

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the accompanying consolidated and separate statements of financial position as at June 30, 2021, and the related consolidated and separate statements of comprehensive income for the three - month and six - month periods then ended, the related consolidated and separate statement of changes in shareholders' equity and cash flows for the six - month periods then ended and condensed notes to interim financial information of S. PACK & PRINT PUBLIC COMPANY LIMITED and its subsidiary and of S. PACK & PRINT PUBLIC COMPANY LIMITED. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

(Wanpen Unruan)

Certified Public Accountant (Thailand) No. 7750

OFFICE OF PITISEVI CO., LTD.

8/4, Floor 1st, 3rd, Soi Viphavadee Rangsit 44,
Chatuchak, Bangkok

August 11, 2021

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

| | | Unit : Baht | | | | |
|-----------------------------|---|---------------|-------------------------|-------------------------|-----------------------|-----------------------|
| | | Consolidated | | Separate | | |
| | | June 30, 2021 | December 31, 2020 | June 30, 2021 | December 31, 2020 | |
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) | |
| Note | | (Reviewed) | | (Reviewed) | | |
| ASSETS | | | | | | |
| CURRENT ASSETS | | | | | | |
| | Cash and cash equivalents | 6 | 114,036,092.98 | 69,003,279.51 | 84,613,960.91 | 35,288,507.92 |
| | Trade accounts and other current receivable - net | 5.2, 7 | 207,545,343.83 | 220,023,335.85 | 114,754,300.81 | 120,894,872.10 |
| | Inventories - net | 8 | 219,781,911.70 | 164,605,598.07 | 93,830,133.24 | 73,456,083.05 |
| | Long - term loans to employees - current portion | | 110,591.65 | 260,507.57 | 76,408.48 | 250,283.63 |
| | Other current assets | | 617,262.03 | 267,794.78 | 38,628.48 | 19,888.59 |
| | Total current assets | | 542,091,202.19 | 454,160,515.78 | 293,313,431.92 | 229,909,635.29 |
| NON - CURRENT ASSETS | | | | | | |
| | Investment in subsidiary | 9 | - | - | 500,100,399.40 | 500,100,399.40 |
| | Long - term loans to employees - net | | - | 114,510.04 | - | 33,143.00 |
| | Investment property - net | | 14,298,750.00 | 14,298,750.00 | - | - |
| | Property, plant and equipment - net | 10 | 796,766,536.08 | 773,943,732.60 | 182,287,018.86 | 182,757,948.84 |
| | Right-of-use assets - net | 11.1 | 1,236,278.90 | 1,790,821.55 | 598,783.09 | 979,463.26 |
| | Intangible assets - net | 12 | 1,350,775.62 | 608,400.27 | 71,905.36 | 140,782.82 |
| | Deferred tax assets | 13 | 7,811,738.63 | 7,940,908.19 | 7,603,308.52 | 7,242,791.13 |
| | Other non - current assets | | 1,279,942.89 | 669,095.92 | 1,003,750.67 | 392,903.70 |
| | Total non - current assets | | 822,744,022.12 | 799,366,218.57 | 691,665,165.90 | 691,647,432.15 |
| | TOTAL ASSETS | | 1,364,835,224.31 | 1,253,526,734.35 | 984,978,597.82 | 921,557,067.44 |

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

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT JUNE 30, 2021

| | | Unit : Baht | | | | |
|--|--|---------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | Consolidated | | Separate | | |
| | | June 30, 2021 | December 31, 2020 | June 30, 2021 | December 31, 2020 | |
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) | |
| Note | | (Reviewed) | | (Reviewed) | | |
| <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| | Short - term loans from financial institutions | 14 | - | 18,000,000.00 | - | 18,000,000.00 |
| | Trade accounts and other current payable | 5.2, 15 | 178,365,831.25 | 108,714,983.39 | 102,036,439.59 | 63,629,814.40 |
| | Current portion of | | | | | |
| | Long - term loan from financial institution | 16 | 61,466,800.00 | 61,466,800.00 | - | - |
| | Lease liabilities | 11.2 | 854,663.76 | 1,025,475.88 | 509,477.36 | 680,289.48 |
| | Short - term loan from related company | 5.2 | 380,000,000.00 | 320,000,000.00 | - | - |
| | Accrued corporate income tax | | 5,246,164.78 | 4,916,863.73 | 5,246,164.78 | 4,916,863.73 |
| | Provision of current liabilities for employee benefits | 17 | 1,003,651.00 | 1,206,147.00 | 723,465.00 | 723,465.00 |
| | Accrued dividend | | 20,535,329.42 | 20,535,329.42 | 20,535,329.42 | 20,535,329.42 |
| | Other current liabilities | | 726,459.52 | 3,080,825.68 | 524,021.79 | 1,080,078.68 |
| | Total current liabilities | | 648,198,899.73 | 538,946,425.10 | 129,574,897.94 | 109,565,840.71 |
| NON - CURRENT LIABILITIES | | | | | | |
| | Long - term loan from financial institution - net | 16 | 107,299,300.00 | 138,032,700.00 | - | - |
| | Lease liabilities - net | 11.2 | 418,846.96 | 800,888.69 | 107,493.82 | 318,665.35 |
| | Provision of non - current liabilities | | | | | |
| | for employee benefits - net | 17 | 52,150,906.34 | 49,310,737.00 | 33,258,319.34 | 31,354,670.00 |
| | Total non - current liabilities | | 159,869,053.30 | 188,144,325.69 | 33,365,813.16 | 31,673,335.35 |
| | TOTAL LIABILITIES | | 808,067,953.03 | 727,090,750.79 | 162,940,711.10 | 141,239,176.06 |

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

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT JUNE 30, 2021

| | | Unit : Baht | | | |
|------------------------------------|---|-------------------------|-------------------------|-----------------------|-----------------------|
| | | Consolidated | | Separate | |
| | | June 30, 2021 | December 31, 2020 | June 30, 2021 | December 31, 2020 |
| | | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| Note | | (Reviewed) | | (Reviewed) | |
| SHAREHOLDERS' EQUITY | | | | | |
| Share capital | | | | | |
| Authorized share capital | | | | | |
| | 300,000,000 Common Shares of Baht 1 each | 300,000,000.00 | 300,000,000.00 | 300,000,000.00 | 300,000,000.00 |
| Issued and paid - up share capital | | | | | |
| | 300,000,000 Common Shares of Baht 1 each | 300,000,000.00 | 300,000,000.00 | 300,000,000.00 | 300,000,000.00 |
| | Share premium on common shares | 278,374,901.60 | 278,374,901.60 | 278,374,901.60 | 278,374,901.60 |
| Retained earnings (deficit) | | | | | |
| | Appropriated - Legal reserve | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 | 30,000,000.00 |
| | Unappropriated | (53,951,239.06) | (84,282,526.78) | 218,532,658.76 | 176,812,663.42 |
| | Other components of shareholders' equity | 2,343,608.74 | 2,343,608.74 | (4,869,673.64) | (4,869,673.64) |
| | Total equity of the Company | 556,767,271.28 | 526,435,983.56 | 822,037,886.72 | 780,317,891.38 |
| | Non - controlling interests | - | - | - | - |
| | Total shareholders' equity | 556,767,271.28 | 526,435,983.56 | 822,037,886.72 | 780,317,891.38 |
| | TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 1,364,835,224.31 | 1,253,526,734.35 | 984,978,597.82 | 921,557,067.44 |

