

Thai Plaspac Public Company Limited and its subsidiaries  
Review report and interim financial information  
For the three-month period ended 31 March 2022

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Thai Plaspac Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Thai Plaspac Public Company Limited and its subsidiaries as at 31 March 2022, the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate interim financial information of Thai Plaspac Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

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



Chayapol Suppasdtanon

Certified Public Accountant (Thailand) No. 3972

EY Office Limited

Bangkok: 12 May 2022

Thai Plaspac Public Company Limited and its subsidiaries  
Statement of financial position  
As at 31 March 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		637,393	393,780	26,505	10,734
Trade and other receivables	2, 3	1,303,450	1,238,717	493,282	491,744
Short-term loans to related party	2	-	-	14,000	7,000
Inventories		597,148	579,167	202,182	182,641
Advance payment for purchasing of raw materials		5,561	14,329	-	-
Other current financial assets		2,374	2,417	-	-
Other current assets		96,828	82,505	39,988	39,898
<b>Total current assets</b>		<b>2,642,754</b>	<b>2,310,915</b>	<b>775,957</b>	<b>732,017</b>
<b>Non-current assets</b>					
Restricted bank deposits		17,584	17,904	-	-
Other non-current financial assets		375	351	-	-
Investments in subsidiaries	4	-	-	3,582,750	3,574,000
Property, plant and equipment	5	2,131,290	2,138,674	369,925	387,573
Right-of-use assets		186,095	190,577	2,928	2,676
Goodwill		1,616,561	1,639,737	-	-
Intangible assets		593,361	618,991	3,861	3,818
Deferred tax assets		10,868	10,299	10,868	10,299
Withholding tax deducted at source		70,357	70,357	70,357	70,357
Advance payment for purchasing of molds		72,583	63,771	65,548	56,947
Assets associated with call options granted					
by non-controlling interests of the subsidiary		6,410	6,410	6,410	6,410
Other non-current assets		56,827	58,893	6,613	4,528
<b>Total non-current assets</b>		<b>4,762,311</b>	<b>4,815,964</b>	<b>4,119,260</b>	<b>4,116,608</b>
<b>Total assets</b>		<b>7,405,065</b>	<b>7,126,879</b>	<b>4,895,217</b>	<b>4,848,625</b>

The accompanying notes are an integral part of the financial statements.

Thai Plaspac Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2022

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	6	902,619	751,056	737,058	660,619
Trade and other payables	2	588,594	618,993	306,463	319,267
Current portion of long-term loans from banks	7	285,333	256,612	214,985	189,274
Current portion of lease liabilities		12,328	13,797	1,454	1,647
Income tax payable		35,237	23,585	13,381	9,926
Other current financial liabilities		12	23	12	23
Other current liabilities		97,305	98,250	41,762	44,893
Total current liabilities		1,921,428	1,762,316	1,315,115	1,225,649
Non-current liabilities					
Long-term loans from banks, net of current portion	7	2,068,222	1,980,298	1,416,328	1,482,928
Lease liabilities, net of current portion		172,631	175,129	1,548	1,106
Liabilities associated with put options granted to non-controlling interests of the subsidiary	9	288,727	289,544	288,727	289,544
Deferred tax liabilities		347,342	356,282	-	-
Provision for long-term employee benefits		82,354	79,557	50,049	47,919
Total non-current liabilities		2,959,276	2,880,810	1,756,652	1,821,497
Total liabilities		4,880,704	4,643,126	3,071,767	3,047,146

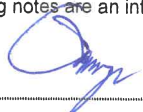
The accompanying notes are an integral part of the financial statements.

