsidiaries related to the approval of such transactions that are not in accordance with the requirements of the duties and responsibilities of directors and executives and may be punished as stipulated in the Securities Act.

2. The Independent Financial Advisor is of the opinion that the advantage of not entering into the transaction is that it does not have to comply with the rules related to transactions with conflicts of interest and does not have to proceed with the announcement of connected transactions. In addition, the directors and executives of the Company and related subsidiaries are not at risk of conduct that does not comply with the requirements of the duties and responsibilities of directors and executives and there is no penalty as stipulated in the Securities Act. However, not entering the transaction will have a negative impact on the SHK has to bear high financing costs and may still not be able to solve the problem of lack of financial liquidity, and there is a high risk of defaulting on the terms of repayment to the bank.
3. When considering the comparison with transactions with third parties, especially banks, the Independent Financial Advisor believes that the advantages of transactions with connected parties will reduce the process and time of consideration. It can also reduce the burden of preparing documents requested by the Bank to analyze solvency and related risks, as well as reduce the burden of other indirect operating costs, and obtain more flexible and not as strict conditions as those that may be imposed on borrowing money from financial institutions or other sources.

In transactions with connected persons, the Company has obligations under the Securities Act, including the establishment of measures to eliminate conflicts of interest between OJP and connected persons. In entering into such a transaction, the lender has the right to use its sole discretion to notify the borrower to repay all debts immediately without asking. In this regard, the Independent Financial Advisor is of the opinion that in the case of the Bank's conditions, there will be a stipulation that will lead to the implementation of legal procedures that may benefit SHK as a debtor. SHK lacks the opportunity to benefit itself as a debtor (borrower) that can lead to negotiations and debt restructuring contracts as the case may be.

The Independent Financial Advisor did not receive any confirmation that the Company had requested approval from the Board of Directors meeting of the Company for its subsidiaries to receive financial assistance from connected persons and that the agreement to enter into a connected transaction in which the Company as a listed company on the Stock Exchange of Thailand did not disclose the agreement to enter into a connected transaction. Must comply with the announcement of connected transactions. In addition, the Independent Financial Advisor did not receive information that the Company and its subsidiaries have established approval authority and approval limits in the case of borrowing and lending limits, which may cause corporate governance and internal control risks, which lead to the risk of conflict of interest.

From this incident, The Board of Directors of the Company has been informed and informed the Stock Exchange of Thailand that the Company will appoint additional persons in charge of supervisory work in its subsidiaries and provide training and set procedures for subsidiaries to inform the Company Secretary of information. Prior to entering into the transaction or informing the information at least once a month that there is a plan to enter



into the transaction in accordance with the Regulations of the Stock Exchange of Thailand (SET) on Rules and Regulations. The Company Secretary will coordinate with relevant persons in preparing information before presenting it as an agenda item to the Board of Directors. Further consideration In this regard, the Independent Financial Advisor held a meeting with the Audit Committee on March 23 , 2026.

a. Issues that the Company has already taken action

- (1) The Company notifies the subsidiaries and requires the subsidiaries to prepare a monthly report on inter-party transactions by notifying the Company's Audit Committee for acknowledgement.
- (2) Consider Review the 2026 audit plan together with the Company's internal auditors to increase the scope of audit of inter-party transactions that are loan/lending transactions, as well as increase the scope of other audits of the Company and its subsidiaries in accordance with the Announcement of Connected Transactions including other notifications, such as the acquisition or disposal of assets, etc.

b. The Company's next action plan

- (1) The Company Review and update the corporate governance policy Policy on inter-party transactions, including determining the authority to approve Delegation of Authority (DOA) of the Group to cover loan/lending transactions.
- (2) Prepare a training plan for the Group's executives and personnel to understand the duties to be performed in accordance with the Connected Transactions Announcement, as well as other rules and regulations of the SEC and the Stock Exchange of Thailand that are required to be performed as duties or practices for companies listed on the Stock Exchange of Thailand.
- (3) Items (1) and (2) are on the agenda for the Board of Directors' Meeting No. 2/2026 to be held in May 2026 for approval.

Based on the analysis of the auditor's audited financial statements, the independent financial advisor received a letter from the Company dated February 27, 2026 certifying that SHK has used the proceeds from the loan from OJP to repay the loan from the bank as specified in the loan agreement.

Unit : Million Baht

	2019	2020	2021	2022
SHK borrows money from OJP	200.00	120.00	100.00	80.00
<u>Broken</u> Repayment of short-term loans to banks.	114.00	69.50	-	-
Repayment of long-term loans to banks.	61.47	61.47	61.47	61.47
Repay loans to OJP	-	-	-	5.00
Net cash after loan repayment each year	24.53	(10.97)	38.53	13.53

The Independent Financial Advisor considered the issue of the appropriateness of the interest rate received by SHK from the connection transaction. The opinion is that the shareholders should approve the ratification of the connected transaction, and the shareholders can consider the opinion of the Independent Financial Advisor for consideration and make a final decision at the discretion of the shareholders. The opinion of the independent financial advisor is in accordance with the professional standards in an independent and impartial manner based on the information received taking into account the interests of the Company's minority shareholders.



## Part 1 Nature and details of the ratification list for receiving financial assistance from related persons

### 1.1 Entry Origin

Pursuant to the Board of Directors Meeting of S.Pack & Print Public Company Limited ("**the Company**" or "**SPACK**") No. 5/2025 held on November 13, 2025, it was resolved to present the agenda for ratification of the Company's connected transactions of Sahakij Packaging Company Limited ("**SHK**" or "**Subsidiary**") for type of financial assistance that occurred between October 1, 2019 and August 1, 2022 to be submitted to the 2026 Annual General Meeting of Shareholders held on April 22, 2026 to consider and approve the ratification of the connected transaction. In this agenda, the directors with interests did not attend the meeting. The origin of the transaction was due to the fact that SHK entered into a loan agreement for short-term loans on a recall basis when it was collected with Oji Paper (Thailand) Company Limited ("**OJP**"), a connected party, i.e., SHK is an indirect subsidiary of Oji Holdings Corporation Co., Ltd. ("**Oji Holdings**"), which holds shares through the Company, in which Oji Holdings holds 75.72% of the issued and paid-up capital of the Company, as well as OJP, which is an indirect subsidiary of **Oji Holdings**, which holds shares through Oji Imaging Media Company Limited ("**OJM**"), in which Oji Holdings holds 100% of the issued and paid-up capital of OJM.

**Item Type** : SHK receives financial assistance from OJP, a connected party. In the form of entering into a At-Call loan agreement, a total of 8 transactions with a total amount of 500.00 million baht.

**Transaction Entry** : The 1<sup>st</sup> loan amount was 200.00 million baht on October 1, 2019<sup>1/</sup> then;  
The 2<sup>nd</sup> time on March 2, 2020, the loan amount is 100.00 million baht<sup>1/</sup>  
The 3<sup>rd</sup> time on November 2, 2020, the loan amount is 20.00 million baht<sup>1/</sup>  
The 4<sup>th</sup> time on January 4, 2021, the loan amount is 20.00 million baht<sup>1/</sup>  
The 5<sup>th</sup> time on March 1, 2021, the loan amount is 40.00 million baht<sup>1/</sup>  
The 6<sup>th</sup> time on September 1, 2021, the loan amount was 40.00 million baht<sup>1/</sup>  
The 7<sup>th</sup> time on March 30, 2022, the loan amount was 40.00 million baht<sup>2/</sup>  
The 8<sup>th</sup> time on August 1, 2022, the loan amount was 40.00 million baht<sup>2/</sup>

**Note** 1/ Loan interest rate = fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus 4% of the deposit interest rate.

2/ Loan Interest Rate = Fixed Deposit Interest Rate of Thai Commercial Bank or any other source, which will be determined and notified by the lender to the borrower, plus 0.09% of the deposit interest rate.

The above transaction is a connected transaction in which the subsidiary receives financial assistance that is a loan of the same nature multiple transactions with the same connected person. Therefore, the Board of Directors of the Company has resolved to ratify the connected transaction which occurred between October 1, 2019 to August 1, 2022 to propose to the 2026 Annual General Meeting of Shareholders on April 22, 2026 for approval of the ratification of the connected transaction. The total value of the remuneration or benefits that the subsidiary must pay to the connected person throughout the period of expected financial assistance is not more than 42.84 million baht. The Company has calculated the transaction size between 0.37-4.95% of the Net Tangible Asset Value (NTA). As the Clause 14 regarding the Stock Exchange of Thailand may consider counting several connected transactions as the same transaction. As a result, when the independent financial advisor calculates the total loan interest amount that SHK has to pay to OJP throughout the period of receiving financial assistance, it is not more than 42.84 million baht. Compared



to the size of net tangible assets of Baht 712.59 million. Based on the latest consolidated financial statements ended December 31, 2025, the transaction size accounted for 6.01 percent, which was larger than 3.00 percent of NTA.

In this regard, the Company has duties related to connected transactions. As follows:

- (1) Disclosure of information on the connection transaction to the Stock Exchange of Thailand in accordance with the announcement of the connected transaction
- (2) Request for approval of the connected transaction from the shareholders' meeting of the Company With a vote of not less than three-fourths of the total number of votes of the shareholders present at the meeting and entitled to vote. The Company must send a notice of meeting to shareholders at least 14 days in advance before the date of the shareholders' meeting.
- (3) Appoint an independent financial advisor to express an opinion on the Company's connected transactions and submit such opinion to the SEC and the Stock Exchange of Thailand.

Because SHK had entered into the connected transaction by the Company did not present the transaction to the Board of Directors for approval before making the transaction, and did not disclose the information of the transaction to the SET, nor did it seek approval from the Company's shareholders' meeting. Therefore, at the Board of Directors' Meeting No. 5/2025 held on 13 November 2025, a resolution was passed to ratify the aforementioned connected transaction and to propose that the Annual General Meeting of Shareholders for the year 2026, to be held on 22 April 2026, consider and approve such ratification. The approval shall require a vote of not less than three-fourths of the total votes of shareholders attending the meeting and entitled to vote, excluding the votes of shareholders who have an interest in the matter.

## 1.2 Date of Transaction

The subsidiary has entered into a financial assistance transaction that has occurred from October 1, 2019 to August 1, 2022, and the period related to the transaction can be summarized as follows:

From 1 October 2019 to 1 August 2022	:	The subsidiary has entered into a transaction to receive financial assistance from OJP in the form of a loan agreement for short-term loans on demand in the amount of 8 transactions, with the details of the loan amount at the end of the period, principal disbursement, and principal repayment as shown in the Report Part 2, Clause 2.2.
13 November 2025	:	The Board of Directors' Meeting No. 5/2025 resolved to present the agenda for ratifying the connected transaction to the 2026 Annual General Meeting of Shareholders.
26 February 2026	:	The Board of Directors Meeting No. 1/2026 resolved to appoint an independent financial advisor.

However, the Company will propose to the shareholders' meeting to consider and approve the ratification of the connected transaction. Types of Financial Assistance Received at the 2026 Annual General Meeting of Shareholders held on April 22, 2026 to consider and approve the ratification of the connected transaction.

### 1.3 Parties and the nature of the relationship involved.

**Lenders** : OJI Paper (Thailand) Company Limited ("OJP")

**Borrower** : Sahakij Packaging Company Limited ("SHK")

**Relationship** : OJP and SHK have the following real shareholders: Oji Holdings Corporation Co., Ltd. ("Oji Holdings"\*):

- SHK is an indirect subsidiary of Oji Holdings through which Oji Holdings holds 75.72% of the issued and paid-up capital of the Company.
- OJP is an indirect subsidiary of Oji Holdings through Oji Imaging Media Company Limited ("OJM"), in which Oji Holdings holds 100% of the issued and paid-up capital of OJM.

**Remarks:** \* The top 10 shareholders of Oji Holdings as of September 30, 2025 are as follows:

List of Shareholders		Number of Shares (Thousand Shares)	Shareholding (Percentage)
1	The Master Trust Bank of Japan, Ltd (Trust account)	141,102	15.4
2	Custody Bank of Japan, Ltd (Trust account)	71,012	7.8
3	Nippon Life Insurance Company	25,658	2.8
4	Oji Group Employee Stock-holding Association	20,736	2.3
5	City Index Eleventh Co., Ltd	20,116	2.2
6	Chieko Fujisada	13,750	1.5
7	Taiju Life Insurance Co.,Ltd	13,442	1.5
8	State Street Bank and Trust Company 505001 (Standing Proxy : Mizuho Bank, Ltd , Settlement Business Division)	13,362	1.5
9	Japan Pulp & Paper Co.,Ltd	11,643	1.3
10	State Street Bank and Trust Company 505003 (Standing Proxy : Mizuho Bank, Ltd , Settlement Business Division)	11,576	1.3

ที่มา : [www.ojiholdings.co.jp](http://www.ojiholdings.co.jp)

As of 2019, the Board of Directors structure of Oji Holdings consists of directors: 13 guests As follows:

- 1) Mr. Susumu Yajima : Chairman of the Board
- 2) Mr. Masatoshi Kaku : Director of the Board , President
- 3) Mr. Ryoji Watari : Director of the Board
- 4) Mr. Yoshiaki Takeda : Director of the Board
- 5) Mr. Shoji Fujiwara : Director of the Board
- 6) Mr. Yoshiki Koseki : Director of the Board
- 7) Mr. Ryuchi Kisaka : Director of the Board
- 8) Mr. Kazuhiko Kamada : Director of the Board
- 9) Mr. Hiroyuki Isono : Director of the Board
- 10) Mr. Koichi Ishida : Director of the Board
- 11) Mr. Fumio Shindo : Director of the Board
- 12) Mr. Michihiro Nara : Outside Director of the Board
- 13) Mr. Toshihisa Takata : Outside Director of the Board

**Source** : The Oji Group Integrant Report 2019 ; Fiscal Year ending March 2019

#### 1.4 Summary of the essence of the contract and documents related to this transaction

##### ❖ Letter of approval for intra-group financing :

On January 24, 2026 and February 16, 2026, the Independent Financial Advisor received information from the Company, including a letter from Oji Holdings approved SHK to receive financial assistance from OJP in the form of short-term loans as follows:

Issue 1		Essence
Book No.	P1C-19-030	
Subject	Efficient use of funds within the Group in Thailand	
Book Date	October 1 , 2019	
Presented Story	Loans from Oji Paper (Thailand) Co., Ltd. ("OJP") to Sahakij Packaging Co., Ltd. ("SHK")	
Presenter	Oji Imaging Media Company Limited ("OJM") *	
Reasons for action	SHK has loans from Thai financial institutions with high loan interest rates. Therefore, in order to conduct loan transactions within the Group in order to use funds within the Group efficiently.	
Approved Loan Limit	200 million baht	
Approving Director of Oji Holdings	Mr. Yoshiaki Takeda (Executive Director)	
Issue 2		Essence
Book No.	P1C-20-004	
Subject	Efficient use of funds within the Group in Thailand	
Book Date	February 26, 2020	
Presented Story	Loans from Oji Paper (Thailand) Co., Ltd. ("OJP") to Sahakij Packaging Co., Ltd. ("SHK")	
Presenter	Oji Imaging Media Company Limited ("OJM") *	
Reasons for action	To conduct loan transactions within the Group in order to use funds within the Group efficiently.	
Approved Loan Limit	140 million baht	
Approving Director of Oji Holdings	Mr. Yoshiaki Takeda (Executive Director)	
Issue 3		Essence
Book No.	P1C-21-010	
Subject	Efficient use of funds within the Group in Thailand	
Book Date	February 24, 2021	
Presented Story	Loans from Oji Paper (Thailand) Co., Ltd. ("OJP") to Sahakij Packaging Co., Ltd. ("SHK")	
Presenter	Oji Imaging Media Company Limited ("OJM") *	
Reasons for action	To conduct loan transactions within the Group in order to use funds within the Group efficiently.	
Approved Loan Limit	80 million baht	
Approving Director of Oji Holdings	Mr. Ryuichi Kisaka (Executive Director)	
Issue 4		Essence
Book No.	P1C-22-025	
Subject	Efficient use of funds within the Group in Thailand	
Book Date	March 22 , 2022	
Presented Story	Loans from Oji Paper (Thailand) Co., Ltd. ("OJP") to Sahakij Packaging Co., Ltd. ("SHK")	
Presenter	Oji Imaging Media Company Limited ("OJM") *	



Issue 4 (Next)	Essence
Reasons for action	To conduct loan transactions within the Group in order to use funds within the Group efficiently.
Approved Loan Limit	80 million baht
Approving Director of Oji Holdings	Mr. Hiroyuki Isono (Executive Director)

Note: \* OJM is the major shareholder of OJP, accounting for 97.82% of the issued and paid-up capital.

In addition, on February 12, 2026, the Independent Financial Advisor received additional documents from the Company, including a letter of approval from Oji Holdings for the transaction that Oji Holdings approved the Company to receive financial assistance from OJP in 2023 as follows:

**Items approved by Oji Holdings for the Company to receive financial assistance from OJP**

Topics	Essence
Book No.	P1C-23-006
Subject	Efficient use of funds within the Group in Thailand
Book Date	February 3, 2023
Presented Story	OJP provides loans to the Company*
Presenter	Oji Imaging Media Company Limited
Reasons for action	The Company wishes to borrow money from OJP to repay short-term loans from financial institutions with higher interest rates.
Approved Loan Limit	90 million baht
Approving Director of Oji Holdings	Mr. Aoki Shigeki (Director / Director of Corporate Governance)

Note \* The Company and OJP have Oji Holdings as the Ultimate shareholder, namely;

- The Company is a direct subsidiary of Oji Holdings, which holds 75.72% of the issued and paid-up capital of the Company.
- OJP is an indirect subsidiary of Oji Holdings through Oji Imaging Media Company Limited, in which Oji Holdings holds 100% of the issued and paid-up capital of the company.

From the date of approval letter No. P1C-23-006 dated February 3, 2023, the Company has signed a loan agreement dated February 28, 2023 with a limit of Baht 90.00 million. The money was used to repay debts under promissory notes from financial institutions with an interest rate of 1.95% per annum.

**Calculating the size of connected transactions : The Company received financial assistance from OJP**

Date of agreement : February 28, 2023

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Transactions made during the 6 months : None

prior to the date of the transaction that are attributed to OJP.\*

Remark: \* Includes transactions arising from related persons of OJP, except for connected transactions approved by the Company's shareholders' meeting.

Criteria	Calculation															
Calculation criteria	= Remuneration payable <u>divided</u> by net tangible asset value as of December 31, 2022 <sup>1/</sup>															
Net tangible assets (NTA)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">= Total Assets</td> <td style="text-align: right;">1,442,944,275.00</td> <td style="text-align: right;">Baht</td> </tr> <tr> <td style="padding-left: 20px;"><u>Less</u> Intangible assets</td> <td style="text-align: right;">3,726,967.17</td> <td style="text-align: right;">Baht</td> </tr> <tr> <td style="padding-left: 40px;">Total Liabilities</td> <td style="text-align: right;">837,205,436.32</td> <td style="text-align: right;">Baht</td> </tr> <tr> <td style="padding-left: 40px;">Non-controlling shareholders' equity</td> <td style="text-align: right;">-</td> <td style="text-align: right;">Baht</td> </tr> <tr> <td style="padding-left: 20px;">Net tangible assets</td> <td style="text-align: right; border-top: 1px solid black;">602,011,871.51</td> <td style="text-align: right; border-top: 1px solid black;">Baht</td> </tr> </table>	= Total Assets	1,442,944,275.00	Baht	<u>Less</u> Intangible assets	3,726,967.17	Baht	Total Liabilities	837,205,436.32	Baht	Non-controlling shareholders' equity	-	Baht	Net tangible assets	602,011,871.51	Baht
= Total Assets	1,442,944,275.00	Baht														
<u>Less</u> Intangible assets	3,726,967.17	Baht														
Total Liabilities	837,205,436.32	Baht														
Non-controlling shareholders' equity	-	Baht														
Net tangible assets	602,011,871.51	Baht														
Item Size	= (472,747.95 Baht <sup>2/</sup> ÷ 602,011,871.51 Baht) x 100 = 0.079%															
Compare transaction values	<u>Minimum transaction value according to the criteria for receiving financial aid :</u> = 472,747.95 Baht, which does not exceed 1 million Baht.															
	<u>Reference Amount Percent of Transaction Value :</u> = 0.079% of NTA, which is greater than 0.03% but not more than 3.00% of NTA.															
<b>Higher transaction value</b>	<b>0.079% of NTA</b>															

Note 1/ Refer to the Company's Consolidated Financial Statements Notification to the Stock Exchange of Thailand on February 24, 2023 prior to the date of the agreement to enter into the transaction.

2/ Information from the Company

When calculating the transaction size for which the Company receives financial assistance from OJP equal to 0.079% of the NTA to the transaction size of more than 0.03% but not exceeding 3.00% of the NTA, which is classified as a medium-sized transaction, the Company is obliged to seek approval from the Board of Directors of the Company and disclose the information to the SET according to the announcement of the connected transaction. However, because the Company has paid 90.00 million baht for OJP recovery ,therefore, as a result, the connected transaction between the Company and OJP has ended.

#### ❖ **Loan Agreement :**

The Independent Financial Advisor received copies of 8 loan agreements , which were parties to SHK as the "borrower" and OJP. As a "Lender" From the Company as follows:

##### Loan Agreement No. 1 :

Topics	Essence
Contract Date	October 1 , 2019
Contract maturity date	When the lender has a letter of demand to the borrower.
Contractual Limit	200,000,000 Baht (two hundred million baht net)
Interest Rate	<p>The fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus <u>4%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.42-2.60% per annum.</p> <p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>



Topic (continued)	Essence
Loan payment terms	<ul style="list-style-type: none"> <li>The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.
Actions taken in the event of a default	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

**Loan Agreement No. 2 :**

Topics	Essence
Contract Date	March 2 , 2020
Contract maturity date	When the lender has a letter of demand to the borrower.
Loan Limit	100,000,000 Baht (One hundred million baht)
Interest Rate	<p>The fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus <u>4%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.42-2.60% per annum.</p> <p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>
Loan payment terms	<ul style="list-style-type: none"> <li>The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.
Actions taken in the event of a default	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

**Loan Agreement No. 3 :**

Topics	Essence
Contract Date	November 2 , 2020
Contract maturity date	When the lender has a letter of demand to the borrower.
Loan Limit	20,000,000 Baht (Twenty Million Baht Net)
Interest Rate	The fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus <u>4%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.42-2.60% per annum.



Topic (continued)	Essence
	<p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>
Loan payment terms	<ul style="list-style-type: none"> <li>• The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>• The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.
Actions taken in the event of a default	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

**Loan Agreement No. 4 :**

Topics	Essence
Contract Date	January 4 , 2021
Contract maturity date	When the lender has a letter of demand to the borrower.
Loan Limit	20,000,000 Baht (Twenty Million Baht Net)
Interest Rate	<p>The fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus <u>4%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.42-2.60% per annum.</p> <p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>
Loan payment terms	<ul style="list-style-type: none"> <li>• The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>• The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.
Actions taken in the event of a default	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

**Loan Agreement No. 5 :**

Topics	Essence
Contract Date	March 1 , 2021
Contract maturity date	When the lender has a letter of demand to the borrower.
Loan Limit	40,000,000 Baht (Forty Million Baht Net)



Topic (continued)	Essence
Interest Rate	<p>The fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus <u>4%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.42-2.60% per annum.</p> <p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>
Loan payment terms	<ul style="list-style-type: none"> <li>• The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>• The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.
Actions taken in the event of a default	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

**Loan Agreement No. 6 :**

Topics	Essence
Contract Date	September 1 , 2021
Contract maturity date	When the lender has a letter of demand to the borrower.
Loan Limit	40,000,000 Baht (Forty Million Baht Net)
Interest Rate	<p>The fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower, plus <u>4%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.42-2.60% per annum.</p> <p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>
Loan payment terms	<ul style="list-style-type: none"> <li>• The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>• The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.
Actions taken in the event of a default	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

**Loan Agreement No. 7 :**

Topics	Essence
Contract Date	March 30 , 2022
Contract maturity date	When the lender has a letter of demand to the borrower.
Loan Limit	40,000,000 Baht (Forty Million Baht Net)
Interest Rate	<p>The fixed deposit interest rate of a Thai commercial bank or any other source that the lender will determine and notify the borrower <u>plus 0.09%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.94-2.69% per annum.</p> <p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>
Loan payment terms	<ul style="list-style-type: none"> <li>• The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>• The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.
Actions taken in the event of a default	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

**Loan Agreement No. 8 :**

Topics	Essence
Contract Date	August 1 , 2022
Contract maturity date	When the lender has a letter of demand to the borrower.
Loan Limit	40,000,000 Baht (Forty Million Baht Net)
Interest Rate	<p>The fixed deposit interest rate of a Thai commercial bank or any other source that the lender will determine and notify the borrower <u>plus 0.09%</u> of the deposit interest rate. The interest rate will be reviewed and adjusted by the lender and notified to the borrower. Therefore, the average loan interest rate will be between 0.94-2.69% per annum.</p> <p><u>Opinion of the Independent Financial Advisor :</u></p> <p>The Independent Financial Advisor is of the opinion that the loan interest rate is in accordance with the terms and conditions of the contract, and the reference fixed deposit interest rate is in line with the fixed deposit interest rate of Thai commercial banks during the period under the loan agreement.</p>
Loan payment terms	<ul style="list-style-type: none"> <li>• The borrower pays the loan interest at the end of March, June, September, and December from the date of this agreement.</li> <li>• The borrower pays off the principal in whole or in part before the due date at any time.</li> </ul>
Grounds for default	The borrower does not make any payments according to the contract or does not perform any duties under the contract, or any incident occurs.

Topic (continued)	Essence
<b>Actions taken in the event of a default</b>	The lender has the right to use its sole discretion to notify the borrower in writing of the principal and accrued interest due <u>immediately</u> . The parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with this Agreement.

### 1.5 General characteristics of the item

SHK entered into a loan agreement with OJP in a manner that is classified as a connected transaction according to the Notification of the Capital Market Supervisory Board No. Torjor 21/2008 on Rules for Connected Transactions dated 31 August 2008 (including amendments) (hereinafter referred to as "**Notification of TorJOR 21/2008**") and Notification of the Stock Exchange Board of Thailand Re: Disclosure of Information and Practices of Listed Companies in Connected Transactions, B.E. 2546 (2003) (Amendments) (hereinafter collectively referred to as "**Announcement of Connected Transactions**") Financial Assistance Transaction Type where both OJP and SHK have Oji Holdings as the same true shareholder. It does not appear that the Company has presented the Company's Board of Directors to the Board of Directors for consideration and approval before allowing SHK as a subsidiary of the Company to enter into the transaction, and it does not appear that the Company has disclosed the agreement to enter into the transaction to the Stock Exchange of Thailand in any way.

The transaction is in the case of a subsidiary of a company listed on the Stock Exchange of Thailand. Borrowing money in the same manner from the same connected person in a separate manner in several transactions. It appears that the Board of Directors' Meeting No. 5/2025 held on November 13, 2025 resolved to present all transactions to the 2026 Annual General Meeting of Shareholders No. 1/2026 to consider the ratification of the receipt of financial assistance from connected persons. Therefore, the Independent Financial Advisor referred to the Notification of Tor Jor. 21/2008 Chapter 4 Calculation of the Value of Connected Transactions. Clause 14 Regarding the Stock Exchange of Thailand may consider counting several connected transactions as the same transaction.

### 1.6 Item types and sizes, and item size calculations

#### 1.6.1 Item Type

The entry into 8 loan agreements between OJP and SHK that occurred between October 1, 2019 and August 1, 2022. This is because Oji Holdings is a major shareholder of the Company in the proportion of 75.72% of the issued and paid-up capital of the Company, while SHK is a subsidiary of the Company which holds shares in the proportion of 100.00% of the issued and paid-up capital of SHK. OJP is a subsidiary of OJM, which holds 97.82% of the issued and paid-up capital of OJP.

#### 1.6.2 Item Size

The loan interest value that SHK must pay to connected persons under the terms of the loan agreement is not more than 42.84 million baht. Estimated calculated from the value of the loan between SHK and OJP multiplied by the conditional interest rate, from the date of the contract. Until the expected date of repayment of the entire principal debt.

### 1.6.3 Item Size Calculation

#### (1) Transaction value or remuneration payable to connected persons

Unit : Million Baht

Loan Agreement Date	Principal Debt	Loan interest that SHK pays to connected persons throughout the period of receiving financial assistance.	
		The date on which the full principal is expected to be repaid	Estimate
1 October 1 , 2019	200.00	December 31 , 2025	13.03
2 March 2, 2020	100.00	June 2 , 2027	8.56
3 November 2, 2020	20.00	September 2 , 2027	1.87
4 January 4, 2021	20.00	March 4 , 2028	1.96
5 March 1, 2021	40.00	June 1 , 2028	3.99
6 September 1, 2021	40.00	March 1 , 2029	4.20
7 March 30, 2022	40.00	March 30, 2030	4.52
8 August 1, 2022	40.00	June 30, 2030	4.71
<b>Include loan interest to be paid.</b>			<b>42.84</b>

Source : Information from the Company

#### (2) Net Tangible Asset Value (NTA)

Total Assets	1,239,508,442.57	Baht
<u>Less:</u> Intangible assets	903,986.30	Baht
: Total liabilities	526,014,295.17	Baht
: Shareholders' equity without control	-	Baht
<b>Net tangible assets</b>	<b>712,590,161.10</b>	<b>Baht</b>

Equal to **712.59 million baht.** Based on the consolidated financial statements for the year ended December 31 , 2025, which is the latest version notified by the Company to the Stock Exchange of Thailand on February 26, 2026.

#### (3) Item size calculation results

Criteria	Calculation
Calculation criteria	Interest on loans payable as a whole <u>divided</u> by the value of net tangible assets.
Interest on the loan to be paid as a whole	42.84 million baht
Net tangible assets (NTAs)	712.59 million baht
Item Size	$(42.84 \text{ million baht} \div 712.59 \text{ million baht}) \times 100 = 6.01\% \text{ of NTA}$

However, When including the size of connected transactions, the total types of financial aid transactions under Clause 1. 6.3 (1) The Company has not presented to the Board of Directors for approval prior to the transaction and has not disclosed such information to the Stock Exchange of Thailand in accordance with the announcement of connected transactions compared to the size of the net tangible assets

according to the consolidated financial statements ended as of December 31, 2025, which is the latest version audited by the Company's auditors, which shows that the total transaction size is 6.01% of the net tangible asset value of the Group, which is the transaction size exceeding 3.00% of the net tangible asset value. The votes of the shareholders with interests are not counted.

However, SHK, a subsidiary of the Company, which is a listed company on the Stock Exchange of Thailand, entered into the transaction. In other words, the Company did not seek approval from the Board of Directors of the Company and did not disclose the agreement to enter into the connected transaction to the SET, nor did it propose the matter to the shareholders' meeting for consideration and approval of the agreement to enter into the connected transaction. Therefore, the Board of Directors Meeting No. 5/2025 held on November 13, 2025 resolved to ratify the connected transaction. and approved the proposal to the Annual General Meeting of Shareholders. 2026 to consider and approve the ratification of the connected transaction. It must be approved by the shareholders' meeting with a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote. The votes of the shareholders with interests are Oji Holdings, which holds 75.72% of the issued and paid-up capital of the Company.

### 1.7 Total value of the reward

The total value of the financial assistance recipient includes interest on short-term loans at SHK. The 2022 loan agreement is between 0.94% and 2.69% per annum, amounting to a total of not more than 42.84 million baht, calculated from the loan value multiplied by the interest rate according to the conditions specified in each loan agreement from the date of the contract. Until the expected date of repayment of the entire principal debt.

### 1.8 Use of funds received from receiving financial aid

Based on the information that the Company has notified to the Stock Exchange of Thailand. In this regard, the Independent Financial Advisor received a letter from the Company dated February 27, 2026 certifying that SHK has used the proceeds from the loan from OJP to repay the loan from the bank as specified in the loan agreement.

**Table of the use of funds received from receiving financial aid to repay loans from financial institutions.**

Unit : Million Baht

Transaction	2019	2020	2021	2022
<b>Loans from connected persons :</b>				
Beginning	-	200.00	320.00	420.00
Add: Receive money	200.00	120.00	100.00	80.00
Less: Repay the loan.	-	-	-	5.00
<b>Loans from connected persons [1]</b>	<b>200.00</b>	<b>320.00</b>	<b>420.00</b>	<b>495.00</b>
<b>Bank Loans :</b>				
1 <u>Short-term loans</u> :				
Beginning	183.50	69.50	-	-
Less: Repayment of the loan [2]	114.00	69.50	-	-
Year-end balance [3]	69.50	-	-	-



Unit : Million Baht

Transaction (Next)	2019	2020	2021	2022
2 <u>Long-term loans</u> :				
Beginning	322.43	260.97	199.50	138.03
<u>Less</u> : Repayment of the loan [4]	61.47	61.47	61.47	61.47
Year-end balance [5]	260.97	199.50	138.03	76.57
Total repayment of bank loans [6]=[2]+[4]	175.47	130.97	61.47	61.47
<b>Loans from bank remainders [7]=[3]+[5]</b>	<b>330.47</b>	<b>199.50</b>	<b>138.03</b>	<b>76.57</b>
<b>Liabilities with outstanding interest burden [8]=[1]+[7]</b>	<b>530.47</b>	<b>519.50</b>	<b>558.03</b>	<b>571.57</b>
Institutional Loans to Interest-Bearing Debt [9]=[7]/[8]	62.30%	38.40%	24.74%	13.40%
Equity [10]	251.41	247.10	230.36	205.32
Interest-bearing liabilities to equity [11]=[8]/[10]	2.11 times	2.10 times	2.42 times	2.78 times
Interest expenses	20.34	14.57	11.81	10.33
Interest Solvency Ratio	(0.54) times	0.66 times	(0.75) times	(1.32) times

Source : SHK's Auditor's Financial Statements

### 1.9 Attending Voting Meetings at Meetings of the Board of Directors and Interested Directors of the Company

As of the date of this report, the Independent Financial Advisor did not receive any information on the minutes of the Board of Directors' meeting in considering and approving the subsidiary to enter into a connected financial assistance transaction that occurred between October 1, 2019 and August 1, 2022. The Independent Financial Advisor has reviewed the Company's Board of Directors. During this period, it was found that the Company did not have any directors with interested interests who were connected persons who held the position of directors or executives of Oji Holdings.

