

THAI PLASPAC PLC.

ANNUAL REPORT

2021

(56-1 ONE REPORT)

**POSITIONED
FOR GROWTH**





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MESSAGE FROM GROUP CHIEF

EXECUTIVE OFFICER



Mr. Kevin Kumar Sharma

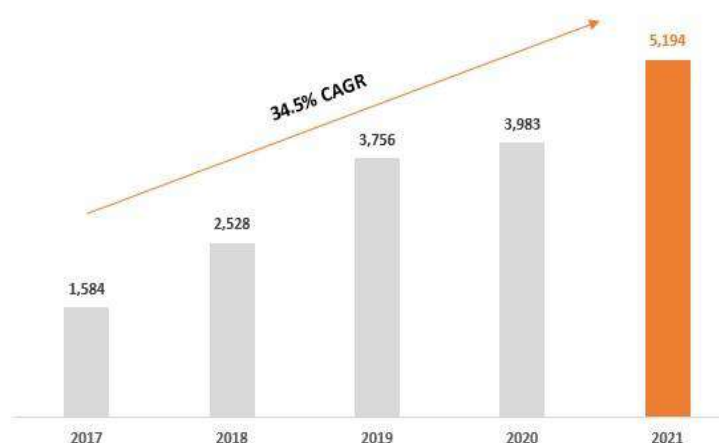
Chairman of Board of Directors
and Group CEO

Dear Stakeholders,

TPAC finished the years ...

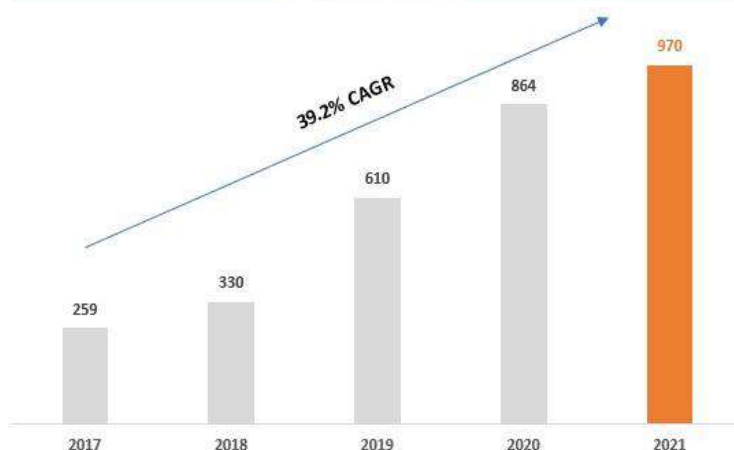
SALES

(Unit: THB Million)



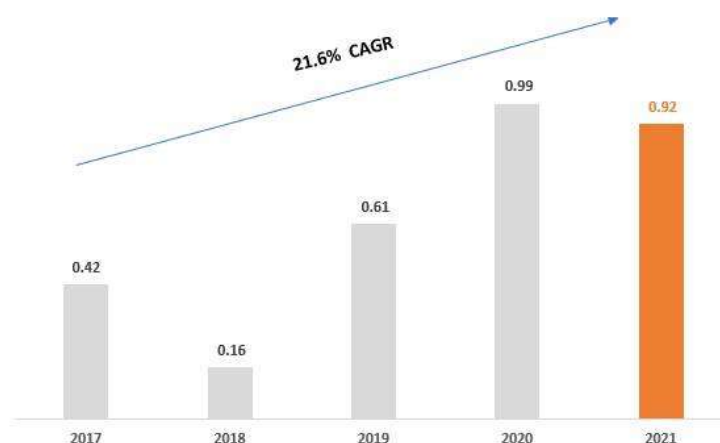
Core EBITDA

(Unit: THB Million)

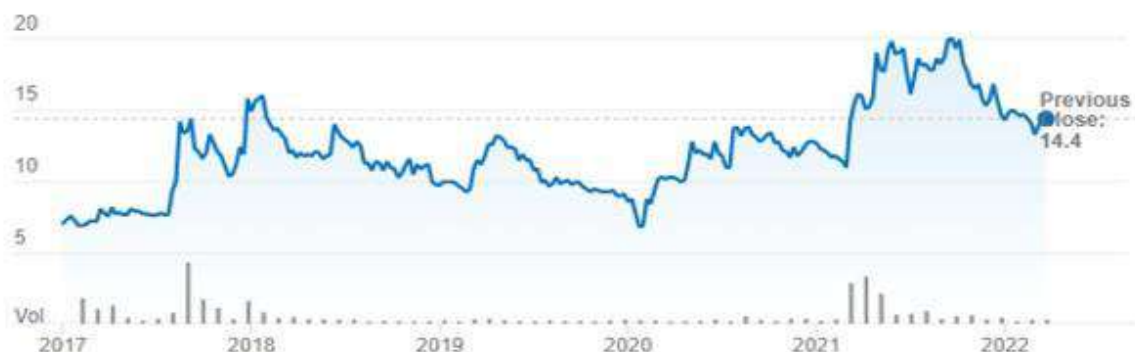


Core EPS

(Unit: THB)



Stock Price



TPAC finished the year with core EBITDA at THB 970 million, representing an increase of 12% to the previous year, while the core EPS showed a slight dip from 0.99 TBH in 2020 to 0.92 TBH in 2021.

2021 has been a testing year. Covid tested us yet for another year, and more ferociously this time. We are now hopeful the worst, as far as this pandemic goes, is behind us. Amongst the many lessons, Covid has certainly taught me to take nothing for granted. I am grateful for another privileged year at the helm of our business, and the leadership lessons gained through the journey.

It has been a year of volatility, and dramatic change across markets. Across logistic, energy, commodity markets there have been dramatic reversals in dynamics and prices. In 2020 we also witnessed zero-dollar oil, negative in fact. I recall at that point there were many a pundit prophesizing the world may never see 100-dollar oil again, ever. As I now write this note, air raid alarms are blaring through Ukraine and modern-day cities are reduced to what looks like a scene form of a war movie of the 40's. Crude oil just hit USD130 a barrel a few days ago*.

The unthinkable scenarios of yesterday, can very easily become today's reality. The past couple of

years, and the past couple of weeks have been a stark reminder of this for me.

So, as I write this letter and reflect on where TPAC stands, I find myself obsessing on the theme of resilience. TPAC has the potential to establish ourselves as a company for all seasons, a resilient company in other words. Our business today is positioned interestingly, we have a solid base to build on. We are today diversified across 4 separate and exciting geographies. In each of these markets, we are a market leader within our niches.

Malaysia is our newest market, having made entry in the middle of 2021. I am happy we did not allow the Covid pandemic to slow us down. We closed this transaction during the peak of the Covid delta wave (in Thailand and Malaysia) and I am proud of our teams to make this happen in a seamless manner. Our Malaysia business, 'Combi-Pack', caters 100% to the food and beverage industry. Combi-Pack brings a premium decorative technology into TPAC's portfolio of expertise. We believe this technology will grow faster due to its aesthetically striking and sustainable characteristics.

With Combi-Pack, TPAC now has a presence in 2 ASEAN countries. ASEAN is our home, and we remain very excited in the inherent market potential of this dynamic region.

*(March 8th, 2022)

In India, we are on the verge of acquiring a business undertaking of Skypet Polymers, which will further cement our presence into the south of the country, with a dedicated manufacturing set up. With this step TPAC India would have a presence in the North, West and now South of this vast country, with a total of 10 plants across India.

In my eyes, India continues to be the world's most exciting consumer market opportunity. Broadly 62% of our business in India caters to the food segment, 27% is serving India's world leading pharmaceutical industry and balance 9% is towards personal care and home care. Our entry into India was TPAC's first ever international expansion which we completed in 2018. This has been a catalytic step for TPAC and no doubt a transformational moment. We now have an established business in India, run by a solid management team with a potential to build a business of considerable scale, in the world's largest and fastest growing packaging market of India.

TPAC is also present in the middle east through our presence in the United Arab Emirates. My family and I enjoyed a good few months in the region in 2021. I got the opportunity to spend some quality time with several of our customers during my stay there. Their dynamism was infectious, and inspiring. There is a very real opportunity to grow alongside them, partnering with them as they grow in markets like Saudi Arabia, Egypt and of course Africa.

Internally at TPAC, we refer to the Middle East and Africa as our 'Engine 3', while India is referred to as 'Engine 2' and ASEAN as 'Engine 1'.

The emergence of a growing consumer class, browsing their local supermarkets or computers, looking for something that catches their eye in that split second of a window is the new trend for real. The role of Packaging in this new era of short attention span consumerism becomes even more powerful and brands are well aware of this.

Rigid plastics (bottles, cups, jerrycans, caps etc) are easier to collect as they tend to maintain

The competition to capture the attention of the consumer can be won and lost across the areas of sustainability, convenience, functionality, and design. This opportunity for a resilient TPAC lies with working intimately with our customers, helping them capture the heart and minds of the end consumer through our solutions.

Our business today is ~ 70% focused on the food and beverage sector with a fascinating product range across fruit juices, honey, mustard, butter, margarine, mayonnaise, ketchup, dairy, yoghurt, milk, edible oils, ghee, chewing gum, salt, dates, salt, pepper, herbs, spices, mints, instant noodles, coffee, protein supplements, biscuits, and even alcoholic spirits just to name a few. Our pharmaceutical segment caters to a whole range of nutraceuticals such as vitamin c, fish oils, multivitamins, and many other solid and liquid health formulations. I have developed an even greater appreciation for our key segments of food and pharmaceuticals. The resilience in their demand throughout the pandemic has been reassuring. Come what may, we need to eat and have access to medication.

In addition, customers from these segments are serious about production facilities with world class hygiene controls. Such demands suit us well. Food and pharmaceutical packaging will continue to be a central part of our focus in time ahead.

On the topic of focus, I trust our stakeholders are all well aware that TPAC has continued to stay focused on rigid plastics. When I became CEO of TPAC in 2016, the first thing I did was to carry out a strategic review of the plastic space we were in.

We have critically examined and re-examined the business we are in at every critical step of the way. We have now made 5 acquisitions since my time at TPAC. All 5 have continued to be in the rigid plastic space. Why is this you may ask. The answer is simply because we believe in the vital role certain plastics should continue to play in our societies.

their mass and not break up, disintegrate, or disappear. On the contrary in fact, they are right

there and very visible. This allows for feasible collection. Collection and recycling rates are improving around the world.

Regulation is also moving in a positive direction. In Europe we will be seeing the introduction of tethered bottle caps, caps that always remain connected to the bottle. This is a good step forward for collectability and recycling of the entire package.

In India we understand that food grade recycled PET will soon be allowed.

Investments into circular economy initiatives around the world, such as chemical and mechanical recycling are increasing.

In our drive towards sustainability, TPAC in 2021 launched numerous projects using rPET for our personal care segment. This is just the start; we are expecting an avalanche of projects using recycled resins. Our design teams have also been active converting packaging from less sustainable plastics such as Polystyrene into PET.

Shaving off weight through design optimisation is another area where our design teams continue to push the limits, made possible through fantastic advancements in processing technology.

The possibilities of well-designed packaging that is sturdier and made for use and reuse is another area with so much potential. I read that Starbucks has launched pilots to rid stores of the disposable coffee cup and replace them with reusable smart plastic cups with RFID technology.

The developments of bio in plastics are another fascinating area we will continue to keep our eyes on.

It does seem like there are many positive steps being taken wherever we look across the value chain.

With the challenges we face ahead on climate change, we need a carbon efficient solution, and the circular economy of plastics is a required piece in the overall puzzle.

All this potential provides the purpose for us as a company. Simply put, we believe in the role of plastics for our healthy futures and the potential to create tremendous value for stakeholders, including our next generation, in the years ahead.

Lastly, I would like to touch upon our journey towards becoming a world class product company. In our definition, a product company is one, which has a continual commitment towards introduction of new & innovative products. We feel TPAC today is well positioned to start thinking more about product. The caps, closures and dispensing segment, again targeting the food and pharmaceutical segment, is an area where we believe we can create value. There is potential to leverage off the capabilities of our existing business.

For example, every day we serve hundreds of customers within the food and pharmaceutical segments. We are privileged to hear from them first-hand the problems they may face with existing packaging solutions and their aspirations for their brand.

We therefore have access to a ready customer base hungry for novel and improved solutions.

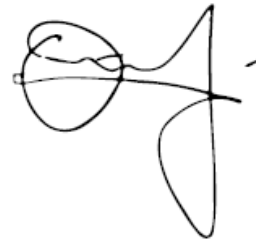
The right configuration of product teams staffed with world class design talent given the freedom to think and a mandate to innovate is another area we believe has transformational potential.

Looking out of our window in 2022, we have placed ourselves in a beautiful spot. There is an ocean of opportunity ahead.

We must however stay resilient, prepared to embrace the storms, along TPACs journey to world class.

Thank you to our people and all stakeholders for another year of hard work and belief.

Chok dee khrap,

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a vertical line and a small horizontal dash.

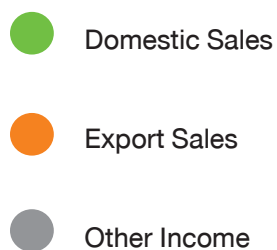
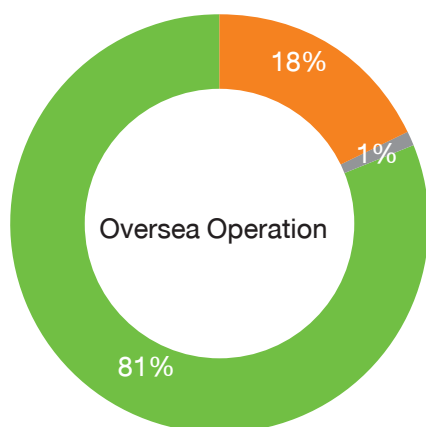
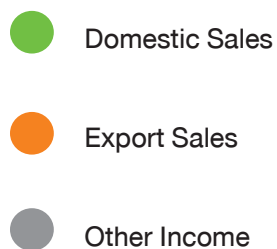
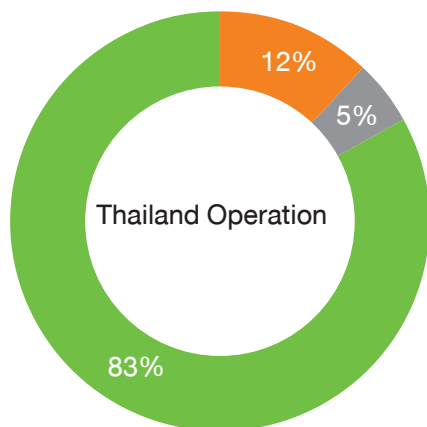
Mr. Kevin Qumar Sharma

Chairman and Group CEO

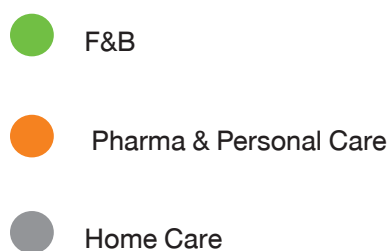
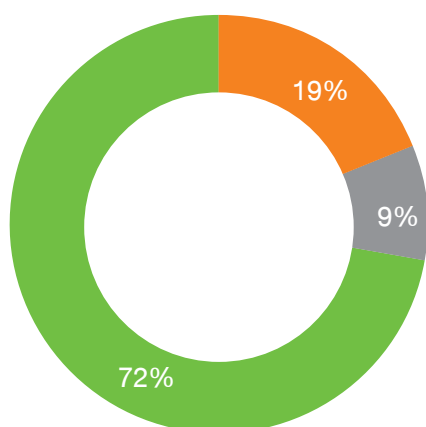
Performance Highlight

Revenue Breakdown

Revenue breakdown by region



Revenue breakdown by product



Key stats

Consolidated statements of comprehensive income

Units : THB million	EBITDA	Core EBITDA	Net Profit	Core Net Profit
2021	952	970	175	324
2020	862	864	353	354
Change	10.4%	12.3%	-50.4%	-8.5%

Profitability Ratios

	Gross Profit Margin	Core EBITDA Margin	Core Net Profit Margin	EPS
2021	19.3%	18.5%	6.2%	0.47
2020	24.0%	21.4%	8.8%	0.99
Change	-4.7%	-2.9%	-2.6%	-52.5%

Consolidated Statements of Financial Position

	Total Assets (THB million)	Total Equities (THB million)	Net Debt/Equity	Paid-up Capital (THB million)
2021	7,127	2,484	1.12x	326.5
2020	4,724	2,121	0.86x	326.5

Consolidated Statements of Cashflow

	Cashflow from Operating (THB million)	Cashflow from Investing (THB million)	Cashflow from Financing (THB million)
2021	724	-1,157	502
2020	762	-242	-346
Change	-5.0%	378.6%	-245.0%

PART 1

Business Operation and Operating Results



1. Organizational structure and operation of the group of companies

1.1 Nature of Business

Thai Plaspac Public Company (TPAC Packaging) is a top tier rigid plastic packaging solutions company. Presently, there are 12 factories site in 4 counties as following:

- 4 factories in Thailand, located in Bangkok metropolis area.
- 5 factories in India, located in the North and the West of India.
- 1 Factories in United Arab Emirates
- 1 Factories in Malaysia

We mainly operate across hygienic consumer segments - *everyday consumables* within the Food & Beverage, Pharmaceutical, Personal care and Homecare sectors. A smaller part of our business is in the Precision Tools sector. Our packaging solutions are bespoke, uniquely designed and manufactured. We also have an extensive common mold product portfolio branded under the 'SUNPET' brand.

Utilizing proprietary know-how as developed by our in-house industry recognized R&D platform, our team of specialist formulate optimum material composition as deemed suitable to form and function. 2D technical CAD drawings and 3D printed prototypes are developed. Utilizing our extensive relationships with mold makers around the globe, we work closely with mold makers judged to possess the appropriate level of technical craftsmanship best suited for our individual projects. Our commercial manufacturing classified in to 3 processes as following:

1. Injection Moulding
2. Extrusion Blow Moulding
3. PET Moulding

We also have developed in house facilities for variety of decorative processes. Our systems and processes are ISO 9001: 2008, Good Manufacturing Practice, Food Safety accredited, and we offer Clean Room infrastructure.

Thai Plaspac Public Company Limited was established on August 1, 1983. The Company is principally engaged in the manufacture and distribution of plastic packaging. On 15 June 2004, the Company gets publicly listed on the Stock Exchange of Thailand (MAI). Our commercial manufacturing classified into 3 processes as as following: Injection Moulding, Extrusion Blow Moulding and PET Moulding. The Company's production plant received certifications of the quality management standard (ISO 9001:2015) and GMP (Good Manufacturing Practice) from AJA (Anglo Japanese American Registrars).

On 7 December 2017, the Company registered and established TPAC Packaging India Private Limited in India and invested at 100%. The purpose of the company is to invest at 80% of shares in Sunrise Containers Limited, an Indian non-listed public limited company engaging in the PET (Polyethylene Terephthalate) and PP (Polypropylene) preforms and containers, manufacturing business in India.

On 24 April 2018, the Annual General Meeting of the Company's shareholders approved to invest in Custom Pack Company Limited, who is principally engaged in the manufacture and distribution of plastic packaging. On 2 May 2018, the Company registered the change of its name from "Custom Pack Company Limited" to "TPAC Packaging (Bangna) Company Limited" with the Ministry of Commerce.

On 4 July 2019, the Extraordinary General Meeting of Shareholders No. 1/2019 approved to acquire of 89% shares in Sun Packaging Systems (FZC), a limited company registered in Sharjah Airport International Free Zone in United Arab Emirates and incorporated in plastic containers manufacturing business. On 30 July 2019, The Company paid the consideration to acquire of 89% shares in Sun Packaging Systems (FZC)

There are 4 subsidiaries as following:

1 TPAC Packaging India Private Limited

Office located No. 405 ACME Industrial Park Off 1 B Patel Road, Goregaon East Mumbai Mumbai City MH400063 INDIA. The Company agreed to pay the consideration to acquire of 100% shares in TPAC Packaging India Private Limited Rs 2,107,695,750 divided into 210,769,575 ordinary shares of par value at Rs 10 per share

2 TPAC PACKAGING (BANGNA) COMPANY LIMITED

Office located 75/2 Moo 9 Soi Ruamjai Bangna-Trad Road Km.18.8, Bangphli Samutprakarn. The Company agreed to pay the consideration to acquire of 100% shares in TPAC Packaging (Bangna) Company Limited THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share.

On 22 September 2020, the Company entered into share purchase agreement between the Company, and former shareholders to purchase 20% of shares in TPAC Packaging India Private Limited. On 5 October 2020, the Company paid cash consideration to former shareholders to purchase 20% of shares in TPAC Packaging India Private Limited. The purchase transaction was completed on 22 October 2020.

On 10 April 2021, the Company's Board of Directors' Meeting No. 3/2021 approved the investment by the Company for the acquisition of 80% shares in Combi-Pack Sdn Bhd, a limited company registered in Malaysia, and incorporated in plastic food containers manufacturing business with the total considerations and expenses, and approved this investment by the Extraordinary General Meeting of shareholders No. 1/2021 on 28 May 2021.

3 Sun Packaging Systems (FZC)

Office located No. 600 M2 Warehouse B3-01, 02, 03 Plot of Land T3-02, 03, 04 and 05 P.O. BOX 7784 SHARJAH, UNITED ARAB EMIRATES. The Company agreed to pay the consideration to acquire of 89% shares in Sun Packaging Systems (FZC) AED 450,000 divided to 300 ordinary shares of a par value at AED 150 per share.

4 Combi-Pack Sdn Bhd

Office located No. 277, Jalan Haruan 1, Oakland Industrial Park, 70300 Seremban, Negeri Sembilan, Malaysia. The Company agreed to pay the consideration to acquire of 80% shares in Combi-Pack MYR 2,00,000 divided to 2,000,000 ordinary shares of par value at MYR 1 per share.

1.1.1 Vision Mission Values Strategy

Vision

To be the company whose innovations positively impact our world,
and a place attractive to the most passionate packaging minds.

Mission

To collaborate passionately,
always showing our customers what's new.

Our Value

Dream:

TPAC dreams to be a global company, and a leader
in packaging innovation. It can only start with a dream.

In Data we trust:

If you can't measure it,
you can't improve it.

Lifelong learner:

Our mind set is one of continuous learning,
always a student, always curious.

Listen:

Customer talk,
we listen

1.1.2 Major changes and developments

Events Calendar

Year	Events
1983	The Company was founded with one factory located in Sathupradit, and continuity expanded.
2004	Increased the paid-up capital from THB 40 million to THB 80 million and converted into the public company limited with the registered capital THB 100 million which divided in to 100 million shares with the par value at THB 1 per share.
2005	Thailand Security and Exchange Commission and Stock Exchange of Thailand allowed the Company to do the initial public offering and listed in MAI market since December 7 th , 2005.
2013	The Company had increased its registered capital to be THB 255 million divided into 255 million shares with the par value at THB 1 per share (paid-up capital at THB 200 million) and issued the 3 years warrants 55 million units and 3 years Employee Stock Ownership Plan (ESOP) 5 million units.
2014	There were the shaerholders excersied both warrants and ESOP during the year 2014, totalling 1,141,500 units which effected the paid-up capital as of December 31st, 2014 increased to THB 201,327,025.
2015	There were the shaerholders excersied both warrants and ESOP during the year 2014, totalling 2,734,500 units which effected the paid-up capital as of December 31st, 2015 increased to THB 208,766,400
	Lohia family became the majorshareholder instead of the former group for 60.55% and restructured of the management team.
2016	There were the shaerholders excersied both warrants and ESOP during the year which the maturity date of the warrants was on May 19th, 2019, totalling 45,051,276 units which effected the paid-up capital as of December 31st, 2019 increased to THB 253,817,676. These warrants were excersied totalling 98% of the issued warrants.

Year	Events
2017	The Board of Directors' Meeting No.6/2017 held on November 14 th , 2017 had approved the acquisition of Sunrise Containers Company Limited, the preform and plastic packaging manufacturer by the merger and acquisition or share purchasing with the consideration price not exceeding INR 4,692 million (or equivalent to THB 2,383 million) and appointed the discover management to be the Independent financial advisor to express their opinion to the transaction. This transaction must pass the resolution of the Extraordinary General Meeting of shareholders no.1/2018 held on January 15 th , 2018. (Majorshareholder and the directors don't have any conflict of interest in Sunrise Containers Company Limited.)
	The Board of Directors' Meeting No.6/2017 held on Nvember 14th, 2017 had approved to set up the subsidiary in India which was founded on December 7th, 2017 namely TPAC Packaging Private Limited with the registered and paid-up capital for INR 100,000. The purpose of the subsidiary is to acquire Sunrise Comtainers Company Limited.
	After December 31st, 2017, the registered and paid-up capital of the subsidiary was increased to INR 300,000,000
2018	The Board of Directors' Meeting No.3/2018 held on March 6 th , 2018 had approved the acquisition of 100% of ordinary shares in Custom Pack Company Limited. This transaction was completed on May 2 nd , 2018 and changed the company name to be TPAC Packaging (Bangna) Company Limited.
	On August 28 th , 2018, TPAC Packaging India Private Limited completely merged with the Sunrise Containers Company Limited.
2019	On July 30 th , 2019, Thai Plaspac Public Company Limited acquired the 89% of the paid-up capital in Sun Packaging Systems (FZC)
	On November 27 th , 2019, the Company increased the paid-up capital by issuing the new ordinary shares of 72,732,323 shares with the par value of THB 1 per share. The Company has the paid-up capital at 326,549,999 shares with the par value at THB 1 per share.
2020	On October 26 th , 2020, the Company has acquired the remaining 20% shares in TPAC Packaging Private Limited.
2021	On June 1 st , 2021, the Company has acquired 80% shares in Combi-Pack Sdn Bhd

1.1.3 Details of spending fundraising money

In 2021, the Company did not conduct fundraising from the offering of equities or debt securities.

1.1.4 General Information

Headquarters

Name	Thai Plaspac Public Company Limited
Symbol	TPAC
Type of Business	Design and Manufacture rigid plastic packaging
Website	www.thaiplaspac.com
Registration Number.	0107547000575
Date of Incorporation	August 1, 1983
Registered Share Capital	THB 326,550,000 divided into 326,550,000 ordinary shares of par value at THB 1 per share
Paid-up Share Capital	THB 326,449,999 divided into 326,449,999 ordinary shares of par value at THB 1 per share
Fiscal year end	31 December
Head Office	77 Soi Thian Thaley 30 Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-897-2250-1 Fax. 02-897-4694
Branch 001	3/1, 3/2 Soi Thian Thaley 15, Bang Khun Thian-Chay Thaley Road, Sameadum, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-892-0261-4
Share Registrar	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 02-009-9000 Fax. 02-009-9991
Auditor	Miss Runnapa Lertsuwankul (CPA No. 3516) or Miss. Pimjai Manithajohnkit (CPA No. 4521) or Mr. Chayapol Supasetanon (CPA No. 3972) or Miss Orawan Techawatanasirikul (CPA No. 4807) the auditors who have been approved by the Securities and Exchange Commission of Thailand Firm: EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-2640-777
Legal Advisor	Capital Law Officer Limited 44 Smooth Life Tower 16th Fl., North Sathorn Rd., Silom, Bangrak, Bangkok 10500 Thailand. Tel.02-633-9088, Fax 02-633-9089
Investor Relations	IR@tpacpackaging.com
Secretary	Secretary@tpacpackaging.com

TPAC's Subsidiary

Company Name	TPAC PACKAGING INDIA PRIVATE LIMITED
Type of Business	Manufacture rigid plastic packaging
CIN	U74999MH2017PTC301190
ROC Code	RoC-Mumbai
Registration Number	301190
Date of Incorporation	December 7, 2017
Registered Share Capital	Rs 2,450,000,000 divided into 245,000,000 ordinary shares of par value at Rs 10 per share
Paid-up Share Capital	Rs 2,107,695,750 divided into 210,769,575 ordinary shares of par value at Rs 10 per share
Fiscal year end	31 March
Registered Address	405-408 ACME INDUSTRIAL PARK OFF I B PATEL ROAD, GOREGAON EAST MUMBAI Mumbai City MH 400063 INDIA
Auditor	SRBC & Co LLP (Statutory Auditor) 12 th Floor, The Ruby, Ruby Mill, Senapati Bapat Marg, Dadar (West), Mumbai, Maharashtra 400028, India
Legal Advisor	Chandhiok & Associates
Address	Advocates and Solicitors C-524 Defence Colony New Delhi-110024 India

TPAC's Subsidiary

Name	TPAC PACKAGING (BANGNA) COMPANY LIMITED
Type of Business	Manufacture rigid plastic packaging
Date of Incorporation	May 2, 2018
Registration Number	0105512000275
Registered Share Capital	THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share
Paid-up Share Capital	THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share
Fiscal year end	31 December
Registered Address	75/2 Moo 9 Soi Ruamjai Bangna-Trad Road Km.18.8, Bangphli Samutprakarn 10540
Auditor	Firm: EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-2640-777

TPAC's Subsidiary

Company Name	SUN PACKAGING SYSTEMS (FZC)
Type of Business	Manufacture rigid plastic packaging
Date of Incorporation	July 30, 2019
Registration Number	002538
Fiscal year end	December 31
Registered Share Capital	AED 450,000 divided to 300 ordinary shares of par value at AED 150 per share
Paid-up Share Capital	AED 450,000 divided to 300 ordinary shares of a par value at AED 150 per share
Registered Address	600 M2 WAREHOUSE B3-01,02&03 PLOT OF LAND T3-02,03,04&05 P.O.BOX 7784, SHARJAH, UNITED ARAB EMIRATES
Auditor	EY Dubai P.O. Box 9267 Al Saqr Business Tower, 28 th floor, Sheikh Zayed Road, Dubai, United Arab Emirates, Office Line: +971 (4) 3324000 Fax Line: +971 (4) 3324004 Dubai@ae.ey.com

TPAC's Subsidiary

Company Name	Combi Pack Sdn Bhd
Type of Business	Manufacture rigid plastic packaging
Date of Incorporation	June 1, 2021
Registration Number	200701002726 (760724-T)
Fiscal year end	December 31
Registered Share Capital	MYR 2,00,000 divided to 2,000,000 ordinary shares of par value at MYR 1 per share
Paid-up Share Capital	MYR 2,00,000 divided to 2,000,000 ordinary shares of par value at MYR 1 per share
Registered Address	277, Jalan Haruan 1, Oakland Industrial Park, 70300 Seremban, Negeri Sembilan, Malaysia
Auditor	Deloitte PLT (Malaysia) Level 16, Menara LGB 1, Jalan Wan Kadir, Taman Tun Dr. Ismail 60000 Kuala Lumpur, Malaysia Tel: +6018 – 218 4978

1.2 Nature of Business

1.2.1 Revenue structure

Thailand Operation

By Segments	2020		2021	
	Million Baht	%	Million Baht	%
Domestic sales	1,595	88%	1,711	87%
Export sales	222	12%	252	13%
Other income	45	3%	110	6%
Elimination of inter-segment revenues	(50)	-3%	(113)	-6%
Total sales	1,812	100%	1,960	100%

By Products	2020		2021	
	Million Baht	%	Million Baht	%
Food and beverage	1,091	60%	1,315	67%
Pharmaceutical and personal care	407	22%	367	19%
Home care and industrial	319	18%	281	14%
Other income	45	3%	110	6%
Elimination of inter-segment revenues	(50)	-3%	(113)	-6%
Total sales	1,812	100%	1,960	100%

Overseas Operation

By Products	2020		2021	
	Million Baht	%	Million Baht	%
Food and beverage	1,698	76%	2,525	75%
Pharmaceutical and personal care	487	21%	620	18%
Home care and industrial	15	1%	204	6%
Other income	41	2%	39	1%
Elimination of inter-segment revenues	(13)	-1%	(19)	-1%
Total sales	2,228	100%	3,369	100%

1.2.2 Characteristics of products or services

We divided our packaging product into 4 categories:

1. Food & Beverage:

Our Food & Beverage business can be divided into 5 sub-sectors.

1 Dairy & Coffee

The dairy business packaging solutions are mainly for milk and yogurt products. Milk packaging includes small individual sized bottles up to large multi gallon bottles as well as specialty closure. Yogurt packaging includes thin-walled cups and bottles. We are also active in the coffee market with products including screw top caps and bottles for coffee powder and beans.

2 Edibles

Our edibles business caters to solution for candy & gums, nuts, and edible oils.

3 Condiments

Comprise packaging solution for jam, margarine, ketchup, (oyster, chili, soya) sauces, and other food condiments. Products include squeeze bottles and closure systems for sauce dispensing. Closure systems can range from internal tamper evident flip top caps, external tamper evident flip top caps and closures with a broad range of orifice sizes. Specialized barrier properties to the bottles may be required into mitigate any effects of oxidation to the filled product.

4 Tableware products

Disposable cutlery, salt and pepper bottles and dispensers' systems are amongst the core products offered for this category.

5 Niche Beverage

Here we cater to the non-water and carbonated soft drink beverage market. For example, we recently worked with premium brands in the coconut water, green tea and vitamin water markets. Our customized designed beverage bottles and closures are likely to differ in size and shape from the more commonly seen commoditized water bottles and closures in the market.

2. Pharmaceutical & Personal care:

Packaging solutions here comprise of bottles and closure systems for mouthwash and antiseptic solutions, nutraceutical supplements, soaps and shampoos, body and spa oils, and deodorants.

3. Homecare:

Our packaging solutions for the homecare market cater towards cleaning detergents, pest sprays and air refresher gels. For cleaning detergents, the packaging typically involves bottles with plug systems inserted at the bottles mouth and further overlaid with snap or screw caps. Our pest spray

solutions comprise of spray caps. Air refreshers gels are housed within customized containers. These containers can be of various shapes and sizes unique to our customers design preference and may incorporate multiple pieces that assemble together.

4. Precision Tools:

Consists of plastic components for measuring tapes and engineering are typically single piece items which have an orifice to release the spray upon the application of pressure to a top lying

button. The characteristic of the plastics applied here include a high level of heat and impact resistance.

1.2.3 Assets for business operation

Fixed assets for business operation

As of December 31 2020 and 2021 fixed assets used in the Group business operations have net book value after deducting accumulated depreciation and provision for impairment as shown in the Company's consolidated financial statements, with details are as follows:

Items	Net book value (Million Baht)	
	31 December 2020	31 December 2021
Land and land improvement	211.53	348.15
Building and building improvement	266.32	372.99
Machinery and equipment	902.62	1,283.03
Furniture and office equipment	11.16	14.81
Motor vehicles	2.23	5.28
Assets under construction	82.24	114.41
Total	1,476.10	2,138.67

Intangible assets

As of December 31 2020 and 2021 intangible assets used in the Group business operations have net book value after deducting accumulated depreciation and provision for impairment as shown in the Company's consolidated financial statements, with details are as follows:

Items	Net book value (Million Baht)	
	31 December 2020	31 December 2021
Tradename	179.72	187.95
Customer relationship	168.32	425.50
Computer software	5.46	5.54
Total	353.50	618.99

Investments

As of December 31 2020 and 2021, Investments in subsidiaries which accounted for in the separate financial statements, with details are as follows:

Subsidiaries held by the Company	Shareholding percentage	Net book value (Million Baht)	
		31 December 2020	31 December 2021
TPAC Packaging India Private Limited	100%	2,069.15	2,069.15
TPAC Packaging (Bangna) Company Limited	100%	107.00	107.00
Sun Packaging Systems (FZC)	89%	384.59	384.59
Combi-Pack Sdn Bhd	80%	-	1,013.26
Total		2,560.74	3,574.00

1.2.4 Work not yet delivered

- None -

1.3 Shareholding Structure of the Company Group

1.3.1 Shareholding Structure of the Company Group



1.3.2 Persons who may have conflicts hold shares in subsidiaries or associated companies altogether more than 10 percent of the voting shares of the Company shall specify the reason(s)

-None-

1.3.3 Relationship with the major shareholder's business group

Details of relationships of the Company to related parties are as follows.

Name of persons or entities	Nature of relationships
TPAC Packaging India Private Limited	Subsidiary
TPAC Packaging (Bangna) Company Limited	Subsidiary
Sun Packaging Systems (FZC)	Subsidiary
Combi-Pack Sdn Bhd	Subsidiary
TPAC Packaging India II Private Limited	Subsidiary
Mr. Anuj Lohia	Major shareholder
Indorama Petrochem Limited	Shareholder and director are related to the Company's shareholder and management
Indorama Polymers Public Company Limited	Shareholder and director are related to the Company's shareholder and management
IVL Dhunseri Petrochem Industries Private Limited	Shareholder and director are related to the Company's shareholder and management
Related persons	Director, executive officer and related persons with director and executive officer

1.3.4 Shareholder

Top 10 Major Shareholders (as of December 31st, 2021)

No.	Name	Num. of Shares	Proportion
1	Mr. Anuj Lohia	227,479,192	69.66%
2	Mr. Eakawut Nuengchamnong	22,600,000	6.92%
3	Thai NVDR Company Limited	10,363,900	3.17%
4	Ms. Anootree Nuengchamnong	8,000,000	2.45%
5	Mr. Theerawit Busayapoka	7,560,000	2.32%
6	MORGAN STANLEY & CO. INTERNATIONAL PLC	3,651,000	1.12%
7	Ms. Thitima Wangteeraprasert	2,400,000	0.74%
8	Mr. Sumet Janepasukul	2,261,000	0.69%
9	Mr. Niti Nuengchamnong	1,599,000	0.49%
10	Bangkok Insurance Public Company Limited	1,472,500	0.45%

Remark:

The total share numbers hold by other minor shareholders are 39,162,507 equivalent to 11.99%.