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

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME

(Unaudited)

FOR THE THREE - MONTH PERIOD ENDED JUNE 30, 2021

(Reviewed)

| | | Unit : Baht | | | |
|---|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | | Consolidated | | Separate | |
| Note | | 2021 | 2020 | 2021 | 2020 |
| REVENUES | | | | | |
| | Sales income and proceeds from services | 277,473,880.02 | 318,979,792.70 | 156,939,487.23 | 177,662,326.35 |
| | Other incomes | 371,324.40 | 1,049,160.24 | 188,043.95 | 434,934.92 |
| | TOTAL REVENUES | 277,845,204.42 | 320,028,952.94 | 157,127,531.18 | 178,097,261.27 |
| EXPENSES | | | | | |
| | Cost of sales and services | 234,471,271.64 | 263,369,719.05 | 125,209,591.11 | 138,633,282.41 |
| | Distribution costs | 10,029,289.98 | 10,900,282.56 | 4,393,757.40 | 4,880,161.84 |
| | Administrative expenses | 16,289,121.83 | 11,097,776.73 | 8,211,217.42 | 4,940,049.81 |
| | TOTAL EXPENSES | 260,789,683.45 | 285,367,778.34 | 137,814,565.93 | 148,453,494.06 |
| | PROFIT FROM OPERATING | 17,055,520.97 | 34,661,174.60 | 19,312,965.25 | 29,643,767.21 |
| | Finance cost | (3,146,829.49) | (4,004,970.22) | (7,449.34) | (106,330.53) |
| | PROFIT BEFORE INCOME TAX | 13,908,691.48 | 30,656,204.38 | 19,305,515.91 | 29,537,436.68 |
| | Income tax expenses | (2,130,961.39) | (3,393,395.12) | (1,902,628.78) | (3,076,489.47) |
| | NET PROFIT FOR THE PERIOD | 11,777,730.09 | 27,262,809.26 | 17,402,887.13 | 26,460,947.21 |
| | OTHER COMPREHENSIVE INCOME (LOSS) | - | - | - | - |
| | COMPREHENSIVE INCOME FOR THE PERIOD | 11,777,730.09 | 27,262,809.26 | 17,402,887.13 | 26,460,947.21 |
| NET PROFIT ATTRIBUTABLE TO : | | | | | |
| | Owners of the Company | 11,777,730.09 | 27,262,809.26 | | |
| | Non - controlling interersts | - | - | | |
| | NET PROFIT FOR THE PERIOD | 11,777,730.09 | 27,262,809.26 | | |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO : | | | | | |
| | Owners of the Company | 11,777,730.09 | 27,262,809.26 | | |
| | Non - controlling interersts | - | - | | |
| | COMPREHENSIVE INCOME FOR THE PERIOD | 11,777,730.09 | 27,262,809.26 | | |
| BASIC EARNINGS PER SHARE (BAHT : SHARES) | | | | | |
| | Equity holders of the parent company | 19 | 0.039 | 0.091 | 0.058 |
| | | | | 0.058 | 0.088 |

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

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME (Con't)

(Unaudited)

(Reviewed)

FOR THE SIX - MONTH PERIOD ENDED JUNE 30, 2021

| | | Unit : Baht | | | |
|---|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | | Consolidated | | Separate | |
| Note | | 2021 | 2020 | 2021 | 2020 |
| REVENUES | | | | | |
| | Sales income and proceeds from services | 585,455,999.16 | 613,117,787.77 | 333,995,935.78 | 335,113,989.32 |
| | Other incomes | 884,353.20 | 1,346,329.90 | 541,301.25 | 662,387.64 |
| | TOTAL REVENUES | 586,340,352.36 | 614,464,117.67 | 334,537,237.03 | 335,776,376.96 |
| EXPENSES | | | | | |
| | Cost of sales and services | 490,743,188.93 | 508,561,023.09 | 262,113,885.12 | 263,949,470.36 |
| | Distribution costs | 21,239,301.32 | 22,532,622.88 | 9,229,366.73 | 9,905,099.89 |
| | Administrative expenses | 32,212,485.92 | 32,112,922.56 | 16,521,616.52 | 17,270,065.62 |
| | TOTAL EXPENSES | 544,194,976.17 | 563,206,568.53 | 287,864,868.37 | 291,124,635.87 |
| | PROFIT FROM OPERATING | 42,145,376.19 | 51,257,549.14 | 46,672,368.66 | 44,651,741.09 |
| | Finance cost | (6,438,754.13) | (8,271,974.14) | (66,725.93) | (274,158.53) |
| | PROFIT BEFORE INCOME TAX | 35,706,622.06 | 42,985,575.00 | 46,605,642.73 | 44,377,582.56 |
| | Income tax expenses | (5,375,334.34) | (5,012,164.09) | (4,885,647.39) | (4,508,865.73) |
| | NET PROFIT FOR THE PERIOD | 30,331,287.72 | 37,973,410.91 | 41,719,995.34 | 39,868,716.83 |
| | OTHER COMPREHENSIVE INCOME (LOSS) | - | - | - | - |
| | COMPREHENSIVE INCOME FOR THE PERIOD | 30,331,287.72 | 37,973,410.91 | 41,719,995.34 | 39,868,716.83 |
| NET PROFIT ATTRIBUTABLE TO : | | | | | |
| | Owners of the Company | 30,331,287.72 | 37,973,410.91 | | |
| | Non - controlling interersts | - | - | | |
| | NET PROFIT FOR THE PERIOD | 30,331,287.72 | 37,973,410.91 | | |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO : | | | | | |
| | Owners of the Company | 30,331,287.72 | 37,973,410.91 | | |
| | Non - controlling interersts | - | - | | |
| | COMPREHENSIVE INCOME FOR THE PERIOD | 30,331,287.72 | 37,973,410.91 | | |
| BASIC EARNINGS PER SHARE (BAHT : SHARES) | | | | | |
| | Equity holders of the parent company | 19 | 0.101 | 0.127 | 0.139 |
| | | | | 0.139 | 0.133 |

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Reviewed)

FOR THE SIX - MONTH PERIOD ENDED JUNE 30, 2021

| | Unit : Baht | | | | | |
|--|-----------------------|-----------------------|-----------------------------|----------------------------|----------------------|-----------------------|
| | Consolidated | | | | | |
| | Issued and paid - up | | Retained earnings (deficit) | | Other components of | |
| | | | Appropriated | | shareholders' equity | |
| share capital | Share premium | Legal reserve | Unappropriated | Defined benefit plan | Total | |
| | | | | remeasurement gains (loss) | | |
| Beginning balance as at January 1, 2020 | 300,000,000.00 | 278,374,901.60 | 30,000,000.00 | (161,282,098.22) | 2,452,718.40 | 449,545,521.78 |
| Comprehensive income (loss) for the period | | | | | | |
| Net profit | - | - | - | 37,973,410.91 | - | 37,973,410.91 |
| Other comprehensive income (loss) | - | - | - | - | - | - |
| Ending balance as at June 30, 2020 | <u>300,000,000.00</u> | <u>278,374,901.60</u> | <u>30,000,000.00</u> | <u>(123,308,687.31)</u> | <u>2,452,718.40</u> | <u>487,518,932.69</u> |
| Beginning balance as at January 1, 2021 | 300,000,000.00 | 278,374,901.60 | 30,000,000.00 | (84,282,526.78) | 2,343,608.74 | 526,435,983.56 |
| Comprehensive income (loss) for the period | | | | | | |
| Net profit | - | - | - | 30,331,287.72 | - | 30,331,287.72 |
| Other comprehensive income (loss) | - | - | - | - | - | - |
| Ending balance as at June 30, 2021 | <u>300,000,000.00</u> | <u>278,374,901.60</u> | <u>30,000,000.00</u> | <u>(53,951,239.06)</u> | <u>2,343,608.74</u> | <u>556,767,271.28</u> |