Thai Plaspac Public Company Limited and its subsidiaries  
Statement of financial position (continued)  
As at 31 March 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
326,550,000 ordinary shares of Baht 1 each	326,550	326,550	326,550	326,550
Issued and paid-up				
326,549,999 ordinary shares of Baht 1 each	326,550	326,550	326,550	326,550
Premium on ordinary shares	1,026,969	1,026,969	1,026,969	1,026,969
Excess from change in ownership interest in the subsidiary	20,035	20,035	-	-
Retained earnings				
Appropriated - statutory reserve	32,655	32,655	32,655	32,655
Unappropriated	770,423	680,964	437,276	415,305
Other components of shareholders' equity	(7,105)	46,160	-	-
Equity attributable to owners of the Company	2,169,527	2,133,333	1,823,450	1,801,479
Non-controlling interests of the subsidiaries	354,834	350,420	-	-
<b>Total shareholders' equity</b>	<b>2,524,361</b>	<b>2,483,753</b>	<b>1,823,450</b>	<b>1,801,479</b>
<b>Total liabilities and shareholders' equity</b>	<b>7,405,065</b>	<b>7,126,879</b>	<b>4,895,217</b>	<b>4,848,625</b>

The accompanying notes are an integral part of the financial statements.




Directors



(Unaudited but reviewed)

## Thai Plaspac Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales	2	1,620,047	1,089,091	477,987	385,864
Other income	2	22,475	13,053	18,281	12,933
Gain on exchange		5,041	1,569	1,181	713
<b>Total revenues</b>		<b>1,647,563</b>	<b>1,103,713</b>	<b>497,449</b>	<b>399,510</b>
<b>Expenses</b>					
Cost of sales	2	1,349,075	815,358	404,485	309,316
Selling and distribution expenses		53,495	45,048	10,514	9,242
Administrative expenses	2	97,761	74,868	39,398	38,961
<b>Total expenses</b>		<b>1,500,331</b>	<b>935,274</b>	<b>454,397</b>	<b>357,519</b>
<b>Profit from operating activities</b>		<b>147,232</b>	<b>168,439</b>	<b>43,052</b>	<b>41,991</b>
Finance cost		(33,810)	(25,966)	(18,253)	(10,509)
<b>Profit before income tax expenses</b>		<b>113,422</b>	<b>142,473</b>	<b>24,799</b>	<b>31,482</b>
Income tax expenses	10	(17,306)	(158,420)	(3,645)	(4,783)
<b>Profit (loss) for the period</b>		<b>96,116</b>	<b>(15,947)</b>	<b>21,154</b>	<b>26,699</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		(56,806)	114,911	-	-
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>		(56,806)	114,911	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain		687	1,148	-	-
Less: Income tax effect		(206)	(203)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax</i>		481	945	-	-
<b>Other comprehensive income for the period</b>		<b>(56,325)</b>	<b>115,856</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>39,791</b>	<b>99,909</b>	<b>21,154</b>	<b>26,699</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Thai Plaspac Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Profit (loss) attributable to:</b>				
Equity holders of the Company	88,329	(20,103)	21,154	26,699
Non-controlling interests of the subsidiaries	7,787	4,156		
	<u>96,116</u>	<u>(15,947)</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	35,377	93,004	21,154	26,699
Non-controlling interests of the subsidiaries	4,414	6,905		
	<u>39,791</u>	<u>99,909</u>		
<b>Earnings (loss) per share</b>				
Basic earnings (loss) per share				
Profit (loss) attributable to equity holders of the Company	<u>0.27</u>	<u>(0.06)</u>	<u>0.06</u>	<u>0.08</u>

The accompanying notes are an integral part of the financial statements.

## For the three-month period ended 31 March 2022

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The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Thai Plaspac Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity**

**For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

	Separate financial statements				
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings	
				Appropriated - Statutory reserve	Unappropriated
<b>Balance as at 1 January 2021</b>		326,550	1,026,969	32,655	696,596
Profit for the period		-	-	-	26,699
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-	-	-	-
<b>Balance as at 31 March 2021</b>		326,550	1,026,969	32,655	723,295
<b>Balance as at 1 January 2022</b>		326,550	1,026,969	32,655	415,305
Profit for the period		-	-	-	21,154
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-	-	-	-
Decrease in liabilities associated with put options granted to non-controlling interests of the subsidiary	9	-	-	-	21,154
<b>Balance as at 31 March 2022</b>		326,550	1,026,969	32,655	437,276
					817
					1,823,450

The accompanying notes are an integral part of the financial statements.