1.4 Paid up capital of the Company

As of December 31, 2021 the Company had registered capital in the amount of 326,550,000 Baht consisting of common stock 326,550,000 shares at the par value of 1.0 Baht per share and had paid up capital in the amount of 326,550,000 Baht consisting of common stock 326,550,000 shares at the par value of 1.0 Baht

Listed stock exchange

Thailand Securities Depository Company Limited
93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand

1.5 Other issued security

-None -

1.6 Dividend Policy

Not less than 30 percent of net profit after corporate income tax and appropriation to legal reserve. However, the board of directors may consider adjusting the dividend payment depending on liquidity requirement, cash flow requirement for expansion and investment and other requirement in the future.

Dividend Payment

In 2021, TPAC had announced the dividend payment from the operating profit of 2021 at THB 0.141 per share which will be proposed to the shareholders' meeting.

	2019	2020	2021**
THB Dividend per share (THB)	0.125	0.292	0.141
Dividend Yield (%)*	1.25%	2.35%	0.90%
Dividend Payout (%)	30.1%	30.0%	30.1%

* Dividend Yield calculated from the closing price of the end of the operating period.

** TPAC had announced the dividend payment for 2021 at THB 0.141 per share which subject to the shareholders' approval to be obtained from 2022 Annual General Meeting of shareholders.

2. Risk management

2.1 Risk management policy and plan

Thai Plaspac's management have identified the risks which are perceived to have the highest probability and corresponding impact. To mitigate the probability and impact of these risks, an executive Risk Management Committee has been set up.

2.2 Risk factors to the Company's business operation

1. Raw material price risk

Polyolefins (or plastic polymers) are the main raw materials for our production and form a significant part of our cost of goods sold. The main factor which affected the polyolefins price consist of the demand and supply of the polyolefins in each period e.g. there may be instances where

producing plants are required to shut down for the period resulting the short-term supply disruption., and the movement o the polyolefins is correlated with the movement of oil price which fluctuated with the market mechanism.

Risk mitigation

The strategy to mitigate the risk from the change of the raw material price, supplier management, and the fluctuation of the raw material price.

1 The Company has negotiated with the customers to allow the Company to adjust the price to be in line with the price movement of Polyolefins in each period to mitigate the risk of the material price which allow the Company to manage the cost with the fair pricing which is the one of the sustainability.

2 The Company mitigates the risk by purchasing the Polyolefins follow the customer requirement from multiple domestic suppliers which can diversify the risk of supply disruptions.

2. Business Operation Risk

Operational risk is the prospect of loss resulting from inadequate or failed procedures, systems or policies. This includes Employee errors and System failures. TPAC is in operation for 35 years and is also ISO 9000 Certified. It has built adequate

procedures and systems in place and continuously improving procedures and systems through regular customer Audits and also Internal audits to minimize employee errors and system failures.

3. Security of property risk

Property risk refers to risk events that specifically impact an organization's facilities and other physical infrastructure. Risk events such as fires, adverse weather conditions, fall into the category of property

Risk mitigation

TPAC has taken appropriate insurance under all risk insurance cover to protect the property and business interruption (for 12 Months) resulting from damage to property. In addition to this we have taken appropriate coverage for goods in transit & vehicle policy.

risk. In addition to damaging and destroying physical property, property risk events also have the potential to create stoppages in business operations and material financial losses.

4. Overstocking of inventory risk

TPAC has a large number of customers and product SKUs numbering in the thousands and increasing. Inventory control, warehousing and logistics

Risk mitigation

For inventory management, management information systems covering raw material procurement, planning & production, and logistics are in place.

(supply chain management) are important processes to facilitate the on-time delivery to customers.

5. Foreign Exchange Risk

As a result of the global nature of our business, changes in foreign currency rates could have an adverse impact on our business; financial condition, prospects and operational results. Currency fluctuations affect us because of mismatches

Risk mitigation

TPAC primarily utilizes forward exchange contracts with maturities of around 90 days to hedge the Company's financial performance.

between the currencies in which operating costs are incurred and those in which revenues are received. We sell products that are typically priced by reference to prices in US dollars, while a portion of operating costs are incurred in local currencies

6. Interest rate risk

The Company enters the Credit Facilities with the financial Institution which refer to the floating interest rates are impacted by macro-economic conditions and the monetary policy of each region.

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operation and its cash flow.

Risk mitigation

The Company forecasts the market interest rate trend and manage the loan from the financial institution in the interest rate fluctuation period to maximize the Company's performance and its cash flow.

7. Corruption risk

All organizations are exposed to corruption risks. These risks can exist at all levels of an organization, in relation to all functions and activities, and can involve internal or external stakeholder.

If corruption does occur, the short and long-term consequences for the organization include loss of reputation, loss of public confidence, direct financial loss, and adverse effects on other staff and the morale of the organization in general.

8. Merger & Acquisition (Inorganic growth) risk

Thai Plaspac growth strategy involves pursuing mergers & acquisitions (M&A).

The process of M&A has inherent risks as the acquirer may not be fully aware or misjudge the risks attached to a targets business. Furthermore,

as such acquisitions are likely to involve debt to fund the purchase, an unexpected decrease in the operational cash flows may result in financing covenants being breached.

Risk mitigation

In order to mitigate the risks attached to M&A, management spends significant time and resources (both internal and via the engagement of professional third parties such as environmental, legal & financial consultants) to carry out comprehensive due diligence on potential acquisition targets typically for a period of many months prior to finalizing transaction terms.

Furthermore, acquisition target are typically businesses that are similar in nature to Thai Plaspac's currently existing business i.e. plastic packaging solutions. Essentially, we look to acquire businesses where we already have decades of experience in understanding the supporting technology and industry dynamics of the business.

9. Customer perception in plastic risk

The trend of eco-friendly substitute for the plastic container is increasing. While good for raising environmental awareness, this might be misunderstood to include recyclable plastic packaging which may affect the company performance.

Risk mitigation

TPAC works closely with the customer to research and develop the product which are recyclable to be in line with the eco-friendly trend.

3. Business sustainability development

3.1 Policy and objectives of sustainable management

The Company is determined to operate following the sustainable development principles, by recognising social responsibilities and missions with stakeholders in the value chain, in order to sustainably develop under the Company's brands that are of high quality and meet international standards. In addition, the Company adheres to principles of ethics and good corporate governance and respects human rights in equality and fairness. The Company places importance on the Company's employees which is considered as highly valuable resources of the organization. The Company is committed to equally provide security and progression in career for everyone, safety protection, occupational hygiene of the workplace and also respect everyone's human dignity.

The Company is urged to seriously and continuously associate with social responsibilities in terms of quality, safety, occupational hygiene and

environment in maximizing the benefits of natural resources. The company is aware of the importance of the environment and safety of the related stakeholders as well as supporting social activities in environment conservation and improving quality of life for the people in the community following the sustainable growth principles. To support vision in terms of sustainability and to correspond with the United Nations Sustainable Goals (UN SGDs) that reflects the world's environmental, social and governance issues (ESG), the Company set a sustainability management policy. It is under the process of proposing to the Company's Board of Directors for consideration and would announce to directors, management and employees so that they understand the sustainability management policy and adopt them together within 2022.

3.2 Management of impacts on stakeholders in the business value chain

Stakeholder Responsibility

The company has adopted the five principles of good corporate governance;

1. Right of shareholders
2. Treat shareholders equally
3. Role of stakeholders
4. Disclosure and transparency
5. Responsibilities of the Board

the company has also identified stakeholders divided into 8 groups, which were analyzed and summarize the important issues as follows:

stakeholder	stakeholder expectations	Company response
Investor	Obtaining accurate and complete information Social and Environmental Responsibility data transparency	Prepare annual report and always update the news when there are important changes Prepare reports with accurate and transparent information
Supplier	consistent order quality operation	The company proceeds to order in accordance with the agreement Maintain a good relationship with a supplier
Customer	standardized production quality products environmentally friendly products	The company meet foods safety and sanitation standards. We use plastic polymers that are all 100% recyclable Maintain a good relationship with a customer
Consumer	Safe and standardized products Environmentally friendly products	We use plastic polymers that are all 100% recyclable Make a recycling symbol. in recycled plastic bottles
Employee	Stability from compensation and benefits Opportunity to practice and develop new knowledge	The Company provide compensation to employees and others benefits appropriately. The Company also provides training and seminar to employees.
Regulator	Data transparency Fraud prevention- Operate the business in accordance with the law	Prepare reports with accurate and transparent information Manage a business in line with Code of Business Conduct and Ethics
community and society	Take care of the environment in the community	The Company pay attention to safe environment with relevant laws. Emissions at levels that do not exceed the standard
Media	Data transparency Timely disclosure	Prepare annual report and always update the news when there are important changes Prepare reports with accurate and transparent information

3.3 Management of environmental sustainability

The company is aware of the preservation of environment and utilization of resources efficiently and cost-effectively. The Company makes all efforts to conserve energy, conserve water, reduce pollutants and reduce wastage. The conservation

and reduction efforts also result in cost optimization. We follow the best practices for environment conservation and protection and adherence with requirements of Pollution Control Department, Thailand and the Ministry of Industry, Thailand.

Environmental performance

The Company has systematically managed waste and waste in its business processes in accordance with the 3R (Reduce Reuse Recycle) principle. There is an efficient waste sorting system. coupled with

Create awareness and involvement with stakeholders to reduce waste disposal by landfill method In 2021, the company had a total waste

volume of 335,830 kilograms. In addition, the company had to measure the environmental quality in the office and around the establishment at least once a year. In 2021, it was found that the air quality standards, smells, noises, and lights were within normal limits. as required by law and no chemical spills from business operations were found

3.4 Social sustainability management

Social Responsibility

Fair business operation

The Company operates its business within the regulatory framework and practices business ethics for benefit of all its stakeholders. We follow the following principles for the benefit of our stakeholders;

1 Fair competition: The Company operates its business efficiently to compete with its peers in the business and to provide quality product, service and value to its customers.

2 Respect the rights of stakeholders: We operate our business efficiently utilizing our physical assets and our human resources. We do not take any action or encourage infringement of intellectual property rights.

3 Promote social responsibility to our business partners: We conduct and promote conduct of business with fairness to our business partners. The Company has a policy to conduct business with stakeholders are fair in their business practices, follow the regulatory environment, do not use child labor in the business and promote prevention of drugs for a better society.

Anti-Corruption

The Company follows a clear policy and practice of transparency and accuracy to conduct its business.

Further, ensures compliance with laws and regulations including the securities law of the Securities and Exchange Commission Thailand

1 Create awareness and provide training to employees for conduct of business with fairness and integrity.

2 A system of checks and balances with appropriate authority to prevent fraud and corrupt practices.

(SEC). The Company has an audit committee, internal auditor and external auditor to review compliance and conduct of business with fairness. The Company has policy to;

3 Directors and employees are prohibited to engage in interested party transactions or persuade others to engage in interested party transactions which maybe for their own benefits and may cause loss or damage to the Company.

4 The employees are required to conduct business with transparency and to promote a healthy working environment in the organization.

Human Rights

The Company's policy and practice is to respect human rights. The directors, management and employees are required to conduct business with respect for human rights;

1 Respect human dignity, to select and employ individuals through a proper channel of recruitment to work in the company. In the selection process should not have any limitation of gender and age.

2 To support and respect the protection of human rights, to conduct business with stakeholders who are not violating human rights. Violating of human rights includes using child labor and forced labor to operate their business. The Company monitors the policy and practice of stakeholders in relation to respect of human rights.

3 To encourage employees to use their constitutional right to vote.

4 To inform clearly to stakeholders our policy to respect human rights.

Fair Treatment of Labor

The Company's policy and practice is to treat workers fairly. This is one of the five principles of human resource policy (5 M) of the company. The Company follows and practices the labor policy of Thailand;

- 1 Employment and labor relations, employment without restriction of age and gender. Employees to be employed on fair terms in contract and in compliance with Bureau of Labor Standards, Ministry of Labor, Thailand. The Company is responsible for the welfare and well-being of its employees.
- 2 Safety and health of employees, the Company to focus on safety and a healthy work environment for its employees. The Occupational Health and Safety Committee monitors and supervises the safety and health of all employees. The Company provides for annual physical examination of all employees.
- 3 Treat all employees equally, the manual for ethics approved by the Department of Labor requires all employees to be treated equally whether of any gender, race and education qualification.

Social Performance

1. Employees and workers

The company adheres to the principles of human rights from employment to the care of employees and personnel. In order for all employees and personnel to feel that they are connected to the same family as the organization, in 2021 the Company has the following key operations for employees:

Employment

Detail	Total Employee (person)	
	male	female
Employee	332	505
Total	332	505

Social Responsibility and Sustainability

The Company had paid for the employees' remuneration for 2020 as followed

Department	Number of Employees as of December	Salary and bonus (THB Thousand)	Provident fund (THB Thousand)
Production	799	116,698	3,287
Finance and Logistics	193	85,939	2,319
Marketing	7	6,261	70
	999	208,898	5,676

Staff training

In 2021, the Company organizes training courses for employees to increase their skills and work potential, details are as follows:

Training

Course Types	Hours
New Staffs' Orientation	30
Related Quality control system	138
Improve the skill and working efficiency (External institution)	66
Improve the skill and working efficiency (Internal)	72
Total	306

Occupational health and safety

In 2021, the company continually improves and optimizes safety operations to reduce the risk of illness, injury or death. and take care of the quality of life of employees or employees appropriately with staff training In order to emphasize the correct operating procedures, in 2021, there was one work injury case involving sharp objects, which was due to the properties

of hot blades. Easy to accumulate dirt therefore need to be cleaned often The company has measures to prevent such accidents as follows: 1. Enable the safety Interlock switch system 2. Train employees Emphasize the correct operating procedures. 3. Replace the blade with a cold blade. to reduce the risk of repeating such accidents

Accident statistics in 2019 - 2021

In 2019 - 2021 , the Company has collected the accident statistics as summarized below.

	2019	2020	2021
1. Injury Frequency Rate	0.60	3.87	0.32
2. Injury Severity Rate	0.90	69.21	2.24
3. Average Severity Index	1.50	22.90	7.00
4. Disabling Injury Index	-	0.21	-
5. Cost Factor	8,788	132,860	4,815
6. Lost Factor	0.45	6.92	2.24
7. Number of Accident	2.00	9.00	1.00
8. Working day lost	3.00	229.00	7.00

Employee Engagement

In 2021, 1.7 percent of employees voluntarily resigned from their jobs (Turn over rate), a decrease from the previous year.

Community and society

The Company operates its business with responsibility to communities and society. by giving importance to Reduce environmental impacts and avoid operations that may have a negative impact on the quality of life of the community.

Around the establishment in 2021. There were no complaints from the community on social or environmental issues.

Community or social development project

Employees' children scholarship program

The company has a scholarship program for the employees' children to support the education and help the employees to reduce their costs of living. For the year 2020, the company offers scholarships as follows.

Primary School	3,000 baht	40 Scholarships
Secondary School	4,000 baht	17 Scholarships
High School/ Vocational education	5,000 baht	20 Scholarships
Bachelor's Degree	10,000 baht	6 Scholarships

Corporate social responsibility 2564

Thai Plaspac Public Company Limited went to Baanphrapradaeng Home for Protection & development for Persons with Disabilities which located at Sri Khuean Khan Road, Talat Subdistrict, Phra Pradaeng District Samut Prakan Province 10130. We had donated for the scholarship in the amount of THB 25,000. Furthermore, the Company had donated the consumer product to the foundation on December 24, 2021



4. Management discussion and analysis (MD&A)

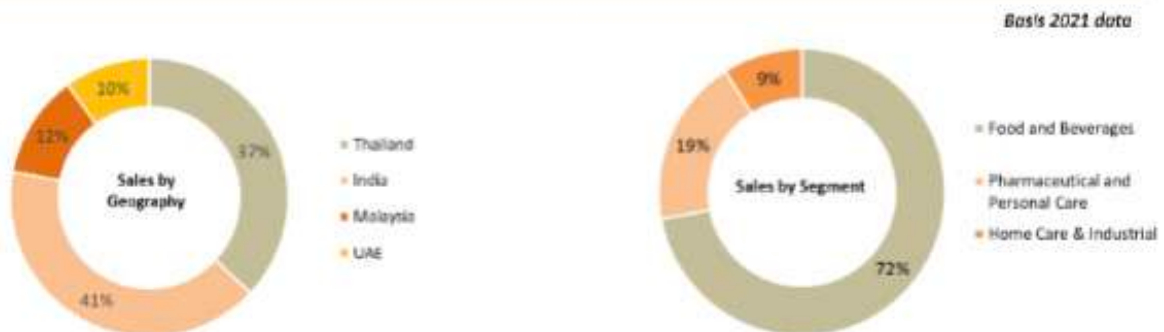
TPAC Overview

Thai Plaspac Public Company Limited (“TPAC”) is a packaging solutions specialist, focused on the design and manufacture of sustainable rigid plastic packaging for the consumer and pharmaceutical segments.



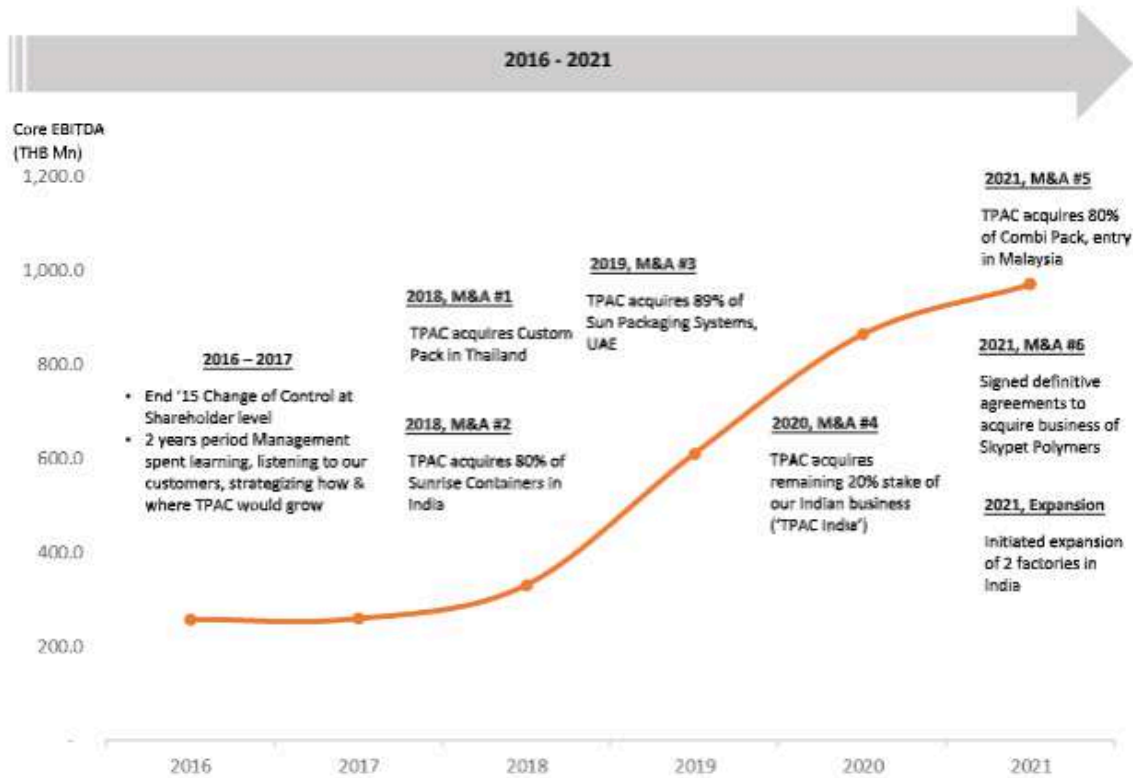
* TPAC Packaging India Private Limited entered into definitive agreements to acquire business undertaking of Skypet Polymers on Dec 31, 2021 and the transaction is expected to close ~ April, 2022. Skypet Polymers have 3 production sites, which will become part of TPAC assets

Geographic and Industry Segmentation



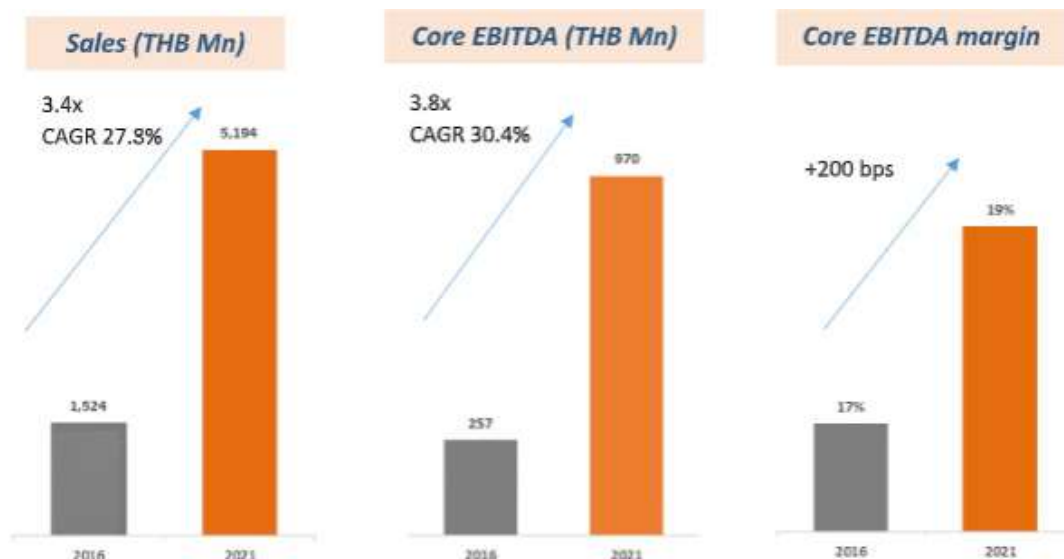
TPAC's production facilities are certified with world class hygiene controls with ~ 90% of TPACs portfolio catering to segments where stringent hygiene standards are a requisite (Food & Beverage, Pharmaceuticals & Personal Care). The remainder of our portfolio comprise of the home care & industrial segment.

With the change of ownership structure and infusion of dynamic leadership at the helm of company, 2016 marked the first year of the transformation journey that TPAC embarked upon. The company is now having global operations and is amongst the fastest growing packaging companies in the emerging economies.



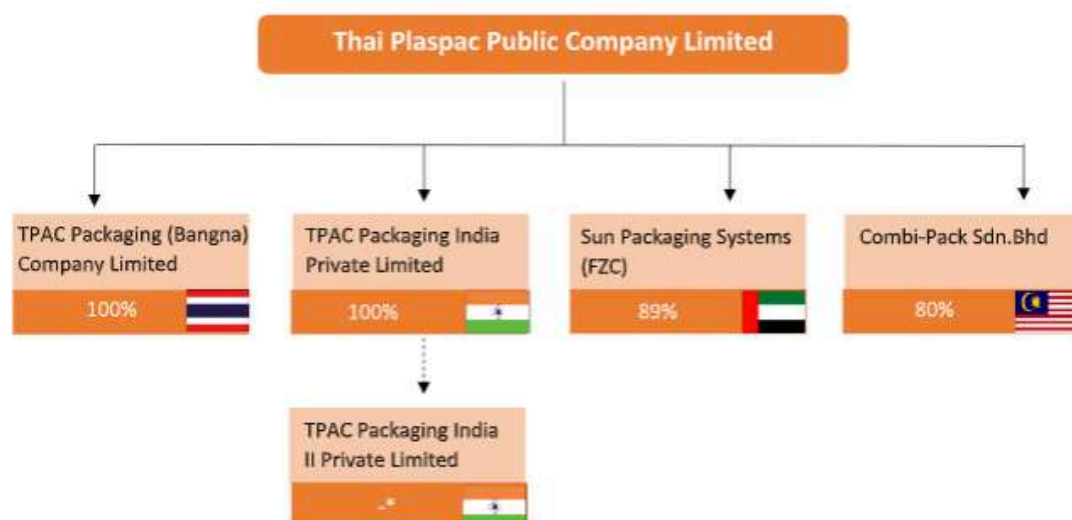
- TPAC began operations in 1983 from its headquarters based out of Bangkok, Thailand.
- For ~4 decades TPAC has been a packaging partner to some of the world's leading brands and entrepreneurs. TPAC's specialty focus is food and beverage & pharmaceutical rigid plastic packaging.
- In Q4'15, under new leadership (post a change of control at the shareholder level), a bolder vision was outlined for TPAC.
- The company has since transformed itself into a global company with more than 17 manufacturing sites across 4 countries (including under construction and acquisition).
- The company is run professionally with an independent board together with global leadership at Corporate and Business unit level, well supported by a talent pool of ~ 3000 employees.
- From '17 to '20 we experienced consecutive upgrades to our CG rating and we are now at a 4-star (Very Good) rating.

TPAC performance over the last 5 years is driven by a focussed strategy and execution discipline



- Over the last 5 years, TPAC's sales have grown 3.4x times which has been a mix of both organic and inorganic growth. Sales CAGR has been ~ 28% between FY16 to FY21.
- In line with sales, Core EBITDA has also increased 3.8x times with a CAGR of ~ 30% between FY16 to FY21.

TPAC Existing Corporate Structure



- Thai Plaspac Public Company Limited, is the parent holding company of the Group and is publicly listed on the Stock Exchange of Thailand.
- TPAC currently has 4 subsidiaries (as presented in the above table). While the subsidiaries located in Thailand and India are 100% owned, the subsidiaries located in UAE and in Malaysia are minority held by partners, who were erstwhile founders of these companies.
- TPAC Packaging India Private Limited has recently formed a wholly owned subsidiary, as an acquisition vehicle for Skypet Polymers*

- TPAC Consolidated numbers consist of earnings from all the above subsidiaries which are consolidated into Thai Plaspac Public Company Limited.

* In Q4'21, TPAC signed transaction documents for the acquisition of the business undertaking of Skypet Polymers on a 'slump sale' basis. The said transaction is expected to be completed ~ Apr 2022. Post the transaction TPAC will hold 80% and balance 20% will be held by erstwhile founder.

Executive Summary

Financial & Business performance for the year ended December 31, 2021

Core Financials of Consolidation Business

(THB Mn)

	Quarterly					Financial Years		
	Q4'21	Q3'21	%Δ	Q4'20	%Δ ¹	FY21	FY20	%Δ
Consolidated Sales ²	1,570	1,397	12%	982	60%	5,194	3,983	30%
EBITDA	290	224	29%	192	51%	952	862	10%
Core EBITDA ³	292	234	25%	193	52%	970	864	12%
Core EBIT ³	148	123	20%	115	29%	542	543	0%
Core Net Profit ³	81	66	23%	66	22%	324	354	-8%
Core Net Profit after Tax and NCI ³	73	59	23%	64	15%	302	323	-7%
EPS	0.22	0.15	43%	0.19	13%	0.47	0.99	-53%
Core EPS ³	0.22	0.18	23%	0.19	15%	0.92	0.99	-7%
Core ROE ⁴	14%	11%	3%	15%	-1%	16%	23%	-7%
Debt to Equity (times) ⁵	1.28	1.43	-0.15	0.96	0.32	1.28	0.96	0.32
Net Debt to Equity (times) ⁶	1.12	1.31	-0.19	0.86	0.26	1.12	0.86	0.26

1. %Δ: Q4'21 vs Q4'20, 2. Revenue growth may not present a clear picture of actual sales growth, as our sales prices are a function of underlying feedstock (polymer) prices due to pass through pricing mechanism., 3. Core excludes one-time expenses primarily related to M&A costs. 4. Core ROE (FY) = FY Core Profit attributable to equity / FY Avg. Equity excluded NCI, Core ROE (Qn) = Qn Core Profit attributable to equity (annualized) / Qn Equity excluded NCI, 5. Debt to Equity = IBD / Equity, 6. Net Debt to Equity = (IBD - Cash) / Equity.

- This quarter has shown a recovery and marks reversal in the performance with sales increasing by 12% over the last quarter. FY21 has shown a steep increase in revenue of 30% over the last year.
- TPAC Q4 '21 core EBITDA Baht 292m, 52% increase to same period last year, 25% increase to previous quarter.
- TPAC Q4 '21 core earnings per share Baht 0.22 per share, 15% increase to same period last year, 23% increase to previous quarter.
- TPAC Q4 '21 EBITDA Baht 290m, 51% increase to same period last year, 29% increase to previous quarter.
- TPAC Q4 '21 earnings per share Baht 0.22 per share, 13% increase to same period last year, 43% increase to previous quarter

Key Strategic Initiatives and Business Highlights across TPAC Group

1 Capacity Expansion: There are two plants in India which are currently under construction and details for which are as follows:

- World Class Pharmaceutical plant currently under construction in West of India (greenfield project): ~22000 sq meter state of art building with clean room facility of ~5500 sq meter to be ready by Q2 2022. The construction is in advance stages and this new facility will cater to food, Pharmaceutical & medical devices verticals.
- Food focused plant currently under construction in North of India (greenfield project): ~ 10000 sq meter state of art building with clean room facility of ~1500 sq meter to be ready by Q1 2022. Our new packaging focused plant would cater to customers in food and the pharmaceutical segment.

2 Acquisition and Partnerships:

On December 30, 2021, TPAC Packaging India Private Limited (“TPAC India”), incorporated a 100% subsidiary named TPAC Packaging India II Private Limited (“TPAC II”). On December 31, 2021, an agreement to sell business (“ASB”) was executed inter alios TPAC II and M/s. Skypet Polymers (“Skypet”), for the acquisition by TPAC II from Skypet of its business undertaking on a ‘slump sale’ basis pursuant to the terms and conditions set forth therein. The said transaction is expected to be completed ~ Apr 22.

Concurrently with the ASB, on December 31, 2021, a shares subscription cum shareholder’ agreement (“SSSHA”) was executed by and amongst TPAC II, TPAC India and Mr. S. Selvaraj (“Investor”) setting out inter alia (i) the rights and obligations of the parties to the SSSHA in relation to the investment by the Investor by subscribing to equity shares equivalent to 20% of the post allotment paid-up shares capital in TPAC II; and (ii) their inter-se rights and obligations of TPAC and the Investor including in relation to the governance, ownership, management and operations of TPAC II and other matters in connection therewith.

3 Automation and Digitization Project:

Automation:

During Q4 21, TPAC has successfully run pilot automation system for online label inserting, capping and pouch packing activity for a segment of its business in India. Such automation will lead to saving ~ 3,600 man hours per month.

Digital:

- The Covid-19 pandemic had slowed down TPACs plan to transform our ERP platform in India to bring it in line with our Oracle based ERP in Thailand and UAE. With travel now easier between Thailand and India, we expect to complete our Indian business ERP transformation by Q4 2022.
- TPAC also plans to roll out a company-wide CRM system. CRM architecture design is complete, and we will be launching our CRM concurrently across India, UAE & Malaysia with Thailand to follow. It is expected by Q3 this year our CRM roll out would be complete and the usage of this tool is expected to be deeply embedded in our daily working processes and culture.

4 Sustainability

TPAC Packaging India Private Limited has commissioned its 1120 KVH Roof Top Solar at 3 manufacturing locations and achieved generation of 0.3 mn units for the quarter Q4'21. In terms of carbon efficiency, this is equivalent to saving of 246 Ton Co2 or 11,300 Trees.

Note: (1 kwh= 0.82 Kg Co2),(21.77 Kg Co2=1 Plant)

Combi-Pack Sdn.Bhd is currently evaluating a ~ 1MW proposal of commissioning Roof top Solar in their existing plant, which is expected to be completed during this year.

Financial Performance

A) Consolidated Income Statement

(THB Mn)

	Q4'21	Q3'21	% Δ	Q4'21	Q4'20	%Δ	FY'21	FY'20	%Δ
Sales	1,570	1,397	12%	1,570	982	60%	5,194	3,983	30%
Cost of sales	1,301	1,147	13%	1,301	752	73%	4,190	3,025	38%
Gross Profit	269	249	8%	269	230	17%	1,004	957	5%
Gross Profit Margin %	17.1%	17.9%	-1%	17.1%	23.4%	-6%	19.3%	24.0%	-5%
SG&A	143	148	-3%	143	130	10%	535	473	13%
Other income	20	12	73%	20	15	34%	55	57	-3%
EBITDA	290	224	29%	290	192	51%	952	862	10%
EBITDA Margin %	18.3%	15.9%	2%	18.3%	19.3%	-1%	18.1%	21.4%	-3%
Core EBITDA	292	234	25%	292	193	52%	970	864	12%
Core EBITDA Margin %	18.4%	16.6%	2%	18.4%	19.3%	-1%	18.5%	21.4%	-3%
Depreciation and amortization	144	111	30%	144	78	85%	428	321	33%
EBIT	146	114	29%	146	115	28%	524	541	-3%
Core EBIT	148	123	20%	148	115	29%	542	543	0%
Core EBIT Margin %	9.3%	8.7%	1%	9.3%	11.5%	-2%	10.3%	13.4%	-3%
Finance costs	44	38	17%	44	26	68%	137	105	30%
Profit Before Tax	102	76	35%	102	88	16%	387	436	-11%
Core Profit Before Tax	104	85	22%	104	89	17%	405	437	-7%
Core Profit Before Tax Margin %	6.5%	6.1%	0%	6.5%	8.9%	-2%	7.7%	10.8%	-3%
Income tax expense	23	19	20%	23	22	4%	212	83	155%
Net Profit	79	57	40%	79	66	20%	175	353	-50%
Net Profit Margin %	5.0%	4.0%	1%	5.0%	6.6%	-2%	3.3%	8.7%	-5%
Core Net Profit	81	66	23%	81	66	22%	324	354	-8%
Core Net Profit Margin %	5.1%	4.7%	0%	5.1%	6.6%	-2%	6.2%	8.8%	-3%
Net Profit after Tax and NCI	72	50	43%	72	63	13%	153	322	-53%
Net Profit after Tax and NCI Margin %	4.5%	3.6%	1%	4.5%	6.4%	-2%	2.9%	8.0%	-5%
Core Net Profit after Tax and NCI	73	59	23%	73	64	15%	302	323	-7%
Core Net Profit after Tax and NCI Margin %	4.6%	4.2%	0%	4.6%	6.4%	-2%	5.7%	8.0%	-2%

Non-Recurring income/(expenses) (THB Million)	Q4'21	Q3'21	Q4'21	Q4'20	FY'21	FY'20
Overseas M&A Related Expenses	-	-	-	-	-	-
Thailand M&A Related Expenses	(2)	(10)	(2)	(0)	(18)	(1)
Deferred tax - pursuant to disallowance of amortization of goodwill on acquisition	-	-	-	-	(133)	-
Total	(2)	(10)	(2)	(0)	(151)	(1)

Thailand Business

Q4'21 witnessed a good recovery in volumes with both the factories showing a reversal trend towards increased revenues and profitability. This came on the backdrop of higher customer demand and reduced impact of Covid-19 related disruptions to the business.

Sales Volumes in Q4'21 showed a healthy increase of 16.6% compared to same period last year and an increase of 14% vs previous quarter. There was

a corresponding trend in Value addition which increased by 20.8% to same period last year and increased by 9.4% compared to previous quarter. Core EBITDA for the quarter showed a marked improvement (excluded 53mb dividend received in Q4'21 from subsidiary) with an increase of 36.9% to same period last year and increased by 26.6% compared to previous quarter, which is on account of improved value addition and stronger volumes.

Sunpet Business

Sunpet business comprises of TPAC India and TPAC UAE business. Sales Volume remained stable in Q4'FY21 as compared to previous quarter and same period last year. TPAC India was able to maintain the volumes despite of COVID 3rd wave, which affected large parts of the country in the month of December and January. While Sales Volume remained stable, value addition and core EBITDA showed a healthy increase by 20.6% and 21.7%, respectively in Q4'FY21 as compared to previous quarter on the backdrop of cost efficiencies and value-added products.

TPAC India and UAE plants are running with high levels of efficiency supported by strong utilization rates (85%+) in Q4'21. Our managements intimacy with customers and robust systems have also supported the swift pass through of underlying raw material market rate escalations. Note that PET, in line with other polymers also experienced an increasing trend over Q4'21, and despite this management have not only been able to protect but increase our margins.

Malaysia Business

TPAC Malaysian business was impacted by the Covid-19 wave during Q3'21. Operations were also stopped in Malaysia for a few days of July'21. Thereafter operations resumed but in a scaled down manner in compliance with the Malaysian governments Emergency Movement Control Order ('EMCO').

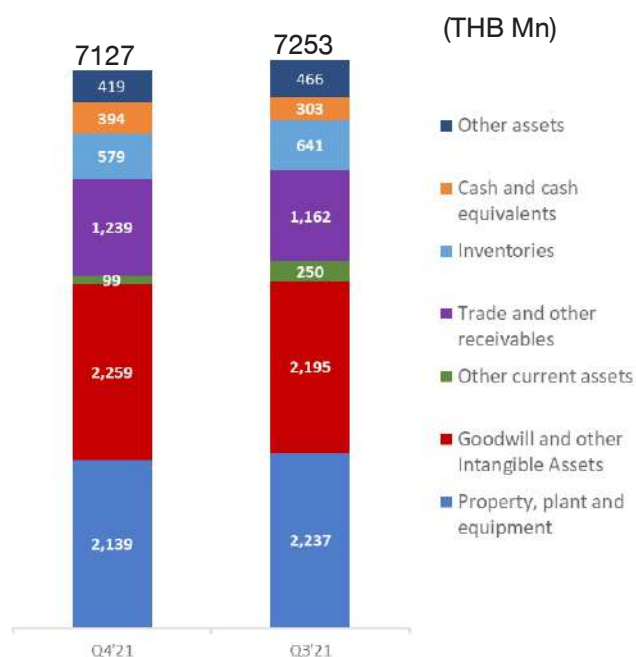
In Q4'21, Combi-Pack was able to operate in full capacity and was able to catch up with the high customer demand. Q4'21 is normally a peak period, where the customers are preparing for

the sales in Christmas and Chinese New Year. Thus, the Sales Volume and corresponding Value addition have grown by ~ 25% as compared to previous quarter. Core EBITDA increased by 87% compared to previous quarter, which was driven by a combination of strong volumes, better fixed cost management and operating efficiencies.