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

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

(Reviewed)

FOR THE SIX - MONTH PERIOD ENDED JUNE 30, 2021

| | Unit : Baht | | | | | |
|--|-----------------------|-----------------------|-----------------------------|----------------------------|-----------------------|-----------------------|
| | Separate | | | | | |
| | Issued and paid - up | | Retained earnings (deficit) | | Other components of | |
| | | | Appropriated | | shareholders' equity | |
| share capital | Share premium | Legal reserve | Unappropriated | Defined benefit plan | Total | |
| | | | | remeasurement gains (loss) | | |
| Beginning balance as at January 1, 2020 | 300,000,000.00 | 278,374,901.60 | 30,000,000.00 | 94,037,378.91 | (3,087,873.08) | 699,324,407.43 |
| Comprehensive income (loss) for the period | | | | | | |
| Net profit | - | - | - | 39,868,716.83 | - | 39,868,716.83 |
| Other comprehensive income (loss) | - | - | - | - | - | - |
| Ending balance as at June 30, 2020 | <u>300,000,000.00</u> | <u>278,374,901.60</u> | <u>30,000,000.00</u> | <u>133,906,095.74</u> | <u>(3,087,873.08)</u> | <u>739,193,124.26</u> |
| Beginning balance as at January 1, 2021 | 300,000,000.00 | 278,374,901.60 | 30,000,000.00 | 176,812,663.42 | (4,869,673.64) | 780,317,891.38 |
| Comprehensive income (loss) for the period | | | | | | |
| Net profit | - | - | - | 41,719,995.34 | - | 41,719,995.34 |
| Other comprehensive income (loss) | - | - | - | - | - | - |
| Ending balance as at June 30, 2021 | <u>300,000,000.00</u> | <u>278,374,901.60</u> | <u>30,000,000.00</u> | <u>218,532,658.76</u> | <u>(4,869,673.64)</u> | <u>822,037,886.72</u> |

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

STATEMENT OF CASH FLOWS

(Reviewed)

FOR THE SIX - MONTH PERIOD ENDED JUNE 30, 2021

| | | Unit : Baht | | | |
|---|--|----------------------|----------------------|----------------------|----------------------|
| | | Consolidated | | Separate | |
| Note | | 2021 | 2020 | 2021 | 2020 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| | Profit before income tax | 35,706,622.06 | 42,985,575.00 | 46,605,642.73 | 44,377,582.56 |
| | Reconciliations of net profit (loss) to net cash provided | | | | |
| | by (used in) operating activities | | | | |
| | Depreciation | 27,889,658.02 | 28,878,449.53 | 6,882,752.09 | 6,947,873.33 |
| | Amortization of intangible assets | 206,324.65 | 1,648,669.17 | 68,877.46 | 600,775.04 |
| | Assets transferred to expenses | 215,595.81 | - | 215,595.81 | - |
| | Expected credit losses | 329,931.34 | - | - | - |
| | Allowances for obsolete goods | 1,382,288.93 | 787,724.91 | - | 787,724.91 |
| | Allowances for obsolete goods (reversal) | (2,203,286.11) | (1,090,441.12) | (101,062.38) | (272,834.13) |
| | (Gain) loss from disposal of fixed assets | (144,494.65) | (4,004.78) | (144,494.65) | (4,004.78) |
| | Unrealized (gain) loss from exchange rate | 2,076,931.61 | (1,671,065.23) | 1,256,734.37 | (543,151.46) |
| | Provision for employee benefits | 3,132,440.34 | 2,696,510.00 | 1,903,649.34 | 1,518,858.00 |
| | Interest income | (10,720.03) | (43,028.52) | (12,554.13) | (31,182.65) |
| | Interest expenses | 6,438,754.13 | 8,271,974.14 | 66,725.93 | 274,158.53 |
| | Profit from operating activities before changes | | | | |
| | in operating assets and liabilities | 75,020,046.10 | 82,460,363.10 | 56,741,866.57 | 53,655,799.35 |
| | Decrease (Increase) in operating assets | | | | |
| | Trade accounts and other current receivable | (1,464,060.32) | (39,303,688.94) | 4,898,481.29 | (26,256,223.34) |
| | Inventories | (54,355,316.45) | (13,985,473.94) | (20,272,987.81) | (17,497,683.58) |
| | Other current assets | (349,467.25) | (13,431.42) | (18,739.89) | (2,036.62) |
| | Other non - current assets | (610,846.97) | 173,860.09 | (610,846.97) | 64,200.00 |
| | Increase (Decrease) in operating liabilities | | | | |
| | Trade accounts and other current payable | 65,689,786.89 | 42,180,460.59 | 37,149,890.82 | 26,197,083.34 |
| | Other current liabilities | (2,354,366.16) | (372,739.16) | (556,056.89) | (150,132.13) |
| | Employee benefits paid during the period | (494,767.00) | (720,712.35) | - | (644,387.00) |
| | Cash provided by (used in) operating activities | 81,081,008.84 | 70,418,637.97 | 77,331,607.12 | 35,366,620.02 |
| | Interest paid | (6,401,374.64) | (8,512,959.50) | (49,709.58) | (238,280.83) |
| | Income tax paid | (4,916,863.73) | (3,250,817.26) | (4,916,863.73) | (3,250,817.26) |
| | Net cash provided by (used in) operating activities | 69,762,770.47 | 58,654,861.21 | 72,365,033.81 | 31,877,521.93 |

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

STATEMENT OF CASH FLOWS (Con't)

(Reviewed)

FOR THE SIX - MONTH PERIOD ENDED JUNE 30, 2021

| | | Unit : Baht | | | |
|---|---|-------------------------|------------------------|------------------------|------------------------|
| | | Consolidated | | Separate | |
| Note | | 2021 | 2020 | 2021 | 2020 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| | Receipt of loans to employees | 264,425.96 | 329,082.24 | 207,018.15 | 178,836.17 |
| | Interest income | 10,720.03 | 43,028.52 | 12,554.13 | 31,182.65 |
| | Payments of asset payable | (524,804.02) | (1,514,321.77) | - | (1,184,219.28) |
| | Acquisition of fixed assets | 10 (34,357,703.62) | (4,087,098.93) | (5,004,657.75) | (3,330,461.15) |
| | Acquisition of intangible assets | 12 (948,700.00) | - | - | - |
| | Cash received from disposal of fixed assets | 144,504.65 | 4,017.78 | 144,504.65 | 4,017.78 |
| | Net cash provided by (used in) investing activities | (35,411,557.00) | (5,225,292.16) | (4,640,580.82) | (4,300,643.83) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| | Increase (Decrease) in short - term loans from | | | | |
| | financial institutions | 14 (18,000,000.00) | (84,500,000.00) | (18,000,000.00) | (15,000,000.00) |
| | Repayments for long - term loans from | | | | |
| | financial institutions | 16 (30,733,400.00) | (30,733,400.00) | - | - |
| | Received from short - term loan from related company | 5.2 60,000,000.00 | 100,000,000.00 | - | - |
| | Cash paid for lease liabilities | (585,000.00) | (585,000.00) | (399,000.00) | (399,000.00) |
| | Net cash provided by (used in) financing activities | 10,681,600.00 | (15,818,400.00) | (18,399,000.00) | (15,399,000.00) |
| | Net cash and cash equivalent increase (decrease) | 45,032,813.47 | 37,611,169.05 | 49,325,452.99 | 12,177,878.10 |
| | Cash and cash equivalents as at beginning balance | 6 69,003,279.51 | 37,346,144.01 | 35,288,507.92 | 25,538,737.85 |
| | Cash and cash equivalents as at ending balance | 6 114,036,092.98 | 74,957,313.06 | 84,613,960.91 | 37,716,615.95 |