Rank	List of Directors of the Company	Years of office			
		2019	2020	2021	2022
1	Mr. Dylan Tan	✓	✓	✓	✓
2	Mr. Wuttichart Anan Sutthiwara <sup>1/</sup>		✓	✓	✓
3	Mr. Jun Tomita <sup>2/</sup>	✓	✓	✓	✓
4	Mr. Kenichi Kamimoto	✓	✓	✓	✓
5	Mr. Sumit Kanchanampa	✓	✓	✓	✓
6	Assoc. Prof. Dr. Sanachai Kampikul	✓	✓	✓	✓
7	Police Brigadier General Amphon Phaili	✓	✓	✓	✓
8	Mr. Mikito Terauchi				✓
9	Mr. Seiichi Nishida	✓	✓	✓	
10	Mr. Yutaka Ito <sup>1/</sup>	✓			
11	Mr. Suraj Navikarn	✓			

Source : Annual Report of the Company

Note 1/ Served as a Director of SHK

2/ Served as the Executive Director of SHK.



As for OJP, the independent financial adviser found that Mr. Shigeki Mr. Shigeki Aoki is a director of OJP and a director of Oji Imaging Media Company Limited ("OJM"), a subsidiary of Oji Holdings.

- (1) 2020 – 2024 : Director and Senior Executives of Oji Holdings  
Source : Oji Group Integrated Report
- (2) 2019 - Present : Chairman of the Board of Directors of OJM  
Source : <https://ojiimagingmedia.co.jp>
- (3) 2019 - Present : Director of OJP, a subsidiary of OJM

Remark: Details are as shown in Attachment 3 of this report.

### 1.10 SPACK's Board of Directors Opinion

At the Board of Directors Meeting No. 5/2025 on November 13, 2025 and the Board of Directors Meeting No. 1/2026 on February 26, 2026, it was found that the Company's directors who attended the meeting were as follows:

List of Directors	Board of Directors Meeting	
	No. 5/2025	No. 1/2026
1 Mr. Akio Hasebe	Attend the meeting	Attend the meeting
2 Mr. Michiteru Yonamasu	Attend the meeting	Attend the meeting
3 Mr. Atsushi Endo	Attend the meeting	Attend the meeting
4 Mr. Kenichi Kamimoto	Attend the meeting	Attend the meeting
5 Mr. Yoshiyuki Mitsushima <sup>1/</sup>	-	Attend the meeting
6 Mr. Sumit Kanchanampa	Attend the meeting	Attend the meeting
7 Police Lieutenant Colonel Chalit Kaewyarat	Attend the meeting	Attend the meeting
8 Assoc. Prof. Dr. Sanachai Kampikul	Attend the meeting	Attend the meeting

Note 1/ Mr. Yoshiyuki Mitsushima was approved by the Board of Directors' Meeting No. 5/2025 to serve as a director. Replacing Mr. Mikito Terauchi who resigned as a director. Effective from November 13 , 2025 onwards.

At the Board of Directors Meeting No. 5/2025 held on November 13 , 2025, it was resolved to ratify the connected transaction. The Company also approved the proposal to the 2026 Annual General Meeting of Shareholders on April 22, 2026 to consider and approve the ratification of the connected transaction. SHK is an indirect subsidiary of Oji Holdings through which Oji Holdings holds 75.72% of the issued and paid-up capital of the Company, and OJP is an indirect subsidiary of Oji Holdings through Oji Imaging Media Company Limited ("OJM"), in which Oji Holdings holds 100% of the issued and paid-up capital of OJM.

In addition, at the Board of Directors Meeting No. 5/2025 for the meeting to consider Agenda 8, the ratification of the receipt of financial assistance to connected persons was considered. Mr. Akio Hasebe, the Chairman of the Board of Directors of the Company who has a connected interest in<sup>1/</sup>, did not attend the meeting. Mr. Michiteru Yonamasu acted as the chairman of the meeting.

Note 1/ Mr. Akio Hasebe serves as a director and executive director of Oji Holdings , of which both SHK and OJP are indirect subsidiaries of Oji Holdings (Source : [www.ojiholdings.co.jp](http://www.ojiholdings.co.jp)).



**Opinion of the Board of Executive Directors :**

The Board of Executive Directors is of the opinion that the transaction will be beneficial to the Company and have fair conditions. The interest rate used can be based on the deposit interest rate of the Thai commercial bank plus 4 % of the deposit interest rate or the fixed deposit interest rate of the Thai commercial bank or any other source, which the lender will determine and notify the borrower plus 0.09% as specified in the loan agreement. After the date of the loan agreement, which reflects the financial cost and does not cause the transfer of benefits, the transaction was approved.

However, The above connected transactions are subject to the criteria for disclosure to the SET. However, the reason why the company The Company did not report it earlier because the subsidiary, which is a limited liability company, did not adequately understand the criteria for disclosure of the transactions of connected persons, so it was not reported to the Company. Therefore, the Company did not present it to the Board of Directors for approval and dissemination of information.

As a result of this incident, the Company will appoint additional persons in charge of supervisory work in the subsidiaries and provide training and set procedures for the subsidiaries to inform the Company Secretary. Prior to entering into the transaction or informing the information at least once a month that there is a plan to enter into the transaction in accordance with the Regulations of the Stock Exchange of Thailand (SET) on Rules and Regulations. The Company Secretary will coordinate with relevant persons in preparing information before presenting it as an agenda item to the Board of Directors. Further consideration

**Board of Directors' Opinion :**

The Company's Board of Directors Meeting No. 5/2025 The Board of Directors (excluding interested directors) The agreement with OJI Paper (Thailand) Co., Ltd. ("OJP") can help Sahakij Packaging Co., Ltd. ("SHK" or the "Subsidiary") to manage cash flow more flexibly. The interest rate charged in each contract can be based on the Bank's deposit interest rate plus 4% of the deposit interest rate or the fixed deposit interest rate of a commercial bank or the loan interest rate from any other source specified by the lender plus 0.09% as specified in the loan agreement. This can reflect the financing costs and not cause the transfer of benefits.

Board of Directors (excluding interested directors) is of the opinion that although the subsidiary currently has relatively limited liquidity, However, the subsidiary still has the ability to access the funds of financial institutions, the Company has sufficient financial liquidity and the ability to access the funds of financial institutions that will provide the subsidiary with the necessary assistance to repay OJP's debts as anticipated by ensuring that the operation is efficient and completed as soon as possible to mitigate the impact of the overall economic risk. The Company will continue to disclose the progress through the information system of the SET. Therefore, the Board of Directors at the meeting resolved to ratify the connected transactions of the subsidiaries and approved to propose the agenda to the Annual General Meeting of Shareholders. 2026 to consider and approve the ratification of the connected transaction.

The Board of Directors Meeting No. 1/2026 held on February 26, 2026 appointed Ira Advisory Co., Ltd. to act as an independent financial advisor to provide opinions on the ratification of SHK's connected transaction in the category of receiving financial assistance to the Company's Annual General Meeting of Shareholders.

In the event that the shareholders' meeting resolves to approve or disapprove the ratification of the connected transaction, it will have the following effects:



- **In case the shareholders' meeting approves the ratification of the financial assistance program :**  
This indicates that the shareholders have agreed to enter into the transaction to receive financial assistance from a connected person. and agree to the terms of the loan agreement.
- **In case the shareholders' meeting resolves not to approve the ratification of the financial assistance program :**  
This may result in OJP (the “lender”) considering exercising the right to notify SHK (the “borrower”) in writing that all outstanding principal and interest debts are due immediately. As a result, SHK may have to provide external financing to replace which may increase in the overall financial cost of the Group.

Regardless of the reason from the Company's acknowledgment of the resolution from the shareholders' meeting approving or disapproving the ratification and/or any other reason, it can be considered that the Company did not seek approval from the Board of Directors and did not seek approval from the Company's shareholders' meeting before making the transaction, which is not in accordance with the Notification of Connected Transactions, and may lead to the risk of non-compliance with the Securities and Exchange Act, Chapter 3/1: Management of Companies Issuing Securities, Part 2: Duties and Responsibilities of Directors and Executives, Sections 89/7 – 89/24, the provisions generally stipulate that directors and executives must perform their duties with responsibility, due care, and honesty, and in compliance with applicable laws, the company's objectives, articles of association, resolutions of the board of directors, and shareholders' meetings, for the utmost benefit of the company. They must not engage in any acts that create conflicts of interest with the Company. The law also prescribes the duties of the company secretary to submit copies of reports on interests to the Chairman of the Board and the Chairman of the Audit Committee, and requires the company to maintain proper and complete records or evidence that are verifiable for a period of not less than five years from the date such documents or information are prepared. In addition, it provides for the right to bring legal action against directors or executives to recover any benefits wrongfully obtained by them or their related persons for return to the company. It also requires the disclosure of information and transaction-related effects to investors on a general basis, and imposes liability on directors and executives in cases of false disclosure or omission of material information. In cases where directors or executives act or omit to act dishonestly or with gross negligence, resulting in damage to or loss of benefits that the Company and/or its subsidiaries should received, directors or executives cannot be exempted from liability by virtue of approval or ratification by the shareholders' meeting or the board of directors.

In the event that the value of the transaction is of a significant size as stipulated in the Announcement of the connected transaction. Therefore, the Company is obliged to hold a shareholders' meeting to seek approval for the agreement to enter into a connected transaction which must receive at least three-fourths of the total number of votes of the shareholders who attend the meeting and have the right to vote. If there is a violation, penalties may be imposed under the Securities and Exchange Act, Chapter 12: Criminal Penalties, Sections 281/2 – 281/3, which generally prescribe penalties for directors or executives who perform their duties without responsibility, lack due care, or fail to report their interests. Sections 281/8 – 281/10 provide for penalties applicable to auditors or audit committee members who fail to report wrongful acts, persons who violate the rules on proxy solicitation, and persons who disclose documents containing false statements or conceal material facts. In addition, Sections 308 and 311 prescribe penalties for executives who commit misappropriation of assets dishonestly, and for executives who act or omit to act in bad faith. Furthermore, penalties may also be imposed under Chapter 12/1: Civil Sanctions, Sections 317/1 – 317/14, which generally cover acts subject to civil sanctions, the filing of complaints or accusations with inquiry officials, the imposition of civil sanctions, the determination of civil fines, and the enforcement of such civil penalty measures.



**1.11 The opinion of the Audit Committee and/or the Board of Directors differs from the opinion of the Board of Directors of SPACK.**

At the Board of Directors Meeting No. 5/2025 held on November 13 , 2025, the Audit Committee did not have any opinion that differed from the resolution of the Board. However, The Audit Committee has emphasized that the Company is aware of the strict and correct compliance with the guidelines for connected transactions in accordance with the relevant rules of the SEC and the Stock Exchange of Thailand in order to avoid future mistakes.

Discussion between the Audit Committee and the Company Secretary, as well as the Independent Financial Advisor. On March 23, 2026 , the Audit Committee was of the opinion that the overall reason for the connected transaction between SHK and OJP was due to the fact that the subsidiary had not yet established a clear operating procedure for reporting transactions to the Company, in addition, the corporate governance policy. Policy on Related Transaction and Determination of Approval Authority The Group's Delegation of Authority (DOA) does not cover loan/lending transactions. In addition, the personnel of the Company and its subsidiaries lack understanding of the announcement of connected transactions, therefore, the Company has determined the measures that have been implemented and the parts that have been determined as the Company's action plan as follows:

- a. Issues that the Company has already taken action
  - (1) Notify the subsidiaries and require the subsidiaries to prepare a report on inter-party transactions on a monthly basis by notifying the Company's Audit Committee for acknowledgement.
  - (2) Consider to review the audit plan for the year 2026 together with internal auditors to increase scope of inter-party transactions that are loan/lending transactions, as well as increase the scope of audits of the Company and SHK in accordance with the Announcement of Connected Transactions.
- b. The Company's next action plan
  - (1) Review and update the corporate governance policy Internal Transaction Policy, including DOA, to cover loan/lending transactions.
  - (2) Prepare a training plan for the Group's executives and personnel to understand the duties to be performed in accordance with the Connected Transactions Announcement, as well as other rules and regulations of the SEC and the Stock Exchange of Thailand that are required to be performed as duties or practices for companies listed on the Stock Exchange of Thailand.
  - (3) (1) and (2) will be the agenda for the Board of Directors' Meeting No. 2/2026 held in May 2026.

**1.12 Shareholders with an Interest in the Transaction**

As of March 17, 2025, the latest closing date of the Company's shareholder register, OJI Holdings is a shareholder with an interest and is not entitled to vote at the 2026 Annual General Meeting of Shareholders.

No.	List	Number (Shares)	Shareholding
1	Oji Holdings Corporation Co., Ltd . ("Oji Holdings")	227,156,360	75.72%

Because SHK is an indirect subsidiary of Oji Holdings by holding shares through the Company, in which Oji Holdings holds 75.72% of the issued and paid-up capital of the Company, while OJP is also an indirect subsidiary of Oji Holdings, which is held through Oji Imaging Media Company Limited ("OJM"), in which Oji Holdings holds 100% of the issued and paid-up capital of OJM. SHK in accordance with the approval of financing within the Group. As detailed in



Item 1.4 of this Report, Oji Holdings is a shareholder of the Company with an interest and is not entitled to vote at the Annual General Meeting of Shareholders. 2026 on the agenda to consider the ratification of the connected transaction.

**1.13 Summary of Sahakij Packaging Company Limited**

Details are as shown in Attachment 2 of this report.

**1.14 Summary of Oji Paper (Thailand) Company Limited**

Details are as shown in Attachment 3 of this report.

## Part 2 Reasonableness of the transaction

### 2.1 Purpose and Needs of Entry into the Transaction

This was due to the fact that Sahakij Packaging Company Limited ("SHK" or the "Subsidiary") had a net loss in the pre-transaction period, which was mainly affected by SHK's financing costs, which were interest on loans from banks which were charged at a high interest rate (2.00% – 4.77%). While SHK is obliged to complete the repayment of loans to the Bank by March 2024, which is in accordance with the conditions specified in the Bank's contract, SHK needs to rely on funding sources from affiliates to repay loans to the Bank.

Therefore, SHK has entered into a transaction to receive financial assistance from OJI Paper (Thailand) Company Limited ("OJP" or the "Lender") in the form of short-term loans. In this regard, SHK has entered into a total of 8 short-term loan agreements for repayment on demand, classified as

- The loan agreement for the year 2019-2021 includes a total of 6 transactions, with the condition that the loan interest rate is based on the fixed deposit interest rate of Thai commercial banks, which will be determined by the lender and notified to the borrower. 4% of fixed deposit interest rate
- The 2022 loan agreement includes 2 items, with the condition that the loan interest rate is based on the fixed deposit interest rate of Thai commercial banks or any other sources. The lender will determine and notify the borrower. 0.09% of fixed deposit interest rate

### 2.2 History of providing and receiving financial assistance between the Company and its subsidiaries and connected persons

Prior to the date of the Board of Directors Meeting No. 5/2025 on November 13, 2025, which was resolved to be presented to the 2026 Annual General Meeting of Shareholders No. 1/2026 to consider the ratification of receiving financial assistance from connected persons, it was found that the Company and its subsidiaries have a history of receiving financial assistance from OJP as follows:

#### (a) The Company borrowed money from OJP.

Unit : Million Baht

Period	Early Balance [1]	Withdraw [2]	Loan payments [3]	End-of-period balance [4]=[1]+[2]-[3]
Q1 year 2023	-	90.00	25.00	65.00
Q2 Year 2023	65.00	-	45.00	20.00
Q3 Year 2023	20.00	-	20.00	-
<b>Included</b>	-	<b>90.00</b>	<b>90.00</b>	-

From the above transaction, it is found that Oji Holdings has issued a letter of approval No. P1C-23-006 dated February 3, 2023, approving OJP to provide a loan to the Company with a limit of 90 million baht. The Company then signed a loan agreement dated February 28, 2023 with a limit of Baht 90.00 million. The Company repaid the entire amount of 90.00 million baht to OJP on the same day. It will be completed by the third quarter of 2023 as detailed in Report 1.4 of this Report.



(b) SHK borrows money from OJP

Unit : Million Baht

Period	Early Balance [1]	Withdraw [2]	Loan payments [3]	End-of-period balance [4]=[1]+[2]-[3]
<b>Year 2019 :</b>				
The 4 <sup>th</sup> Quarter	-	200.00	-	200.00
<b>Total Items for the year</b>		<b>200.00</b>	<b>-</b>	
<b>Year 2020 :</b>				
The 1 <sup>st</sup> Quarter	200.00	-	-	200.00
The 2 <sup>nd</sup> Quarter	200.00	100.00	-	300.00
The 3 <sup>rd</sup> Quarter	300.00	-	-	300.00
The 4 <sup>th</sup> Quarter	300.00	20.00	-	320.00
<b>Total Items for the year</b>		<b>120.00</b>	<b>-</b>	
<b>Year 2021 :</b>				
The 1 <sup>st</sup> Quarter	320.00	60.00	-	380.00
The 2 <sup>nd</sup> Quarter	380.00	-	-	380.00
The 3 <sup>rd</sup> Quarter	380.00	40.00	-	420.00
The 4 <sup>th</sup> Quarter	420.00	-	-	420.00
<b>Total Items for the year</b>		<b>100.00</b>	<b>-</b>	
<b>Year 2022 :</b>				
The 1 <sup>st</sup> Quarter	420.00	40.00	-	460.00
The 2 <sup>nd</sup> Quarter	460.00	-	-	460.00
The 3 <sup>rd</sup> Quarter	460.00	40.00	-	500.00
The 4 <sup>th</sup> Quarter	500.00	-	5.00 <sup>1/</sup>	495.00
<b>Total Items for the year</b>		<b>80.00</b>	<b>5.00</b>	
<b>Year 2023 :</b>				
The 1 <sup>st</sup> Quarter	495.00	-	10.00 <sup>1/</sup>	485.00
The 2 <sup>nd</sup> Quarter	485.00	-	-	485.00
The 3 <sup>rd</sup> Quarter	485.00	-	-	485.00
The 4 <sup>th</sup> Quarter	485.00	-	-	485.00
<b>Total Items for the year</b>		<b>-</b>	<b>10.00</b>	
<b>Year 2024 :</b>				
The 1 <sup>st</sup> Quarter	485.00	-	50.00 <sup>1/</sup>	435.00
The 2 <sup>nd</sup> Quarter	435.00	-	-	435.00
The 3 <sup>rd</sup> Quarter	435.00	-	30.00 <sup>1/</sup>	405.00
The 4 <sup>th</sup> Quarter	405.00	-	10.00 <sup>1/</sup>	395.00
<b>Total Items for the year</b>		<b>-</b>	<b>90.00</b>	



Unit : Million Baht

Period (continued)	Early Balance [1]	Withdraw [2]	Loan payments [3]	End-of-period balance [4]=[1]+[2]-[3]
<b>Year 2025 :</b>				
The 1 <sup>st</sup> Quarter	395.00	-	35.00 <sup>1/</sup>	360.00
The 2 <sup>nd</sup> Quarter	360.00	-	25.00 <sup>1/</sup>	335.00
The 3 <sup>rd</sup> Quarter	335.00	-	25.00 <sup>1/</sup>	310.00
The 4 <sup>th</sup> Quarter	310.00	-	15.00 <sup>2/</sup>	295.00
<b>Total Items for the year</b>		-	<b>100.00</b>	

Source : The Company's audited annual consolidated financial statements and information from the Company

Note 1/ Repayment of principal amount under the loan agreement dated October 1, 2019

2/ Repayment of principal amount under the loan agreement dated October 1, 2019 in the amount of Baht 10.00 million and repayment of principal debt under the loan agreement dated March 2, 2020 in the amount of Baht 5.00 million, totaling Baht 15.00 million.

### Summary of loan disbursement and repayment during 2019 – 2025 classified by contract

Unit : Million Baht

Year	Transaction	Dated loan agreement								Total
		1 Oct 2019	2 Mar 2020	2 Nov 2020	2 Jan 2021	1 Mar 2021	1 Sep 2021	30 Mar 2022	1 Aug 2022	
2562	Disbursement	200.00								200.00
2563	Disbursement		100.00	20.00						320.00
2564	Disbursement				20.00	40.00	40.00			420.00
2565	Disbursement							40.00	40.00	500.00
	Repay the loan.	(5.00)								495.00
2566	Repay the loan.	(10.00)								485.00
2567	Repay the loan.	(90.00)								395.00
2568	Repay the loan.	(95.00)	(5.00)							295.00
<b>Total</b>		-	<b>95.00</b>	<b>20.00</b>	<b>20.00</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>	<b>40.00</b>	<b>295.00</b>

Source : Information from the Company

### 2.3 The Impact of Financial Assistance and Financial Position on the Group

Unit : Million Baht

Transaction	2019	2020	2021	2022	2023	2024	2025
<b>Financial Position Overview</b>							
Cash and cash equivalents	37.35	69.00	55.82	65.98	142.20	118.91	103.32
<b>Total Assets</b>	<b>1,213.65</b>	<b>1,253.53</b>	<b>1,428.32</b>	<b>1,442.94</b>	<b>1,342.61</b>	<b>1,310.01</b>	<b>1,239.51</b>
Interest-bearing debt (excluding lease debt)							
- Financial Institutions	370.47	217.50	138.03	169.57	15.10	-	-
- Related Companies	200.00	320.00	420.00	495.00	485.00	395.00	295.00
Included	570.47	537.50	558.03	664.57	500.10	395.00	295.00
<b>Total Liabilities</b>	<b>764.10</b>	<b>727.09</b>	<b>832.52</b>	<b>837.21</b>	<b>716.01</b>	<b>626.99</b>	<b>526.01</b>
<b>Shareholders' Equity</b>	<b>449.55</b>	<b>526.44</b>	<b>595.80</b>	<b>605.74</b>	<b>626.60</b>	<b>683.03</b>	<b>713.49</b>

Unit : Million Baht

Transaction (Next)	2019	2020	2021	2022	2023	2024	2025
<b>Cash Flow Statement Overview</b>							
Net cash acquired (used in) ;							
- Operational Activities	68.44	102.00	64.11	(1.93)	252.98	87.89	98.75
- Investment Activities	(30.49)	(36.21)	(96.75)	(93.56)	(11.41)	(5.09)	(13.21)
- Financing Activities	(29.54)	(34.14)	19.45	105.65	(165.35)	(106.10)	(101.13)
Cash Increase (Decrease) Net	8.61	31.66	(13.18)	10.16	76.22	(23.09)	(15.59)
Cash and cash equivalents : beginning	28.74	37.35	69.00	55.82	65.98	142.20	118.91
Cash and cash equivalents : ending	37.35	69.00	55.82	65.98	142.20	118.91	103.32
<b>Key Financial Ratios</b>							
Working Capital Ratio (Times)	0.76	0.84	0.82	0.72	0.74	0.88	0.98
Debt to Equity (Times)	1.70	1.38	1.40	1.38	1.14	0.92	0.74
Interest Payment Capacity (Times)	1.56	6.83	7.34	2.34	3.13	8.00	0.41
Return on Shareholders (%)	1.99	15.78	11.37	1.13	2.80	8.34	8.36

Remark: Details are as shown in Attachment 1 of this report.

### Opinion of an independent financial advisor

In 2016–2018, which was the period before SHK entered into a financial assistance transaction from OJP, a connected company, the Independent Financial Advisor was of the opinion that the overall cash level and cash equivalents of the Company and its subsidiaries (hereinafter referred to as the "**Group**") were quite limited with a value of Baht 17.69–45.28 million. This is a low proportion compared to total assets at the level of approximately 1,230.58 – 1,276.87 million baht. This reflects the limitations of the ability to support short-term commitments with cash and financial liquidity problems with a liquidity ratio consistently below 1 times (0.83–0.91 times). Meanwhile, the capital structure has a relatively high level of dependence on debt from financial institutions. The debt-to-equity ratio is in the range of 1.62–1.86 times. Considering the overall picture of the consolidated cash flow statement, it is found that although the Group has been able to generate consistent cash flow from operations continuously, it reflects that: Core businesses can also generate cash flow from operations. However, such cash flows are relatively limited compared to investment and debt obligations. In 2018, the Group used net cash from financing activities to repay long-term loans to financial institutions that was higher than the increase in short-term loans from financial institutions, reflecting that the Group has a significant loan repayment burden and puts pressure on the Group's cash balance.

The Independent Financial Advisor considered the overall financial position of the Group in 2019–2022, which is the year in which the subsidiaries made loans from connected companies, and found that such loans played a role in enhancing the financial liquidity of the Group. This is because the level of cash and cash equivalents at the end of the year is relatively low compared to total assets. Meanwhile, the liquidity ratio has been below 1 times continuously. Although the level of interest-bearing debt remained relatively high, the debt-to-equity ratio improved compared to 2018 (from 1.81 times to 1.38–1.70 times), reflecting that the Group's equity was stronger and better able to handle debt burdens compared to the past. When considering the overview of the cash flow statement for 2019–2022, it is found that: Group Companies Cash flow from operating activities fluctuated at Baht 68.64 million, Baht 102.00 million, Baht 64.11 million, and decreased to negative (Baht 1.93) million in 2022. (Range between 30.49–96.75 million baht) This reflects the Group's significant investment burden and use of working capital.

After the subsidiary made the connected transaction. The Independent Financial Advisor is of the opinion that the Group's overall financial position at the end of 2023-2025 has improved significantly in terms of capital structure, with cash and cash equivalents increasing to Baht 103.32 – 142.20 million, or a higher proportion compared to total assets, reflecting improved liquidity management capabilities. Meanwhile, interest-bearing liabilities are only loans from connected companies and continue to decrease. As a result, the debt-to-equity ratio continued to decline from 1.14 times to 0.92 times and 0.74 times, respectively. However, despite the improvement in cash levels and capital structure, the liquidity ratio remained below 1 times in all periods (0.74–0.98 times), reflecting that current assets are still close to or may not be enough to cover some of the current liabilities. Therefore, there are still short-term liquidity constraints that should be managed closely.

Therefore, the Independent Financial Advisor is of the overall opinion that although the entry into the connected transactions of the subsidiaries has resulted in an improvement in the liquidity of the Group, the liquidity ratio remains below 1 times. In addition, at the time of the transaction, Group Companies Faced with the COVID-19 pandemic situation, which has had a significant negative impact on all economic sectors. In addition, the factors that are pressured by the strict trade policies of major trading partners. As a result of the transaction, the liquidity ratio has not been affected by the return of liquidity ratio to a level of more than 1 times, or it can be said that the level of current assets of the Group is still insufficient to support the current liabilities from before the transaction until the end of 2025.

With regard to the consideration of the conditions of the interest rate from the connected transactions of the subsidiary. The independent financial advisor is of the opinion that the Bank of Thailand (BOT) has also put in place a monetary policy framework that takes into account inflation risks and signs of economic recovery. Meanwhile, the interest rate on the subsidiary's borrowing from the connected company is a reference to the floating interest rate. The floating rate and the size of the loan limit from connected companies are a significant proportion. Therefore, the subsidiaries are unable to avoid risks that may arise from fluctuations in interest rates and liquidity risks if cash flows from operations are not as expected under the economic outlook. The BOT has predicted that the Thai economy in 2025-2026 is likely to expand at a level lower than the potential of the economic system. Headline inflation will remain low, pressured by energy prices and demand that has not yet recovered.

## **2.4 Connected Transaction Policy**

### **2.4.1 Supervision of Subsidiary Operations**

The Company's Board of Directors has a mechanism to supervise subsidiaries by appointing a person who is a director of the Company to be a director of the subsidiary. A set of directors is a joint director of the Company. policies to be in the same direction as the Company. Acquisition or disposal of assets or any other important transactions of such companies. The rules related to information disclosure and transactions of such nature are the same as those of companies listed on the Stock Exchange of Thailand.

### **2.4.2 Conflict of Interest**

The Company has established measures for the Audit Committee to approve the inter-party transactions. The disclosure of related party transactions arising in the financial statements in accordance with the prescribed accounting standards.

In addition to conflicts of interest in business operations, the Company also oversees the use of inside information with a policy that executives comply with Section 100 of the Internal Information Act. 59 of the Securities and Exchange Act B.E. 2535 (1992) and prohibits the use of inside information for their own benefit.

### 2.4.3 Related Items

The Company has accounts with SHK and related companies that are related by holding shares and/or holding a joint directorship. The nature of the relationship and pricing policy with subsidiaries and related companies are as follows:

Status	Pricing policy
Oji Holdings	As stated in the Memorandum of Understanding between Oji Holdings and the Company and SHK, the guarantee fee will be charged at the rate of 0.20% per annum of the outstanding loan amount in each quarter.
Subsidiary of the Company.	The Company Determine the trading price of raw materials and finished goods using the cost plus mutually agreed rate of return which is equal to 10 to 15 percent, and machinery at the mutually agreed rate of return.
It is a subsidiary of the parent company, an indirect associate of the parent company.	<ol style="list-style-type: none"> <li>1) Trading raw materials and finished goods : Apply the market price.</li> <li>2) Administrative and consulting fees : Determine the actual price charged.</li> </ol>

### 2.4.4 Measures and Procedures for Approval of Related Party Transactions

This is to protect investors in the event of a transaction with a person who may have a conflict in the future. The Company proposes to the Board of Directors to consider and approve the inter-party transaction. The Audit Committee must attend the meeting to consider and ensure that the transaction between the two parties is reasonable. Fair and reasonable pricing policy. The directors of interested parties do not have the right to vote in the transaction.

The independent financial advisor did not receive any information to show that before SHK entered into the transaction to receive financial assistance from OJP, as mentioned above, the company did not receive any financial assistance. The Board of Directors has considered and approved SHK's entry into a connected financial assistance transaction. In this regard, the Independent Financial Advisor received clarification from the Company that the Company did not have the minutes of the Board of Directors' meeting to consider and approve the subsidiary to receive such financial assistance because SHK did not report to the Company, so the Company did not present the transaction for approval from the Board of Directors as shown in the information regarding the ratification of the connected transaction. Receiving financial assistance from Oji Paper (Thailand) Co., Ltd., which the Company has notified to the Stock Exchange of Thailand in accordance with the letter No. O.P.2568/001 dated November 13 , 2025 entitled: Notification of the resolution of the Board of Directors' meeting on the ratification of the receipt of financial assistance to connected persons

The Independent Financial Advisor reviewed the approval of the contract and related documents and found that the transaction was approved in writing by Oji Holdings (the parent company) and the Independent Financial Advisor did not receive any information showing that the Company had applied for approval from

the Board of Directors and did not find that the transaction agreement had been disclosed in accordance with the method specified in the Announcement of the Connected Transaction. On January 24, 2026, the Independent Financial Advisor received 4 letters of approval from Oji Holdings and 8 loan agreements with SHK and OJP as parties as follows:

(a) Letter from Oji Holdings approving OJP to provide loans to SHK ("Letter of Approval from Oji Holdings")

Letter of approval from Oji Holdings				Director of Oji Holdings who signed the approval
Issue	Book No.	Book Date	Credit Limit (Million Baht)	
1	P1C-19-030	October 1 , 2019	200.00	Mr. Yoshiaki Takeda
2	P1C-20-004	February 26, 2020	140.00	Mr. Yoshiaki Takeda
3	P1C-21-010	February 24, 2021	80.00	Mr. Ryuichi Kisaka
4	P1C-22-025	March 22, 2022	80.00	Mr. Hiroyuki Isono

(b) Loan agreement

**Parties** : Sahakij Packaging Co., Ltd. (the "Borrower") and Oji Paper (Thailand) Co., Ltd. (the "Lender").

Loan Agreement			Signatories Approve	
No.	Promised date	Credit Limit (Million Baht)	SHK (Borrower)	OJP (Lender)
1	October 1 , 2019	200.00	Mr. Jun Tomita <sup>1/</sup>	Mr. Takeshi Shikano
2	March 2 , 2020	100.00	Mr. Jun Tomita	Mr. Takeshi Shikano
3	November 2 , 2020	20.00	Mr. Jun Tomita	Mr. Takeshi Shikano
4	January 4 , 2021	20.00	Mr. Jun Tomita	Mr. Takeshi Shikano
5	March 1 , 2021	40.00	Mr. Jun Tomita	Mr. Takeshi Shikano
6	September 1 , 2021	40.00	Mr. Wuttichart Anand Sutthivara <sup>2/</sup>	Mr. Kenji Ikegami
7	March 30 , 2022	40.00	Mr. Jun Tomita	Mr. Kenji Ikegami
8	August 1 , 2022	40.00	Mr. Jun Tomita	Mr. Kenji Ikegami

**Note** 1/ Mr. Jun Tomita was the Executive Director of the Company and its subsidiaries from 2013 – November 2023.

2/ Mr. Wuttichart Anantthiwara is a member of the committee. and Chief Executive Officer of the Company and its subsidiaries from April 2020 - March 2023



2.4.5 Transaction approval authority

❖ **Schedule of the Company's Approval Authority:**

Item Type	Authority to approve procurement requests						Order approval authority level		
	Responsible Officer	Manager	General Manager	Person in charge of accounting and finance	Chief Executive Officer	OAP / Oji Holdings	Purchasing Manager	Person in charge of accounting and finance	Chief Executive Officer
<b>1 Fixed Asset Classes / Investment Statements</b>									
1.1 Investment Statement (CAPEX)									
1.1.1 More than 10,001 to 50,000 Baht	○	○	x	☒	☒	☒	○	x	☒
1.1.2 More than 50,000 to 299,999 Baht / 1 Million Yen	○	○	○	○	x	☒	○	x	☒
1.1.3 More than 300,000 baht / 1 million yen	○	○	○	○	○	<b>X1/</b>	○	x	☒
1.2 Property worth less than 10,000 baht	○	○	x	☒	☒	☒	x	☒	☒
1.3 Transfer of machinery and equipment assets between SPACK and SHK									
1.3.1 Not more than 149,999 Baht	○	○	○	☒	☒	☒	○	x	☒
1.3.2 More than 150,000 Baht	○	○	○	○	○	<b>X1/</b>	○	x	☒
<b>2 Type of raw material (per 1 purchase or contract)</b>									
2.1 Paper									
2.1.1 Not more than 250,000 Baht	○	○	x	☒	☒	☒	x	☒	☒
2.1.2 More than 250,000 Baht	○	○	x	☒	☒	☒	○	x	☒
2.2 Other Direct Raw Materials									
2.2.1 Not more than 10,000 Baht	○	x	☒	☒	☒	☒	x	☒	☒
2.2.2 More than 10,000 Baht	○	x	☒	☒	☒	☒	○	x	☒
2.3 Contracting without a contract	○	○	x	☒	x	☒	○	x	☒
<b>3 Maintenance and repair</b>									
3.1 Factory Equipment & Machinery									
3.1.1 Not more than 10,000 Baht	○	○	x	☒	☒	☒	x	☒	☒
3.1.2 More than 10,000 to 100,000 Baht	○	○	x	☒	☒	☒	○	x	☒
3.1.3 More than 100,000 to 500,000 Baht	○	○	○	☒	x	☒	○	x	☒
3.1.4 More than 500,000 to 1,000,000 Baht	○	○	○	☒	☒	☒	○	x	☒
3.1.5 More than 1,000,000 Baht	○	○	○	○	○	<b>X1/</b>	○	x	☒
3.2 Office equipment, stationery and other expenses									
3.2.1 Not more than 10,000 Baht	○	x	☒	☒	☒	☒	x	☒	☒
3.2.2 More than 10,000 to 100,000 Baht	○	○	x	☒	☒	☒	x	☒	☒
3.2.3 More than 100,000 to 500,000 Baht	○	○	x	☒	☒	☒	○	x	☒
3.2.4 More than 500,000 to 1,000,000 Baht	○	○	○	○	x	☒	○	x	☒
<b>4 Contract with customers and distributors</b>	○	○	☒	☒	x	☒			

Source : Information from the Company

Remarks : ○ = Review X = Primary Approving Authority ☒ = Substitute Approving Authority ☐ = Joint Approving

1/ Oji Asia Packaging Sdn. Bhd. ("OAP") is a subsidiary of Oji Holdings, whose parent company has assigned OAP to oversee the industrial materials business in Southeast Asia .