Due to the strong cash flow, Combi-Pack also managed to partially settle the OCBC term loan of RM 4 mn in Aug'21 and RM 2 mn in Dec'21.

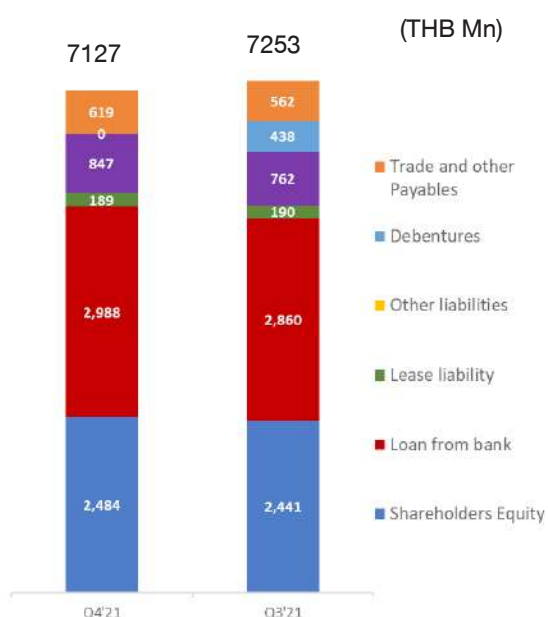
B) Consolidated Balance Sheet

ASSETS



- Overall assets of the company stand at ~ THB 7,127 mn at Q4'21.
- Tangible and intangible assets comprise 62% of the total assets at Q4'21
- Decline in total assets at Q4'21 is primarily attributable to improvement in working capital management

LIABILITIES

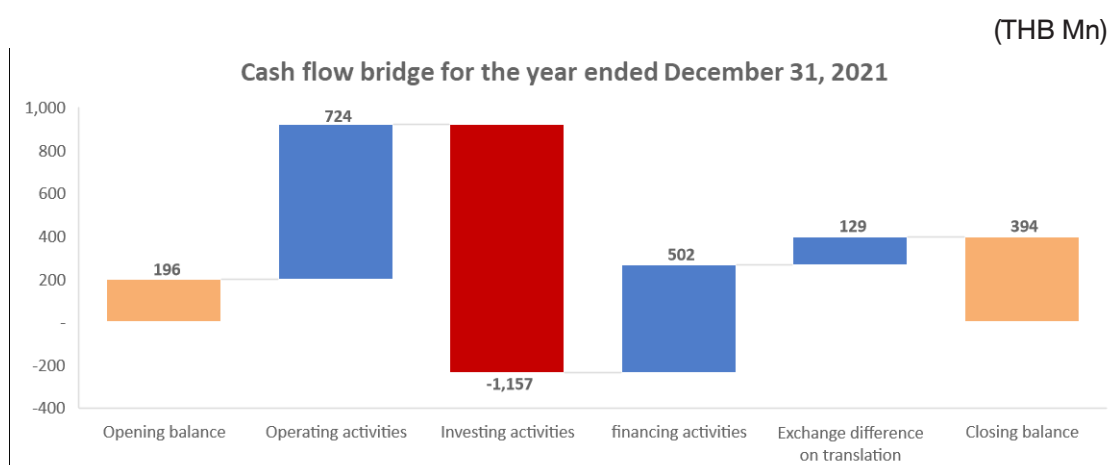


- Increase in shareholders equity is on account of profits generated for the quarter.
- Debentures aggregating TBH 438 mn have been completely repaid during Q4'21.
- Net debt to equity ratio stands at 1.1x at Q4'21

C) Consolidated Cash Flow

Cash Flows (THB Million)	FY2021	FY2020
Net cash received from operating activities	724	762
Net cash used in investing activities	-1,157	-242
Net cash used/received in financing activities	502	-346
Decrease in exchange differences on translation of financial statements in foreign currency	129	-13
Net increase/decrease in cash and cash equivalents	198	161
Cash and Cash Equivalents - Opening Balance	196	35
Cash and Cash Equivalents - Closing Balance	394	196

Cash flow bridge for the year ended December 31, 2021:



- TPAC has positive operating cash flow aggregating THB 724 mn for the period FY21.
- Investing activities primarily comprises of investment in subsidiary namely Combi-Pack and purchase of fixed assets.
- Increase in financing activities is mainly related towards funding of investment in Combi-Pack.

Safe harbour:

Certain words and statements in this communication concerning THAI PLASPAC PUBLIC COMPANY LIMITED (“the Company”) and its prospects, and other statements relating to the Company’s expected financial position, business strategy, the future development of the Company’s operations and the general economy in India & global markets, are forward looking statements.

Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to differ materially from those expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future.

The important factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements include, among others, changes in government policies or regulations of India and, in particular, changes relating to the administration of the Company’s industry, and changes in general economic, business and credit conditions in India.

The information contained in the MD&A is only current as of its date and has not been independently verified. No express or implied representation or warranty is made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this MD&A. None of the Company or any of its affiliates, advisers or representatives accepts any liability whatsoever for any loss howsoever arising from any information presented or contained in this MD&A. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this MD&A. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the Company.

The Company may alter, modify or otherwise change in any manner the contents of this MD&A, without obligation to notify any person of such revision or changes.

Annexure

Consolidated Balance Sheet

(THB Mn)

Particulars	Q4'21	Q3'21	%Δ	FY21	FY20	%Δ
Cash and cash equivalents	394	291	35%	394	196	101%
Current investment	-	12	-100%	-	-	0%
Trade and other receivables	1,239	1,162	7%	1,239	826	50%
Inventories	579	641	-10%	579	416	39%
Other current financial assets	2	-	0%	2	0	490%
Advance purchase for raw material	14	160	-91%	14	8	77%
Asset held for sale	-	-	0%	-	-	0%
Other current assets	83	90	-8%	83	115	-28%
Total current assets	2,311	2,356	-2%	2,311	1,561	48%
Restricted bank deposits	18	22	-17%	18	23	-23%
Investments in subsidiaries	-	-	0%	-	-	0%
Long-term investment	0	0	300%	0	2	-82%
Property, plant and equipment	2,139	2,237	-4%	2,139	1,476	45%
Right-of-use assets	191	192	-1%	191	86	122%
Excess of acquisition cost over estimated value of interest acquired in net assets from acquisition of the subsidiary	-	706	-100%	-	-	0%
Goodwill	1,640	1,125	46%	1,640	1,002	64%
Intangible assets	619	364	70%	619	353	75%
Deferred tax assets	10	10	2%	10	9	15%
Withholding tax deducted at source	70	70	0%	70	93	-25%
Advance payment for purchasing of molds	64	98	-35%	64	50	28%
Assets associated with call options	6	9	-27%	6	9	-27%
Other non-current assets	59	65	-9%	59	59	0%
Total non current assets	4,816	4,897	-2%	4,816	3,162	52%
Total assets	7,127	7,253	-2%	7,127	4,723	51%
Bank overdraft and short-term loans from banks	751	951	-21%	751	515	46%
Trade and other payables	619	562	10%	619	359	72%
Current portion of long-term debentures	-	114	-100%	-	76	-100%
Current portion of long-term lease liabilities	14	13	8%	14	7	97%
Current portion of long-term loans from banks	257	249	3%	257	165	55%
Income tax payable	24	7	263%	24	13	84%
Other current financial liabilities	-	1	-100%	-	-	0%
Liabilities associated with share purchase agreement in subsidiary	-	-	0%	-	-	0%
Other current liabilities	98	78	26%	98	37	166%
Total current liabilities	1,762	1,973	-11%	1,762	1,172	50%
Long-term debentures - net of current portion	-	324	-100%	-	390	-100%
Long-term lease liabilities, net of current portion	175	177	-1%	175	81	116%
Long-term loans from banks - net of current portion	1,980	1,660	19%	1,980	793	150%
Non-controlling interest put options	290	290	0%	290	-	0%
Deferred tax liabilities	356	308	16%	356	96	273%
Provision for long-term employee benefits	80	79	1%	80	71	12%
Other non-current liabilities	-	-	0%	-	-	0%
Total non current liabilities	2,881	2,838	1%	2,881	1,430	101%
Total liabilities	4,643	4,812	-4%	4,643	2,603	78%
Registered share capital	327	327	0%	327	327	0%
Issued and paid-up capital	327	327	0%	327	327	0%
Premium on ordinary shares	1,027	1,027	0%	1,027	1,027	0%
Appropriated - statutory reserve	33	33	0%	33	33	0%
Retained earnings	681	609	12%	681	913	-25%
Other components of shareholders' equity	46	82	-44%	46	(257)	-118%
Excess of book value of acquired subsidiary over cost	20	20	0%	20	20	0%
Equity attributable to owners of the Company	2,133	2,097	2%	2,133	2,062	3%
Non-controlling interests of the subsidiaries	350	344	2%	350	59	493%
Total shareholders' equity	2,484	2,441	2%	2,484	2,121	17%
Total liabilities and shareholders' equity	7,127	7,253	-2%	7,127	4,723	51%
Net Debt to Equity (times)	1.1	1.3		1.1	0.9	

Non-controlling interest put options liability of THB 289.5 relates to the liability associated for the 20% minority shareholding of TPACs subsidiary in Malaysia (Combi-Pack), whereby our minority shareholder partner has a put option right that can be exercised at yearly anniversaries through the years 2024 - 2027. Note that TPAC also has a corresponding call option right.

Cash Flow (Consolidated)

(THB Mn)

	FY2021	FY2020
Cash flow from Operating Activities		
Profit Before Tax	387	436
Adjustment : Depreciation and Amortisation	428	321
Adjustment : Other adjustments	156	122
Profit from operating activities before changes to working capital	971	879
Net changes to working capital	-217	-46
Other Net changes from operating activities	0	-50
Cash flows from Operating Activities	754	783
Cash receipt from refund of withholding tax deducted at source	23	0
Cash paid for corporate income tax	-53	-21
Net Cash Flows from Operating Activities	724	762
Cash flow from Investing Activities		
Acquisition of Fixed Assets	-337	-313
Acquisition of Intangible Assets	-1	0
Proceeds from equipments sales	12	4
Proceeds from Asset held for sale	57	0
Cash paid for investment in subsidiary	-893	0
Other	6	67
Net Cash Flow used in Investing Activities	-1,157	-242
Cash flow from Financing Activities		
Increase (decrease) in short-term loans from bank	210	138
Decrease from restricted bank deposit	8	2
Increase (decrease) in long-term loans from bank	1,373	425
Repayment of long-term loan	-283	-215
Repayment of debenture	-524	-55
Cash paid for finance lease payable	-25	-12
Purchase of additional investments in subsidiary from non - controlling interests of the subsidiary	0	-482
Cash paid for financial fees	-10	-1
Finance costs	-145	-105
Dividend Paid Out	-102	-41
Net Cash Flow from Financing Activities	502	-346
Decrease in exchange differences on translation of financial statements in foreign currency	129	-13
Change in Cash and Cash Equivalents	198	161
Cash and cash equivalents at beginning of period	196	35
Cash and Cash equivalents - Closing Period Balance	394	196

5. General Information and other significant information

5.1 General Information

Name	Thai Plaspac Public Company Limited
Symbol	TPAC
Type of Business	Design and Manufacture rigid plastic packaging
Website	www.thaiplaspac.com
Registration Number.	0107547000575
Date of Incorporation	August 1, 1983
Registered Share Capital	THB 326,550,000 divided into 326,550,000 ordinary shares of par value at THB 1 per share
Paid-up Share Capital	THB 326,449,999 divided into 326,449,999 ordinary shares of par value at THB 1 per share
Fiscal year end	31 December
Head Office	77 Soi Thian Thaley 30 Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-897-2250-1 Fax. 02-897-4694
Branch 001	3/1, 3/2 Soi Thian Thaley 15, Bang Khun Thian-Chay Thaley Road, Sameadum, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-892-0261-4
Share Registrar	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 02-009-9000 Fax. 02-009-9991
Auditor	Miss Rungrapa Lertsuwankul (CPA No. 3516) or Miss. Pimjai Manithkajohnkit (CPA No. 4521) or Mr. Chayapol Supasetanon (CPA No. 3972) or Miss Orawan Techawatanasirikul (CPA No. 4807) the auditors who have been approved by the Securities and Exchange Commission of Thailand Firm: EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-2640-777
Legal Advisor	Capital Law Officer Limited 44 Smooth Life Tower 16th Fl., North Sathorn Rd., Silom, Bangrak, Bangkok 10500 Thailand. Tel.02-633-9088, Fax 02-633-9089
Investor Relations	IR@tpacpackaging.com
Secretary	Secretary@tpacpackaging.com

Details of subsidiaries and associated companies in which the company holds 10 percent or more of the total issued shares, please see details in the topic of “Company Group Structure

Other Party’s Reference Information

Share Registrar	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 02-009-9000 Fax. 02-009-9991
Auditor	Miss Rungrapa Lertsuwankul (CPA No. 3516) or Miss. Pimjai Manitkhajohnkit (CPA No. 4521) or Mr. Chayapol Supasetanon (CPA No. 3972) or Miss Orawan Techawatanasirikul (CPA No. 4807) the auditors who have been approved by the Securities and Exchange Commission of Thailand Firm: EY Office Limited 33 rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-2640-777
Legal Advisor	Capital Law Officer Limited 44 Smooth Life Tower 16th Fl., North Sathorn Rd., Silom, Bangrak, Bangkok 10500 Thailand. Tel.02-633-9088, Fax 02-633-9089

5.2 Other significant information

Other information that has a significant impact on Investors’ Decision are available on Company’s website at www.tpacpackaging.com

5.3 Legal Dispute

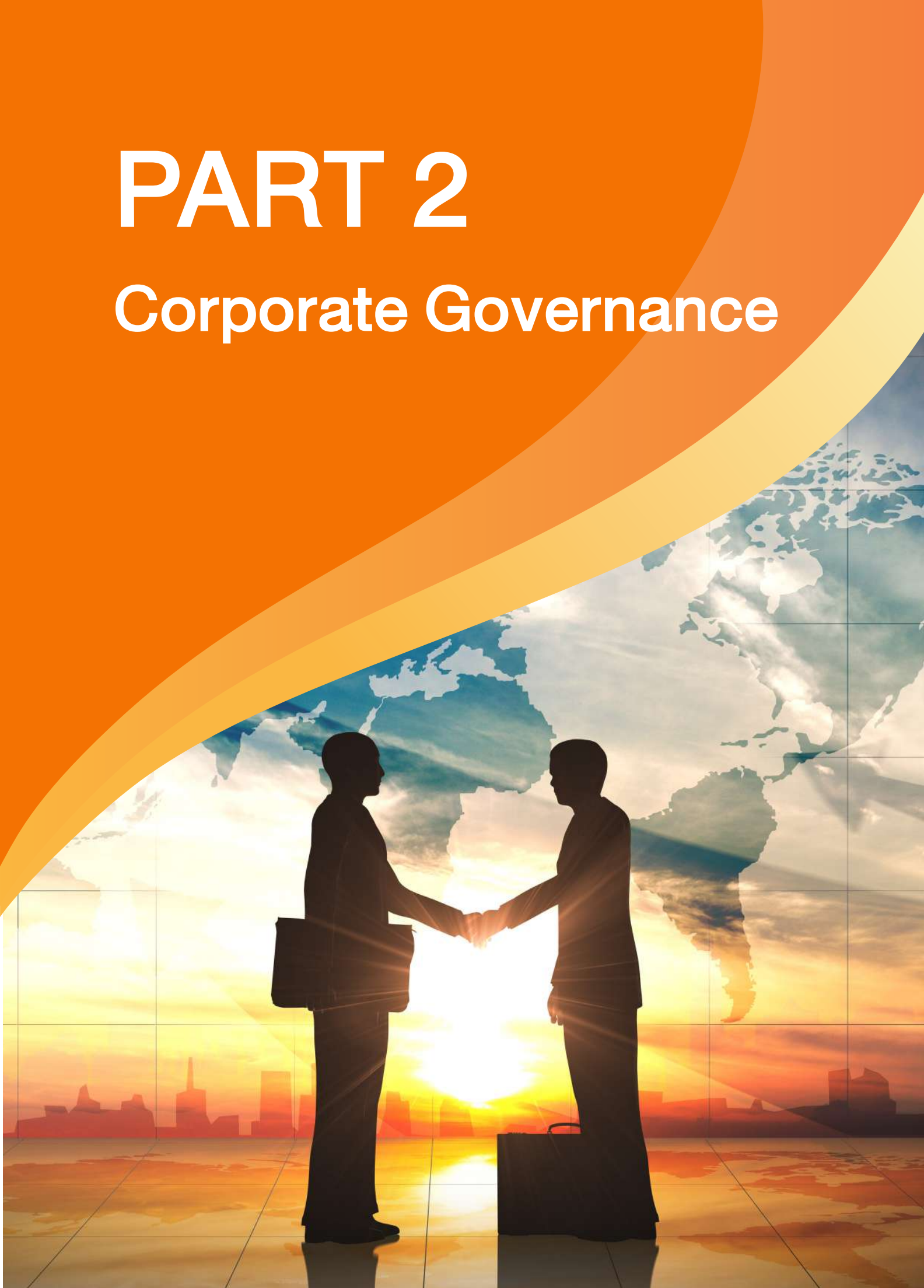
As of December 31, 2021, the Company and its subsidiaries are not prosecuted as a defendant in any litigation or disputes, including any arbitration proceedings that may have a negative impact on the assets of the Company or its subsidiaries that have higher than 5.0% of shareholders’ equity and that affects the Company’s business operations

5.4 Secondary market

No secondary market and no debt instrument

PART 2

Corporate Governance



6. Corporate Governance Policy

6.1 Overview of the Policy and Guidelines

The Board of Directors and the management of Thai Plaspac Public Company Limited is firmly committed to implementing and practicing the good corporate governance across all its global operations in pursuit of its long-term sustainable business success. The Company will continue to cover Corporate Governance Code for listed Companies 2017 and recommendations of the Securities Exchange Commission (“SEC”), Stock Exchange of Thailand (“SET”), Institute of Directors, Thailand (IOD) and other. The Company will ensure that all employees of IVL are aware of the Governance principles and practices that TPAC promotes.

In pursuit of its commitment and for a better understanding and more effective implementation, all of corporate governance related policies and codes of conducts were reviewed, combined and restructured into one document, the Corporate Governance Manual which was approved by the Board of Directors. To provide all directors, employees, and stakeholders of the Company a clearer focus of how the Company values are being implemented and how corporate governance is being realized in the Company.

Section 1 Rights of Shareholders

The Company places emphasis on the rights of shareholders as the owners of the Company. All shareholders, whether retail investors or institutional investors, are encouraged to exercise their fundamental rights, e.g., trading or transferring of shares, sharing of profits, receiving adequate information, whether via the Company’s website, the SET’s website or through other channels, attending shareholders’ meetings to acknowledge the Company’s annual performance, and casting votes at the shareholders’ meetings to approve

significant matters as specified by laws, such as the appointment or removal of directors, the determination of directors’ remuneration, the appointment of auditor and the determination of audit fee, the dividend payment or suspension of dividend payment, and the capital increase and the issuance of new securities, including making enquiries or comments on matters that the Board of Directors presents to or requests for approval at the shareholders’ meetings.

Shareholders' Meeting

The Company must hold an annual general meeting of shareholders within 120 days from the end of the Company's fiscal year. Other shareholders' meetings, i.e., extraordinary general meetings of shareholders, are to be called when it is deemed necessary and appropriate. The Company has set up a Company Secretary Office to ensure that the shareholders' meetings are held as required by law and in accordance with the principles of good corporate governance. In the shareholders' meetings, the Company will arrange for a legal advisor to attend the meeting to provide legal advice and witness the vote count throughout the meeting and give the minority shareholders an opportunity to nominate a representative to witness the vote

count. In the case where an agenda item of the meeting concerns a transaction that is complicated and significant to the decision making of the shareholders' meetings, the Company will also arrange for a financial advisor as well as a legal advisor to provide answers and explanations at the meeting. As for the annual general meeting of shareholders where financial statements will be considered for approval, the Company will arrange for its auditor to be present at such meeting every time. In addition, the Company encourages all directors, members of the sub-committees, senior executives and company secretary to attend every shareholders' meeting, except in case of necessity or emergency.

Invitation and Facilities for Shareholders

To protect rights of all shareholders equally and do not restrict rights to access to shareholders' information and, either Thai shareholders or foreign shareholders, the Company prepares and provides the invitation to shareholders' meeting and supporting documents, both Thai and English version, and engages Thailand Securities Depository Co., Ltd., its securities registrar, to undertake the delivery of the invitation thereof to all shareholders. The invitation will provide adequate information regarding the place, date and time of the meeting, meeting agenda, objectives and rationale of each agenda item together with the opinion of the Board of Directors, number of votes required for each agenda item, and other supporting documents. This is to allow the shareholders to have sufficient

time to study the documents beforehand. There will be no hidden agenda items or addition of other agenda items that are not stated in the invitation, except for urgent matters. Besides, the Company will also public the invitation together with the supporting documents on the Company's website and allows the shareholders to submit their inquiries at least 30 days in advance, and make an announcement of the same in the newspaper for 3 consecutive days, at least 7 days prior to the meeting date.

Moreover, the Company will arrange the shareholders' meeting at the appropriate venue that can accommodate all shareholders, having a good security system and being conveniently accessible for shareholders. The Company uses the barcode

system for the registration and vote count to enhance transparency and provide convenience to the shareholders. The registration opens at least an hour prior to the meeting.

In addition, the Company arranges for its officers to welcome and provide convenience and also sets up an Investor Relations desk where investor relations officers who have the knowledge and expertise in giving information will answer shareholders' questions in relation to the Company's

Procedure of the Shareholders' Meeting

The Company has adopted the following procedures as its practices of good corporate governance. Prior to the commencement of the shareholders' meeting, the secretary to the meeting will introduce to the shareholder's meeting the members of the Board of Directors, the executives, and the Company's auditor and legal advisor, who are present. The secretary to the meeting will also inform the shareholders' meeting about the voting procedures and the vote count method in the meeting. After providing information in each agenda item, the chairman of the meeting will grant equal opportunities to all attendees to make their comments or enquiries relevant to the agenda item. The enquiries will be answered, and adequate time will be given for discussion as appropriate. As for the agenda item on the appointment of directors, the shareholders will cast their votes to appoint each director individually. In addition, in order to promote compliance with the principles of good corporate governance, a director who is due to retire by rotation and is

businesses. The Company also provides stamp duties for attendees by proxy. To provide convenience to the shareholders who are institutional investors and the shareholders who hold shares through custodians, the Company gives an opportunity to such shareholders to verify their names, information, and supporting documents before the meeting date to reduce the time and procedures for verifying information and documents on the meeting date.

nominated for election as director of the Company for another term will leave the meeting room temporarily during the consideration of such agenda item.

The Company arranges for minutes of meetings to be recorded correctly and completely so that the shareholders can inspect the same. Resolutions of the meeting are to be clearly recorded with details of the quorum; the list of present directors, executives, and advisors; the vote count method; the witness(es) to the vote count; the voting results, i.e., approvals, disapprovals, and abstentions. Furthermore, comments, suggestions, questions, and answers which are significant and relevant to each agenda item will be recorded in the minutes. The Company will report a summary on significant meeting resolutions through the SET's website within the meeting date or no later than 9.00 a.m. of the following business day. The minutes of the shareholders' meeting will be submitted to the SET within 14 days from the meeting date and publicized on the Company's website.

2021 Annual General Meeting of Shareholders

Date	April 23 rd , 2021
Venue	E-Meeting live broadcast from Seminar Room, Thai Plaspac Public Company Limited.
Commencement Registration	2.00 p.m.
Meeting Time	3.00 p.m. – 4.30 p.m.
Directors attending the Meeting	8 persons (100 % of directors attended)
Number of shareholders attending the meeting in person and by proxy	36 shareholders collectively holding 83.53% of the total issued shares

Section 2 Equitable Treatment of Shareholders

Proposing Agenda Items and Nominating Director Candidates:

The Company provides the shareholders an opportunity to exercise their rights to propose agenda items and/or nominate candidates to be elected as directors in advance in order to promote equitable treatment of shareholders. The shareholders are entitled to propose agenda

items and/or nominate candidates to be elected as directors at the annual general meeting of shareholders in accordance with the criteria publicized on the Company's website. The Company will make an announcement of the same through the SET's website.

Appointment of Proxies

To protect the rights of the shareholders who cannot attend the shareholders' meeting in person, the Company encloses a proxy form (Form B) to the invitation together with the list of documents and evidence required for the appointment of a proxy. The shareholders may appoint his/her representative or the independent director of the Company as his/her proxy to attend the meeting

and cast votes on his/her behalf. The Company will provide in the invitation at least the name of one independent director whom a shareholder can appoint as his/her proxy. In addition, the Company will also publish the invitation and the proxy forms (Form A, Form B and Form C) together with the details and procedures for the appointment of proxy on the Company's website.

Control on the use of the inside information

The Company prohibits the directors, executives and employees, as well as other relevant persons who are in charge of or have access to inside information, from using inside information for the benefit of trading the securities of the Company, subsidiaries, and associated companies, and also

forbid the disclosure of inside information to outsiders or non-relevant persons before disclosing the same through the SET pursuant to the criteria and procedures specified in the policy on the protection of inside information.

Section 3 Role of the Stakeholders

The Company is aware and recognizes the rights of all groups of stakeholders, internal and external. Mainly Internal stakeholders are shareholders and employees while external stakeholders include customers, suppliers, creditors, competitors, public sectors, public offices and communities. The company has received supports from various stakeholders to strengthen its competitive advantages and

profitability, generating long-term value of the Company. Therefore, in addition to the below policy, the Company has also announced the Whistleblower Policy to provide channels for all stakeholders to file complaints or report any suspicious incidents of misconduct or corruption. Provided that there is the Policy includes complaint procedure and protection of the whistleblower as the followings:

Shareholders

The Company realizes that shareholders are the Company's owners while the Company has a duty to build long-term economic value added for the shareholders. So, its directors, management and employees are obliged to follow the below guidelines.

- 1 Perform his/her duties with integrity and make every decision in according to the professional principles with careful, realize and fair consideration of all groups of shareholders, major and minor and for the best interests of the Shareholders as a whole.
- 2 Present reports of the Company's operating result, financial status, financial and accounting statements and others consistently, completely and accurately.
- 3 Notify all shareholders equally the information about future trends of the Company, both negative and positive, based on possibilities, sufficient data and adequate rationale.
- 4 It is prohibited for all employees to use or disclose any non-public information for benefits of their own or other related persons, or for any course of actions which may pose a conflict of interest with the Company.

5 The Company shall not take any actions which violate or deprive the shareholder rights, i.e. failure to submit material information or documents to the shareholders prior to the shareholders' meeting, adding important agenda or changing material information without advanced notifications to shareholders before the shareholders' meeting.

6 The Company shall encourage shareholders to use their rights in matters such as the right to nominate candidate for director position, the right to express their opinions and ask crucial questions relating to the meeting agenda.

Employees

The Company believes that, to achieve our business goals, employees is one of the most valuable resource and they deserve favorable treatments. Therefore, the Company shall treat its employees fairly and equally in all aspects, career opportunities, compensation, promotion, transfer as well as versatile training and development plan. To be able to grow and expand its business in the future, the Company has set a policy to promote and support the development of all employees. All employees shall be treated equally with respect for human rights, good and safe working environment, proper and fair compensation and benefits in accordance with their responsibilities, duties and position.

Customers

The Company is well-aware of the importance of its customers and has set the following policy regarding customer treatments.

1 Customer shall be treated with courtesy and enthusiasm. Employee should be ready to welcome customers and to provide sincere, attentive service with care. Like serving the close relatives, customer service must be prompt, accurate and trustworthy.

2 Maintain customer confidentiality and never misuse it for personal or other related person's interests.

3 Provide accurate, adequate and timely information relating to the Company's services to all customers, without exaggerated advertisement which may mislead customers about the quality or any service conditions.

4 Give advice about the Company's services and related processes efficiently with the intention to maximize customer benefit.

Business Partners and Creditors

The Company is committed to treating its business partners and/or creditors fairly, honestly without taking any advantages of the relationship. The Company and its subsidiaries believe in conducting business with integrity, transparency and fairness in order to achieve maximum pay-off for both sides. The business partners must not bring discredit to the Company's reputation and must comply with the law, morality and ethics, customs and traditions. Purchasing of goods and related process must be transparent and auditable. Any situations that pose a conflict of interest should be avoided and any trade negotiations should be based on business relationship. Following are related guidelines.

- 1 Do not demand, or receive, or offer any payment or benefit of any dishonest dealing with business partners and/or creditors.
- 2 If there is any information of bribery, demanding or receiving or offering benefit of dishonest dealing, such information must be disclosed to the related business partners and/or creditors for investigation and resolution in a fair and timely manner.
- 3 All terms and conditions of the agreement shall be strictly followed. If any conditions cannot be complied, responsible person must inform the creditors in advance in order to jointly find solutions.

The process of selecting suppliers: The Company's policy requires at least 3 companies to join the bidding process. The Company will select supplier who offer reasonable prices and meet the specifications of the product or service that the Company's requirements.

Banks, Financial Institutions, Creditors

The Company is committed to treating the bank, financial institution, its creditor and guarantor with honesty; and to repayment of loans and interest on time. The Company set strategies of working capital management to ensure that the Company shall not be in any difficulties in repayment to the bank, financial institution, its creditors and guarantor. The Company shall also strictly comply with all terms & conditions specified in the loan agreements and the other agreements.

Competitors

The Company has a policy to treat all competitors with integrity, not breaching confidentiality or revealing trade secrets of competitors obtained in an illegal or deceptive way. Following are guidelines of the policy. Abide by the rules of ethical competition

- 1 Do not seek for confidential information or trade secrets of competitors by using illegal or inappropriate methods.
- 2 Do not discredit competitors by any negative accusation
- 3 The Company supports and promotes free and fair competition.

Community and Societies

The Company's policy is to conduct business that benefits the economy and society by adhering to practices of a good citizen who fully complies with laws and regulations. The Company commits to developing, promoting and leveraging the quality of life in the society and the communities in which the company is located, along with the growth of the company.

Anti-Corruption Policy

The Company shall not tolerate any forms of corruption and shall be applicable to all businesses and transactions in every country worldwide and every relevant function. The Board of Directors, the Management and employees of Thai Plaspac Public Company Limited including subsidiaries must strictly comply with the defined Anti-Corruption Policy and are prohibited from being involved with any forms of corruption either directly or indirectly.

- 1.1 No staff shall behave in a way which demonstrates clear intention of committing an act of corruption, offering or accepting bribery from government or private sectors or relevant stakeholders in order to acquire or maintain the business or competitive advantages or for personal interests or interests of any related parties.
- 1.2 No staff shall be negligent or ignorant toward any act of corruption involved directly with the Company and must notify their supervisors or responsible person and provide full cooperation during investigation.
- 1.3 The Company shall ensure fairness and protection of all staffs that deny or report corruption cases to Company as specified in the Protection Policy for appellants or whistleblowers.
- 1.4 Any act of corruption shall be considered as equivalent to misconduct against the Company's Code of Conduct and shall be liable to disciplinary actions as per the Company's rules and regulation. Legal punishment may also be enforced if such act is a legal violation.
- 1.5 The Company recognizes the importance of communicating and building knowledge and understanding among those involved in or affected by the Company's business operations regarding compliance with the defined Anti-Corruption Policy
- 1.6 The Company constantly ensures that appropriate and efficient audit procedure and internal control system existed within the organization in order to prevent corruptions.
- 1.7 The Company has developed human resource management system which clearly demonstrates its commitment in fighting against corruptions starting from recruitment, training, performance evaluation to remuneration and promotion processes.
- 1.8 To stress the attention on processes which incur high risk of corruption, the Board of Directors, the Management and employees of every level must conform carefully in the following course of actions:

1.8.1. Political Contributions

Political contributions mean to give support in a form of money, items and/or participate in certain activities, including encouraging the employees to be involved in political activities on behalf of the Company in order to acquire business advantages. The following guideline of practice has therefore been developed:

- 1) The Company shall operate its business with political neutrality by avoid supporting or acting in favor of any political party in particular.
- 2) The Company shall not provide financial support or items to any political parties, politicians or candidates of any political party to gain business benefits.
- 3) All employees shall have the right to participate in political activities as stated in the Constitution of Thailand but shall not make any claims of being the Company's staff or use the Company's assets, equipment or tools for the benefits of their political activities. Employees involved in any political activities must make sure that their actions will not mislead others to think that the Company is assisting or acting in favor of any political parties.

1.8.2 Donation and Sponsorships

- 1) Donation in a form financial aid or others such as knowledge or time sharing, etc. can be carried out by the Company as part of corporate social activity, including public relations and building good organizational image without expecting any business benefits.
- 2) Sponsorship either in a form of money or property for any activity or project must be transparent and in compliance with stipulated laws and must only identify the name of the Company. All sponsorships must be approved according to the Company's regulation and must not have a hidden purpose of commercial advantages by confirming that such transaction shall not be claimed as bribery.

All sponsorships must be given to support only those activities with business goals or for the Company's good image and can be done in various forms such as sponsorship for cultural activities, social and environmental activities or education and sports activities.

1.8.3 Gift and Entertainment

The Company recognizes that building good relationship with business alliance is essential to driving continuous business success for the Company. Hence, following guideline of practice has been developed:

- 1) The directors, executives and employees of the Company are allowed to offer gifts and entertainment to business alliance under the following conditions:

- I. Such act must not be done in a manner which aims to influence or reward any persons in order to gain inappropriate or hidden benefits or assistance.
 - II. Must abide by relevant laws, including regulations and requirements specified by the Company.
 - III. Must be given in the name of the Company only and transparently.
 - IV. Must be of appropriate type and value. For instance, no gifts or entertainment should be given to government officials, employees or relevant agencies during bidding process.
 - V. Appropriate for the situation. For instance, gifts can be given during special holiday season as it is customary.
- 2) The Board of Directors, the Management and employees of the Company are allowed to accept gifts or any other benefits given as part of special holiday season or traditional practice as long as the value of the gift does not exceed 3,000 Baht and must not be in cash or cash equivalents such as gift voucher. In the event it is unavoidable to accept such gift or benefit, the receiver must immediately notify their supervisor and prepare a gift acceptance and handover report to be submitted to the Company's Administrative and Secretary Office in order to be used in rewarding the employees on special holiday seasons or making public donation as deemed appropriate.

2.1 Measures and Communication Channels for Whistleblowing/Complaints

The Company has arranged several communication channels for whistleblowing / complaints concerning corruption as follow:

- Postal mail
Secretary Center
Thai Plaspac Public Company Limited
4th, floor Thai Plaspac Public Company Limited, No.77 Soi Thian Thaley 30,
Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok, 10150.
- Email:
Secretary Center: Secretary@tpacpackaging.com
Compliance: ethics@tpacpackaging.com
- Company's website: www.tpacpackaging.com
- Suggestion / comments / complaints box available within the Company.

Section 4 Disclosure and Transparency

The Company always discloses to all shareholders and stakeholders the information that is accurate, complete, in a timely manner, both in Thai and English languages, and correspond to relevant laws and regulations, as well as the international good corporate governance standard, through various information disclosure channels to demonstrate the Company's transparency in doing business.

Information Disclosure

The Company has a duty to disclose financial and non-financial information to all shareholders and stakeholders accurately, completely, accountably, and timely to ensure that the shareholders and stakeholders receive the information equally, including developing the Company's website and regularly and promptly updating information on the website to ensure that it is complete. The information disclosure will be prepared with due care, accuracy, and transparency and conveyed in simple and concise language.

Investor Relation

The duty of the investor relation department is to communicate with the related department and the disclosure of the Company's information and performance.

Section 5 Board Responsibilities

The duties of the Board of Directors are included the determination of the Company's policy, vision, mission, values, strategy, and goals. In addition, the Board of Directors also supervises and assesses the management and operation with the objective to increase the shareholder value in the long run. In this regard, the Board of Directors must ensure that its duties are carried out in compliance with the laws, objectives, and the Company's Articles of Association. Moreover, the Board of Directors must be mindful of corporate governance, conflicts of interest, code of conduct, and business ethics.

The Board of Directors is determined and committed to build the Company and its subsidiaries as a leading organization that is perceived at the international level as one of the most successful

companies in Thailand with business variety, resilient management, and competent personnel. The Board of Directors has the necessary leadership, vision, and independence to make decisions and has the duties and responsibilities to oversee the business in the best interest of the shareholders. The duties of the Board of Directors and the Management are clearly separated.