Supplemental disclosures of cash flows information

1. Non - cash transactions (unit : baht)

The Company and its subsidiary purchased

| | | | | | |
|--|----------------------------------|------------------|--------------|--------------|------------|
| | fixed assets on credit | 2,403,700.04 | - | - | - |
| | Transfer deposit to fixed assets | 10 13,612,121.00 | 1,165,790.15 | 1,242,090.00 | 950,240.15 |

2. Unutilized credit facilities for future working capital

| | | | | | |
|--|-----------------------|-----|-------|-----|-----|
| | (unit : million baht) | 963 | 1,389 | 752 | 908 |
|--|-----------------------|-----|-------|-----|-----|

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

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONDENSED NOTES TO INTERIM FINANCIAL INFORMATION
FOR THE SIX - MONTH PERIOD ENDED JUNE 30, 2021 (UNAUDITED BUT REVIEWED)

1. GENERAL INFORMATION

1.1 General information about the Company

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

The subsidiary is located in Sinsakhon Printing City Industrial Estate, No. 30/32, Moo 1, Kokkharm Subdistrict, Muang Samutsakorn District, Samutsakorn.

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

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

1.2 Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic, in Thailand and other countries, is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company and its subsidiary operates. The Company and its subsidiary's management has continuously monitored ongoing the its operation continuously and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities and has used estimates and judgement in respect of various issues as the situation has evolved.

2. BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation of interim financial statements

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

The interim financial statements are presented on a condensed basis in accordance with Thai Accounting standards No. 34, "Interim Financial Reporting" including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("TFAP") and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 (1992). However, the Company and its subsidiary has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements. The notes to interim financial information are prepared in a condensed format.

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

2.1 Basis of preparation of interim financial statements (Con't)

The interim financial statements have been prepared in order to provide additional information of financial statements for the year ended December 31, 2020. The interim financial statements do not include all of the financial information required for full annual financial statements but focus on new activities, events and new situation and will not present information repeatedly from those has already been disclosed. Therefore, these interim financial statements shall be read collectively with the financial statements for the year ended December 31, 2020.

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

2.2 Basis of preparation of consolidated interim financial statements

The consolidated interim financial statements included the financial statements of the Company and its subsidiary, Sahakij Packaging Company Limited, and are prepared on the same basis as the consolidated financial statements for the year ended December 31, 2020, with no structural changes related to subsidiary occurring during the current period.

2.3 Basis of preparation of separate interim financial statements

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

3. ADOPTION OF NEW ACCOUNTING STANDARDS

3.1 Adoption of new accounting standards effective in the current period

In current period, the Company and its subsidiary has applied the revised (revised 2020) and newly Conceptual Framework for Financial Reporting Thai Accounting Standard (TAS), Thai Financial Reporting Standard (TFRS), Interpretations (TSIC and TFRIC) and Accounting Treatment Guidance as announced by the Federation of Accounting Professions which the Company and its subsidiary disclosed in the notes to the financial statements for the year ended December 31, 2020.

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

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

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

Conceptual Framework for Financial Reporting

Revised Conceptual Framework for Financial Reporting added the following key principals and guidance :

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, clarification the role of management's ability to maintain the entity's economic resources, and uncertainty of the measurement in financial reporting.

TAS 1 and TAS 8

TAS 1 , Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors

Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

TFRS 9 and TFRS 7

TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures

Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

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

3.2 New Thai Accounting Standards announce during the period not yet adopted

In current period, the Federation of Accounting Professions issued a number of revised Thai Financial Reporting Standard which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users. The Company and its subsidiary has not applied such standards before the effective period.

The management of the Company and its subsidiary believes they will not have any significant impact on the financial statements in the year in which they are adopted.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2020.

Due to uncertainty in 2020, the Company and its subsidiary applied accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 in preparing the financial statement for the year ended December 31, 2020 by excluding COVID-19 situation on as follows :

- Not to take into account forward-looking information when determining expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

As the accounting guidance already expired on December 31, 2020, the Company and its subsidiary has assessed the impact and there was no material impact to financial statements. Therefore, the Company and its subsidiary did not adjust the value in 2021.

5. RELATED PARTY TRANSACTIONS

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

| The Related Company | Relationship | Operation | | Percentage of Holding | |
|---|--------------|---|-------------|-----------------------|--------------|
| | | Type of business | Location | Jun 30, 2021 | Dec 31, 2020 |
| Oji Holdings Corporation Co., Ltd. | 1 | Management | Japan | - | - |
| Sahakij Packaging Co., Ltd. | 2 | Produce and sell packaging production | Thailand | 100 | 100 |
| Kyokuyo Pulp & Paper Co., Ltd. | 3 | Trading | Japan | - | - |
| Oji Industrial Materials Management Co., Ltd. | 3 | Management | Japan | - | - |
| GS Paperboard & Packaging Sdn Bhd. | 3 | Produce and sell packaging products | Malaysia | - | - |
| Oji Fibre Solutions (NZ) Ltd. | 3 | Produce and sell paper and packaging products | New Zealand | - | - |
| Oji Paper (Thailand) Ltd. | 3 | Produce and sell paper products | Thailand | - | - |
| OJI Asia Packaging Sdn Bhd | 3 | Management | Malaysia | - | - |
| Oji India Packaging Private Limited | 3 | Produce and sell packaging products | India | - | - |
| Union and Oji Interpack Co., Ltd. | 4 | Produce and sell packaging products | Thailand | - | - |