❖ **SHK Approval Authority Schedule :**

Item Type	Authority to approve procurement requests					Order approval authority level		
	Responsible Officer Like	Manager	Person in charge of accounting and finance	Chief Executive Officer	OAP / Oji Holdings	Purchasing Manager	Person in charge of accounting and finance	Chief Executive Officer
<b>1 Fixed Asset Classes / Investment Statements</b>								
1.1 Investment Statement (CAPEX)								
1.1.1 More than 10,001 to 50,000 Baht	○	○	x	☒	☒	○	x	☒
1.1.2 More than 50,000 to 299,999 Baht / 1 Million Yen	○	○	○	x	☒	○	x	☒
1.1.3 More than 300,000 baht / 1 million yen	○	○	○	○	X1/	○	x	☒
1.2 Property worth less than 10,000 baht	○	○	x	☒	☒	x	☒	☒
1.3 Transfer of machinery and equipment assets between SPACK and SHK								
1.3.1 Not more than 149,999 Baht	○	○	x	x	☒	○	x	☒
1.3.2 More than 150,000 Baht	○	○	○	○	X1/	○	x	☒
<b>2 Type of raw material (per 1 purchase or contract)</b>								
2.1 Paper								
2.1.1 Not more than 250,000 Baht	○	x	☒	☒	☒	x	☒	☒
2.1.2 More than 250,000 Baht	○	○	x	☒	☒	○	x	☒
2.2 Other Direct Raw Materials	○							
2.2.1 Not more than 10,000 Baht	○	x	☒	☒	☒	x	☒	☒
2.2.2 More than 10,000 Baht	○	x	☒	☒	☒	○	x	☒
2.3 Contracting without a contract	○	○	☒	x	☒	○	x	☒
<b>3 Maintenance and repair</b>								
3.1 Factory Equipment & Machinery								
3.1.1 Not more than 10,000 Baht	○	○	☒	x	☒	x	☒	☒
3.1.2 More than 10,000 to 100,000 Baht	○	○	☒	x	☒	○	x	☒
3.1.3 More than 100,000 to 500,000 Baht	○	○	☒	x	☒	○	x	☒
3.1.4 More than 500,000 to 1,000,000 Baht	○	○	x	x	☒	○	x	☒
3.1.5 More than 1,000,000 Baht	○	○	○	○	X1/	○	x	☒
3.2 Office equipment, stationery and other expenses	○							
3.2.1 Not more than 10,000 Baht	○	x	☒	☒	☒	x	☒	☒
3.2.2 More than 10,000 to 100,000 Baht	○	○	x	☒	☒	x	☒	☒
3.2.3 More than 100,000 to 500,000 Baht	○	○	x	☒	☒	○	x	☒
3.2.4 More than 500,000 to 1,000,000 Baht	○	○	○	x	☒	○	x	☒
<b>4 Contract with customers and distributors</b>	○	○	☒	x	☒			

Source : Information from the Company

Remarks : ○ = Review X = Primary Approving Authority ☒ = Substitute Approving Authority □ = Joint Approving

1/ Oji Asia Packaging Sdn. Bhd. ("OAP") is a subsidiary of Oji Holdings, whose parent company has assigned OAP to oversee the industrial materials business in Southeast Asia .

**Opinion of an independent financial advisor**

Based on the information on the determination of the approval authority received from the Company, the Independent Financial Advisor did not find any information that the Company and its subsidiaries have set the approval authority and approval limit in the case of borrowing and lending limits, which may pose a risk of corporate governance and internal control . The Board of Directors stipulates the scope of authority and the approval limit of the authority at each level, as well as requires that transactions that are material or have a high credit limit must be considered and approved by the Board of Directors in order to strengthen the appropriate internal control system. Increase transparency in operations and reduce potential risks in the future.

**2.4.6 Policies or trends of future transactions**

The Company held the Board of Directors' Meeting No. 1/2004 on January 8, 2004, which resolved to determine the measures to approve the inter-party transactions. The Company considers two types of potential future related transactions and determines the following procedures for approving related party transactions:

Category	Item Description	Guidelines and Guidelines
<b>Regular Items</b>	Trading items are normal business that will continue to occur in the future.	Specify the transaction conditions to comply with the general trading conditions at a reasonable and fair market price. It can be reviewed by presenting it to the Audit Committee for consideration and approval. The Audit Committee checks that the transaction complies with the policy approved by the Audit Committee.
<b>Occasional special</b>	Occasional Items	The Company has arranged for the Audit Committee to give an opinion on the reasonableness of the transaction in accordance with the reasonable price conditions. The Company has arranged for independent experts or auditors of the Company. Consider examining the transaction. The opinion of the Audit Committee or independent experts will be used to consider and approve the transactions of the Board of Directors or the shareholders' meeting, as the case may be, in accordance with relevant regulations.

As for the future transactions, The Company requires the Board of Directors to comply with the Securities and Exchange Act, regulations, notices, orders or requirements of the Stock Exchange of Thailand. Therefore, the Company discloses the related party transactions that occur in the notes to the financial statements that have been audited by the Company's auditors. The Company has measures to prevent transfer pricing between companies or related juristic partnerships. The company or its related juristic person partnership is required to prepare a report on the relationship between the two parties and the total value of the transaction in each accounting period in accordance with the form prescribed by the Director-General to prevent the case of trading at a lower price than the market or selling to the general public, which is effective from the accounting period starting from January 1, 2017, in accordance with the rules, methods and conditions prescribed by the Director-General.



### Opinion of an independent financial advisor

Considering the policy framework, measures and procedures for approving related party transactions, it is found that transactions between subsidiaries and OJP are not classified as normal transactions because they are receiving financial assistance from connected parties. This is for the benefit of the subsidiary's cash flow management to be more flexible. The Company has sufficient working capital to operate the business and can be repaid according to its financial status from time to time so that the operations of the subsidiaries are not interrupted and beneficial to the Company and the subsidiaries can continue to operate efficiently. However, due to the size of the transaction, the Company must arrange for the Company's Audit Committee. The Board of Directors shall consider and give opinions on the necessity, appropriateness and reasonableness of SHK to receive financial assistance from such connected persons in accordance with the rules of connected transactions set by the Company, and must present the opinion of the Audit Committee to seek approval from the Board of Directors of the Company for the approval of the connected transaction.

Because the independent financial advisor did not receive the minutes of the Board of Directors' meeting to approve the SHK entered into a connected financial assistance transaction in which the Company The Independent Financial Advisor is of the opinion that the Company, as a listed company on the Stock Exchange of Thailand, must be aware of its obligations to comply with the Announcement of Connected Transactions that require the Listed Company to seek approval from the Board of Directors and the Shareholders' Meeting of the Company before making the transaction to receive financial assistance from such connected persons. Therefore, it is not compliant with the Notification of Connected Transactions, and may lead to the risk of non-compliance with the Securities and Exchange Act, Chapter 3/1 : Management of Companies Issuing Securities, Part 2 : Duties and Responsibilities of Directors and Executives, Sections 89/7 – 89/24, the provisions generally stipulate that directors and executives must perform their duties with responsibility, due care, and honesty, and in compliance with applicable laws, the company's objectives, articles of association, resolutions of the board of directors, and shareholders' meetings, for the utmost benefit of the company. They must not engage in any acts that create conflicts of interest with the Company. The law also prescribes the duties of the company secretary to submit copies of reports on interests to the Chairman of the Board and the Chairman of the Audit Committee, and requires the company to maintain proper and complete records or evidence that are verifiable for a period of not less than five years from the date such documents or information are prepared. In addition, it provides for the right to bring legal action against directors or executives to recover any benefits wrongfully obtained by them or their related persons for return to the company. It also requires the disclosure of information and transaction-related effects to investors on a general basis, and imposes liability on directors and executives in cases of false disclosure or omission of material information. In cases where directors or executives act or omit to act dishonestly or with gross negligence, resulting in damage to or loss of benefits that the Company and/or its subsidiaries should received, directors or executives cannot be exempted from liability by virtue of approval or ratification by the shareholders' meeting or the board of directors.

From the opinion of the Company's Executive Committee<sup>1/</sup> for not proceeding with the Announcement of the Connected Transaction is that SHK did not understand the obligations under the Announcement of the Connected Transaction. As a result, the Company did not present the transaction for approval from the Board of Directors.

1. The reason is that the transaction has appeared in the notes to the Company's auditor's financial statements. In addition, in the Company's 2018 and 2019 Annual Reports entitled "Supervision of Operations of Subsidiaries", it is stated that the Board of Directors has a mechanism to supervise subsidiaries by appointing persons who are directors of the Company to be directors of subsidiaries. A set of directors is a joint director of the Company.

policies to be in the same direction as the Company. Acquisition or disposal of assets or any other important transactions of such companies. The Independent Financial Advisor is of the opinion that the opinion of the Company's Board of Directors is still in conflict with the fact that the Company has a system of supervision of subsidiaries, while such transactions appear in the notes to the Company's auditors' financial statements.

2. The independent financial advisor found that in 2023, the Company had entered into a transaction to receive financial assistance from OJP with the approval of OJI Holdings under the Approval Letter No. P1C-23-006 dated February 3, 2023 and the Company entered into a loan agreement dated February 28, 2023 between the Company and OJP in the amount of Baht 90.00 million. The money was used to repay the debt under the promissory note from the financial institution in its entirety. In this regard, the Independent Financial Advisor has calculated the size of the transaction in which the Company receives financial assistance from OJP equal to 0.079% of net tangible assets (NTA), based on the Company's consolidated financial statements. The Independent Financial Advisor is of the opinion that although the result of the connected transaction between the Company and OJP will enable the Company to benefit from receiving a loan interest rate from OJP that is lower than the interest rate paid to financial institutions and the transaction has ended after the Company has completed the full amount of OJP repayment in 2023, it does not appear that the Company has sought approval from the Board of Directors and disclosed the information to the SET in accordance with the announcement of the connected transaction.

From Clause 1 and Clause 2, the Independent Financial Advisor is of the opinion that the opinion of the Executive Committee on the above case reflects the past operations that still have deficiencies in corporate governance and internal control of the Company. From the lack of understanding of the rules and duties under the Connected Transaction Announcement.

Based on the above points, the Company has clarified in the information to the SET.<sup>1/</sup> The appointment of the person in charge of supervisory work in the subsidiary and the training of knowledge and stipulates the procedure for the subsidiary to notify the Company Secretary in advance before entering into the transaction or at least once a month that it has a plan to enter into the transaction in accordance with the Regulations of the Stock Exchange of Thailand (SET) on Rules and Regulations. Conditions and Procedures for Information Disclosure and Any Operations of Listed Companies B.E. 2560 (2017). The Company Secretary will continue to prepare information to be presented as an agenda item to the Board of Directors Meeting No. 2/2026. In this regard, the Independent Financial Advisor identified practical problems in the supervisory work of the Company and its subsidiaries in controlling the implementation of the Connected Transaction Announcement. In this regard, the Company should establish a concrete and clear monitoring plan that the Company will assign the Secretary of the Audit Committee or the Internal Auditor to act as a person to clarify the progress of the control plan to implement the Announcement of Connected Transactions to the Audit Committee for consideration and follow-up on the correction of deficiencies on a case-by-case basis.

Note 1/ Refer to information on the ratification of connected transactions. Receiving financial assistance from Oji Paper (Thailand) Co., Ltd., which the Company has notified to the Stock Exchange of Thailand in accordance with the letter No. O.P.2568/001 dated November 13, 2025 entitled: Notification of the resolution of the Board of Directors' meeting on the ratification of the receipt of financial assistance to connected persons

## 2.5 Reasonableness of the interest rate and conditions of the transaction

The Independent Financial Advisor has considered (1) the interest rate according to the terms of the loan agreement with OJP and (2) the interest rate on the loan payable to the financial institution, and (3) the interest rate in the case of considering alternative sources of loans, as follows:

**Table 2.5.1 : Summary of loan interest rates according to the conditions under which SHK borrows money from OJP**

Unit : % per annum

No.	Loan agreement	Fixed deposit interest rate as specified in the approval letter from Oji Holdings [1]	Increase in Deposit Interest Rate under Loan Agreement (% of Deposit Interest Rate) [2]	Contractual loan interest rate [3]=[1] + ([1]x[2])
	Promised date (Transaction Date)			
1	1 October 2019	1.50	4.00	1.56
2	2 March 2020	1.10	4.00	1.14
3	2 November 2020	1.10	4.00	1.14
4	4 January 2021	1.10	4.00	1.14
5	1 March 2021	0.85	4.00	0.88
6	1 September 2021	0.85	4.00	0.88
7	30 March 2022	0.65	0.09	0.65
8	August 1 , 2022	0.65	0.09	0.65

Source : Letter from Oji Holdings approving OJP's loan to SHK and loan agreements received from the Company

As of the date of transaction, the loan interest rate at SHK The amount to OJP must be paid according to the terms of the 8 loan agreements, ranging from 0.65 percent to 1.56 percent per annum.

**Table 2.5.2 : Overview of Interest Rates for Private Debt Bonds with a Maturity of Not Less Than 3 Years**

Date	Private Bond Interest Rate : BBB Reliability Rank -*
1 October 2019	3.17% per annum
2 March 2020	2.70% per annum
2 November 2020	3.91% per annum
4 January 2021	3.67% per annum
1 March 2021	3.98% per annum
1 September 2021	4.78% per annum
30 March 2022	5.40% per annum
August 1 , 2022	5.71% per annum

Source : ([www.thaibma.or.th/EN/Market/YieldCurve/Corporate.aspx](http://www.thaibma.or.th/EN/Market/YieldCurve/Corporate.aspx))

**Note** \* No information on private debt securities with a credit rating below non-investment grade, such as BB, B or lower on the website of the Bond Market Association. or in other public sources that are sufficiently reliable. Therefore, in the analysis of this report, the independent financial advisor considered the use of private debt bond interest rates. Rated BBB- which is considered to be a company that still has a higher risk of default than a company with a higher rating. (AAA to BBB rating), but ordinary investors consider the company to be an investable business.

The independent financial advisor considers the appropriateness of the loan interest rate for which SHK receives financial assistance from OJP by comparing the loan interest rate according to the conditions specified in the contract with the interest rate on loans from financial institutions and alternatives as follows:

**Table 2.5.3 : Summary of Comparison of Loan Interest Rates under Circumstances for SHK**

No.	Contract Date	Scenario (Unit : Percentage per year)		
		<u>Case 1</u> Interest Rate at which SHK Receives Financial Assistance from OJP	<u>Case 2</u> The interest rate at which SHK is conditionally paid to financial institutions.*	<u>Case 3</u> Interest rate on short-term debt securities of SHK
1	1 October 2019	1.56%	<u>Short-term loans: Average 2.20%</u> <u>Long-term loans: 4.77%</u>	3.17%
2	2 March 2020	1.14%	<u>Short-term loans: Average 2.20%</u> <u>Long-term loans: 4.77%</u>	2.70%
3	2 November 2020	1.14%	<u>Long-term loans : 4.77%</u>	3.91%
4	4 January 2021	1.14%	<u>Long-term loans : 4.77%</u>	3.67%
5	1 March 2021	0.88%	<u>Long-term loans : 4.77%</u>	3.98%
6	1 September 2021	0.88%	<u>Long-term loans : 4.77%</u>	4.78%
7	30 March 2022	0.65%	<u>Long-term loans : 4.77%</u>	5.40%
8	August 1 , 2022	0.65%	<u>Long-term loans : 4.77%</u>	5.71%

**Note \*** Notes to the auditor's financial statements entitled "Short-term Loans from Financial Institutions" which specify the interest rate of 1.95-2.45% with an average of 2.20% per annum and the title "Long-term Loans from Financial Institutions" and the Swap Transaction Confirmation dated 26 March 2014 which specifies the fixed rate of 4.77% per annum.

Compared to the loan interest rates according to Table 2.5.3 at the date of the loan agreement, SHK received a loan interest rate between 0.65 - 1.56% per annum, which **was lower than** the loan interest rate of the loan agreement. The interest rate that SHK must pay is significantly based on the conditions of the financial institution.

Compared to the option for the case where SHK considers seeking an alternative source of loan by issuing short-term debt securities under the assumption that SHK has a credit rating of BBB-, it shows that SHK receives a loan interest rate payable to OJP that is **lower than** the interest rate from that if SHK issues the same short-term debt securities. For the Independent Financial Advisor's note, the interest rate on the issuance of debt securities may change depending on the assessment by the appraisal company to rate the credit rating of the bonds, the nature of the bonds such as secured/unsecured, subordinated bonds, etc., as well as changes in other factors such as the central bank's policy interest rate, government bond yields, liquidity of bonds, fluctuations in economic conditions, as well as investors' views on the issuer's performance and financial position, etc.

**Summary of the opinion of the Independent Financial Advisor on the appropriateness of the interest rate and the appropriateness of the conditions of the transaction**

The Independent Financial Advisor has considered the interest rate under the conditions that SHK receive financial assistance from OJP compared to the interest rate paid by SHK according to the terms and conditions of the bank and the interest rate from the case if SHK issues short-term debt securities under the conditions specified in the terms and conditions of the issuer and shareholders, as the case may be, and found that as of the date of the transaction, the



interest rate that SHK pays for the loan from the transaction to receive financial assistance from OJP is between 0.65% and 1.56% per annum, which is lower than the interest rate that is required to pay under the terms of the financial institution and lower than the interest rate from other options that SHK may have access to.

## 2.6 Reasonableness of Connected Transactions

### 2.6.1 Advantages of Transaction :

#### (1) Reduce financing costs compared to external financing sources and increase the efficiency of capital structure management.

Considering the financial data for 2016–2018, which was the year before SHK entered into the OJP financial assistance transaction. It was found that SHK did not have the ability to generate operating profits to support the interest expense burden, which was shown by the insufficient operating performance to pay interest on loans from financial institutions. In addition, it continues to face a lack of financial liquidity, reflecting the increasing financial liquidity tightness.

Considering the operating performance and financial liquidity, as well as the conditions of financial institutions or other external sources of funding. SHK's entry into the transaction to receive financial assistance from a connected person during the said period is beneficial for the optimization of the capital structure, namely: Replacement of debt burden from financial institutions with high interest costs or allocation of funds obtained in accordance with the objectives of such transactions. This is the main reason why SHK's independent financial advisor considers that it is reasonable for SHK to enter into a transaction to receive financial assistance from a connected person. However, the consideration and implementation must still be in accordance with the rules in the Connected Transaction Announcement in order to ensure transparency and appropriate protection of the interests of the Company's shareholders as a whole.

#### (2) This reflects the support of major shareholders or affiliated companies.

SHK's financial assistance from Oji Holdings through OJP reflects Oji Holdings' confidence in the long-term potential and opportunities for SHK's business operations and performance prospects, as well as its commitment to supporting SHK's business continuity and financial stability during times of economic challenges or volatile market conditions.

Even during periods when the capital market or financial institutions are limited in financing. Independent Financial Advisors are of the opinion that receiving direct or indirect financial support or assistance from Oji Holdings represents an opportunity that both SHK and even the Company may have future investment projects that promote the Group's competitiveness in the long term. Having such support reduces the risk of delays or disruptions to that project.

In addition, receiving financial support or assistance from Oji Holdings or its affiliates also brings confidence to other stakeholders such as trading partners, creditors, and even financial institutions that both the Company and SHK have direct and indirect financial support from the parent company, which can help to mitigate liquidity risks and support business operations continuously. This may have a positive impact

on maintaining business relationships. Therefore, the Independent Financial Advisor is of the opinion that SHK's entry into the transaction to receive financial assistance from such connected persons is reasonable, but nevertheless, the support from the connected person should be subject to the rules in the Connected Transaction Announcement. To ensure transparency and properly protect the interests of shareholders as a whole.

**(3) Increase financial flexibility in the short term.**

Receiving financial assistance from connected parties can enhance the liquidity of the subsidiary in a timely manner. Especially in situations where working capital is required to support normal operations, such as: Financing from connected parties often has a faster review and approval process compared to applying for loans from external financial institutions or other external sources of financing. SHK mitigates the risk that may arise from financing delays.

This is due to the volatile economic conditions or financial sector, including the fact that financial institutions are stricter in lending or setting stricter conditions. In addition, SHK may be limited in the procurement of assets that must be used as collateral according to the conditions of financial institutions. Therefore, the Independent Financial Advisor is of the opinion that receiving financial support from connected parties may be an appropriate option to maintain the stability of SHK's cash flow and lead to the establishment of clear guidelines for the preparation of cash flow estimates. It is also an opportunity to plan any investment in the future more effectively. However, the connected transaction must still be carried out in accordance with the Connected Transaction Announcement to protect the interests of shareholders as a whole and maintain transparency in the execution of such transactions.

**(4) Reduce uncertainty from financial market volatility**

In the event of financial market volatility. Or interest rates are on the rise, or liquidity in the financial system is tight, resulting in financing options from outside sources facing limitations. This may affect the ability to manage cash flows and business plans. Independent financial advisors are of the opinion that relying on connected sources of funding during this period may be able to reduce the risk of uncertainty from economic or financial market factors. SHK is in the opinion that SHK will be able to reduce the risk from fluctuations in financing costs or the burden of having to comply with the conditions of financial institutions that are in line with the situation of the business at any given time, and from the fact that SHK is a member of the Oji Group ("Oji Group") of which Oji Holdings is the parent company, SHK may receive financial assistance from OJP may lead to opportunities for SHK to negotiate flexible terms and conditions in accordance with the business situation. This has a positive impact on effective cash flow planning.

**(5) Reflecting the effective integration of resources within the business group.**

The Independent Financial Advisor is of the opinion that this transaction is reasonable because it is an inter-party transaction that is part of Oji Group's overall resource management in managing excess cash of its subsidiaries to reduce Oji Group's overall financial costs. effectively. However, such actions are still subject to appropriate conditions. Transparency, fairness, and appropriate protection of the interests of shareholders as a whole.

## 2.6.2 Cons of the transaction :

### (1) Risk of entering into transactions that are not in accordance with the Connected Transaction Announcement

As a result, OJP is a connected person with the Company and SHK. In addition, the approval of the shareholders' meeting of the Company was not sought before the transaction was made, and the information of the transaction was not disclosed in accordance with the rules of the connected notice. This is not in accordance with the rules of the Connected Transaction Announcement.

In this regard, the Independent Financial Advisor is of the opinion that in addition to non-compliance with the Announcement of Connected Transactions, The directors and executives of the Company and its subsidiaries involved in the approval of the transaction are also at risk from the performance of duties that do not comply with the requirements of the duties and responsibilities of directors and executives and may be subject to penalties as stipulated in the Securities and Exchange Act B.E. 2535 (1992) and its amendments as detailed in Section 2.7 of this Report.

### (2) Risks from changes in loan terms

The reason is that the entry into of the loan agreement between SHK and OJP is in accordance with the consideration of the parent company, Oji Holding, which requires the lender to set the interest rate according to the terms of the loan agreement and stipulate the conditions for action when there is an event of default, including the condition that the parties agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or related to the loan agreement. The Independent Financial Advisor is of the opinion that during the economic slowdown, there may be an opportunity for the Oji Group to adjust its operating policies or management structure in accordance with the situation, which may have a negative impact on both SHK and even OJP, and may lead to changes in stricter conditions or the possibility of early loan repayment. Changes in borrowing terms may negatively affect the financial cost structure and profitability of the entity, in addition to its ability to generate income. The independent financial advisor is of the opinion that if the Company uses the method of accessing financing from financial institutions to assist SHK in repaying debts to OJP, it may be difficult to do so in a situation where financial institutions are strict in considering loans.

The Company has clarified to the Independent Financial Advisor that since SHK has improved in 2025 and is expected to improve in 2026, SHK may be able to use its own cash flow to repay debts to OJP .

### (3) Risks from the lack of effectiveness in controlling the occurrence of conflicts of interest

According to the information obtained by the independent financial advisor from the Company, including a letter from Oji Holdings approving SHK to receive financial assistance from OJP, it was found that the interest rate conditions at Oji Holdings were compared. Approved OJP to provide loans to SHK compared with the interest rate in the case of loans from the financial institution that used the service, Mizuho Bank Bangkok Branch (Mizuho Bank) and found that there were conditions stipulated in the loan agreement that OJP was the "lender". The Company has the right to use its sole discretion to determine the fixed deposit interest rate to be used as a reference and to take action in the event of default. In addition, the

parties are required to agree to allow Oji Holdings to participate in the negotiation and settlement of any disputes arising out of or in connection with the loan agreement.

In addition to the above-mentioned parent company's actions, the Independent Financial Advisor acknowledged the facts from the Company's notification of the information to the SET pursuant to the Letter No. O.P.2568/011 on the Resolution of the Board of Directors' Meeting on the Ratification of the Receipt of Financial Assistance to Connected Persons dated November 13, 2025. As of the date of this report, the Independent Financial Advisor has not received any additional information showing that the Company has conducted a comparison of interest rates from the case where its subsidiaries will enter into a loan transaction from a connected person with other cases, such as borrowing or refinancing with a financial institution other than the financial institution in which the Group uses services and/or in the case of other sources of funding that the Company may have access to, as the case may be.

However, even though the Company has notified the information to the Stock Exchange of Thailand (SET) according to the letter No. OR.2568/011. The Company will appoint additional persons in charge of supervisory work in the subsidiaries and provide knowledge training and set procedures for the subsidiaries to inform the Company Secretary of the Company. Even if you know in advance before entering the transaction. However, the independent financial advisor further commented that the effectiveness of the above measures must still go through the monitoring process and see the results of evaluating the effectiveness of controlling the risk of conflicts of interest of the Group. The independent financial advisor has not received any concrete results of the assessment of the effectiveness of controlling such risks. Therefore, the Independent Financial Advisor is of the opinion that the Group is still at risk from the lack of effectiveness in controlling the occurrence of conflicts of interest.

### **2.6.3 Advantages of not entering the transaction :**

As SHK and OJP have the same ultimate shareholder, Oji Holdings, OJP is a connected person of the Company and SHK, the independent financial advisor is of the opinion that if SHK does not enter into the transaction to receive financial assistance from OJP, which is a connected person, it will have a positive effect in that it is not obligated to comply with the rules related to conflict of interest transactions. In addition, the directors and executives of the Company and its related subsidiaries shall not be exposed to the risk of non-compliance with the requirements of the duties and responsibilities of directors and executives as stipulated in the Securities and Exchange Act B.E. 2535 (1992) and its amendments.

### **2.6.4 Cons of not entering the transaction :**

Based on the independent financial advisor's consideration of the conditions of the interest rate for receiving financial assistance under the loan agreement with OJP, it was found that SHK received a loan interest rate that received financial assistance from OJP that was significantly lower than the interest rate that SHK had to pay to financial institutions and the interest rate from the loan source in the case of short-term debt issuance. Therefore, the Independent Financial Advisor is of the opinion that if SHK does not enter into the transaction to receive financial assistance from OJP, which is a connected party, SHK will be liable for financial costs to be paid to financial institutions at the average short-term loan interest rate of 2.20% per annum and the average

long-term loan interest rate at the rate of 4.77% per annum, which is higher than the loan interest rate payable to OJP according to the terms of the contract.

#### **2.6.5 Advantages of entering into a transaction with a connected party compared to a third party :**

##### **(1) Reduce the process of negotiating loan terms or agreements.**

The Independent Financial Advisor is of the opinion that the transaction to receive financial assistance from a connected person will shorten the procedure and time for loan approval because the loan application process for financial institutions will be subject to different credit policies of each financial institution and/or from external loan sources, which is more complicated and time-consuming. In the event that there is an urgent need for funds to be used for that purpose. Borrowing from a connected party will reduce the burden of preparing documents requested by the financial institution to analyze the solvency and associated risks, as well as other indirect operating costs such as collateral valuation fees (as the case may be), processing fees, or the cost of preparing a business plan or financial estimate as requested by the financial institution.

##### **(2) Access to financing under more flexible conditions**

The Independent Financial Advisor is of the opinion that the transaction to receive financial assistance from a connected person has the advantage in the sense that SHK will receive more flexible and not strict conditions like those that may be imposed on borrowing money from financial institutions or other sources, such as the condition of providing assets to be used as collateral for loans. Conditions of maintaining a significant financial ratio Conditions for requiring cash flow audit reports The prohibition of pledge of assets or the prohibition of dividend payment until the loan can be repaid in the agreed proportion, etc.

#### **2.6.6 Disadvantages of entering into a transaction with a connected person compared to a third party :**

Since SHK and OJP have the same true shareholder, Oji Holdings, OJP is a connected person. The entry into the loan agreement is considered to be a conflict of interest because OJP has benefited from the provision of such financial assistance.

The independent financial advisor considered the conditions for entering into this loan agreement, which set out a condition that could be seen as an advantage of OJP, which is to set the conditions for the "lender" to determine the conditions for action in the event of default, giving the lender the sole discretion to notify the borrower to repay all debts immediately without asking. The Independent Financial Advisor is of the opinion that in the event that it is a condition of the financial institution, it will be required to collect or notify the debt to be repaid in order to lead to the process of taking any legal procedures, such as the proceedings under the Civil Procedure Code, Section 20 Tri (as amended), which gives the debtor (the borrower) the opportunity to You can file a request for mediation before filing a lawsuit with the court. Therefore, the fact that SHK has obligations to comply under such conditions with a connected person may deprive SHK of the opportunity to benefit the debtor (borrower). Under the conditions received from financial institutions that lead to negotiations and contracts for debt restructuring as the case may be.

In addition, transactions with connected persons It is necessary to comply with the Securities and Exchange Act B.E. 2535 (1992) and its amendments, including the provision of measures to eliminate conflicts of interest between OJPs as connected persons, i.e., in voting at the meeting of the Connected Transaction Consideration Committee, there must be no directors with interested parties who are connected persons to attend the meeting\*. In addition, the Annual General Meeting of Shareholders to consider the ratification of the connected transaction must be approved by not less than one vote. 3/4 of the total number of votes of shareholders who attended the meeting and were entitled to vote. The votes of the shareholders with interests are not counted, which in this case is Oji Holdings.

Note \* Mr. Akio Hasebe did not attend the Board of Directors Meeting No. 5/2025 on November 13, 2025 which resolved to present the agenda for ratifying SHK's connected transaction because Mr. Akio Hasebe serves as a director and executive of Oji Holdings (Source: [www.ojiholdings.co.jp](http://www.ojiholdings.co.jp)).

## 2.7 Impact if the shareholders' meeting approves or disapproves the ratification process

### 2.7.1 In case the shareholders' meeting approves the ratification :

If the shareholders' meeting approves the ratification of this transaction, it means that the shareholders have agreed to the transaction to receive financial assistance from OJP, which is a connected person in the past period as mentioned above, and agree to the terms of the loan agreement. As detailed in Part 1, Section 1.4 of this Report.

### 2.7.2 In case the shareholders' meeting does not approve the ratification :

If the shareholders' meeting does not approve the ratification of the transaction this time, it means that the shareholders do not agree and do not approve of the transaction to receive financial assistance from OJP in the past period when the connected transaction has not been carried out in accordance with the announcement of the connected transaction.

