

INDEPENDENT AUDITOR'S REPORT

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

Opinion

I have audited the accompanying consolidated financial statements of S. PACK & PRINT PUBLIC COMPANY LIMITED and its subsidiary and the separate financial statements of S. PACK & PRINT PUBLIC COMPANY LIMITED, which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of S. PACK & PRINT PUBLIC COMPANY LIMITED and its subsidiary and of S. PACK & PRINT PUBLIC COMPANY LIMITED as at December 31, 2021, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. My opinion on the consolidated and separate financial statements is not modified with respect to any of the key audit matters described below and I do not express an opinion on these individual matters.

INDEPENDENT AUDITOR'S REPORT (Con't) -2-

Key Audit Matter (Con't)

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying consolidated and separate financial statements as a whole.

Key audit matter and how audit procedures respond for matter is described below.

Impairment of investment in subsidiary

As described in Note 9 to the separate financial statements. The Company has investment in a subsidiary amounting to Baht 500.10 million accounting for 49% of total assets in the separate financial statements. The subsidiary has continued to incur losses. As such, the management has considered that was indication of impairment in its investment in the subsidiary.

As at December 31, 2021, the management considered the impairment of investment in the subsidiary, by estimating the recoverable amount from the value in use, determined by discounting future cash flows from the subsidiary's operations which involved a significant level of judgment in determining the key assumptions of management. As a result, this is an area focus for my audit.

My significant audit procedures, among others, includes :

- Evaluated, interviewed the management and understand the processes related to the identification of Impairment in the subsidiary, the preparation of discounted future cash flow and the management's approval.
- Assessing the reasonableness of the key assumptions use by management in the forecast of future profit and cash flows projection of subsidiary by considering with the internal and external sources of information and considering the operation plan approved by management by comparing to the actual and the historical operating results and determined the appropriateness of the assumption used in order to evaluate the reliability of the management.
- In performing impairment assessment of investment in the subsidiary, I obtained information about the estimate of discounted future cash flows from the management, interviewed the management and testing the accuracy of calculations.
- evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.

Through this work, I concluded that the recognition of Impairment of investment in the subsidiary was reasonable based on available evidence and the current conditions.

INDEPENDENT AUDITOR'S REPORT (Con't) -3-

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (Con't) -4-

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (Con't) -5-

Auditor's Responsibilities for the Audit of the consolidated and separate financial statements (Con't)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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

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

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

The engagement partner responsible for the audit resulting in this independent auditor's report is Wanpen Unruan.

(Wanpen Unruan)

Certified Public Accountant (Thailand) No. 7750

OFFICE OF PITISEVI CO., LTD.

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

Chatuchak, Bangkok

February 24, 2022

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

		Unit : Baht				
		Consolidated		Separate		
Note		2021	2020	2021	2020	
ASSETS						
CURRENT ASSETS						
	Cash and cash equivalents	6	55,822,451.07	69,003,279.51	20,073,417.41	35,288,507.92
	Trade accounts and other current receivable - net	5.2 ,7	271,810,649.31	220,023,335.85	135,746,802.98	120,894,872.10
	Inventories - net	8	253,411,834.41	164,605,598.07	128,444,777.43	73,456,083.05
	Long - term loans to employees - current portion		10,925.67	260,507.57	10,609.99	250,283.63
	Other current assets		295,834.45	267,794.78	76,520.07	19,888.59
	Total current assets		581,351,694.91	454,160,515.78	284,352,127.88	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	10	14,298,750.00	14,298,750.00	-	-
	Property, plant and equipment - net	11	820,517,254.37	773,943,732.60	229,004,389.71	182,757,948.84
	Right-of-use assets - net	12.1	769,965.32	1,790,821.55	306,331.99	979,463.26
	Intangible assets - net	13	3,876,492.56	608,400.27	2,774,159.34	140,782.82
	Deferred tax assets	14	6,813,548.20	7,940,908.19	6,663,067.78	7,242,791.13
	Other non - current assets		693,238.65	669,095.92	417,046.43	392,903.70
	Total non - current assets		846,969,249.10	799,366,218.57	739,265,394.65	691,647,432.15
	TOTAL ASSETS		1,428,320,944.01	1,253,526,734.35	1,023,617,522.53	921,557,067.44

Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT DECEMBER 31, 2021

		Unit : Baht			
		Consolidated		Separate	
Note		2021	2020	2021	2020
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Short - term loans from financial institutions	15	-	18,000,000.00	-	18,000,000.00
Trade accounts and other current payable	5.2, 16	196,024,836.08	108,714,983.39	96,456,725.63	63,629,814.40
Current portion of					
Long - term loan from financial institution	17	61,466,800.00	61,466,800.00	-	-
Lease liabilities	12.2	677,915.17	1,025,475.88	318,665.35	680,289.48
Short - term loan from related company	5.2	420,000,000.00	320,000,000.00	-	-
Accrued corporate income tax		6,604,519.09	4,916,863.73	6,604,519.09	4,916,863.73
Provision of current liabilities for employee benefit	18	2,296,552.00	1,206,147.00	1,434,723.00	723,465.00
Accrued dividend		20,535,329.42	20,535,329.42	20,535,329.42	20,535,329.42
Other current liabilities		2,822,368.48	3,080,825.68	877,605.47	1,080,078.68
Total current liabilities		<u>710,428,320.24</u>	<u>538,946,425.10</u>	<u>126,227,567.96</u>	<u>109,565,840.71</u>
NON - CURRENT LIABILITIES					
Long - term loan from financial institution - net	17	76,565,900.00	138,032,700.00	-	-
Lease liabilities - net	12.2	122,973.52	800,888.69	-	318,665.35
Provision of non - current liabilities					
for employee benefit - net	18	45,401,890.00	49,310,737.00	31,175,402.00	31,354,670.00
Total non - current liabilities		<u>122,090,763.52</u>	<u>188,144,325.69</u>	<u>31,175,402.00</u>	<u>31,673,335.35</u>
TOTAL LIABILITIES		<u>832,519,083.76</u>	<u>727,090,750.79</u>	<u>157,402,969.96</u>	<u>141,239,176.06</u>

Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (Con't)

AS AT DECEMBER 31, 2021

		Unit : Baht			
		Consolidated		Separate	
Note		2021	2020	2021	2020
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	19.1	30,000,000.00	30,000,000.00	30,000,000.00
	Unappropriated	(20,490,857.86)	(84,282,526.78)	260,692,093.65	176,812,663.42
	Other components of shareholders' equity	7,917,816.51	2,343,608.74	(2,852,442.68)	(4,869,673.64)
	Total equity of the Company	595,801,860.25	526,435,983.56	866,214,552.57	780,317,891.38
	Non - controlling interests	-	-	-	-
	Total shareholders' equity	595,801,860.25	526,435,983.56	866,214,552.57	780,317,891.38
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,428,320,944.01	1,253,526,734.35	1,023,617,522.53	921,557,067.44

Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht					
		Consolidated		Separate	
Note	2021	2020	2021	2020	
REVENUES					
Sales income and proceeds from services	5.1	1,274,969,762.94	1,205,752,315.96	710,851,305.45	675,157,853.86
Other incomes	5.1	2,005,038.32	5,153,863.15	1,063,921.22	1,102,796.56
TOTAL REVENUES		1,276,974,801.26	1,210,906,179.11	711,915,226.67	676,260,650.42
EXPENSES					
Cost of sales and services	5.1	1,071,714,092.15	1,000,806,728.21	562,618,351.03	528,650,293.61
Distribution costs		47,791,290.69	44,516,417.11	19,530,889.06	19,674,987.87
Administrative expenses	5.1	70,208,949.11	63,295,007.33	33,881,870.93	35,421,902.65
TOTAL EXPENSES		1,189,714,331.95	1,108,618,152.65	616,031,111.02	583,747,184.13
PROFIT FROM OPERATING		87,260,469.31	102,288,026.46	95,884,115.65	92,513,466.29
Finance cost	5.1	(11,884,080.77)	(14,972,188.25)	(78,358.25)	(404,876.68)
PROFIT BEFORE INCOME TAX		75,376,388.54	87,315,838.21	95,805,757.40	92,108,589.61
Income tax expenses	14.2	(11,584,719.62)	(10,316,266.77)	(11,926,327.17)	(9,333,305.10)
NET PROFIT FOR THE YEAR		63,791,668.92	76,999,571.44	83,879,430.23	82,775,284.51
OTHER COMPREHENSIVE INCOME (LOSS)					
Other comprehensive income not to be reclassified					
to profit or loss in subsequent year :					
Defined benefit plan remeasurement					
gains (loss) - net of income tax	14.2, 18	5,574,207.77	(109,109.66)	2,017,230.96	(1,781,800.56)
COMPREHENSIVE INCOME FOR THE YEAR		69,365,876.69	76,890,461.78	85,896,661.19	80,993,483.95
NET PROFIT ATTRIBUTABLE TO :					
Owners of the Company		63,791,668.92	76,999,571.44		
Non - controlling interersts		-	-		
NET PROFIT FOR THE YEAR		63,791,668.92	76,999,571.44		
COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
Owners of the Company		69,365,876.69	76,890,461.78		
Non - controlling interersts		-	-		
COMPREHENSIVE INCOME FOR THE YEAR		69,365,876.69	76,890,461.78		
BASIC EARNINGS PER SHARE (BAHT : SHARES)					
Equity holders of the parent company	22	0.213	0.257	0.280	0.276

Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

	Unit : Baht					
	Consolidated					
	Issued and paid - up		Retained earnings (deficit)		Other components of	
	share capital	Share premium	Legal reserve	Unappropriated	shareholders' equity	Total
			Appropriated		Defined benefit plan	
					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 year						
Net profit	-	-	-	76,999,571.44	-	76,999,571.44
Other comprehensive income (loss)	-	-	-	-	(109,109.66)	(109,109.66)
Ending balance as at December 31, 2020	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>(84,282,526.78)</u>	<u>2,343,608.74</u>	<u>526,435,983.56</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 year						
Net profit	-	-	-	63,791,668.92	-	63,791,668.92
Other comprehensive income (loss)	-	-	-	-	5,574,207.77	5,574,207.77
Ending balance as at December 31, 2021	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>(20,490,857.86)</u>	<u>7,917,816.51</u>	<u>595,801,860.25</u>

Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

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

FOR THE YEAR ENDED DECEMBER 31, 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 year						
Net profit	-	-	-	82,775,284.51	-	82,775,284.51
Other comprehensive income (loss)	-	-	-	-	(1,781,800.56)	(1,781,800.56)
Ending balance as at December 31, 2020	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>176,812,663.42</u>	<u>(4,869,673.64)</u>	<u>780,317,891.38</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 year						
Net profit	-	-	-	83,879,430.23	-	83,879,430.23
Other comprehensive income (loss)	-	-	-	-	2,017,230.96	2,017,230.96
Ending balance as at December 31, 2021	<u>300,000,000.00</u>	<u>278,374,901.60</u>	<u>30,000,000.00</u>	<u>260,692,093.65</u>	<u>(2,852,442.68)</u>	<u>866,214,552.57</u>

Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

		Unit : Baht			
		Consolidated		Separate	
Note		2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES					
	Profit before income tax	75,376,388.54	87,315,838.21	95,805,757.40	92,108,589.61
	Reconciliations of net profit (loss) to net cash provided				
	by (used in) operating activities				
	Depreciation	56,471,398.33	57,838,495.46	13,936,253.04	14,178,611.95
	Amortization of intangible assets	611,557.71	3,315,453.65	297,573.48	1,208,152.00
	Assets transferred to expenses	215,595.81	-	215,595.81	-
	Expected credit losses	1,115,594.00	-	-	-
	Expected credit losses - bad debts	3,321,911.87	-	3,321,911.87	-
	Expected credit losses (reversal)	(3,321,911.87)	-	(3,321,911.87)	-
	Allowances for obsolete goods	2,692,934.08	2,294,671.03	-	787,724.91
	Allowances for obsolete goods (reversal)	(3,229,506.88)	(2,192,159.82)	(108,694.92)	(515,861.14)
	Allowance for impairment loss	5,555,726.98	-	-	-
	(Gain) loss from disposal of fixed assets	(145,194.59)	(2,427,336.33)	(145,194.59)	(9,409.33)
	Unrealized (gain) loss from exchange rate	(369,266.86)	(394,628.29)	(154,510.28)	(166,810.30)
	Provision for employee benefits	6,264,861.37	5,370,594.99	3,807,285.37	3,037,717.00
	Interest income	(60,834.00)	(70,927.24)	(29,181.04)	(51,816.07)
	Interest expenses	11,884,080.77	14,972,188.25	78,358.25	404,876.68
	Profit from operating activities before changes				
	in operating assets and liabilities	156,383,335.26	166,022,189.91	113,703,242.52	110,981,775.31
	Decrease (Increase) in operating assets				
	Trade accounts and other current receivable	(66,515,028.46)	(32,683,158.48)	(16,094,020.88)	(18,204,800.13)
	Inventories	(88,269,663.54)	2,984,684.57	(54,879,999.46)	(3,578,729.40)
	Other current assets	(28,039.67)	(15,927.39)	(56,631.48)	12,942.31
	Other non - current assets	(24,142.73)	250,630.80	(24,142.73)	(82,222.43)
	Increase (Decrease) in operating liabilities				
	Trade accounts and other current payable	86,920,991.60	(7,907,942.31)	32,245,747.91	1,796,358.05
	Other current liabilities	(258,457.20)	1,384,393.84	(202,473.21)	373,539.11
	Employee benefits paid during the year	(2,115,543.67)	(4,504,316.05)	(753,756.67)	(3,057,176.70)
	Cash provided by (used in) operating activities	86,093,451.59	125,530,554.89	73,937,966.00	88,241,686.12
	Interest paid	(11,816,798.28)	(15,168,347.67)	(52,147.73)	(348,746.57)
	Income tax paid	(10,163,256.20)	(8,359,648.77)	(10,163,256.20)	(8,359,648.77)
	Net cash provided by (used in) operating activities	64,113,397.11	102,002,558.45	63,722,562.07	79,533,290.78

Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS (Con't)

FOR THE YEAR ENDED DECEMBER 31, 2021

					Unit : Baht			
					Consolidated		Separate	
Note	2021	2020	2021	2020				
CASH FLOWS FROM INVESTING ACTIVITIES								
Received from loans to employees	364,091.94	546,235.06	272,816.64	340,821.13				
Interest income	60,834.00	70,927.24	29,181.04	51,816.07				
Payments of asset payable	(524,804.02)	(1,514,321.77)	-	(1,184,219.28)				
Acquisition of fixed assets	11 (93,392,428.06)	(48,785,632.95)	(58,225,230.85)	(46,518,064.13)				
Acquisition of intangible assets	13 (3,401,825.00)	-	(2,453,125.00)	-				
Cash received from disposal of fixed assets	145,205.59	13,474,988.47	145,205.59	324,944.50				
Net cash provided by (used in) investing activities	(96,748,925.55)	(36,207,803.95)	(60,231,152.58)	(46,984,701.71)				
CASH FLOWS FROM FINANCING ACTIVITIES								
Increase (Decrease) in short - term loans from financial institutions	15 (18,000,000.00)	(91,500,000.00)	(18,000,000.00)	(22,000,000.00)				
Repayments for long - term loans from financial institutions	17 (61,466,800.00)	(61,466,800.00)	-	-				
Received from short - term loan from related company	5.2 100,000,000.00	120,000,000.00	-	-				
Cash paid for lease liabilities	(1,078,500.00)	(1,170,000.00)	(706,500.00)	(798,000.00)				
Dividend paid	-	(819.00)	-	(819.00)				
Net cash provided by (used in) financing activities	19,454,700.00	(34,137,619.00)	(18,706,500.00)	(22,798,819.00)				
Net cash and cash equivalent increase (decrease)	(13,180,828.44)	31,657,135.50	(15,215,090.51)	9,749,770.07				
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 55,822,451.07	69,003,279.51	20,073,417.41	35,288,507.92				

Supplemental disclosures of cash flows information

1. Non - cash transactions (unit : baht)

The Company and its subsidiary purchased

fixed assets on credit	11, 13	1,268,673.60	186,180.00	735,673.60	-
Transfer deposit to fixed assets	11	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)	988	1,086	752	774
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Notes to the financial statements are an integral part of these financial statements.

S. PACK & PRINT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

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

2.1 Basis of preparation

The statutory 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 consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("TFAC") 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).

2. BASIS OF PREPARATION (Con't)

2.1 Basis of preparation (Con't)

The consolidated and separate financial statements have been presented in accordance with Thai Accounting Standards No. 1 (Revised 2020) subject : "Presentation of Financial Statements" and the requirements of The Department of Business Development announcement subject : "The mandatory items, have to be presented in the financial statements, No.3, B.E. 2562" dated December 26, 2019 under the Accounting Act B.E. 2543. which is effective for the preparation of financial statements of the Public Company Limited for the accounting period commencing on or after January 1, 2020.

The consolidated and separate 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 financial statements

- a) The consolidated financial statements included the accounts of the Company and its subsidiary, Sahakij Packaging Company Limited, which operates in printing business, manufactures corrugated and duplex board packaging products with the shareholding of 100% of authorized share capital.
- b) Subsidiary is all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights.
- c) The financial statement of this company has been consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of such control ceases.
- d) The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

- e) Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.
- f) Non-controlling interests represent the portion of income or loss and net assets that is not held by the Group and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

2. BASIS OF PREPARATION (Con't)

2.2 Basis of preparation of consolidated financial statements (Con't)

The acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognized as a result of such transactions.

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

Gain (loss) on dilution from investment arising on shares issued by investees to third parties are recognized as an unrealized gain (loss) on dilution of investment which is presented in shareholders' equity in the consolidated statements of financial position.

g) The financial statements of the subsidiary are prepared for the same reporting period as the Company and significant accounting policies as the Company for the same accounting items or similar accounting events.

h) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements. Book value of investments and shareholder's equity of its subsidiary have also been eliminated from the consolidated financial statements.

2.3 Principles of separate financial statements

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

3. ADOPTION OF NEW ACCOUNTING STANDARDS EFFECTIVE IN THE CURRENT YEAR

3.1 Adoption of new accounting standards effective in the current year

In current year, the Company and its subsidiary has applied the revised (revised 2020) and newly Conceptual Framework for Financial Reporting, Thai Accounting Standards (TAS), Thai Financial Reporting Standard (TFRS) Interpretations (SIC and TFRIC) and Accounting Treatment Guidance as announced by the Federation of Accounting Professions which are effective for fiscal periods beginning on or after 1 January 2021.

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.

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

In current year, the Federation of Accounting Professions issued a number of the revised (revised 2021) and newly Thai Financial Reporting Standard, which were announced and these have been published in the Royal Gazette 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.

3. ADOPTION OF NEW ACCOUNTING STANDARDS AND ACCOUNTING TREATMENT GUIDANCE AS ANNOUNCED BY THE FEDERATION OF ACCOUNTING PROFESSIONS (Con't)

3.2 New Thai Accounting Standards announce during the year not yet adopted (Con't)

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 consolidated and separate financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the each following accounting policies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Recognition of revenues and expenses

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

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers.

Service revenue is recognized when services have been rendered taking into account the stage of completion.