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

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

5. RELATED PARTY TRANSACTIONS (Con't)

5.1 The significant transactions with related companies are as follows :

| | | Unit : Baht | | | |
|--------------------------|---|---|---------------|---------------|---------------|
| | | For the three - month period ended June 30, | | | |
| Pricing policies | | Consolidated | | Separate | |
| | | 2021 | 2020 | 2021 | 2020 |
| Parent company | | | | | |
| Guarantee fee | 1 | 86,709.12 | 117,635.39 | - | - |
| Subsidiary | | | | | |
| Sales income | 2 | - | - | 160,384.56 | 78,568.40 |
| Purchases | 2 | - | - | 1,364,713.32 | 4,528,502.49 |
| Other expenses | 3 | - | - | 180,000.00 | 3,140.50 |
| Related companies | | | | | |
| Sales income | 2 | 109,600.00 | 70,145.00 | - | - |
| Purchases | 2 | 112,043,996.29 | 90,885,560.91 | 58,085,334.06 | 48,846,652.14 |
| Management fees | 3 | 212,031.41 | - | 212,031.41 | - |
| Interest expense | 4 | 833,709.59 | 852,657.53 | - | - |

| | | Unit : Baht | | | |
|--------------------------|---|---|----------------|---------------|----------------|
| | | For the six - month period ended June 30, | | | |
| Pricing policies | | Consolidated | | Separate | |
| | | 2021 | 2020 | 2021 | 2020 |
| Parent company | | | | | |
| Guarantee fee | 1 | 176,665.92 | 265,264.67 | - | - |
| Subsidiary | | | | | |
| Sales income | 2 | - | - | 800,330.50 | 159,478.40 |
| Other income | 2 | - | - | - | 19,932.50 |
| Purchases | 2 | - | - | 2,528,341.87 | 9,660,997.77 |
| Other expenses | 3 | - | - | 360,000.00 | 3,140.50 |
| Related companies | | | | | |
| Sales income | 2 | 255,718.79 | 146,265.00 | - | - |
| Purchases | 2 | 192,952,120.40 | 172,327,272.95 | 95,036,885.52 | 106,204,186.10 |
| Management fees | 3 | 497,865.30 | 414,247.69 | 497,865.30 | 414,247.69 |
| Interest expense | 4 | 1,599,912.33 | 1,514,794.52 | - | - |

5. RELATED PARTY TRANSACTIONS (Con't)

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

Pricing policies

1. As stipulated in the Memorandum of the Guarantee Fee Agreement between Oji Holdings Corporation Company Limited with its subsidiary at the rate of 0.20% per annum of the outstanding loan balance at each quarter.
2. Market price
3. Actual price
4. Interest rate at 0.88 per annum and 0.42 - 1.14 per annum respectively

Management's benefit expenses

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

| | Unit : Baht | | | |
|----------------------------|---|---------------------|---------------------|---------------------|
| | For the three - month period ended June 30, | | | |
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| Short - term benefits | 4,404,930.87 | 5,386,840.80 | 3,626,432.87 | 3,754,559.12 |
| Post - employment benefits | 187,010.00 | 115,105.00 | 178,733.00 | 88,679.00 |
| Total | <u>4,591,940.87</u> | <u>5,501,945.80</u> | <u>3,805,165.87</u> | <u>3,843,238.12</u> |

| | Unit : Baht | | | |
|----------------------------|---|----------------------|---------------------|---------------------|
| | For the six - month period ended June 30, | | | |
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| Short - term benefits | 8,873,388.72 | 12,000,228.70 | 7,317,309.22 | 8,743,319.31 |
| Post - employment benefits | 374,024.00 | 243,055.00 | 357,469.00 | 177,355.00 |
| Total | <u>9,247,412.72</u> | <u>12,243,283.70</u> | <u>7,674,778.22</u> | <u>8,920,674.31</u> |

5. RELATED PARTY TRANSACTIONS (Con't)

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

| | Unit : Baht | | | |
|--|---------------|---------------|---------------|---------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Trade accounts and other current receivable | | | | |
| <u>Trade accounts receivable</u> | | | | |
| Subsidiary | - | - | 171,611.48 | 560,208.78 |
| Related company | 98,440.00 | 56,496.00 | - | - |
| Total Trade accounts receivable | 98,440.00 | 56,496.00 | 171,611.48 | 560,208.78 |
| <u>Advance payment</u> | | | | |
| Subsidiary | - | - | 159,899.00 | 1,300.00 |
| <u>Assets receivable</u> | | | | |
| Subsidiary | - | - | - | 338,624.02 |
| Total Trade accounts and other current receivable | 98,440.00 | 56,496.00 | 331,510.48 | 900,132.80 |
| Property, plant and equipment - net | | | | |
| Subsidiary | - | - | - | 13,150,043.97 |
| Trade accounts and other current payable | | | | |
| <u>Trade accounts payable</u> | | | | |
| Subsidiary | - | - | 1,116,460.18 | 1,337,407.63 |
| Related companies | 90,471,098.43 | 40,072,488.46 | 57,872,276.58 | 25,577,508.87 |
| Total Trade accounts payable | 90,471,098.43 | 40,072,488.46 | 58,988,736.76 | 26,914,916.50 |
| <u>Other payable</u> | | | | |
| Subsidiary | - | - | 9,770.00 | 8,000.00 |
| <u>Accrued expenses</u> | | | | |
| Parent company | 86,709.12 | 99,514.51 | - | - |
| Related company | 212,031.41 | 124,198.81 | 212,031.41 | 124,198.81 |
| Total accrued expenses | 298,740.53 | 223,713.32 | 212,031.41 | 124,198.81 |
| Total Trade accounts and other current payable | 90,769,838.96 | 40,296,201.78 | 59,210,538.17 | 27,047,115.31 |

5. RELATED PARTY TRANSACTIONS (Con't)

5.2 The outstanding balances of accounts with related companies are as follows : (Con't)

Short-term loan from related company

The movement of short-term loans from related company is as follows :

| | Unit : Baht | |
|--|----------------|----------------|
| | Consolidated | |
| | Jun 30, 2021 | Dec 31, 2020 |
| Beginning balance for the period/year | 320,000,000.00 | 200,000,000.00 |
| <u>Add</u> Increase during the period/year | 60,000,000.00 | 120,000,000.00 |
| Ending balance for the period/year | 380,000,000.00 | 320,000,000.00 |

As at June 30, 2021 and December 31, 2020, the subsidiary has loans from related company in respect of loan agreement which were due on demand charged interest at the rate of 0.88% per annum and 0.42% - 1.14% per annum respectively.

Other matters

The ultimate parent company has guaranteed it's subsidiary's facilities of Baht 430 million.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of :

| | Unit : Baht | | | |
|---------------------------------|----------------|---------------|---------------|---------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Cash in hand | 80,216.50 | 80,478.75 | 80,000.00 | 80,000.00 |
| Outstanding cheque - net | - | 106,311.19 | - | - |
| Deposits at banks - savings | 105,199,926.98 | 35,496,241.51 | 77,690,431.99 | 30,430,343.14 |
| - current | 8,755,949.50 | 33,320,248.06 | 6,843,528.92 | 4,778,164.78 |
| Total Cash and cash equivalents | 114,036,092.98 | 69,003,279.51 | 84,613,960.91 | 35,288,507.92 |