However, the Independent Financial Advisor would like to inform you that regardless of the reason for acknowledging the resolution of the Company's shareholders' meeting approving or disapproving the ratification and/or the reason why the Company has already repaid the OJP recovery, and/or any other reason. The directors and executives of the Company and its subsidiaries in connection with the approval of the transaction may also be responsible for entering into connected transactions during the said period in accordance with the Securities and Exchange Act B.E. 2535 (1992) and its amendments specified in Chapter 3/1 : Business Management of the Issuing Company. Part 2 : Duties and Responsibilities of Directors and Executives Sections 89/7 – 89/24 which provides an overview of the duties and responsibilities of directors and executives for the performance of their duties with responsibility. Caution and honesty , as well as compliance with the law. Objectives, Articles of Association and Board of Directors' Resolutions as well as the resolutions of the shareholders' meeting for the best interests of the Company. The Company Secretary shall not commit any act that causes a conflict of interest with the Company's interests. Providing a system to keep documents or evidence accurate and complete and verifiable within a period of not less than 5 years from the date of preparation of such documents or information. Suing a director or executive to claim the benefits of the director. The disclosure of information and the consequences related to the transaction to investors in general



and the responsibility of directors and executives in the case of disclosure of false information or lack of material information, including cases where directors or executives act or omitted to act in a fraudulent or grossly negligent manner that causes damage to the Company and/or its subsidiaries. The reason for the approval or ratification by the shareholders' meeting or the Board of Directors shall be cited to relieve the directors or executives of liability. In addition, Directors and executives involved in the approval of such financial assistance programs may be punished under the Securities and Exchange Act B.E. 2535 (1992) and its amendments. As follows:

Section 12 : Criminal Penalties

- Sections 281/2 – 281/3 mention the provisions for the penalty of directors. Or executives who perform their duties irresponsibly and lack of caution. No stakeholders are reported.
- Sections 281/8 – 281/10 mention the provisions on penalties for auditors or audit committees who fail to report the circumstances of the offense. Those who violate the rules for soliciting proxies A person who discloses a document by making false statements or concealing true statements.
- Articles 308 and 311 mention the provisions on penalties for executives who embezzle property by fraud and executives who act or do not act fraudulently.

Section 12/1 : Civil Penalties

Sections 317/1 – 317/14 mention acts that may take civil penalty measures. Grievances or condemnations to the investigating officers, the imposition of civil penalties, the imposition of civil fines, and the enforcement of civil penalties sections.

### Part 3 Opinion of the Independent Financial Advisor on the Shareholders' Resolution

For the reason that the subsidiary has entered into a transaction to receive financial assistance from a connected person, including considering the necessity and reasonableness. Pros and Cons and Risks Associated with Entering into a Transaction The results of the analysis of the data in the Company's consolidated financial statements, as well as the good cooperation of the Company in clarifying and submitting the documents to the Independent Financial Advisor as of the date of this report, summarize that when the financial advisor analyzed the data according to the consolidated financial statements during the year prior to the connection transaction (2017-2018), it was found that the Group had an interest payment capacity of less than 1 times and a low return on equity (ROE), reflecting the financial liquidity problems and generating returns to the Company's shareholders. Considering the overall picture of SHK, a subsidiary of the Company, it was found that SHK suffered from a lack of financial liquidity and an operating loss that was insufficient to pay interest on loans from financial institutions. SHK must be paid at an average short-term loan interest rate of 2.20 percent. The average long-term loan interest rate is 4.77% per annum, indicating the trend of default risk of subsidiaries, which leads to the need for SHK to obtain financial assistance from OJP at that time.

From the above. SHK entered into a transaction to receive financial assistance from OJP, a connected party, with the purpose of repaying loans from financial institutions. In this regard, the Independent Financial Advisor received a letter from the Company dated February 27, 2026 certifying that SHK has used the proceeds received from OJP to repay loans from financial institutions, which confirms that SHK has acted in accordance with the objectives of the transaction to receive financial assistance from OJP.

Considering the pros and cons and potential risks of the transaction, the Independent Financial Advisor considers it reasonable in the sense that the results of the transaction contribute to financial stability. The Company has increased its ability to support interest burdens and contributed to strengthening profitability which is beneficial to the Group and generating good returns for the Company's shareholders.

1. Entering into a transaction to receive financial assistance from OJP in the form of short-term loans to repay loans from financial institutions with higher interest rates. As a result, the Group benefited from capital restructuring by replacing loans from financial institutions with high interest costs with loans from OJP with low interest rates is not a new debt increase that increases the financing costs of both SHK and the Group .

Unit : Million Baht

	2019	2020	2021	2022	2023	2024	2025
Loans to Financial Institutions	370.47	217.50	138.03	169.57	15.10	-	-
Loans from OJP	200.00	320.00	420.00	495.00	485.00	395.00	295.00
<b>Total Loans [1]</b>	<b>570.47</b>	<b>537.50</b>	<b>558.03</b>	<b>664.57</b>	<b>500.10</b>	<b>395.00</b>	<b>295.00</b>
<b>Shareholders' Equity [2]</b>	<b>449.55</b>	<b>526.44</b>	<b>595.80</b>	<b>605.74</b>	<b>626.60</b>	<b>698.03</b>	<b>713.49</b>
Proportion (times) [3]=[1]÷[2]	1.27	1.02	0.94	1.10	0.80	0.58	0.41

Source: Consolidated Financial Statements of the Company's Auditor Edition

In this regard, the independent financial advisor noted that SHK's capital structure that relies on short-term loans is inevitable to face the risk of debt renewal. Refinancing Risk In the event of a tight financial market situation that may not be able to provide new sources of capital to replace the existing debt that is due in time, which may affect the liquidity and business continuity of the business.

2. This is because all private sectors are affected by the risk of economic fluctuations and the financial sector. The strictness of financial institutions in considering loans has increased. In addition, relying on loans from financial institutions may pose risks when they are due. and/or there may be a risk that financial institutions may impose additional conditions on collateral and/or in the event of tight market liquidity or unfavorable economic conditions. This may lead to the possibility of other restrictions such as the prohibition on pledge of assets or the prohibition of paying dividends until the loan is repaid in the agreed proportion.

The Independent Financial Advisor is of the opinion that since receiving financial assistance from connected parties has more flexible repayment terms and can reduce the risk of default on loan agreements, the transaction with a connected person is beneficial in providing timely financial liquidity to SHK , which has led to an increase in the level of principal repayment and resulting in a stronger capital structure for the Group with lower financing costs.

3. SHK's financial assistance from OJP reflects the financial support from its parent company (Oji Holdings) through OJP in Group Support for SHK, which reinforces the confidence of business partners, financial institutions, and other stakeholders that both the Company and SHK have a clear and stable source of reserve funds. This led to the opinion of the independent financial advisor on the business opportunity for other stakeholders to maintain business relationships and receive appropriate commercial terms offers. This includes the acquisition of opportunities to access appropriate external sources of financing to promote the Group's long-term competitiveness.
4. SHK's transaction with a connected person is a supportive guide for SHK in leading to the formulation of clear guidelines for the preparation of cash flow estimates because it has reduced the uncertainty factor caused by changes in the credit conditions of financial institutions. It is also an opportunity to plan any future investment more effectively.

SHK entered into several financial assistance transactions with the same connected person, OJP, which, for whatever reason, is considered to be a listed company on the Stock Exchange of Thailand. The Company did not proceed with the Announcement of Connected Transactions, i.e., did not seek approval from the Audit Committee and the Board of Directors of the Company. The Company did not disclose the information of the transaction to the Stock Exchange of Thailand and did not seek approval from the Company's shareholders' meeting prior to the transaction. Therefore, the directors and executives of the Company and its subsidiaries involved in the approval of the transaction are at risk of performing their duties that do not comply with the provisions of the Securities and Exchange Act B.E. 2535 (1992) and its amendments.

In addition, according to the Company's notification to the Stock Exchange of Thailand in accordance with the letter No. 2568/011 that the Company will appoint a person in charge of supervisory work in the subsidiary and provide training and set procedures for the subsidiary to notify the Company Secretary in advance before entering into the



transaction. The Independent Financial Advisor received a clarification from the Company's Audit Committee. On March 23, 2026, the Company concluded that the Company has notified SHK to prepare a monthly report on inter-party transactions to be submitted to the Company's Audit Committee. Consider and review the annual audit plan. 2026 Together with the Internal Auditor to increase the scope of audit of related party transactions that are loan/lending transactions, as well as to increase the scope of other audits of the Group to comply with the Announcement of Connected Transactions. Policy on inter-party transactions, including approval authority The Delegation of Authority (DOA) of the Group will also prepare a training plan for the Group's executives and personnel to understand the duties to be carried out in accordance with the Announcement of Connected Transactions, as well as other articles and regulations of the SEC and the Stock Exchange of Thailand, which will be presented as an agenda item to the Board of Directors' Meeting No. 2/2026 to be held in May 2026 for further approval. Therefore, the Independent Financial Advisor did not have sufficient information to confirm that the Group had taken steps to prevent conflicts of interest as of the date the subsidiary entered into the connected transaction.

When considering the appropriateness of interest rates. Given the reasonableness of the conditions, including the comparison of the advantages, disadvantages and risks that may arise from the transaction, the Independent Financial Advisor is of the opinion that **the shareholders should approve the ratification of this** connected transaction. However, the Independent Financial Advisor would like to inform you that the shareholders may refer to the opinion of the Independent Financial Advisor in order to make a final decision on whether to approve or disapprove the ratification of the transaction under the discretion of the shareholders in making this voting decision.

Ira Advisory Co., Ltd., as an independent financial advisor appointed by the Company, would like to certify that the independent financial advisor operates within the scope of work in accordance with the Notification of the Securities and Exchange Commission on the Opinion of Financial Advisors and the scope of operation, as well as has performed its duties independently and responsibly by using knowledge, ability, experience and care in accordance with professional standards.



Sincerely,  
AIRA Advisory Company Limited  
As an independent financial advisor

(Mr. Anant Sirisaengtaksin)  
Director

(Mr. Pairoj Laungthaleongpong)  
Director

(Mr. Thitinun Kumpu Na Ayudhya)  
Operations Supervisor



## Attachment 1

## S. PACK &amp; PRINT PUBLIC COMPANY LIMITED

## 1. Company General Information

Company Name	: S. Pack & Print Public Company Limited ("the Company")
Opening Date	: 6 September 1982
Listing date on the SET	: 30 March 2004
Business Type	: Production and sales of paper packaging, including commercial printing boxes or offset printing boxes, including ordinary rigid folding boxes or inner boxes, corrugated rigid folding boxes. Corrugated cardboard and corrugated carton or outer carton
Head Office Location	: 119 Moo 1 Kanchanawanit Road, Tha Kham Subdistrict, Hat Yai District, Songkhla Province 90110
Registered capital	: 300,000,000 Baht (300,000,000 ordinary shares Par value 1.00 per share Baht)
Issued and paid-up capital	: 300,000,000 Baht (300,000,000 ordinary shares Par value 1.00 per share Baht)
Phone	: 074-260-602 to 8
Fax	: 074-260-600 to 1
Website	: <a href="http://www.spack.co.th">www.spack.co.th</a>
Subsidiary	: Sahakij Packaging Company Limited ("SHK")

## 2. Overall Business Characteristics

The Company and its subsidiary (hereinafter collectively referred to as the "Group") are engaged in the main business of manufacturing and distributing paper packaging, which is classified into 2 groups:

1. The product range of commercial printing boxes or offset printing boxes includes ordinary rigid folding boxes or inner boxes, corrugated folding rigid folding boxes.
2. Corrugated Box or Outer Box and Corrugated Cardboard

The revenue structure is from sales and services. It can be summarized as follows:

Income Type	2018	2019	2020	2021	2022	2023	2024	2025
<b>Product Type</b> (Million Baht)								
Offset Printing Box	504.54	308.75	547.51	410.70	378.73	386.84	433.36	305.64
Corrugated Box	589.12	754.49	648.03	862.18	905.52	827.23	848.89	735.92
Raw materials	17.43	13.69	10.21	2.09	33.48	25.69	28.98	22.38
<b>Included</b>	<b>1,111.09</b>	<b>1,076.93</b>	<b>1,205.75</b>	<b>1,274.97</b>	<b>1,317.73</b>	<b>1,239.76</b>	<b>1,311.23</b>	<b>1,063.94</b>
<b>Revenue Ratio</b> (Percentage)								
Offset Printing Box	45.41	28.67	45.41	32.21	28.74	31.20	33.05	28.73
Corrugated Box	53.02	70.06	53.74	67.62	68.72	66.73	64.74	69.17
Raw materials	1.57	1.27	0.85	0.16	2.54	2.07	2.21	2.10
<b>Included</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Source: Annual Report/Form 56-1 One report and information from the Company



The Group's customers are domestic customers who want to use packaging as an element to create added value for products and promote brand image. It is a customer in the consumer goods group. The customer group is mainly manufacturers of products for export which are classified as (1) rubber gloves, (2) rubber gloves, and (2) rubber gloves. Electrical & Electronics (3) Ready to eat food & drinks (4) Therefore, the Group is classified as an indirect export business where all types of packaging are produced according to the designs specified by customers. While there are some products designed and offered by subsidiaries to customers, which are considered as additional services provided to customers.

The Group places great emphasis on producing quality products with a process of inspection and quality control in terms of efficiency management in managing production costs. Quality control of the use of raw materials, products during production, control of the efficiency of the finished product production process under modern technology that supports the production of large quantities of products. The Company and its subsidiaries have also received the international standard for quality management system ISO 9001: 2015, which can guarantee customers that the Group's products are of ISO quality under a systematic operation process in order to be able to deliver products and services of consistent quality.

The Group has a policy to implement ISO 14000 standards, namely the International Standards for Environmental Management System (EMS), which has received the Green Industry Certificate Level 2 from the Ministry of Industry and the FSC (Forest Stewardship Council) Certificate, which certifies that throughout the production chain, wood products from trees to our hands, "forests" are managed sustainably in accordance with internationally recognized principles. As it appears in 2024, the Company received the Safety Award organized by the OJI Group in the Asia Pacific region because there were no accidents at all.

### **Major Changes and Developments**

In 2018-2025, the Group did not significantly change its shareholder structure or business operations, but developed production to acquire the British Retail Consortium (BRC) system, which focuses on product safety and quality, and the Forest Stewardship Council (FSC) system, which is a standard for sustainable forest resource management and traceability of raw materials. Or the implementation of a carbon footprint project in which the company has been certified for greenhouse gas management for the second year from the Greenhouse Gas Management Organization (Public Organization). On February 24, 2025,

### **Overview of Risk Management Policies and Plans**

The Group reviews its operational plans on a monthly basis to consider and control risks to its operating performance on a regular basis in accordance with the targets set according to the situation in which a plan can be prepared to deal with such as shortages of raw materials. The main risk factors affecting the Group are summarized as follows:



**(1) Risks associated with dependence on large customers**

This is because the Group continues to rely on large customers. Therefore, there is a risk of large customers reducing production, which will affect overall sales. The main customers are customers in the glove manufacturing industry. In addition, customers in the food group and customers in the electronics segment respectively. Therefore, the revenue from rubber glove customers is in line with the level of demand for rubber gloves and the expansion of the market, which will require the expansion of production capacity to accommodate the increase in orders. In addition, the revenue from food customers will be in line with the export direction of processed fruit products, while the revenue from electronics customers will depend on any circumstances that result in customers considering relocating their production bases overseas.

However, Group Companies The company plans to expand its market share to more customers by allocating part of its production capacity to other customers while diversifying sales to a wider range of industries. However, other industry trends, such as frozen seafood, Canned food The electronics sector is still uncertain due to the economic slowdown in many countries around the world. geopolitical tensions in many regions or the economic policy of the United States under President Donald Trump, which may affect exports. However, the Group will see an increase in domestic food packaging sales due to the country's tourism sector, which is expected to continue to grow well, and the government's economic stimulus policy . Therefore, in order to prevent the risk of any supplier not being able to deliver the product, customers must find a source that can meet the production needs continuously so that the production line is not interrupted. This increases the Group's ability to meet customer needs, leading to the opening of new markets.

**(2) Risks of dependence on a particular industry**

The company has a prominent dependence on the rubber glove industry, and in the South, the main raw material is rubber, which is the main industry in the region. While seafood Canned food is often in short supply or there is a slowdown in the market. Climate Change Trade barriers and international political factors resulted in uncertainty in exports. However, the Company believes that if the situation returns to normal, the Company will be able to increase the proportion of revenue to other industrial customer groups such as seafood. Frozen Seafood Canned food to reduce the risk of relying on revenue from customers in the rubber glove industry.

**(3) Risks of having new competitors**

Due to consumer behavior that has affected the increase in demand for the use of social media technology, printing houses have changed from printing media to doing business to producing packaging from paper. In addition, there are also packaging paper box manufacturers from neighboring countries entering the market, causing increased competition. While the customers are still the same. There may be an increase in online sales transactions, which will be a small package. Meanwhile, the economic situation is still slowing down, causing more competition. The Group imports paper from Oji Group companies at a lower cost to increase price competitiveness. Competitiveness in the packaging industry in the South As many manufacturers have

expanded their production capacity to accommodate the increase in demand from customers in the rubber glove segment during the situation. Covid-19 and when the situation returned to normal, it affected the decline in buy words. As a result, there is still excess production capacity, including producers from the central region and Malaysia in the market. As a result, there will be even more competition.

In 2021, the Company has reduced its production plan to meet market conditions. However, in 2023, the Group faced a volatile situation in the rubber glove industry, while major customers opened new production lines and planned to expand production capacity in the long term, and in 2024, the Group entered a situation where the rubber glove industry returned to normal, where the main customer groups expanded their markets and production capacity in accordance with the Company's production plan to maintain market share and continue to respond to customer demand.

**(4) Exchange Rate Risk**

Exchange rate risk is the risk that the fair value or future cash flows will fluctuate due to changes in foreign exchange rates. The Company and its subsidiaries import raw materials, spare parts, machinery and equipment in foreign currencies, which is affected by fluctuations in foreign exchange rates according to each situation. The Company and its subsidiaries have established preventive measures by entering into forward exchange contracts and purchasing raw materials in Thai currency with certain vendors to hedge against risks in foreign currency financial liabilities.

**(5) Risk of fluctuations in raw material prices Consumables and fuel**

The Group's main operating costs include the cost of raw materials, paper, consumables and fuel. The price changes according to supply and demand in the global market and fluctuates due to many uncontrollable factors. There are limitations in adjusting product prices to cover the rapid changes in production costs. The Group has established such risk prevention measures with a policy of managing raw material prices through raw material procurement management. Manage inventory at an appropriate level according to the situation along with adjusting customer prices to keep up with and cover the changing cost prices appropriately.

**(6) Financial Liquidity Risk**

The Group needs liquidity to meet its commercial obligations, and each company is responsible for maintaining cash levels and considering the appropriate increase in credit lines for both the Company and its subsidiaries and financial institutions in accordance with the Company's and its subsidiaries' guidelines. Deposits, unused committed credit lines and non-binding credit lines from various banks to meet the required liquidity as a whole.

**(7) Interest rate risk**

The Group's interest rate risk is related to deposits with financial institutions, loans, and loans, most of which have interest rates that rise or fall according to the market rate or have a fixed interest rate that is close to the market rate. However, the Group manages risk by providing fixed-rate and floating interest rate loans. (Floating Rate) in an appropriate proportion. The Group has a policy to maintain a balance between

sources and the use of capital, which is mainly a fixed interest rate, and the Group does not have a material impact on pre-tax profit related to changes in interest rates in the money market.

### Overview of Business Operations for Sustainability

The Company operates a business for sustainability with the following main points:

1. Adherence to the philosophy of sustainable development as a guideline for operation. Review the policy to develop sustainability with the environment and society, as well as set targets covering all issues in the implementation of the Group's mission. Global sustainability trends under policies that cover 7 areas: (1) corporate governance; Performing the mission with fairness and integrity, covering the risk management of the organization. (3) Potential new risks Human Rights and Employment to Drive a Sustainable Economy (4) Power Management Climate Water and waste strictly in accordance with the law (5) Responsible production of products and services and promoting a sustainable society (6) and (7) Participation in the development of the community and society by improving the quality of education and promoting innovation for society.
2. Managing the impact on stakeholders in the value chain of the business (Value Chain). Identify key stakeholder groups Stakeholder Analysis in the Value Chain
3. Sustainability management in the environmental dimension by formulating environmental policies and practices. Environmental performance in terms of how to treat related impacts, such as wastewater management from production processes, waste material disposal, etc. Controlling exhaust air to meet the standard Noise control, including measurement of light intensity at the work site.
4. Sustainability management in the social dimension by formulating social policies and practices in terms of human rights, Safety and biohealth is a master plan that the parent company in Japan focuses on. In terms of employee care and development, responsibility to customers by taking care of all groups of customers equally and having a system of receiving customer proposals to the process according to the response system. Corrective Action Request (CAR) according to the ISO system , as well as participation in community and social development that focuses on the use of local labor around the factory area to enhance prosperity. and for the benefit of the people living around the Company.

### 3. Shareholder Structure

Shareholder Structure as of March 17 , 2025, the latest closing date of the Company's shareholder register As follows:

No.	List of Shareholders	Quantity (Shares)	Shareholding ( Percentage)
1	Oji Holdings Corporation Co., Ltd.	227,156,360	75.72
2	Mr. Wichian Srimunin Nimit	9,500,000	3.17
3	Mr. Smith Naothavorn	8,069,400	2.69
4	Business Surf Company Limited	7,000,000	2.33
5	Mr. Pittayakorn Naothavorn	2,540,000	0.85

Next

No.	List of Shareholders (Next)	Quantity (Shares)	Shareholding ( Percentage)
6	Thai NVDR Company Limited	1,287,207	0.43
7	Mr. Kim Sua Saekow	1,000,000	0.33
8	Mr. Nithipong Durongwattana	773,200	0.26
9	Ms. Orawan Chuan Chaiyasit	685,000	0.23
10	Mr. Jumpon Thamthanasakul	607,000	0.20
Total Top 10 Shareholders		258,618,167	86.21
Other minority shareholders		41,381,833	13.79
<b>Total</b>		<b>300,000,000</b>	<b>100.00</b>

Source: SET Website (www.set.or.th)

#### 4. Board of Directors

Present The Company's Board of Directors consists of: 8 guests As follows:

No.	List	Location
1	Mr. Akio Hasebe <sup>1/</sup>	Chairman of the Board of Directors
2	Mr. Michiteru Yonamasu <sup>2/</sup>	Vice Chairman of the Board of Directors , Chief Executive Officer
3	Mr. Atsushi Endo <sup>3/</sup>	Executive Director
4	Mr. Yoshiyuki Mitsushima <sup>4/</sup>	Director
5	Mr. Kenichi Kamimoto	Director
6	Mr. Sumit Kanchanampa	Director, Chairman of the Audit Committee and Independent Director
7	Police Lieutenant Colonel Chalit Kaewyarat	Director, Audit Committee and Independent Director
8	Assoc. Prof. Dr. Sanachai Kampikul	Director, Audit Committee and Independent Director

Source: SET Website (www.set.or.th)

- Note**
- 1/ Mr. Akio Hasebe is a director of Oji Holdings Corporation Co., Ltd., which is a major shareholder of the Company.
  - 2/ Mr. Michiteru Yonamasu was approved by the Board of Directors Meeting No. 1/2025 on January 13, 2025 to replace Mr. Thirapong Ratchatawongpipat who resigned as a director. Vice Chairman of the Board of Directors , Chief Executive Officer of the Company with effect from January 31, 2025.
  - 3/ Mr. Atsushi Endo was approved by the Board of Directors Meeting No. 2/2025 on February 28, 2025 to serve as a director. Replacing Mr. Thirapong Ratchatwongpipat in accordance with the resolution of the Board of Directors' Meeting No. 1/2025 on January 13, 2025.
  - 4/ Mr. Yoshiyuki Mitsushima was approved by the Board of Directors Meeting No. 5/2025 on November 13, 2025 to serve as a director. Replacing Mr. Mikito Terauchi who resigned as a director. Effective from November 13 , 2025.

As of December 31, 2018, the Company's Board of Directors consists of: 9 people as follows:

No.	List	Location
1	Mr. Yasuo Nakanishi	Chairman of the Board of Directors
2	Mr. Yutaka Ito <sup>1/</sup>	Director , Vice Chairman of the Board of Directors , Executive Director
3	Mr. Yoshiyuki Kurahashi <sup>2/</sup>	Executive Director
4	Mr. Kenichi Kamimoto	Director
5	Mr. Jun Tomita <sup>3/</sup>	Executive Director
6	Mr. Suraj Navikarn	Director
7	Mr. Sumit Kanchanampa	Director, Chairman of the Audit Committee and Independent Director
8	Police Brigadier General Amphon Phaili	Director, Audit Committee and Independent Director
9	Assoc. Prof. Dr. Sanachai Kampikul	Director, Audit Committee and Independent Director

Source: Annual Report 2018 / Form 56-1 One Report of the Company

Note 1/ Mr. Yutaka Ito is also a member of the committee. Chairman of the Board of Directors and Executive Director of Saha Cooperative Packaging Company Limited (SKP)

2/ Mr. Yoshiyuki Kurahashi is also the Executive Director of SKP.

3/ Mr. Jun Tomita is also the Executive Director of SKP.

## 5. Board of Directors

As of January 23, 2026, the Company's management team consists of 8 executives. As follows:

Sequence	List	Location
1	Mr. Michiteru Yonamasu	Chief Executive Officer
2	Mr. Atsushi Endo <sup>1/</sup>	Person in charge of accounting and finance
3	Mr. Thawattachai Pandej	General Manager
4	Mr. Yoshiaki Suto	Highest Technical Responsible Person
5	Mr. Thawan Chantasuwan	Production Manager 1
6	Mr. Suvijak Prakorn	Production Manager 2
7	Mr. Clear Ritwirulah	Marketing Manager
8	Ms. Suchaya Niyombandit	Accounting and Finance Manager

Source: Annual Report 2024 / Form 56-1 One Report of the Company

Note 1/ Mr. Atsushi Endo was approved by the Board of Directors' Meeting No. 1/2025 on January 13, 2025 to serve as the Highest Responsible Officer for Accounting and Finance. In place of Mr. Michiteru Yonamasu Effective from 31 January 2025

## 6. Summary of key financial information

In order to analyze the Independent Financial Advisor's opinion on the ratification of the connected transaction which occurred between October 1 , 2019 and August 1 , 2022, as detailed in the report, the Independent



Financial Advisor has analyzed the consolidated financial information of the Company and its subsidiaries as follows:

- 6.1 The information is based on the auditor's audited consolidated financial statements for the year ended December 31, 2016-2018 and the auditor's reviewed interim consolidated financial statements for the year ended June 30, 2019 \* of the Company and its subsidiaries (hereinafter referred to as "Pre-Transaction Period").
- 6.2 Information according to the auditor's audited consolidated financial statements for the year ended ;
- 31 December 2019-2022 (hereinafter referred to as "Financial Information for the Transaction Year")
  - December 31 , 2023-2025 (hereinafter referred to as "Financial Information for the Post-Transaction Year")

Note \* Based on the consolidated financial statements submitted and disclosed by the Company in accordance with the Regulations of the Stock Exchange of Thailand within 45 days from the end of the second quarter accounting period. The latest consolidated financial statements before the first transaction were held on October 1 , 2019.

## 6.1 Financial information before the transaction period

### Statement of Financial Position

Transaction (Unit : Million Baht)	December 31			June 30 2019
	2016	2017	2018	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	17.69	45.28	28.74	45.32
Trade receivables and other net current receivables	158.21	160.56	203.28	190.13
Net Inventory	136.90	196.68	192.16	205.02
Loans to employees are due in one year.	3.71	2.53	1.00	0.71
Other current assets	0.33	0.44	0.26	0.32
<b>Total current assets</b>	<b>316.83</b>	<b>405.49</b>	<b>425.43</b>	<b>441.50</b>
<b>Non-current assets</b>				
Loans to employees	2.36	1.34	0.58	0.55
Net Investment Properties	14.30	14.30	14.30	14.30
Land, plant and equipment net	876.59	838.97	788.69	801.76
Net intangible assets	13.03	10.49	7.23	5.60
Net Deferred Tax Assets	6.60	5.70	4.80	7.05
Other non-current assets	0.87	0.58	1.00	0.99
<b>Total non-current assets</b>	<b>913.75</b>	<b>871.37</b>	<b>816.60</b>	<b>830.25</b>
<b>Total Assets</b>	<b>1,230.58</b>	<b>1,276.87</b>	<b>1,242.03</b>	<b>1,271.74</b>



Transaction (Unit : Million Baht)	December 31			June 30
	2016	2017	2018	2019
<b>Liabilities and Shareholders' Equity</b>				
<b>Current liabilities</b>				
Short-term loans from financial institutions	196.37	266.14	277.57	340.02
Trade payables and other net current payables	81.00	123.44	143.15	134.99
Property payables	0.02	-	-	-
Long-term loans from financial institutions are due to be paid in one year.	46.10	61.47	61.47	61.47
Unpaid corporate income tax	1.50	1.40	2.60	2.93
Estimate liabilities for employee benefits	0.91	0.50	-	0.22
Outstanding dividends	20.53	20.53	20.54	20.54
Other current liabilities	0.85	1.78	2.14	1.01
<b>Total current liabilities</b>	<b>347.29</b>	<b>475.26</b>	<b>507.46</b>	<b>561.17</b>
<b>Non-current liabilities</b>				
Long-term loans from financial institutions	383.90	322.43	260.97	230.23
Estimate liabilities for employee benefits	28.83	32.67	32.10	44.32
<b>Total non-current liabilities</b>	<b>412.73</b>	<b>355.10</b>	<b>293.07</b>	<b>274.56</b>
<b>Consolidated liabilities</b>	<b>760.02</b>	<b>830.36</b>	<b>800.53</b>	<b>835.73</b>
<b>Shareholders' Equity</b>				
Issued and paid-up capital	300.00	300.00	300.00	300.00
Excess share value	278.37	278.37	278.37	278.37
Cumulative Profit (Loss)	(107.82)	(131.87)	(136.87)	(142.36)
Other Elements of Equity	-	-	-	-
Includes the parent company's shares.	470.56	446.51	441.50	436.01
Non-controlling interests	-	-	-	-
<b>Total Shareholders' Equity</b>	<b>470.56</b>	<b>446.51</b>	<b>441.50</b>	<b>436.01</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,230.58</b>	<b>1,276.87</b>	<b>1,242.03</b>	<b>1,271.74</b>

Source.: Consolidated Financial Statements Audited and Reviewed by the Auditor



**Income Statement**

Transaction (Unit : Million Baht)	2016	2017	2018	January-June	
				2019	2018
<b>Income :</b>					
Revenue from sales and services	893.73	1,015.77	1,111.09	544.56	545.25
Other income	3.54	5.09	3.12	4.69	3.22
<b>Total Revenue</b>	<b>897.27</b>	<b>1,020.86</b>	<b>1,114.21</b>	<b>549.25</b>	<b>548.47</b>
<b>Cost :</b>					
Cost of Goods Sold and Cost of Services [1]	811.45	912.46	987.13	491.68	490.07
Distribution and Administrative Costs:					
• Distribution Costs	34.34	38.53	41.36	21.18	18.78
• Administrative expenses	60.27	56.70	56.90	29.49	33.16
Included [2]	94.61	95.23	98.26	50.67	51.95
<b>Total cost [3]=[1]+[2]</b>	<b>906.06</b>	<b>1,007.69</b>	<b>1,085.39</b>	<b>542.35</b>	<b>542.01</b>
<b>Operating Profit (Loss)</b>	<b>(8.79)</b>	<b>13.17</b>	<b>28.82</b>	<b>6.90</b>	<b>6.45</b>
Less: Finance Costs	24.69	26.45	24.38	11.70	12.40
Profit (loss) before income tax	(33.47)	(13.28)	4.44	(4.80)	(5.94)
Less: Income tax expenses	1.65	4.26	3.13	0.69	0.08
<b>Quarterly Net Profit (Loss)</b>	<b>(35.12)</b>	<b>(17.54)</b>	<b>1.31</b>	<b>(5.49)</b>	<b>(6.02)</b>
Other Comprehensive Profits	2.63	(0.81)	2.08	-	-
<b>Total Comprehensive Net Profit (Loss) for the Period</b>	<b>(32.49)</b>	<b>(18.35)</b>	<b>3.39</b>	<b>(5.49)</b>	<b>(6.02)</b>

Source: Consolidated Financial Statements Audited and Reviewed by the Auditor

**Cash Flow Statement**

Transaction (Unit : Million Baht)	2016	2017	2018	January-June	
				2019	2018
Net cash derived from (used in) operating activities	26.52	22.80	47.07	(0.89)	19.45
Net cash is derived from (used in) investment activities.	(30.22)	(13.18)	(5.19)	(14.24)	0.81
Net cash derived from (used in) financing activities.	(10.01)	17.97	(58.43)	31.71	(46.57)
Cash and cash equivalents increased (decreased) net	(13.71)	27.59	(16.55)	16.58	(26.31)
Cash and cash equivalents at the beginning of the period	31.40	17.69	45.28	28.74	45.28
Cash and cash equivalents at the end of the period	17.69	45.28	28.74	45.32	18.98

Source: Consolidated Financial Statements Audited and Reviewed by the Auditor

**Significant financial ratios**

Transaction	Unit	2016	2017	2018	Year 2019 <sup>1/</sup> (6 months)
<b>Liquidity Ratio</b>					
Current Ratio	Fold	0.91	0.85	0.83	0.79
Quick Ratio	Fold	0.52	0.44	0.45	0.42
Account Receivable Turnover	Times	6	6	6	3 <sup>2/</sup>
Average Collection Period [1]	Day	61	55	57	60
Inventory Turnover	Times	6	5	5	3 <sup>3/</sup>
Average Inventory Period [2]	Day	61	78	71	60
Account Payable Turnover	Times	11	7	6	4 <sup>4/</sup>
Average Payment Period [3]	Day	36	53	63	45
Cash Cycle [4]=[1]+[2]-[3]	Day	87	83	64	75
<b>Profitability Ratio</b>					
Gross Profit Margin	%	9.21	10.17	11.15	9.71
Operation Profit Margin	%	(0.60)	1.58	2.74	1.27
Net Profit Margin	%	(3.93)	(1.73)	0.11	(1.01)
Return on Equity	%	(7.46)	(3.93)	0.29	0.43 <sup>5/,9/</sup>
<b>Efficiency Ratio</b>					
Return on Assets	%	(2.85)	(1.37)	1.10	0.15 <sup>6/,9/</sup>
Return on Non-Current Assets	%	(3.84)	(2.01)	0.89	0.23 <sup>7/,9/</sup>
Assets Turnover	Times	0.73	0.80	0.89	0.44
<b>Financial Policy Ratio</b>					
Debt to Equity Ratio	Fold	1.62	1.86	1.81	1.92
Interest Coverage Ratio	Fold	(0.36)	0.50	0.64	0.59 <sup>8/</sup>
Dividend Payout Ratio	%	51.78	50.01	0.00	0.00
<b>Dividend Policy:</b> "The dividend payment will be based on the operating results, cash flow, financial structure, obligations, investments, and long-term returns of shareholders based on the consolidated financial statements."					