## Thai Plaspac Public Company Limited and its subsidiaries

## Statement of cash flows

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit before tax	113,422	142,473	24,799	31,482
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	112,799	83,265	33,103	35,833
Loss on expected credit losses	294	91	-	91
Reduction (reversal) of inventories to net realisable value	4,423	(673)	712	(651)
Gain on disposals of machinery and equipment	(1,573)	(8)	(150)	-
Long-term employee benefits expenses	4,838	3,526	2,130	2,015
Unrealised gain on exchange	(2,394)	(1,702)	(1,223)	(1,475)
Loss (gain) from fair value measurement of forward exchange contracts	(11)	1,290	(11)	1,290
Amortisation of financial fees	796	1,942	670	262
Interest income	(1,318)	(2,039)	-	(7)
Finance cost	33,014	24,024	17,583	10,247
Profit from operating activities before changes in operating assets and liabilities	264,290	252,189	77,613	79,087
Operating assets (increase) decrease				
Trade and other receivables	(63,243)	(83,789)	(1,183)	(30,731)
Inventories	(22,357)	(101,104)	(20,253)	(42,522)
Other current assets	(20,746)	(13,623)	(8,072)	(25,007)
Other non-current assets	(6,746)	4,186	(10,686)	9,362
Operating liabilities increase (decrease)				
Trade and other payables	(30,801)	(8,112)	(634)	(11,411)
Other current liabilities	(945)	3,597	(3,131)	8,631
Provision for long-term employee benefits	(1,055)	(1,397)	-	(27)
Cash flows from (used in) operating activities	118,397	51,947	33,654	(12,618)
Corporate income tax paid	(6,324)	(390)	(4,857)	(390)
<b>Net cash flows from (used in) operating activities</b>	<b>112,073</b>	<b>51,557</b>	<b>28,797</b>	<b>(13,008)</b>

The accompanying notes are an integral part of the financial statements.

## Thai Plaspac Public Company Limited and its subsidiaries

## Statement of cash flows (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from investing activities</b>				
Increase in short-term loans to related party	-	-	(7,000)	-
Proceeds from sales of equipment	3,605	797	150	-
Proceeds from sales of asset held for sale	-	57,274	-	-
Acquisitions of building, machinery and equipment	(97,160)	(80,946)	(13,547)	(5,113)
Acquisitions of intangible assets	(801)	(710)	(262)	(440)
Cash paid for investment in subsidiary	-	-	(8,750)	-
Increase in other non-current financial assets	(30)	(6)	-	-
Interest received	1,318	2,039	-	7
<b>Net cash flows used in investing activities</b>	<b>(93,068)</b>	<b>(21,552)</b>	<b>(29,409)</b>	<b>(5,546)</b>
<b>Cash flows from financing activities</b>				
Increase in bank overdraft and short-term loans from banks	151,563	96,950	76,439	75,829
Decrease in restricted bank deposits	-	2,400	-	-
Cash receipt from long-term loans from banks	189,028	-	-	-
Repayments of long-term loans from banks	(63,771)	(41,559)	(41,559)	(41,559)
Repayment of debentures	-	(40,463)	-	-
Cash paid for lease liabilities	(6,975)	(2,891)	(450)	(582)
Interest paid	(29,879)	(37,954)	(18,047)	(10,620)
<b>Net cash flows from (used in) financing activities</b>	<b>239,966</b>	<b>(23,517)</b>	<b>16,383</b>	<b>23,068</b>
Increase (decrease) in exchange differences on translation of financial statements in foreign currency	(15,358)	40,664	-	-
<b>Net increase in cash and cash equivalents</b>	<b>243,613</b>	<b>47,152</b>	<b>15,771</b>	<b>4,514</b>
Cash and cash equivalents at beginning of period	393,780	195,615	10,734	5,894
<b>Cash and cash equivalents at end of period</b>	<b>637,393</b>	<b>242,767</b>	<b>26,505</b>	<b>10,408</b>