Interest income is recognized on a time proportion basis that takes into account of the effective yield on the assets.

Interest expense from financial liabilities at amortized cost is calculated using the effective interest method and are recognized on an accrual basis.

Other income and expenses are recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalent consist of cash on hand, bank deposits with financial institution with an original maturities of 3 month or less, which are not restricted to any use and all highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and including call notes receivable and term notes receivable maturing within 3 months or less and not subject to withdrawal restrictions.

Cash at bank that have restricted in use are presented separately as "Deposit at bank held as collateral" under non - current assets in the statement of financial position.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.3 Trade accounts and other current receivable and allowance for expected credit losses

Trade accounts receivable are stated at the net allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 4.20 to the financial statements.

4.4 Inventories and allowance for diminution in inventory value

Inventories are valued at the lower of cost or net realizable value, cost are using average method and is charged to vessel costs of goods sold whenever consumed.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities.

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

Allowance for diminution in inventory value is provided, where necessary, for slow-moving and deteriorated inventories based on current condition of the inventory and for the cost higher than net realizable value.

4.5 Investment

Investments in subsidiary

Investments in the subsidiaries in the separate financial statement is are measured at cost net of impairment losses (if any).

4.6 Investment property

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at cost net of allowance for impairment loss (if any).

Investment property of the subsidiary is land which is currently undetermined for future.

4.7 Property Plant and Equipment

Property is presented at cost amount net allowance for impairment loss (if any).

Plant and equipment are presented at cost less from accumulated depreciation and any net allowance for impairment loss (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset and other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.7 Property Plant and Equipment (Con't)

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

Expenditure for additions, replacement and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognized.

The depreciation for all assets is computed by reference to their costs after deducting residual value, on the straight-line method over the assets useful life at the following rates:

Land improvement	5	Years
Building and improvement	5 - 30	Years
Electricity system for building	5 - 10	Years
Wastewater treatment system	5 - 10	Years
Machinery and equipment	3 - 20	Years
Tools and equipment	5 - 10	Years
Furniture and office equipment	3 - 10	Years
Vehicles	5	Years

No depreciation is provided for land and provided on assets under installation.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

4.8 lease

At inception of contract, the Company and its subsidiary assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company and its subsidiary assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.8 lease (Con't)

where is the lessee

The Company and its subsidiary applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company and its subsidiary recognizes right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognized, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Office equipment	4	Years
Vehicles	3	Years

If ownership of the leased asset is transferred to the Company and its subsidiary at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiary and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiary exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

The Company and its subsidiary discounted the present value of the lease payments by the interest rate implicit in the lease or the Company and its subsidiary's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognized as expenses on a straight-line basis over the lease term.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.9 Borrowing cost

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are treated as expenses in the period these are incurred. Borrowing costs consist of interest and other costs that the entities incur in connection with the borrowing of the Company and its subsidiary.

4.10 Intangible assets and amortization

Intangible assets that are acquired by the Company and its subsidiary have finite useful lives are presented at historical cost net of accumulated amortization and net allowance for impairment (if any).

Intangible assets with finite lives are amortized on a systematic basis by the straight-line method, over the economic useful life from the date that they are available for use and tested for impairment whenever there is an indication that the intangible asset may be impaired.

Amortization is computed by the straight-line method over the asset economic useful life as the following rate :

Computer software	5 - 10 years
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4.11 Employee benefits

4.11.1 Short - term employee benefits

Short-term employee benefit obligations, which include salary, wages, bonuses and contributions to the social security fund and provident fund, are measured on an undiscounted basis and are recognized as expenses when incurred.

4.11.2 Defined contribution plan (Provident fund)

The Company and its subsidiary operates a provident fund, being a defined contribution plan, the asset for which is held in a separate trustee-administered fund. The provident fund is funded by payments from employees and by the Company and its subsidiary

The Company and its subsidiary's contributions to the provident fund are charged in profit or loss in the year to which they relate.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.11 Employee benefits (Con't)

4.11.3 Defined benefit plan

The retirement benefit is a defined benefit plan that an employee will receive on retirement according to Thai Labor Law depending on age and years of service.

The liability of retirement benefit is recognized in the statement of financial position using the present value of the obligation at the reporting date and past service costs. The retirement benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related retirement liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income or loss. Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company and its subsidiary recognizes restructuring-related costs.

4.12 Provision

A provision is recognized in the statement of financial position when the Company and its subsidiary has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.13 Dividend

Dividend to the Company's shareholders is recognised as a liability in the consolidated and company financial statements in the period in which the interim dividends are approved by the Board of Directors and the annual dividends are approved by the Company's shareholders.

4.14 Transaction in foreign currencies

Transactions in foreign currencies are converted into Baht as the functional currency at the rates of exchange on the transactions date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted into Baht at the exchange rate on that date. Gain or losses on exchange rates are recognized as income or expense for the reporting period.

4.15 Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that they relate to a business combination, or items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.15 Income tax (Con't)

The current income tax

The Company and its subsidiary provide income tax in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is recognized, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

At each reporting date, the Company and its subsidiary review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company and its subsidiary records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

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

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.16 Basic earnings per share

Basic earnings per share is determined by dividing the net income for the year by the number of weighted - average common shares issued and paid - up during the year, adjusted for own shares held (if any).

4.17 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company including holding companies, subsidiary and fellow subsidiary are related parties of the Company.

They also include associate companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiary that gives them significant influence over the Company and its subsidiary, key management personnel, directors and officers with authority in the planning and direction of the Company and its subsidiary operations, including the close family members who can persuade or have power to persuade to act in compliance with said persons and businesses that said persons who have control power or significant influence, either directly or indirectly.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.18 Impairment of non-financial assets

At the end of each reporting period, the Company and its subsidiary performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company and its subsidiary estimates the asset's recoverable amount.

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

An impairment loss is recognized in profit or loss.

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company and its subsidiary estimate the asset's recoverable amount in which case an impairment loss recognized in prior periods for an asset other than goodwill shall be reversed.

An impairment loss in respect of other non-financial assets is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.19 Operating segments

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

4.20 Financial Instruments

The Company and its subsidiary initially measure financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortized cost. The classification of financial assets at initial recognition is driven by the Company and its subsidiary's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortized cost

The Company and its subsidiary measures financial assets at amortized cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the income statement when the asset is derecognized, modified or impaired.

Classification and measurement of financial liabilities

Other financial liabilities

Except for derivative liabilities, at initial recognition the Company and its subsidiary financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Company and its subsidiary takes into account any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the income statement.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.20 Financial Instruments (Con't)

Derecognition of financial instruments

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or have been transferred and either the Company and its subsidiary has transferred substantially all the risks and rewards of the asset, or the Company and its subsidiary has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the profit or loss.

Impairment of financial assets

Trade receivables and contract assets

For trade receivables and contract assets, the Company and its subsidiary applies a simplified approach in calculating ECLs. Therefore, the Company and its subsidiary does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

ECL Calculation

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Company and its subsidiary consider a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company and its subsidiary may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

Written-off

A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.21 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date.

The Company and its subsidiary apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiary measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

In applying the above-mentioned valuation techniques, the Company and its subsidiary endeavor to use relevant observable inputs as much as possible. TFRS 13, Fair Value Measurement establishes a fair value hierarchy categorizing such inputs into three levels as follows :

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities (unadjusted)

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

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

At the end of each reporting period, the Company and its subsidiary determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.22 Significant accounting judgments and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, thus, the actual results may differ from carrying amounts of assets and liabilities based on the estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

All other estimates mentioned above are further detailed in the corresponding disclosures except significant accounting judgments and estimates are as follow:

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.22 Significant accounting judgments and estimates (Con't)

4.22.1 Revenue from contracts with customers

Identification of performance obligations :

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition :

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Company and its subsidiary recognize revenue over time in the following circumstances :

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Where the above criteria are not met, revenue is recognized at a point in time. Where revenue is recognized at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Costs to obtain contracts :

The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortization method should be used.

4.22.2 Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

4.22.3 Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.22 Significant accounting judgments and estimates (Con't)

4.22.4 Allowance for obsolescence and diminution

Allowance for obsolescence and diminution in value of inventories are intended to adjust the value of inventories for probable losses. The management uses judgment to establish allowances for estimated losses for each outstanding inventories. The allowances for obsolescence and diminution in value of inventories are determined through a combination of analysis of inventories aging.

4.22.5 Impairment of investments in subsidiary

The Company treats investments as impaired in subsidiaries when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is significant or prolonged requires judgement.

4.22.6 Depreciation of Property plant and equipment and right-of-use assets and amortization of intangible assets

In determining depreciation of plant and equipment and right-of-use assets and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.

4.22.7 Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be recognized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

4.22.8 Impairment of assets

The management is required to review property, plant and equipment, investment property, right-of-use assets and intangible assets if there is an indication they may be impaired, and impairment losses are recorded in the period when it is determined that their recoverable amount is lower than the carrying amount.

Indications include significant falls in the market value of assets or the future economic benefits of assets, significant changes in the overall business strategy impacting to the future utilization of assets, significant negative industry or economic trends, significant loss of market share, and significant unfavorable regulatory and court decisions that impact the business.

The impairment analysis of property, plant and equipment, investment property, right-of-use assets and intangible assets requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.22 Significant accounting judgments and estimates (Con't)

4.22.9 Provision for employee benefit

In providing retirement employee benefit, the management is required to use judgment to determine the probability that its employee will work until retired by considering the past information which will be revised annually. The assumptions applied in the annual calculation are based on cost of service in the past and terms of employment benefit.