<sup>1/</sup>: Annual Report / Form 56-1 One Report of the Company

**Note** 1/ Independent financial advisors are calculated based on the information in the audited and audited financial statements.

2/ It is calculated from sales and service revenues divided by average trade receivables.

3/ It is calculated from the cost of sales and services divided by the average finished goods.

4/ It is calculated from the cost of goods sold and services divided by the average trade payables.

5/ It is calculated from net profit divided by average shareholders' equity.

6/ It is calculated from net profit divided by average total assets.

7/ It is calculated by dividing net profit by average net fixed assets.

8/ Calculated from profit before finance costs and income taxes Divide by finance costs.

9/ Independent Financial Advisor calculates net profit (loss) for the past 12 months (period between July 2018 – June 2019)



## Discussion of Financial Position and Operating Results before Transaction

### (a) Financial Analysis :

#### Assets :

As at 31 December 2016 – 2018 and as at 30 June 2019, the Group had total assets of Baht 1,230.58 million, Baht 1,276.87 million, Baht 1,242.03 million. million baht and 1,271.74 million baht. Total assets as at December 31, 2017 increased by Baht 46.29 million or 3.76% compared to the previous fiscal year, mainly due to an increase in outstanding assets. The net increase in land, plant and equipment due to depreciation and asset write-offs, and investments during the year, as well as cash transactions and cash equivalents, were mainly driven by short-term loans from financial institutions and repayment of long-term loans to financial institutions.

Total assets as at December 31, 2018 decreased by Baht 34.83 million or 2.73% compared to the previous fiscal year. This was mainly due to the decrease in cash and cash equivalents from short-term loans from financial institutions. repayment of long-term loans to financial institutions and payment of dividends; Land, plant and equipment decreased due to depreciation and asset write-offs, and investments during the year, as well as an increase in trade receivables and other net current receivables due to increased sales.

Meanwhile, total assets as at 30 June 2019 increased by 29.71 million baht or 2.39% compared to total assets as at 31 December 2018. The decrease in net trade receivables and other current receivables, as well as an increase in fixed asset items due to depreciation and investment during the period.

#### Liabilities :

As at 31 December 2016 – 2018 and as at 30 June 2019, the Group had total liabilities of Baht 760.02 million, Baht 830.36 million, Baht 800.53 million. million baht and 835.73 million baht. Total liabilities as at December 31, 2017 increased by Baht 70.34 million or 9.25% compared to the previous fiscal year. This was mainly due to borrowing from financial institutions and an increase in trade payables and other current creditors.

Total liabilities as at December 31, 2018 decreased by Baht 29.83 million or 3.59% compared to the previous fiscal year. This was mainly due to the repayment of long-term loans to financial institutions in higher amounts than the increase in short-term loans from financial institutions.

Meanwhile, total liabilities as at 30 June 2019 increased by Baht 35.20 million or 4.40% compared to total liabilities as at December 31, 2018, mainly due to the repayment of long-term loans to financial institutions in a smaller amount than the increase in short-term loans from financial institutions, as well as an increase in the recognition of liabilities estimates for employee benefits.

#### Equity :

As at December 31, 2016 – 2018 and as at June 30, 2019, the Group's total shareholders' equity amounted to Baht 470.56 million, Baht 446.51 million, Baht 441.50. million baht and 436.01 million baht. million baht, respectively. Total shareholders' equity as at December 31, 2017 decreased by Baht 24.05 million or 5.11%

compared to the previous fiscal year. This was mainly due to an increase in accumulated losses due to the recognition of net losses in 2017.

Total shareholders' equity as at December 31, 2018 decreased by Baht 5.01 million or 1.12% compared to the previous fiscal year. This was mainly due to a decrease in accumulated losses due to the recognition of net profit in 2018.

Meanwhile, total shareholders' equity as at June 30, 2019 decreased by Baht 5.49 million or 1.24% compared to total shareholders' equity as at December 31, 2018, mainly due to the increase in accumulated losses due to the recognition of net losses in the operating results as net losses in the six-month period of 2019.

(b) **Performance Analysis :**

Income :

The Group's total revenue in 2016 – 2018 and the first six months of 2019 was Baht 897.27 million, Baht 1,020.86 million, and Baht 1,114.21 million baht and 549.25 million baht, respectively. The portion of sales and service revenue (hereinafter referred to as "**core revenue**") was Baht 893.73 million. Million Baht 1,111.09 million baht and 544.56 million baht. million baht, respectively. The total core revenue in 2017 increased by 122.04 million baht, or an increase of 13.65% compared to the previous year. This is mainly due to the expansion of production capacity of latex glove customers. Meanwhile, customers in the canned food and frozen seafood segments have increased their raw materials, which has resulted in the growth of sales to food and beverage customers. This is in line with the main factors of economic recovery and the industrial sector, which are the main customer groups.

In 2018, total core revenue increased by 95.32 million baht, or an increase of 9.38% compared to the previous year. This is due to the fact that customers in the rubber glove group continue to expand their production capacity from the previous year. In addition, customers in the canned food and frozen seafood segments have increased their raw materials, which is a factor supporting the sales of food and beverage customers to continue to increase from the previous year. However, Total core revenue in the first six months of 2019 decreased slightly by Baht 0.69 million or 0.13% compared to the same period in 2019.

Cost :

Group Companies Expenses excluding total financial costs in 2016 – 2018 and the first six months of 2019 amounted to Baht 906.06 million, Baht 1,007.69 million, Baht 1,085.39. Million Baht and 542.35 million Baht respectively, classified as (a) Cost of Selling and Cost of Services equal to 811.45 million Baht 912.46 million Million Baht 987.13 million baht and 491.68 million baht respectively, and (b) the portion of selling and administrative expenses or expenses equal to 94.61 million baht. 95.23 million baht 98.26 million baht and 50.67 million baht, respectively.

● Cost of Sales and Cost of Services :

The total increase in costs in 2017 was 101.01 million baht, or an increase of 12.45 percent compared to 2016, mainly due to the increase in line with the increase in sales and the setting of selling prices to

customers in line with the increase in raw material costs. The total increase in costs in 2018 was 74.67 million baht, an increase of 8.18 percent compared to 2017. Meanwhile, the cost in the first six months of 2019 increased by Baht 1.61 million or 0.33% compared to the same period in 2018. This was affected by the change in the compensation rate by the recognition of service costs.

- Selling and Administrative Costs or Expenses :

The total increase in sales and administrative expenses in 2017 was Baht 0.62 million or an increase of 0.66% compared to 2016 in line with the increase in sales, as well as the reason why such expenditure in 2018 increased by Baht 3.03 million or an increase of 3.18% compared to 2017 while such expenditure in the first six months of 2019 decreased by Baht 1.28 million or a decrease of 2.46% compared to the same period in 2018.

Net Profit :

In 2016 – 2018 and the first six months of 2019, the Company recorded a total net loss for the period 2016 – 2017 of (35.12) million baht and (17.54) million baht, respectively. Meanwhile, in the first 6 months of 2019, the total net loss was (5.49) million baht. In 2017, the consolidated performance of the Company and its subsidiaries recorded a net loss of Baht 17.58 million. Compared to the previous year, the main factor was the increase in sales by setting selling prices to customers in line with the increase in raw material costs.

The overall increase in total net profit in 2018 from the net loss in the previous year was mainly supported by an increase in sales coupled with improved control of cost management efficiency. However, in the first six months of 2019, the company recorded the same net loss as the same period in 2018 (net loss of 6.02 million baht), which was mainly affected by the increase in income tax expenses. Meanwhile, total revenue and expenses including financing costs were unchanged significantly compared to the first six months of 2018.

Profitability :

In this study, an independent financial advisor analyzed the Group's overall performance in 2016-2018, which was the year before SKP, a subsidiary of the Company, received financial assistance from OJP, a connected company of the Company, and found that the Group had a return on equity (ROE) of (7.46%), (3.93%), 0.29% and 0.43% respectively, reflecting the operating losses at the beginning of the period under consideration before starting to recover and returning to positive returns in 2018 and the first six months of 2019. Meanwhile, the return on assets (ROA) was (2.85%), (1.37%), 1.10% and 0.15% respectively. This shows the trend of using assets to generate improved returns. The Group has also maintained a low operating capacity of (0.36 times), 0.50 times, 0.64 times and 0.59 times respectively. However, it is likely to improve even though it is still less than 1 times, indicating that operating profit is not enough to fully support the interest burden.

From the above, the independent financial advisor concluded from the overall analysis that: During the period 2016-2018 and the first six months of 2019, the Group's overall picture has recovered in profitability and the ability to generate return on equity and return on assets has returned to a positive level. However, the Group's ability to pay interest is still limited, which requires close management of capital structure, debt burden and financing costs to strengthen financial stability and support long-term business growth.

(c) **Cash Flow :**

As at December 31 , 2016 – 2018 and as at June 30, 2019, the Company and its subsidiaries had cash and cash equivalents totaling Baht 17.69 million, Baht 45.28 million, Baht 28.74. million baht and 45.32 million baht. million baht, respectively. Namely;

As at December 31 , 2017, the Group's cash and cash equivalents increased by Baht 27.59 million. Compared to the amount as at December 31 , 2016, net cash acquisition from operating activities was Baht 22.80 million. This was mainly due to the operating performance showing a decrease in net loss from the previous year. An increase in inventory items, as well as an increase in trade payables and other payables. In terms of investment activities, net cash was used 13.18 million baht. This is mainly due to the increase in the purchase of fixed assets. There is also a loan payment to employees. Meanwhile, under the financing activities, there was a net cash acquisition of 17.97 million baht. This was mainly due to short-term loans from financial institutions in excess of the amount repaid long-term loans to financial institutions. In addition, dividends were paid during the year.

As at December 31 , 2018, the Group's cash and cash equivalents decreased by Baht 16.55 million. Compared to the amount as at December 31 , 2017, net cash acquisition from operating activities was Baht 47.07 million. This was mainly due to the net profit compared to the previous year, which was a net loss. An increase in trade receivables and other receivables, as well as an increase in trade payables and other payables. In terms of investment activities, net cash was used at Baht 5.19 million. This was mainly due to an increase in the purchase of fixed assets of 5.78 million baht and the receipt of loan payments to employees. Meanwhile, under the financing activities, a net cash was used of 58.43 million baht. This was mainly due to short-term loans from financial institutions in a smaller amount than the amount repaid long-term loans to financial institutions, as well as dividend payments during the year.

As of June 30, 2019, the Group had an increase of Baht 16.58 million in cash and cash equivalents. Compared to the amount as of December 31 , 2018, net cash from operating activities was only 0.89 million baht. This was mainly due to the operating performance showing a total net loss in the first 6 months of 2019 compared to the total net loss in the first 6 months of 2018. An increase in inventory, as well as a decrease in the list of trade payables and other payables. In terms of investment activities, net cash was used 14.24 million baht. This was mainly due to a significant increase in the purchase of fixed assets. Meanwhile, under the financing activities, a net cash was used of 31.71 million baht. This was mainly due to short-term loans from financial institutions in excess of the amount repaid long-term loans to financial institutions.

Financial Liquidity :

In this study, the independent financial advisor analyzed the Group's ability to manage financial liquidity and capital structure to assess the long-term debt repayment capacity and financial stability during the period 2016 – 2018, which was the year before SKP received financial assistance from OJP . This shows that the Group's current assets are close to current liabilities but are likely to increase liquidity tightness. In terms of working capital management efficiency. The Group has an average cash cycle of 87 days, 83 days, 64 days and 75 days respectively, which reflects the relatively long period of time that the working capital has been tied up in

the operating process. And although the cash period has been significantly reduced in 2020. This indicates an improvement in the efficiency of inventory management and trade debt collection, but the increase in the first six months of 2019 indicates that Working capital management still needs to follow the principle of prudence so as not to affect overall liquidity.

In addition, when considering the financial structure, it was found that the Group's debt to equity ratio was 1.62 times, 1.86 times, 1.81 times and 1.92 times, respectively, which were relatively high and tended to increase, reflecting the financial policy that relies on debt financing as an important part of business operations. This will affect the increase in interest expense costs in the future.

## 6.2 Financial information during the transaction year and after the transaction year

### Statement of Financial Position

Transaction (Unit : Million Baht)	During the year of the transaction				After the transaction year.		
	December 31						
	2019	2020	2021	2022	2023	2024	2025
<b>Assets</b>							
<b>Current Assets</b>							
Cash and cash equivalents	37.35	69.00	55.82	65.98	142.20	118.91	103.32
Trade receivables and other net current receivables	188.51	220.02	271.81	213.22	196.75	207.66	219.65
Net Inventory	167.69	164.61	253.41	279.48	157.92	182.48	141.00
Loans to employees are due in 1 year.	0.54	0.26	0.01	-	-	-	-
Other current assets	0.25	0.27	0.30	0.25	0.15	0.13	0.14
<b>Total current assets</b>	<b>394.34</b>	<b>454.16</b>	<b>581.35</b>	<b>558.94</b>	<b>497.02</b>	<b>509.18</b>	<b>464.10</b>
<b>Non-current assets</b>							
Loans to employees	0.38	0.11	-	-	-	-	-
Net Investment Properties	14.30	14.30	14.30	14.30	14.30	14.30	17.48
Land, plant and equipment net	791.58	773.94	820.52	856.38	820.42	778.05	752.02
Net right-of-use assets	-	1.79	0.77	4.11	4.74	3.67	4.20
Net intangible assets	3.92	0.61	3.88	3.73	2.75	1.83	0.90
Net Deferred Tax Assets	8.20	7.94	6.81	4.10	2.59	2.40	0.15
Other non-current assets	0.92	0.67	0.69	1.39	0.79	0.59	0.66
<b>Total non-current assets</b>	<b>819.31</b>	<b>799.37</b>	<b>846.97</b>	<b>884.01</b>	<b>845.59</b>	<b>800.83</b>	<b>775.41</b>
<b>Total Assets</b>	<b>1,213.65</b>	<b>1,253.33</b>	<b>1,428.32</b>	<b>1,442.94</b>	<b>1,342.61</b>	<b>1,310.01</b>	<b>1,239.51</b>
<b>Liabilities and Shareholders' Equity</b>							
<b>Current liabilities</b>							
Short-term loans from bank	109.50	18.00	-	93.00	-	-	-
Trade payables and other payables	118.64	108.71	196.02	96.95	138.14	150.00	150.74
Long-term liabilities due in one year :							
• Long-term loans from bank	61.47	61.47	61.47	61.47	15.10	-	-
• Lease liabilities	-	1.03	0.68	0.66	1.00	1.04	1.07
S-T loans from related companies	200.00	320.00	420.00	495.00	485.00	395.00	295.00



Transaction (Unit : Million Baht)	During the year of the transaction				After the transaction year.		
	December 31						
	2019	2020	2021	2022	2023	2024	2025
Unpaid corporate income tax	3.25	4.92	6.60	1.64	3.80	5.99	0.83
Estimate liabilities, employee benefits.	1.94	1.21	2.30	1.53	3.29	5.72	3.28
Outstanding dividends	20.54	20.54	20.54	20.54	20.54	20.54	20.54
Other current liabilities	1.70	3.08	2.82	2.61	1.96	2.20	1.54
<b>Total current liabilities</b>	<b>517.03</b>	<b>538.95</b>	<b>710.43</b>	<b>773.40</b>	<b>668.81</b>	<b>580.50</b>	<b>472.99</b>
<b>Non-current liabilities</b>							
Long-term loans from financial institutions	199.50	138.03	76.57	15.10	-	-	-
Lease liabilities	-	0.80	0.12	3.54	3.93	2.89	3.44
Estimate liabilities, employee benefits.	47.57	49.31	45.40	45.17	43.27	43.60	49.59
<b>Total non-current liabilities</b>	<b>247.07</b>	<b>188.14</b>	<b>122.09</b>	<b>63.81</b>	<b>47.20</b>	<b>46.49</b>	<b>53.03</b>
<b>Consolidated liabilities</b>	<b>764.10</b>	<b>727.09</b>	<b>832.52</b>	<b>837.21</b>	<b>716.01</b>	<b>626.99</b>	<b>526.01</b>
<b>Shareholders' Equity</b>							
Issued and paid-up capital	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Excess share value	278.37	278.37	278.37	278.37	278.37	278.37	278.37
Cumulative Profit (Loss)	(131.28)	(54.28)	9.51	16.35	33.88	90.86	124.49
Other Elements of Equity	2.45	2.34	7.92	11.01	14.35	13.79	10.63
Includes the parent company's shares.	449.55	526.44	595.80	605.74	626.60	683.03	713.49
Non-controlling interests	-	-	-	-	-	-	-
<b>Total Shareholders' Equity</b>	<b>449.55</b>	<b>526.44</b>	<b>595.80</b>	<b>605.74</b>	<b>626.60</b>	<b>683.03</b>	<b>713.49</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,213.65</b>	<b>1,253.33</b>	<b>1,428.32</b>	<b>1,442.94</b>	<b>1,342.61</b>	<b>1,310.01</b>	<b>1,239.51</b>

Source : Audited Consolidated Financial Statements

### Income Statement

Transaction (Unit : Million Baht)	During the year of the transaction				After the transaction year.		
	2019	2020	2021	2022	2023	2024	2025
<b>Income :</b>							
Revenue from sales and services	1,076.93	1,205.75	1,274.97	1,317.73	1,239.76	1,311.23	1,063.94
Other income	6.66	5.15	2.01	6.01	3.18	6.90	8.72
<b>Total Revenue</b>	<b>1,083.59</b>	<b>1,210.91</b>	<b>1,276.97</b>	<b>1,323.73</b>	<b>1,242.94</b>	<b>1,318.13</b>	<b>1,072.67</b>
<b>Costs and Expenses :</b>							
Cost of Goods Sold and Services [1]	949.13	1,000.81	1,071.71	1,181.20	1,093.67	1,124.02	921.78
Distribution and Administrative Costs:							
• Distribution Costs	41.54	44.52	47.79	53.67	52.34	53.70	46.25
• Administrative expenses	58.13	63.30	70.21	62.85	59.14	59.76	59.11
Included [2]	99.68	107.81	118.00	116.52	111.48	113.47	105.36
<b>Total cost [3]=[1]+[2]</b>	<b>1,048.81</b>	<b>1,108.62</b>	<b>1,189.71</b>	<b>1,297.73</b>	<b>1,205.15</b>	<b>1,237.49</b>	<b>1,027.13</b>
Operating Profit	34.77	102.29	87.26	26.01	37.79	80.65	45.53
Less : Finance Costs	22.27	14.97	11.88	11.10	12.07	10.09	5.45
Profit before income tax	12.51	87.32	75.38	14.91	25.72	70.56	40.08

Next



Transaction (Unit : Million Baht)	During the year of the transaction				After the transaction year.		
	2019	2020	2021	2022	2023	2024	2025
Profit before income tax	12.51	87.32	75.38	14.91	25.72	70.56	40.08
Less: Income tax expenses	3.62	10.32	11.58	8.07	8.19	13.58	6.46
<b>Quarterly Net Profit</b>	<b>8.88</b>	<b>77.00</b>	<b>63.79</b>	<b>6.84</b>	<b>17.53</b>	<b>56.98</b>	<b>33.63</b>
Other comprehensive profits	(3.33)	(0.11)	5.57	3.10	3.33	(0.56)	(3.16)
<b>Total comprehensive net profit for the period</b>	<b>5.55</b>	<b>76.89</b>	<b>69.37</b>	<b>9.94</b>	<b>20.86</b>	<b>56.42</b>	<b>30.47</b>

### Cash Flow Statement

Transaction (Unit : Million Baht)	During the year of the transaction				After the transaction year.		
	2019	2020	2021	2022	2023	2024	2025
Net Cash Derived from (Used In) :							
1. Operational Activities	68.64	102.00	64.11	(1.93)	252.98	87.89	98.75
2. Investment Activities	(30.49)	(36.21)	(96.75)	(93.56)	(11.41)	(5.09)	(13.21)
3. Financing Activities	(29.54)	(34.14)	19.45	105.65	(165.35)	(106.10)	(101.13)
Increase in net cash (decrease)	8.61	31.66	(13.18)	10.16	76.22	(23.29)	(15.59)
Cash and cash equivalents at the beginning of the period	28.74	37.35	69.00	55.82	65.98	142.20	118.91
<b>Cash and cash equivalents at the end of the period</b>	<b>37.35</b>	<b>69.00</b>	<b>55.82</b>	<b>68.98</b>	<b>142.20</b>	<b>118.91</b>	<b>103.32</b>

Source : Audited Consolidated Financial Statements

### Key Financial Ratios

Operating efficiency ratio	2019	2020	2021	2022	2023	2024	2025
Return on Assets (%)	2.87	8.16	6.11	0.47	1.31	4.35	2.64
Fixed Asset Return ( %)	4.24	12.80	10.30	0.77	2.07	7.12	4.40
Asset Turnover (times)	0.89	0.97	0.89	0.91	0.92	1.00	0.84
Trade Receivables Turnover (Times)	6	6	5	6	6	7	5
Average debt collection period (days)	61	60	66	61	61	52	55
Inventory Turnover Ratio (Times)	6	6	5	4	5	7	6
Average sales time (days)	64	59	71	91	73	52	46
Trade Payable Turnover Ratio (times)	6	9	5	9	11	9	7
Average repayment period (days)	58	38	75	41	33	41	39
Cash Cycle (Days)	67	81	84	111	101	63	62
<b>The ratio shows profitability.</b>							
Gross Profit Margin (%)	11.87	17.00	15.94	10.36	11.78	14.28	13.36
Operating Profit Margin (%)	3.30	8.45	6.84	1.97	3.05	6.15	4.28
Net Profit Margin (%)	0.82	6.39	5.00	0.52	1.41	4.35	3.16
Return on Shareholders (%)	1.99	15.78	11.37	1.13	2.80	8.34	4.82
<b>Operating efficiency ratio</b>							
Return on Assets (%)	2.87	8.16	6.11	0.47	1.31	4.35	2.64
Fixed Asset Return ( %)	4.24	12.80	10.30	0.77	2.07	7.12	4.40
Asset Turnover (times)	0.89	0.97	0.89	0.91	0.92	1.00	0.84

**Key Financial Ratios**

Transaction	2019	2020	2021	2022	2023	2024	2025
<b>Monetary Policy Analysis Ratios</b>							
Debt to Equity Ratio (Times)	1.70	1.38	1.40	1.38	1.14	0.92	0.74
Interest Solvency Ratio (Times)	1.56	6.83	7.34	2.34	3.13	8.00	8.36
Dividend Payout Rate (%)	-	-	-	-	-	-	-

**Dividend Policy:** "The dividend payment will be based on the operating results, cash flow, financial structure, obligations, investments, and long-term returns of shareholders based on the consolidated financial statements."

**Remark:** The financial ratio for 2019-2024 is based on the Company's annual report, while the financial ratio for 2025 is calculated by an independent financial advisor.

**Discussion of Financial Position and Operating Results****(a) Financial Analysis :**Assets :

Considering the size of total assets at the end of the year during the transaction year, it is found that as of December 31, 2019 – 2022, the Group had total assets of Baht 1,213.65 million, Baht 1,253.53 million, Baht 1,428.32 million. Total assets at the end of 2020 and 2021 continued to increase by Baht 39.88 million, Baht 174.79 million and Baht 14.62 million, respectively. Compared to the end of the previous fiscal year. The main reason for the overall increase in trade receivables and other net current receivables was in line with the increase in sales during the year. In 2021, there was an increase in outstanding assets due to an increase in raw material stocks, as well as investment in land transactional assets. Plant and equipment with depreciation and asset write-off. Meanwhile, in 2022, the net decrease in trade receivables and other current receivables was in line with the increase in sales at a slower rate than the previous year. Meanwhile, the Company has invested more in its inventory, including additional investment in printers and building extensions.

However, when considering the size of total assets at the end of the year following the year of the transaction, it was found that as of December 31, 2023 – 2025, the Company and its subsidiaries had total assets of Baht 1,342.61 million, Baht 1,310.01 million baht and 1,239.51 million baht. Total assets as of December 31, 2023 decreased by Baht 100.33 million or 6.95% compared to the previous fiscal year. This was mainly due to a decrease in inventories due to a decrease in raw material stocks due to better raw material management coupled with a decrease in paper prices in the year. Land, plant and equipment decreased due to depreciation and asset write-offs and investments during the year, and a decrease in trade receivables and other net current receivables due to lower sales.

Total assets as of December 31, 2024 decreased by Baht 32.60 million or 2.43% compared to the previous fiscal year. This was mainly due to a decrease in cash and cash equivalents due to the repayment of short-term loans from related companies and long-term loans from financial institutions. Land, plant and equipment decreased due to depreciation and asset write-offs, and investments during the year. An increase in trade

receivables and other net current receivables from increased sales. An increase in inventories was driven by an increase in raw material stocks to support the forecast of higher sales for the year.

Meanwhile, total assets as at December 31, 2025 decreased by Baht 70.50 million or 5.38% compared to total assets as at December 31, 2024, mainly due to a decrease in raw material inventories due to lower sales compared to the same period last year and a decrease in fixed asset transactions due to depreciation and investment during the period.

#### Liabilities :

Considering the total liabilities at the end of the year during the transaction year, it is found that as of December 31, 2019 – 2022, the Group had total liabilities of Baht 764.10 million, Baht 727.09 million, Baht 832.52 million. million baht and 837.21 million baht, respectively. Total liabilities at the end of 2020 decreased by Baht 37.01 million. Compared to the end of the previous fiscal year. This was mainly due to the repayment of loans to financial institutions and a decrease in net trade and other current account, as well as an increase of 120.00 million baht in short-term loans from related companies. Total liabilities at the end of 2021 and 2022 continued to decrease by Baht 105.43 million and Baht 4.69 million. million baht, respectively. Compared to the end of the previous fiscal year. The main reason was the repayment of loans from financial institutions and short-term loans from related companies, namely OJI Paper (Thailand) Co., Ltd. (OJP), which increased by Baht 100.00 million and Baht 80.00 million respectively in the year, and the subsidiary's debt repayment to OJP in the fourth quarter of 2022 amounted to Baht 5.00 million.

However, when considering the total liabilities at the end of the year following the year of the transaction, it appears that as of December 31, 2023 – 2025, the Group had total liabilities of Baht 716.01 million and Baht 626.99. million baht and 526.01 million baht. Total liabilities as of December 31, 2023 decreased by Baht 121.19 million or 14.48% compared to the previous fiscal year. This was mainly due to the fact that in the first quarter of 2023, the Company received a loan from OJP of 90.00 million baht and repaid the loan to financial institutions during the same period. However, the Company completed the full repayment of the principal debt to OJP in the third quarter of the same year.

Total liabilities as at December 31, 2024 decreased by Baht 89.03 million or 12.43% compared to the previous fiscal year. This was mainly due to the repayment of loans to financial institutions and the repayment of short-term loans from related companies.

Meanwhile, total liabilities as at December 31, 2025 decreased by Baht 100.97 million or 16.10% compared to total liabilities as at December 31, 2024, mainly due to loan repayments to related companies.

#### Equity :

As of the year-end date of the transaction, it was found that as of December 31, 2019 – 2022, the Group's total shareholders' equity was Baht 449.55 million, Baht 526.44 million, Baht 595.80 million. million baht and 605.74 million baht, respectively. This was mainly due to the recognition of continuous net profit each year.



However, when considering the year-end date following the year of the transaction, it appears that as of December 31, 2023 – 2025, the Group's total shareholders' equity amounted to Baht 626.60 million, Baht 683.03 million baht and 713.49 million baht, respectively. Total shareholders' equity as of December 31, 2023 increased by Baht 20.86 million or 3.44% compared to the previous fiscal year due to the recognition of net profit in the year.

Total shareholders' equity as of December 31, 2024 increased by Baht 56.42 million or 9.00% compared to the previous fiscal year due to the recognition of net profit in the year.

Meanwhile, total shareholders' equity as of December 31, 2025 increased by Baht 30.47 million or 4.46% compared to total shareholders' equity as at December 31, 2024.

**(b) Performance Analysis :**

Income :

Considering the period of the transaction, it was found that the Group's total revenue in 2019 – 2022 was Baht 1,083.59 million, Baht 1,210.91 million, and Baht 1,276.97 million baht and 1,323.73 million baht, respectively. The revenue from sales and services (hereinafter referred to as "**core revenue**") was Baht 1,076.93 million, Baht 1,205.75 million, and Baht 1,274.97 million. The continuous growth was mainly driven by the impact of the COVID-19 situation that affected the increase in customer production capacity to support the increase in demand for rubber glove products that affected the growth of packaging for these products. In 2022, there was a decrease in the Company's revenue. As for the rubber glove customer group due to the easing of the COVID-19 situation. Meanwhile, the revenue of the subsidiary increased due to an increase in demand in the packaging of the consumer electronics and food segments.

However, Considering the period after the transaction year, it appears that the Group's total revenue in 2023 – 2025 was Baht 1,242.94 million, 1,318.13 million baht. The main revenue was Baht 1,239.76 million, Baht 1,311.23 million. million baht and 1,063.94 million baht, respectively. The main revenue in 2023 decreased by Baht 77.96 million or 5.92% compared to the previous year, mainly due to the decrease in the main revenue of the subsidiaries due to the impact of customers in the food and electronics sectors reducing production capacity due to the slowdown in the export sector of these products, as well as high price competitiveness. As a result, large customers returned to orders in that year.

By the way. Total core revenue in 2024 increased by 71.47 million baht or 5.76% compared to the previous year. This was mainly due to the recovery in global demand for rubber gloves and the increase in the company's core revenue. Meanwhile, the main revenue of the subsidiary decreased due to the relocation of some electronic product customers to overseas production bases, resulting in a decrease in sales of this group of customers. However, the main revenue from food and beverage customers increased due to the increase in exports of canned fruit products from 2023.

However, Total core revenue in 2025 decreased by 247.29 million baht or 18.86% compared to the previous year due to a decrease in sales among rubber glove customers as a result of the entry of competitors from Malaysia who have significantly lower prices than the Company and competitors in Thailand. In addition, the

economic impact has resulted in a decrease in sales among electronic customers due to the suspension of production of some products.

Cost :

Considering the period of the transaction, it was found that the Group of Companies Expenses excluding financial costs Total in 2019 – 2022 were Baht 1,048.81 million, Baht 1,108.62 million, Baht 1,189.71 million. million baht and 1,297.73 million baht, respectively, which grew in line with total revenue during the period. Meanwhile, when considering the period after the transaction year, it appears that the total expenses in 2023 – 2025 are classified as:

- Cost of Sales and Cost of Services :

Total cost of sales and service costs in 2019 – 2022 grew in line with revenue from sales and services in each period, amounting to Baht 949.13 million. Million Baht 1,071.71 million baht and 1,181.20 million baht respectively, mainly due to production management and effective production cost management in line with the direction of changes in paper costs, which are the main raw material costs. In addition, the impact of changes in the value of the baht that occurred during the year.

In 2023 – 2025, it was found that the cost of sales and service costs was 1,093.67 million baht. million baht and 921.78 million baht, respectively. In 2023, the total cost decreased by 87.54 million baht, or 7.41% compared to 2022, mainly due to the decrease in paper costs coupled with the strengthening of the baht compared to the previous year. The cost in 2024 increased by 30.35 million baht or 7.41% compared to 2023, in line with the increase in sales volume under the decrease in raw material costs. Better control of production efficiency and the effect of the strengthening of the baht Meanwhile, the cost in 2025 decreased by 202.24 million baht or 17.99% compared to the same period in 2024 due to a decrease in raw material costs and the direct labor cost did not change significantly.

- Distribution and Administrative Costs:

Distribution and administrative expenses (hereinafter referred to as "selling and administrative expenses") In 2019 – 2022, it was 99.68 million baht, 107.81 million baht. 118.00 million baht and 116.52 million baht. million baht, respectively. This was mainly affected by the recording of additional compensation in 2020 from the case of employees who have worked consecutively. During 2021, the main impact was the recognition of foreign exchange losses and the subsidiary recorded an allowance for impairment of unused machinery.

In 2023 – 2025, selling and administrative expenses were 111.48 million baht. million baht and 105.36 million baht, respectively. In 2023, the total expenses amounted to Baht 5.04 million, or 4.32% compared to 2022, in line with the decrease in total core revenue in 2023 coupled with the decrease in foreign exchange losses. Meanwhile, the total decrease in expenses in 2025 was 8.11 million baht, or 7.15 percent, compared to the same period in 2024, mainly due to a decrease in freight costs and personnel expenses. Meanwhile, there is an increase in the cost of helping and remedying employees affected by the major flood in Hat Yai district. Songkhla province that occurred in November 2025, which is considered the worst flood in 87 years.

#### Net Profit :

Considering the period of the transaction year 2019 – 2022, it was found that the Group had a total net profit of Baht 8.88 million, Baht 77.00 million, Baht 63.79 million and Baht 6.84 million. Meanwhile, in 2021-2022, the increase in sales will be less than the increase in overall costs and administrative expenses. This was mainly due to the easing of the COVID-19 situation. Increase in demand in packaging, electronics and food Under effective production cost management.

Considering the year after the transaction in 2023 – 2025, it appears that: The Group recorded a total net profit of Baht 17.53 million. 56.98 million baht and 30.47.14 million baht, respectively. Total net profit in 2023 increased by 10.69 million baht or 156.20% compared to the previous year due to a decrease in selling costs due to a decrease in raw material prices. Improved management of raw material utilization to reduce waste generated by the production process, including a reduction in foreign exchange losses.