In 2021, the Board of Directors' Meeting reviewed the Company's vision, mission, values, and the long-term goals of the Company. In regards, the Board of Directors place the importance to monitor the implementation of such strategy and business plan of Company by taking into consideration and the best interest of the Company and shareholders.

Composition of the Board of Directors and the Sub-committees

The Board of Directors consist of 3 independent directors and 2 of non-executive directors and 2 executive directors and the Chairman of the Board of Directors who is the chief executive director.

In addition, the sub-committees have been appointed by the Board of Directors i.e. the Audit Committees, the Nomination and Remuneration Committees, Risk Management Committees, and the Corporate Governance Committees.

The Audit Committee shall entirely consist of independent directors and shall not be less than 3 members whereas at least one member must be knowledgeable and experienced in reviewing the accountability of the financial statements.

The Nomination and Remuneration Committee shall consist of at least 3 members but shall not exceed 5 members where the majority of the members shall be independent directors.

Meeting of the Board of Directors and the sub-committees

The Board of Directors will hold more than 6 meetings in each fiscal year pursuant to the annual meeting schedule set in advance. The Company promotes and encourages each director to attend the Board of Directors' meeting at least 75% of the total number of meetings in each fiscal year, except in case of necessity and emergency. The Company will provide the meeting materials to

the directors in advance at least 5 business days prior to the meeting to allow the directors to have sufficient time to study the information beforehand. As regards the sub-committees, the Audit Committees will hold a meeting on the quarterly basis and the other sub-committees will hold at least two meetings in each fiscal year.

Development of Directors'

The Company encourages the directors to develop their personal skills and knowledge regularly and adequately. The Nomination and Remuneration Committee has developed the director development plan in order to enhance the knowledge of the existing directors and new directors to understand

the business of the Company, the roles and duties of directors, and other significant developments, including encouraging the directors to enroll in various training programs or seminars organized by the Thai Institute of Directors Association (IOD).

Orientation of the new directors

The Company organizes new director orientations pursuant to the director development plan developed by the Nomination and the Remuneration Committee so that the new directors

have knowledge and understanding of the Company's historical background, business organization, policies, related law and regulation, and the role and responsibilities of the directors

6.2 Business code of conduct (if any)

The details appear in APPENDIX 5

Employees' cooperation in ethics and corporate governance

TPAC has a policy and encourages all employees to fully acknowledge, understand and adhere to the Company's Code of Conduct for all individuals, both inside and outside the organization, including the corporate governance policy of the Company. The Group includes the Code of Conduct as part of the orientation course for new employees. In addition, the Group continuously communicates to employees about the Company's corporate governance policy and the Code of Conduct in all internal communication channels of the Company,

such as public relations boards and electronic communication channels, in order to promote and encourage all employees to strictly comply with the Code of Conduct and corporate governance policy. In addition, all employees are encouraged to adhere to the principles and policies continually. In the past year, there were no instances of employees failing to comply with or violating the Company's Code of Conduct and corporate governance policy.

6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year

6.3.1 Significant changes and developments in policy review, practice and corporate governance or the Board of Directors Charter in the past year:

In order to increase efficiency and demonstrate that corporate governance standards are raised and appropriate and consistent with business operations in accordance with the good corporate governance principles and the policies, practices and corporate governance systems or the Board of Directors Charter have been reviewed once in the past year, such as good corporate governance policy.

6.3.2 Other matters in accordance with good corporate governance principles

The Company continuity received the Corporate Governance assessment in 2021 as following.

- 1 Annual General Meeting Checklist (AGM Checklist) 2021 from the Thai Investors Association with an assessment result of 100%
- 1 A "Very good - 4 Star" CG Score in the practice of Corporate Governance of Thai Listed Companies which carried out by Thai Institute of Directors (IOD) in conjunction with the Stock Exchange and Security Exchange Commission of Thailand. A very good CG scoring is awarded to firms with a score of 80 – 90 percent. TPAC achieved 87 percent. This is the four consecutive years that TPAC received the "4 star" rating.

BOARD OF DIRECTORS



1

Mr. Kevin Kumar Sharma

Chairman of the Board of Director
Authorized Director
Nomination and Remuneration Committee
Chairman of Risk Management Committee
Chairman of Corporate Governance Committee
Group Chief Executive Officer

2

Mr. Theerawit Busayapoka

Director
Authorized Director
Nomination and Remuneration Committee
Risk Management Committee
Corporate Governance Committee
Chief Executive Officer of Thailand Business
Managing Director

3

Mr. Anil Kumar Kohli

Director
Authorized Director
Risk Management Committee
Chief Technical Officer

4

Mrs. Aradhana Lohia Sharma

Non - Executive Director

5

Mr. Yashovardhan Lohia

Position:
Non-Executive Director

6

Mr. Virasak Sutanthavibul

Independent Director
Chairman of the Audit Committee
Nomination and Remuneration Committee

7

Mr. Kittiphat Suthisamphat (Committee)

Independent Director
Audit Committee
Nomination and Remuneration Committee

8

Mr. Gran Chayavichitsilp

Independent Director
Audit Committee
Chairman of Nomination and Remuneration Committee



BOARD OF DIRECTORS

Mr. Kevin Kumar Sharma

Position

- Chairman of the Board of Director
- Authorized Director
- Nomination and Remuneration Committee
- Chairman of Risk Management Committee
- Chairman of Corporate Governance Committee
- Group Chief Executive Officer

Age 38 years

First Appointment Date 09 October 2015

Last Appointment Date 24 April 2019



Education:

- Master's in Science – Mathematical Trading and Finance, Cass Business School, City University, London, UK
- Bachelor of Engineering (Honors) – Civil Engineering, University College London, UK

Training/Seminar

- Director Certification Program Class No. 214/2015, Thai Institute of Directors Association, Thailand

Working Experience

- 2016 – Present:
Group Chief Executive Officer, Thai Plaspac Public Company Limited, Thailand
- 2013 – 2014
Associate Director, European Special Situations, La Salle Investment Management, London, UK
- 2010 – 2013
Associate, European Distressed Debt Acquisitions, Colony Capital, London, UK
- 2007 – 2010
Analyst, Investment Banking Division, Credit Suisse Securities, London, UK

Relevant Position in Listed Company –

The Stock Exchange of Thailand

- 2016 – Present:
Director, Thai Plaspac Public Company Limited, Thailand

Relevant Position in Non-Listed Company

- 2019 – Present
Director, Sun Packaging Systems (FZO), U.A.E.
- 2018 – Present:
Director, TPAC Packaging India Private Limited, India
- 2018 – Present:
Director, TPAC Packaging (Bangna) Company Limited, Thailand

(%) Shares Possession as of December 31st, 2021

None

Relation among Family with other Directors and Executives

- Husband of Mrs. Aradhana Lohia Sharma (Non-Executive Director) and;
- Brother-in-law of Mr. Yashovardhan Lohia (Non-Executive Director)

BOARD OF DIRECTORS

Mr. Theerawit Busayapoka

Position:

- Director
- Authorized Director
- Nomination and Remuneration Committee
- Risk Management Committee
- Corporate Governance Committee
- Chief Executive Officer of Thailand Business
- Managing Director

Age: 62 Years

First Appointment Date

12 October 2015

Last Appointment Date

24 April 2019



Educations:

- Bachelor of Engineering (First Class Honors) – Mechanical Engineering, King Mongkut Institute of Technology, Bangkok, Thailand

Training/Seminar

- Director Accreditation Program Class No.51/2006, Thailand Institute of Directors Association, Thailand

Working Experience (during past 5 years)

- 1985 – Present
Chief Executive Officer of Thailand Business, Thai Plaspac Public Company Limited, Thailand

Relevant Position in Listed Company –

The Stock Exchange of Thailand

- 2016 – Present
Director, Thai Plaspac Public Company Limited, Thailand

Relevant Position in Non-Listed Company

- 2018 – Present
Director, TPAC Packaging (Bangna) Company Limited, Thailand

(%) Shares Possession as of December 31st, 2021

- 7,560,000 shares or 2.32%

Relation among Family with other Directors and Executives

None

BOARD OF DIRECTORS

Mr. Anil Kumar Kohli

Position:

- Director
- Authorized Director
- Risk Management Committee
- Chief Technical Officer

Age : 60 years

First Appointment Date

12 October 2015

Last Appointment Date

21 April 2020



Educations:

- Post Graduate Diploma, Marketing Management, Pune University, India
- Bachelor in Technology (Chemicals), Harcourt Butler Technological University, Kanpur, India

Training/Seminar:

- Director Accreditation Program Class No. 135/2017, Thai Institute of Directors Association, Thailand

Work Experience (during past 5 years)

- 2016 - Present
Director, Thai Plaspac Public Company Limited, Bangkok, Thailand
- 2013 - 2015
Vice President Marketing Specialty PET Resins, Indorama Polymers Public Co. Ltd., Thailand
- 1998 - 2013
Vice President, Petform Thailand Limited, Lopburi, Thailand

Relevant Position in Listed Company –

The Stock Exchange of Thailand

- 2016 - Present Director, Thai Plaspac Public Company Limited, Bangkok, Thailand

Relevant Position in Non-Listed Company

- 2018 - Present
Director, TPAC Packaging India Private Limited, India
- 2018 - Present
Director, TPAC Packaging (Bangna) Company Limited, Thailand
- 2019 - Present
Director, Sun Packaging Systems (FZC), U.A.E.

(%) Shares Possession as of December 31st, 2021

None

Relation among Family with other Directors and Executives

None

BOARD OF DIRECTORS

Mrs. Aradhana Lohia Sharma

Position

Non - Executive Director

Age 36 years

First Appointment Date

9 October 2015

Last Appointment Date

24 April 2019



Education

- Bachelor of Science in Business Administration, Babson College, Massachusetts, USA

Training/Seminar

- Director Certification Program Class No.214/2015, Thai Institute of Directors Association, Thailand

Working Experience (during the past 5 year)

Relevant Position in Listed Company - The Stock Exchange of Thailand

- 2016 - Present:
Non-Executive Director, Thai Plaspac Public Company Limited

Relevant Position in Non-Listed Company

- 2018 - Present:
Vice Chairwoman, IVL Foundation
- 2018 - Present:
Director, TPAC Packaging India Private Limited
- 2018 - Present:
Director, TPAC Packaging (Bangna) Company Limited
- 2008 - Present:
Vice President, Indorama Holdings Limited.

(%) Shares Possession as of December 31st, 2021

None

Relation among Family with other Directors and Executives

- Wife of Mr. Kevin Kumar Sharma (Chairman of the Board of Director) and;
- Sister of Mr. Yashovardhan Lohia (Non-Executive Director)

BOARD OF DIRECTORS

Mr. Yashovardhan Lohia

Position:

Non-Executive Director

Age: 34 years

First Appointment Date 12 October 2015

Last Appointment Date 24 April 2018



Educations:

- Bachelor of Engineering Business Management, Warwick Business School, Warwickshire, UK

Training/Seminar:

- Director Certification Program Class No. 214/2015, Thai Institute of Directors Association, Thailand

Work Experience

Relevant Position in Listed Company – The Stock Exchange of Thailand

- 2019 – present
Director, Indorama Ventures Public Company Limited
- 2016 – Present:
Director, Thai Plaspac Public Company Limited

Relevant Position in Non-Listed Company

- 2018 – present
Director, Medco Plast Co. for Packing & Packaging systems (S.A.E.)
- 2018 – present
Director, Indorama Polymers Public Company Limited
- 2018 – present
Director, Indorama Holdings Limited

- 2018 – present
Director, Indorama Polyesters Industries Public Company Limited
- 2018 – Present
Director, Indorama Petrochem Limited
- 2018 – Present
Director, TPT Petrochemicals PCL
- 2009 – Present
Director, Indorama Resources Limited
- 2009 – Present
Director, Beacon Chemicals Limited
- 2007 – Present
Director, Aurus Speciality Company Limited

(%) Shares Possession as of December 31st, 2021

None

Relation among Family with other Directors and Executives

- Brother of Mrs. Aradhana Lohia Sharma (Non-Executive Director) and;
- Brother-in-law of Mr. Kevin Kumar Sharma (Chairman of the Board of Director)

BOARD OF DIRECTORS

Mr. Virasak Sutanthavibul

Position

- Independent Director
- Chairman of the Audit Committee
- Nomination and Remuneration Committee

Age: 64 years

First Appointment Date

9 October 2015

Last Appointment Date

24 April 2018



Education/Training

- B. Eng., Chulalongkorn University
- M.E., Texas A&M University, Texas, U.S.A.
- The Joint State – Private Sectors Class 18/2005, The National Defence College of Thailand
- Certificate, Capital Market Academy (CMA), Class 10/2010
- Certificate, Thailand Energy Academy (TEA), Class 1/2012
- Certificate of Completion and Graduation Pin Justice Administration Batch 17 National Justice Academy (2012 – 2013)
- Certificate of Completion and Graduation Pin, Institute of Business and Industrial Development (IBID), Class 2 /2015
- Certificate “Business Revolution and Innovation Network” (BRAIN) Class2/2018
- Certificate, Harvard University, Advanced Management Program, U.S.A.
- Certificate, Harvard University, Financial Institution for Private Enterprise Development, U.S.A.

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 21/2003

Work Experiences

Positions in Listed Companies

- 2019 – present
Independent Director and Chairman of Audit Committee Member, NFC Public Co., Ltd
- 2015 – present
Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd.

- 2011 – present
Chairman of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd.
- 2005 – present
Independent Director, Bangkok Insurance Public Co., Ltd.
- 2016 – present
Committee of Nomination and Remuneration Committee, Thai Plaspac Public Co., Ltd.
- 2015 – present
Independent Director and Chairman of Audit Committee, Thai Plaspac Public Co., Ltd.
- 2012 – present
Senior Executive Vice President, Commercial Banking, Bangkok Bank Public Co., Ltd
- 2002 – 2012
Executive Vice President, Head of Metropolitan Commercial Banking, Bangkok Bank Public Co., Ltd.
- 2004 – present
Independent Director and Audit Committee Member, T.Krungthai Industries Public Co., Ltd.

Positions in Non – listed Companies

- 2016 – 2021
Director, Bualuang Ventures Co.,Ltd.

(%) Shares Possession as of December 31st, 2021

None

Relation among Family with other Directors and Executives

None

BOARD OF DIRECTORS

Mr. Kittiphat Suthisamphat (Committee)

Position

- Independent Director
- Audit Committee
- Nomination and Remuneration Committee

Age: 50 years

First Appointment Date

9 October 2015

Last Appointment Date

21 April 2020



Education

- MBA, Sloan School of Management, Massachusetts Institute of Technology (MIT), Boston, USA
- Bachelor in Industrial Engineering, Chulalongkorn University, Bangkok, Thailand

Training Program

- Director Certification Program, Class 72/2006, Thai Institute of Directors Association, Thailand
- The Program of Senior Executives on Justice Administration, Batch 25
- Thailand Energy Academy (TEA), Class 13
- Business Revolution and Innovation Network (BRAIN), Class 1/2017, The Federation of Thai Industries
- Capital Market Academy (CMA), Class 9

Work Experience

- 2020 - Present
The Federation of Thai Industries
Director
- 2017 - Present
Central Intellectual Property and International Trade Court
Associate Judge
- 2016 - Present
National Power Supply Company Limited
Independent Director

- 2015 - Present
Thai Plaspac Public Company Limited
Independent Director and Audit Committee Member
Member Nomination and Remuneration Committee Member
- 2000 - Present
A.J. Plast Public Company Limited
Vice President and Managing Director

Listed Company: Director Position

- 2016 - Present
National Power Supply Company Limited
Independent Director
- 2016 - Present
Thai Plaspac Public Company Limited
Independent Director and Audit Committee Member
Nomination and Remuneration Committee Member
- 2000 - Present
A.J. Plast Public Company Limited
Vice President and Managing Director

Non-listed Company: Director Position

None

(%) Shares Possession as of December 31st, 2021

None

Relation among Family with other Directors and Executives

None

BOARD OF DIRECTORS

Mr. Gran Chayavichitsilp

Position

- Independent Director
- Audit Committee
- Chairman of Nomination and Remuneration Committee

Age: 49 years

First Appointment Date 12 October 2015

Last Appointment Date 21 April 2020



Education

- Public Administration and Law for Executives, The College of Politics and Governance, King Prajadhipok's Institute
- The Executive Management Academy, University of California, Los Angeles
- Master Degree, Public Administration, Faculty of Political Science, Chulalongkorn University
- Bachelor in Business Administration, Rangsit University

Training/Seminar

- Director Certificate Program (DCP) Class 225/2016, Thai Institute of Directors Association

Work Experience

- 2016 – Present
Thai Plaspac Public Company Limited, Bangkok, Thailand
Independent Director and Audit Committee Member
Chairman of Nomination and Remuneration Committee
Dhanarak Asset Development Company Limited
- 2018 – Present
Assistant Managing Director Marketing and Business Development
- 2015 – 2018
Senior Director of Corporate Communication

- 2012 – 2015
Director of Corporate Communication
- 2011 – 2012
Senior Specialist
- 2009 – 2011
Director of Marketing
- 2008 – 2009
Director of Marketing Management
- 2007 – 2008
Director of Marketing and Business development

Listed Company: Director Position

- 2016 – Present
Thai Plaspac Public Company Limited, Bangkok, Thailand
Independent Director and Audit Committee Member

Non-listed Company: Director Position

None

(%) Shares Possession as of December 31st, 2021

None

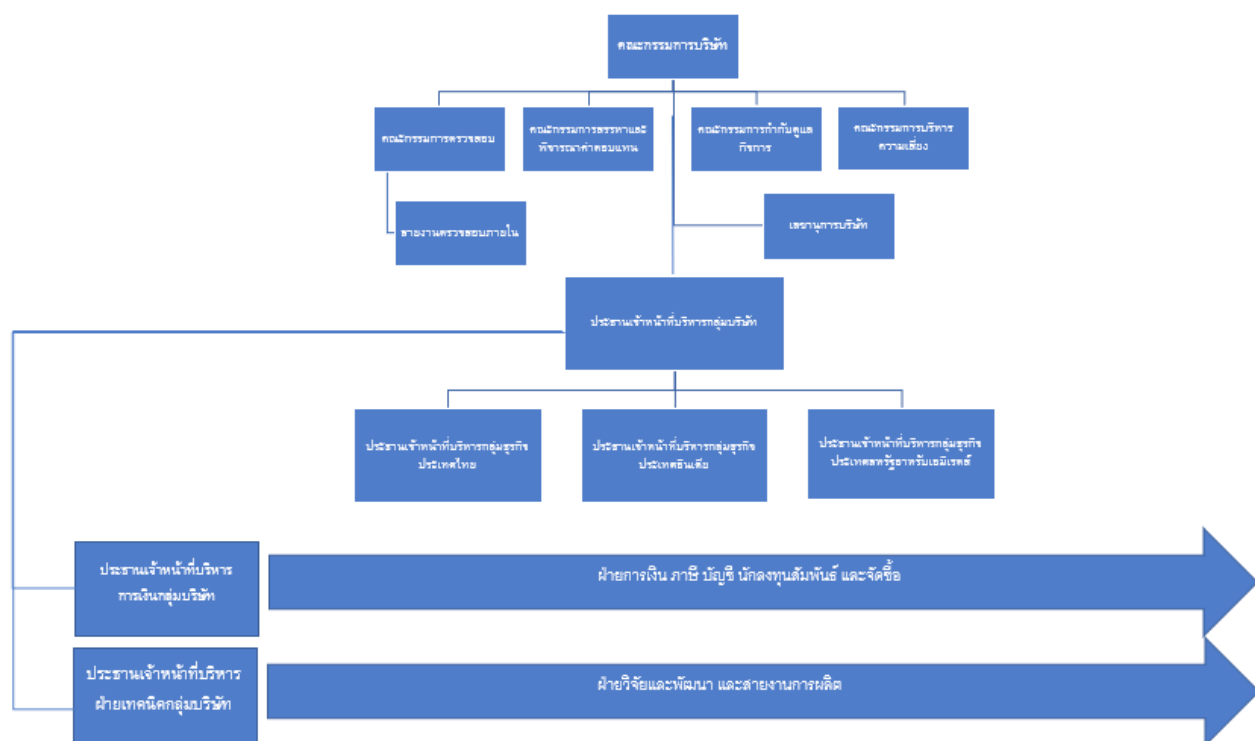
Relation among Family with other Directors and Executives

None

7. Corporate governance structure and important information concerning the Board of Directors, Sub-committees, management, employees, and others

7.1 Corporate governance structure

As of 31 December 2021



7.2 Information about Board of Directors

Board of Directors

List of Directors are as of December 31, 2021 are follows:

No.	Name of Directors	Position	Date of Registration as Directors	Number of Years in office
1	Mr. Kevin Kumar Sharma	Chairman of the Board of Directors	October 9, 2015	6 Years
		Chairman of the Risk Management Committee		
		Chairman of the Corporate Governance Committee		
		Nomination and Remuneration Committee		
		Group Chief Executive Officer		
2	Mr. Theerawit Busayapoka	Executive Director	October 12, 2015	6 Years
		Nomination and Remuneration Committee		
		Risk Management Committee		
		Corporate Governance Committee		
		Chief Executive Officer / Managing Director of Thailand Business		
3	Mr. Anil Kumar Kohli	Executive Director	October 12, 2015	6 Years
		Risk Management Committee		
		Chief Technical Officer		
4	Mrs. Aradhana Lohia Sharma	Non-Executive Director	October 9, 2015	6 Years
5	Mr. Yashovardhan Lohia	Non-Executive Director	October 12, 2015	6 Years
6	Mr. Virasak Sutanthavibul	Independent Director	October 9, 2015	6 Years
		Chairman of the Audit Committee		
		Nomination and Remuneration Committee		
7	Mr. Kittiphat Suthisamphat	Independent Director	October 9, 2015	6 Years
		Audit Committee		
		Nomination and Remuneration Committee		

No.	Name of Directors	Position	Date of Registration as Directors	Number of Years in office
8	Mr. Gran Chayavichitsilp	Independent Director	October 12, 2015	6 Years
		Audit Committee		
		Chairman of the Nomination and Remuneration Committee		
9	Mr. Terapol Soonponrai*	Corporate Governance Committee	July 16 th , 2020	01 Year

Authorized directors' behalf of the Company

Authorized directors of the Company are Mr. Kevin Kumar Sharma or Mrs. Aradhana Lohia Sharma or Mr. Anil Kumar Kohli jointly signed with Mr. Theerawit Busayapoka or Mr. Yashovardhan Lohia and stamp with the Company's seal.

Role and Responsibilities of the Board

The Board of Directors has the authorized, duties, and responsibilities to manage the Company and the subsidiaries in accordance with the relevant law, the objectives and the Company's Articles of Association as well as all legitimate resolutions of the shareholders' meetings as follow:

- 1 Perform their duties accordance with the laws, Securities and Exchange Act, the Company's objectives, and the Company Articles of Association as well as the resolutions of the Board of Director and the shareholders' meeting with the responsibilities, duty of care, duty of loyalty, and the utmost benefit of the Company and the shareholders.
- 2 Determine the Company's policies, business directions, vision, mission, values, and strategies
- 3 Determine the Company's annual plan and budget, as well as considering and reviewing to be accordance with the plan
- 4 Determine short-term and long-term remuneration structure and welfare for the employees in all level
- 5 Appoint the management to ensure that the accounting systems, financial reports, and accounting audit are accountable, as well as ensuring that the Company has an appropriate internal audit control system
- 6 Consider and approve the acquisition and disposal of an asset and investment
- 7 Consider, approve and provide an opinion on the connected transactions of the Company and its subsidiaries and ensure the compliance with the relevant laws
- 8 Prevent a conflict of interests among the stakeholders of the Company
- 9 Establish the risk management policy and framework, to continually review and evaluate the policy and framework.

10 Evaluate the performance of the Board of Directors annually, both group evaluation and individual evaluation in order to use as a guideline to review their duties and responsibilities

11 Delegate one or more directors or other persons to perform any task on behalf of the Board of Directors, However, such delegation shall not be the authorization or sub-authorization that allows the director or any designated person, who has a conflict of interests or a conflict of any kinds with the Company or its subsidiaries to approve the transactions

12 Appoint sub-committee to assist and monitor the management systems and the internal control to ensure that compliance with the policies such the Audit Committees, Nomination and Remuneration Committees, Risk Management Committees, and the Corporate Governance Committees and assign to the annual performance evaluation and review the duties and responsibilities in the charter of all committees.

13 Arrange the good corporate governance policy in form of the code, and adopt it in an efficiency in order to ensure the Company take responsibility to all stakeholders with fairness basis.

14 Directors should attend the training course to improve their skill which relevant with the Company business accordance with the Company's human resource development policy

15 Newly appointed directors should attend the orientation to guideline the Company overview such a Company's structure, Articles of Association, Objectives, Director code of ethics, directors' handbook, and the Company policies as well as the corporate governance policy.

16 Consider and alter the authorized directors signing on behalf of the Company

17 Consider and appoint Executive and Corporate Secretary with the qualification as defined by the Securities and Exchange Commission or the Capital Market Supervisory Board, as well as decide the compensation of those.

Role and Responsibilities of the Chairman of the Board

- 1** To be Leader of the Board of Directors and to be the Chairman over the Board of Directors' Meeting
 - 1.1 Conduct the Board Meeting in compliance with the law, the Company's Articles of Association and the Meeting agenda
 - 1.2 Promote and allocate sufficient time for each Board member to discuss and share their idea deliberately and to exercise their proper discretion for the best interest of all stakeholders
 - 1.3 Conclude the meeting resolution and actions plan to be taken after the meeting in a clear and decisive manner

- 2** Preside over the Shareholders meeting and conduct the meeting in compliance with the law, the Company's Articles of Association and follow the sequence of the agenda with proper allocation of time while providing an opportunity for shareholders to equally share their opinions and for directors and executives to respond to shareholder's questions properly and transparently
- 3** Promote the Board of Directors to be a role model in practicing good corporate governance, Anti-fraud and Anti-corruption policy and the Company's Code of Conducts
- 4** Strengthen good relationship between Board members and management team and support the president and his management team to carry out their duties in accordance with the Company's policies
- 5** Supervise the disclosure of information and transparent management especially when there is a conflict of interest
- 6** Ensuring membership of the Board has proper structure and composition
- 7** Ensuring efficient and effective performance of the Board of Directors, each committee and individual directors
- 8** Supervise the annual performance evaluation of the Board of Directors, individual directors, the Chairman himself, and all committees in order to improve effectiveness of the Board and committees and enhance knowledge and competencies of individual Board and committee members

7.3 Committee

The Board of Directors has established committee i.e. Audit Committees, Nomination and Remuneration Committees, Risk Management Committees, and Corporate Governance Committees to perform their duties of their specific affairs and propose related issued for the Board to consider or endorse. The Board has approved the charter of each committee which set the duties and responsibilities of the committee and shall be published on the Company's website. The detail of each committee is followed;

7.3.1 Audit Committees

Audit Committee is established with the objectives to provide the assistant to the Board of Directors in fulfilling its oversight responsibility relating to the accuracy of the Company's financial statement, the efficiency of the internal control, and the compliance with law, regulations and the code of conduct in order to promote its Good Corporate Governance. The Committee also has a duty to review the Company's risk management and to prepare the audit committee report in the annual report.

Audit Committee comprises of at least three (3) independent directors and at least one (1) member shall be financially literate or shall have background in accounting or finance sufficiently enough to perform the duty of reviewing the accuracy of the Company's financial statements. Chairman of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members of the Audit Committee.

As of December, 2021 there are three (3) members of Audit Committee as follow;

No.	Name	Position
1.	Mr. Virasak Sutanthavibul	Chairman of the Audit Committee
2.	Mr. Kittiphat Suthisamphat	Audit Committee
3.	Mr. Gran Chayavichitsilp	Audit Committee

Role and Responsibilities of the Audit committees

- 1** To review and ensure that the Company's financial report is proper and with adequate disclosure in accordance with the generally accepted accounting standards, including the assurance that quarterly and annual financial reports are accurate, complete, and justifiable before the submission to the Board of Directors for approval.
- 2** To review and ensure that the Company has an appropriate and efficient internal control system and to annually assess the results of the internal control.
- 3** To ensure that the Company has complied with the securities laws and regulations of the SEC and the SET or other laws relating to the business of the Company.
- 4** To select and recommend to the Board of Directors the appointment of the external auditor and suggest remuneration for approval in the annual general meeting of the shareholders' meeting and to meet with the external auditor without participation of the management at least once a year.
- 5** To terminate the external auditor, if there are conflict of interest or effect to the Company.
- 6** To ensure a common understanding between the Board of Directors, the external auditor, and the internal auditor
- 7** To review and disclose related party transactions or any conflict of interests as stipulated by the corresponding regulations, Company's Articles of Association, Securities and Exchange Commission Act, or the notification of the SET and disclose in the annual report.
- 8** To prepare a report of the Audit Committee's activities as may be required in line with SET regulation.
- 9** To review and revise the Audit Committee charter to properly align with the Securities and Exchange Act and the SET's regulations and guidelines
- 10** To consider, review, and approve the internal audit plan
- 11** To ensure that the internal audit department addressed all essential business control functions, proposes solutions and opinions to the management, and monitors the execution of the proposed solutions within the provided time period
- 12** To report the Audit Committees' operation result to the Board of Directors
- 13** To be empowered to call for opinions or attendance at the meeting or provision of any related documents, as the Audit Committee may deem relevant or necessary, from the management or any related staff.

14 To seek counsel from independent professionals from varying fields when deemed necessary on the expense of the Company.

15 To do any other functions as may be designated by the Board of Directors

16 To evaluate the annual performance for possible improvement

7.3.2 Nomination and Remuneration Committee

Nomination and Remuneration Committee is established with the objectives to comply with the Good Corporate Governance, the duties are mainly the consideration and determination the remuneration package of the directors, committees, and the executive management and propose for the Board of Directors before asking for the approval from the shareholders.

Nomination and Remuneration Committee comprises of at least three (3) directors and at least one-third (1/3) of the Nomination and Remuneration Committee must be independent directors and the Chairman must also be the independent director.

As of December 31, 2021, there are five (5) members of the Nomination and Remuneration Committee as follow;

No.	Name	Position
1.	Mr. Gran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee
2.	Mr. Kittiphat Suthisamphat	Nomination and Remuneration Committee
3.	Mr. Virasak Sutanthavibul	Nomination and Remuneration Committee
4.	Mr. Kevin Kumar Sharma	Nomination and Remuneration Committee
5.	Mr. Theerawit Busayapoka	Nomination and Remuneration Committee

Role and Responsibilities of the Nomination and Remuneration Committee

1 To consider the succession plan for executive and top executive

2 To recruit person who is suitability to be nominated for Chief Executive Officer, Managing Director and top executive by following the relevant law.

2.1 To define the criterions for recruitment person who is suitability to be nominated for Chief Executive Officer, Managing Director and top executive.

2.2 The criterions need to accord with the relevant law and requirements and also the person need to have a qualification that relevant to the law and the requirements of Stock Exchange of Thailand.

3 The Nomination and Remuneration Committee has a duty for consideration the remuneration as follow:

3.1 To present the remuneration of committee and sub-committee to the Board of Director for approval and present to the shareholder meeting for approval.

3.2 To present the remuneration of top executive to the Board of Director for acknowledgement.

4 To consider the remuneration of executive, apart from no.3, to the Board of Director for approval and pass to the managing director for operation.

5 All sub-committee have a duty to make a self-assessment in both individual and group evaluation and report to Board of Director in order to disclose in annual report.

6 Chairman of sub-committee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report.

7 Making a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report

8 Regularly review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand.

9 Reporting the performance report of sub-committee to the Board of Director at least 2 times per year

10 Annually evaluate the performance report of sub-committee for the purpose of improvement process

7.3.3. Risk Management Committee

Risk Management Committee is established with the objectives to provide the assistant the Board of Directors to manage the risk e.g., financial risk, trading risk, and exchange rate risk by determining the risk management framework and policies as well as follow the result and propose to the Board of Director to consider and mitigate the risks.

Risk Management Committee comprises of three (3) directors and shall be appointed by the Board of Directors

As of December 31, 2021, there are three (3) members of the Risk Management Committee

No.	Name	Position
1.	Mr. Kevin Qumar Sharma	Chairman of the Risk Management Committee
2.	Mr. Theerawit Busayapoka	Risk Management Committee
3.	Mr. Anil Kumar Kohli	Risk Management Committee

Role and Responsibilities of the Risk Management Committee

- 1** To set up the risk management policy and framework in order to relate with the company's sustainability target and strategy between top executive and director.
- 2** To follow up the significant risk of organization and improve the risk management framework including with the risk identification and evaluation process.
- 3** To evaluated and approve the appropriate risk management plan for practicing throughout the organization
- 4** To follow up the strategy and major practicing risk management. According with the analysis and estimation the situation expecting to be a cause of risk and effect to the company's operation and also report to the director
- 5** To provide the risk management advisory for the operation
- 6** To create the risk awareness throughout the organization by encouraging and motivation the risk management to be a culture of organization.
- 7** To manipulate the risk management handbook consisting of up-to-date evaluation and management standard of risk management
- 8** To communicate with audit committee for the significant risk in order to connect with internal control.
- 9** To report the company's risk and risk management to the Board of Director at least twice a year
- 10** All sub-committee have a duty to make a self-assessment in both individual and group for evaluation and report to Board of Directors in order to disclose in annual report
- 11** Chairman of sub-committee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report
- 12** Making a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report.
- 13** To review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand
- 14** To report the performance report of sub-committee to the Board of Director at least twice a year.
- 15** To evaluate the performance report of sub-committee for the purpose of improvement process.

7.3.4. Corporate Governance Committee

Corporate Governance Committee is established with the objectives to comply with the Good Corporate Governance of the public company standard which was evaluated by the external institution and report the result and suggestion to the Board of Directors to determine the relevant policies.

Corporate Governance Committee comprised of the directors and the corporate secretary totally three (3) member and shall be appointed by the Board of Directors.

As of December 31, 2020, there are three (3) members of the Corporate Governance Committee as follow:

No.	Name	Position
1.	Mr. Kevin Qumar Sharma	Chairman of the Corporate Governance Committee
2.	Mr. Theerawit Busayapoka	Corporate Governance Committee
3.	Mr. Terapol Soonponrai*	Corporate Governance Committee

*Mr. Terapol Soonponrai was appointed to be the Corporate Governance Committee since July 16th, 2020.

Role and Responsibilities of the Corporate Governance Committee

- 1** To set up the Corporate Governance Committee policy for Board of Director to approve and put into practice. Including following the policy behavior and also continuously and appropriately review the policy.
- 2** To assign to have an annually performance evaluation for Chairman of board of director, committee in both individual and as a whole and also sub-committee.
- 3** To build a reliability of Corporate Governance process by having a rightful financial statement, following the law and ethic as well as having a good relationship with customers, supplier and stakeholders.
- 4** To Build a reliability of Corporate Governance process by having a suitable protection and reducing conflicts of interest process in order to get the most beneficial for company and shareholder.
- 5** All sub-committee have a duty to make a self-assessment in both individual and group for evaluation and report to Board of Director in order to disclose in annual report
- 6** Chairman of subcommittee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report
- 7** To make a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report
- 8** To review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand
- 9** To report the performance report of sub-committee to the Board of Director at least twice a year
- 10** To evaluate the performance report of sub-committee annually for the purpose of improvement process

7.4 Executives

7.4.1 Executives

No.	Name	Position
1	Mr. Kevin Qumar Sharma	Group Chief Executive Officer
2	Mr. Theerawit Busayapoka	Chief Executive Officer of Thailand Business / Managing Director
3	Mr. Shrinath Kasi	Chief Executive Officer of India Business (Subsidiary)
4	Mr. Nimit Kishore Bhatia	Chief Executive Officer of United Arab Emirates Business (Subsidiary)
5	Mr. Anil Kumar Kohli	Chief Technical Officer
6	Mr. Suyog Chitlange	Chief Financial Officer of India and United Arab Emirates Business
7	Mr. Chow Chee Yut	Chief Executive Officer of Malaysia Business (Subsidiary)
8	Mr. Khanit Thanawuthikrai*	Acting Chief Financial Officer / Assistant Vice President Accounting

Role and Responsibility of the Executive Committee

- 1 To manage the business in accordance with the objectives, goals, guidelines, policy, plan and budget of the Company as determined and assigned by the Board of Directors.
- 2 To provide direction, strategy and plan to achieve Company's objectives.
- 3 To organize and provide internal structure and operational procedures of the Company for highest efficiency.
- 4 Periodically review operational results to achieve company goals.
- 5 To look for new opportunity in business for submission to the Board of Directors for approval.
- 6 To review the procurement or disposal of the Company's material property and to bind upon the Company with matter within the powers authorized by the Board of Directors.
- 7 To approve any transaction prior to submitting same to the Board of Directors
- 8 To appoint, remove and terminate senior executives.
- 9 To approve distribution of bonus and the amount of money for annual salary increase of the staff within the annual budget of the Company.
- 10 To see to it that the policy on corporate governance is appropriately implemented and followed.
- 11 To perform any other duties as may be assigned by the Board of Directors. The authority for all of above Executive Committee operations are not included any approvals for a person who has a conflict of interest with company or any associations.