## Supplemental cash flows information

Non-cash items consist of:

Increase (decrease) in accounts payable for purchasing of equipment	433	3,483	(10,804)	517
Decrease in liabilities associated with put options granted to non-controlling interests of the subsidiary	(817)	-	(817)	-
Increase in long-term lease liabilities	664	-	664	-
Decrease in account payable for purchasing of shares	(927)	-	(927)	-

The accompanying notes are an integral part of the financial statements.

**Thai Plaspac Public Company Limited and its subsidiaries**  
**Notes to interim consolidated financial statements**  
**For the three-month period ended 31 March 2022**

**1. General information**

**1.1 Basis for the preparation of interim financial information**

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, it focuses on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language interim financial information.

**1.2 Basis of consolidation**

The interim consolidated financial information includes the financial statements Thai Plaspac Public Company Limited ("the Company") and its subsidiary companies ("the subsidiaries") (collectively as "the Group") and has been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021, with no significant change in shareholding structure of subsidiaries during the current period.

**1.3 Significant accounting policies**

The interim financial information is prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

## 2. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business. There were no significant changes in the pricing policy of transactions with related parties during the current period. Summaries significant business transactions with related parties were as follows.

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Transactions with subsidiaries</u>				
(Eliminated from consolidated financial statements)				
Sales of goods	-	-	6,930	1,601
Purchase of goods	-	-	29,509	12,364
Management fee income	-	-	6,056	6,149
Interest income	-	-	55	-
Management expense	-	-	487	-
<u>Transaction with related companies</u>				
Purchase of goods	14,257	36,513	14,257	13,827

The balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
<u>Trade receivables - related parties</u>				
(Note 3)				
Subsidiaries	-	-	4,122	7,175
<u>Other receivables - related parties</u>				
(Note 3)				
Subsidiaries	-	-	9,311	16,049
<u>Short-term loans to related party</u>				
Subsidiary	-	-	14,000	7,000
<u>Trade payables - related parties</u>				
Subsidiaries	-	-	25,769	22,790
Related companies	13,201	46,105	13,201	7,042
Total	13,201	46,105	38,970	29,832
<u>Other payables - related parties</u>				
Subsidiary	-	-	487	-

Short-term loans to related party

(Unit: Thousand Baht)

Loans to related party	Related by	Separate financial statements		
		Balance as at 1 January 2022	Increase during the period	Balance as at 31 March 2022
TPAC Packaging (Bangna) Company Limited	Subsidiary	7,000	7,000	14,000

Directors and management's benefits

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short-term benefits	20,163	14,916	10,860	11,457
Post-employment benefits	1,078	1,071	958	964
Other long-term benefits	7	6	7	6
Total	21,248	15,993	11,825	12,427

Guarantee obligations with related parties

The Company has outstanding guarantee obligations related to long-term loans from banks with its subsidiaries, as described in Note 7 to financial statements.