7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLE - NET

Trade accounts and other current receivable consist of :

| | Unit : Baht | | | |
|--|----------------|----------------|----------------|----------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| <u>Trade accounts and notes receivable</u> | | | | |
| Note receivables | 191,474.37 | 1,690,218.67 | - | - |
| Trade account - Related company | 98,440.00 | 56,496.00 | 171,611.48 | 560,208.78 |
| - Other companies | 201,086,143.50 | 204,180,231.52 | 111,524,741.51 | 118,819,046.73 |
| Total | 201,376,057.87 | 205,926,946.19 | 111,696,352.99 | 119,379,255.51 |
| <u>Less</u> Allowances for expected credit losses | (5,328,539.19) | (4,998,607.85) | (3,321,911.87) | (3,321,911.87) |
| Trade accounts and note receivables - net | 196,047,518.68 | 200,928,338.34 | 108,374,441.12 | 116,057,343.64 |
| <u>Others current receivable</u> | | | | |
| Prepaid expense | 5,438,191.16 | 3,526,164.02 | 2,550,252.26 | 1,926,709.08 |
| Deposit of machinery | 2,608,726.15 | 13,646,623.50 | 1,395,545.65 | 1,242,090.00 |
| Receivable from the Revenue Department | 744,610.41 | 347,897.07 | 744,610.41 | 347,897.07 |
| Other receivable | 1,602,051.17 | 1,018,350.66 | 991,252.37 | 897,253.31 |
| Advance payment | 1,104,246.26 | 555,962.26 | 698,199.00 | 423,579.00 |
| Total Others current receivable | 11,497,825.15 | 19,094,997.51 | 6,379,859.69 | 4,837,528.46 |
| Total Trade accounts and Other current receivable - net | 207,545,343.83 | 220,023,335.85 | 114,754,300.81 | 120,894,872.10 |

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

| | Unit : Baht | | | |
|---|----------------|----------------|----------------|----------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Accounts receivables not yet due | 175,973,754.00 | 186,119,439.14 | 101,223,020.72 | 108,896,072.63 |
| Accounts receivables over due | | | | |
| Under or equal to 3 months | 20,073,585.48 | 14,515,851.88 | 7,151,241.60 | 7,161,271.01 |
| Over 3 months to 6 months | 37,329.20 | 293,047.32 | 178.80 | - |
| Over 6 months to 12 months | 292,781.34 | - | - | - |
| Over 12 months | 4,998,607.85 | 4,998,607.85 | 3,321,911.87 | 3,321,911.87 |
| Total | 201,376,057.87 | 205,926,946.19 | 111,696,352.99 | 119,379,255.51 |
| <u>Less</u> Allowances for expected credit loss | (5,328,539.19) | (4,998,607.85) | (3,321,911.87) | (3,321,911.87) |
| Trade accounts and note receivable - net | 196,047,518.68 | 200,928,338.34 | 108,374,441.12 | 116,057,343.64 |

7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLE - NET (Con't)

Movements of allowances for expected credit losses are as follows :

| | Unit : Baht | | | |
|--|---------------------|---------------------|---------------------|---------------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Beginning balance of the period/year | 4,998,607.85 | 4,998,607.85 | 3,321,911.87 | 3,321,911.87 |
| <u>Add</u> Increase during the period/year | 329,931.34 | - | - | - |
| Ending balance of the period/year | <u>5,328,539.19</u> | <u>4,998,607.85</u> | <u>3,321,911.87</u> | <u>3,321,911.87</u> |

8. INVENTORIES - NET

Inventories are as follows :

| | Unit : Baht | | | |
|--|-----------------------|-----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Finished goods | 24,789,355.47 | 16,096,319.36 | 7,566,131.16 | 4,157,321.75 |
| Work-in-process | 18,249,340.55 | 15,006,304.87 | 2,023,412.29 | 2,886,965.43 |
| Raw materials | 152,385,800.35 | 113,755,388.02 | 65,055,945.92 | 54,429,670.28 |
| Supplies and packing materials | 5,757,138.22 | 4,748,170.88 | 3,022,584.98 | 2,749,628.38 |
| Spare parts | 9,505,011.74 | 9,551,489.92 | 7,314,729.31 | 7,535,151.05 |
| Raw materials and spare parts in transit | 11,878,734.60 | 9,052,391.43 | 9,560,176.04 | 2,511,255.00 |
| Total | 222,565,380.93 | 168,210,064.48 | 94,542,979.70 | 74,269,991.89 |
| <u>Less</u> Allowance for obsolete goods | (2,783,469.23) | (3,604,466.41) | (712,846.46) | (813,908.84) |
| Total inventories - net | <u>219,781,911.70</u> | <u>164,605,598.07</u> | <u>93,830,133.24</u> | <u>73,456,083.05</u> |

Movements in allowance for obsolete in value of inventories are as follows :

| | Unit : Baht | | | |
|---|---------------------|---------------------|-------------------|-------------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Beginning balance for the period/year | 3,604,466.41 | 3,501,955.20 | 813,908.84 | 542,045.07 |
| <u>Add</u> Increase during the period/year | 1,382,288.93 | 2,294,671.03 | - | 787,724.91 |
| <u>Less</u> Reversal during the period/year | (2,203,286.11) | (2,192,159.82) | (101,062.38) | (515,861.14) |
| Ending balance for the period/year | <u>2,783,469.23</u> | <u>3,604,466.41</u> | <u>712,846.46</u> | <u>813,908.84</u> |

9. INVESTMENT IN SUBSIDIARY

Investment in subsidiary is as follows :

| Company | Unit : Baht | | | | | | | |
|--------------------------------------|-----------------------------|-----------------|-----------------------------|-----------------|---------------------------------------|----------------|--|-----------------|
| | Paid - up (Million Baht) | | Investment ownership (%) | | Investment Separate Cost method | | Dividend income for the six - month period ended | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Jun 30, 2020 |
| | | | | | | | | |
| <u>Subsidiary</u> | | | | | | | | |
| Sahakit Packaging Company Limited | 600 | 600 | 100 | 100 | 500,100,399.40 | 500,100,399.40 | - | - |

10. PROPERTY, PLANT AND EQUIPMENT - NET

Movements of the property, plant and equipment for the six - month period ended June 30, 2021 are summarized below :

| | Unit : Baht | |
|--|-----------------|----------------|
| | Consolidated | Separate |
| Net book value as at January 1, 2021 | 773,943,732.60 | 182,757,948.84 |
| Acquisition during the period at cost | 36,761,403.66 | 5,004,657.75 |
| Assets transferred to expenses | (215,595.81) | (215,595.81) |
| Disposals during the period at net book value at disposal date | (10.00) | (10.00) |
| Transfers deposit to fixed assets | 13,612,121.00 | 1,242,090.00 |
| Depreciation for the period | (27,335,115.37) | (6,502,071.92) |
| Net book value as at June 30, 2021 | 796,766,536.08 | 182,287,018.86 |

10.1 The Company and its subsidiary had acquired land, building and equipment by cash payment amounting to Baht 34.36 million for the consolidated financial statement and Baht 5 million for the separate financial statement.

10.2 As at June 30, 2021 and December 31, 2020, the Company and its subsidiary have mortgaged their land and buildings and certain machinery with commercial banks as collaterals for their loans as described in Condensed Notes 14 to the interim financial information at cost amounting to Baht 619.83 million respectively and carrying amounting to Baht 463.31 million and Baht 469.73 million respectively for the consolidated financial statements (cost amounting to Baht 133.43 million and carrying amounting to Baht 85.16 million and Baht 87.06 million respectively for the separate financial statement).