Role and Responsibility of the Managing Director

The Managing Director is appointed by the Board of Directors who will hold office as Managing Director of the Company only so that he will have sufficient time to manage the affairs and activities of the Company in accordance with the objective of the Company and for the best benefit of the shareholders. The Managing Director is under direct command of and report to the Chief of the Executive Committee and his performance will be evaluated by the Executive Committee annually, including fixing his remuneration. The duty and responsibility of the Managing Director is as follows:

- 1** To administer, manage and control operations concerning the general management of the Company.
- 2** To follow directors' policies, plan and budgets approved by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer.
- 3** To hire, appoint, transfer, discharge, and lay off; determine wages, bestow awards, adjust monthly salaries, remunerations, and bonuses of all employees except executives those requiring approval from the Executive Committee.
- 4** To approve or transfer the power to approve the purchasing of assets and services that are beneficial to the Company, and financial transactions involved in business operations; all within the budget provided by the Board of Directors and/or the Executive Committee.
- 5** To issue orders, regulations announcement and memorandum in order to ensure operations align with Company' policies and follow code of conduct for employees and others.
- 6** To represent the Company in business activities and transactions which are beneficial to the Company.
- 7** To appoint advisors in different fields as deemed necessary for effective operations.
- 8** To do any other functions as may be designated by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer.

The authority for all of above operations are not included any approvals of Managing Director for a person who has a conflict of interest with company or any associations.

Company Secretary

The Company Secretary is responsible as specified in Section 89/15 and 89/16 of the Securities and Exchange Act. (No,4) B.E. 2551 which was effective on August 31, 2008 with responsibilities, careful, and honesty as well as compliance with the law, the Company's objectives, Articles of Association, Board resolution, and shareholders' meeting resolution. The duties of the company secretary as follow:

- 1** Prepare and maintain the followed documents'
 - a. Directors' registrars
 - b. Invitation letter and Minutes of the Board of Directors' Meeting, Annual Report
 - c. Shareholders' Meeting Minutes and Invitation letter

2 Maintain reports of interest reported by directors or executives and submit a copy of the report of interest under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the company received the report

3 Perform other tasks as announced by the Capital Market Supervisory Board

4 Provide basic advice to directors in matters relating to securities laws and regulations as well as the regulations of the company and follow up to ensure the correct and consistent practice Including reporting significant changes to the Board of Directors

5 Arrange for shareholders' meetings and board meetings according to the law Company regulations and good practices

6 Prepare the minutes of the shareholders' meeting and the minutes of the Board of Directors' meeting and follow up to ensure compliance with the resolution of the meeting

7 Prepare and maintain the registration of directors, Annual report, Invitation letter to the shareholders' meeting, Notice of the Board of Directors Meeting

8 Maintain reports of interest prepared by directors and executives and reports as required by law

9 Ensure that the subsidiaries comply with laws and regulations

10 Ensure the disclosure of information and information reports to regulatory agencies in compliance with laws and regulations

11 Provide timely disclosure of information necessary to the Securities and Exchange Commission and the Stock Exchange of Thailand (Both Thai and English)

12 Assist the Board of Directors Including the initial consultation and suggestions Related to the law, regulation, corporate governance and good practices related to the Board of Directors and sub-committees

13 Supporting directors to ensure that directors have the sufficient information and knowledge to perform their duties efficiently and report in the annual report

14 Develop the knowledge related to perform company secretary duties

Company Secretary information as of December 31, 2020

Mr. Khanit Thanawuthikrai

Age 38 years

○ Educations

- Bachelors' Degree: Business Administration (Finance & Banking), Thammasat University

○ Working Experience

Thai Plaspac Public Company Limited

2019-Present: Acting Chief Financial Officer

2018 – 2019: Assistance Vice President Accounting

Fortune Parts Industry Public Company Limited

2018 – 2018: Deputy Managing Director

EY Office Limited

2011 - 2018: Manager

7.4.2 Compensation policy Executive Directors and Executives

Executive Directors The company does not have a policy to pay Directors who take Executive position or being an employee of the company

7.4.3 Remuneration of Directors and Executives

- Monetary remuneration

Directors Remuneration Criteria for 2020 – 2021

Meeting Allowance

	2020	2021
Chairman of the Board of Directors	THB 80,000 / quarter	THB 90,000 / quarter
Directors	THB 65,000 / person / quarter	THB 75,000 / person / quarter
Audit Committee	THB 30,000 / person / attendance	THB 40,000 / person / attendance
Nomination and Remuneration Committee	THB 40,000 / person / attendance	THB 40,000 / person / attendance
Other Sub-Committees	None	None

* In 2020, If the Board of Directors' Meeting is exceeded 6 times, the Company will pay the independent directors for THB 43,333.33 / person / attendance for the Board of Directors' Meeting no. 7th - 11th.

Individual Directors Remuneration

No.	Name	Meeting Allowance (THB Thousand)	Extra Meeting Allowance (THB Thousand)	Total (THB Thousand)
1.	Mr. Kevin Qumar Sharma	350.00	-	350.00
2.	Mr. Theerawit Busayapoka	290.00	-	290.00
3.	Mr. Anil Kumar Kohli	290.00	-	290.00
4.	Mrs. Aradhana Lohia Sharma	290.00	-	290.00
5.	Mr. Yashovardhan Lohia	290.00	-	290.00
6.	Mr. Virasak Sutanthavibul	520.00	86.66	606.66
7.	Mr. Kittiphat Suthisamphat	520.00	86.66	606.66
8.	Mr. Gran Chayavichitsilp	520.00	86.66	606.66
	Total	3,070.00	259.99	3,329.99

Directors' Remuneration in 2020 - 2021

	2020	2021
Number of Directors (Person)	8	8
Remuneration (THB Thousand)	3,049.99	3,329.99

○ Non-Monetary Remuneration

- None -

Executives' Remuneration

The Nomination and Remuneration Committee considers and determines the amount and form of the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer on both short-term and long-term bases and proposes the same to the Board of Directors for consideration and approval, taking into account key performance indicators (KPI).

Position	Key Performance
Chairman / Chief Executive Officer	<ul style="list-style-type: none"> ○ CEO Evaluation result ○ Shareholders' wealth ○ Corporate Governance ○ Financial Performance e.g. EBITDA, EPS, Earning Growth ○ Project Development
Executive Management	<ul style="list-style-type: none"> ○ Duties, Responsibilities and Result of the Annual Performance ○ Financial Performance e.g. EBITDA, EPS, Earning Growth ○ Customer Satisfaction

	2020	2021
Number of Executives (Person)	15	15
Remuneration (THB Million)	60.05	64.47

7.5 Information about employees

7.5.1 Number of Employees

As of December 31, 2020 and 2021

Department	Employees (Person)	
	December 31, 2020	December 31, 2021
1. Production	803	672
2. Logistics	134	115
3. Purchasing	4	4
4. Marketing	7	8
5. Human Resource	20	20
6. Finance, Accounting and Administrative	19	18
Total	987	837

7.5.2 Significant change of employee amount during the past 3 years

- None -

7.5.3 Employee Compensation

Employee compensation (excluding executives) of the Company and its subsidiaries

Unit : Million Baht

	Fiscal year ended 31 December 2019	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021
Such employee compensation consists of salary, allowances, bonuses, provident fund contribution, social security fund contribution, contributions to the worker's compensation fund, and so on.	488.5	541.1	588.9

7.5.4 Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act. B.E. 2530. Both employees and the Group contributed to the fund monthly at the rate of 5% of basic salary.

Unit : Million Baht

	Fiscal year ended 31 December 2019	Fiscal year ended 31 December 2020	Fiscal year ended 31 December 2021
The contributions for the year	6.0	6.3	6.8

7.5.5 Significant Labor Disputes Over the Past 3 Years

- None -

7.6 Other significant information

7.6.1 Report of securities holding and changes in securities holding of directors and executives

The Company has a policy to require the directors and executives of the Company, including their spouse and minor children (if any), to report their holding of the Company's securities by preparing a copy of their Report of Changes in Securities and Derivatives Holding (Form 59) to the Company Secretary to report to the Board of Directors' Meeting.

No.	Name	Number of Shares		Number of Shares
		31 December 2020	31 December 2021	Increased/ (Decreased)
Directors				
1.	Mr. Kevin Qumar Sharma	0	0	-
	Spouse / Minor Children	0	0	-
2.	Mr. Theerawit Busayapoka	9,560,000	7,560,000	(2,000,000)
	Spouse / Minor Children	0	0	-
3.	Mr. Anil Kumar Kohli	0	0	-
	Spouse / Minor Children	0	0	-
4.	Mrs. Aradhana Lohia Sharma	0	0	-
	Spouse / Minor Children	0	0	-
5.	Mr. Yashovardhan Lohia	0	0	-
	Spouse / Minor Children	0	0	-

No.	Name	Number of Shares		Number of Shares Increased/ (Decreased)
		31 December 2020	31 December 2021	
6.	Mr. Virasak Sutanthavibul	0	0	-
	Spouse / Minor Children	0	0	-
7.	Mr. Kittiphat Suthisamphat	0	0	-
	Spouse / Minor Children	0	0	-
8.	Mr. Gran Chayavichitsilp	0	0	-
	Spouse / Minor Children	0	0	-
Executives				
10.	Mr. Khanit Thanawuthikrai	0	10,000	10,000
	Spouse / Minor Children	0	0	-

7.6.2 Auditors' fee

Audit fee

Audit Firm	Audit Fee (Baht)		
	2019	2020	2021
EY Officer Limited	2,200,000	2,790,000	2,790,000

*The company does not have any person or business related to the auditor or the audit office. Both directly and indirectly

8. Report on Key Performance of Corporate Governance

8.1 Summary of performance of the Board of Directors for the past year

8.1.1 Development and Assessment of the Board of Directors' Performance

Nomination, Appointment of Directors and Executives

Appointment and Removal of Directors

The appointment and removal of directors of the Company are in accordance with the criteria and procedures as stipulated in the law and the Company's Articles of Association, which can be summarized as follows:

1 In every Annual General Meeting of Shareholders, at least one-third (1/3) of the directors shall retire by rotation. If the number of the directors who must retire by rotation is not divisible by three, the number of directors closest to one-third (1/3) of all directors shall retire. The directors who retire by rotation are eligible for re-election;

2 The election of the directors at the shareholders' meeting shall be in accordance with the following rules and procedures:

- Each shareholder shall have one vote for one share;
- Each shareholder shall use all of his or her votes to elect one or several persons as the director(s).

However, he or she may not divide his or her votes among the candidates;

○ The candidates who receive the most votes in descending order will be elected as the director(s) up to the number of the directors required to be elected at such meeting. In the event that the candidates have equal votes and their election would exceed the number of directors required to be elected at such meeting, the Chairman of the meeting shall have a casting vote;

3 Apart from retirement by rotation, the directors shall cease to hold office upon death, resignation, lack of qualifications or possession of prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (1992) (as amended), removal by a resolution of the shareholders' meeting, or removal by a court's order;

4 In case of a vacancy in the membership of the Board of Directors for reasons other than retirement by rotation, the Board of Directors shall pass a resolution by affirmative votes of not less than three-quarters (3/4) of the number of the directors remaining in office to elect a person who has the qualifications and possesses no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (as amended) as a substitute director at the next meeting of the Board of Directors, unless the remaining term of office of the said director is less than two months; and

5 The shareholders' meeting may pass a resolution to remove any director from his/her office prior to the expiration of his/her term by affirmative votes of not less than three-quarters (3/4) of the number of the shareholders attending the meeting, having the right to vote, and holding shares not less than one-half (1/2) of the total number of shares held by the shareholders attending the meeting and having the right to vote.

Qualifications of Directors

- 1** Must possess qualifications and must not have any prohibited characteristics under the public limited companies' law, securities and exchange law, rules and regulations of the Company and the relevant supervisory agencies, and the Company's good corporate governance. In case of nomination of an independent director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Director. In case of nomination of a member of the Audit Committee, such nominated person shall possess additional qualifications in accordance with the laws;
- 2** Must have knowledge, capability, skills, experience, and diversified expertise beneficial to the Company's businesses;
- 3** Must be independent, perform the director's duty with due care, be honest, be mentally and physically healthy, and be able to fully commit to work for the Company; and
- 4** Must have a good work profile and must not engage in a business or be a partner in a general partnership or be a partner having unlimited liability in a limited partnership or a director in other private or public company which carries on businesses of the same nature as and in competition with the Company's businesses, except the shareholders' meeting is advised before a resolution is passed to elect such person and other relevant laws are complied with.

Qualifications of Independent Directors

- 1** Holding no more than 0.9% of total voting shares including the shareholding of persons related to the independent directors.
- 2** Not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties. Exception: It has been at least two years after the person has held the position.
- 3** Not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary.

4 Not currently having or never had any relations with the company in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the company. Exception: It has been at least two years after the person has held the position.

5 Not currently being or never been the company's auditor. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm. Exception: It has been at least two years after the person has held the position.

6 Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than THB 2 million per year. Also, the person should not currently be or never be a significant

shareholder, controlling person, or partners of current service providers. Exception: It has been at least two years after the person has held the position.

7 Not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.

8 Not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.

9 Not under any conditions that may impede the person from having independent views towards the company's operations.

Position holding of the Independent Directors.

The tenure of an independent director of the Company should not exceed a cumulative term of 9 years from the first day of service.

Qualification of Audit Committee

1 Having been appointed by the board of directors or shareholders' meeting to act as Audit committee member.

2 Qualified for an independent director.

3 Not currently the director authorized by the board to make administrative decisions of the company, parent company, subsidiary, same-level subsidiary, major shareholders, or controlling persons.

4 Not currently the director of the parent company, subsidiary, or same-level subsidiary of listed companies only.

5 Having sufficient knowledge and experience to perform the duty of an audit committee. There must be at least one audit committee member, who is sufficiently knowledgeable and experienced to review the reliability of financial statements.

8.1.2 Meeting Attendance and Remuneration for Individual Director

Board of Directors meeting 2021

No.	Name	Board of Directors meeting
		(8 TIMES)
1	Mr. Kevin Kumar Sharma	8/8
2	Mr. Theerawit Busayapoka	8/8
3	Mr. Anil Kumar Kohli	8/8
4	Mrs. Aradhana Lohia Sharma	8/8
5	Mr. Yashovardhan Lohia	8/8
6	Mr. Virasak Sutanthavibul	8/8
7	Mr. Kittiphat Suthisamphat	8/8
8	Mr. Gran Chayavichitsilp	8/8
9	Mr. Terapol Soonponrai*	-
Average of the Meeting attendance		100

In 2021, The Company convened a total of 8 Board of Directors' Meetings. There was 100.00% of the directors attended the Meetings. The Corporate Governance Policy of the Company encourage each director to attend at least 75% of the total number of meetings.

Board Responsibilities

The duties of the Board of Directors are included the determination of the Company's policy, vision, mission, values, strategy, and goals. In addition, the Board of Directors also supervises and assesses the management and operation with the objective to increase the shareholder value in the long run. In this regard, the Board of Directors must ensure that its duties are carried out in compliance with the laws, objectives, and the Company's Articles of Association. Moreover, the Board of Directors must be mindful of corporate governance, conflicts of interest, code of conduct, and business ethics.

The Board of Directors is determined and committed to build the Company and its subsidiaries as a leading organization that is perceived at the international level as one of the most successful

companies in Thailand with business variety, resilient management, and competent personnel. The Board of Directors has the necessary leadership, vision, and independence to make decisions and has the duties and responsibilities to oversee the business in the best interest of the shareholders.

The duties of the Board of Directors and the Management are clearly separated.

In 2021, the Board of Directors' Meeting reviewed the Company's vision, mission, values, and the long-term goals of the Company. In regards, the Board of Directors place the importance to monitor the implementation of such strategy and business plan of Company by taking into consideration and the best interest of the Company and shareholders.

Composition of the Board of Directors and the Sub-committees

The Board of Directors consist of 3 independent directors and 2 of non-executive directors and 2 executive directors and the Chairman of the Board of Directors who is the chief executive director.

In addition, the sub-committees have been appointed by the Board of Directors i.e. the Audit Committees, the Nomination and Remuneration Committees, Risk Management Committees, and the Corporate Governance Committees.

The Audit Committee shall entirely consist of independent directors and shall not be less than 3 members whereas at least one member must be knowledgeable and experienced in reviewing the accountability of the financial statements.

The Nomination and Remuneration Committee shall consist of at least 3 members but shall not exceed 5 members where the majority of the members shall be independent directors.

Meeting of the Board of Directors and the sub-committees

The Board of Directors will hold more than 6 meetings in each fiscal year pursuant to the annual meeting schedule set in advance. The Company promotes and encourages each director to attend the Board of Directors' meeting at least 75% of the total number of meetings in each fiscal year, except in case of necessity and emergency. The Company will provide the meeting materials to

the directors in advance at least 5 business days prior to the meeting to allow the directors to have sufficient time to study the information beforehand.

As regards the sub-committees, the Audit Committees will hold a meeting on the quarterly basis and the other sub-committees will hold at least two meetings in each fiscal year.

Development of Directors'

The Company encourages the directors to develop their personal skills and knowledge regularly and adequately. The Nomination and Remuneration Committee has developed the director development plan in order to enhance the knowledge of the existing directors and new directors to understand

the business of the Company, the roles and duties of directors, and other significant developments, including encouraging the directors to enroll in various training programs or seminars organized by the Thai Institute of Directors Association (IOD).

Orientation of the new directors

The Company organizes new director orientations pursuant to the director development plan developed by the Nomination and the Remuneration Committee so that the new directors have

knowledge and understanding of the Company's historical background, business organization, policies, related law and regulation, and the role and responsibilities of the directors

8.1.3 Supervision of Subsidiaries and Associates

Policy on Supervision of Subsidiaries

The Company sends its representative to act as a director in the subsidiaries. Such persons shall have qualifications and experience that are appropriate for the business and have no conflict of interest in the business and shall manage the business of the subsidiaries and/or associates in accordance with the policies assigned by the Company and in accordance with the rules and regulations as stipulated in the Company's Articles of Association and the laws of the subsidiaries and/or associates.

8.1.4 Monitoring of Compliance with Corporate Governance Policies and Practices

1. Conflict of Interests

The Company has a connected transaction policy which stipulates that all connected transactions incurred by directors and executives must be treated in the same way as external parties and must be disclosed to comply with the regulatory requirements to avoid any conflict of interests.

2. Use of Inside Information for Profit

- 1) Do not use or disclose the Company's information, except normal business information or public information, for personal interest or other person's interest or to bring about any damages to the Company.
- 2) All directors and executives are required to report holdings of the Company's securities when first appointed to the position by filings the 59-1 form (Report of securities holding) to the Securities and Exchange Commission (SEC) within 30 business days from the date of appointment; and to report any purchase, sale or transfer of the Company's securities by filing to the SEC the 59 2 form (Report of changes in securities holding) within three business days from the date of the change. The Company also has a policy to encourage all directors and executives to voluntarily inform the Board about the securities trading at least one day prior to trading date.

3. Anti-Corruption

The Board of Directors is responsible for determining the policy and ensuring that an effective system existed in supporting anti-corruption within the organization to ensure that anti-corruption mindset has been developed and cultivated as part of the Company's culture among every member of the organization.

4) Measures and Communication Channels for Whistleblowing/Complaints

The Company has determined measures for whistleblowing or raising complaints concerning any misconduct done by any director, executive or employee within the organization that is in violation of the laws, Code of Business Ethics or any behavior that may lead to corruptions. Various channels of communication have been provided so that the employees and stakeholders can conveniently and appropriately report incidents or raise complaints with the Company. The whistleblower or complainant must notify the details of the incident or complaint including their contact address and phone number through the provided channel.

The Company has arranged several communication channels for whistleblowing / complaints concerning corruption as follow:

- Postal Mail
Secretary Center
Thai Plaspac Public Company Limited
4th, floor Thai Plaspac Public Company Limited, No.77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok, 10150.
- E-Mail
Chief Financial Officer: CFO@thaipaspac.com
Secretary Center: Secretary@thaipaspac.com
Compliance: ethics@thaipaspac.com
- Company's website www.thaipaspac.com
- Suggestion / comments / complaints box available within the Company.

8.2 Summary of the performance of duties of the sub-committee

8.2.1 Sub-committee meeting 2021

No.	Name	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee
		(4 TIMES)	(2 TIMES)		
1	Mr. Kevin Kumar Sharma	-	2/2	-	-
2	Mr. Theerawit Busayapoka	-	2/2	-	-
3	Mr. Anil Kumar Kohli	-	-	-	-
4	Mrs. Aradhana Lohia Sharma	-	-	-	-
5	Mr. Yashovardhan Lohia	-	-	-	-
6	Mr. Virasak Sutanthavibul	4/4	2/2	-	-
7	Mr. Kittiphat Suthisamphat	4/4	2/2	-	-
8	Mr. Gran Chayavichitsilp	4/4	2/2	-	-
9	Mr. Terapol Soonponrai*	-	-	-	-
Average of the Meeting attendance		100	100	-	-

8.2.2 Report on the performance of sub-committees Assigned by the Board of Directors

8.2.2.1 Report of Audit of Committee

Dear, All stakeholders

Audit Committees of Thai Plaspac Public Company Limited (“TPAC”) consists of 3 independent directors, namely Mr. Virasak Sutanthavibul as the Chairman of the Audit Committee, Mr. Kittiphat Suthisamphat as the Member of the Audit Committee, and Mr. Gran Chayavichitsilp as the Member of the Audit Committee. The Audit Committee is appointed by the Board of Directors. The Audit Committee is overseeing the company’s compliance with the principle of the good corporate governance to ensure integrity and confident to the investors, its shareholders and all the stakeholders.

In 2021, the Audit Committee conducted 5 meetings, by which all the Meeting has been conducted follow the Audit Committees’ charter and reported the result of the Meeting to the Board of Directors. The Audit Committee has performed the duties during the year 2021 as summarized below:

Reviewed the Company’s financial reports, including quarterly and annual financial statement with regards to their accuracy and adequacy of disclosure. The Audit Committee had Meetings with Company’s Auditor and found no causes to believe that such a financial report were not accurate as referred by the Thai Financial Reporting Standard.

1. Reviewed and ensured that the Company has an appropriate and efficient internal control system and also management to monitor Anti-Fraud and Corruption. The Audit Committee has Meetings with the Internal Audit from the external firm and discussed about the inappropriateness internal system which was found.
2. Reviewed the connected transactions or the transaction that may lead to conflict of interest between company and related person(s) or related company(ies) and to determine the business transactions were accordance with the market practice. The Company’s auditors have expressed opinions on such transaction and disclose in the financial statements and notes to the financial statement. The Audit Committee agreed with the auditor on a disclosure.
3. Considered and appointed the Company’s auditor and approved the auditor’s fee. The Audit Committee has proposed the Board of Directors to appoint EY Office Limited as the Company’s Auditor for the fiscal year ended December 31st based on any of following certified auditor: Miss Orawan Techawatanasirikul, Miss Rungnapa Lertsuwankul, Mr. Chayapol Suppasdtanon, and Miss Pimjai Manitkajohnkit. The audit fee should not exceed THB 2.79 million. Such appointment and audit fee were approved by the Board of Directors and the Annual General Meeting of Shareholders of the Company.
4. Moreover, the Audit Committee has review the rule and regulation of the company to be in line with the Good Corporate Governance practice.

No.	Name	Position	Number of attendances
1.	Mr. Virasak Sutanthavibul	Chairman of the Audit Committee	4/4
2.	Mr. Kittiphat Suthisamphat	Audit Committee	4/4
3.	Mr. Gran Chayavichitsilp	Audit Committee	4/4

Mr. Virasak Suthunthavibul
Chairman of the Audit Committee

8.2.2.2 Nomination and Remuneration Committee Report

Dear, All Stakeholders

Nomination and Remuneration Committee of Thai Plaspac Public Company Limited consists of 5 directors, divided into three independent directors and two executive directors, namely Mr. Gran Chayavichitsilp as the Chairman of the Nomination and Remuneration Committee, and Mr. Virasak Sutanthavibul, Mr. Kittiphat Suthisamphat, Mr. Kevin Kumar Sharma, Mr. Theerawit Busayapoka as the members of the Nomination and Remuneration Committee. The Board of Directors has appointed the Nomination and Remuneration Committee to support performance of the Board of Directors on the nomination of directors and senior executive, determination of the remuneration of directors, the Chief Executive Officer, as well as preparing the director development plan in order to provide the director the knowledge. All of which are to assure the shareholders that the persons who hold the directorship position possess the qualifications in accordance with the laws, and have the knowledge, capability, and efficiency to work for the utmost benefit of the Company and the shareholders.

In 2021, the Nomination and Remuneration Committees held a total of two meetings which were in line with the Nomination and Remuneration Committees' charter and the good Corporate Governance principle, the resolution of the meeting were regularly reported to the Board of Directors for their acknowledgement. In regards, the activities of the Nomination and Remuneration Committee in 2021 can be summarized as follows.

1. Considered the qualification of the directors who would retire by rotation at the Annual General Meeting of shareholders by considering the qualification according to the laws and other criteria of the Company, as well as knowledge, capability, experience, and skill would be beneficial to the Company's operations, and nominated those persons to the Board of Directors in order to propose the name to the Annual General Meeting of Shareholders to consider and the re-election of such persons as directors of the Company for another term of office.
2. Provided the shareholders an opportunity to nominate candidate to be elected as directors of the Company for the 2021 Annual General Meeting of Shareholders in order to promote the practice of good corporate governance principles on the rights of shareholders.
3. Considered and determined the remuneration of the directors by taking into the account the Company's operating results, and the responsibilities of the directors, as well as other details and proposed the same to the Board of Directors and the Annual General Meeting of shareholders for consideration and approval.
4. Considered and reviewed the qualification of directors and Independent directors of the company in accordance with the Stock Exchange Commission and Stock Exchange of Thailand regulation.
5. Considered and reviewed the Nomination and Remuneration Committees' Charter to be in accordance with the Corporate Governance and proposed the same to the Board of Directors for consideration and approval.

6. Evaluated the performance of the Nomination and Remuneration Committee for the year and viewed that was complete their duty as assigned and reported such evaluation result to the Board of Directors.
7. Evaluated the performance of the Chief Executive Officer for the year, and determined the amount and form of remuneration, both short term and long term, of the Chief Executive Officer by taking into the account the indicators as well as the performance evaluation result and key success, and the CEO self-assessment form, which was completed by the directors, and proposed the same to the Board of Directors for consideration and approval.
8. Prepared this Nomination and Remuneration Committee report and disclosed the same in the Annual Report 2021.

No.	Name	Position	Number of attendances
1.	Mr. Gran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee	2/2
2.	Mr. Kittiphat Suthisamphat	Nomination and Remuneration Committee	2/2
3.	Mr. Virasak Sutanthavibul	Nomination and Remuneration Committee	2/2
4.	Mr. Kevin Kumar Sharma	Nomination and Remuneration Committee	2/2
5.	Mr. Theerawit Busayapoka	Nomination and Remuneration Committee	2/2

Mr. Gran Chayavichitsilp

Chairman of the Nomination and Remuneration Committee

9. Internal control and related party transactions

9.1 Internal control

Internal control is a continuous process and valuable for effective and efficient business operations at Thai Plaspac Public Company Limited.

The Board of Directors has assigned the audit committee to review the adequacy of the internal control systems to ensure accurate and credible reporting from the accounting system which is consistent and in compliance with the financial reporting standards and in line with the rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Board of Directors and the Audit Committee are of the opinion that the internal control system is adequate and suitable for its business operations. Written responsibilities, authority manuals, and management controls have been adopted to create transparency for utilization of the Company's resources, to prevent damages and to ensure smooth operations of the Company. The duties of staff, controllers and managers have been established and segregated in order to ensure that proper verification, monitoring and checks and balances are in place.

The Company has an external internal auditor to verify the internal control process. The audit committee appointed Deloitte Touche Tohmatsu Jaiyos Advisory Company Limited as internal auditor. The internal auditor assesses entity level and function level control environment, risk assessment, control activities, information and communication and monitoring activities with an objective of effective operations, reporting and compliance. The internal auditor reports to the audit committee on a quarterly basis.

9.2 Related party transactions (If any)

Related party transactions with persons who may have conflicts

Related party transactions are transactions arising from normal business operations where the pricing will be the market price or in accordance with the general trade conditions which can be compared to the conditions given to third parties (Fair and at arm's length) which may be the price charged by the customer or the price offered with supplier (Suppliers) and is a condition that is comparable and reasonable. In addition, the Company has charged the management fee from its subsidiaries which the charged structure has been studies with Deloitte Touche Tohmatsu Limited to charge at the market rate. The related transactions during January 1st, 2021 to December 31st, 2021 can be summarized as follows:

Related Companies/ Relationships	Types of Transaction	Amount (Million Baht)	
		2020	2021
Indorama Polymers Public Company Limited ○ Shareholder and director are related to the Company's shareholder and management	Purchase Raw Materials/	18.0	3.71
Indorama Petrochem Company Limited ○ Shareholder and director are related to the Company's shareholder and management	Purchase Raw Materials/	12.9	18.42
TPAC Packaging (Bangna) Company Limited ○ TPAC's Subsidiary	Sales Raw Materials/	4.13	19.17
	Purchase Raw Materials/	53.61	28.28
	Management fee received	13.89	10.83
TPAC Packaging India Private Limited ○ TPAC's Subsidiary	Purchase Raw Materials/ Products/ Services	1.40	1.71
	Management fee received	8.89	9.18
Sun Packaging Systems (FZC) ○ TPAC's Subsidiary	Purchase Raw Materials/ secivres /stcudorP	-	0.04
	Management fee received	5.84	6.77
	Dividend Income	-	53.03
Combi-Pack Sdn Bhd ○ TPAC's Subsidiary	Purchase Raw Materials/ secivres /stcudorP	-	0.10
	Management fee received	-	3.92
Related Person ○ Director, executive officer and related persons with director and executive officer	Dividend Payment	29.41	68.64

Opinion of the Audit Committee on related transactions

The above connected transactions have been considered and approved by the Audit Committee and reported to the Board of Directors for acknowledgement which such transactions are reasonable and is necessary for the business of the company. By entering the transaction, the company has considered the benefits of the company as important without transferring benefits between Thai Plaspac Public Company Limited and persons who may have conflicting interests.

Policies and procedures for approving related transactions

In the case of related transaction between Thai Plaspac Public Company Limited with persons who may have a conflict of interest or stakeholders. The Audit Committee will consider and comment on the need to enter the transaction. The terms and conditions of the related transaction must be in accordance with the market price. If there is no market price The Audit Committee will consider using the appropriate price and beneficial to the company. If the Audit Committee does not have expertise in considering the related transactions that occur, Thai Plaspac Public Company Limited will arrange for an independent expert to provide opinions on such related transactions to be used for decision making of the Audit Committee or shareholders. The directors who have conflicts of interest will not attend the meeting and do not exercise their voting rights to approve the related transaction and will disclose the related transactions.

Policy on future related transactions

In the case of a new related transaction, each unit of the company must inform the details of the expected transaction, such as the value of the transaction, price, conditions and reasons for having related transactions. By notifying the Secretary of the Audit Committee in order to have a preliminary check that the item is under conditions that must be approved by the management, Audit Committee, Board of Directors or the shareholder of the company or not. However, the company will comply with the Securities Act, regulations, notifications, orders and requirements of the Capital Market Supervisory Board, the SEC and the Stock Exchange of Thailand as well as in accordance with the regulations of Thai Plaspac Public Company Limited that all related transactions must be reviewed by the Internal Audit Department.

PART 3

Financial Statements



Thai Plaspac Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2021

Independent Auditor's Report

To the Shareholders of Thai Plaspac Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thai Plaspac Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai Plaspac Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Plaspac Public Company Limited and its subsidiaries and of Thai Plaspac Public Company Limited as at 31 December 2021, 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 Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

My opinion is not modified in respect of this matters. I draw attention to the following Note to the consolidated financial statements as follows.

- a) As described in Note 2.2.1 to consolidated financial statements related to business combination, on 1 June 2021, the Company paid the initial consideration to group of sellers by 92.5% of the initial purchase price to acquire of 80% shares of Combi-Pack Sdn Bhd, a limited Company registered in Malaysia, amounting to MYR 122.6 million or Baht 928.4 million for 1.6 million ordinary shares with a par value of MYR 1 each, whereby Mr. Chow Chee Yut is the remaining shareholder of 20% shares. The Company will pay the remaining 6% and 1.5% of the initial purchase price on the date as stated in the agreements. The Company already recognised investment in a subsidiary and account payable for purchasing of shares by 7.5% of the initial purchase price or approximately MYR 9.9 million in the statement of financial position. On 23 September 2021, the Company paid the additional consideration to group of sellers amounting to MYR 1.2 million or Baht 9.5 million as a result of the adjustment of the initial purchase price to the actual purchase price based on price adjustment method as stipulated in the agreement.

During the fourth quarter of the year 2021, the Company's management has completed the process of assessing the fair value of the identified assets acquired and liabilities assumed and goodwill at acquisition date, including the valuation of liabilities associated with put options granted to holders of non-controlling interests, within evaluation period of 12 months from acquisition date according to Thai Financial Reporting Standard No. 3 (revised 2020) "Business combination".

- b) As described in Note 2.2.2, Note 13, and Note 38.1 to consolidated financial statements related to new subsidiary, 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 to acquire M/s Skypet Polymers, a partnership firm 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 31 December 2021, both subsidiaries entered into the Sale and Purchase Agreement and the Shareholders Agreement between both subsidiaries and group of sellers. The subsidiaries have to comply with specified terms and conditions as stated in the agreements.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the 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 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 financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

The Group has entered into a number of agreements and there are a variety of conditions in these agreements. Revenues are the key performance indicator to which users of financial statements pay attention. I have therefore considered the revenue recognition as key audit matter and focused on the audit of occurrence and timing of revenue recognition.

I have examined the revenue recognition of the Company by

- Assessing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting samples to test the operation of the Group's designed significant controls.
- Applying a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of the relevant agreement of the Group, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period, or send audit confirmation letter.
- Reviewing credit notes that the Group issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period.

Business combination

As described in Note 2.2.1 to consolidated financial statements, on 1 June 2021, the Company paid the initial consideration to group of sellers by 92.5% of the initial purchase price to acquire of 80% shares of Combi-Pack Sdn Bhd, a limited Company registered in Malaysia, amounting to MYR 122.6 million or Baht 928.4 million for 1.6 million ordinary shares with a par value of MYR 1 each, whereby Mr. Chow Chee Yut is the remaining shareholder of 20% shares. The Company will pay the remaining 6% and 1.5% of the initial purchase price on the date as stated in the agreements. The Company already recognised investment in a subsidiary and account payable for purchasing of shares by 7.5% of the initial purchase price or approximately MYR 9.9 million in the statement of financial position. On 23 September 2021, the Company paid the additional consideration to group of sellers amounting to MYR 1.2 million or Baht 9.5 million as a result of the adjustment of the initial purchase price to the actual purchase price based on price adjustment method as stipulated in the agreement.

The Company's management has completed the process of assessing the fair value of the identified assets acquired and liabilities assumed and goodwill during the year. The management needs to exercise substantial judgement when appraising the fair value of the assets acquired and liabilities assumed. I therefore determined as a key audit matter by focusing on this business acquisition.

I examined the business combination by reviewing the terms and conditions of the share purchase agreement and inquired with management as to the nature and objectives of the acquisition. In addition, I checked the value of the acquisition with supporting documents and related payments to assess whether it reflected the fair value of the consideration transferred. I also assessed the fair value of assets acquired and liabilities assumed specified in the documentation of measurement under the acquisition method as prepared by an independent valuation specialist, by considering the methods and significant assumptions used by the independent valuation specialist in calculating the fair value of assets and liabilities, and evaluating the expertise, ability and integrity of the independent valuation specialist. I also reviewed the components of the financial model, comparing significant assumptions with the subsidiary's historical information and related companies in the same industry, and testing of the calculation of the fair value and reviewing the disclosures related to the business combination in the note to consolidated financial statements.

Goodwill

As described in Note 15 to consolidated financial statements, goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. I have focused my audit on the consideration of impairment of goodwill because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in using the financial model to calculate the realisable values and in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate.

I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding and assessing the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets and discount rate. I inquired responsible executives and evaluated through analysis with the Group's information and of the related companies in industry. I tested the key assumptions applied by the management in preparing estimates of the cash flows expected to be realised from the group of assets. I also compared past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections, and tested the calculation of the expected recoverable value of the assets according to the financial model.

Other Information

Management is responsible for the other information. The other information comprise the information included in 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 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 financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

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

In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 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 also 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 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.

I am responsible for the audit resulting in this independent auditor's report.