Total net profit in 2024 increased by Baht 39.45 million or 225.08% compared to the previous year due to lower cost of sales due to lower raw material prices and continuous improvement in raw material management.

However, the total net profit in 2025 decreased by Baht 23.36 million or 40.99% compared to the same period in 2024, which was mainly affected by the decline in sales in the rubber glove and electronics customers as mentioned above.

#### Profitability :

The independent financial advisor conducted an analysis to assess the overall profitability and interest payment capacity of the Group. During 2019 – 2022, which is the year SHK received financial assistance from OJP, the Group was able to generate a return on equity (ROE) of 1.99 percent, 15.78 percent, 11.37 percent and 1.13 percent, respectively. The Group was able to generate high returns, but declined significantly in 2022 as a result of a significant decline in the Group's net profit. (ROA) at 2.87 percent, 8.16 percent, 6.11 percent, and 0.47 percent, respectively. This shows the efficiency of using assets to generate a clear improvement in returns during the year. 2020–2021 before slowing down in 2022, reflecting the challenge of maintaining asset efficiency under higher cost and competitive conditions.

#### (c) **Cash Flow :**

As of December 31, 2019 – 2022, the Group had cash and cash equivalents totaling Baht 37.35 million, Baht 69.00 million, and Baht 55.82. million baht and 65.98 million baht. million baht respectively. The Group is able to generate net cash derived from operating activities in accordance with its ability to generate net profit continuously. In terms of investment activities, it was found that the Group Use cash to invest mainly in fixed assets. Meanwhile, under the financing activities, it was found that the Group of Companies In other words, during 2019-2022, its subsidiary, Sacocoit Packaging Co., Ltd. ("SHK"), borrowed 200.00 million baht from a related company, Oji Paper (Thailand) Co., Ltd. ("OJP"). In 2022, short-term loans were repaid in the amount of 120.00 million baht, 100.00 million baht, and 80.00 million baht, respectively. (*Details of SHK and OJP are given in Annexes 2 and 3 of this report*)



Meanwhile, the overview of the consideration after the transaction year shows that as of December 31, 2023 – 2025, the Group had cash and cash equivalents totaling Baht 142.20 million, amounting to Baht 118.91 million baht and 103.32 million baht, respectively. As of December 31, 2023, the Group's cash and cash equivalents increased by Baht 76.22 million. Compared to the amount as of December 31, 2022, net cash intake from operating activities reached Baht 252.98 million. The operating results showed an increase in net profit from the previous year. Decrease in trade receivables and other receivables, Decrease in inventory, as well as increase in trade payables and other payables. In terms of investment activities, net cash was used at Baht 11.41 million. This is an increase in investment in fixed assets. Meanwhile, under the financing activity, the net cash was used from the Company. There were short-term loans from related companies (OJP) amounting to 90.00 million baht in the first quarter of the year, with a total of 139.37 million baht of loans from financial institutions. In addition, the Company has fully repaid the loan to the related company, and SHK has repaid the loan of 10.00 million Baht.

As of December 31, 2024, the Group's cash and cash equivalents decreased by Baht 23.29 million. Compared to the amount as of December 31, 2023, net cash acquisition from operating activities was 87.89 million baht. This was mainly due to the operating performance showing an increase in net profit from the previous year. Increase in trade receivables and other receivables, An increase in inventory items, as well as an increase in trade payables and other payables. In terms of investment activities, net cash was used of 5.09 million baht. This was mainly due to an increase in the purchase of fixed assets of 5.78 million baht. Meanwhile, under the financing activities, a net cash was used of 106.10 million baht. This was mainly due to the repayment of loans from financial institutions totaling 15.10 million baht and SHK repaying short-term loans to related companies totaling 90.00 million baht.

As of December 31, 2025, the Group's cash and cash equivalents decreased by Baht 15.59 million. Compared to the amount as of December 31, 2024, net cash acquisition from operating activities was Baht 98.75 million. This was mainly due to the operating performance showing a decrease in total net profit in 2025 from the previous year. An increase in trade receivables and other receivables, as well as a decrease in inventory items. Net cash was used in investment activities of 13.21 million baht. This was mainly due to an increase in the purchase of fixed assets of 14.52 million baht. Meanwhile, under the financing activities, a net cash of 85.82 million baht was used, mainly due to SHK's repayment of short-term loans to related companies. 100.00 Million Baht

#### Financial Liquidity :

The independent financial advisor has analyzed the Group's ability to manage financial liquidity and capital structure to assess its long-term debt solvency and financial stability during the period 2019 – 2022 . The ratio was 0.76 times, 0.84 times, 0.82 times and 0.72 times, respectively, reflecting that the Group's current assets were still insufficient compared to current liabilities due to tight financial liquidity.

In terms of working capital management efficiency. It was found that the Group maintained an average cash cycle of 67 days, 81 days, 84 days and 111 days respectively, reflecting the period of time when the working capital was tied up in the longer operating process. Especially in 2022, the cash period increased mainly due

to the longer time it takes for businesses to sell finished products. Meanwhile, the period of repayment to trade payables was shortened mainly due to the tightening of the terms of payment of trade payables, which affected the Group's overall cash flow.

In terms of financial structure, the Group maintains a debt to equity ratio of 1.70 times, 1.38 times, 1.40 times and 1.38 times, respectively. However, there is still a debt burden at a level that must be managed carefully.

## 7. Overall Industry Conditions

### Overview of the Thai economy :

Based on data provided and forecasts by the Bank of Thailand. According to the Bank of Thailand's report on the state of the Thai economy and economic outlook. The Independent Finance Forum has summarized the overall Thai economy in each period of the year and the forecast by the Bank of Thailand as follows:

- Period 2016-2018 :

Overview of the Thai economy during the year GDP growth rate is at 3-4 percent in line with the recovery of domestic activities. Growth in the tourism sector and private consumption from the previous year, with external pressures from fluctuations in the export sector. As for the interest rate. The Bank of Thailand ("BOT") maintains interest rates to maintain price stability and prevent inflationary pressures in order to support economic growth.

Incidentally, the independent financial advisor found that during this period, The Bank of Thailand ("BOT") has forecast that the Thai economy will continue to grow in 2019 despite the pressure from the slowdown in exports and the uncertainty of the global economy. However, it was mainly driven by private consumption and expanding tourism.

- Period 2019 :

Overview of the Thai economy during the year Continued to expand with a continuous GDP growth rate from the previous year. However, the export sector and the number of tourists have been affected by the global economic slowdown , and the BOT has maintained the overall policy rate at a level that supports domestic growth. Especially consumption and private investment.

Incidentally, the independent financial advisor found that during this period, The BOT forecasts that in 2020, the Thai economy is likely to slow down, the risk of the COVID-19 pandemic and the risk of a global economic slowdown and a slowdown in private investment. This may require monetary policy tools that are conducive to stimulating the economy.

- Period 2020 :

The overall outlook of the Thai economy during the year contracted significantly due to the COVID-19 pandemic, which had a significant negative impact on all economic sectors, especially the tourism, consumption and service sectors. The Bank of Thailand has continued to implement monetary easing measures by maintaining or reducing the policy rate to the lowest level in many years. To support the economic recovery.

Incidentally, the independent financial advisor found that during this period, The BOT forecasts that in 2021, the Thai economy is likely to recover from the tourism sector and domestic demand. However, there is still negative pressure from the COVID-19 situation. Therefore, the BOT continues to use the easing interest rate policy to support the economic recovery.

- Period 2021 :

The overall outlook for the Thai economy during the year has been gradually recovered due to the easing of policies and the easing of social distancing measures, which supported the recovery of domestic service and consumption activities. The BOT has maintained its policy rate at a low level to support the economic recovery after the impact of COVID-19 by maintaining the rate level to ease the interest burden on both businesses and households.

Incidentally, the independent financial advisor found that during this period, The BOT forecasts that in 2022, the Thai economy is likely to grow, mainly driven by domestic support. However, there are still obstacles due to foreign demand and other external factors that are still uncertain. has identified economic risks that may necessitate further accommodative monetary policy in the year. If the recovery is not strong enough, such as the impact of the slowdown in private investment and the labor market.

- Period 2022 :

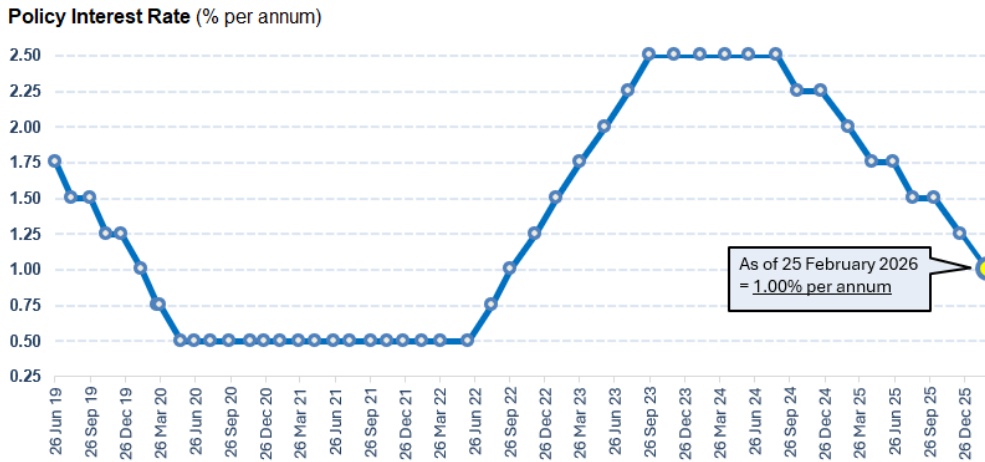
The overall Thai economy during the year expanded by 2-3 percent, under the risk of global economic uncertainty and pressure from the tight trade policies of major trading partners. In 2022, Thailand's policy interest rate will remain low due to the BOT's measures to support the economic recovery after the impact of COVID-19, as well as external pressures such as the uncertain global economic recovery and domestic consumption.

Incidentally, the independent financial advisor found that during this period, The BOT forecasts that the Thai economy is likely to grow slowly in 2023 due to pressure from the export sector and constraints from household debt, but there will still be supportive factors from the growth of the domestic consumption sector and the recovery of tourism. Meanwhile, the BOT The Bank of Thailand has set an accommodative monetary policy framework that takes into account inflation risks and economic growth, possibly keeping interest rates at a persistently low level to support economic recovery.

**Summary table of Thailand's policy interest rate for the period 2018-2022**

Year	Policy Rate at the year end	Summary of the BOT's overall monetary policy actions
2018	1.75% per annum	Adjusted according to the recovery trend before the COVID-19.
2019	1.25% per annum	Maintaining interest rates to support domestic demand
2020	0.50% per annum	Interest rate cuts in response to the impact of COVID-19
2021	0.50% per annum	Keeping interest rates low to support economic recovery
2022	1.25% per annum	Gradually increased in line with the inflation trend and signs of recovery after the COVID-19 pandemic.

Chart of the direction of policy rate changes during June 2019-February 2026



Source: Bank of Thailand (as of March 20, 2026)

- During 2023–2025 and 2026 outlook.

The direction of the BOT's policy interest rate In 2023-2025, the policy of maintaining economic stability is prudent after the economic slowdown and trade pressures from both external and domestic factors. And it is in a direction that is conducive to economic growth by the interest rate being fixed or reduced according to the actual economic conditions.

The Monetary Policy Committee (MPC) Meeting No. 1/2026 on February 25, 2026 resolved to reduce the policy rate to 1.00% per annum for the overall reason that the Thai economy in 2026 is likely to expand below its potential due to structural problems and fierce competition, which are negatively pressured on demand. In addition, the financial liquidity of small and medium-sized enterprises (SMEs) and households is still tight. In addition, inflation remains low, reflecting a slowdown in private consumption. The purchasing power of the people is not strong, the business sector is unable to raise the price of goods, and the appreciation of the baht has a negative effect on the competitiveness of the export and tourism sectors. Therefore, it may lead to cases where the BOT will not be able to recite the situation. Consider maintaining or reducing interest rates to maintain economic stability.

As of the date of this report, there are no structural factors that indicate the possibility of entering a bullish interest rate cycle. Therefore, independent financial advisors are of the opinion that the possibility of raising the policy rate in 2026 is low, unless there is inflationary pressure or significant economic imbalance.

**Related Industry Overview :**

Due to the Group's business operations. It is linked to the paper packaging manufacturing and distribution industry, and it is linked to the rubber glove industry, food and beverage group, as well as electronic products. As the Group's main clients, the Independent Financial Advisor has studied and summarized the industry as follows:

## 7.1 Paper Packaging Manufacturing and Distribution Industry Group :

During 2018 and the first six months of 2019, Thailand's paper packaging industry expanded in the same direction as the overall economic growth and the expansion of the downstream industrial sector. Especially the food and beverage industry and consumer goods, which is a high proportion of paper packaging users. Demand for paper packaging has also been driven by the expansion of the modern retail sector and the onset of the growth of online commerce. As a result, the demand for cartons for transportation continues to increase. In the first six months of 2019, the industry continued to expand from the previous year. The main driver was the growth of online commerce and logistics business, which resulted in a significant increase in the demand for paper packaging in parcel boxes.

According to the overall assessment for 2025, the industry is expected to contract by 0.4 percent from the previous year and is expected to improve in 2026-2027 at 1.5 percent and 2.9 percent from the previous year, respectively.

1. The domestic paper packaging market (accounting for about 85-90% of the total market value) is expected to grow by 1.4 percent, 2.5 percent and 3.2 percent in 2025-2027 respectively. In the next 1-2 years, such as the food and beverage industry, the consumer goods industry, and the export sector.
2. The export market (accounting for about 10-15 percent of the total market value) is expected to shrink by 11.2 percent and 5.2 percent in 2025-26, respectively, but in 2027, it is expected to grow by 1.1 percent.

In addition, the industry is expected to be affected by the U.S. tariff hike, including 1) the positive impact of exports to the U.S. to replace paper packaging of major U.S. trading partners, and 2) the indirect impact of competition with Chinese paper packaging. Therefore, when China faces uncertainty due to U.S. trade barriers, especially U.S. tariff hikes, China is likely to be charged at a high rate in the future, which is a factor pushing paper packaging manufacturers in China to turn to non-US markets, especially in the ASEAN region, including Thailand. Reducing or cutting product prices to be competitive has a negative impact on strengthening the competitiveness of Thai entrepreneurs. In addition, there will be an impact on ESG issues that are more intense, which may be both opportunities and obstacles in the future.

## 7.2 Other related industries

- **Rubber Gloves :**

In 2018 and the first six months of 2019, Thailand's rubber glove manufacturing and distribution industry expanded in line with the increasing demand for rubber gloves in the global market in line with the expansion of the medical and public health sectors. In the first six months of 2019, the industry continued to grow, mainly driven by export orders. The demand for latex gloves in the medical and industrial sectors continues to grow. This is in line with the expansion of the global economy during this period. However, entrepreneurs are starting to face pressure from fluctuations in rubber raw material prices, as well as rising energy and labor costs in some periods, as well as increasing competition in the global market from manufacturers in rival countries such as Malaysia and China.



During 2024 - 2025, the overall demand for rubber gloves in Thailand grew by 11.7% and is expected to grow by 7.7% from the previous year, respectively.

1. The domestic market is expected to grow by 4.5 percent and 5.4 percent, respectively, in line with the growth of the domestic medical industry (accounting for 90 percent) and the domestic food industry (accounting for 10 percent).
2. The export market for rubber gloves is expected to grow by 12.6 percent and 8.0 percent, respectively, supported by the growth of the medical industry, especially in key markets such as the United States. As a result, the U.S. has the opportunity to increase the import of rubber gloves from Thailand.

In terms of the impact of positive factors from the US trade barriers, there are measures to increase the import tariff on latex gloves in the surgical and medical gloves group from China from 7.5 percent to 50 percent in 2025 and 100 percent in 2026, and measures to increase the tariff on the import of rubber gloves from Brazil. It is believed that the United States is likely to increase the import of medical rubber gloves from Thailand, coupled with the growth of Thailand's medical industry, which has affected the increase in demand for rubber gloves. The growth of the domestic food industry has also contributed to the increase in demand for rubber gloves to support the production process in the food industry.

However, even though Thailand is the largest exporter of rubber gloves. 3 of the world. However, Thailand's competitiveness is still lower than that of Malaysia and Sri Lanka, and it is worth noting that the average growth rate of the global rubber glove export value in the post-COVID period is still lower than that of the pre-COVID period. The top 5 have an average growth rate higher than the average growth rate of the whole world, except Malaysia, because in 2023, Malaysia accelerated to drain stocks after the COVID-19 pandemic ran out, resulting in a decline in the price of rubber gloves in the global market before the production volume and demand for rubber gloves gradually returned to equilibrium in 2024.

- **Food & Beverage :**

During 2018 and the first six months of 2019, Thailand's food and beverage industry expanded at a rate consistent with overall economic growth. This is supported by domestic consumption. The expansion of the tourism sector and the export of food products to international markets. In the first six months of 2019, the industry continued to grow under the support of domestic consumption and tourism-related economic activities. In addition, factors from changes in consumer behavior tend to choose to consume food products that are more convenient, safe, and of higher quality. As a result, entrepreneurs focus on developing new products. Packaging improvements and production standards are raised. However, the growth rate of the industry during this period began to face constraints due to intensified competition and a slower pace of expansion in the purchasing power of some consumer groups. In addition, in terms of exports, Entrepreneurs are affected by the uncertainty of the global economy and exchange rate fluctuations.

For 2025, it is estimated that the food and beverage business will continue to expand at a slower pace than in 2024, and the total market value is expected to grow at a rate of about 2.8% per year, which is lower than the growth in the previous period, which is mainly due to the fact that domestic purchasing

power has not fully recovered. The increase in operating costs and the uncertainty of the number of foreign tourists. In addition, the fierce competition in the industry has prevented some entrepreneurs from fully adjusting their selling prices to fully compensate for the increased costs. Therefore, entrepreneurs focus on cost management. Streamlining business models. The use of digital technology and platforms, as well as the development of products and services to reach the needs of more specific consumer groups.

Source: Food & Beverage Business Trends by KResearch Co., Ltd. Last published on 23 May 2025

- **Electronics :**

The manufacturing and distribution of electronic goods and electrical appliances is linked to the economy in the export sector. Foreign direct investment, with the main products consisting of electronic components and equipment. The industry is highly competitive, with both domestic and foreign operators, most often companies that are the production bases of multinational conglomerates. And the distribution side is still mainly dependent on the international market.

During 2018 and the first six months of 2019, the industry expanded in line with the growth of the global economy and the demand for electronic products in the international market. However, at the end of 2018, the industry began to be affected by fluctuations in the global economy and uncertainties in international trade. As a result, orders in some product groups began to slow down, while in the first six months of 2019, Thailand's electronics industry slowed down compared to the previous year. This is mainly due to the slowdown in the global economic growth rate, as well as uncertainty from the international trade situation that affects the confidence of consumers and entrepreneurs in the global market. In addition, there was a decline in the demand for electronic products in certain segments, such as electronic components and equipment for the information technology industry.

For 2025, the industry has recovered, but there are main risks from the uncertainty of the global economy and the direction of monetary policy in major economies, and fluctuations in production costs and exchange rates. However, it is expected that the production of electronic products in the high-tech category will improve from the previous year, such as electronic components for data centers, smart equipment, and equipment related to electric vehicles and clean energy. However, the production of traditional electronic products and electrical appliances has also suffered negative factors from price competition and technological changes. In addition, the stringency of environmental measures and international standards may affect the costs and additional investment of entrepreneurs.



## Attachment 2

### Sahakij Packaging Company Limited

#### 1. Company General Information

Company Name	: Sahakij Packaging Company Limited ("SHK")
Opening Date	: 10 June 1988
Business Type	: Production and sales of packaging from folding box type offset printing Mixed boxes between offset paper and corrugated paper, as well as common corrugated cartons.
Head Office Location	: 30/32 Moo 1 Soi S1/2, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Registered capital	: 600,000,000 Baht (6,000,000 ordinary shares Par value 100.00 per share Baht)
Issued and paid-up capital	: 600,000,000 Baht (6,000,000 ordinary shares Par value 100.00 per share Baht)
Phone	: 034-452-136 to 9
Fax	: 034-452-305
Website	: <a href="http://www.sahakij.co.th">www.sahakij.co.th</a>

#### 2. Overall Business Characteristics

SHK is mainly engaged in the production and distribution of paper packaging, with a focus on packaging used in the industrial and commercial sectors. SHK operates as a full-service manufacturer, starting from product design and development. The products can be classified into 3 main groups as follows:

1. Offset Folding Box, which is packaging that emphasizes the quality of the print and the image of the product.
2. Offset Laminate with Corrugated Flute Board Box, a packaging that combines the aesthetics of prints with the strength of corrugated structures.
3. Corrugated Boxes are used for packing and transporting goods in various industries. In general,

Overview of SHK's business structure is characterized by the production of customer orders. As a result, SHK's revenue ability and performance will be correlated with the volume of orders from its core customers, which are manufacturers of electrical appliances and electronics. Since 2015, SHK has received the BRC (British Retail Consortium) Global Standard for Packing and Packaging Materials certificate from SGS, an international auditing and certification body that acts as an independent auditor and issued the BRC certificate to SHK for packaging. (Reference: Annual Report 2024 / Form 56-1 One Report of SPACK)

SHK's operations are likely to be in line with the economic and demand level of packaging in the industry where it is a customer base, as well as the ability to maintain a customer base and expand new customer base.

In terms of costs and expenses, SHK has the cost of raw materials, paper and related materials as the main cost. This is followed by production costs such as labor costs, utility costs, machinery depreciation, and plant maintenance costs. The cost structure includes sales and marketing expenses. and administrative expenses, which are not materially risked by off-balance sheet obligations. Therefore, it can be said that SHK's major

business risks are due to the volatility of paper raw material prices, fluctuations in orders from related industries, and price competition within the industry.

### 3. Shareholder Structure

As of April 30, 2025, SHK had 6,000,000 issued and paid-up ordinary shares, with 3 shareholders as follows:

No	Name	Number of Shares (Shares)	Shareholding ( Percentage)
1	S. PACK & PRINT PUBLIC COMPANY LIMITED	5,999,998	100.00
2	Mr. Mishiteru Yonematsu	1	0.00
3	Mr. Atsushi Endo	1	0.00
<b>Included</b>		<b>6,000,000</b>	<b>100.00</b>

Source : List of shareholders as of April 30, 2025, which is the latest closing date of SKP's shareholder register

### 4. Board of Directors

As of January 23, 2026, SHK 's Board of Directors consists of: 2 guests As follows:

No	Name	Location
1	Mr. Mishiteru Yonematsu	Chairman of the Board of Directors / Chief Executive Officer
2	Mr. Atsushi Endo	Director / Chief Accounting and Finance Officer

Origin : Information received from the Company

As of December 31, 2018, SHK's Board of Directors consists of: 2 persons as follows:

No	Name	Location
1	Mr. Yutaka Ito	Chairman of the Board of Directors / Executive Director
2	Mr. Yoshiyuki Kurahashi	Director / Executive Director
3	Mr. Jun Tomita	Director / Executive Director

Source : Annual Report 2018 / Form 56-1 One Report of SPACK

All directors of SHK also serve as directors of SPACK.

### 5. Board of Directors

As of January 23, 2026, SHK's management team consists of 2 executives. As follows:

No	List	Location
1	Mr. Mishiteru Yonematsu	Chief Executive Officer
2	Mr. Atsushi Endo	Person in charge of accounting and finance

Source : Information received from the Company



## 6. Summary of key financial information

In order to analyze the opinion of the Independent Financial Advisor on the ratification of the connected transaction which occurred between October 1, 2019 and August 1, 2022, as detailed in the report, the Independent Financial Advisor has analyzed the information of SHK by classifying it into 3 periods as follows:

- 6.1 Information according to the auditor's audited consolidated financial statements for the year ended 31 December 2016-2018 (referred to as "Financial Information for the Prior Period of the Transaction")
- 6.2 Information according to the auditor's audited consolidated financial statements for the year ended ;
  - 31 December 2019-2022 (referred to as "Financial Information for the Transaction Year")
  - December 31, 2023-2024 (referred to as "Financial Information for the Post-Transaction Year")

### 6.1 Financial information before the transaction period

#### Statement of Financial Position

Transaction (Unit : Million Baht)	December 31		
	2019	2020	2021
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4.51	19.18	5.63
Trade receivables and other net current receivables	69.93	76.88	91.35
Net Inventory	56.37	90.87	93.02
Loans to employees are due in one year.	1.75	1.23	0.48
Other current assets	0.31	0.37	0.24
<b>Total current assets</b>	<b>132.87</b>	<b>188.54</b>	<b>190.71</b>
<b>Non-current assets</b>			
Loans to employees	0.71	0.77	0.41
Net Investment Properties	14.30	14.30	14.30
Land, plant and equipment net	740.80	711.97	673.46
Net intangible assets	8.32	6.72	4.67
Other non-current assets	5.15	3.63	2.27
<b>Total non-current assets</b>	<b>769.28</b>	<b>737.40</b>	<b>695.11</b>
<b>Total Assets</b>	<b>902.15</b>	<b>925.93</b>	<b>885.82</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current liabilities</b>			
Short-term loans from bank	89.97	170.61	183.50
Trade payables and other net current payables	37.54	58.89	80.89
Long-term loans from bank are due to be paid in one year.	46.10	61.47	61.47
Other current liabilities	0.43	1.28	1.48
<b>Total current liabilities</b>	<b>174.04</b>	<b>292.25</b>	<b>327.33</b>

Continue to the next page



Transaction (Unit : Million Baht)	December 31		
	2019	2020	2021
<b>Non-current liabilities</b>			
Long-term loans from financial institutions	383.90	322.43	260.97
Employee Benefits Obligations	14.06	15.64	13.69
<b>Total non-current liabilities</b>	<b>397.96</b>	<b>338.08</b>	<b>274.66</b>
<b>Consolidated liabilities</b>	<b>572.00</b>	<b>630.32</b>	<b>601.99</b>
<b>Shareholders' Equity</b>			
Issued and paid-up capital	600.00	600.00	600.00
Accumulated losses	(269.85)	(304.39)	(316.17)
<b>Total Shareholders' Equity</b>	<b>330.15</b>	<b>295.61</b>	<b>283.83</b>
<b>Total liabilities and shareholders' equity</b>	<b>902.15</b>	<b>925.93</b>	<b>885.82</b>

Source : Auditor's Financial Statements

#### Income Statement

Transaction (Unit : Million Baht)	2019	2020	2021
Revenue from sales and services	431.53	509.93	587.91
Cost of Sales and Services	406.16	467.05	523.31
Gross Profit	26.36	42.88	64.61
Other income	2.23	1.95	1.49
Profit before expenses	27.59	44.83	66.09
<u>Selling and Administrative Expenses :</u>			
• Cost of Sale	21.05	23.99	26.38
• Administrative expenses	30.53	29.61	29.30
Total Cost	51.58	53.60	55.68
Profit (loss) before finance costs and income taxes	(23.99)	(8.77)	10.41
<u>Less : Finance Costs</u>	22.30	24.02	22.31
Loss before income tax	(46.29)	(32.79)	(11.90)
<u>Less : Income tax expenses</u>	0.07	1.78	1.27
Net Loss	(46.37)	(34.57)	(13.17)
Other Comprehensive Profits	2.87	0.04	1.39
<b>Total comprehensive loss</b>	<b>(43.50)</b>	<b>(34.53)</b>	<b>(11.78)</b>

Source : Auditor's Financial Statements

#### Cash Flow Statement

Transaction (Unit : Million Baht)	2019	2020	2021
Net cash derived from (used in) operating activities	5.26	(9.81)	37.67
Net cash is derived from (used in) investment activities.	(24.39)	(10.05)	(2.65)
Net cash derived from (used in) financing activities.	22.06	34.54	(48.58)
Cash and cash equivalents increased (decreased) net	2.92	14.68	(13.56)
Cash and cash equivalents at the beginning of the period	1.58	4.51	19.18
<b>Cash and cash equivalents at the end of the period</b>	<b>4.51</b>	<b>19.18</b>	<b>5.63</b>

Source : Auditor's Financial Statements



## Significant financial ratios

Transaction	Unit	2019	2020	2021
<b>Liquidity Ratio</b>				
Current Ratio	Fold	0.76	0.65	0.58
Quick Ratio	Fold	0.43	0.33	0.30
Account Receivable Turnover <sup>1/</sup>	Times	6	7	7
Average Collection Period [1]	Day	61	52	52
Inventory Turnover <sup>2/</sup>	Times	64	62	74
Average Inventory Period [2]	Day	6	6	5
Account Payable Turnover <sup>3/</sup>	Times	15	12	9
Average Payment Period [3]	Day	24	30	16
Cash Cycle [4]=[1]+[2]-[3]	Day	43	28	16
<b>Profitability Ratio</b>				
Gross Profit Margin	%	5.88	8.41	10.99
Operation Profit Margin	%	(5.56)	(1.72)	1.77
Net Profit Margin	%	(10.75)	(6.78)	(2.24)
Return on Equity <sup>4/</sup>	%	(13.18)	(11.05)	(4.54)
<b>Efficiency Ratio</b>				
Return on Assets <sup>5/</sup>	%	(5.07)	(3.78)	(1.45)
Return on Non-Current Assets <sup>6/</sup>	%	(6.16)	(4.76)	(1.90)
Assets Turnover	Times	0.47	0.56	0.65
<b>Financial Policy Ratio</b>				
Debt to Equity Ratio	Fold	1.73	2.13	2.12
Interest Coverage Ratio <sup>7/</sup>	Fold	(1.08)	(0.37)	0.47

- Note**
- 1/ It is calculated from sales and service revenues divided by average trade receivables.
- 2/ It is calculated from the cost of sales and services divided by the average finished goods.
- 3/ It is calculated from the cost of goods sold and services divided by the average trade payables.
- 4/ It is calculated from net profit (loss) divided by average shareholders' equity.
- 5/ Calculated from net profit (loss) divided by average total assets.
- 6/ It is calculated from net profit (loss) divided by average net fixed assets.
- 7/ It is calculated from profit (loss) before finance costs and income taxes divided by finance costs.



## Discussion of Financial Position and Operating Results before Transaction

### (a) Financial Analysis :

#### Assets :

As of December 31, 2016 – 2018, SHK had total assets of Baht 902.15 million, Baht 925.93 million and Baht 885.82 million. Total assets as of December 31, 2017 increased by Baht 23.79 million or 2.57% compared to the previous fiscal year. This was mainly due to the increase in outstanding assets. Fixed assets were revised down due to depreciation and major additional investments in machinery and equipment, as well as the recognition of assets during installation. In addition, cash items and cash equivalents increased netly, which was mainly due to short-term loans from financial institutions in larger amounts than long-term loan payments to financial institutions.

Total assets as of December 31, 2018 decreased by Baht 40.11 million or 4.53% compared to the previous fiscal year. This was mainly due to the decrease in cash and cash equivalents from short-term loans from financial institutions in smaller amounts than long-term loan payments to financial institutions. Fixed assets decreased in net due to depreciation, as well as major investments in machinery and equipment, and amortization of such assets during the year. In addition, the increase in trade receivables and other net current receivables was in line with the increase in sales in the year.

#### Liabilities :

As of December 31, 2016 – 2018, SHK had total liabilities of Baht 572.00 million, Baht 630.32 million and Baht 601.99 million. Total liabilities as at December 31, 2017 increased by Baht 84.33 million or 10.20% compared to the previous fiscal year. This was mainly due to the fact that the business borrowed more short-term loans from financial institutions than paid long-term loans to financial institutions, and the increase in trade and other current creditors.

Meanwhile, total liabilities as at December 31, 2018 decreased by Baht 28.33 million or 4.71% compared to the previous fiscal year. This was mainly due to the fact that the business had short-term loans from financial institutions in a smaller amount than the repayment of long-term loans to financial institutions, as well as an increase in trade and other current creditors in line with the increase in cost of goods sold in the year.

#### Equity :

As of December 31, 2016 – 2018, SHK's total shareholders' equity amounted to Baht 330.15 million, Baht 295.61 million and Baht 283.83 million, respectively. Total shareholders' equity as at December 31, 2017 decreased by Baht 34.54 million or 11.68% compared to the previous fiscal year due to the increase in accumulated losses due to the recognition of net losses in 2017, as well as total shareholders' equity as at December 31, 2018 which decreased by Baht 11.78 million or 4.15% compared to the previous financial year. This was mainly due to an increase in accumulated losses due to the recognition of net losses in 2018.

**(b) Performance Analysis :**Income :

In 2016 – 2018, SHK had a total sales and service revenue of 431.53 million baht, 509.93 million baht and 587.91 million baht, respectively. The revenue in 2017 increased by Baht 78.40 million or 15.37% compared to the previous year, which was due to the main factors of economic recovery and the industrial sector, which are the main customer groups, including: SHK's revenue increased by Baht 77.99 million or 13.27% compared to the previous year, reflecting its ability to carry out marketing activities as well as benefiting from the continuous growth of the economy and manufacturing sector from the previous year.

Cost of Sales and Service :

In 2016 – 2018, SHK had a total cost of sales and services of 406.16 million baht, 467.05 million baht and 523.31 million baht, respectively. The change in cost of goods sold is in line with the direction of changes in sales revenue. In 2017, SHK's costs increased by Baht 60.89 million or 13.04% compared to the previous year. Meanwhile, in 2018, SHK's costs increased by 56.26 million baht or 10.75 percent compared to the previous year. This resulted in an increase in gross profit from the previous year.

Selling and Administrative Expenses :

In 2016 – 2018, SHK had total selling and administrative expenses of 51.58 million baht, 53.60 million baht and 55.68 million baht, respectively. Namely:

- Selling expenses: In 2016 – 2018, SHK had selling expenses of 21.05 million baht, 23.99 million baht and 26.38 million baht, respectively. The expenses in 2017 increased by 2.94 million baht or 12.26% compared to the previous year. Meanwhile, the expenses in 2018 increased by Baht 2.39 million or 9.04% compared to the previous year, which was a change in marketing activities that were directly proportional to the change in sales revenue.
- Administrative expenses: In 2016 – 2018, SHK had administrative expenses of 30.53 million baht, 29.61 million baht and 29.30 million baht, respectively. The expenses in 2017 decreased by Baht 0.92 million or 3.10 percent compared to the previous year and decreased slightly in 2018 by Baht 0.31 million or 1.05 percent compared to the previous year.