4.22.10 Leases

As a lessee

Determining the lease term with extension and termination options - as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Company and its subsidiary is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company and its subsidiary to exercise either the extension or termination option. After the commencement date, the Company and its subsidiary reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Estimating the incremental borrowing rate - as a lessee

The Company and its subsidiary cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Company and its subsidiary would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

4.22.11 Fair value of financial instruments

In determining the fair value of financial instruments disclosed in the financial statements that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both), liquidity, correlation and longer-term volatility of financial instruments. Changes in assumptions about these factors could affect the fair value disclosed in the financial statements and disclosures of fair value hierarchy.

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	2021	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 Interpack India 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

5.1 The significant transactions with related companies are as follows :

		Unit : Baht			
		For the year end December 31,			
Pricing policies		Consolidated		Separate	
		2021	2020	2021	2020
Parent company					
Guarantee fee	1	337,766.64	457,617.53	-	-
Subsidiary					
Sales income	2	-	-	984,955.54	962,394.49
Other income	2	-	-	-	336,403.55
Purchases	2	-	-	4,129,272.67	13,936,633.62
Management fees	3	-	-	495,000.00	-
Other expenses	3	-	-	-	189,340.50

5. RELATED PARTY TRANSACTIONS (Con't)

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

		Unit : Baht			
		For the year end December 31,			
Pricing policies		Consolidated		Separate	
		2021	2020	2021	2020
Related companies					
Sales income	2	366,946.79	270,565.00	-	-
Purchases	2	387,040,313.14	335,583,475.35	219,752,071.70	204,420,041.12
Management fees	3	726,187.10	626,506.77	726,187.10	626,506.77
Other expenses	2	-	1,680.00	-	-
Interest expense	4	2,988,742.98	2,526,739.73	-	-

Pricing policies

- As stipulated in the Memorandum of the Guarantee Fee Agreement between Oji Holdings Corporation Limited and the Company and its subsidiary at the rate of 0.20% per annum of the outstanding loan balance at each quarter.
- Market price
- Actual price
- Interest rate at 0.68% - 0.88% per annum and 0.42% - 1.14% par 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 year end December 31,			
		Consolidated		Separate	
		2021	2020	2021	2020
Short - term benefits		17,257,094.51	26,525,046.33	14,532,175.51	20,114,683.39
Post - employment benefits		748,047.00	468,109.00	714,937.00	354,710.00
Total		18,005,141.51	26,993,155.33	15,247,112.51	20,469,393.39

5. RELATED PARTY TRANSACTIONS (Con't)

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

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Trade accounts and other current receivable				
<u>Trade accounts receivable</u>				
Subsidiary	-	-	-	560,208.78
Related company	89,481.96	56,496.00	-	-
Total Trade accounts receivable	89,481.96	56,496.00	-	560,208.78
<u>Advance payment</u>				
Subsidiary	-	-	148,800.00	1,300.00
<u>Assets receivable</u>				
Subsidiary	-	-	-	338,624.02
Total Trade accounts and other current receivable	89,481.96	56,496.00	148,800.00	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	-	-	1,625,160.51	1,337,407.63
Related companies	103,303,379.74	40,072,488.46	55,570,209.65	25,577,508.87
Total Trade accounts payable	103,303,379.74	40,072,488.46	57,519,370.16	26,914,916.50
<u>Other payable</u>				
Subsidiary	-	-	56,040.00	8,000.00
<u>Accrued expenses</u>				
Parent company	77,008.24	99,514.51	-	-
Related company	14,517.33	124,198.81	14,517.33	124,198.81
Total accrued expenses	91,525.57	223,713.32	14,517.33	124,198.81
Total Trade accounts and other current payable	103,394,905.31	40,296,201.78	57,265,927.49	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	
	2021	2020
Beginning balance for the year	320,000,000.00	200,000,000.00
<u>Add</u> Increase during the year	100,000,000.00	120,000,000.00
Ending balance for the year	420,000,000.00	320,000,000.00

As at December 31, 2021 and 2020, the subsidiary has loans from related company in respect of loan agreement which were due on demand charged interest at the rate of 0.68% - 0.88% 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	
	2021	2020	2021	2020
Cash in hand	89,972.00	80,742.75	80,000.00	80,000.00
Outstanding cheque - net	1,238,549.00	106,311.19	-	-
Deposits at banks - savings	49,192,859.47	35,496,241.51	16,648,540.48	30,430,343.14
- current	5,301,070.60	33,320,248.06	3,344,876.93	4,778,164.78
Total Cash and cash equivalents	55,822,451.07	69,003,279.51	20,073,417.41	35,288,507.92

7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLE - NET

Trade accounts and other current receivable consist of :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
<u>Trade accounts and notes receivable</u>				
Note receivables	136,425.00	1,690,218.67	-	-
Trade account - Related company	89,481.96	56,496.00	-	560,208.78
- Other companies	264,466,981.96	204,180,231.52	130,512,448.88	118,819,046.73
Total	264,692,888.92	205,926,946.19	130,512,448.88	119,379,255.51
<u>Less</u> Allowances for expected credit losses	(2,792,289.98)	(4,998,607.85)	-	(3,321,911.87)
Trade accounts and note receivables - net	261,900,598.94	200,928,338.34	130,512,448.88	116,057,343.64
<u>Others current receivable</u>				
Prepaid expense	3,942,764.55	3,526,164.02	2,465,179.44	1,926,709.08
Deposit of machinery	888,199.40	13,646,623.50	-	1,242,090.00
Receivable from the Revenue Department	1,465,176.61	347,897.07	1,465,176.61	347,897.07
Other receivable	1,026,124.55	1,018,350.66	660,452.05	897,253.31
Prepaid expense - Goods	1,273,512.00	-	-	-
Advance payment	1,314,273.26	555,962.26	643,546.00	423,579.00
Total Others current receivable	9,910,050.37	19,094,997.51	5,234,354.10	4,837,528.46
Total Trade accounts and Other current receivable - net	271,810,649.31	220,023,335.85	135,746,802.98	120,894,872.10

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

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Accounts receivables not yet due	232,341,487.96	186,119,439.14	122,868,553.66	108,896,072.63
Accounts receivables over due				
Under or equal to 3 months	28,574,740.60	14,515,851.88	7,624,136.87	7,161,271.01
Over 3 months to 6 months	1,049,082.87	293,047.32	-	-
Over 6 months to 12 months	760,339.15	-	19,758.35	-
Over 12 months	1,967,238.34	4,998,607.85	-	3,321,911.87
Total	264,692,888.92	205,926,946.19	130,512,448.88	119,379,255.51
<u>Less</u> Allowances for expected credit losses	(2,792,289.98)	(4,998,607.85)	-	(3,321,911.87)
Trade accounts and note receivable - net	261,900,598.94	200,928,338.34	130,512,448.88	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	
	2021	2020	2021	2020
Beginning balance of theyear	4,998,607.85	4,998,607.85	3,321,911.87	3,321,911.87
<u>Add</u> Increase during the year	1,115,594.00	-	-	-
<u>Less</u> Reversal to bad debts during the year	(3,321,911.87)	-	(3,321,911.87)	-
Ending balance of the year	<u>2,792,289.98</u>	<u>4,998,607.85</u>	<u>-</u>	<u>3,321,911.87</u>

8. INVENTORIES - NET

Inventories are as follows :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Finished goods	23,854,304.94	16,096,319.36	4,926,619.17	4,157,321.75
Work-in-process	22,657,887.62	15,006,304.87	2,865,426.09	2,886,965.43
Raw materials	153,862,767.03	113,755,388.02	83,442,860.76	54,429,670.28
Supplies and packing materials	7,221,219.43	4,748,170.88	3,290,788.46	2,749,628.38
Spare parts	12,380,697.89	9,551,489.92	9,299,632.05	7,535,151.05
Raw materials and spare parts in transit	36,502,851.11	9,052,391.43	25,324,664.82	2,511,255.00
Total	256,479,728.02	168,210,064.48	129,149,991.35	74,269,991.89
<u>Less</u> Allowance for obsolete goods	(3,067,893.61)	(3,604,466.41)	(705,213.92)	(813,908.84)
Total inventories - net	<u>253,411,834.41</u>	<u>164,605,598.07</u>	<u>128,444,777.43</u>	<u>73,456,083.05</u>

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

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Beginning balance for the year	3,604,466.41	3,501,955.20	813,908.84	542,045.07
<u>Add</u> Increase during the year	2,692,934.08	2,294,671.03	-	787,724.91
<u>Less</u> Reversal during the year	(3,229,506.88)	(2,192,159.82)	(108,694.92)	(515,861.14)
Ending balance for the year	<u>3,067,893.61</u>	<u>3,604,466.41</u>	<u>705,213.92</u>	<u>813,908.84</u>

9. INVESTMENT IN SUBSIDIARY

Investment in subsidiary is as follows :

Company	Unit : Baht							
	Paid - up		Investment		Investment		Dividend income	
	(Million Baht)		ownership (%)		Separate		for the year	
	2021	2020	2021	2020	Cost method		2021	2020
<u>Subsidiary</u>								
Sahakit Packaging								
Company Limited	600	600	100	100	500,100,399.40	500,100,399.40	-	-

10. INVESTMENT PROPERTY - NET

Investment property are as consist of :

	Unit : Baht	
	Consolidated	
	2021	2020
<u>Investment property - land</u>		
Cost	17,475,660.00	17,475,660.00
<u>Less</u> Allowance for impairment loss	(3,176,910.00)	(3,176,910.00)
Net book value	14,298,750.00	14,298,750.00
Fair value	14,298,750.00	14,298,750.00

11. PROPERTY, PLANT AND EQUIPMENT - NET

See Note to the financial statement Page 33 to 36

11.1 In 2021 and 2020 the Company and its subsidiary had acquired land, building and equipment by cash payment amounting to Baht 93.39 million and Baht 48.79 million respectively for the consolidate financial statements. And Baht 58.23 million and Baht 46.52 million for the separate financial statements.