**3. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	4,122	7,175
Total trade receivables - related parties	-	-	4,122	7,175

(Unaudited but reviewed)

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	991,131	954,100	387,880	362,869
Past due				
Up to 1 month	210,707	215,802	87,673	97,813
1 - 2 months	31,754	26,071	4,012	6,757
2 - 3 months	9,523	11,214	166	1,096
3 months - 1 year	10,592	5,492	133	-
1 year - 2 years	485	809	-	-
Over 2 years	5,592	5,594	5,316	5,316
Total	1,259,784	1,219,082	485,180	473,851
Less: Allowance for expected credit losses	(8,555)	(8,305)	(5,331)	(5,331)
Total trade receivables - unrelated parties	1,251,229	1,210,777	479,849	468,520
<u>Other receivables - related parties</u>				
Other receivables	-	-	9,311	16,049
Total other receivables - related parties	-	-	9,311	16,049
<u>Other receivables - unrelated parties</u>				
Value added tax refundable	18,571	4,646	-	-
Other receivables	33,650	23,294	-	-
Total other receivables - unrelated parties	52,221	27,940	-	-
Total trade and other receivables	1,303,450	1,238,717	493,282	491,744

#### 4. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows.

Subsidiaries	Paid-up capital		Shareholding percentage		Cost		Dividend received during the periods/years	
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021	2022	2021
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<u>Subsidiaries held by the Company</u>								
TPAC Packaging India Private Limited	2,128 Million Indian Rupee	2,108 Million Indian Rupee	100	100	2,077,904	2,069,154	-	-
TPAC Packaging (Bangna) Company Limited	101 Million Baht	101 Million Baht	100	100	107,000	107,000	-	-
Sun Packaging Systems (FZC)	0.45 Million Dirham United Arab Emirates	0.45 Million Dirham United Arab Emirates	89	89	384,590	384,590	-	53,033
Combi-Pack Sdn Bhd	2 Million Malaysian Ringgit	2 Million Malaysian Ringgit	80	80	1,013,256	1,013,256	-	-
Total					3,582,750	3,574,000	-	53,033

#### Purchase of business of M/s Skypet Polymers by TPAC Skypet India Private Limited (Formerly known as TPAC Packaging India II Private Limited)

On 30 December 2021, the Company's Board of Directors' Meeting No. 8/2021 approved TPAC Packaging India II Private Limited, which is a subsidiary of TPAC Packaging India Private Limited, to acquire business of M/s Skypet Polymers, a partnership entity registered in India, and incorporated in plastic containers manufacturing and distribution business with the total considerations and expenses for this transaction not exceed INR 1,030 million or Baht 484.1 million.

On 25 February 2022, both subsidiaries entered into the amendment of Sale and Purchase Agreement and the Shareholders Agreement between both subsidiaries and group of sellers dated 31 December 2021.

The Shareholders Agreement also stipulated that Mr. S. Selvaraj, a shareholder of M/s Skypet Polymers, has put options with the rights to sell all remaining 20% of shares in TPAC Packaging India II Private Limited to TPAC Packaging India Private Limited, and TPAC Packaging India Private Limited has call options with the rights to buy all remaining 20% of shares in TPAC Packaging India II Private Limited from Mr. S. Selvaraj according to specified terms and conditions as stated in the agreements.



On 28 February 2022, the Company paid Baht 8.75 million (INR 20 million) for capital increase of TPAC Packaging India Private Limited, for 2 million shares increase with par value of INR 10 each. On 2 March 2022, TPAC Packaging India Private Limited also paid initial share capital of TPAC Packaging India II Private Limited amounted to INR 20 million (2 million shares with par value of INR 10 each).

On 9 March 2022, the subsidiary registered the change of its name from TPAC Packaging India II Private Limited to TPAC Skypet India Private Limited.

On 29 March 2022, TPAC Packaging India Private Limited provided loan of INR 356 million to TPAC Skypet India Private Limited, and on 31 March 2022, TPAC Skypet India Private Limited drawdown long-term loan from bank in India in amount of INR 430 million for purchase business of M/s Skypet Polymer.

On 1 April 2022, purchase of business of M/s Skypet Polymers was completed as agreed between parties.

On 2 April 2022 and 21 April 2022, TPAC Skypet India Private Limited paid the considerations to group of sellers amounting to INR 511 million and INR 120 million, respectively, whereby the initial purchase price is INR 752 million. On 2 April 2022, TPAC Skypet India Private Limited also made repayments of long-term loans and working capital loans from banks of M/s Skypet Polymers amounting to INR 155 million.