Orawan Techawatanasirikul
Certified Public Accountant (Thailand) No. 4807

EY Office Limited
Bangkok: 25 February 2022

Thai Plaspac Public Company Limited and its subsidiaries
Statement of financial position
As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
Assets					
Current assets					
Cash and cash equivalents	7	393,779,874	195,614,919	10,734,195	5,893,697
Trade and other receivables	6, 9	1,238,717,457	826,037,939	491,743,547	394,389,684
Short-term loans to related party	6	-	-	7,000,000	-
Inventories	10	579,166,771	415,744,378	182,640,879	120,910,680
Advance payment for purchasing of raw materials		14,329,055	8,075,614	-	-
Other current financial assets	8	2,417,040	409,994	-	164,534
Other current assets	11	82,504,757	115,168,614	39,898,581	37,784,030
Total current assets		2,310,914,954	1,561,051,458	732,017,202	559,142,625
Non-current assets					
Restricted bank deposits	12	17,904,000	23,236,880	-	-
Other non-current financial assets	8	351,076	2,267,365	-	-
Investments in subsidiaries	13	-	-	3,574,000,254	2,560,744,399
Property, plant and equipment	14	2,138,674,041	1,476,101,455	387,573,198	453,733,563
Right-of-use assets	23	190,576,738	85,861,164	2,676,313	3,381,859
Goodwill	15	1,639,737,034	1,001,817,144	-	-
Intangible assets	16	618,990,903	353,498,806	3,817,706	4,254,368
Deferred tax assets	29	10,298,514	8,924,645	10,298,514	8,924,645
Withholding tax deducted at source	17	70,356,926	93,219,177	70,356,926	93,200,804
Advance payment for purchasing of molds		63,771,306	49,949,640	56,947,179	49,145,916
Assets associated with call options granted					
by holders of non-controlling interests	24	6,410,299	8,839,787	6,410,299	8,839,787
Other non-current assets		58,893,028	58,696,636	4,527,315	21,386,609
Total non-current assets		4,815,963,865	3,162,412,699	4,116,607,704	3,203,611,950
Total assets		7,126,878,819	4,723,464,157	4,848,624,906	3,762,754,575

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 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans from banks	18	751,056,077	515,341,780	660,619,026	468,192,021
Trade and other payables	6, 19	618,992,929	358,953,593	319,266,538	179,012,644
Current portion of long-term loans from banks	21	256,612,109	165,249,118	189,273,817	165,249,118
Current portion of debentures	22	-	76,024,879	-	-
Current portion of lease liabilities	23	13,797,059	7,006,413	1,646,635	1,884,918
Income tax payable		23,585,193	12,827,196	9,926,294	12,827,196
Other current financial liabilities	8	23,405	-	23,405	-
Other current liabilities	20	98,249,696	38,982,436	44,893,254	17,372,545
Total current liabilities		1,762,316,468	1,172,385,415	1,225,648,969	844,538,442
Non-current liabilities					
Long-term loans from banks,					
net of current portion	21	1,980,297,617	792,652,610	1,482,927,641	792,652,610
Debentures, net of current portion	22	-	390,306,813	-	-
Lease liabilities, net of current portion	23	175,129,021	80,908,188	1,105,665	1,575,912
Liabilities associated with put options granted					
to holders of non-controlling interests	24	289,544,404	-	289,544,404	-
Deferred tax liabilities	29	356,281,262	95,575,384	-	-
Provision for long-term employee benefits	25	79,557,106	70,898,147	47,919,397	41,218,115
Total non-current liabilities		2,880,809,410	1,430,341,143	1,821,497,107	835,446,637
Total liabilities		4,643,125,878	2,602,726,558	3,047,146,076	1,679,985,079

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 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
Shareholders' equity					
Share capital					
Registered					
326,550,000 ordinary shares of Baht 1 each		326,550,000	326,550,000	326,550,000	326,550,000
Issued and paid-up					
326,549,999 ordinary shares of Baht 1 each		326,549,999	326,549,999	326,549,999	326,549,999
Premium on ordinary shares		1,026,968,920	1,026,968,920	1,026,968,920	1,026,968,920
Excess from change in ownership interest					
in the subsidiary		20,034,929	20,034,929	-	-
Retained earnings					
Appropriated - statutory reserve	26	32,655,000	32,655,000	32,655,000	32,655,000
Unappropriated		680,983,828	912,545,432	415,304,911	696,595,577
Other components of shareholders' equity		48,160,074	(257,076,512)	-	-
Equity attributable to owners of the Company		2,133,332,750	2,061,677,768	1,801,478,830	2,082,769,496
Non-controlling interests of the subsidiaries		350,420,191	59,059,831	-	-
Total shareholders' equity		2,483,752,941	2,120,737,599	1,801,478,830	2,082,769,496
Total liabilities and shareholders' equity		7,128,878,819	4,723,464,157	4,848,624,906	3,762,754,575

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




Directors



Thai Plaspac Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales	6	5,193,991,951	3,982,783,037	1,668,479,685	1,528,602,422
Other income	6	58,566,522	50,675,170	105,302,435	42,085,946
Gain on exchange		-	6,199,526	-	652,111
Total revenues		5,252,558,473	4,039,657,733	1,773,782,120	1,571,340,479
Expenses					
Cost of sales	6	4,189,788,193	3,025,347,897	1,384,006,591	1,159,572,586
Selling and distribution expenses		169,321,321	180,352,709	39,352,170	41,258,488
Administrative expenses	6	366,133,861	292,466,785	170,685,617	147,747,255
Loss on exchange		3,155,553	-	5,146,556	-
Total expenses		4,728,398,928	3,498,167,391	1,599,190,934	1,348,578,329
Profit from operating activities		524,159,545	541,490,342	174,591,186	222,762,150
Finance cost	27	(137,156,419)	(105,340,519)	(61,715,499)	(34,028,706)
Profit before income tax expenses		387,003,126	436,149,823	112,875,687	188,733,444
Income tax expenses	29	(211,631,501)	(82,863,919)	(9,269,350)	(32,720,320)
Profit for the year		175,371,625	353,285,904	103,606,337	156,013,124
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Exchange differences on translation of					
financial statements in foreign currency		325,332,401	16,937,295	-	-
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>		325,332,401	16,937,295	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Actuarial gain (loss)		462,884	(1,270,875)	-	-
Less: Income tax effect	29	(8,843)	397,545	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods - net of income tax</i>		454,041	(873,330)	-	-
Other comprehensive income for the year		325,786,442	16,063,965	-	-
Total comprehensive income for the year		501,158,067	369,349,869	103,606,337	156,013,124

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

Thai Plaspac Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit attributable to:					
Equity holders of the Company		152,938,568	321,979,451	103,606,337	156,013,124
Non-controlling interests of the subsidiaries		22,433,057	31,306,453		
		<u>175,371,625</u>	<u>353,285,904</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		456,551,985	338,086,857	103,606,337	156,013,124
Non-controlling interests of the subsidiaries		44,606,082	31,263,012		
		<u>501,158,067</u>	<u>369,349,869</u>		
Earnings per share	30				
Basic earnings per share					
Equity holders of the Company		<u>0.47</u>	<u>0.99</u>	<u>0.32</u>	<u>0.48</u>

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

Thai Paspac Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2021

Consolidated financial statements											(Unit: Baht)	
Equity holders of the Company												
Note	Issued and paid-up share capital	Premium on ordinary shares	Excess from change in ownership interest in the subsidiary	Retained earnings		Unappropriated	Other components of shareholders' equity		Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries		Total
				Appropriated - Statutory reserve			Exchange differences	on translation of financial statements in foreign currency				
Balance as at 1 January 2020	326,549,999	1,026,968,920	-	28,605,000	636,264,620		(274,013,807)		1,744,374,732	105,107,215	1,849,481,947	
Profit for the year	-	-	-	-	321,979,451		-		321,979,451	31,306,453	353,285,904	
Other comprehensive income for the year	-	-	-	-	(829,889)		16,937,295		16,107,406	(43,441)	16,063,965	
Total comprehensive income for the year	-	-	-	-	-		16,937,295		338,086,857	31,263,012	369,349,869	
Dividend paid	-	-	-	-	(40,818,750)		-		(40,818,750)	-	(40,818,750)	
Transfer of unappropriated retained earnings to statutory reserve	-	-	-	4,050,000	(4,050,000)		-		-	-	-	
Change in ownership interest in the subsidiary	-	-	20,034,929	-	-		-		20,034,929	(20,034,929)	-	
Liabilities associated with put options granted to holders of non-controlling interests	-	-	-	-	-		-		-	(57,275,467)	(57,275,467)	
Balance as at 31 December 2020	326,549,999	1,026,968,920	20,034,929	32,655,000	912,545,432		(257,076,512)		2,061,677,768	59,069,831	2,120,737,599	
Balance as at 1 January 2021	326,549,999	1,026,968,920	20,034,929	32,655,000	912,545,432		(257,076,512)		2,061,677,768	59,069,831	2,120,737,599	
Profit for the year	-	-	-	-	152,938,568		-		152,938,568	22,433,057	175,371,625	
Other comprehensive income for the year	-	-	-	-	376,831		303,236,586		303,613,417	27,173,025	325,786,442	
Total comprehensive income for the year	-	-	-	-	-		303,236,586		456,551,985	44,606,082	501,158,067	
Dividend paid	-	-	-	-	(95,352,599)		-		(95,352,599)	-	(95,352,599)	
Liabilities associated with put options granted to holders of non-controlling interests	-	-	-	-	-		-		-	-	-	
Increase in non-controlling interests of the subsidiary	-	-	-	-	(289,544,404)		-		(289,544,404)	-	(289,544,404)	
Subsidiary paid dividend to holder of non-controlling interests of the subsidiary	-	-	-	-	-		-		-	253,313,964	253,313,964	
Balance as at 31 December 2021	326,549,999	1,026,968,920	20,034,929	32,656,000	680,963,928		46,160,074		2,133,332,750	350,420,191	2,483,752,941	

The accompanying notes are an integral part of the financial statements

Thai Plaspac Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2021

	Separate financial statements					(Unit: Baht)	
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Total
				Appropriated – Statutory reserve	Unappropriated		
Balance as at 1 January 2020		326,549,999	1,026,968,920	28,605,000	585,451,203	1,967,575,122	
Profit for the year		-	-	-	156,013,124	156,013,124	
Other comprehensive income for the year		-	-	-	-	-	
Total comprehensive income for the year		-	-	-	156,013,124	156,013,124	
Dividend paid	6, 33	-	-	-	(40,818,750)	(40,818,750)	
Transfer of unappropriated retained earnings to statutory reserve	26	-	-	4,050,000	(4,050,000)	-	
Balance as at 31 December 2020		326,549,999	1,026,968,920	32,655,000	696,595,577	2,082,769,496	
Balance as at 1 January 2021		326,549,999	1,026,968,920	32,655,000	696,595,577	2,082,769,496	
Profit for the year		-	-	-	103,606,337	103,606,337	
Other comprehensive income for the year		-	-	-	-	-	
Total comprehensive income for the year		-	-	-	103,606,337	103,606,337	
Dividend paid	6, 33	-	-	-	(95,352,599)	(95,352,599)	
Liabilities associated with put options granted to holders of non-controlling interests	24	-	-	-	(289,544,404)	(289,544,404)	
Balance as at 31 December 2021		326,549,999	1,026,968,920	32,655,000	415,304,911	1,801,478,830	

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 year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	387,003,126	436,149,823	112,875,687	188,733,444
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	427,998,698	320,954,179	135,202,956	130,615,818
Loss from fair value measurement of assets associated with call options granted by holders of non-controlling interests	2,429,488	-	2,429,488	-
Allowance for expected credit losses (reversal)	(919,781)	2,263,831	(206,040)	326,368
Reduction (reversal) of inventories to net realisable value	2,226,024	(232,830)	(115,168)	1,467,458
Allowance for impairment loss on assets	-	3,798,727	-	-
Loss (gain) on disposals/write-off of machinery and equipment	(225,468)	(1,111,278)	(144,331)	347,094
Long-term employee benefits expenses	15,182,938	17,634,871	8,058,069	7,265,803
Unrealised loss (gain) on exchange rate	6,026,404	85,413	5,391,933	(255,975)
Loss (gain) from fair value measurement of forward exchange contracts	187,939	(164,534)	187,939	(164,534)
Amortisation of financial fees	15,107,107	8,792,489	2,054,800	957,692
Dividend income	-	-	(53,032,998)	-
Interest income	(6,209,409)	(5,252,580)	(53,084)	(80,870)
Finance cost	122,049,312	96,548,030	59,660,699	33,071,014
Profit from operating activities before changes in operating assets and liabilities	970,856,378	879,466,141	272,309,950	362,283,312
Operating assets (increase) decrease				
Trade and other receivables	(288,600,998)	(44,403,905)	(97,246,768)	(36,436,684)
Inventories	(37,857,233)	(128,052,047)	(61,615,031)	(18,125,496)
Other current assets	(43,665,082)	33,647,015	(38,085,957)	(34,503,217)
Other non-current assets	(5,089,201)	(41,567,523)	9,307,172	(33,193,375)
Operating liabilities increase (decrease)				
Trade and other payables	111,028,136	79,833,797	50,032,559	34,736,860
Other current liabilities	55,616,549	12,744,188	28,561,140	4,683,937
Provision for long-term employee benefits	(8,166,766)	(8,658,053)	(1,356,787)	(2,758,865)
Cash flows from operating activities	754,121,803	783,009,613	161,906,278	276,686,472
Cash receipt from refund of withholding tax deducted at source	22,594,737	-	22,594,737	-
Corporate income tax paid	(52,569,694)	(21,028,082)	(14,584,553)	(21,027,609)
Net cash flows from operating activities	724,146,846	761,981,531	169,916,462	255,658,863

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 year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Short-term loans to related party	-	-	(7,000,000)	-
Proceeds from sales of machinery and equipment	11,600,523	4,445,800	144,364	275,234
Proceeds from sales of asset held for sale	57,274,000	-	-	-
Acquisition of building, machinery and equipment	(337,418,164)	(312,963,296)	(20,374,549)	(109,693,267)
Acquisition of intangible assets	(983,957)	(439,072)	(440,000)	(326,160)
Cash paid for investments in subsidiaries	(893,493,069)	-	(937,977,621)	(481,886,648)
Decrease (increase) in other current financial assets	(2,148,480)	55,310,722	-	-
Decrease (increase) in other non-current financial assets	2,129,668	6,690,804	-	-
Interest received	6,209,409	5,252,580	53,084	80,870
Cash receipt from dividend from the subsidiary	-	-	53,032,998	-
Net cash flows used in investing activities	(1,156,830,070)	(241,702,462)	(912,561,724)	(591,549,971)
Cash flows from financing activities				
Increase in bank overdraft and short-term loans from banks	209,626,959	137,941,780	192,427,005	119,792,021
Decrease in restricted bank deposits	7,519,680	2,344,143	-	-
Cash receipt from long-term loans from banks	1,373,627,621	425,000,000	937,977,621	425,000,000
Repayment of long-term loans from banks	(283,211,895)	(214,681,192)	(217,482,692)	(127,982,692)
Repayment of debentures	(523,692,000)	(56,333,825)	-	-
Purchase of additional investment in subsidiary from non-controlling interests of the subsidiary	-	(481,886,648)	-	-
Cash paid for financial fees	(9,843,041)	(1,062,500)	(8,250,000)	(1,062,500)
Cash paid for lease liabilities	(25,248,745)	(12,380,497)	(2,053,580)	(1,985,530)
Interest paid	(144,655,115)	(105,470,739)	(59,779,995)	(38,104,447)
Dividend paid	(101,912,285)	(40,818,750)	(95,352,599)	(40,818,750)
Net cash flows from (used in) financing activities	502,211,179	(346,348,228)	747,485,760	334,838,102
Increase (decrease) in exchange differences on translation of financial statements in foreign currency	128,637,000	(12,989,562)	-	-
Net increase (decrease) in cash and cash equivalents	198,164,955	160,941,279	4,840,498	(1,053,006)
Cash and cash equivalents at beginning of year	195,614,919	34,673,640	5,893,697	6,946,703
Cash and cash equivalents at end of year (Note 7)	393,779,874	195,614,919	10,734,195	5,893,697
Supplemental cash flows information				
Non-cash items consist of:				
Increase (decrease) in accounts payable for purchasing of fixed assets	7,261,532	(6,042,932)	9,902,397	(9,770,361)
Increase in liabilities associated with put options granted to holders of non-controlling interests	289,544,404	-	289,544,404	-
Increase in long-term lease liabilities	98,940,152	95,401,175	1,212,064	5,236,802
Increase in account payable for purchasing of shares	75,278,234	-	75,278,234	-

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

Thai Plaspac Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2021

1. General information

1.1 Corporate information

Thai Plaspac Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Mr. Anuj Lohia, which total shareholding is 69.11%. The Company is principally engaged in the manufacture and distribution of plastic packaging. The registered office of the Company is at 77 Soi Thian Thalee 30, Bang Khun Thian-Chay Thalee Road, Thakham, Bang Khun Thian, Bangkok.

The branch offices of the Company are at 3/2 Soi Thian Thalee 15, Bang Khun Thian-Chay Thalee Road, Thakham, Bang Khun Thian, Bangkok and 75/2, Moo 9, Soi Ruamjai, Bangna-Trad Road Km.18.8, Tambol Bangchalong, Amphur Bangphli, Samutprakarn.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the 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** The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Thai Plaspac Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
			Percent	Percent
<u>Subsidiaries held by the Company</u>				
TPAC Packaging India Private Limited	Manufacturing and distribution of plastic packaging	India	100	100
TPAC Packaging (Bangna) Company Limited	Manufacturing and distribution of plastic packaging	Thailand	100	100
Sun Packaging Systems (FZC)	Manufacturing and distribution of plastic packaging	United Arab Emirates	89	89
Combi-Pack Sdn Bhd	Manufacturing and distribution of plastic packaging	Malaysia	80	-
<u>Subsidiary held by TPAC Packaging India Private Limited</u>				
TPAC Packaging India II Private Limited	Manufacturing and distribution of plastic packaging	India	100	-

2.2.1 Combi-Pack Sdn Bhd

On 1 June 2021, the Company paid the initial consideration to group of sellers by 92.5% of the initial purchase price to acquire of 80% shares of Combi-Pack Sdn Bhd, a limited Company registered in Malaysia, amounting to MYR 122.6 million or Baht 928.4 million for 1.6 million ordinary shares with a par value of MYR 1 each, whereby Mr. Chow Chee Yut is the remaining shareholder of 20% shares. The Company will pay the remaining 6% and 1.5% of the initial purchase price on the date as stated in the agreements. On 23 September 2021, the Company paid the additional consideration to group of sellers amounting to MYR 1.2 million or Baht 9.5 million as a result of the adjustment of the initial purchase price to the actual purchase price based on price adjustment method as stipulated in the agreement. In addition, the Company and group of sellers have to comply with specified terms and conditions as stated in the agreements as described in Note 13 to financial statements.

These consolidated financial statements are included financial position of Combi-Pack Sdn Bhd as at 31 December 2021, and the statement of comprehensive income for the period from the acquisition date to 31 December 2021. The excess of cost of business acquisition over the fair value of the net assets acquired shall recognised as goodwill.

During the fourth quarter of the year 2021, the Company's management has completed the process of assessing the fair value of the identified assets acquired and liabilities assumed and goodwill at acquisition date, including the valuation of liabilities associated with put options granted to holders of non-controlling interests, within evaluation period of 12 months from acquisition date according to Thai Financial Reporting Standard No. 3 (revised 2020) "Business combination".

Details of the net book value of Combi-Pack Sdn Bhd as at the acquisition date are as follows:

(Unit: Thousand Baht)

	Fair value	Net book value
Assets		
Cash and cash equivalents	44,485	44,485
Trade and other receivables	123,987	123,987
Inventories	128,104	119,314
Property, plant and equipment, net (Note 14)	516,602	546,153
Right-of-use assets (Note 23)	26,654	26,654
Intangible asset - customer relationship (Note 16)	274,578	-
Other assets	32,383	32,383
Total assets	1,146,793	892,976
Liabilities		
Bank overdraft and short-term loans from banks	32,604	32,604
Trade and other payables	80,095	80,095
Long-term loans from banks (Note 21)	174,970	174,970
Deferred tax liabilities	90,737	29,821
Other liabilities	14,902	14,902
Total liabilities	393,308	332,392
Net assets value	753,485	560,584
Equity of the subsidiary (%)	80	
Net assets value attributable to the subsidiary's investment	602,788	
The excess of the purchase price over the value of the net assets - the Company	410,468	
Purchase price	1,013,256	
Less: Cash and cash equivalents of the subsidiary	(44,485)	
Less: Account payable for purchasing of shares at acquisition date (7.5%)	(75,278)	
Net cash paid for acquisition of the subsidiary	893,493	

Details of acquisition of the subsidiary are presented as follows.

(Unit: Thousand Baht)

Purchase price

Cash paid (92.5%)	928,432
Additional cash paid as a result of the adjustment of the initial purchase price to the actual purchase price	9,546
Account payable for purchasing of shares at acquisition date (7.5%)	75,278
Total	1,013,256
Fair value of net assets received	(602,788)
Goodwill - the Company	410,468
Goodwill - Non-controlling interests of the subsidiary	102,617
Goodwill	513,085

The Company has elected to measure the non-controlling interests at fair value.

The goodwill comprises the value of expected synergies arising from the acquisition. None of the goodwill recognised is expected to be deductible for income tax purposes.

The revenue and profit of subsidiary from the acquisition date to 31 December 2021 amounting to Baht 640.6 million and Baht 53.2 million, respectively, are included in the consolidated financial statements.

Acquisition-related costs of Baht 12.5 million were included in administrative expenses in the consolidated statement of comprehensive income for the year ended 31 December 2021.

2.2.2 TPAC Packaging India II Private Limited

On 10 December 2021, the Company's Board of Directors' Meeting No. 7/2021 approved TPAC Packaging India Private Limited, which is a subsidiary of the Company, to establish a new subsidiary, which is a limited company in India under the name of TPAC Packaging India II Private Limited, and invest at 100% of its shares with an initial registered share capital of INR 50 million (5 million shares with par value of INR 10 each). The purpose of such company is to invest in other company. The subsidiary was completely established on 30 December 2021 as described in Note 13 to financial statements.

The statement of financial position of the subsidiary as at 31 December 2021 and statement of comprehensive income from the establishment date to 31 December 2021 are included in the consolidated financial statements.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. 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 providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts to customers.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other income

Other income is recognised upon completion of performance obligation and there is a certain possibility of receiving the money.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, packaging and supplies are valued at the lower of average cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

4.5 Cost of molds for amortisation

The Group record cost of molds which are used to manufacture goods for customers as assets. Cost of molds are amortised to cost of sales are delivered to its customers. The Group records cost of molds for amortisation as current assets if goods are expected to manufacture and deliver to customers within 1 year, and as non-current assets if goods are expected to manufacture and deliver to customers more than 1 year.

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

	Consolidated financial statements	Separate financial statements
Building and building improvement	20 - 30 years	20 years
Furniture and office equipment	5 - 10 years	5 years
Machinery and equipment	3 - 15 years	3 - 10 years
Motor vehicles	5 years	5 years

Depreciation is included in determining income.

No depreciation is provided on land and land improvement and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Intangible assets and Amortisation

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition/amalgamation while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	Consolidated financial statements	Separate financial statements
Tradename	25 years	-
Customer relationship	7.5 and 10 years	-
Computer software	3 - 10 years	5 - 10 years

4.8 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the Group's previously held equity interest in the acquiree, in a business combination achieved in stages.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group measures the identifiable assets acquired and the liabilities assumed at acquisition date fair value, and classifies and designates them in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. A contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. A contingent consideration classified as an asset or liability is measured at fair value, with changes in fair value recognised in profit or loss.

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Leases

At inception of contract, the Group 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 Group as a lessee

The Group 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 Group recognises 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 accumulated depreciation, any accumulated impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, 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.

	Consolidated financial statements	Separate financial statements
Land and land improvement	20 - 25 years	-
Building and building improvement	20 - 25 years	-
Furniture and office equipment	4 years	4 years
Motor vehicles	5 years	5 years

If ownership of the leased asset is transferred to the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group'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 recognised as expenses on a straight-line basis over the lease term.

4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.11 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in determining profit or loss.

4.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards, and among other things.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

4.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided 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 provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces 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 utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Financial instruments

The Group initially measures 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 amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised 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 amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Recognition and derecognition of financial instruments

Regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e., the date on which the Group becomes a party to contractual provisions of the instrument.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised 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 recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

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 Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group 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.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.18 Derivatives

The Group uses derivatives, such as forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.19 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 Group applies 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 Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

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

At the end of each reporting period, the Group determines 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.

4.20 Liabilities associated with put options granted to holders of non-controlling interests

The Company and a subsidiary granted put options to holders of non-controlling interests. The Company and a subsidiary do not have unconditional right to avoid the delivery of cash if holders of non-controlling interests exercise their put options. The Company and a subsidiary recognise liabilities associated with put options, calculated by present value of expected exercise price, and present in non-current liabilities in the consolidated and separate statement of financial position. The amounts also present offset from unappropriated retained earnings in the consolidated and separate statement of financial position and the consolidated and separate statement of changes in shareholders' equity. The amounts are to revalue at the end of reporting period, whereby the difference is to recognise in shareholders' equity in the consolidated and separate financial statements.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

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

In determining the lease term, the management is required to exercise judgement in assessing whether the Group 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 Group to exercise either the extension or termination option.

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.

Allowance for diminution in value of inventories

The determination of allowance for diminution in the value of inventories requires management to exercise judgement in estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business; minus selling expenses and provision for obsolete, slow-moving and deteriorated inventories, and taking into account based upon the condition of inventories and the duration such goods have remained in stock.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and taxable losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

Details of relationships of the Company to related parties are as follows.

Name of persons or entities	Nature of relationships
TPAC Packaging India Private Limited	Subsidiary
TPAC Packaging India II Private Limited	Subsidiary
TPAC Packaging (Bangna) Company Limited	Subsidiary
Sun Packaging Systems (FZC)	Subsidiary
Combi-Pack Sdn Bhd	Subsidiary
Mr. Anuj Lohia	Major shareholder
Indorama Petrochem Limited	Shareholder and director are related to the Company's shareholder and management
Indorama Polymers Public Company Limited	Shareholder and director are related to the Company's shareholder and management
IVL Dhunseri Petrochem Industries Private Limited	Shareholder and director are related to the Company's shareholder and management
Related persons	Director, executive officer and related persons with director and executive officer

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	For the years ended 31 December				
	Consolidated financial statements		Separate financial statements		
	2021	2020	2021	2020	Transfer pricing policy
<u>Transactions with subsidiaries</u>					
(Eliminated from consolidated financial statements)					
Sales of goods	-	-	19	4	Close to market price
Purchase of goods	-	-	85	18	Close to market price
Management fee income	-	-	31	29	Contract price
Dividend income	-	-	53	-	Dirham United Arab Emirates 21,750 per share
<u>Transaction with related company</u>					
Purchase of goods	102	61	42	10	Close to market price
<u>Transaction with related persons</u>					
Dividend paid	69	30	69	30	2021: Baht 0.292 per share (2020: Baht 0.125 per share)

As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<u>Trade receivables - related parties</u>				
(Note 9)				
Subsidiaries	-	-	7,175	510
Total	-	-	7,175	510
<u>Other receivables - related parties</u>				
(Note 9)				
Subsidiaries	-	-	16,049	29,712
Total	-	-	16,049	29,712
<u>Short-term loans to related party</u>				
Subsidiary	-	-	7,000	-
Total	-	-	7,000	-
<u>Trade payables - related parties</u>				
(Note 19)				
Subsidiaries	-	-	22,790	5,183
Related companies	46,105	12,015	7,042	5,500
Total	46,105	12,015	29,832	10,683

Short-term loans to related party

(Unit: Thousand Baht)

Loans to related party	Related by	Separate financial statements		
		Balance as at 31 December 2020	Increase during the year	Balance as at 31 December 2021
TPAC Packaging (Bangna) Company Limited	Subsidiary	-	7,000	7,000

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term benefits	88,610	77,348	60,596	56,740
Post-employment benefits	4,317	3,702	3,847	3,283
Other long-term benefits	24	25	24	25
Total	92,951	81,075	64,467	60,048

Guarantee obligations with related parties

The Company has outstanding guarantee obligations related to long-term loans from banks with its subsidiary, as described in Note 21 to financial statements.

7. Cash and cash equivalents

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Cash	437	234	76	80
Cash at banks	393,343	195,381	10,658	5,814
Total	393,780	195,615	10,734	5,894

As at 31 December 2021, cash at banks carried interests between 0.05 and 2.60 percent per annum (The Company only: between 0.05 and 0.13 percent per annum) (31 December 2020: between 0.05 and 2.60 percent per annum (The Company only: between 0.05 and 0.15 percent per annum)).

8. Other current financial assets / Other non-current financial assets / Other current financial liabilities

As at 31 December 2021 and 2020, the Group had other current financial assets, other non-current financial assets, and other current financial liabilities as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Other current financial assets				
<u>Debt instruments at amortised cost</u>				
Time deposits from 3 months to 1 year (Interest rate 6.6 percent per annum (31 December 2020: 4.9 percent per annum))	2,417	245	-	-
Total debt instruments at amortised cost	2,417	245	-	-
<u>Financial assets at FVTPL</u>				
Foreign exchange forward contracts	-	165	-	165
Total financial assets at FVTPL	-	165	-	165
Total other current financial assets	2,417	410	-	165
Other non-current financial assets				
<u>Debt instruments at amortised cost</u>				
Time deposits more than 1 year (Interest rate between 5.0 to 6.8 percent per annum (31 December 2020: 5.4 to 7.0 percent per annum))	351	2,267	-	-
Total other non-current financial assets	351	2,267	-	-
Other non-current financial liabilities				
<u>Financial liabilities at FVTPL</u>				
Foreign exchange forward contracts	23	-	23	-
Total other non-current financial liabilities	23	-	23	-

9. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	7,175	510
Total trade receivables - related parties	-	-	7,175	510
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	954,100	609,538	362,869	281,299
Past due				
Up to 1 month	215,802	125,054	97,813	75,622
1 - 2 months	26,071	15,407	6,757	4,822
2 - 3 months	11,214	9,996	1,096	2,577
3 months - 1 year	5,492	5,368	-	109
1 year - 2 years	809	1,089	-	590
Over 2 years	5,594	5,099	5,316	4,686
Total	1,219,082	771,551	473,851	369,705
Less: Allowance for expected credit losses	(8,305)	(8,924)	(5,331)	(5,537)
Total trade receivables - unrelated parties	1,210,777	762,627	468,520	364,168
<u>Other receivables - related parties</u>				
Other receivables	-	-	16,049	29,712
Total other receivables - related parties	-	-	16,049	29,712
<u>Other receivables - unrelated parties</u>				
Value added tax refundable	4,646	26,109	-	-
Other receivables	23,294	37,302	-	-
Total other receivables - unrelated parties	27,940	63,411	-	-
Total trade and other receivables	1,238,717	826,038	491,744	394,390

The normal credit term is 7 to 135 days (The Company only: 30 to 135 days).

Set out below is the movements in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance	8,924	6,737	5,537	5,211
Increase during the year	-	2,264	-	326
Reversal during the year	(920)	-	(206)	-
Translation adjustment	301	(77)	-	-
Ending balance	8,305	8,924	5,331	5,537

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	270,863	144,703	(3,598)	(3,290)	267,265	141,413
Work in process	30,119	16,931	-	(18)	30,119	16,913
Raw materials	237,857	228,267	(4,184)	(1,932)	233,673	226,335
Packing materials	40,783	26,375	(206)	(210)	40,577	26,165
Factory supplies	7,533	4,918	-	-	7,533	4,918
Total	587,155	421,194	(7,988)	(5,450)	579,167	415,744

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	97,202	58,571	(1,543)	(1,725)	95,659	56,846
Work in process	19,361	10,469	-	-	19,361	10,469
Raw materials	43,414	35,049	(310)	(220)	43,104	34,829
Packing materials	17,956	13,872	-	(23)	17,956	13,849
Factory supplies	6,561	4,918	-	-	6,561	4,918
Total	184,494	122,879	(1,853)	(1,968)	182,641	120,911

During the current year, the Group reduced cost of inventories by Baht 3.9 million (The Company only: Baht 1.2 million) (31 December 2020: Baht 2.1 million (The Company only: Baht 1.9 million)) to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 1.4 million (The Company only: Baht 1.3 million) (31 December 2020: Baht 2.4 million (The Company only: Baht 0.4 million)), and reduced the amount of inventories recognised as expenses during the year.

11. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Asset held for sale	-	57,274	-	-
Prepaid expenses	12,216	11,493	3,582	3,215
Cost of molds for amortisation	40,748	34,153	34,539	33,104
Advance payment	3,678	2,412	-	-
Others	25,863	9,837	1,778	1,465
Total	82,505	115,169	39,899	37,784

12. Restricted bank deposits

As at 31 December 2021, these represent the subsidiary's bank deposits pledged for short-term loans from banks, carrying interest rate at 3.03 percent per annum.

As at 31 December 2020, these represent the subsidiary's bank deposits pledged for the next interest payment with the trustee under the terms and conditions of the debenture issuers, carrying interest rate at 2.95 percent per annum. On 15 December 2021, the subsidiary made an early redemption of such debentures, as described in Note 22 to financial statements.

13. Investments in subsidiaries

13.1 Details of investments in subsidiaries as presented in separate financial statements

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	2021	2020	2021	2020	2021	2020	2021	2020
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Subsidiaries held by the Company								
TPAC Packaging India Private Limited	2,108 Million Indian Rupee	2,108 Million Indian Rupee	100	100	2,069,154	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	-	80	-	1,013,256	-	-	-
Subsidiary held by TPAC Packaging India Private Limited								
TPAC Packaging India II Private Limited	-	-	100	-	-	-	-	-
Total					3,574,000	2,560,744	53,033	-

Combi-Pack Sdn Bhd

On 10 April 2021, the Company's Board of Directors' Meeting No. 3/2021 approved the investment by the Company for the acquisition of 80% shares in Combi-Pack Sdn Bhd, a limited company registered in Malaysia, and incorporated in plastic food containers manufacturing business with the total considerations and expenses for this transaction not exceed MYR 170 million or Baht 1,301.2 million, and approved this investment by the Extraordinary General Meeting of shareholders No. 1/2021 on 28 May 2021.

The Company entered into the Sale and Purchase Agreement on 10 April 2021 and the Shareholders Agreement between the Company and group of sellers on 31 May 2021. The Company agreed to pay the consideration to acquire of 80% shares in Combi-Pack Sdn Bhd for 1.6 million ordinary shares with a par value of MYR 1 each, whereby Mr. Chow Chee Yut is the remaining shareholder of 20% shares. The Company agreed to pay to group of sellers by 92.5% of the initial purchase price on the completion date, and the remaining 6% and 1.5% of the initial purchase price on the date as stated in the agreements. The Company and group of sellers agreed to adjust the initial purchase price to the actual purchase price based on price adjustment method as stipulated in the agreement. In addition, the Company and group of sellers have to comply with specified terms and conditions as stated in the agreements.

On 1 June 2021, the Company paid the initial consideration to group of sellers by 92.5% of the initial purchase price to acquire of 80% shares amounting to MYR 122.6 million or Baht 928.4 million, and recognised investment in subsidiary and account payable for purchasing of shares by 7.5% of the initial purchase price or approximately MYR 9.9 million in the statement of financial position. On 23 September 2021, the Company paid the additional consideration to group of sellers amounting to MYR 1.2 million or Baht 9.5 million as a result of the adjustment of the initial purchase price to the actual purchase price based on price adjustment method as stipulated in the agreement.

TPAC Packaging India II Private Limited

On 10 December 2021, the Company's Board of Directors' Meeting No. 7/2021 approved TPAC Packaging India Private Limited, which is a subsidiary of the Company, to establish a new subsidiary, which is a limited company in India under the name of TPAC Packaging India II Private Limited, and invest at 100% of its shares with an initial registered share capital of INR 50 million (5 million shares with par value of INR 10 each). The purpose of such company is to invest in other company. The subsidiary was completely established on 30 December 2021.

On 30 December 2021, the Company's Board of Directors' Meeting No. 8/2021 approved TPAC Packaging India II Private Limited to acquire M/s Skypet Polymers, a partnership firm 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 31 December 2021, both subsidiaries entered into the Sale and Purchase Agreement and the Shareholders Agreement between both subsidiaries and group of sellers. TPAC Packaging India II Private Limited will accept the business transfer from M/s Skypet Polymers and agreed to pay the considerations to group of sellers by 87.5% of the initial purchase price on the completion date, and the remaining 12.5% of the initial purchase price on the date as stated in the agreements including interest of 5.5% per annum on the accrued consideration. The subsidiaries and group of sellers agreed to adjust the initial purchase price to the actual purchase price based on price adjustment method as stipulated in the agreement. In addition, the subsidiaries and group of sellers have to comply with specified terms and conditions as stated in the agreements. TPAC Packaging India II Private Limited will issue and allot newly issued shares capital of 9.4 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, one of the shareholders of M/s Skypet Polymers, at the subscription price not exceed INR 94 million according to specified terms and conditions as stated in the agreements. In addition, the Shareholders Agreement also stipulated that Mr. S. Selvaraj has put options, which has 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, which has 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. And on 25 February 2022, the Company's Board of Directors' Meeting No. 1/2022 passed resolutions of the acquisition of M/s Skypet Polymers as presented in Note 38.1 to financial statements.

Put options and call options to sell/buy 20% of shares in Combi-Pack Sdn Bhd

On 31 May 2021, the Company entered into Shareholders Agreement between the Company and Mr. Chow Chee Yut. Mr. Chow Chee Yut has put options, which has rights to sell all remaining 20% of shares in Combi-Pack Sdn Bhd to the Company. The Company has call options, which has rights to buy all remaining 20% of shares in Combi-Pack Sdn Bhd from Mr. Chow Chee Yut. Detail of exercise are presented in Note 24 to financial statements.

Call options to buy 11% of shares in Sun Packaging Systems (FZC)

On 24 April 2019, the Company entered into Shareholders Agreement between the Company, Sun Packaging Systems (FZC) and Mr. Kishore Kumar Tarachand Bhatia. The Company has call options which are rights to buy all remaining 11% of shares in Sun Packaging Systems (FZC) from Bhatia Investment Holding Limited. Detail of exercise are presented in Note 24 to financial statements.