11.2 As at December 31, 2021 and 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 Notes 17 to the financial statements at cost amounting to Baht 619.83 million and carrying amounting to Baht 456.71 million and Baht 469.73 million respectively for the consolidated financial statements (cost amounting to Baht 133.43 million and carrying amounting to Baht 83.22 million and Baht 87.06 million respectively for the separate financial statements).

11. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

Property, plant and equipment are as consist of :

	Unit : Baht									
	Consolidated (Restated)									
	Land and land improvement	Buildings and improvement	Electric system	Wastewater treatment system	Machinery and equipment	Tools and equipment	Furniture and office equipment	Vehicles	Assets in progress	Total
<u>Cost</u>										
As at January 1, 2020	219,385,390.40	433,752,672.65	63,616,037.09	6,185,880.43	784,154,231.42	19,562,299.33	67,873,540.89	1,003,096.45	10,242,977.19	1,605,776,125.85
Purchase during the year	-	743,840.00	-	-	40,808,405.78	1,436,264.15	959,507.65	3,595,000.00	1,428,795.37	48,971,812.95
Transferred in (out)	-	185,960.00	-	-	10,057,017.19	-	-	-	(10,242,977.19)	-
Transfer deposit to fixed assets	-	-	-	-	508,440.15	53,550.00	-	-	603,800.00	1,165,790.15
Disposal/written - off during the year	-	-	-	-	(33,612,204.12)	(38,588.79)	(381,747.50)	-	-	(34,032,540.41)
As at December 31, 2020	<u>219,385,390.40</u>	<u>434,682,472.65</u>	<u>63,616,037.09</u>	<u>6,185,880.43</u>	<u>801,915,890.42</u>	<u>21,013,524.69</u>	<u>68,451,301.04</u>	<u>4,598,096.45</u>	<u>2,032,595.37</u>	<u>1,621,881,188.54</u>
<u>Accumulated depreciation</u>										
As at January 1, 2020	412,608.40	226,533,363.86	48,071,402.43	5,294,413.07	460,361,547.27	18,517,123.01	53,999,384.68	1,003,092.45	-	814,192,935.17
Depreciation for the year	-	12,917,315.59	5,701,612.85	372,884.29	31,937,296.14	571,530.35	5,198,123.92	30,645.90	-	56,729,409.04
Depreciation - disposals/written - off	-	-	-	-	(22,570,802.62)	(38,584.79)	(375,500.86)	-	-	(22,984,888.27)
As at December 31, 2020	<u>412,608.40</u>	<u>239,450,679.45</u>	<u>53,773,015.28</u>	<u>5,667,297.36</u>	<u>469,728,040.79</u>	<u>19,050,068.57</u>	<u>58,822,007.74</u>	<u>1,033,738.35</u>	<u>-</u>	<u>847,937,455.94</u>
<u>Net Book Value</u>										
As at January 1, 2020	<u>218,972,782.00</u>	<u>207,219,308.79</u>	<u>15,544,634.66</u>	<u>891,467.36</u>	<u>323,792,684.15</u>	<u>1,045,176.32</u>	<u>13,874,156.21</u>	<u>4.00</u>	<u>10,242,977.19</u>	<u>791,583,190.68</u>
As at December 31, 2020	<u>218,972,782.00</u>	<u>195,231,793.20</u>	<u>9,843,021.81</u>	<u>518,583.07</u>	<u>332,187,849.63</u>	<u>1,963,456.12</u>	<u>9,629,293.30</u>	<u>3,564,358.10</u>	<u>2,032,595.37</u>	<u>773,943,732.60</u>

11. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

	Unit : Baht									
	Consolidated									
	Land and land improvement	Buildings and improvement	Electric system	Wastewater treatment system	Machinery and equipment	Tools and equipment	Furniture and office equipment	Vehicles	Assets in progress	Total
<u>Cost</u>										
As at January 1, 2021	219,385,390.40	434,682,472.65	63,616,037.09	6,185,880.43	801,915,890.42	21,013,524.69	68,451,301.04	4,598,096.45	2,032,595.37	1,621,881,188.54
Purchase during the year	-	372,235.34	-	-	33,718,585.44	973,235.29	5,679,812.32	-	53,439,408.27	94,183,276.66
Transferred in (out)	-	211,285.98	-	-	1,605,713.59	-	-	-	(1,816,999.57)	-
Assets transferred to expenses	-	-	-	-	-	-	-	-	(215,595.81)	(215,595.81)
Transfer deposit to fixed assets	-	-	-	-	13,612,121.00	-	-	-	-	13,612,121.00
Disposal/written - off during the year	-	-	-	-	(3,840,550.27)	(10,730.37)	(65,688.38)	-	-	(3,916,969.02)
As at December 31, 2021	219,385,390.40	435,265,993.97	63,616,037.09	6,185,880.43	847,011,760.18	21,976,029.61	74,065,424.98	4,598,096.45	53,439,408.26	1,725,544,021.37
<u>Accumulated depreciation</u>										
As at January 1, 2021	412,608.40	239,450,679.45	53,773,015.28	5,667,297.36	469,728,040.79	19,050,068.57	58,822,007.74	1,033,738.35	-	847,937,455.94
Depreciation for the year	-	9,778,312.19	5,608,402.68	372,884.29	32,905,768.27	746,390.09	5,607,384.57	431,400.01	-	55,450,542.10
Depreciation - disposals/written - off	-	-	-	-	(3,840,547.27)	(10,727.37)	(65,683.38)	-	-	(3,916,958.02)
As at December 31, 2021	412,608.40	249,228,991.64	59,381,417.96	6,040,181.65	498,793,261.79	19,785,731.29	64,363,708.93	1,465,138.36	-	899,471,040.02
<u>Allowance for impairment loss</u>										
As at January 1, 2021	-	-	-	-	-	-	-	-	-	-
Allowance for impairment loss	-	-	-	-	5,555,726.98	-	-	-	-	5,555,726.98
As at December 31, 2021	-	-	-	-	5,555,726.98	-	-	-	-	5,555,726.98
<u>Net Book Value</u>										
As at January 1, 2021	218,972,782.00	195,231,793.20	9,843,021.81	518,583.07	332,187,849.63	1,963,456.12	9,629,293.30	3,564,358.10	2,032,595.37	773,943,732.60
As at December 31, 2021	218,972,782.00	186,037,002.33	4,234,619.13	145,698.78	342,662,771.41	2,190,298.32	9,701,716.05	3,132,958.09	53,439,408.26	820,517,254.37

Depreciation for the year end December 31, consist of :

	Unit : Baht	
	2021	2020
Cost of sales and services	51,965,630.99	52,843,224.98
Administrative expenses	3,484,911.11	3,886,184.06
Total	<u>55,450,542.10</u>	<u>56,729,409.04</u>

11. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

Unit : Baht										
Separate										
<u>Cost</u>	Land and land improvement	Buildings and improvement	Electric system	Wastewater treatment system	Machinery and equipment	Tools and equipment	Furniture and Office equipment	Vehicles	Assets in progress	Total
As at January 1, 2020	30,591,390.40	146,895,641.16	3,601,000.00	3,859,880.43	322,977,650.61	5,327,340.74	7,515,569.94	1,003,096.45	185,960.00	521,957,529.73
Purchase during the year	-	743,840.00	-	-	39,865,985.78	933,960.37	440,953.65	3,595,000.00	938,324.33	46,518,064.13
Transferred in (out)	-	185,960.00	-	-	-	-	-	-	(185,960.00)	-
Transfer deposit to fixed assets	-	-	-	-	346,440.15	-	-	-	603,800.00	950,240.15
Disposal/written - off during the year	-	-	-	-	(3,697,472.13)	(38,588.79)	(381,747.50)	-	-	(4,117,808.42)
As at December 31, 2020	30,591,390.40	147,825,441.16	3,601,000.00	3,859,880.43	359,492,604.41	6,222,712.32	7,574,776.09	4,598,096.45	1,542,124.33	565,308,025.59
<u>Accumulated depreciation</u>										
As at January 1, 2020	412,608.40	139,531,973.92	3,481,463.70	2,968,420.07	213,672,154.83	4,896,822.70	6,968,563.44	1,003,092.45	-	372,935,099.51
Depreciation for the year	-	4,091,680.08	97,809.16	372,884.29	8,293,682.22	230,358.60	300,190.24	30,645.90	-	13,417,250.49
Depreciation - disposals/written - off	-	-	-	-	(3,388,187.60)	(38,584.79)	(375,500.86)	-	-	(3,802,273.25)
As at December 31, 2020	412,608.40	143,623,654.00	3,579,272.86	3,341,304.36	218,577,649.45	5,088,596.51	6,893,252.82	1,033,738.35	-	382,550,076.75
<u>Net Book Value</u>										
As at January 1, 2020	30,178,782.00	7,363,667.24	119,536.30	891,460.36	109,305,495.78	430,518.04	547,006.50	4.00	185,960.00	149,022,430.22
As at December 31, 2020	30,178,782.00	4,201,787.16	21,727.14	518,576.07	140,914,954.96	1,134,115.81	681,523.27	3,564,358.10	1,542,124.33	182,757,948.84

11. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)