11. LEASES

11.1 RIGHT-OF-USE ASSETS - NET

Movements of the right-of-use assets for the six - month period ended June 30, 2021 are summarized below :

| | Unit : Baht | | | |
|--------------------------------------|---------------------|--------------|--------------|--------------|
| | Consolidated | | | Separate |
| | Office equipment | Vehicles | Total | Vehicles |
| Net book value as at January 1, 2021 | 811,358.29 | 979,463.26 | 1,790,821.55 | 979,463.26 |
| Depreciation for the period | (173,862.48) | (380,680.17) | (554,542.65) | (380,680.17) |
| Net book value as at June 30, 2021 | 637,495.81 | 598,783.09 | 1,236,278.90 | 598,783.09 |

The Company and its subsidiary leases several assets including office equipment and vehicles. The lease term is 3 - 4 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

11.2 LEASE LIABILITIES - NET

Lease liabilities consist of :

| | Unit : Baht | | | |
|-------------------------------|--------------|----------------|--------------|--------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Lease liabilities | 1,313,500.00 | 1,898,500.00 | 631,500.00 | 1,030,500.00 |
| <u>Less</u> Deferred interest | (39,989.28) | (72,135.43) | (14,528.82) | (31,545.17) |
| Total | 1,273,510.72 | 1,826,364.57 | 616,971.18 | 998,954.83 |
| <u>Less</u> Current portion | (854,663.76) | (1,025,475.88) | (509,477.36) | (680,289.48) |
| Lease liabilities - net | 418,846.96 | 800,888.69 | 107,493.82 | 318,665.35 |

Movements of lease liabilities account for the six - month period ended June 30, 2021 are summarized below :

| | Unit : Baht | |
|--|--------------|--------------|
| | Consolidated | Separate |
| Balance as at January 1, 2021 | 1,826,364.57 | 998,954.83 |
| <u>Less</u> Payments during the period | (552,853.85) | (381,983.65) |
| Balance as at June 30, 2021 | 1,273,510.72 | 616,971.18 |

11. LEASES (Con't)

11.3 Expenses relating to leases that are recognized in the statements of income

The following are the amounts relating to lease contracts recognized in the statement of income are summarized below :

| | Unit : Baht | | | |
|---|---|------------|------------|------------|
| | For the three - month period ended June 30, | | | |
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| Depreciation expenses of right-of-use assets | 277,271.34 | 277,271.24 | 190,340.10 | 190,340.00 |
| Interest expenses on lease liabilities | 14,587.78 | 25,467.14 | 7,449.34 | 14,967.51 |
| Expenses relating to leases of low-value assets | 76,985.95 | 334,158.30 | 76,985.95 | 229,833.30 |

| | Unit : Baht | | | |
|---|---|------------|------------|------------|
| | For the six - month period ended June 30, | | | |
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| Depreciation expenses of right-of-use assets | 554,542.65 | 554,542.56 | 380,680.17 | 380,680.08 |
| Interest expenses on lease liabilities | 32,146.15 | 53,586.91 | 17,016.35 | 31,768.11 |
| Expenses relating to leases of low-value assets | 168,285.95 | 802,231.27 | 168,285.95 | 593,581.27 |

12. INTANGIBLE ASSETS - NET

Movements of intangible assets for the six - month period ended June 30, 2021 are summarized below :

| | Unit : Baht | |
|---------------------------------------|--------------|-------------|
| | Consolidated | Separate |
| Net book value as at January 1, 2021 | 608,400.27 | 140,782.82 |
| Acquisition during the period at cost | 948,700.00 | - |
| Amortization for the period | (206,324.65) | (68,877.46) |
| Net book value as at June 30, 2021 | 1,350,775.62 | 71,905.36 |

13. DEFERRED TAX

Deferred tax assets and liability are as follows :

| | Unit : Baht | | | |
|------------------------|----------------|----------------|--------------|--------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Deferred tax assets | 12,875,185.19 | 12,445,863.69 | 7,603,308.52 | 7,242,791.13 |
| Deferred tax liability | (5,063,446.56) | (4,504,955.50) | - | - |
| Net | 7,811,738.63 | 7,940,908.19 | 7,603,308.52 | 7,242,791.13 |

13.1 Movements in deferred tax assets and liability during the period were as follows :

| | Unit : Baht | | |
|---|----------------------|---|-----------------------|
| | Consolidated | | |
| | (Changed) | | |
| | As at Jan 1, 2021 | Credit for the period to profit or loss | As at Jun 30, 2021 |
| <u>Deferred tax assets</u> | | | |
| Trade accounts and other current receivable | 986,211.63 | 65,986.27 | 1,052,197.90 |
| Inventories | 720,893.27 | (164,199.44) | 556,693.83 |
| Provisions for employee benefit | 10,103,376.79 | 527,534.67 | 10,630,911.46 |
| Investment property | 635,382.00 | - | 635,382.00 |
| Total | 12,445,863.69 | 429,321.50 | 12,875,185.19 |
| <u>Deferred tax liability</u> | | | |
| Property, plant and equipment | (4,504,955.50) | (558,491.06) | (5,063,446.56) |
| Net | 7,940,908.19 | (129,169.56) | 7,811,738.63 |

| | Unit : Baht | | |
|---|----------------------|-------------------------------------|-----------------------|
| | Separate | | |
| | (Changed) Credit | | |
| | As at Jan 1, 2021 | for the period to profit or loss | As at Jun 30, 2021 |
| <u>Deferred tax assets</u> | | | |
| Trade accounts and other current receivable | 664,382.38 | - | 664,382.38 |
| Inventories | 162,781.75 | (20,212.48) | 142,569.27 |
| Provisions for employee benefit | 6,415,627.00 | 380,729.87 | 6,796,356.87 |
| Total | 7,242,791.13 | 360,517.39 | 7,603,308.52 |

13. DEFERRED TAX (Con't)

13.2 Income tax expenses for the period are as follows :

| | Unit : Baht | | | |
|--|---|--------------|--------------|--------------|
| | For the three - month period ended June 30, | | | |
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| <u>Current income tax</u> | | | | |
| Corporate income tax charge for the period | 2,081,853.82 | 3,341,854.20 | 2,081,853.82 | 3,341,854.20 |
| <u>Deferred tax</u> | | | | |
| Deferred tax expense (income) | | | | |
| relating to the original and reversal | | | | |
| of temporary differences | 49,107.57 | 51,540.92 | (179,225.04) | (265,364.73) |
| Income tax expense | 2,130,961.39 | 3,393,395.12 | 1,902,628.78 | 3,076,489.47 |

| | Unit : Baht | | | |
|--|---|--------------|--------------|--------------|
| | For the six - month period ended June 30, | | | |
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| <u>Current income tax</u> | | | | |
| Corporate income tax charge for the period | 5,246,164.78 | 5,106,433.57 | 5,246,164.78 | 5,106,433.57 |
| <u>Deferred tax</u> | | | | |
| Deferred tax expense (income) | | | | |
| relating to the original and reversal | | | | |
| of temporary differences | 129,169.56 | (94,269.48) | (360,517.39) | (597,567.84) |
| Income tax expense | 5,375,334.34 | 5,012,164.09 | 4,885,647.39 | 4,508,865.73 |

14. SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

Short - term loans from financial institutions consist of :

| | Unit : Baht | | | | | |
|------------------|------------------------|--------------|--------------|---------------|--------------|---------------|
| | Interest rate (% p.a.) | | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| Promissory notes | - | 1.20 - 1.95 | - | 18,000,000.00 | - | 18,000,000.00 |