On 2 April 2022, TPAC Skypet India Private Limited issued and allotted newly issued shares of 0.5 million shares or equivalent to 20% of the post allotment of total paid-up shares capital of the subsidiary, with a par value of INR 10 each, to Mr. S. Selvaraj at the subscription price of INR 5 million. Mr. S. Selvaraj also provided loan of INR 89 million to TPAC Skypet India Private Limited.

## 5. Property, plant and equipment

Movements of property, plant and equipment for the three-month period ended 31 March 2022 are summaries below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2022	2,138,674	387,573
Acquisitions during the period - at cost	97,593	2,743
Disposals during the period		
- net book value at disposal date	(2,032)	-
Depreciation for the period	(78,251)	(20,391)
Translation adjustment	(24,694)	-
Net book value as at 31 March 2022	2,131,290	369,925

As at 31 March 2022, property, plant and equipment of subsidiaries amounting to INR 2,316 million and MYR 38 million (31 December 2021: INR 2,238 million and MYR 38 million) have been mortgaged as collaterals against bank overdrafts and long-term loans from banks.

## 6. Bank overdrafts and short-term loans from banks

(Unit: Thousand Baht)

	Interest rates		Consolidated	
	(% per annum)		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Bank overdrafts	5.85 - 8.15	5.85 - 8.95	77,719	2,652
Short-term loans from banks	1.63 - 2.75	1.63 - 2.75	824,900	748,404
Total			902,619	751,056

(Unit: Thousand Baht)

	Interest rates		Separate	
	(% per annum)		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Bank overdrafts	5.85	5.85	58	1,619
Short-term loans from banks	1.63 - 2.10	1.63 - 2.10	737,000	659,000
Total			737,058	660,619

Under the credit facility agreements for short-term and long-term loans, the Group has to comply with certain financial terms as specified in the agreements, such as maintenance of interest bearing debt to equity ratio and debt service coverage ratio.

Bank overdraft credit facility of subsidiaries are secured by the mortgage of property, plant and equipment of the subsidiaries and the corporate guarantee by the Company.

## 7. Long-term loans from banks

Movements of the long-term loans for the three-month period ended 31 March 2022 are summaries below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2022	2,236,910	1,672,202
Add: Additional borrowings	189,028	-
Financial fees amortisation	796	670
Less: Repayments	(63,771)	(41,559)
Translation adjustment	(9,408)	-
Balance as at 31 March 2022	2,353,555	1,631,313

On 30 March 2022, TPAC Skypet India Private Limited entered into a loan agreement with a bank in India in amount of INR 430 million (Baht 189 million). The loan was secured by the mortgage of property, plant and equipment of the subsidiary and the corporate guarantee by the Company. The subsidiary had fully withdrawn the loan of INR 430 million on 31 March 2022. The loan carries interest at a rate of 8.51 percent per annum. The loan is repayable on semi-annual installments basis with amount specified in the agreement within 6 years after 1 year from the drawdown date. Under the loan agreement, the subsidiary has to comply with certain financial terms as specified in the agreement, such as maintaining debt to equity ratio and debt service coverage ratio. The Company is required to maintain a portion of its investment in the subsidiary and required to obtain approval from the financial institutions in various matters, including dividend payment.

Such long-term loans are secured by the mortgage of property, plant and equipment of the subsidiaries and guaranteed by the directors, including the corporate guarantee by the Company.

Under the loan agreements, the Group has to comply with certain financial terms as specified in the agreements, such as maintaining interest bearing debt to equity ratio and debt service coverage ratio. In addition, the Group has to comply with other terms as specified in the agreements.

As at 31 March 2022, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 87 million (31 December 2021: Baht 87 million) (the Company only: Baht 87 million (31 December 2021: Baht 87 million)).