Cost	Unit : Baht									
	Separate									
	Land and land improvement	Buildings and improvement	Electric system	Wastewater treatment system	Machinery and equipment	Tools and equipment	Furniture and office equipment	Vehicles	Assets in progress	Total
As at January 1, 2021	30,591,390.40	147,825,441.16	3,601,000.00	3,859,880.43	359,492,604.41	6,222,712.32	7,574,776.09	4,598,096.45	1,542,124.33	565,308,025.59
Purchase during the year	-	372,235.34	-	-	4,133,824.01	473,333.43	2,303,313.82	-	51,200,372.85	58,483,079.45
Transferred in (out)	-	211,285.98	-	-	1,115,242.54	-	-	-	(1,326,528.52)	-
Assets transferred to expenses	-	-	-	-	-	-	-	-	(215,595.81)	(215,595.81)
Transfer deposit to fixed assets	-	-	-	-	1,242,090.00	-	-	-	-	1,242,090.00
Disposal/written - off during the year	-	-	-	-	(3,840,550.27)	(10,730.37)	(65,688.38)	-	-	(3,916,969.02)
As at December 31, 2021	30,591,390.40	148,408,962.48	3,601,000.00	3,859,880.43	362,143,210.69	6,685,315.38	9,812,401.53	4,598,096.45	51,200,372.85	620,900,630.21
<u>Accumulated depreciation</u>										
As at January 1, 2021	412,608.40	143,623,654.00	3,579,272.86	3,341,304.36	218,577,649.45	5,088,596.51	6,893,252.82	1,033,738.35	-	382,550,076.75
Depreciation for the year	-	952,676.70	4,599.02	372,884.29	10,742,287.39	367,735.95	391,538.41	431,400.01	-	13,263,121.77
Depreciation - disposals/written - off	-	-	-	-	(3,840,547.27)	(10,727.37)	(65,683.38)	-	-	(3,916,958.02)
As at December 31, 2021	412,608.40	144,576,330.70	3,583,871.88	3,714,188.65	225,479,389.57	5,445,605.09	7,219,107.85	1,465,138.36	-	391,896,240.50
<u>Net Book Value</u>										
As at January 1, 2021	30,178,782.00	4,201,787.16	21,727.14	518,576.07	140,914,954.96	1,134,115.81	681,523.27	3,564,358.10	1,542,124.33	182,757,948.84
As at December 31, 2021	30,178,782.00	3,832,631.78	17,128.12	145,691.78	136,663,821.12	1,239,710.29	2,593,293.68	3,132,958.09	51,200,372.85	229,004,389.71

Depreciation for the year end December 31, consist of :

	Unit : Baht	
	2021	2020
Cost of sales and services	12,165,708.40	11,614,742.34
Administrative expenses	1,097,413.37	1,802,508.15
Total	13,263,121.77	13,417,250.49

12. LEASES

12.1 RIGHT-OF-USE ASSETS - NET

Movements of the right-of-use assets 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 year	(347,724.96)	(673,131.27)	(1,020,856.23)	(673,131.27)
Net book value as at December 31, 2021	463,633.33	306,331.99	769,965.32	306,331.99

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.

12.2 LEASE LIABILITIES - NET

Lease liabilities consist of :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Lease liabilities	820,000.00	1,898,500.00	324,000.00	1,030,500.00
<u>Less</u> Deferred interest	(19,111.31)	(72,135.43)	(5,334.65)	(31,545.17)
Total	800,888.69	1,826,364.57	318,665.35	998,954.83
<u>Less</u> Current portion	(677,915.17)	(1,025,475.88)	(318,665.35)	(680,289.48)
Lease liabilities - net	122,973.52	800,888.69	-	318,665.35

Movements of lease liabilities account was 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 year	(1,025,475.88)	(680,289.48)
Balance as at December 31, 2021	800,888.69	318,665.35

12. LEASES (Con't)

12.3 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 for the year ended 31 December 2021 :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Depreciation expenses of right-of-use assets	1,020,856.23	1,109,086.42	673,131.27	761,361.46
Interest expenses on lease liabilities	53,024.12	96,456.60	26,210.52	56,130.11
Expenses relating to leases of low-value assets	175,142.82	761,707.61	175,142.82	353,561.29

13. INTANGIBLE ASSETS - NET

Movements of the intangible assets are summarized below :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
<u>Computer software</u>				
Net book value as at January 1, 2021	608,400.27	3,923,853.92	140,782.82	1,348,934.82
Acquisition during the year	3,879,650.00	-	2,930,950.00	-
Amortization for the year	(611,557.71)	(3,315,453.65)	(297,573.48)	(1,208,152.00)
Net book value as at December 31, 2021	<u>3,876,492.56</u>	<u>608,400.27</u>	<u>2,774,159.34</u>	<u>140,782.82</u>

14. DEFERRED TAX

Deferred tax assets and liability are as follows :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Deferred tax assets	11,333,597.16	12,445,863.69	6,663,067.78	7,242,791.13
Deferred tax liability	(4,520,048.96)	(4,504,955.50)	-	-
Net	<u>6,813,548.20</u>	<u>7,940,908.19</u>	<u>6,663,067.78</u>	<u>7,242,791.13</u>

14. DEFERRED TAX (Con't)

14.1 Movements in deferred tax assets and liability during the years were as follows :

	Unit : Baht			
	Consolidated			
	(Changed) Credit for the year to			
	As at		Other	As at
	Jan 1, 2021	Profit or loss	comprehensive	Dec 31, 2021
			income	
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	986,211.63	(441,263.58)	-	544,948.05
Inventories	720,893.27	(107,314.56)	-	613,578.71
Provisions for employee benefit	10,103,376.79	829,863.54	(1,393,551.93)	9,539,688.40
Investment property	635,382.00	-	-	635,382.00
Total	12,445,863.69	281,285.40	(1,393,551.93)	11,333,597.16
<u>Deferred tax liability</u>				
Property, plant and equipment	(4,504,955.50)	(15,093.46)	-	(4,520,048.96)
Net	7,940,908.19	266,191.94	(1,393,551.93)	6,813,548.20

	Unit : Baht			
	Consolidated			
	(Changed) Credit for the year to			
	As at		Other	As at
	Jan 1, 2020	Profit or loss	comprehensive	Dec 31, 2020
			income	
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	986,211.63	-	-	986,211.63
Inventories	700,391.03	20,502.24	-	720,893.27
Provisions for employee benefit	9,902,843.60	173,255.79	27,277.40	10,103,376.79
Investment property	635,382.00	-	-	635,382.00
Total	12,224,828.26	193,758.03	27,277.40	12,445,863.69
<u>Deferred tax liability</u>				
Property, plant and equipment	(4,020,625.94)	(484,329.56)	-	(4,504,955.50)
Net	8,204,202.32	(290,571.53)	27,277.40	7,940,908.19

14. DEFERRED TAX (Con't)

14.1 Movements in deferred tax assets and liability during the years were as follows : (Con't)

	Unit : Baht			
	Separate			
	(Changed) Credit for the year to			
	As at		Other	As at
	Jan 1, 2021	Profit or loss	comprehensive	Dec 31, 2021
			income	
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	664,382.38	(664,382.38)	-	-
Inventories	162,781.75	(21,738.98)	-	141,042.77
Provisions for employee benefit	6,415,627.00	610,705.75	(504,307.74)	6,522,025.01
Total	7,242,791.13	(75,415.61)	(504,307.74)	6,663,067.78

	Unit : Baht			
	Separate			
	(Changed) Credit for the year to			
	As at		Other	As at
	Jan 1, 2020	Profit or loss	comprehensive	Dec 31, 2020
			income	
<u>Deferred tax assets</u>				
Trade accounts and other				
current receivable	664,382.38	-	-	664,382.38
Inventories	108,409.00	54,372.75	-	162,781.75
Provisions for employee benefit	5,974,068.80	(3,891.94)	445,450.14	6,415,627.00
Total	6,746,860.18	50,480.81	445,450.14	7,242,791.13
<u>Deferred tax liability</u>				
Property, plant and equipment	(641,909.33)	641,909.33	-	-
Net	6,104,950.85	692,390.14	445,450.14	7,242,791.13

14. DEFERRED TAX (Con't)

14.2 Income tax expenses for the year are as follows :

	Unit : Baht			
	For the year end December 31,			
	Consolidated		Separate	
	2021	2020	2021	2020
Current income tax				
Corporate income tax charge for the year	11,850,911.56	10,025,695.24	11,850,911.56	10,025,695.24
Deferred tax				
Deferred tax expense (income)				
relating to the original and reversal				
of temporary differences	(266,191.94)	290,571.53	75,415.61	(692,390.14)
Income tax expenses (income)	11,584,719.62	10,316,266.77	11,926,327.17	9,333,305.10

	Unit : Baht		
	Consolidated		
	For the year end December 31, 2021		
	Before tax	Tax (expense) income	Net tax
Deferred tax for:			
Defined benefit plans remeasurements gains (loss)	6,967,759.70	(1,393,551.93)	5,574,207.77
Income tax recognized in other comprehensive income (loss)	6,967,759.70	(1,393,551.93)	5,574,207.77

	Unit : Baht		
	Consolidated		
	For the year end December 31, 2020		
	Before tax	Tax (expense) income	Net tax
Deferred tax for:			
Defined benefit plans remeasurements gains (loss)	(136,387.06)	27,277.40	(109,109.66)
Income tax recognized in other comprehensive income (loss)	(136,387.06)	27,277.40	(109,109.66)

14. DEFERRED TAX (Con't)

14.2 Income tax expenses for the year are as follows : (Con't)

	Unit : Baht		
	Separate		
	For the year end December 31, 2021		
	Tax (expense)		
	Before tax	income	Net tax
Deferred tax for:			
Defined benefit plans remeasurements gains (loss)	2,521,538.70	(504,307.74)	2,017,230.96
Income tax recognized in other comprehensive income (loss)	2,521,538.70	(504,307.74)	2,017,230.96

	Unit : Baht		
	Separate		
	For the year end December 31, 2020		
	Tax (expense)		
	Before tax	income	Net tax
Deferred tax for:			
Defined benefit plans remeasurements gains (loss)	(2,227,250.70)	445,450.14	(1,781,800.56)
Income tax recognized in other comprehensive income (loss)	(2,227,250.70)	445,450.14	(1,781,800.56)