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

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

15. TRADE ACCOUNTS AND OTHER CURRENT PAYABLE

Trade accounts and other current payable consist of :

| | Unit : Baht | | | |
|---|-----------------------|-----------------------|-----------------------|----------------------|
| | Consolidated | | Separate | |
| | Jun 30, 2021 | Dec 31, 2020 | Jun 30, 2021 | Dec 31, 2020 |
| <u>Trade accounts payable</u> | | | | |
| Trade accounts payable | | | | |
| - Related companies | 90,471,098.43 | 40,072,488.46 | 58,988,736.76 | 26,914,916.50 |
| - Other companies | 61,340,652.09 | 42,462,990.06 | 30,419,712.54 | 18,072,286.40 |
| Total trade accounts payable | <u>151,811,750.52</u> | <u>82,535,478.52</u> | <u>89,408,449.30</u> | <u>44,987,202.90</u> |
| <u>Other current payable</u> | | | | |
| Other payable | 4,504,504.11 | 4,640,018.83 | 3,625,336.86 | 4,038,983.63 |
| Accrued expenses | 8,343,482.65 | 8,564,788.75 | 3,402,285.35 | 3,836,257.69 |
| Accrued bonus | 10,652,769.83 | 12,145,744.33 | 5,199,327.08 | 10,406,733.33 |
| Asset payable | 2,472,969.33 | 186,180.00 | - | - |
| Advance income | 580,354.81 | 642,772.96 | 401,041.00 | 360,636.85 |
| Total other current payable | <u>26,554,080.73</u> | <u>26,179,504.87</u> | <u>12,627,990.29</u> | <u>18,642,611.50</u> |
| Total trade accounts and others current payable | <u>178,365,831.25</u> | <u>108,714,983.39</u> | <u>102,036,439.59</u> | <u>63,629,814.40</u> |

16. LONG - TERM LOAN FROM FINANCIAL INSTITUTION - NET

Long - term loan from financial institution consist of :

| | Unit : Baht | |
|---|------------------------|------------------------|
| | Consolidated | |
| | Jun 30, 2021 | Dec 31, 2020 |
| Beginning balance for the period/year | 199,499,500.00 | 260,966,300.00 |
| <u>Less</u> Paid during the period/year | <u>(30,733,400.00)</u> | <u>(61,466,800.00)</u> |
| Total | 168,766,100.00 | 199,499,500.00 |
| <u>Less</u> Current portion | <u>(61,466,800.00)</u> | <u>(61,466,800.00)</u> |
| Net | <u>107,299,300.00</u> | <u>138,032,700.00</u> |

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

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

17. PROVISION FOR EMPLOYEE BENEFITS - NET

Movements of the present value of the provision for employee benefits for the six - month period ended June 30, 2021, consist of :

| | Unit : Baht | |
|--|----------------|---------------|
| | Consolidated | Separate |
| Opening balance as at January 1, 2021 | 50,516,884.00 | 32,078,135.00 |
| Current service cost | 2,826,563.00 | 1,711,168.00 |
| Interest cost | 305,877.34 | 192,481.34 |
| Employee benefits paid during the period | (494,767.00) | - |
| Ending balance as at June 30, 2021 | 53,154,557.34 | 33,981,784.34 |
| <u>Less</u> Current portion | (1,003,651.00) | (723,465.00) |
| Provision for employee benefits - net | 52,150,906.34 | 33,258,319.34 |

18. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION

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

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

Significant rights and privileges granted include the following :

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

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

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

| | Unit : Thousands Baht | | |
|-------------------------------------|--|----------------------------|-----------|
| | Consolidated | | |
| | For the six - month period ended June 30, 2021 | | |
| | Promoted business | Non - Promoted business | Total |
| Total revenues | 143,938 | 442,402 | 586,340 |
| Cost and expenses | (123,897) | (420,298) | (544,195) |
| Finance cost | (28) | (6,411) | (6,439) |
| Income tax | - | (5,375) | (5,375) |
| Net profit for the period | 20,013 | 10,318 | 30,331 |
| Other comprehensive income (loss) | - | - | - |
| Comprehensive income for the period | 20,013 | 10,318 | 30,331 |

| | Unit : Thousand Baht | | |
|-------------------------------------|--|----------------------------|-----------|
| | Separate | | |
| | For the six - month period ended June 30, 2021 | | |
| | Promoted business | Non - Promoted business | Total |
| Total revenues | 143,938 | 190,599 | 334,537 |
| Cost and expenses | (123,897) | (163,968) | (287,865) |
| Finance cost | (28) | (38) | (66) |
| Income tax | - | (4,886) | (4,886) |
| Net profit for the period | 20,013 | 21,707 | 41,720 |
| Other comprehensive income (loss) | - | - | - |
| Comprehensive income for the period | 20,013 | 21,707 | 41,720 |

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

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

19. BASIC EARNINGS PER SHARE

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

| | For the three - month period ended June 30, | | | |
|---|---|---------------|---------------|---------------|
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| Net profit attributable to ordinary shareholders of the Company (basis) (Unit : Baht) | 11,777,730.09 | 27,262,809.26 | 17,402,887.13 | 26,460,947.21 |
| Number of weighted average common shares (Unit : Share) | 300,000,000 | 300,000,000 | 300,000,000 | 300,000,000 |
| Basic earnings per share (Unit : Baht/Unit) | 0.039 | 0.091 | 0.058 | 0.088 |

| | For the six - month period ended June 30, | | | |
|---|---|---------------|---------------|---------------|
| | Consolidated | | Separate | |
| | 2021 | 2020 | 2021 | 2020 |
| Net profit attributable to ordinary shareholders of the Company (basis) (Unit : Baht) | 30,331,287.72 | 37,973,410.91 | 41,719,995.34 | 39,868,716.83 |
| Number of weighted average common shares (Unit : Share) | 300,000,000 | 300,000,000 | 300,000,000 | 300,000,000 |
| Basic earnings per share (Unit : Baht/Unit) | 0.101 | 0.127 | 0.139 | 0.133 |

20. OPERAING SEGMENTS

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

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

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

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

21. COMMITMENTS AND CONTINGENT LIABILITIES

Commitment

- 21.1 The Company and its subsidiary had commitment under purchase agreement of spare parts and machinery are as follows :

| | Currency | Jun 30, 2021 | Dec 31, 2020 |
|-------------|----------|--------------|--------------|
| The Company | USD | 80,958 | 77,000 |
| | THB | 4,140,847 | 1,292,000 |
| Subsidiary | USD | 37,875 | 515,900 |
| | JPY | - | 35,600,000 |
| | THB | 1,171,115 | 303,400 |

Contingent liabilities

- 21.2 The Company and its subsidiary had outstanding commitments with banks are as follows :

| | Jun 30, 2021 | | Dec 31, 2020 | |
|-----------------------------|--------------|-----|--------------|-------|
| | Baht | USD | Baht | USD |
| <u>Letters of credit</u> | | | | |
| Subsidiary | - | - | - | 5,261 |
| <u>Letters of guarantee</u> | | | | |
| The Company | 6,749,100 | - | 6,749,100 | - |
| Subsidiary | 6,700,000 | - | 6,700,000 | - |

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

22. CAPITAL MANAGEMENT

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

As at June 30, 2021 and December 31, 2020, debt-to-equity ratio in the consolidated financial statements was 1.45 : 1 and 1.38 : 1 respectively, and the separate financial statements was 0.20 : 1 and 1.18 : 1 respectively.

23. APPROVAL OF FINANCIAL STATEMENT

These interim financial statements have been approved by the Company's Board of Directors on August 11, 2021.