**8. Debentures**

On 24 April 2018, the Annual General Meeting of the Company's shareholders approved the issuance and offering of debentures in total amount not exceed Baht 2,000 million. The Company has authority to determine any relevant terms and details such as type of debentures, security, offering amount at each issuance, offering price per unit, term of debentures, maturity period, rights of early redemption, interest rate, repayment method and allocation method, etc. As at 31 March 2022, the Company has not issued the debentures.

**9. Liabilities associated with put options granted to non-controlling interests of the subsidiary**

Combi-Pack Sdn Bhd

On 31 May 2021, the Company entered into Shareholders Agreement between the Company and Mr. Chow Chee Yut, whereby Mr. Chow Chee Yut has put options with rights to sell all remaining 20% of shares in Combi-Pack Sdn Bhd to the Company. The Company has call options with rights to buy all remaining 20% of shares in Combi-Pack Sdn Bhd from Mr. Chow Chee Yut. Put options granted to non-controlling interests of the subsidiary are summarised below.

First - fourth exercise of put options:

Within 60 days after the date that the subsidiary's auditor has audited the financial statements for the years 2024, 2025, 2026 and 2027, respectively, the option price is based on specified terms and conditions as stated in the agreement.

During the three-month period ended 31 March 2022, the Company recorded a decrease in liabilities associated with put options granted to non-controlling interests of the subsidiary resulting from fair value measurement of Baht 0.8 million in consolidated and separate financial statements.

**10. Income tax**

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Current income tax:</b>				
Interim corporate income tax charge	21,228	7,925	4,214	5,123
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(3,922)	150,495	(569)	(340)
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>17,306</b>	<b>158,420</b>	<b>3,645</b>	<b>4,783</b>

A subsidiary has unused tax loss on which deferred tax assets have not been recognised of Baht 79 million (31 December 2021: Baht 77 million).

In addition, the Company considered that no temporary differences associated with investments in overseas subsidiaries for which deferred tax liability is to be recognised as the Company has no policy to call for dividend from the subsidiaries in countries which subject to corporate income tax.

**11. Segment information**

The Group is organised into business units based on geographic areas. During the current period, the Group has not changed the organisation of the reportable segments from the last annual financial statements.

The following table presented revenues and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2022 and 2021.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March							
	Thailand		Oversea countries		Eliminations of inter-segment revenue		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from external customers	524,199	445,877	1,095,848	643,214	-	-	1,620,047	1,089,091
Inter-segment revenues	35,927	13,507	3,093	4,714	(39,020)	(18,221)	-	-
Total revenues	<u>560,126</u>	<u>459,384</u>	<u>1,098,941</u>	<u>647,928</u>	<u>(39,020)</u>	<u>(18,221)</u>	<u>1,620,047</u>	<u>1,089,091</u>
Segment operating profit	41,749	36,581	106,437	131,799	(954)	59	147,232	168,439
Unallocated revenues and expenses:								
Finance cost							(33,810)	(25,966)
Income tax expenses							(17,306)	(158,420)
Profit (loss) for the period							<u>96,116</u>	<u>(15,947)</u>

### Major customers

During the three-month periods ended 31 March 2022 and 2021, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

## **12. Commitments and contingent liabilities**

### **12.1 Capital commitments**

As at 31 March 2022, the Group had capital commitments totaling Baht 12.5 million, USD 0.7 million, EUR 0.4 million, JPY 2.5 million, INR 271.5 million, and MYR 0.5 million (The Company only: Baht 12.3 million, USD 0.3 million, EUR 0.1 million, and JPY 2.5 million) relating to acquisitions of machinery and molds (31 December 2021: Baht 16.1 million, USD 0.7 million, EUR 0.3 million, JPY 2.5 million, and INR 67.6 million (The Company only: Baht 10.7 million, USD 0.5 million, and JPY 2.5 million) relating to acquisitions of machinery and molds).