14.3 Reconciliation for effective tax rate

	Consolidated			
	For the year end December 31,			
	2021		2020	
Tax rate (%)	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	
Net profit (loss) before income tax	75,376,388.54		87,315,838.21	
Profit before income tax of the Company	95,805,757.40		92,108,589.61	
<u>Less</u> Profit from Promotional privileges	(33,066,163.60)		(40,613,204.12)	
Profit before income tax - net	62,739,593.80		51,495,385.49	
Tax expense	20.00	12,547,918.76	20.00	10,299,077.10
Tax effect of expenses that are not deductible for tax purposes		(963,199.14)		17,189.67
Tax expense (effective rate)	18.46	11,584,719.62	20.03	10,316,266.77

14. DEFERRED TAX (Con't)

14.3 Reconciliation for effective tax rate (Con't)

	Separate			
	For the year end December 31,			
	2021		2020	
Tax rate (%)	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	
Profit before income tax	95,805,757.40		92,108,589.61	
<u>Less</u> Profit from Promotional privileges	<u>(33,066,163.60)</u>		<u>(40,613,204.12)</u>	
Profit before income tax - net	62,739,593.80		51,495,385.49	
Tax expense	20.00 12,547,918.76	20.00	10,299,077.10	
Tax effect of expenses that are not deductible for tax purposes	<u>(621,591.59)</u>		<u>(965,772.00)</u>	
Tax expense (effective rate)	19.01 <u>11,926,327.17</u>	18.12	<u>9,333,305.10</u>	

As at December 31, 2021 and 2020 its subsidiary has deductible temporary differences, unused tax losses totaling Baht 159.47 million and Baht 200.85 million respectively. However, its subsidiary did not recognize deferred tax assets as its subsidiary believes that it is not probable that future taxable profit will be available to allow the entire deferred tax assets to be utilized.

14.4 Tax rate

Current income tax

The Company and its subsidiary calculated tax from the net profit after adjustment for non-taxable expenses and reserves in accordance with the Revenue Code.

The main adjustment items are allowance for obsolete and diminution in value of inventories, employee benefit obligations, expected credit loss, payments for employees' ATK (Covid-19 Antigen Self-Test kits), depreciation and expenses were not in compliance with the Revenue Code.

Deferred tax

Deferred tax has been measured using the effective rate at 20% announced by the government at reporting date.

15. SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

Short - term loans from financial institutions consist of :

	Interest rate (% p.a.)		Unit : Baht			
			Consolidated		Separate	
	2021	2020	2021	2020	2021	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.

16. TRADE ACCOUNTS AND OTHER CURRENT PAYABLE

Trade accounts and other current payable consist of :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
<u>Trade accounts payable</u>				
Trade accounts payable - Related companies	103,303,379.74	40,072,488.46	57,195,370.16	26,914,916.50
- Other companies	73,554,001.54	42,462,990.06	28,476,339.87	18,072,286.40
Total trade accounts payable	176,857,381.28	82,535,478.52	85,671,710.03	44,987,202.90
<u>Other current payable</u>				
Other payable	4,438,009.17	4,640,018.83	3,353,273.54	4,038,983.63
Accrued expenses	10,120,261.41	8,564,788.75	3,668,020.37	3,836,257.69
Accrued bonus	2,469,330.50	12,145,744.33	2,469,330.50	10,406,733.33
Asset payable	1,357,480.75	186,180.00	787,170.75	-
Advance income	782,372.97	642,772.96	507,220.44	360,636.85
Total other current payable	19,167,454.80	26,179,504.87	10,785,015.60	18,642,611.50
Total trade accounts and others current payable	196,024,836.08	108,714,983.39	96,456,725.63	63,629,814.40

17. LONG - TERM LOAN FROM FINANCIAL INSTITUTION - NET

Long - term loan from financial institution consist of :

	Unit : Baht	
	Consolidated	
	2021	2020
Beginning balance for the year	199,499,500.00	260,966,300.00
<u>Less</u> Paid during the year	(61,466,800.00)	(61,466,800.00)
Total	138,032,700.00	199,499,500.00
<u>Less</u> Current portion	(61,466,800.00)	(61,466,800.00)
Net	76,565,900.00	138,032,700.00

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

Facility line (Million Baht)	Objective	Interest rate (%)	Term of repayment	Final payment	Collaterals
430	For payment short - term loans	4.77	Quarterly principal installment of 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

18. PROVISION FOR EMPLOYEE BENEFIT - NET

The company and its subsidiary operates post-employment benefit and pension based on the requirement of the Thai Labor Protection Act B.E. 2541 to provide retirement benefits and other long-term benefits to employees based on pensionable remuneration and length of service.

Movement in the present value of the provision for employee benefits consist of :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Opening balance as at January 1,	50,516,884.00	49,514,218.00	32,078,135.00	29,870,344.00
Current service cost	5,653,131.00	4,598,688.99	3,422,347.00	2,574,733.00
Interest cost	611,730.37	771,906.00	384,938.37	462,984.00
Employment benefit paid during the year	(2,115,543.67)	(4,504,316.05)	(753,756.67)	(3,057,176.70)
Defined benefit plans remeasurements (gains) loss	(6,967,759.70)	136,387.06	(2,521,538.70)	2,227,250.70
Ending balance as at December 31,	47,698,442.00	50,516,884.00	32,610,125.00	32,078,135.00
<u>Less</u> Current portion	(2,296,552.00)	(1,206,147.00)	(1,434,723.00)	(723,465.00)
Provisions for employee benefits - net	45,401,890.00	49,310,737.00	31,175,402.00	31,354,670.00

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

As at 31 December 2021 and 2020, the weighted-average duration of the liabilities for long-term employee benefit in the consolidated financial statements are 10 - 11 years and in the separate financial statements are 10 years.

The expense is recognized in the following line items in the profit or loss :

	Unit : Baht			
	For the year end December 31,			
	Consolidated		Separate	
	2021	2020	2021	2020
<u>Profit or loss :</u>				
Cost of sale and services	4,850,919.38	4,377,279.98	2,846,433.38	2,505,442.00
Distribution costs	275,931.37	315,875.00	143,193.37	185,306.00
Administrative expense	1,138,010.62	677,440.01	817,658.62	346,969.00
Total	6,264,861.37	5,370,594.99	3,807,285.37	3,037,717.00
<u>Other comprehensive income (loss)</u>				
Defined benefit plans				
remeasurements (gains)				
loss - net of income tax	(5,574,207.77)	109,109.65	(2,017,230.96)	1,781,800.56

Actuarial gains and losses recognized in other comprehensive income arising from:

	Unit : Baht			
	For the year end December 31,			
	Consolidated		Separate	
	2021	2020	2021	2020
Financial assumptions	(3,227,618.00)	1,847,039.00	(2,124,175.00)	1,162,581.00
Experience adjustment	(2,870,824.70)	(1,592,955.94)	(523,316.70)	1,182,365.70
Demographic assumptions	(869,317.00)	(117,696.00)	125,953.00	(117,696.00)
Total	(6,967,759.70)	136,387.06	(2,521,538.70)	2,227,250.70

Principal actuarial assumptions at the reporting date consist of :

	Consolidated		Separate	
	2021	2020	2021	2020
Discounted rate * (%)	1.84 - 1.89	1.20 - 1.23	1.84	1.20
Salary increase rate (%)	2.50 - 3.50	2.50 - 3.50	3.50	3.50
Retirement age (year)	60	60	60	60
Employee turnover rate ** (%)	0 - 25	0 - 25	0 - 18	0 - 18
Mortality rate ***	TMO 2017	TMO 2017	TMO 2017	TMO 2017

* Market yield from government's bond for legal severance payments plan

** Upon the length of service

*** Reference from TMO2017 (TMO2017 : Thai Mortality Ordinary Table of 2017)

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

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the provision for employee benefits obligations by the amounts shown below :

Effect on the provision for provision employee benefits as at December 31, 2021 and 2020 are as follows :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Discount rate				
1% increase	(4,359,222.00)	(5,015,321.00)	(2,955,626.00)	(3,151,908.00)
1% decrease	5,053,275.00	5,845,444.00	3,429,549.00	3,672,796.00
Salary increase rate				
1% increase	4,923,636.00	5,656,121.00	3,335,613.00	3,547,814.00
1% decrease	(4,338,997.00)	(4,962,381.00)	(2,937,931.00)	(3,114,806.00)
Employee turnover rate				
1% increase	(4,552,042.00)	(5,201,958.00)	(3,078,095.00)	(3,265,247.00)
1% decrease	1,466,995.00	1,765,195.00	993,840.00	1,106,866.00

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

19. LEGAL RESERVE

19.1 COMPANY

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve of at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

At present, the legal reserve has fully been set aside.

19.2 SUBSIDIARY

According to Section 1202 of the Thai Civil and Commercial Code, a subsidiary (incorporated under Thai Laws) is required to set aside a legal reserve equal to at least 5% of its income each time the company pays out a dividend, until such reserve reaches 10% of its authorize share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment.

20. EXPENSES BY NATURE

Significant expenses classified by nature consist of :

	Unit : Baht			
	Consolidated		Separate	
	2021	2020	2021	2020
Changes in inventories of finished goods and work in process	(14,929,800.20)	(1,255,805.58)	(856,453.00)	1,500,264.51
Raw materials and consumables used	793,879,159.11	687,655,619.34	431,856,058.06	385,759,995.08
Employee expenses	196,863,285.34	207,319,075.74	101,497,673.45	109,329,779.81
Depreciation and amortization	57,082,956.04	61,153,949.11	14,233,826.52	15,386,763.95
Finance cost	11,884,080.77	14,972,188.25	78,358.25	404,876.68

21. 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.