Net Loss :

In 2016 – 2018, SHK had a continuous net loss of (46.37) million baht. In 2017, SHK recorded a net loss of Baht 11.79 million, or a decrease of 33.56% compared to the previous year. The main impact was that SHK was able to manage the cost of sales and services to a rate less than the increase in sales and service revenue, which resulted in SHK's gross profit increasing from the previous year. In 2018, SHK The net loss decreased by 21.41 million baht or 162.58% compared to the previous year, which was still the result of SHK's ability to manage costs at a lower rate than the increase in sales and service revenue. This resulted in an increase in gross profit from the previous year.

Profitability :

In this study, the independent financial advisor analyzed SHK's operations to assess the profitability and interest servicability of the business in 2019. In 2016-2018, which was the year before SHK entered into the

financial assistance transaction from OJP, SKP's return on equity (ROE) was at 13.18 percent, 11.05 percent and (4.54 percent), while return on assets (ROA) was (5.07 percent), 3.78 percent and (1.45 percent) respectively. In addition, SHK's Interest Coverage Ratio was at (1.08), 0.37 times and 0.47 times, respectively, reflecting that SHK did not have the ability to generate operating profit to support the interest expense burden as shown in 2019. 2016–2017 where the operating performance was insufficient to pay interest. However, in 2018, the ratio was positive, reflecting the direction of the recovery in operating performance and the ability to support slightly better financing costs compared to the previous year.

Based on the above, the independent financial advisor concluded from the overall analysis that although SHK's return is likely to improve as a result of a decrease in losses, it indicates a positive sign of improvement in cost management efficiency and asset use for revenue generation. However, it is still considered that SHK has not been able to generate an appropriate level of return for shareholders and lacks the ability to generate operating profits to support the interest expense burden.

**(c) Cash Flow :**

As of December 31, 2016 – 2018, it was found that SHK Cash and cash equivalents totaled only 4.51 million baht, 19.18 million baht and 5.63 million baht. million baht, respectively. Namely;

As of December 31, 2017, SHK had an increase of Baht 14.68 million in cash and cash equivalents. Compared to the amount as at December 31, 2016, net cash expenditure from operating activities amounted to Baht 9.81 million. This was mainly due to the net loss during the year. The increase in trade receivables and other current receivables as well as inventories as well as the increase in trade payables and other payables was in line with the increase in sales and service revenues in the year. 2017 compared to the previous year In terms of investment activities, net cash was used at Baht 10.05 million. This was mainly due to the increase in the purchase of fixed assets, especially in the machinery and equipment segment, as well as assets under installation. Meanwhile, under the financing activities, there was a net cash acquisition of 34.54 million baht. This is due to short-term loans from financial institutions totaling 80.64 million baht. This is more than the amount repaid in long-term loans to financial institutions totaling 46.10 million baht. The interest rate for short-term loans is at the level of 2.20-2.45% per annum. Meanwhile, long-term loans had an interest rate of 4.77% per annum (Source: Notes to the auditor's financial statements for the year ended December 31, 2018)

As of December 31, 2018, SHK had a decrease of Baht 13.56 million in cash and cash equivalents. Compared to the amount as at December 31, 2017, net cash acquisition from operating activities was mainly due to the net loss during the year. The increase in trade receivables and other current receivables as well as inventories as well as the increase in trade payables and other payables was in line with the increase in sales and service revenues in the year. 2018 compared to the previous year In terms of investment activities, net cash was used of Baht 2.65 million. This is mainly due to investment in fixed assets. Meanwhile, under the financing activities, net cash was used up to 48.58 million baht due to short-term loans from financial institutions totaling 12.89 million baht. This is less than the amount paid for long-term loans to financial institutions totaling 61.47 million baht.

### Financial Liquidity :

For this study, the independent financial advisor analyzed SHK's ability to manage financial liquidity as well as the management of the capital structure to assess long-term debt repayment capacity and financial stability during the period 2016 – 2018, which was the year before SHK received financial assistance from OJP . And the trend continued to decline, reflecting the sequential increase in liquidity tightness. As of December 31, 2018, SHK had short-term loans from financial institutions of Baht 183.50 million and long-term loans from financial institutions due in one year of Baht 61.47 million, totaling Baht 244.97 million.

In terms of working capital management efficiency. It was found that SHK had an average cash cycle of 43 days, 28 days and 16 days, respectively, which shows a continuous improvement trend. This reflects better inventory management efficiency and trade debt collection. The amount of time that working capital is tied to the operation process is reduced. This is a factor supporting the company's liquidity during this period.

In addition, Considering the financial structure, SHK has a debt to equity ratio of 1.73 times, 2.13 times and 2.12 times, respectively, which is relatively high and increased from 2016 before stabilizing in 2018 .

## 6.2 Financial information during the transaction year and after the transaction year

### Statement of Financial Position

Transaction (Unit : Million Baht)	December 31					
	During the year of the program.				After the year of the transaction.	
	2019	2020	2021	2022	2023	2024
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	11.81	33.71	35.75	42.89	58.21	39.74
Trade receivables and other current receivables - net	86.66	101.37	137.89	95.28	80.87	98.07
Inventory-Net	97.55	91.16	124.97	149.36	77.38	58.68
Loans to employees are due in 1 year.	0.20	0.01	0.00	-	-	-
Other current assets	0.22	0.25	0.22	0.24	0.12	0.11
<b>Total current assets</b>	<b>196.43</b>	<b>226.50</b>	<b>298.83</b>	<b>287.77</b>	<b>216.58</b>	<b>196.60</b>
<b>Non-current assets</b>						
Loans to employees	0.10	0.08	-	-	-	-
Investment Properties-Net	14.30	14.30	14.30	14.30	14.30	14.30
Land, Plant & Equipment-Net	643.65	592.06	592.18	550.40	521.68	494.98
Right-of-Use Assets-Net	-	-	0.46	0.12	0.90	0.64
Intangible-net assets	2.57	0.47	1.10	1.56	1.17	0.83
Other non-current assets	2.71	1.79	0.43	0.28	0.25	0.18
<b>Total non-current assets</b>	<b>663.33</b>	<b>608.70</b>	<b>608.47</b>	<b>566.65</b>	<b>538.29</b>	<b>510.93</b>
<b>Total Assets</b>	<b>859.76</b>	<b>835.20</b>	<b>907.30</b>	<b>854.41</b>	<b>754.87</b>	<b>707.54</b>



Transaction (Unit : Million Baht)	December 31					
	During the year of the program.				After the year of the transaction.	
	2019	2020	2021	2022	2023	2024
<b>Liabilities and Shareholders' Equity</b>						
<b>Current liabilities</b>						
Short-term loans from bank	69.50	-	-	-	-	-
Trade payables and other payables - net	57.25	47.33	101.40	58.31	51.90	50.58
Long-term loans are due to be paid in one year.	61.47	61.47	61.47	61.47	15.10	-
Lease debts are due in one year.	-	-	0.36	0.12	0.24	0.26
Short-term loans from related parties	200.00	320.00	420.00	495.00	485.00	465.00
Employee benefits are due in one year.	-	-	0.86	0.67	0.54	0.81
Other current liabilities	2.30	2.83	1.94	2.03	1.09	1.41
<b>Total current liabilities</b>	<b>390.52</b>	<b>431.63</b>	<b>586.03</b>	<b>617.60</b>	<b>553.87</b>	<b>518.06</b>
<b>Non-current liabilities</b>						
Long-term loans	199.50	138.03	76.57	15.10	-	-
Lease liabilities	-	-	0.12	-	0.66	0.41
Deferred tax liabilities - net	-	-	-	2.38	3.93	5.06
Employee Benefits Obligations	18.33	17.96	14.23	14.02	13.54	14.34
Other current liabilities	-	0.48	-	-	-	-
<b>Total current liabilities</b>	<b>217.83</b>	<b>156.47</b>	<b>90.92</b>	<b>31.50</b>	<b>18.14</b>	<b>19.81</b>
<b>Consolidated liabilities</b>	<b>608.35</b>	<b>588.10</b>	<b>676.95</b>	<b>649.10</b>	<b>572.01</b>	<b>537.87</b>
<b>Shareholders' Equity</b>						
Issued and paid-up capital	600.00	600.00	600.00	600.00	600.00	600.00
Accumulated losses	(354.13)	(360.11)	(380.41)	(406.61)	(430.36)	(443.82)
Other Elements of Equity	5.54	7.21	10.77	11.92	13.22	13.49
<b>Total Shareholders' Equity</b>	<b>251.41</b>	<b>247.10</b>	<b>230.36</b>	<b>205.32</b>	<b>182.86</b>	<b>169.67</b>
<b>Total liabilities and shareholders' equity</b>	<b>859.76</b>	<b>835.20</b>	<b>907.30</b>	<b>854.41</b>	<b>754.87</b>	<b>707.54</b>

Source : Auditor's Financial Statements

**Income Statement**

Transaction (Unit : Million Baht)	During the year of the program.				After the year of the transaction.	
	2019	2020	2021	2022	2023	2024
Revenue from sales and services	535.10	545.50	569.23	633.21	546.25	540.03
Cost of Sales and Services	496.34	487.47	515.36	587.83	501.44	487.49
Gross Profit	38.76	58.03	53.88	45.38	44.81	52.54
Other income	3.06	4.25	1.44	4.08	1.99	3.79
Profit before expenses	41.81	62.28	55.31	49.46	46.79	56.33
<u>Selling and Administrative Expenses :</u>						
Cost of Sale	24.58	24.84	28.26	34.28	32.44	31.12
Administrative expenses	28.29	27.87	35.89	28.80	25.76	26.93
Total Cost	52.87	52.71	64.15	63.08	58.21	58.05
Profit (loss) before finance costs and taxes	(11.06)	9.57	(8.84)	(13.62)	(11.41)	(1.73)
<u>Less: Finance Costs</u>	20.34	14.57	11.81	10.33	11.10	10.68
Loss before income tax	(31.39)	(5.00)	(20.64)	(23.96)	(22.52)	(12.40)
<u>Deductible: Expense (income) income tax</u>	0.08	0.98	(0.34)	2.24	1.23	1.06
Net Loss	(31.47)	(5.98)	(20.30)	(26.19)	(23.75)	(13.46)
Other comprehensive profit (loss)	(1.10)	1.67	3.56	1.15	1.29	0.27
<b>Total comprehensive loss</b>	<b>(32.58)</b>	<b>(4.31)</b>	<b>(16.74)</b>	<b>(25.04)</b>	<b>(22.46)</b>	<b>(13.19)</b>

Source : Auditor's Financial Statements

**Cash Flow Statement**

Transaction (Unit : Million Baht)	During the year of the program.				After the year of the transaction.	
	2019	2020	2021	2022	2023	2024
Net cash derived from (used in) operating activities	(5.84)	22.13	1.24	(39.04)	88.93	18.95
Net cash is derived from (used in) investment activities.	(12.51)	11.12	(37.37)	41.82	(1.91)	(2.07)
Net cash derived from (used in) financing activities.	24.53	(11.34)	38.16	4.36	(71.71)	(35.34)
Cash and cash equivalents increased (decreased) net	6.18	21.91	2.03	7.14	15.32	(18.47)
Cash and cash equivalents : beginning	5.63	11.81	33.71	35.75	42.89	58.21
<b>Cash and cash equivalents : end</b>	<b>11.81</b>	<b>33.71</b>	<b>35.75</b>	<b>42.89</b>	<b>58.21</b>	<b>39.74</b>

Source : Auditor's Financial Statements

**Significant financial ratios**

Transaction	2019	2020	2021	2022	2023	2024
<b>Liquidity Ratio</b>						
Current Ratio (Times)	0.50	0.52	0.51	0.47	0.39	0.38
Quick Ratio (Times)	0.25	0.31	0.30	0.22	0.25	0.27
Account Receivable Turnover <sup>1/</sup> (Times)	6	6	5	6	6	6
Average Collection Period	61	61	73	61	61	61
Inventory Turnover Ratio <sup>2/</sup> (Times)	68	48	33	28	25	40
Average Inventory Period	5	8	11	13	15	9
Account Payable Turnover <sup>3/</sup> (Times)	8	11	8	8	10	11
Average Payment Period	46	33	46	46	37	33
Cash Cycle (Days)	20	36	38	28	39	37
<b>Profitability Ratio</b>						
Gross Profit Margin (%)	7.24	10.64	9.46	7.17	8.20	9.73
Operation Profit Margin (%)	(2.07)	1.75	(1.55)	(2.15)	(2.09)	(0.32)
Net Profit Margin (%)	(5.88)	(1.10)	(3.57)	(4.14)	(4.35)	(2.49)
Return on Equity <sup>4/</sup> (%)	(11.76)	(2.40)	(8.50)	(12.02)	(12.24)	(7.64)
<b>Efficiency Ratio</b>						
Return on Assets <sup>5/</sup> (%)	(3.61)	(0.71)	(2.33)	(2.97)	(2.95)	(1.84)
Return on Non-Current Assets <sup>6/</sup> (%)	(4.78)	(0.97)	(3.43)	(4.59)	(4.43)	(2.65)
Assets Turnover (times)	0.61	0.64	0.65	0.72	0.68	0.74
<b>Financial Policy Ratio</b>						
Debt to Equity Ratio (Times)	2.42	2.38	2.94	3.16	3.13	3.17
Interest Coverage Ratio <sup>7/</sup> (Times)	(0.54)	0.66	(0.75)	(1.32)	(1.03)	(0.16)

- Note**
- 1/ It is calculated from sales and service revenues divided by average trade receivables.
  - 2/ It is calculated from the cost of sales and services divided by the average finished goods.
  - 3/ It is calculated from the cost of goods sold and services divided by the average trade payables.
  - 4/ It is calculated from net profit (loss) divided by average shareholders' equity.
  - 5/ Calculated from net profit (loss) divided by average total assets.
  - 6/ It is calculated from net profit (loss) divided by average net fixed assets.
  - 7/ It is calculated from profit (loss) before finance costs and income taxes divided by finance costs.

**Discussion of Financial Position and Operating Results****(a) Financial Analysis :****Assets :**

Considering the size of total assets at the end of the year of the transaction, it is found that as of December 31, 2019 – 2022, SHK 's total assets were Baht 859.76 million, Baht 835.20 million, and Baht 907.30. The main reason was that total assets at the end of 2020 decreased by 24.96 million baht. Compared to the end of the previous year, the total amortization of machinery and equipment was 29.91 million baht. In addition, the write-off of fixed assets during the year included an increase in the portion of receivables for machinery deposits. The main reason was that total assets at the end of 2021 increased by Baht 72.11 million. Compared

to the end of the previous year, this was due to an increase in trade receivables due to an increase in sales during the year, in line with an increase in inventories due to an increase in raw material stocks and finished goods. Meanwhile, total assets at the end of 2022 decreased by 52.89 million baht. Compared to the end of the previous year, the main reason was the write-off of machinery and equipment totaling 62.43 million baht. In addition, all fixed asset depreciation was written off during the year. The decrease in net trade receivables and other current receivables, as well as an increase in raw material and finished goods stocks.

However, when considering the size of total assets at the end of the year following the year of the transaction, it appears that as of December 31, 2023 – 2024, SHK had total assets of Baht 754.87 million and Baht 707.54 million. Million Baht The total asset size decreased sequentially, that is, the main reason why total assets at the end of 2023 decreased by 99.54 million baht. Compared to the end of the previous year, it was due to a decrease in trade receivables. Decrease in inventory due to a reduction in stocks of raw materials and finished goods. This includes factors from the write-off of all fixed assets during the year. Meanwhile, the main reason was that total assets at the end of 2024 decreased by 47.34 million baht. Compared to the end of the previous year, this was mainly due to a decrease in inventories due to a reduction in the stock of raw materials and finished goods. Investment in machinery and equipment in both factories and offices is smaller than the amortization size of machinery and equipment which is at the overall level of 7.15 million baht. In addition, fixed asset depreciation was written off during the year.

Liabilities :

SHK's total liabilities as of December 31, 2019 – 2022 were Baht 608.35 million, Baht 588.10 million, Baht 676.95. That is, the main reason why total liabilities at the end of 2020 decreased by 20.25 million baht. Compared to the end of the previous year, SHK repaid loans to financial institutions and received financial assistance in the form of short-term loans from a related company, OJI Paper (Thailand) Co., Ltd. ("OJP"). It can be summarized as follows:

**Table 6.2.1 a: Summary of short-term loans by SHK from OJP under the loan agreement maturing upon request.**

Unit : Million Baht

Year of Transaction	Beginning B/L	Withdraw	Repayment	Ending B/L	Interest Rate*
2019	-	200.00	-	200.00	0.42-2.60% per annum
2020	200.00	120.00	-	320.00	0.42-2.60% per annum
2021	320.00	100.00	-	420.00	0.42-2.60% per annum
2022	420.00	80.00	5.00	495.00	0.94-2.69% per annum

Remark: \* Information on the ratification of connected transactions Receiving Financial Assistance from OJP

Total liabilities at the end of 2021 increased by 88.85 million baht. Compared to the end of the previous year, it was due to an increase in trade payables. Short-term borrowing in addition to OJP, as well as repayment of loans to financial institutions. Meanwhile, the main reason for the decrease in total liabilities at the end of 2022 was by 27.85 million baht. Compared to the end of the previous year, it was due to a decrease in trade payables. In addition to short-term borrowing from OJP, some of the principal debt has been repaid to the company, as well as repayment of loans to bank.

As of December 31, 2023 – 2024, SHK's total debt burden decreased to a total of 572.01 million baht. million baht and 537.87 million baht. Million Baht The decrease was 77.08 million baht and 34.15 million baht, respectively, due to the repayment of loans to financial institutions and the repayment of OJP as follows:

**Items in which SHK repaid loans to OJP during the period 2023 - 2025**

Unit : Million Baht				
Year of Transaction	Beginning balance	Withdraw	Repayment	Ending balance
2023	495.00	-	10.00	<b>485.00</b>
2524	485.00	-	90.00	<b>395.00</b>
2025	395.00	-	100.00	<b>295.00</b>

Source : Annual Financial Statements audited by auditor , including information from the Company.

Equity :

Considering the year-end date during the year of the transaction, it was found that as of December 31, 2019 – 2022, SHK's total shareholders' equity was Baht 251.41 million, Baht 247.10 million, Baht 230.36 million. million baht and 205.32 million baht, respectively. This was mainly due to the increase in SHK's accumulated losses due to SHK's continuous net loss each year that SKP received financial assistance from OJP.

However, when considering the year-end date following the year of the transaction, it appears that as of December 31, 2023 – 2024, SHK's total shareholders' equity was Baht 182.86 million and Baht 169.67 million. million baht, respectively. This was mainly due to the fact that SHK continued to experience an increase in accumulated losses due to the continued net loss due to the year SHK received financial assistance from OJP.

**(b) Performance Analysis :**

Income :

Considering the year of the transaction, it was found that in 2019 – 2022, SHK's sales and service revenue was at the level of 535.10 million baht, 545.50 million baht. The main reason for the continuous growth was the increase in packaging sales to support the increasing demand of customers in the electrical appliance and food sectors. Under the consequences of the easing of the epidemic situation. COVID-19 in Thailand

However, In 2023 – 2024, SHK 's revenue was at Baht 546.25 million and Baht 540.03 million, respectively. Total core revenue in 2023 decreased by 86.96 million baht, or 15.92% compared to the previous year. This was mainly due to the impact of customers reducing production capacity due to the economic slowdown as well as high price competitiveness, while the total core revenue in 2024 decreased by 6.22 million baht or 1.15% compared to the previous year.

Cost of Sales and Service :

Considering the period of the transaction, it was found that in 2019 – 2022, SHK had a total cost of sales and services of Baht 496.34 million. 487.47 Million Baht 515.36 million baht and 587.83 million baht, respectively. In other words, the cost in 2020 decreased by 8.87 million baht. In 2021 and 2022, SHK's expenses increased by 27.88 million baht and 72.47 million baht, respectively, compared to the previous year. The change in total

cost is in accordance with the efficiency of cost management and changes in the cost of main raw materials and the impact of changes in the value of the baht that occurred during the year.

Considering the period after the transaction year, it appears that in 2023 – 2024, SHK managed to achieve a cost of sales and services at the level of Baht 501.44 million and Baht 487.49 million, respectively, which continued to decline due to the decrease in sales and service revenue from the transaction year.

Selling and Administrative Expenses :

Considering the year of the transaction, it was found that in 2019 – 2022, SHK had total selling and administrative expenses of 52.87 million baht. 52.71 million baht Considering the period after the transaction year, it appears that SHK's expenses in 2023 – 2024 were Baht 58.21 million and Baht 58.05 million, respectively. Namely:

- Selling expenses: In 2019 – 2022, SHK had sales expenses of 24.58 million baht. 24.84 million baht 28.26 million baht and 34.28 million baht, respectively. The expenses in 2020 increased slightly by Baht 0.26 million or 1.05% compared to the previous year. In 2021, the expense increased by Baht 3.42 million or 12.10 percent, and in 2022, the expense increased by Baht 6.02 million or 17.56 percent compared to the previous year, which was a change in line with the increase in marketing activities in line with the recovery of sales revenue from the main factor of the easing of the COVID-19 pandemic. Meanwhile, in 2023 – 2024, SHK's expenses were at the level of 32.44 million baht and 31.12 million baht. This represents a decrease of 1.84 million baht and a decrease of 1.32 million baht. This decreased due to a decrease in sales revenue due to the main reasons mentioned above.
- Administrative expenses: In 2019 – 2022, SHK had administrative expenses of 28.29 million baht. Million Baht In 2020, the expenses decreased slightly by Baht 0.42 million or 1.49% compared to the previous year. As a result of the COVID-19 pandemic situation as mentioned above, while in 2021 it increased by 8.02 million baht and in 2022 it decreased by 7.90 million baht. This was mainly affected by the recording of additional employee compensation under the Labor Protection Act. Meanwhile, in 2023 – 2024, it appears that the expenses are at the level of 25.76 million baht and 26.93 million baht. This represents a decrease of 3.04 million baht and an increase of 1.17 million baht. from the previous year, respectively.

Net Loss :

Considering the period of the transaction, it was found that in 2019 – 2022, which was the period when the COVID-19 situation had a negative impact on all business sectors on a large scale, SHK suffered a continuous net loss of (31.47) million baht. (5.00) Million Baht (20.64) million baht and (23.96) million baht, respectively, although in 2020, SHK recorded an increase in operating profit from sales and a decrease in the cost of sales and services. However, such profits cannot support the burden of interest expenses and income tax expenses. Meanwhile, in 2021-2022, when the COVID-19 situation eased. However, the growth rate of SHK's sales was less than the increase in the overall cost of sales and services. As a result, SHK continued to suffer operating losses before interest expense and income tax expenses.

Considering the period after the transaction year, it appears that in 2023 – 2024, SHK still suffered a net loss of (22.52) million baht and (12.40) million baht, respectively. The decline in sales was due to the reduction of customer capacity, with SKP's sales decline rate less than the decrease in overall cost of sales and services. As a result, there was a decrease in operating losses before interest expense and income tax expense, respectively. However, SHK's performance cannot support the burden of interest expenses and income tax expenses. As a result, SKP continued to suffer losses during the year.

Profitability :

In this study, the independent financial advisor analyzed SHK's operations to assess the profitability and interest payment capacity of the business in 2019 – 2022, which is the year when SHK received financial assistance from OJP. This shows that SHK cannot effectively generate returns for shareholders. Especially in 2022, the return on shareholders decreased to the lowest level. Meanwhile, the return on assets (ROA) was (3.61%), 0.71%, (2.33%) and (2.95%) respectively, reflecting the ability to use assets to generate low returns. This shows that SHK has not been effective in managing assets to generate enough revenue or profit to significantly offset operating costs and expenses.

The overall summary of the results from the above analysis shows that SHK's operating results are still net losses, showing that SHK is unable to manage its assets to generate returns. and have a low level of debt repayment capacity.

**(c) Cash Flow :**

Considering the period of the transaction, it was found that SHK had total cash and cash equivalents as of December 31, 2019 – 2022 equal to Baht 11.81 million and Baht 33.71 million. 35.75 million baht and 42.89 million baht, respectively. Namely;

As of December 31, 2020, cash and cash equivalents increased by Baht 21.91 million. Compared to the amount as at December 31, 2019, net cash acquisition from operating activities was Baht 22.13 million, mainly due to a decrease in inventories and trade payables and other payables. An increase in trade receivables and other current receivables, as well as a decrease in interest payments. In terms of investment activities, there was a net cash gain of 11.12 million baht. From the sale of fixed assets and investment in fixed assets during the year. Meanwhile, the financing activities used 11.34 million baht in net cash because SHK received 120.00 million baht from short-term loans from OJP. After the loan in 2019 was equal to 200.00 million baht. The total amount of the loan was 320.00 million baht, and the loan payment from financial institutions was 130.97 million baht.

As of December 31, 2021, cash and cash equivalents increased by Baht 2.03 million. Compared to the amount as of December 31, 2020, net cash income from operating activities was 1.24 million baht. This is due to the increase in trade receivables and other current receivables. Inventories and trade payables and other creditors, as well as a decrease in interest payments. In terms of investment activities, net cash was used at Baht 37.37 million. From investing in fixed assets. Meanwhile, under the financing activities, 11.34 million baht was used in net cash from SHK's short-term loan from OJP amounting to 100.00 million baht. As a result, SHK has a

total loan amount of 420.00 million baht from OJP. During the year, SHK repaid a total of 61.47 million baht of loans from financial institutions.

As of December 31, 2022, SHK's cash and cash equivalents increased by Baht 7.14 million. Compared to the amount as of December 31, 2021, SHK used net cash from operating activities of Baht 39.04 million. This was due to a decrease in trade receivables and other current receivables, and trade payables and other payables. An increase in inventories and a decrease in interest payments. In terms of investment activities, there was a net cash acquisition of 41.82 million baht. This is mainly due to the investment in fixed assets and the receipt of cash from the sale of fixed assets. Meanwhile, under the financing activities, SHK received a net cash of 4.36 million baht from SHK, received another 80.00 million baht from short-term loans from OJP and was repaid during the year 5.00 million baht. During the year, SHK repaid a total of 61.47 million baht of loans from financial institutions.

Considering the period after the transaction year, it appears that SHK had total cash and cash equivalents as at December 31, 2023 and December 31, 2024 equal to Baht 58.21 million and Baht 39.74 million, respectively. Overall, as of December 31, 2023, SHK's cash and cash equivalents increased by Baht 15.32 million. From the amount at the end of the previous year, net cash acquisition from operating activities was 88.93 million baht. This is due to SHK's improved working capital management. In addition, SHK invested in additional fixed assets and repaid loans, while as of December 31, 2024, SHK's cash and cash equivalents decreased by Baht 18.47 million. As a result of SHK's net cash income from operating activities of Baht 18.95 million, although SHK's pre-income tax loss decreased from the previous year, there was a decrease in working capital management. In addition, SHK has invested in additional fixed assets, and SHK has borrowed from SPACK and repaid loans to financial institutions and related companies as mentioned above.

#### Financial Liquidity :

For this study, the independent financial advisor analyzed the factors of SHK's financial liquidity management capacity as well as the management of the capital structure to assess long-term debt repayment capacity and financial stability during year 2019 – 2022, which is the year that SHK received financial assistance from OJP.

In terms of working capital management efficiency. It was found that SHK has an average cash cycle of about 20 days, 36 days, 38 days and 28 days respectively. This was mainly due to the longer time it takes for businesses to sell finished goods and the slowdown in debt collection from trade receivables, which resulted in a longer time to receive cash from sales overall, especially during 2019-2020, before improving in 2022.

When considering the overall state of the financial structure. SHK's debt to equity ratio was 2.42 times, 2.38 times, 2.94 times and 3.16 times, respectively, which was relatively high and increased, reflecting the monetary policy that focuses on the use of capital from debt in business operations and supports working capital needs. This is a significant factor that has resulted in SHK's increased risk in terms of potential interest liabilities and long-term financial flexibility.



## Attachment 3

### Oji Paper (Thailand) Company Limited

#### 1. Company General Information

Company Name	: OJI Paper (Thailand) Company Limited ("OJP") (Former name : Advanced Ogie Special Paper company limited)
Opening Date	: 14 November 1996
Business Type	: Production and sales of carbonless paper, thermal paper, and self-adhesive labels.
Head Office	: 130-132 Sindhorn Tower 3, 12 <sup>th</sup> Floor, Wireless Road, Lumpini Pathumwan, Bangkok 10330
Registered capital	: 1,504,000,000 Baht (150,400,000 ordinary shares Par value 10.00 per share Baht)
Issued and paid-up capital	: 1,504,000,000 Baht (150,400,000 ordinary shares Par value 10.00 per share Baht)
Phone	: 02-263-2600
Fax	: -
Website	: <a href="http://www.ojipaperthailand.com">www.ojipaperthailand.com</a>

#### 2. Overall Business Characteristics

OJP is a subsidiary of Oji Imaging Media Company Limited, a Japanese company that is a subsidiary of Oji Holdings Corporation Co., Ltd., one of Japan's leading pulp and paper business groups operating worldwide . Quality control is carried out at all stages of the production process in accordance with OJI Group standards and can fully meet customer requirements. Currently, OJP is mainly engaged in the distribution of its main products, including:

1. **Carbonless paper** is a high-quality paper product that OJP sells under the trademarks "Phoenix", "Supreme Image", and "Oji Supreme". Logistics and transportation industry, retail and distribution industry, and government agencies, etc.
2. **Thermal paper** is a special paper product that can display text or images when heated without the use of printing ink. OJP sells the product under the trademark "Thermax". Transaction and product handling in many major industries, including the retail and service industries. Logistics and transportation industry, food and beverage industry, medical and public health industry, as well as financial industry and transaction automation.
3. **Self-adhesive labels** are labels with an adhesive layer attached to the back that can be applied to various surfaces immediately. Pharmaceutical and Pharmaceutical Products (FMCG) Logistics & Transportation Business Group Chemicals, including the automotive industry.

ที่มา : [www.ojipaperthailand.com](http://www.ojipaperthailand.com) และ [www.rgstlabels.co.uk](http://www.rgstlabels.co.uk)

#### 3. Shareholder Structure

As of April 29, 2025, the latest closing date of OJP's shareholder register , there were 150,400,000 issued and paid-up ordinary shares, consisting of 4 shareholders, classified as 3 Japanese shareholders and 1 Malaysian shareholder, Tele-Paper (M) SDN BHD as follows:

No	Name	Number of Shares (Shares)	Shareholding ( Percentage)
1	Oji Imaging Media Company Limited <sup>1/</sup>	147,119,998	97.82
2	Oji Tech Company Limited <sup>2/</sup>	3,280,000	2.18
3	Oji Functional Materials Progressing Center Inc.	1	0.00
4	Tele-Paper (M) SDN BHD	1	0.00
<b>Included</b>		<b>150,400,000</b>	<b>100.00</b>

Source : Copy of the List of Shareholders (Form BOL.5) and information under <https://www.corpusx.bol.co.th> ("BOL")

Note 1/ Oji Imaging Media Company Limited ("OJM") is a Japanese company with its Japanese parent company, Oji Holdings Corporation Co., Ltd. ("Oji Holdings"), holding 100% of the issued and paid-up capital.

2/ Oji Tech Company Limited is a Japanese company in which Oji Holdings holds 100% of the issued and paid-up capital.

#### 4. Board of Directors

The Company's Board of Directors consists of directors: 3 guests As follows:

No	Name	Position
1	Mr. Shigeki Aoki <sup>1/</sup>	Director
2	Mr. Shigeo Aoyama	Director
3	Mr. Motoyasu Ishiguro	Managing Director

Source : Information from the Company

Note 1/ Mr. Shigeki Aoki is still in office ;

- 2019 - Current : President of OJM (Source : <https://ojiimagingmedia.co.jp>)
- ปี 2020 – 2023 : Director of Oji Holdings (Source : <https://ojiholdings.co.jp>)

#### 5. Board of Directors

The Company's management team consists of:

No	Name	Position
1	Mr. Motoyasu Ishiguro	Managing Director
2	Mr. Shigeo Aoyama	Executive Vice President , Mill Manager
3	Mr. Shigeo Aoyama	Director

Origin : Information from the Company

#### 6. Summary of key financial information

For OJP , independent financial advisors classify financial data analysis into two periods:

- 6.1 Financial information before transaction Based on the auditor's audited consolidated financial statements for the year ended 31 December 2016-2018 (hereinafter referred to as "**Financial Information for the Prior Period of the Transaction**").

6.2 Financial information after the transaction is completed Based on the auditor's audited consolidated financial statements for the year ended December 31 , 2019-2022 (hereinafter referred to as "Financial Information for the Transaction Year").