13.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Comprehensive income allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Sun Packaging Systems (FZC)	11	11	71,541	59,060	19,041	12,113	6,560	-
Combi-Pack Sdn Bhd	20	-	278,879	-	25,565	-	-	-

13.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

Summarised information about financial position

(Unit: Million Baht)

	As at 31 December			
	Sun Packaging Systems (FZC)		Combi-Pack Sdn Bhd	
	2021	2020	2021	2020
Current assets	384	282	399	-
Non-current assets	222	95	596	-
Current liabilities	97	64	180	-
Non-current liabilities	135	40	134	-

Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December			
	Sun Packaging Systems (FZC)		Combi-Pack Sdn Bhd	
	2021	2020	2021	2020
Revenues	508	432	641	-
Profit	122	126	89	-
Other comprehensive income	66	(4)	75	-
Total comprehensive income	188	122	164	-

Summarised information about cash flow

(Unit: Million Baht)

	For the years ended 31 December			
	Sun Packaging Systems (FZC)		Combi-Pack Sdn Bhd	
	2021	2020	2021	2020
Cash flow from operating activities	81	169	155	-
Cash flow used in investing activities	(48)	(22)	(26)	-
Cash flow used in financing activities	(10)	-	(117)	-
Net increase in cash and cash equivalents	23	147	12	-

14. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	
Cost:							
1 January 2020	272,989	427,081	22,908	2,070,029	14,642	43,039	2,850,688
Additions	-	457	1,784	46,781	907	254,982	306,921
Transfer in (out)	-	9,564	2,613	202,553	-	(214,730)	-
Transfer out to asset held for sale	(59,473)	-	-	-	-	-	(59,473)
Disposals/write-off	-	-	(939)	(46,660)	(5)	(1,013)	(48,617)
Translation adjustment	(1,987)	(1,693)	(71)	(5,899)	(25)	(52)	(9,727)
31 December 2020	211,529	435,409	26,295	2,268,804	15,519	82,236	3,039,792
Additions	-	312	3,234	60,193	4,294	276,647	344,680
Increase from acquisition of subsidiary	114,798	101,808	2,515	294,473	1,913	1,095	518,602
Transferred from right-of-use assets	-	-	-	12,980	1,036	-	14,016
Transfer in (out)	-	3,501	1,539	244,170	-	(249,210)	-
Disposals/write-off	-	-	(755)	(58,932)	(5,727)	(790)	(66,204)
Translation adjustment	21,819	28,361	1,054	95,646	371	4,434	151,685
31 December 2021	348,146	569,391	33,882	2,917,334	17,406	114,412	4,000,571
Accumulated depreciation:							
1 January 2020	-	148,455	12,457	1,196,906	12,154	-	1,369,972
Depreciation for the year	-	21,324	3,702	217,000	1,175	-	243,201
Depreciation on disposals/write-off	-	-	(935)	(44,343)	(5)	-	(45,283)
Translation adjustment	-	(694)	(93)	(5,099)	(30)	-	(5,916)
31 December 2020	-	169,085	15,131	1,364,464	13,294	-	1,561,974
Depreciation for the year	-	23,526	4,123	285,720	3,303	-	316,672
Depreciation on disposals/write-off	-	-	(755)	(48,383)	(4,691)	-	(54,829)
Translation adjustment	-	3,787	569	31,791	216	-	36,363
31 December 2021	-	196,398	19,068	1,632,592	12,122	-	1,860,180
Allowance for impairment loss:							
31 December 2020	-	-	-	1,717	-	-	1,717
31 December 2021	-	-	-	1,717	-	-	1,717
Net book value:							
31 December 2020	211,529	266,324	11,164	902,623	2,225	82,236	1,476,101
31 December 2021	348,146	372,993	14,814	1,283,025	5,284	114,412	2,136,674
Depreciation for the year							
2020 (Baht 240 million included in manufacturing cost, and the balance in selling and administrative expenses)							243,201
2021 (Baht 311 million included in manufacturing cost, and the balance in selling and administrative expenses)							316,672

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	
Cost:							
1 January 2020	54,275	209,922	14,907	1,350,532	12,291	25,622	1,667,549
Additions	-	457	978	23,730	907	73,850	99,922
Transfer in (out)	-	2,474	-	61,667	-	(84,141)	-
Disposals/write-off	-	-	-	(11,983)	-	(922)	(12,605)
31 December 2020	54,275	212,853	15,885	1,423,946	13,198	34,709	1,754,866
Additions	-	125	1,017	7,085	898	21,152	30,277
Transfer in (out)	-	445	307	23,601	-	(24,353)	-
Disposals/write-off	-	-	(323)	(327)	(404)	-	(1,054)
31 December 2021	54,275	213,423	16,868	1,454,305	13,692	31,508	1,784,069
Accumulated depreciation:							
1 January 2020	-	134,465	10,569	1,054,971	11,399	-	1,211,404
Depreciation for the year	-	7,596	1,594	91,791	614	-	101,595
Depreciation on disposals/write-off	-	-	-	(11,983)	-	-	(11,983)
31 December 2020	-	142,061	12,163	1,134,779	12,013	-	1,301,016
Depreciation for the year	-	7,693	1,600	86,481	663	-	96,437
Depreciation on disposals/write-off	-	-	(323)	(327)	(404)	-	(1,054)
31 December 2021	-	149,754	13,440	1,220,933	12,272	-	1,396,399
Allowance for impairment loss:							
31 December 2020	-	-	-	117	-	-	117
31 December 2021	-	-	-	117	-	-	117
Net book value:							
31 December 2020	54,275	70,792	3,722	289,050	1,185	34,709	453,733
31 December 2021	54,275	63,669	3,448	233,255	1,420	31,508	387,573
Depreciation for the year							
2020 (Baht 99 million included in manufacturing cost, and the balance in selling and administrative expenses)							101,595
2021 (Baht 93 million included in manufacturing cost, and the balance in selling and administrative expenses)							96,437

As at 31 December 2021, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 1,566 million (The Company only: Baht 988 million) (31 December 2020: Baht 1,144 million (The Company only: Baht 820 million)).

As at 31 December 2021, property, plant and equipment of TPAC Packaging India Private Limited amounting to INR 2,238 million has been mortgaged as collateral against bank overdrafts and long-term loans from banks as stated in Note 18 and 21 to financial statements.

As at 31 December 2020, all property, plant and equipment of TPAC Packaging India Private Limited amounting to INR 1,950 million has been mortgaged as collateral against non-convertible debenture as stated in Note 22 to financial statements and partial property, plant and equipment of the subsidiary has been mortgaged as collateral against bank overdrafts as stated in Note 18 to financial statements.

As at 31 December 2021, all property, plant and equipment of Combi-Pack Sdn Bhd amounting to MYR 38 million (31 December 2020: Nil) has been mortgaged as collateral against bank overdrafts and long-term loans from banks as stated in Notes 18 and 21 to financial statements.

15. Goodwill

Movements of goodwill in the consolidated financial statements for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	TPAC			
	Packaging India Private Limited	Sun Packaging Systems (FZC)	Combi-Pack Sdn Bhd	Total
Balance as at 1 January 2020	846,200	163,938	-	1,010,138
Translation adjustment	(7,686)	(635)	-	(8,321)
Balance as at 31 December 2020	838,514	163,303	-	1,001,817
Increase from acquisition of subsidiary	-	-	513,085	513,085
Translation adjustment	78,912	18,396	27,527	124,835
Balance as at 31 December 2021	917,426	181,699	540,612	1,639,737

The Company allocates goodwill acquired through business combination with indefinite useful lives to group of assets that generates cash inflows for annual impairment testing by determining the recoverable amounts of its group of assets that generates cash inflows based on value in use using cash flow projections from financial estimation approved by management covering a 5-year period for those three companies.

Key assumptions used in value in use calculations are as follows:

	TPAC Packaging		
	India Private Limited	Sun Packaging Systems (FZC)	Combi-Pack Sdn Bhd
Sales growth rate	9% - 11%	8%	3%
Pre-tax discount rate	13.5%	10%	10%

Management has considered the sales growth rates based on historical operating results, forecast markets and production capacity. The pre-tax discount rates reflect the risks specific to each cash-generating unit. The management believed that there is no occurrence of impairment of goodwill.

Management believes that any reasonably possible change in the key assumptions on which the group of units' recoverable amount are based would not cause the group of units' carrying amount to exceed its recoverable amount.

16. Intangible assets

The net book value of intangible assets as at 31 December 2021 and 2020 is presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Tradename	Customer relationship	Computer software	Total
1 January 2020	200,137	233,740	12,280	446,157
Additions	-	-	439	439
Translation adjustment	(1,818)	(1,748)	(13)	(3,579)
31 December 2020	198,319	231,992	12,706	443,017
Additions	-	-	984	984
Increase from acquisition of subsidiary	-	274,578	543	275,121
Translation adjustment	18,664	39,951	182	58,797
31 December 2021	216,983	546,521	14,415	777,919
Accumulated amortisation:				
1 January 2020	10,747	32,958	5,351	49,056
Amortisation for the year	8,224	32,117	1,406	41,747
Translation adjustment	(367)	(1,405)	(23)	(1,795)
31 December 2020	18,604	63,670	6,734	89,008
Amortisation for the year	8,395	49,577	1,506	59,478
Translation adjustment	2,035	7,770	127	9,932
31 December 2021	29,034	121,017	8,367	158,418
Allowance for impairment loss:				
31 December 2020	-	-	510	510
31 December 2021	-	-	510	510
Net book value:				
31 December 2020	179,715	168,322	5,462	353,499
31 December 2021	187,949	425,504	5,538	618,991

(Unit: Thousand Baht)

	Separate financial statements	
	Computer software	Total
Cost:		
1 January 2020	9,713	9,713
Additions	326	326
31 December 2020	10,039	10,039
Additions	440	440
31 December 2021	10,479	10,479
Accumulated amortisation:		
1 January 2020	4,510	4,510
Amortisation for the year	765	765
31 December 2020	5,275	5,275
Amortisation for the year	876	876
31 December 2021	6,151	6,151
Allowance for impairment loss:		
31 December 2020	510	510
31 December 2021	510	510
Net book value:		
31 December 2020	4,254	4,254
31 December 2021	3,818	3,818

Tradename

TPAC Packaging India Private Limited assessed the identified assets on the date of amalgamation between TPAC Packaging India Private Limited and Sunrise Containers Limited. The subsidiary granted tradename "Sunpet" registered in four countries which are India, Saudi Arabia, United Kingdom and United Arab Emirates amounting to Baht 223 million. The expected useful life is 25 years.

Customer relationship

- TPAC Packaging India Private Limited assessed the identified assets on the date of amalgamation between TPAC Packaging India Private Limited and Sunrise Containers Limited. The subsidiary granted long-term relationship with customer, from Sunrise Containers Limited amounting to Baht 180 million. The expected useful life is 7.5 years.
- The Company assessed the identified assets on the date of acquisition of Sun Packaging Systems (FZC) by granted long-term relationship with customer from Sun Packaging Systems (FZC) amounting to Baht 74 million. The expected useful life is 7.5 years.
- The Company assessed the identified assets on the date of acquisition of Combi-Pack Sdn Bhd by granted long-term relationship with customer from Combi-Pack Sdn Bhd amounting to Baht 275 million. The expected useful life is 10 years.

17. Withholding tax deducted at source

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
Withholding tax in 2017	-	22,844	-	22,844
Withholding tax in 2018	35,546	35,562	35,546	35,546
Withholding tax in 2019	34,811	34,813	34,811	34,811
Total	70,357	93,219	70,357	93,201

The Group presented withholding tax deducted at source as an asset since it has claimed for refund of it. However, the net realisable value of the tax is subject to the examination of the Company's accounts by the officials of Revenue Department.

18. Bank overdraft and short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (% per annum)		Consolidated financial statements	
	2021	2020	2021	2020
Bank overdraft	5.85 - 8.95	5.85 - 5.88	2,652	5,542
Short-term loans from banks	1.63 - 2.75	1.63 - 2.60	748,404	509,800
Total			751,056	515,342

(Unit: Thousand Baht)

	Interest rate (% per annum)		Separate financial statements	
	2021	2020	2021	2020
Bank overdraft	5.85	5.88	1,619	4,192
Short-term loans from banks	1.63 - 2.10	1.63 - 2.00	659,000	464,000
Total			660,619	468,192

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

Bank overdraft credit facility of TPAC Packaging India Private Limited and Combi-Pack Sdn Bhd are secured by the mortgage of property, plant and partial equipment of the subsidiaries as stated in Note 14 to financial statements.

19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade accounts payable - related parties	46,105	12,015	29,832	10,683
Trade accounts payable - unrelated parties	306,511	189,834	124,730	92,866
Accounts payable for purchasing of				
fixed assets	16,181	8,920	11,609	1,707
Account payable for purchasing of shares	80,786	-	80,786	-
Accrued expenses	76,824	73,225	16,099	15,394
Other payables	92,586	74,960	56,211	58,363
Total	618,993	358,954	319,267	179,013

20. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Advance received for molds	53,093	28,736	42,015	14,310
Others	45,157	8,246	2,878	3,063
Total	98,250	36,982	44,893	17,373

21. Long-term loans from banks

			(Unit: Thousand Baht)			
			Consolidated		Separate	
			financial statements		financial statements	
Loan	Interest rate (% per annum)	Repayment schedule	2021	2020	2021	2020
1	MLR - 1.75	Quarterly installments as from 25 February 2019	433,323	548,555	433,323	548,555
2	MLR - 2.00	Quarterly installments as from 30 December 2019	361,250	412,251	361,250	412,251
3	Year 1 - 3: MLR - 1.75 Year 4 - 7: MLR - 2.00	Quarterly installments as from 30 June 2022	886,728	-	886,728	-
4	Bank's Base Lending Rate + 1.00	Monthly installments as from 1 June 2021	15,686	-	-	-
5	Bank's Base Lending Rate + 0.50	Monthly installments as from 1 June 2021	599	-	-	-
6	Bank's Cost of Funds Rate + 1.00	Monthly installments as from 1 June 2021	36,832	-	-	-
7	Bank's 1 month Cost of Funds Rate + 1.00	Monthly installments as from 6 June 2021	65,608	-	-	-
8	8.45%	Semi-annual installments as from 14 December 2021	447,600	-	-	-
Total			2,247,626	960,806	1,681,301	960,806
Less: Deferred financial fees			(10,716)	(2,904)	(9,099)	(2,904)
Net			2,236,910	957,902	1,672,202	957,902
Less: Current portion			(256,612)	(165,249)	(189,274)	(165,249)
Long-term loans, net of current portion			1,980,298	792,653	1,482,928	792,653

Movements of the long-term loan account during the years ended 31 December 2021 and 2020 are summarised below:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2021	2020	2021	2020
Beginning balance	957,902	746,802	957,902	660,990
Add: Additional borrowings	1,373,628	425,000	937,978	425,000
Financial fees amortisation	2,074	1,844	2,055	958
Increase from acquisition of subsidiary	174,970	-	-	-
Less: Repayment	(283,212)	(214,681)	(217,483)	(127,983)
Financial fees paid	(9,843)	(1,063)	(8,250)	(1,063)
Translation adjustment	21,391	-	-	-
Ending balance	2,236,910	957,902	1,672,202	957,902

As at 31 December 2021, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 87 million (31 December 2020: Nil) (the Company only: Baht 87 million (31 December 2020: Nil)).

Loan 1

On 9 August 2018, the Company's Board of Directors' Meeting passed a resolution to acknowledge the loan in total amount not exceed than Baht 1,200 million from a bank in Thailand for investment in the subsidiary (TPAC Packaging India Private Limited). Subsequently, on 16 August 2018, the Company entered into a loan agreement with a bank in the amount of Baht 1,200 million. The loan has no collateral and carries interest at a rate of MLR-1.75 percent per annum. The loan is repayable by quarterly installments Baht 44.4 million each within 7 years from the drawdown date. The Company had fully withdrawn the loan on 20 August 2018. The loan is equivalent to other types of debt of the Company (Pari Passu Inter Se).

On 22 November 2019, the Company made repayment of long-term loan Baht 374.2 million. The loan is repayable by quarterly installments from Baht 44.4 million to Baht 28.8 million each.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintaining interest bearing debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. 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 dividends and assets or income guarantees.

Loan 2

On 1 October 2020, the Company entered into a loan agreement with a bank in the amount of Baht 425 million to purchase 20% of shares in TPAC Packaging India Private Limited. The loan has no collateral with interest at a rate of MLR - 2.00 percent per annum. The loan is repayable by quarterly installments with prescribed principal repayment in the agreement within 6 years from the drawdown date. The Company had fully withdrawn the loan on 5 October 2020.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintaining interest bearing debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. In addition, the Company has to comply with other terms as specified in the agreement, such as the Company is required to maintain a portion of its investment in the subsidiary and required to repay principal in case the Company receives dividend from the subsidiary.

Loan 3

On 24 May 2021, the Company entered into a loan agreement with a bank in the amount of Baht 1,025 million to purchase 80% of shares in Combi-Pack Sdn Bhd. The loan has no collateral with interest at a rate of MLR - 1.75 percent per annum for year 1 - 3, and MLR - 2.00 percent per annum for year 4 - 7. The loan is repayable by quarterly installments with prescribed principal repayment in the agreement within 6 years from 1 year after the drawdown date.

On 30 December 2021, the Company made early principal repayment for two installments with due date in June and September 2022 by Baht 51.2 million.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintaining interest bearing debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. In addition, the Company has to comply with other terms as specified in the agreement, such as condition of principal repayment.

Loan 4 - 7

On 1 June 2021, the Group received its long-term loans from banks as a result of the acquisition of Combi-Pack Sdn Bhd of MYR 8.6 million, MYR 0.2 million, MYR 4.9 million, and MYR 9.5 million, respectively. The principals are repayable by monthly installments at specified amount in the agreements within 7.5 years, 1.5 years, 8.6 years, and 3 years, respectively, from the acquisition date.

Under the loan agreements, the subsidiary has to comply with certain financial terms as specified in the agreement, such as maintaining financial ratio, outstanding balance of tangible assets to be in accordance with the rates stipulated in the agreement. The above loans are pledged by the property, plant and equipment of the subsidiary as collateral, and guaranteed by the directors.

Loan 8

On 10 November 2021, the Company's Board of Directors' Meeting No. 6/2021 approved the subsidiary ("TPAC Packaging India Private Limited"), to enter into long-term loan from a bank in India in total amount of INR 1,000 million, and working capital facilities in total amount of INR 600 million, whereas the Corporate Guarantee by the Company. Subsequently, on 10 December 2021, the subsidiary entered into a loan agreement with a bank in the amount of INR 1,000 million. The loan are pledged by the property, plant and equipment of the subsidiary as collateral and the Corporate Guarantee by the Company, carries interest at a rate of 8.45% percent per annum. The loan is repayable by semi-annual installments at specified amount in the agreements within 6 years from 1 year after the drawdown date. The subsidiary had fully withdrawn the loan on 14 December 2021. The loan is equivalent to other types of debt of the Company (Pari Passu Inter Se).

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, to be in line with the rates stipulated in the agreement. 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 dividends.

22. Debentures

- 22.1** 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 than 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 December 2021, the Company has not issued the debentures.

22.2 On 30 June 2018, the meeting of Board of Directors of TPAC Packaging India Private passed a resolution to issue unsecured non-convertible debentures in total amount not exceed than INR 500 million and to issue secured non-convertible debentures in total amount not exceed than INR 1,300 million, within 1 year from the date of resolution to invest 80% of shares in Sunrise Containers Limited and as a working capital of the subsidiary. The subsidiary has authority to determine any relevant terms and details of the debentures.

On 24 August 2018, the subsidiary issued non-convertible debentures 1,300 units with a par value of INR 1 million, amounting to INR 1,300 million, with a maturity of 5 years and will continuously repay after 18 months as from issuing debentures date, carrying interest at 9.62% per annum. The interest rate of the debentures can be amended by major holders of debentures if the credit rating of the debentures is lower than BB - assessed by the Credit Rating Agencies or mutual agreement between major shareholders and the subsidiary. The debentures are equivalent to other types of debt of the Company (Pari Passu Inter Se) and are listed on BSE in India. The subsidiary has the right to redeem premature debentures in a defined proportion.

Under the terms and conditions of the debentures issuers, the subsidiary has to comply with certain terms and conditions as specified in the agreement, including maintaining debt to equity ratio and debt service coverage ratio. The Company is required to maintain at 80% of shares in its subsidiary. The collateral for the issuance of such debentures is land, buildings and equipment of the subsidiary (after the amalgamation between TPAC Packaging India Private Limited and Sunrise Containers Limited), as well as the Corporate Guarantee. The subsidiary has to deposit the next interest payment with the trustee as stated in Note 12 to financial statements.

For issuance of debentures, the Company has expenses from issuing such debentures which are deducted from debentures value, and those expenses are recorded as interest expenses.

On 20 October 2021, the meeting of the subsidiary's Board of Directors of "TPAC Packaging India Private Limited" approved for early repayment of unsecured non-convertible debentures that are listed on BSE in India in accordance with terms of issuance of debentures.

On 15 December 2021, TPAC Packaging India Private Limited made an early redemption of such debentures amounting to INR 975 million with interest up to the redemption date.

The outstanding balance of long-term debentures as at 31 December 2021 and 2020 are detailed below.

						(Unit: Thousand Baht)	
						Consolidated	
						financial statements	
Debenture	Issue date	Maturity date	Term (years)	Interest rate (% per annum)	Interest payment	2021	2020
1	24 August 2018	24 August 2023	5	9.62% / specified condition	every 6 months	-	478,647
Less: Deferred cost of issuing debentures						-	(12,315)
Net						-	466,332
Less: Current portion						-	(76,025)
Long-term debentures, net of current portion						-	390,307

Movements of the long-term loan account during the years ended 31 December 2021 and 2020 are summarised below:

			(Unit: Thousand Baht)	
			Consolidated	
			financial statements	
			2021	2020
Beginning balance			466,332	518,071
Add: Cost of issuing debentures amortisation			13,033	6,949
Less: Repayment			(523,692)	(55,334)
Translation adjustment			44,327	(3,354)
Ending balance			-	466,332

23. Leases

The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2 - 25 years (The Company only: 2 - 5 years).

23.1 Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land and land improvement	Buildings and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	
Net book value as at						
1 January 2020	15,263	77,755	998	-	1,385	95,401
Depreciation for the year	(1,982)	(6,694)	(419)	-	(511)	(9,606)
Translation adjustment	35	31	-	-	-	66
Net book value as at						
31 December 2020	13,316	71,092	579	-	874	85,861
Additions during the year	4,832	92,922	-	-	1,212	98,966
Increase from acquisition						
of subsidiary	-	-	-	24,068	2,586	26,654
Transferred to equipment	-	-	-	(12,980)	(1,036)	(14,016)
Depreciation for the year	(3,013)	(9,388)	(419)	(1,627)	(1,430)	(15,877)
Translation adjustment	1,401	6,005	-	1,442	141	8,989
Net book value as at						
31 December 2021	16,536	160,631	160	10,903	2,347	190,577

(Unit: Thousand Baht)

	Separate financial statements			Total
	Buildings and building improvement	Furniture and office equipment	Motor vehicles	
Net book value as at 1 January 2020	3,261	591	1,385	5,237
Depreciation for the year	(1,071)	(273)	(511)	(1,855)
Net book value as at 31 December 2020	2,190	318	874	3,382
Additions during the year	-	-	1,212	1,212
Depreciation for the year	(1,094)	(272)	(552)	(1,918)
Net book value as at 31 December 2021	1,096	46	1,534	2,676

23.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Lease payments	307,397	123,627	2,952	3,631
Less: Deferred interest expenses	(118,471)	(35,713)	(200)	(170)
Total	188,926	87,914	2,752	3,461
Less: Portion due within one year	(13,797)	(7,006)	(1,646)	(1,885)
Lease liabilities - net of current portion	175,129	80,908	1,106	1,576

Movements of the lease liabilities account during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Balance at beginning of year	87,914	95,401	3,461	5,237
Additions	98,941	-	1,212	-
Increase from acquisition of subsidiary	9,494	-	-	-
Increase from interest payment	9,137	5,153	133	210
Decrease from repayment	(25,249)	(12,381)	(2,054)	(1,986)
Translation adjustment	8,689	(259)	-	-
Balance at end of year	188,926	87,914	2,752	3,461

A maturity analysis of lease payments is disclosed in Note 36.2 under the liquidity risk.

23.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Depreciation expense of right-of-use assets	15,877	9,606	1,918	1,855
Interest expense on lease liabilities	9,137	5,153	133	210
Expense relating to short-term leases	10,878	5,411	4,144	4,284
Expense relating to leases of low-value assets	6,965	7,091	1,433	1,846

23.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 43 million (2020: Baht 12 million) (the Company only: Baht 8 million (2020: Baht 2 Million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. The future cash outflows relating to leases that have not yet commenced are disclosed in Note 36.2 to the financial statements.

24. Assets associated with call options granted by holders of non-controlling interests / Liabilities associated with put options granted to holders of non-controlling interests

Combi-Pack Sdn Bhd

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

As at 31 December 2021, the Company recorded liabilities associated with put options granted to holders of non-controlling interests amount of Baht 290 million (31 December 2020: Nil) in consolidated and separate financial statements.

Sun Packaging Systems (FZC)

On 24 April 2019, the Company entered into Shareholders Agreement between the Company, Sun Packaging Systems (FZC) and Mr. Kishore Kumar Tarachand Bhatia. The Company has call options which were rights to buy all remaining 11% of shares in Sun Packaging Systems (FZC) from Bhatia Investment Holding Limited. Call options granted to holders of non-controlling interests are summarised below.

First exercise of call options:

Within 6 months from 24 April 2022, the option price is based on specified terms and conditions as stated in the agreement.

Second exercise of call options:

Within 6 months from 24 April 2024, the option price is based on specified terms and conditions as stated in the agreement.

As at 31 December 2021, the Company recorded assets associated with call options granted by holders of non-controlling interests amount of Baht 6.4 million in consolidated and separate financial statements (31 December 2020: Baht 8.8 million).

25. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2021 and 2020 were as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2021	2020	2021	2020
Provision for compensation on employees' retirement	67,078	61,514	42,290	37,492
Provision for long service awards	5,918	3,953	5,629	3,726
Other provisions	6,561	5,431	-	-
Total	79,557	70,898	47,919	41,218

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Group, was as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2021	2020	2021	2020
Provision for long-term employee benefits at beginning of year	70,898	61,086	41,218	36,711
Included in profit or loss:				
Current service cost	13,925	16,436	7,403	6,683
Interest cost	1,258	1,199	655	583
Included in other comprehensive income:				
Actuarial gain (loss) arising from				
Demographic assumptions changes	105	-	-	-
Financial assumptions changes	(815)	955	-	-
Experience adjustments	245	316	-	-
Benefits paid during the year	(8,167)	(8,658)	(1,357)	(2,759)
Translation adjustment	2,108	(436)	-	-
Provision for long-term employee benefits at end of year	79,557	70,898	47,919	41,218

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Cost of sales	10,739	12,823	4,556	4,542
Selling and administrative expenses	4,444	4,812	3,502	2,724
Total expenses recognised in profit or loss	15,183	17,635	8,058	7,266

The Group expect to pay Baht 6.7 million of long-term employee benefits during the next year (The Company only: Baht 2.3 million) (31 December 2020: Baht 8.3 million (The Company only: Baht 3.5 million)).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 5 - 16 years (The Company only: 9 years) (31 December 2020: 6 - 17 years (The Company only: 10 years)).

Significant actuarial assumptions are summarised below:

	(Unit: Percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Discount rate	1.41 - 6.93	1.41 - 6.50	1.59	1.59
Salary increase rate	1 - 8	1 - 8	1 - 5	1 - 5
Turnover rate	0 - 33	0 - 33	0 - 33	0 - 33

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	(Unit: Million Baht)			
	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(7.8)	9.1	(4.3)	5.1
Salary increase rate	9.4	(8.1)	5.2	(4.5)
Turnover rate	(6.1)	2.8	(4.6)	2.0

(Unit: Million Baht)

As at 31 December 2020

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(6.8)	8.0	(3.8)	5.5
Salary increase rate	7.7	(6.7)	4.2	(3.6)
Turnover rate	(5.5)	2.5	(4.0)	1.8

26. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit 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 statutory reserve has fully been set aside (31 December 2020: Baht 4 million).

27. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Interest expenses on borrowings	128,019	100,188	61,582	33,819
Interest expenses on lease liabilities	9,137	5,153	133	210
Total	137,156	105,341	61,715	34,029

28. Expenses by nature

Significant expenses classified by nature are as follow:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Salaries, wages and other employee benefits	588,935	541,131	293,747	317,016
Depreciation and amortisation	427,999	320,954	135,203	130,616
Raw materials and consumables used	3,063,988	1,985,611	906,699	686,308
Changes in inventories of finished goods and work in process	(85,275)	(13,669)	(47,523)	(11,118)

29. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Current corporate income tax charge	65,399	33,855	14,023	33,855
Adjustment in respect of income tax of previous year	(3,380)	-	(3,380)	-
Deferred tax:				
Relating to origination and reversal of temporary differences	149,612	49,009	(1,374)	(1,135)
Relating to actuarial gain (loss)	9	(398)	-	-
Income tax expenses reported in the statement of comprehensive income	211,640	82,466	9,269	32,720

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax relating to actuarial gain (loss)	9	(398)	-	-

The reconciliation between accounting profit and income tax expense is shown below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
Accounting profit before tax	387,003	436,150	112,876	188,733
Applicable tax rate	0%, 8%, 20%, 24%, 25.17%	0%, 8%, 20%, 25.17%	8%, 20%	8%, 20%
Accounting profit before tax multiplied by income tax rate	84,158	84,054	22,546	37,747
Adjustment in respect of income tax of previous year	(3,380)	-	(3,380)	-
Effects of:				
Non-deductible expenses	8,246	2,982	1,723	1,958
Additional expense deductions allowed	(3,176)	(5,826)	(3,176)	(5,826)
Dividend which exempted corporate income tax	(10,607)	-	(10,607)	-
Unused tax loss	-	(46,307)	-	-
Disallowance of tax benefit related to goodwill from amended Finance Act	138,947	-	-	-
Others	(2,548)	47,563	2,163	(1,159)
Total	130,862	(1,588)	(9,897)	(5,027)
Income tax expenses reported in the statement of comprehensive income	211,640	82,466	9,269	32,720

The components of deferred tax assets and deferred tax liabilities as at 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for expected credit losses	600	791	-	-
Allowance for diminution in value of inventories	1,120	645	371	314
Allowance for assets impairment	125	125	125	125
Accumulated depreciation - equipment	219	242	219	242
Provision for long-term employee benefits	11,253	8,851	9,584	8,244
Contingent liabilities	1,285	1,067	-	-
Cost of amalgamation of subsidiary	146	242	-	-
Unused tax loss	-	41,354	-	-
Total	14,748	53,317	10,299	8,925
Deferred tax liabilities				
Accumulated depreciation - building and equipment	360,731	139,968	-	-
Total	360,731	139,968	-	-
Deferred tax assets (liabilities) - net	(345,983)	(86,651)	10,299	8,925

As at 31 December 2021, a subsidiary has unused tax loss on which deferred tax assets have not been recognised in total of Baht 84 million (31 December 2020: Baht 54 million).

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

International Business Center

On 24 June 2019, the Revenue Department approved the Company to be International Business Center in providing management services, technical services, supporting services, and international trade with tax benefits for 15 accounting periods as from 1 June 2019 to 31 December 2033 under specified requirements.

Benefits from amalgamation - TPAC Packaging India Private Limited

As at amalgamation date, TPAC Packaging India Private Limited granted benefits from amalgamation. The subsidiary is able to utilise tax benefit in respect of difference between fair value and book value of property, plant and equipment, intangible assets, and goodwill.

On 28 March 2021, the Government of India amended Finance Act, which terminated TPAC Packaging India Private Limited's income tax benefits on goodwill of INR 321 million as from 1 April 2020 (according to India's tax fiscal year), and the subsidiary then commenced to have income tax expenses during this tax fiscal year. As at 31 December 2021, the subsidiary had no unused tax loss, write-off deferred tax assets - unused tax losses, and also recognised deferred tax liabilities - accumulated depreciation to reflect the amendment of Finance Act.

Exemption of corporate income tax for companies located in Sharjah Airport International Free Zone in United Arab Emirates

Sun Packaging System (FZC) located in Sharjah Airport International Free Zone in United Arab Emirates, and granted corporate income tax exemption for 50 years as from the subsidiary's founding date in 2004.

30. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

Consolidated financial statements						
Profit for the year		Weighted average number of ordinary shares		Earnings per share		
2021	2020	2021	2020	2021	2020	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the company						
152,939	321,979	326,550	326,550	0.47	0.99	
Separate financial statements						
Profit for the year		Weighted average number of ordinary shares		Earnings per share		
2021	2020	2021	2020	2021	2020	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the company						
103,606	156,013	326,550	326,550	0.32	0.48	

31. Segment information

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 Board of Directors. The basis that used to measure operating profit or loss of segment is same as the basis that used to measure operating profit or loss in the financial statements.

For management purposes, the Group is principally engaged in the manufacture and distribution of plastic packaging. Their operations are carried on in two geographic areas in Thailand which consists of the Company and TPAC Packaging (Bangna) Company Limited, and overseas countries which consists of India as operated by TPAC Packaging India Private Limited and TPAC Packaging India II Private Limited, United Arab Emirate as operated by Sun Packaging Systems (FZC), and Malaysia as operated by Combi-Pack Sdn Bhd.

The basis of accounting for any transactions between reportable geographical segments is consistent with that for third party transactions.

The revenue and profit information by geographical segment in the consolidated financial statements for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December							
	Thailand		Overseas countries		Elimination of inter-segment revenues		Consolidation	
	2021	2020	2021	2020	2021	2020	2021	2020
Sales to external customers	1,860,753	1,795,754	3,333,239	2,187,029	-	-	5,193,992	3,982,783
Inter-segment sales	102,138	20,659	15,641	13,419	(117,779)	(34,078)	-	-
Total sales	<u>1,962,891</u>	<u>1,816,413</u>	<u>3,348,880</u>	<u>2,200,448</u>	<u>(117,779)</u>	<u>(34,078)</u>	<u>5,193,992</u>	<u>3,982,783</u>
Segment operating profit	99,498	182,508	425,555	359,292	(893)	(309)	524,160	541,491
Unallocated income and expenses:								
Finance cost							(137,156)	(105,341)
Income tax expenses							(211,632)	(82,864)
Profit for the year							<u>175,372</u>	<u>353,286</u>

Major customers

During the years ended 31 December 2021 and 2020, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act. B. E. 2530. Both employees and the Group contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by Bank of Ayudhaya Public Company Limited and Thanachart Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 6.8 million (The Company only: Baht 6.3 million) (31 December 2020: Baht 6.5 million (The Company only: Baht 5.7 million)) were recognised as expenses.

33. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2020	Annual General Meeting of the shareholders on 23 April 2021	95,353	0.292
Total dividends for 2021		95,353	0.292
Final dividends for 2019	Annual General Meeting of the shareholders on 21 April 2020	40,819	0.125
Total dividends for 2020		40,819	0.125

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2021, the Group had capital commitments totaling approximately Baht 16.1 million, USD 0.7 million, EUR 0.3 million, JPY 2.5 million, INR 67.6 million relating to acquisition of machinery and molds (The Company only: Baht 10.7 million, USD 0.5 million, and JPY 2.5 million) (31 December 2020: Baht 14.3 million, USD 1.0 million, EUR 0.6 million, JPY 10.6 million and INR 111.9 million relating to acquisition of machinery and molds (The Company only: Baht 13.5 million, USD 0.4 million, EUR 0.6 million and JPY 4.8 million)).

34.2 Guarantees

As at 31 December 2021, 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 2020: Baht 20 million and INR 33 million (The Company only: Baht 14 million)).

34.3 Litigations

TPAC Packaging India Private Limited has been carrying excise duty, and good and service tax under dispute amounting to INR 14 million (31 December 2020: INR 14 million). These contingent liabilities have arisen pursuant to notice received from Indirect tax department. Currently, litigation is in progress pertaining to such disputes at the Courts in India. The management of subsidiary has set aside provision for the potential losses to such case amounting to INR 11 million (31 December 2020: 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.

34.4 Commitments related to Sale and Purchase Agreement and Shareholders Agreement

On 31 December 2021, two subsidiaries entered into the Sale and Purchase Agreement and the Shareholders Agreement between both subsidiaries and group of sellers, as described in Note 13 to the financial statements.

35. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated and Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Assets associated with call options granted by holders of non-controlling interests	-	-	6.4	6.4
Liabilities measured at fair value				
Financial liabilities measured at FVTPL				
Other current financial liabilities				
Foreign exchange forward contracts	-	0.1	-	0.1

	(Unit: Million Baht)			
	Consolidated and Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Other current financial assets				
Foreign exchange forward contracts	-	0.2	-	0.2
Assets associated with call options granted by holders of non-controlling interests	-	-	8.8	8.8

36. Financial instruments

36.1 Derivatives

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	-	165	-	165
Total derivative assets	<u>-</u>	<u>165</u>	<u>-</u>	<u>165</u>
Derivative liabilities				
Derivative liabilities not designated as hedging instruments				
Foreign exchange forward contracts	23	-	23	-
Total derivative liabilities	<u>23</u>	<u>-</u>	<u>23</u>	<u>-</u>

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from February - March 2022.