21. 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 year end December 31, 2021		
	Promoted business	Non - promoted business	Total
Total revenues	269,159	1,007,816	1,276,975
Cost and expenses	(234,440)	(955,274)	(1,189,714)
Finance cost	(30)	(11,854)	(11,884)
Income tax	-	(11,585)	(11,585)
Net profit (loss)	34,689	29,103	63,792
Other comprehensive income (loss)	-	5,574	5,574
Comprehensive income (loss)	34,689	34,677	69,366

	Unit : Thousands baht		
	Separate		
	For the year end December 31, 2021		
	Promoted business	Non - promoted business	Total
Total revenues	269,159	442,756	711,915
Cost and expenses	(234,440)	(381,591)	(616,031)
Finance cost	(30)	(49)	(79)
Income tax	-	(11,926)	(11,926)
Net profit (Loss)	34,689	49,190	83,879
Other comprehensive income (loss)	-	2,017	2,017
Comprehensive income (loss)	34,689	51,207	85,896

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.

22. BASIC EARNINGS PER SHARE

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

	For the year end December 31,			
	Consolidated		Separate	
	2021	2020	2021	2020
Net profit attributable to ordinary shareholders of the Company (basis) (Unit : Baht)	63,791,668.92	76,999,571.44	83,879,430.23	82,775,284.51
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/Share)	0.213	0.257	0.280	0.276

23. PROVIDENT FUND

The Company the subsidiary company and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary company and their employees contributed to the fund monthly at the rate of 3 - 5 percent of their basic salary. The fund, managed by Krung Thai Asset Management Plc., will be paid to employees upon termination in accordance with the fund rules. For the years ended December 31, 2021 and 2020, the Company and its subsidiary contributed to the fund amounting to Baht 3.54 million and Baht 3.52 million respectively.

24. 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.

For the year 2021, the Company and its subsidiary have revenue from a major customers in the consolidated financial statements in amount to Baht 444 million (for the year 2020 amounting to Baht 415 million), arising from sales by packaging production.

25. FINANCIAL INSTRUMENT

25.1 Carrying amounts and fair values

Fair values of financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of net book value.

25.2 Financial risk management objectives and policies

The Company and its subsidiary is exposed to a variety of financial risks, including credit risk, market risk (including foreign exchange and interest rate risk) and liquidity risk. The Company and its subsidiary's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

The Company and its subsidiary's financial instruments principally comprise cash and cash equivalents, trade accounts and other current receivable, long - term loans to, trade accounts and other current payable, short - term loans, long-term loans and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

25.3 Credit risk

Credit risk is the risk of financial losses if a customer or the counterparty in a financial instrument fails to meet its obligations. The risk consists mainly of Trade accounts and other current receivable, deposits with banks and other financial instruments. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statements of financial position.

25.3.1 Trade accounts and other current receivable

The Company and its subsidiary manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade and other receivable are regularly monitored. In addition, The Company and its subsidiary does not have high concentrations of credit risk since it has a large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

25.4 Market risk

25.4.1 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates arises mainly from trade payables - international and accounts payable from purchasing of equipment transactions that are denominated in foreign currencies. The Company and its subsidiary's exposure to the risk of changes in foreign exchange rates relates primarily to the Company and its subsidiary's operating activities.

As at 31 December 2021 and 2020, the Company and its subsidiary had not significant financial liabilities which were not hedged foreign exchange risk as follows:

Foreign currency	Consolidated		Separated		Exchange rate	
	2021	2020	2021	2020	2021	2020
financial liabilities						
US dollar	3,086,378	1,493,071	1,670,031	852,286	33.59	30.21
YEN	-	421,070	-	421,070	-	0.29

Foreign currency sensitivity analysis

There is no significant impact on the Company and its subsidiary's profit before tax arising from the change in the fair value of monetary liabilities due to the possible change in exchange rates of liabilities that are denominated in foreign currencies.

25.4.2 Interest rate risk

The Company and its subsidiary's exposure to interest rate risk relates primarily to its cash at banks, long - term loans to, short - term loans from and long-term loans from. Most of the Company and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate which may cause variations in the Company and its subsidiary's financial results.

The Company and its subsidiary manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings. The Company and its subsidiary's policy is to match between sources and uses of fund while a majority of our financial liability is based on fixed rates.

As at 31 December 2021 and 2020, significant interest-bearing financial assets and liabilities classified by type of interest rate are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

25. FINANCIAL INSTRUMENT (Con't)

25.4 Market risk (Con't)

25.4.2 Interest rate risk (Con't)

Financial assets and financial liabilities of the Company and its subsidiary had interest rate risk as follows:

Consolidated as at December 31, 2021							
Unit : Thousand baht							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% p.a.)
	within 1 year	Over 1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	49,193	6,629	55,822	0.05 - 0.15
Trade accounts and other current receivable - net	-	-	-	-	271,810	271,810	-
Long - term loans to employees	-	-	-	11	-	11	MLR+1.5
Financial liabilities							
Short-term loans from related company	-	-	-	420,000	-	420,000	0.68 - 0.88
Trade accounts and other current payable	-	-	-	-	196,025	196,025	-
Financial lease	678	123	-	-	-	801	4
Long - term loans from financial institutions	61,467	76,566	-	-	-	138,033	Fixed 4.77
Consolidated as at December 31, 2020							
Unit : Thousand baht							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% p.a.)
	within 1 year	Over 1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	35,496	33,507	69,003	0.05 - 0.10
Trade accounts and other current receivable - net	-	-	-	-	220,023	220,023	-
Long - term loans to employees	-	-	-	375	-	375	MLR+1.5
Financial liabilities							
Short-terms loans from financial institutions	-	-	-	18,000	-	18,000	1.20 - 1.95
Short-term loans from related company	-	-	-	320,000	-	320,000	0.42 - 1.14
Trade accounts and other current payable	-	-	-	-	108,715	108,715	-
Financial lease	1,025	801	-	-	-	1,826	4
Long - term loans from financial institutions	61,467	138,033	-	-	-	199,500	Fixed 4.77

25. FINANCIAL INSTRUMENT (Con't)

25.4 Market risk (Con't)

25.4.2 Interest rate risk (Con't)

Financial assets and financial liabilities of the Company and its subsidiary had interest rate risk as follows:
(Con't)

Separate as at December 31, 2021							
Unit : Thousand baht							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% p.a.)
	within 1 year	Over 1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	16,649	3,424	20,073	0.05 - 0.15
Trade accounts and other current receivable - net	-	-	-	-	135,747	135,747	-
Long - term loans to employees	-	-	-	11	-	11	MLR+1.5
Financial liabilities							
Trade accounts and other current payable	-	-	-	-	96,457	96,457	-
Financial lease	319	-	-	-	-	319	4

Separate as at December 31, 2020							
Unit : Thousand baht							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective Interest rate (% p.a.)
	within 1 year	Over 1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	30,430	4,858	35,288	0.05 - 0.10
Trade accounts and other current receivable - net	-	-	-	-	120,895	120,895	-
Long - term loans to employees	-	-	-	283	-	283	MLR+1.5
Financial liabilities							
Short-terms loans from financial institutions	-	-	-	18,000	-	18,000	1.20 - 1.95
Trade accounts and other current payable	-	-	-	-	63,630	63,630	-
Financial lease	680	319	-	-	-	999	4

Interest rate sensitivity

Pre-tax income of the Company and its subsidiary is not materially impacted by interest rates for loans that fluctuate according to market rates.

25. FINANCIAL INSTRUMENT (Con't)

25.5 Liquidity risk

The Company and its subsidiary need liquidity to meet their obligations. Individual companies are responsible for their own cash balances and the raising of internal and external credit lines to cover the liquidity needs, subject to guidance by the Company and its subsidiary.

The Company and its subsidiary monitor the risk of a shortage of liquidity position by a recurring liquidity planning and maintains an adequate level of cash, fixed deposits and unused committed and uncommitted credit lines with various banks to meet its liquidity requirements.

The table below summarizes the maturity profile of the Company and its subsidiary non-derivative financial liabilities as at 31 December 2021, based on contractual undiscounted cash flows:

	Unit : Thousand baht				
	Consolidated				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from related company	420,000	-	-	-	420,000
Trade accounts and other current payable	-	196,024	-	-	196,024
Finacial lease	-	678	123	-	801
Long - term loans from financial institutions	-	61,467	76,566	-	138,033
Total non-derivatives	420,000	258,169	76,689	-	754,858

	Unit : Thousand baht				
	Separate				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade accounts and other current payable	-	96,457	-	-	96,457
Finacial lease	-	319	-	-	319
Total non-derivatives	-	96,776	-	-	96,776

25.6 Fair value of financial instruments

Since the majority of the Company and subsidiary' financial assets and liabilities are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

26. COMMITMENTS AND CONTINGENT LIABILITIES

Commitment

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

	Currency	2021	2020
The Company	USD	8,772	77,000
	THB	-	1,292,000
Subsidiary	USD	14,915	515,900
	JPY	-	35,600,000
	THB	853,155	303,400

Contingent liabilities

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

	2021		2020	
	Baht	USD	Baht	USD
<u>Letters of credit</u>				
Subsidiary	-	50,050	-	5,261
<u>Letters of guarantee</u>				
The Company	6,796,200	-	6,749,100	-
Subsidiary	6,700,000	-	6,700,000	-

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

27. 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 December 31, 2021 and 2020, debt-to-equity ratio in the consolidated financial statements was 1.40 : 1 and 1.38 : 1 respectively, and the separate financial statements was 0.18 : 1 and 0.18 : 1 respectively.

28. APPROVAL OF FINANCIAL STATEMENT

These financial statements have been approved by the Company's Board of Directors on February 24, 2022.