### **12.2 Guarantees**

As at 31 March 2022, there were outstanding bank guarantees to guarantee electricity and other utilities use, and guarantee for damage goods of Baht 20 million, INR 21 million and MYR 1 million issued by banks on behalf of the Group (The Company only: Baht 14 million) (31 December 2021: Baht 20 million, INR 21 million and MYR 1 million (The Company only: Baht 14 million)).

### 12.3 Litigations

TPAC Packaging India Private Limited has been carrying excise duty, and good and service tax under dispute amounting to INR 14 million. This contingent liability was arisen pursuant to notice for tax fiscal years 2015-2018 received from Indirect tax department in India. Currently, litigation is in progress pertaining to such disputes at the Courts, in India. In August 2018, the management of subsidiary has set aside provision for the potential loss to such case amounting to INR 11 million.

In addition, on 20 April 2021, TPAC Packaging India Private Limited received an assessment order of INR 85.8 million from Income tax department of India related to share premium received in India's tax fiscal years 2018-2019. Currently, the subsidiary is in the appeal process of such assessment order. The Group's management and the subsidiary's management believe that the subsidiary will not incur any loss as a result of this assessment order. The subsidiary therefore has not set aside provision for losses resulting from this assessment order.

### 13. Fair value hierarchy

As at 31 March 2022, the Group had the financial assets and financial liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)				
Consolidated and Separate financial statements				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Assets associated with call options granted by non-controlling interests of the subsidiary	-	-	6.4	6.4
<b>Liabilities measured at fair value</b>				
Financial liabilities measured at FVTPL				
Other current financial liabilities				
Foreign exchange forward contracts	-	0.1	-	0.1
Liabilities associated with put options granted to non-controlling interests of the subsidiary	-	-	288.7	288.7

During the current period, there were no changes in the methods and the assumptions used to estimate the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

**14. Financial instruments**

**14.1** As at 31 March 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements		Average exchange rate (Baht per 1 currency unit)
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	
US Dollar	3,149	673	895	45	33.2973
Euro	255	71	-	17	37.1827
Singapore Dollar	475	11	-	-	24.6174
Dirham United Arab Emirates	892	-	-	-	9.0652
Australian Dollar	1,136	183	-	-	24.9499
Malaysian Ringgit	-	9,944	-	9,944	7.9237
Japanese Yen	-	1,500	-	-	0.2728

**14.2** As at 31 March 2022, the Group had foreign exchange contracts outstanding as follow.

Foreign currency	Consolidated and Separate financial statements				
	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)		
US Dollar	-	291	-	32.89 - 33.59	9 - 24 June 2022

**14.3 Fair values of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

**14.4 Reconciliation of recurring fair value measurements, of financial assets and liabilities, categorised within Level 3 of the fair value hierarchy**

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	Assets associated with call options granted by non-controlling interests of the subsidiary	Liabilities associated with put options granted to non-controlling interests of the subsidiary
Balance as at 1 January 2022	6,410	289,544
Decreased during the period	-	(817)
Balance as at 31 March 2022	6,410	288,727



Key assumptions used in the valuation are summarized below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Assets associated with call options granted by non-controlling interests of the subsidiary	Black Scholes Model	Stock price and strike price	0.16 AED/share	No significant impact
Liabilities associated with put options granted to non-controlling interests of the subsidiary	Discounted cash flow based on the expected exercise price	Exercise price	107.92 MYR/share	The increase (decrease) of exercise price by 1% will cause the increase (decrease) in fair value by Baht 3 million.

#### 15. Event after the reporting period

On 29 April 2022, the Annual General Meeting of the Company's shareholders passed a resolution to pay a dividend from operating results for the year 2021 of Baht 0.141 per share, totaling Baht 46 million. The dividend will be paid on 20 May 2022.

#### 16. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 12 May 2022.