### 6.1 Financial information before the transaction period

#### Statement of Financial Position

Transaction (Unit : Million Baht)	December 31		
	2016	2017	2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	268.55	572.59	937.67
Trade receivables and other net current receivables	721.87	674.95	747.35
Net Inventory	1,001.54	1,045.04	1,069.63
List of other types of current assets	8.92	8.44	13.84
<b>Total current assets</b>	<b>2,100.87</b>	<b>2,301.02</b>	<b>2,768.49</b>
<b>Non-current assets</b>			
Investments in subsidiaries	106.60	106.60	106.60
Land, plant and equipment net	1,744.32	1,600.54	1,503.46
Net intangible assets	2.91	3.56	5.35
Net Deferred Tax Assets	8.73	8.16	8.11
Other Non-Current Assets	1.51	2.08	4.74
<b>Total non-current assets</b>	<b>1,864.07</b>	<b>1,720.94</b>	<b>1,628.26</b>
<b>Total Assets</b>	<b>3,964.94</b>	<b>4,021.96</b>	<b>4,376.75</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current liabilities</b>			
Short-term loans from bank	200.00	75.00	-
Trade payables and other net current payables	671.57	716.48	781.60
Unpaid corporate income tax	14.75	8.34	46.44
Other current asset liabilities	3.26	3.11	4.17
<b>Total current liabilities</b>	<b>889.58</b>	<b>802.93</b>	<b>832.21</b>
<b>Non-current liabilities</b>			
Employee Benefits Obligations	21.62	23.94	25.47
<b>Total non-current liabilities</b>	<b>21.62</b>	<b>23.94</b>	<b>25.47</b>
<b>Consolidated liabilities</b>	<b>911.20</b>	<b>826.87</b>	<b>857.67</b>
<b>Shareholders' Equity</b>			
Issued and paid-up capital	1,340.00	1,340.00	1,340.00
Retained earnings	1,713.74	1,855.09	2,199.07
<b>Total Shareholders' Equity</b>	<b>3,053.74</b>	<b>3,195.09</b>	<b>3,539.07</b>
<b>Total liabilities and shareholders' equity</b>	<b>3,964.94</b>	<b>4,021.96</b>	<b>4,376.75</b>

Source : Auditor's Version of Financial Statements : Pricewaterhouse Coopers ABAS Co., Ltd.

**Income Statement**

Transaction (Unit : Million Baht)	2016	2017	2018
Revenue from sales and services	3,734.51	3,596.97	4,303.56
Cost of Sales and Services	3,363.83	3,237.58	3,701.66
Gross Profit	370.68	359.39	601.90
Other income	40.42	22.28	30.34
Profit (loss) from foreign exchange	24.45	(5.71)	27.80
Profit before expenses	435.55	375.96	660.04
<b>Selling and Administrative Expenses :</b>			
• Cost of Sale	188.92	181.46	224.77
• Administrative expenses	24.52	22.08	18.84
Total Cost	213.44	203.54	243.61
Profit before finance costs and income taxes	222.11	172.43	416.43
<u>Less:</u> Finance Costs	1.42	2.65	0.37
Profit before income tax	220.69	169.77	416.06
<u>Less:</u> Income tax expenses	31.91	28.43	72.07
<b>Net Profit</b>	<b>188.78</b>	<b>141.35</b>	<b>343.99</b>

Source : Auditor's Version of Financial Statements : PricewaterhouseCoopers ABAS Co., Ltd.

**Cash Flow Statement**

Transaction (Unit : Million Baht)	2016	2017	2018
Net cash derived from (used in) operating activities	336.66	452.99	510.60
Net cash is derived from (used in) investment activities.	(15.99)	(23.17)	(65.68)
Net cash derived from (used in) financing activities.	(194.72)	(125.00)	(75.00)
Cash and cash equivalents increased (decreased) net	125.95	304.81	369.92
Cash and cash equivalents at the beginning of the period	142.93	268.55	572.59
Impact of Exchange Rates	(0.34)	(0.77)	(4.84)
<b>Cash and cash equivalents at the end of the period</b>	<b>268.55</b>	<b>572.59</b>	<b>937.67</b>

Source : Auditor's Version of Financial Statements : PricewaterhouseCoopers ABAS Co., Ltd.



## Significant financial ratios

Transaction	Unit	2016	2017	2018
<b>Liquidity Ratio</b>				
Current Ratio	Fold	2.36	2.87	3.33
Quick Ratio	Fold	1.11	1.55	2.02
Account Receivable Turnover <sup>1/</sup>	Times	6	5	6
Average Collection Period [1]	Day	61	73	61
Inventory Turnover <sup>2/</sup>	Times	12	10	13
Average Inventory Period [2]	Day	31	37	28
Account Payable Turnover <sup>3/</sup>	Times	6	5	6
Average Payment Period [3]	Day	61	73	61
Cash Cycle [4]=[1]+[2]-[3]	Day	31	37	28
<b>Profitability Ratio</b>				
Gross Profit Margin	%	9.93	9.99	13.99
Operation Profit Margin	%	5.95	4.79	9.68
Net Profit Margin	%	5.06	3.93	7.99
Return on Equity <sup>4/</sup>	%	6.38	4.52	10.22
<b>Efficiency Ratio</b>				
Return on Assets <sup>5/</sup>	%	4.76	3.54	8.17
Return on Non-Current Assets <sup>6/</sup>	%	10.38	8.45	22.16
Assets Turnover	Times	0.94	0.90	1.02
<b>Financial Policy Ratio</b>				
Debt to Equity Ratio	Fold	0.30	0.26	0.24
Interest Coverage Ratio <sup>7/</sup>	Fold	156.25	65.02	1,114.76
Dividend Payout Ratio <sup>8/</sup>	%	0.00	0.00	0.00

- Note**
- 1/ It is calculated from sales and service revenues divided by average trade receivables.
- 2/ It is calculated from the cost of sales and services divided by the average finished goods.
- 3/ It is calculated from the cost of goods sold and services divided by the average trade payables.
- 4/ It is calculated from net profit divided by average shareholders' equity.
- 5/ It is calculated from net profit divided by average total assets.
- 6/ It is calculated by dividing net profit by average net fixed assets.
- 7/ Calculated from profit before finance costs and income taxes Divide by finance costs.
- 8/ OJP does not pay a quarterly dividend (Source: Auditor's Statement: PricewaterhouseCoopers ABAS Co., Ltd.)



## Discussion of Financial Position and Operating Results before Transaction

### (a) Financial Analysis :

#### Assets :

As of December 31, 2016 – 2018, OJP had total assets of Baht 3,964.94 million, Baht 4,021.96 million and Baht 4,396.75 million. Total assets as of December 31, 2017 increased by Baht 57.02 million or 1.42% compared to the previous fiscal year. This was mainly due to an increase in net cash items from operating activities. The decrease in trade receivables and other current receivables, as well as the decrease in inventory, corresponded to the decrease in sales and service revenues for the year. 2017 compared to the previous year and the decrease in fixed assets mainly due to depreciation during the year.

Meanwhile, total assets as of December 31, 2018 increased by Baht 374.79 million or 8.52% compared to the previous fiscal year. This was mainly due to an increase in net cash items from operating activities. An increase in trade receivables and other current receivables, as well as an increase in inventory, corresponds to an increase in sales and service revenues for the year. 2018 compared to the previous year. Meanwhile, the decline in fixed assets was mainly due to depreciation write-off during the year.

#### Liabilities :

As of December 31, 2016 – 2018, OJP had total liabilities of Baht 911.20 million. Total liabilities as at December 31, 2017 decreased by Baht 84.33 million or 10.20% compared to the previous fiscal year. This was mainly due to short-term repayment of loans to financial institutions and an increase in trade and other current creditors.

Meanwhile, total liabilities as at December 31, 2018 increased by Baht 30.80 million or 3.59% compared to the previous fiscal year. This is mainly due to the short-term repayment of all outstanding loans to financial institutions. An increase in trade payables and other current payables, as well as an increase in the recognition of unpaid corporate income tax items.

#### Equity :

As of December 31, 2016 – 2018, OJP's total shareholders' equity amounted to Baht 3,964.94 million, Baht 4,021.96 million, and Baht 4,396.75 million, respectively. Total shareholders' equity as at December 31, 2017 increased by Baht 141.35 million or 4.42% compared to the previous fiscal year due to the increase in retained earnings due to the recognition of net profit incurred in 2017, as well as total shareholders' equity as at December 31, 2018 which increased by Baht 343.99 million or 9.72% compared to the previous financial year. This was mainly due to a decrease in accumulated losses due to the recognition of net profit in 2018.

### (b) Performance Analysis :

#### Income :

In 2016 – 2018, OJP had sales and service revenue of 3,734.51 million baht. The revenue from sales (hereinafter referred to as "**core revenue**") amounted to Baht 3,685.13 million, 3,542.78 million baht and



4,254.44 million baht, respectively. The main revenue in 2017 decreased by 142.34 million baht or 4.02% compared to the previous year. Meanwhile, the main revenue in 2018 increased by 711.66 million baht or 16.73% compared to the previous year.

Cost of Sales and Cost of Services :

In 2016 – 2018, OJP had a cost of sales and services of 3,363.83 million baht. 3,237.58 million baht and 3,701.66 million baht, respectively, with the cost of goods sold equal to 3,317.70 million baht. In 2017, OJP managed a decrease of 131.11 million baht or 4.11% compared to the previous year, while in 2018, the cost of goods sold increased by 469.51 million baht or 12.84% compared to the previous year.

Selling and Administrative Expenses :

In 2016 – 2018, OJP had total selling and administrative expenses of 213.44 million baht. 203.54 million baht and 243.61 million baht, respectively. Namely:

- Selling expenses: In 2016 – 2018, OJP had sales expenses of 188.92 million baht. 181.46 million baht and 224.77 million baht respectively. The expenses in 2017 decreased by 7.46 million baht or 4.11 percent compared to the previous year. Meanwhile, OJP's expenses in 2018 increased to 43.31 million baht, or an increase of 19.27% compared to the previous year, which was a change in marketing activities in line with the direction of changes in sales revenue.
- Administrative Expenses: In 2016 – 2018, OJP had administrative expenses of 24.52 million baht. 22.08 million baht and 18.84 million baht, respectively. In 2017, the expenses decreased by Baht 2.44 million or 11.06 percent compared to the previous year and decreased in 2018 by Baht 3.23 million or 17.17 percent compared to the previous year.

Net Profit :

OJP's operating performance in 2016 – 2018 had a total net profit of 188.78 million baht. In 2017, OJP's net profit decreased by 47.43 million baht or 33.56% compared to the previous year. The main impact was OJP, which recognized a foreign exchange loss of 5.71 million baht. Meanwhile, in 2016, OJP recognized foreign exchange gains of 24.45 million baht. However, in 2018, OJP's net profit increased by Baht 202.64 million or 58.91% compared to the previous year. The main impact was due to the increase in sales and service revenue that exceeded the cost of sales and services, resulting in an increase in gross profit. In addition, OJP recognized foreign exchange gains of 27.80 million baht. Compared to the previous year, foreign exchange losses were recognized as mentioned above.

Based on the overall net operating results as summarized above. Looking at the overall potential of OJP's potential to use existing resources to generate business returns, OJP recorded a return on assets of 4.76% in 2016 before decreasing to 3.54% in 2017. However, in 2018, OJP's return on assets This represents an improvement in asset management efficiency and the ability to generate profits from the asset base compared to the previous year. Meanwhile, when considering the ability to generate returns to shareholders, it is found that in 2016, OJP generated a return on equity of 6.38% before decreasing to 4.52% in 2017, reflecting the decline in the ability to generate profits from shareholders' equity during this period. However, in 2018, the return on equity increased to 10.22 percent, reflecting an improvement in operational efficiency and the ability to manage shareholders' capital compared to the previous year.



Profitability :

In the overall period of 2016–2018 , OJP has a good and consistent profitability. This is reflected in the return on equity (ROE) and return on assets. OJP's ROE was 6.38 percent, 4.52 percent, and 10.22 percent, while ROA was 4.76 percent, 3.54 percent, and 8.17 percent, respectively.

Although in 2017, the yield decreased slightly compared to the previous year. However, in 2018, both ROE and ROA increased significantly, reflecting OJP's ability to optimize its operations. Cost control and asset use to generate revenue more effectively. In addition, OJP's Interest Coverage Ratio remained high throughout the period under consideration, at 156.25 times, 65.02 times, and 1,114.76 times, respectively, reflecting its ability to generate sufficient operating profit to support its interest expense burden and low capital structure risk and financing cost burden.

Based on the above, the independent financial advisor concluded from the overall analysis that although OJP's rate of return reflects the ability to effectively generate returns for shareholders and assets, as well as a capital structure that is conducive to the stability and sustainability of business operations in the long term. It also reflects OJP's strong financial position and stability in its operating performance, which is reflected in OJP's ability to generate operating profits to support its interest expense burden.

**(c) Cash Flow :**

Overall, OJP has the ability to generate cash flow in line with the performance of each accounting period. Cash and cash equivalents totaled Baht 268.55 million, Baht 572.59 million and Baht 937.67 million. million baht, respectively. Namely;

As of December 31, 2017, OJP's cash and cash equivalents increased by Baht 304.04 million. Compared to the amount as of December 31 , 2016, net cash acquisition from operating activities amounted to Baht 452.99 million. This was mainly due to the performance of the net profit during the year. The decrease in trade receivables and other current receivables, as well as the decrease in inventory, corresponded to the decrease in sales and service revenues for the year. 2017 compared to the previous year, including an increase in the list of trade payables and other payables. In terms of investment activities, net cash was used of Baht 23.17 million. This is mainly due to the increase in the purchase of fixed assets. Meanwhile, under the financing activities, a net cash was used of 125.00 million baht. This is because 840.00 million baht has been borrowed from financial institutions and 965.00 million baht has been repaid to financial institutions.

As of December 31, 2018, OJP's cash and cash equivalents increased by Baht 365.08 million. Compared to the amount as at December 31 , 2017, net cash acquisition from operating activities from operating results showing net profit during the year. This was due to the increase in trade receivables and other current receivables. Inventory, including trade payables and other current payables, is in line with the year's earning capacity. 2018 increased from the previous year. In terms of investment activities, net cash was used at Baht 65.68 million. This is mainly due to investment in fixed assets. Meanwhile, under the financing activities, 75.00 million baht was used in net cash because 75.00 million baht was borrowed from financial institutions and 150.00 million baht was repaid to financial institutions.



## 6.2 Financial information during the transaction year

### Statement of Financial Position

Transaction (Unit : Million Baht)	December 31			
	2019	2020	2021	2022
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	772.64	509.02	108.49	224.12
Trade receivables and other net current receivables	585.28	458.04	495.03	552.66
Net Inventory	987.79	925.70	1,162.69	1,225.26
Short-term loans to related parties	380.00	470.00	420.00	495.00
List of other types of current assets	13.01	5.47	6.78	15.64
<b>Total current assets</b>	<b>2,738.73</b>	<b>2,368.23</b>	<b>2,192.99</b>	<b>2,512.69</b>
<b>Non-current assets</b>				
Investments in subsidiaries	106.60	106.60	106.60	190.14
Land, plant and equipment net	1,398.77	1,250.70	1,114.71	992.45
Net intangible assets	4.59	3.54	2.34	1.56
Net Deferred Tax Assets	16.87	18.56	13.62	14.37
Other Non-Current Assets	-	-	4.43	9.74
<b>Total non-current assets</b>	<b>1,526.83</b>	<b>1,379.41</b>	<b>1,241.70</b>	<b>1,208.27</b>
<b>Total Assets</b>	<b>4,265.55</b>	<b>3,747.64</b>	<b>3,434.69</b>	<b>3,720.95</b>
<b>Liabilities and Shareholders' Equity</b>				
<b>Current liabilities</b>				
Trade payables and other net current payables	508.71	477.48	434.99	604.21
Short-term loans from related companies	-	-	40.00	90.00
Unpaid corporate income tax	15.30	7.03	36.80	81.28
Other current asset liabilities	3.85	2.82	14.14	0.41
<b>Total current liabilities</b>	<b>527.86</b>	<b>487.34</b>	<b>525.94</b>	<b>775.90</b>
<b>Non-current liabilities</b>				
List of employee benefit obligations	44.62	47.38	47.69	49.23
<b>Total non-current liabilities</b>	<b>44.62</b>	<b>47.38</b>	<b>47.69</b>	<b>49.23</b>
<b>Consolidated liabilities</b>	<b>572.49</b>	<b>534.71</b>	<b>573.63</b>	<b>825.13</b>
<b>Shareholders' Equity</b>				
Issued and paid-up capital	1,340.00	1,340.00	1,340.00	1,340.00
Retained earnings	2,353.07	1,738.92	1,521.06	1,555.82
Other Elements of Equity	-	134.00	-	-
<b>Total Shareholders' Equity</b>	<b>3,693.07</b>	<b>3,212.92</b>	<b>2,861.06</b>	<b>2,895.82</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,265.55</b>	<b>3,747.64</b>	<b>3,434.69</b>	<b>3,720.95</b>

Source Year 2019-2020 : Auditor's Version Financial Statement : Pricewaterhouse Coopers ABAS Co., Ltd.

: Year 2021-2022 : Financial Statements Auditor : Deloitte Tooth Thomas Chaiyot Audit Co., Ltd.

**Income Statement**

Transaction (Unit : Million Baht)	2019	2020	2021	2022
Revenue from sales and services [1]	3,308.13	2,826.41	2,971.99	3,554.41
Cost of Goods Sold and Served [2]	2,932.40	2,600.24	2,478.53	2,756.70
Gross Profit [3]=[1]-[2]	375.73	226.18	493.46	797.71
Other income	28.45	65.12	11.74	19.86
Profit (loss) from foreign exchange	0.00	0.00	47.98	58.77
Profit before expenses	404.17	291.29	553.18	876.34
<b>Selling and Administrative Expenses :</b>				
• Cost of Sale	175.92	142.97	204.58	252.10
• Administrative expenses	39.67	17.56	19.25	21.05
Total Cost	215.59	160.53	223.83	273.15
Profit before finance costs and income taxes	188.59	130.76	329.35	603.20
Less: Finance Costs	-	-	0.00	0.81
Profit before income tax	188.59	130.76	329.35	612.39
Less: Income tax expenses	34.59	23.98	58.11	118.73
<b>Net Profit</b>	<b>153.99</b>	<b>106.78</b>	<b>271.24</b>	<b>483.66</b>

Source: Year 2019-2020 : Auditor's Version Financial Statement : Pricewaterhouse Coopers ABAS Co., Ltd.  
Year 2021-2022 : Financial Statements Auditor : Deloitte Tooth Thomas Chaiyot Audit Co., Ltd.

**Cash Flow Statement**

Transaction (Unit : Million Baht)	2019	2020	2021	2022
Net cash derived from (used in) operating activities	264.76	(159.92)	150.71	706.61
Net cash is derived from (used in) investment activities.	(428.01)	(97.62)	31.92	(190.78)
Net cash derived from (used in) financing activities.	-	-	(583.10)	(398.90)
Cash and cash equivalents increased (decreased) net	(163.25)	(257.54)	(400.47)	116.93
Cash and cash equivalents at the beginning of the period	937.67	772.64	509.02	108.49
Impact of Exchange Rates	(1.77)	(6.08)	(0.07)	(1.29)
<b>Cash and cash equivalents at the end of the period</b>	<b>772.64</b>	<b>509.02</b>	<b>108.49</b>	<b>224.12</b>

Source: Year 2019-2020 : Auditor's Version Financial Statement : Pricewaterhouse Coopers ABAS Co., Ltd.  
Year 2021-2022 : Financial Statements Auditor : Deloitte Tooth Thomas Chaiyot Audit Co., Ltd.

**Significant financial ratios**

Transaction	Unit	2019	2020	2021	2022
<b>Liquidity Ratio</b>					
Current Ratio	Fold	5.19	4.86	4.17	3.24
Quick Ratio	Fold	2.57	1.98	1.15	1.00
Account Receivable Turnover <sup>1/</sup>	Times	5	6	6	7
Average Collection Period [1]	Day	73	61	61	52
Inventory Turnover <sup>2/</sup>	Times	11	12	10	9
Average Inventory Period [2]	Day	33	31	37	41
Account Payable Turnover <sup>3/</sup>	Times	5	6	6	6
Average Payment Period [3]	Day	73	61	61	61
Cash Cycle [4]=[1]+[2]-[3]	Day	33	31	37	32
<b>Profitability Ratio</b>					
Gross Profit Margin	%	11.36	8.00	16.60	22.44
Operation Profit Margin	%	5.70	4.63	11.08	16.97
Net Profit Margin	%	4.65	3.78	9.13	13.61
Return on Equity <sup>4/</sup>	%	4.26	3.09	8.93	16.80
<b>Efficiency Ratio</b>					
Return on Assets <sup>5/</sup>	%	3.56	2.67	7.55	13.52
Return on Non-Current Assets <sup>6/</sup>	%	10.61	8.06	22.93	45.91
Assets Turnover	Times	0.76	0.71	0.83	0.99
<b>Financial Policy Ratio</b>					
Debt to Equity Ratio	Fold	0.16	0.17	0.20	0.28
Interest Coverage Ratio <sup>7/</sup>	Fold	0.13	0.14	0.17	0.22
Dividend Payout Ratio <sup>8/</sup>	%	0.00	549.66	229.72	92.81

**Remark** 1/ It is calculated from sales and service revenues divided by average trade receivables.

2/ It is calculated from the cost of sales and services divided by the average finished goods.

3/ It is calculated from the cost of goods sold and services divided by the average trade payables.

4/ It is calculated from net profit divided by average shareholders' equity.

5/ It is calculated from net profit divided by average total assets.

6/ It is calculated by dividing net profit by average net fixed assets.

7/ Calculated from profit before finance costs and income taxes Divide by finance costs.

8/ In 2020, 2021, and 2022, OJP paid dividends from 134 million issued and paid-up shares. Baht 586.92 million, Baht 623.10 million and Baht 448.90 million respectively in accordance with the resolutions approved by the Annual General Meeting of Shareholders (AGM) and the Extraordinary General Meeting of Shareholders (EGM). As follows:

**Year 2020:**

- The AGM on April 24, 2020 approved the dividend payment of Baht 3.10 per share. The total dividend payment was 415.40 million baht. The dividend was paid on May 7, 2020.

- EGM No. 1/2020 (No.1/2020) on August 24, 2020 approved the dividend payment of Baht 1.28 per share. The total dividend payment was 171.52 million baht. The dividend was paid on August 28, 2020.

Total dividend payments during the year totaled 586.92 million baht.

Year 2021 :

- EGM No. 1/2021 (No.1/2021) on February 23, 2021 approved the dividend payment of Baht 0.75 per share. The total dividend payment is 100.50 million baht. The dividend was paid on February 24, 2021.
- EGM No.2/2021 (No.2/2021) on June 22, 2021 approved the dividend payment of Baht 1.65 per share. The total dividend payment was Baht 221.10 million. The dividend was paid on June 25, 2021.
- EGM No. 4/2021 (No.4/2021) on September 27, 2021 approved the dividend payment of Baht 1.50 per share. The total dividend payment is 201.00 million baht. The dividend was paid on September 27, 2021 .
- EGM No. 6/2021 (No.6/2021) on December 24, 2021 approved the payment of a dividend of Baht 0.75 per share, amounting to a total dividend payment of Baht 100.50 million. The dividend was paid on December 24, 2021. Total dividend payments during the year totaled 623.10 million baht.

Year 2022 :

- EGM No. 2/2022 (No.2/2022) on July 11, 2022 approved the dividend payment of Baht 1.10 per share. The total dividend payment was 147.40 million baht. The dividend was paid on July 27, 2022 .
- EGM No. 3/2022 (No.3/2022) on September 29, 2022 approved the dividend payment of Baht 1.50 per share. The total dividend payment is 201.00 million baht. The dividend was paid on September 29, 2022 .
- EGM No. 6/2022 (No.6/2022) on December 28, 2022 approved the dividend payment of Baht 0.75 per share. The total dividend payment is 100.50 million baht. The dividend was paid on December 29, 2022. Total dividend payments during the year totaled 448.90 million baht.

Source : Notes to the Financial Statements for the years ended 31 December 2021 and 2022 Audited by Auditor : Deloitte Tooth Thomas Chaiyot Audit Co., Ltd.

**Explain the analysis of financial position and operating results.**

**(a) Financial Analysis :**

Assets :

As of December 31, 2019 – 2022, OJP had total assets of Baht 4,265.55 million, Baht 3,747.64 million, Baht 3,434.69 million. million baht and 3,720.95 million baht. Total assets as of December 31, 2020 decreased by Baht 517.92 million or 13.82% compared to the previous fiscal year. This was mainly due to a decrease in trade receivables and other current receivables, as well as outstanding liabilities. Additional investment in fixed assets and depreciation during the year, as well as cash transactions and cash equivalents, decreased net mainly due to dividend payments and loans to related parties, namely Cooperative Packaging Co., Ltd. ("SHK"). In 2019 and 2020, the following table is summarized.

**Table 6.2.1 a: Summary of loans by OJP to SKP under the loan agreement maturing upon request.**

Unit : Million Baht

Year of Transaction	Begining	Withdraw	Payments	Ending	Interest Rate*
2562	-	200.00	-	<b>200.00</b>	0.42-2.60% per annum
2563	200.00	120.00	-	<b>320.00</b>	0.42-2.60% per annum
2564	320.00	100.00	-	<b>420.00</b>	0.42-2.60% per annum
2565	420.00	80.00	5.00	<b>495.00</b>	0.94-2.69% per annum

Remarks: \* Information on the ratification of connected transactions Receiving Financial Assistance from OJP



Total assets as at December 31, 2021 decreased by Baht 312.95 million or 9.11% compared to the previous fiscal year. This was mainly due to an increase in trade receivables and other current receivables, as well as outstanding liabilities. Increased investment in fixed assets and depreciation during the year, as well as cash items and cash equivalents, decreased net due to the impact of dividend payments. Receipt of short-term loans from related parties, as well as repayment of loans to related parties during the year.

Meanwhile, total assets as of December 31, 2022 increased by Baht 286.26 million or 7.69% compared to the previous fiscal year. This was mainly due to an increase in trade receivables and other current receivables, as well as outstanding liabilities. Increased investment in subsidiaries, additional lending to related parties during the year, as well as depreciation write-off and investment in fixed assets during the year.

Liabilities :

As of December 31, 2019 – 2022, OJP had total liabilities of Baht 572.49 million, Baht 543.71 million, Baht 573.63 million and Baht 825.13 million, respectively, of which total liabilities as at December 31, 2020 decreased by Baht 37.77 million or 7.06% compared to the previous fiscal year. This is mainly due to the decline in trade payables and other current payables.

Total liabilities as at December 31, 2021 increased by Baht 38.91 million or 6.78% compared to the previous fiscal year. This is mainly due to the decline in trade payables and other current payables. Receipt of short-term loans from related parties, including an increase in unpaid corporate income tax items.

Meanwhile, total liabilities as of December 31, 2022 increased by Baht 251.50 million or 30.48% compared to the previous fiscal year. This was mainly due to the increase in trade payables and other current accounts in line with the growth in sales in the year. Receipt of short-term loans from related parties, including an increase in unpaid corporate income tax items.

Equity :

As of December 31, 2019 – 2022, OJP's total shareholders' equity amounted to Baht 3,693.07 million, Baht 3,212.92 million, Baht 2,861.06 million baht and 2,895.82 million baht, respectively. Total shareholders' equity as at December 31, 2020 decreased by Baht 480.14 million or 14.94% compared to the previous fiscal year due to the recognition of net profit incurred in 2020 and dividend payment from retained earnings as approved by the shareholders' meeting. This was mainly due to the recognition of net profit in 2021 and the payment of dividends in accordance with the resolution approved by the shareholders' meeting. Meanwhile, total shareholders' equity as of December 31, 2022 increased by Baht 34.76 million or 1.20% compared to the previous fiscal year. This was mainly due to the recognition of net profit in 2022 and the dividend payment in accordance with the resolution approved by the shareholders' meeting.

**(b) Performance Analysis :**

Income :

In 2019 – 2022, OJP had a total sales and service revenue of 3,308.13 million baht. 2,826.41 Million Baht 2,971.99 million baht and 3,554.41 million baht, respectively. Revenue in 2020 decreased by 481.42 million

baht or 17.04% compared to the previous year, mainly due to the negative impact of the coronavirus pandemic. Especially during 2020, when the pandemic occurred on a large scale and strict epidemic control measures were enforced. The revenue in 2021 increased by 145.58 million baht or 4.90% compared to the previous year. As a result of the relaxation of pandemic control measures. COVID-19 and the implementation of the government's economic stimulus policy. Meanwhile, the revenue in 2022 increased to 582.42 million baht, or 16.39% compared to the previous year, affected by the recovery of economic activities in many industries after the easing of the pandemic situation. COVID-19

Cost of Sales and Service :

In 2019 – 2022, OJP had a total cost of sales and services of 2,932.40 million baht. 2,600.24 Million Baht 2,478.53 million baht and 2,756.70 million baht, respectively. In 2020, the cost decreased by Baht 332.17 million or 12.77% compared to the previous year, mainly due to the decrease in sales due to the COVID-19 pandemic situation. Meanwhile, the cost in 2022 increased by 278.17 million baht or 10.09% compared to the previous year, in line with the increase in sales revenue following the recovery of economic activities after the pandemic. COVID-19 eases

Selling and Administrative Expenses :

In 2019 – 2022, OJP had total selling and administrative expenses of 215.59 million baht. 160.53 million baht 223.83 million baht and 273.15 million baht, respectively. Namely:

- Selling expenses: In 2019 – 2022, OJP had sales expenses of 175.92 million baht. 142.97 million baht 204.58 million baht and 252.10 million baht, respectively. The expenses in 2020 decreased by 32.94 million baht or 23.04% compared to the previous year. As a result of the COVID-19 pandemic situation as mentioned above. Meanwhile, OJP's expenses in 2021 increased by Baht 61.61 million or 30.11% compared to the previous year, and in 2022, such expenses increased by Baht 47.52 million or 18.85% compared to the previous year, which was a change in market activities in line with the direction of sales revenue that began to recover after the pandemic. COVID-19 eases
- Administrative expenses: In 2019 – 2022, OJP had administrative expenses of 39.67 million baht. Million Baht In 2020, such expenses decreased by Baht 22.11 million or 125.94% compared to the previous year. As a result of the COVID-19 pandemic situation as mentioned above, while in 2021 and 2022, such expenses increased slightly by Baht 1.69 million and Baht 1.80 million, or 8.77% and 8.55% respectively. Compared to the previous year, as a result of the easing of the COVID-19 pandemic situation.

Net Profit :

OJP's operating performance in 2019 – 2022 had a total net profit of 153.99 million baht. 106.78 million baht In 2020, OJP's net profit decreased by 47.22 million baht or 44.22% compared to the previous year. The main impact was that OJP was significantly negatively affected by the coronavirus pandemic situation. In 2021, OJP's net profit increased by Baht 164.46 million or 60.63% compared to the previous year due to the positive impact of the relaxation of COVID-19 pandemic control measures, the relaxation of government economic policies, and the recognition of foreign exchange gains of Baht 47.98 million. Meanwhile, in 2022, OJP's net profit increased by 212.42 million baht, or 43.92% compared to the previous year. OJP benefited from the

recovery of economic activity in many industries. In addition, the foreign exchange gain was recognized of 58.77 million baht.

Based on the overall net operating results as summarized above. Under the situation of the coronavirus pandemic. In 2019, before the pandemic, OJP's return on assets was 3.56 percent before declining to 2.67 percent in 2020, reflecting the impact of the economic slowdown and business restrictions from pandemic control measures. However, after the situation began to unravel and the business sector as a whole gradually recovered. In 2021 and 2022, OJP's return on assets was 7.55% and 13.52%, respectively. This represents an improvement in the efficiency of asset management and the ability to generate profitability from the asset base. Meanwhile, when considering the ability to generate returns to shareholders, it can be found that OJP is still able to maintain its ability to generate returns to shareholders to a certain extent. In 2019, before the pandemic, OJP had a return on equity of 4.26 percent before decreasing to 3.09 percent in 2020 due to the main economic factors and pandemic control measures mentioned above, and increased significantly in 2021 and 2022, with OJP's return on equity rising to 8.93 percent and 16.80 percent, respectively. It represents OJP's ability to improve its operating performance and manage shareholders' funds more effectively.

**(c) Cash Flow :**

Overall, OJP has the ability to generate cash flow in line with the operating results of the accounting period. Cash and cash equivalents totaled Baht 772.64 million, Baht 509.02 million, and Baht 108.49 million baht and 224.12 million baht. million baht, respectively. Namely;

As of December 31, 2020, OJP had a decrease of Baht 263.62 million in cash and cash equivalents. Compared to the amount as at December 31, 2019, net cash acquisition from operating activities was Baht 159.92 million. This was mainly due to the dividend payment during the year of 586.92 million baht. Decrease in trade receivables and other current receivables Inventory, including trade payables and other payables, corresponded to the decrease in sales and service revenues for the year. 2020 compared to the previous year due to the impact of the economic slowdown and business restrictions due to pandemic control measures. In terms of investment activities, OJP used 97.61 million baht of net cash to invest in fixed assets and provide short-term loans to Sacocot Packaging Co., Ltd. (SHK) totaling 120.00 million baht. As detailed in Table 5.2.1 A shown above, the Company received a short-term loan of 30.00 million baht from OJI Label (Thailand) Co., Ltd., a subsidiary of OJP.

As of December 31, 2021, OJP had a decrease of Baht 400.54 million in cash and cash equivalents. Compared to the amount as at December 31, 2020, net cash acquisition from operating activities from net profit during the year was affected by an increase in trade receivables and other current receivables as well as inventories and a decrease in trade payables and other current account. In terms of investment activities, there was a net cash acquisition of 31.92 million baht. This was mainly due to investment in fixed assets and the repayment of all short-term loans from OJP's subsidiaries totaling Baht 150.00 million and providing additional short-term loans to SHK totaling Baht 100.00 million. Meanwhile, under the financing activities, a net cash was used of Baht 583.10 million due to the receipt of funds from short-term unsecured loans from related parties amounting to Baht 40.00 million and dividend payments during the year of Baht 623.10 million.



As of December 31, 2022, OJP had an increase of 115.63 million baht in cash and cash equivalents. This was due to net cash acquisition from operating activities, which was supported by the operating results showing net profit during the year, as well as an increase in trade receivables and other current receivables. Inventories and trade payables and other current payables corresponded to the increase in sales during the year. In terms of investment activities, net cash was spent 190.78 million baht. This was mainly due to increased investment in fixed assets, short-term loans of 80.00 million baht to SHK, and 5.00 million baht was repaid from the business during the year. As detailed in Table 5.2.1 A shown above. Meanwhile, under the financing activities, a net cash was used of Baht 398.90 million due to the receipt of short-term unsecured loans from related parties in the amount of Baht 50.00 million and the dividend payment during the year was Baht 448.90 million.