36.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, restricted bank deposits, trade and other receivables, bank overdraft and short-term loans from banks, trade and other payables, long-term loans, and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks, and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and major customers are diversified as the Group has various customer base and they are reputable customers.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due. 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.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans, debentures, and lease contracts. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows, and included interest payment:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	47,189	707,682	-	-	754,871
Trade and other payables	-	618,993	-	-	618,993
Lease liabilities	-	24,077	72,748	210,572	307,397
Long-term loans from banks	-	356,350	1,822,143	402,683	2,581,176
Total non-derivatives	47,189	1,707,102	1,894,891	613,255	4,262,437

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2020

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	18,072	499,466	-	-	517,538
Trade and other payables	-	358,954	-	-	358,954
Lease liabilities	-	11,767	49,789	62,376	123,932
Long-term loans from banks	-	196,696	858,267	-	1,054,963
Debentures	-	123,902	457,709	-	581,611
Total non-derivatives	18,072	1,190,785	1,365,765	62,376	2,636,998

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2021

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	47,189	616,484	-	-	663,673
Trade and other payables	-	319,267	-	-	319,267
Lease liabilities	-	1,745	1,207	-	2,952
Long-term loans from banks	-	247,661	1,330,842	290,349	1,868,852
Total non-derivatives	47,189	1,185,157	1,332,049	290,349	2,854,744

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2020

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans from banks	18,072	452,027	-	-	470,099
Trade and other payables	-	179,013	-	-	179,013
Lease liabilities	-	2,008	1,624	-	3,632
Long-term loans from banks	-	196,696	858,267	-	1,054,963
Total non-derivatives	18,072	829,744	859,891	-	1,707,707

Market risk

There are three types of market risk comprising currency risk, interest rate risk, and plastic polymers price risk. The Group enters into foreign exchange forward contracts to hedge the foreign currency risk arising on sales transactions.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its sales transactions that are denominated in foreign currencies. Mostly, the Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 currency unit)	
US Dollar	4,092	2,796	1,916	526	33.4199	30.0371
Euro	178	161	200	57	37.8948	36.8764
Pound Sterling	30	13	-	-	45.0984	40.6403
Singapore Dollar	479	-	11	6	24.7357	22.6632
Dirham United Arab Emirates	-	-	-	24	-	8.1774
Australian Dollar	1,253	-	173	-	24.2627	-
Malaysian Ringgit	-	-	9,944	-	8.0143	-
Japanese Yen	-	-	37,800	-	0.2906	-
Swiss Franc	-	-	3	-	36.5228	-
Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 currency unit)	
US Dollar	1,370	993	31	31	33.4199	30.0371
Euro	-	-	89	-	37.8948	-
Singapore Dollar	-	-	2	6	24.7357	22.6632
Malaysian Ringgit	-	-	9,944	-	8.0143	-
Japanese Yen	-	-	37,800	-	0.2906	-
Swiss Franc	-	-	3	-	36.5228	-

As at 31 December 2021, the Group had foreign exchange contracts outstanding are summarised below.

Consolidated and Separate financial statements					
Foreign currency			Contractual exchange rate		Contractual maturity date
	Bought amount	Sold amount	Bought amount	Sold amount	
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)		
US Dollar	-	254	-	32.80 - 33.95	24 February 2022 - 8 March 2022

As at 31 December 2020, the Group had foreign exchange contracts outstanding are summarised below.

Consolidated and Separate financial statements					
Foreign currency			Contractual exchange rate		Contractual maturity date
	Bought amount	Sold amount	Bought amount	Sold amount	
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)		
US Dollar	-	848	-	29.82 - 31.29	6 January 2021 - 29 March 2021

Foreign currency sensitivity

The Group has no significant impact on the Group's profit before tax and equity due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2021 and 2020, as from a reasonably possible change in exchange rates within next one year, with all other variables held constant.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash and cash equivalents, restricted bank deposits, bank overdraft and short-term loans from banks, long-term loans, and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised 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.

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2021

	Fixed interest rates			Floating	Non-		
	Within	1-5	More than	interest	interest		Effective
	1 year	years	5 years	rate	bearing	Total	interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	279	115	394	Note 7
Trade and other receivables	-	-	-	-	1,239	1,239	-
Restricted bank deposits	18	-	-	-	-	18	Note 12
	18	-	-	279	1,354	1,651	
Financial liabilities							
Bank overdraft and short-term							
loans from banks	751	-	-	-	-	751	Note 18
Trade and other payables	-	-	-	-	619	619	-
Lease liabilities	14	36	139	-	-	189	Note 23
Long-term loans from banks	33	323	90	1,791	-	2,237	Note 21
	798	359	229	1,791	619	3,796	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2020

	Fixed interest rates			Floating	Non-		
	Within	1-5	More than	interest	interest		Effective
	1 year	years	5 years	rate	bearing	Total	interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	-	-	-	173	23	196	Note 7
Trade and other receivables	-	-	-	-	826	826	-
Restricted bank deposits	23	-	-	-	-	23	Note 12
	23	-	-	173	849	1,045	
Financial liabilities							
Bank overdraft and short-term							
loans from banks	515	-	-	-	-	515	Note 18
Trade and other payables	-	-	-	-	359	359	-
Lease liabilities	7	29	52	-	-	88	Note 23
Long-term loans from banks	-	-	-	958	-	958	Note 21
Debentures	76	390	-	-	-	466	Note 22
	598	419	52	958	359	2,386	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2021						
Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)	
Within 1 year	1-5 years					
Financial assets						
Cash and cash equivalents	-	-	4	7	11	Note 7
Trade and other receivables	-	-	-	492	492	-
Short-term loans to related party	7	-	-	-	7	Note 6
	7	-	4	499	510	
Financial liabilities						
Bank overdraft and short-term						
loans from banks	661	-	-	-	661	Note 18
Trade and other payables	-	-	-	319	319	-
Lease liabilities	2	1	-	-	3	Note 23
Long-term loans from banks	-	-	1,672	-	1,672	Note 21
	663	1	1,672	319	2,655	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2020						
	Fixed interest rates		Floating	Non-		
	Within	1-5	interest	interest		Effective
	1 year	years	rate	bearing	Total	interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	3	3	6	Note 7
Trade and other receivables	-	-	-	394	394	-
	-	-	3	397	400	
Financial liabilities						
Bank overdraft and short-term						
loans from banks	468	-	-	-	468	Note 18
Trade and other payables	-	-	-	179	179	-
Lease liabilities	2	2	-	-	4	Note 23
Long-term loans from banks	-	-	958	-	958	Note 21
	470	2	958	179	1,609	

Interest rate sensitivity

The Group has no significant impact on the Group's profit before tax and equity due to changes in the fair value of monetary assets and liabilities to a reasonably possible change in floating interest rate as at 31 December 2021 and 2020, as from a reasonably possible change in interest rates within next one year, with all other variables held constant.

Plastic polymers price risk

The Group is affected from a fluctuation of plastic polymers, as operations of the Group require to purchase plastic polymers, main raw material, for production. The Group has risk related to change in plastic polymers price of forecasted plastic polymers to be consumed.

The Group's Board of Directors has developed and enacted a risk management strategy for plastic polymers price risk by having customer arrangements which allow the Group to adjust pricing to be in line with quarterly price movement of plastic polymers and diversified the risk of supply disruptions by purchasing plastic polymers from multiple local suppliers.

36.3 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.

The methods and assumptions used by the Group estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable, short-term loans to related party, account payable, bank overdraft and short-term loans from banks, the carrying amounts in the statement of financial position approximate their fair value.
- b) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, and fixed rate long-term loans which interest rate is comparable to market rate, in the statement of financial position approximates their fair value.
- c) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies. The Group considers counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers within the fair value hierarchy.

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

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	Assets associated with call options granted by holders of non-controlling interests	Total
Balance as at 31 December 2020	8.8	8.8
Net loss recognised into profit or loss	(2.4)	(2.4)
Balance as at 31 December 2021	6.4	6.4

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Assets associated with call options granted by holders of non-controlling interests	Black Scholes Model	Stock price and strike price	0.16 AED/share	No significant impact

37. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value, and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods. As at 31 December 2021, the Group's interest bearing debt to equity ratio was 1.28:1 (2020: 1.22:1) and the Company's interest bearing debt to equity ratio was 1.30:1 (2020: 0.81:1).

38. Events after the reporting period

38.1 On 25 February 2022, the Company's Board of Directors' Meeting No. 1/2022 passed resolutions of the acquisition of M/s Skypet Polymers as follows:

- Approved TPAC Packaging India Private Limited to increase its share capital in total of INR 20 million by the Company (2 million shares with a par value of INR 10 each) as for initial investment in share capital of TPAC Packaging India II Private Limited (2 million shares with a par value of INR 10 each)
- Approved TPAC Packaging India II Private Limited to enter into long-term loan agreement with a bank in India in total amount of INR 430 million, and working capital facilities in total amount of INR 200 million, whereas the Corporate Guarantee by the Company
- Approved amended plan of the acquisition of M/s Skypet Polymers by TPAC Packaging India II Private Limited, and approved the subsidiaries to amend Sale and Purchase Agreement and the Shareholders Agreement between both subsidiaries and group of sellers. The initial purchase price is amounting to INR 970 million to be paid to group of sellers that consists of
 - 1) Mrs. S. Shanthi - in amount of INR 582 million
 - 2) Mrs. S. Manimekalai - in amount of INR 194 million
 - 3) Mr. S. Selvaraj - in amount of INR 194 millionas agreed to pay the considerations to group of sellers by 87.5% of the initial purchase price on the completion date, and the remaining 12.5% of the initial purchase price on the date as stated in the agreements including interest of 5.5% per annum on the accrued consideration.

Source of funds of TPAC Packaging India II Private Limited for the acquisition of M/s Skypet Polymers are as follows:

- a) TPAC Packaging India II Private Limited will call for initial investment in share capital from TPAC Packaging India Private Limited in total of INR 20 million by the Company (2 million shares with a par value of INR 10 each).
- b) TPAC Packaging India II Private Limited will enter into loan agreement with a bank in India amount of INR 594 million.
- c) TPAC Packaging India II Private Limited will loan from TPAC Packaging India Private Limited amount of INR 356 million.

After TPAC Packaging India II Private Limited accepts the business transfer from M/s Skypet Polymers, the subsidiary will issue and allot newly issued shares capital 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, one of the shareholders of M/s Skypet Polymers, at the subscription price at INR 5 million. Mr. S. Selvaraj will also provide loan to TPAC Packaging India II Private Limited amount of INR 89 million.

After TPAC Packaging India II Private Limited receives consideration from Mr. S. Selvaraj in total amount of INR 94 million, the subsidiary will repay short-term loan from a bank in India.

- 38.2 On 25 February 2022, the Company's Board of Directors' Meeting No. 1/2022 passed a resolution to propose the annual general meeting of the Company's shareholders to adopt 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 and recorded after it is approved by the annual general meeting of the Company's shareholders.

39. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2022.

PART 4

Certification of Information Attachments:



APPENDIX 1 Details of Directors, Executives, Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary

APPENDIX 1.1

Details of Directors, Executives, Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary.

Details of assets used in business operation It appears in Section 2, page 63 and Section 2, page 84

APPENDIX 1.2

The position of director and executives in the Company, subsidiaries and associates

List of Directors	The Company	Subsidiaries			
		TPAC Packaging (Bangna) Limited	TPAC Packaging India Private	Sun Packaging Systems (FZC)	Combi- Pack Sdn Bhd
1) Mr. Kevin Qumar Sharma	C, IV, VI, VII	C, IV	I	C, I	C, I
2) Theerawit Busayapoka	IV, V, VI, VII	I			
3) Mr. Anil Kumar Kohli	IV, VII	I	I	I	I
4) Mrs. Aradhana Lohia Sharma	I	I	I		
5) Mr. Yashovardhan Lohia	I				
6) Mr. Virasak Sutanthavibul	I, III, V				
7) Mr. Kittiphat Suthisamphat	I, III, V				
8) Mr. Gran Chayavichitsilp	I, III, V				
9) Mr. Khanit Thanawuthikrai	X				

Remark:

C = Chairman of the Board I = Director II = Independent Director III = Audit Committee IV = Executive Committee
V = Nomination and Remuneration Committee VI = Corporate Governance Committee
VII = Risk Management Committee X = Executive

APPENDIX 2 Details of the Directors of the Subsidiary

List of Directors	Subsidiaries			
	TPAC Packaging (Bangna) Limited	TPAC Packaging India Private	Sun Packaging Systems (FZC)	Combi-Pack Shn Bhd
1) Mr. Shrinath Ramachandra Kasi		II		
2) Mr. Nimit Kishore Bhatia		II		
3) Mr. Suyog Chitlange			II	
4) Mr. Chow Chee Yut				I

Remark:

C = Board of Director I = Director II = Executive Director X = Executive

APPENDIX 3 : 3.1 Details of Head of Internal Audit

The Company hired Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. Is an Audit Service provider of internal Control with details of the Head of Internal Audit as follows

Head of Internal Audit	Education / Training	Time Period	Company	Position
Mr. Weerapong Krisadawat	<ul style="list-style-type: none"> Master of Science (MS) in Management Sciences University of Southampton in UK Bachelor of Science in Statistics with Management Science Techniques, University of Wales Institution of Science and Technology in UK The Thai Institute of Directors Association (IOD) Director Certification Program Institute of Internal Auditors of Thailand Certified Information Security Manager (CISM) Certified Information Systems Auditor (CISA) 	Year 2004 – Present	Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.	Partner

APPENDIX 4 Assets for business operation and Details about the appraisal items

1. Assets for business operation

Details of assets used in business operation It appears in Section 1, page 20

2. Details about the appraisal items

- None -

**Good Corporate Governance Policy
Of
Thai Plaspac Company Limited and Subsidiaries**

Section 1 Rights of Shareholders

Section 2 Equitable Treatment of Shareholders

Section 3 Roles of Stakeholders

Section 4 Disclosure of Information and Transparency

Section 5 Responsibilities of the Board of Directors

Section 1: Shareholders' Right

The Company respects the rights of all shareholders to equally obtain the Company's information accurately, completely, adequately and timely to support their decision in every matter. Therefore, the Board of Directors have adopted the following policies.

1. Disclosure of the Company's material information and necessary for shareholders shall be done through the Company's website and through the Stock Exchange of Thailand in a clear and timely manner.
2. Regarding the shareholders' meetings, all shareholders shall receive clear information relating to the meeting adequately and equally in order to review and consider prior to the meeting will take place. The Company shall release information about date, time, venue and agenda of shareholders meeting in precisely, both in Thai and English, via the Stock Exchange of Thailand system "SET Portal" and the Company's website 30 days before the meeting date.
3. For the invitation notice of the shareholders' meeting, the Company shall provide detailed information of each agenda with explanation and director's recommendation. The Company shall disseminate the meeting notice together with related documents e.g. registration form, list of documents and identifications to be presented before entering the meeting room, registration and proxy process, proxy form, etc. The invitation notice, both in Thai and in English, shall be published in the Company's website 30 days before the meeting date while the printed copy shall be delivered to all shareholders at least 21 days before the meeting date.
4. In case that shareholder cannot attend the meeting, he/she has a right to appoint an independent director or any person to represent him/her in the meeting by signing the proxy form which is attached to the invitation notice of the meeting, or can be downloaded from the Company's website.

5. At the meeting, shareholder shall consider and vote for a resolution of each agenda in respectively. There shall not be urgently any changes in material information or any additional agenda in the shareholders' meeting. All shareholders have a right to review the Company's operation results by inquiring or making recommendations and suggestions to the Board and related management who are obliged to attend the meeting and answer all shareholders' inquiries.
6. The Company requires all directors to attend and vote in the shareholders' meeting when there are any changes in core policies of the Company and any changes in shareholder's rights, which needs decision making and approval from the shareholders' meeting.
7. The Company shall disclose to the public the voting results of each agenda in the shareholders' meeting via the Stock Exchange of Thailand system "SET Portal" and the Company's website on the next business day after the meeting date.
8. Minutes of the shareholders' meeting shall be prepared in a complete, accurate, timely and transparent manner, recording all important issues and recommendations in details for shareholders reviewing. The Company shall also record video footage of the meeting for future references. Additionally, the minutes of shareholders' meeting shall be published in the Company's website for the shareholders' consider and submitted to the Stock Exchange of Thailand within 14 days from the date of the meeting take place.
9. Right to obtain the share certificate and right to transfer ownership of the shares.
10. Right to attend and vote in the shareholders' meeting to make decision in any changes of the Company's policies and any changes of the shareholder's rights, which require approval from the shareholders' meeting.
11. Right to appoint and dismiss the Company's directors and to approve the hiring of independent auditors.
12. Right to approve directors' remuneration package and dividend payment.
13. Right to propose the agenda for the annual general shareholders' meeting according to the Company's guidelines.
14. Right to propose candidates for the director position according to the Company's guidelines.
15. All other rights permitted by law.

Section 2: Equitable Treatment of Shareholders

The Company has set a policy to promote the practices to treat all shareholders, individual and institutional, local and foreign, equally and fairly, with the following details.

1. It is crucial to disclose the information and news about the Company in an accurate, complete and timely manner to all shareholders through the websites of the Company and the Stock Exchange of Thailand.



2. The Company provides options for shareholder who cannot attend the general shareholders' meeting to appoint a person or an independent director nominated by the Company to be his/her proxy to attend and vote in the meeting. Three types of proxy form, approved by Department of Business Development, Ministry of Commerce, shall be attached to the notice of the shareholders' meeting.
3. To ensure that all shareholders receive clear, accurate and adequate information on an equal basis and have sufficient time to read through all related information before the meeting, the Company shall disseminate the invitation notice of the shareholders' meeting together with the Board of Directors' comments and declaration. Moreover, the Company shall disseminate together with the related documents e.g. registration form, list of documents and identifications to be presented before entering the meeting room, registration and proxy process, proxy form, etc. The notice, both in Thai and in English, shall be published in the Company's website 30 days before the meeting date while the printed copy shall be delivered to all shareholders at least 21 days before the meeting date.
4. In the shareholders' meeting, the allocation of time for each agenda shall be done appropriately.
5. It is the Company's policy to encourage director who has or may have an interest in any agenda to refrain himself from discussion and decision making for resolution of such agenda.
6. To prevent insider information trading, the Company has set the following policy:
 - Do not use or disclose the Company's information, except normal business information or public information, for personal interest or other person's interest or to bring about any damages to the Company.
 - All directors and executives are required to report holdings of the Company's securities when first appointed to the position by filings the 59-1 form (Report of securities holding) to the Securities and Exchange Commission (SEC) within 30 business days from the date of appointment; and to report any purchase, sale or transfer of the Company's securities by filing to the SEC the 59 2 form (Report of changes in securities holding) within three business days from the date of the change. The Company also has a policy to encourage all directors and executives to voluntarily inform the Board about the securities trading at least one day prior to trading date.
 - Conflict of interests. The Company has a connected transaction policy which stipulates that all connected transactions incurred by directors and executives must be treated in the same way as external parties and must be disclosed to comply with the regulatory requirements to avoid any conflict of interests.
 - The Company encourage its directors and executives to voluntarily do not trade the Company securities during the one-month period prior to the announcement of quarterly and annual financial statements; and do not use inside information for trading of the Company securities.

Section 3: Role of Stakeholders

The Company is aware and recognizes the rights of all groups of stakeholders, internal and external. Mainly Internal stakeholders are shareholders and employees while external stakeholders include customers, suppliers, creditors, competitors, public sectors, public offices and communities. The company has received supports from various stakeholders to strengthen its competitive the below policy, the Company has also announced the Whistleblower Policy to provide channels for all stakeholders to file complaints or report any suspicious incidents of misconduct or corruption. Provided that there is the Policy includes complaint procedure and protection of the whistleblower as the followings:

Shareholders

The Company realizes that shareholders are the Company's owners while the Company has a duty to build long-term economic value added for the shareholders. So, its directors, management and employees are obliged to follow the below guidelines.

1. Perform his/her duties with integrity and make every decision in according to the professional principles with careful, realize and fair consideration of all groups of shareholders, major and minor and for the best interests of the Shareholders as a whole.
2. Present reports of the Company's operating result, financial status, financial and accounting statements and others consistently, completely and accurately.
3. Notify all shareholders equally the information about future trends of the Company, both negative and positive, based on possibilities, sufficient data and adequate rationale.
4. It is prohibited for all employees to use or disclose any non-public information for benefits of their own or other related persons, or for any course of actions which may pose a conflict of interest with the Company.
5. The Company shall not take any actions which violate or deprive the shareholder rights, i.e. failure to submit material information or documents to the shareholders prior to the shareholders' meeting, adding important agenda or changing material information without advanced notifications to shareholders before the shareholders' meeting.
6. The Company shall encourage shareholders to use their rights in matters such as the right to nominate candidate for director position, the right to express their opinions and ask crucial questions relating to the meeting agenda.

Employees

The Company believes that, to achieve our business goals, employees is one of the most valuable resource and they deserve favorable treatments. Therefore, the Company shall treat its employees fairly and equally in all aspects, career opportunities, compensation, promotion, transfer as well as versatile training and development plan. To be able to grow and expand its business in the future, the Company has set a policy to promote and support the development of all employees. All employees shall be

treated equally with respect for human rights, good and safe working environment, proper and fair compensation and benefits in accordance with their responsibilities, duties and position.

Customers

The Company is well-aware of the importance of its customers and has set the following policy regarding customer treatments.

1. Customer shall be treated with courtesy and enthusiasm. Employee should be ready to welcome customers and to provide sincere, attentive service with care. Like serving the close relatives, customer service must be prompt, accurate and trustworthy.
2. Maintain customer confidentiality and never misuse it for personal or other related person's interests.
3. Provide accurate, adequate and timely information relating to the Company's services to all customers, without exaggerated advertisement which may mislead customers about the quality or any service conditions.
4. Give advice about the Company's services and related processes efficiently with the intention to maximize customer benefit.

Business Partners and Creditors

The Company is committed to treating its business partners and/or creditors fairly, honestly without taking any advantages of the relationship. The Company and its subsidiaries believe in conducting business with integrity, transparency and fairness in order to achieve maximum pay-off for both sides. The business partners must not bring discredit to the Company's reputation and must comply with the law, morality and ethics, customs and traditions. Purchasing of goods and related process must be transparent and auditable. Any situations that pose a conflict of interest should be avoided and any trade negotiations should be based on business relationship. Following are related guidelines.

1. Do not demand, or receive, or offer any payment or benefit of any dishonest dealing with business partners and/or creditors.
2. If there is any information of bribery, demanding or receiving or offering benefit of dishonest dealing, such information must be disclosed to the related business partners and/or creditors for investigation and resolution in a fair and timely manner.
3. All terms and conditions of the agreement shall be strictly followed. If any conditions cannot be complied, responsible person must inform the creditors in advance in order to jointly find solutions.

The process of selecting suppliers: The Company's policy requires at least 3 companies to join the bidding process. The Company will select supplier who offer reasonable prices and meet the specifications of the product or service that the Company's requirements.

Banks, Financial Institutions, Creditors

The Company is committed to treating the bank, financial institution, its creditor and guarantor with honesty; and to repayment of loans and interest on time. The Company set strategies of working capital management to ensure that the Company shall not be in any difficulties in repayment to the bank, financial institution, its creditors and guarantor. The Company shall also strictly comply with all terms & conditions specified in the loan agreements and the other agreements.

Competitors

The Company has a policy to treat all competitors with integrity, not breaching confidentiality or revealing trade secrets of competitors obtained in an illegal or deceptive way. Following are guidelines of the policy.

1. Abide by the rules of ethical competition
2. Do not seek for confidential information or trade secrets of competitors by using illegal or inappropriate methods.
3. Do not discredit competitors by any negative accusation
4. The Company supports and promotes free and fair competition.

Community and Societies

The Company's policy is to conduct business that benefits the economy and society by adhering to practices of a good citizen who fully complies with laws and regulations. The Company commits to developing, promoting and leveraging the quality of life in the society and the communities in which the company is located, along with the growth of the company

Section 4: Disclosure and Transparency

The Company has a policy to disclose financial information and other business relating information as well as the Company's operation results which is truthful, complete, adequate, consistent and timely. The information should reflect the actual financial status and operating performance, and the future of the Company's business. By publishing such information on the company's website, both in English and Thai, and disseminating through press releases and media of the Stock Exchange of Thailand, all shareholders and other stakeholders shall receive the Company's information thoroughly and equally. Additionally, the Company shall consistently improve and change the method and practice of information disclosure to comply with the existing regulatory requirements from the Stock Exchange of Thailand and the Securities and Exchange Commission.

Section 5: Board of Directors' Responsibilities

The Board is responsible to shareholders regarding the Company's business operation and corporate governance to achieve its goals in the direction which brings maximum benefits to shareholders, taking into account the interests of all stakeholders. The Board has a duty to comply with the law, the Company's Objectives, its Articles of Association and the resolutions of the shareholders' meeting. The Board shall perform its duties with integrity and honest and shall vigilantly protect the interest of shareholders and

other stakeholders in both short term and long term. In order to ensure that the Company's operation will be aligned with the given direction and brings maximum benefits to shareholders and all stakeholders, the Board shall oversee the creation and development of the Company's vision, mission, goal, policy, business direction, strategic operating plan and annualized budgeting. The Board shall share its opinions to clarify and create mutual understanding of business overview in prior to approval and shall monitor the administration to achieve to the set goals by adhering to the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission.

Board of Directors' Structure and the Meeting quorums

The Company's Board of Directors is composed of directors who are competent, knowledgeable with various fields of experience. With the main responsibility to consider and make decision in key issues relating to the management of the Company, all directors are free to express their idea in the meeting and to vote for resolution of each agenda with the purpose to ensure that the management and operation of the Company are rightful, efficient and transparent.

According to the Article of Associations of the Company, the Board of Directors consists of at least 5 persons of which not less than one-half (1/2) of the directors shall reside in Thailand. Provided that at least 3 persons or not less than one-third (1/3) of total directors shall be the Independent Directors.

At least 2/3 of the total member of the Board must be presented to form a quorum at the time of the Board passing a resolution.

Role and Responsibilities of the Board of Directors

The Board of Directors has the authorized, duties, and responsibilities to manage the Company and the subsidiaries in accordance with the relevant law, the objectives and the Company's Articles of Association as well as all legitimate resolutions of the shareholders' meetings as follow:

1. To conduct their duties in compliance with the laws, objectives, articles of association and resolutions of shareholders' meetings with duty of care and duty of loyalty.
2. To formulate and approve the vision, strategies, business directions, policies, targets, guidelines, plans of work and budget of the Company and its subsidiaries as prepared by management and oversee the administration and the performance of the management or any persons assigned to do such work to ensure compliance with the policies set out by the Board of Directors.
3. To follow-up the outcome of work to ensure compliance with the plan and budget on an ongoing basis.
4. To ensure that the Company and its subsidiaries adopt and set in place an appropriate, strong and effective accounting system including an internal control and internal audit system.
5. To review the risk management procedures and policies and also follow up on the results.
6. To set in place the corporate governance policy and its effective implementation.

7. To appoint the sub-committees such as Audit Committee, Nomination, Remuneration and Corporate Governance Committee, or any other sub committees in order to assist the Board of Directors duties.
8. To appoint the senior executive positions of the Company such as Chairman of Executive Committee, Chief Executive Officer, Chief Operating Officer and Chief Financial Officer and any other senior officer as deemed necessary.
9. To appoint the Company Secretary to assist the Board of Directors in its various activities to run the business in line with the related laws and regulations.
10. To seek professional opinions from external agencies, if required in order to take appropriate decisions.
11. To encourage directors and executives to attend the seminar program of Thai Institute Directors Association (Thai-IOD) in the course that related to their duties and responsibilities.

In any case, the authorization of duties and responsibilities of the Board of Directors of the Company shall not constitute an authorization or sub-authorization which may cause the Board of Directors of the Company or its authorized person(s) to be able to approve any transaction that such person or any person who may have a conflict of interest (as defined in the notification of the Securities and Exchange Commission or the notification of the Capital Markets Supervisory Board) may have an interest or may benefit in any manner or may have any other conflict of interest with the Company or its subsidiaries, unless the approvals of such transactions are consistent with the policies and criteria approved by the shareholders meeting or the Board of Directors meeting. In order to achieve a balance of power, the position of the Chairman of the Board and that of the Group CEO are different. The Chairman of the Board of Directors is a Non-Executive Director.

Role and Responsibilities of the Chairman

The principle role of the Chairman of the Board is to ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy.

The Chairman plays a leadership and pivotal role in ensuring that the Board works effectively. The key roles of the Chairman are:

1. Determining the composition, size and the Board structure in order to create a balance between executive directors and independent directors.
2. Ensuring the Board and its committees are properly established, composed and operated.
3. Ensuring the effective operation of the Board and its committees in conformity with the highest standards of corporate governance.
4. Ensuring the participation of the executives, non-executives and independent directors in the Board's decision processes and activities.
5. Ensuring the whole Board plays a constructive part in developing and determining the Company's strategy and objectives.

6. Ensuring comprehensive induction programs for new directors.
7. Acting in the key role of governing the Board and fostering teamwork and mutual dedication for the sustainable success of the organization.
8. Engaging the board regularly in assessing and developing its performance and communicating expectations to directors and manage directors' performance.
9. Ensuring that the company has succession plans for senior executives.
10. Acting as Chair at the Board's and Shareholders' meetings together with setting the agenda in consultation with the directors, the Management and the Company Secretary.
11. Ensuring that Board members receive accurate, timely, and sufficient information for Board meetings.
12. Ensuring that there are sufficient channels for effective communication between the Board members, Management and shareholders.
13. Providing independent advice to the Management and Board.
14. Appointing the Company Secretary to assist with Board functions.

Approval Authority of the Board

The Board of Directors has authority to approve the Company's activities to the extent of the duties prescribed by law, the Company's Articles of Association, Board of Directors Charter and the resolution of the shareholders' meeting. This includes the formulation and review of vision; operational strategies; operation master plan; risk management policy; annual budget and business plans; medium-term business plan; performance based operational goals; monitoring and evaluation of operation plans and capital expenditure; merger and acquisition of business; division of business and; participation in joint venture.

Term of Office of the Directors

One-third or the proportion closest to one-third of all directors shall vacate office at each of the Annual General Meeting of Shareholders. In the first and second year after the Company was listed, a lot drawing shall be adopted. In the later years, directors holding the longest terms shall vacate office first. Any director vacating office on due term can be re-elected.

Apart from retirement upon the expiration of the term of office, the Directors shall vacate upon:

1. death;
2. resignation;
3. dispossession of qualification or possession of disqualification under the laws;
4. the meeting of shareholders resolving to remove any director prior to the expiration of his term of office with votes not less than three-fourths of number of shareholder attending the meeting and having the right to vote and the total number of shares being of not less than one half of number of shares held by shareholders attending the meeting and having the right to vote;
5. the court issuing an order to remove.

Board of Directors' Meeting

1. Regular Board of Directors meeting will be held no less than 4 times per year and special meetings will be called as necessary. A schedule of the regular meetings will be fixed in advance for the whole year
2. Chairman of the Board of Directors and Chairman of the Executive Committee shall supervises and endorse the meeting agenda
3. Corporate Secretary is responsible for deliver meeting invitations together with meeting agenda and supporting document to each Board member for review at least 7 days before the meeting will take place
4. During the Board meeting, a director who has a conflict of interest in the agenda shall leave the meeting room during the discussion of, and the vote on, the transaction
5. At least 2/3 of the total member of the Board must be presented to form a quorum at the time of the Board passing a resolution.

Qualification of Independent Directors

1. Holding no more than 1% of total voting shares including the shareholding of persons related to the independent directors
2. Not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties. Exception: It has been at least two years after the person has held the position.
3. Not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary.
4. Not currently having or never had any relations with the company in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the company. Exception: It has been at least two years after the person has held the position.
5. Not currently being or never been the company's auditor. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm. Exception: It has been at least two years after the person has held the position.
6. Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than THB 2 million per year. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers. Exception: It has been at least two years after the person has held the position.
7. Not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.

8. Not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.
9. Not under any conditions that may impede the person from having independent views towards the company's operations.

Term of Officer of the Independent Directors

The tenure of an independent director of the Company should not exceed a cumulative term of 9 years from the first day of service. Upon completing 9 years, an independent director may continue to serve on the Board of Directors, subject to the Board of Directors' rigorous review of his/her continued independence.

Company Secretary

The Company Secretary is responsible as specified in Section 89/15 and 89/16 of the Securities and Exchange Act. (No.4) B.E. 2551 which was effective on August 31, 2008 with responsibilities, careful, and honesty as well as compliance with the law, the Company's objectives, Articles of Association, Board resolution, and shareholders' meeting resolution. The duties of the company secretary as follow:

1. Prepare and maintain the followed documents'
 - a. Directors' registrars
 - b. Invitation letter and Minutes of the Board of Directors' Meeting, Annual Report
 - c. Shareholders' Meeting Minutes and Invitation letter
2. Maintain reports of interest reported by directors or executives and submit a copy of the report of interest under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the company received the report
3. Perform other tasks as announced by the Capital Market Supervisory Board
4. Provide basic advice to directors in matters relating to securities laws and regulations as well as the regulations of the company and follow up to ensure the correct and consistent practice Including reporting significant changes to the Board of Directors
5. Arrange for shareholders' meetings and board meetings according to the law Company regulations and good practices
6. Prepare the minutes of the shareholders' meeting and the minutes of the Board of Directors' meeting and follow up to ensure compliance with the resolution of the meeting
7. Prepare and maintain the registration of directors, Annual report, Invitation letter to the shareholders' meeting, Notice of the Board of Directors Meeting
8. Maintain reports of interest prepared by directors and executives and reports as required by law
9. Ensure that the subsidiaries comply with laws and regulations

10. Ensure the disclosure of information and information reports to regulatory agencies in compliance with laws and regulations
11. Provide timely disclosure of information necessary to the Securities and Exchange Commission and the Stock Exchange of Thailand (Both Thai and English)
12. Assist the Board of Directors Including the initial consultation and suggestions Related to the law, regulation, corporate governance and good practices related to the Board of Directors and sub-committees
13. Supporting directors to ensure that directors have the sufficient information and knowledge to perform their duties efficiently and report in the annual report
14. Develop the knowledge related to perform company secretary duties

Sub-Committees

The Board of Directors has established committee i.e. Audit Committees, Nomination and Remuneration Committees, Risk Management Committees, and Corporate Governance Committees to perform their duties of their specific affairs and propose related issued for the Board to consider or endorse. The Board has approved the charter of each committee which set the duties and responsibilities of the committee and shall be published on the Company's website. The detail of each committee is followed;

1. Audit Committee

Audit Committee is established with the objectives to provide the assistant to the Board of Directors in fulfilling its oversight responsibility relating to the accuracy of the Company's financial statement, the efficiency of the internal control, and the compliance with law, regulations and the code of conduct in order to promote its Good Corporate Governance. The Committee also has a duty to review the Company's risk management and to prepare the audit committee report in the annual report.

Audit Committee comprises of at least three (3) independent directors and at least one (1) member shall be financially literate or shall have background in accounting or finance sufficiently enough to perform the duty of reviewing the accuracy of the Company's financial statements. Chairman of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members of the Audit Committee.

Role and Responsibilities of Audit Committee

1. To review and ensure that the Company's financial report is proper and with adequate disclosure in accordance with the generally accepted accounting standards, including the assurance that quarterly and annual financial reports are accurate, complete, and justifiable before the submission to the Board of Directors for approval.
2. To review and ensure that the Company has an appropriate and efficient internal control system and to annually assess the results of the internal control.
3. To ensure that the Company has complied with the securities laws and regulations of the SEC and the SET or other laws relating to the business of the Company.



4. To select and recommend to the Board of Directors the appointment of the external auditor and suggest remuneration for approval in the annual general meeting of the shareholders' meeting and to meet with the external auditor without participation of the management at least once a year.
5. To terminate the external auditor, if there are conflict of interest or effect to the Company.
6. To ensure a common understanding between the Board of Directors, the external auditor, and the internal auditor.
7. To review and disclose related party transactions or any conflict of interests as stipulated by the corresponding regulations, Company's Articles of Association, Securities and Exchange Commission Act, or the notification of the SET and disclose in the annual report.
8. To prepare a report of the Audit Committee's activities as may be required in line with SET regulation.
9. To review and revise the Audit Committee charter to properly align with the Securities and Exchange Act and the SET's regulations and guidelines
10. To consider, review, and approve the internal audit plan
11. To ensure that the internal audit department addressed all essential business control functions, proposes solutions and opinions to the management, and monitors the execution of the proposed solutions within the provided time period
12. To report the Audit Committees' operation result to the Board of Directors
13. To be empowered to call for opinions or attendance at the meeting or provision of any related documents, as the Audit Committee may deem relevant or necessary, from the management or any related staff.
14. To seek counsel from independent professionals from varying fields when deemed necessary on the expense of the Company.
15. To do any other functions as may be designated by the Board of Directors
16. To evaluate the annual performance for possible improvement

2. Nomination and Remuneration Committees

Nomination and Remuneration Committee is established with the objectives to comply with the Good Corporate Governance, the duties are mainly the consideration and determination the remuneration package of the directors, committees, and the executive management and propose for the Board of Directors before asking for the approval from the shareholders.

Nomination and Remuneration Committee comprises of at least three (3) directors and at least one-third (1/3) of the Nomination and Remuneration Committee must be independent directors and the Chairman must also be the independent director.

Role and Responsibilities of Nomination and Remuneration Committees

1. To consider the succession plan for executive and top executive
 - 1.1. To recruit person who is suitability to be nominated for Chief Executive Officer, Managing Director and top executive by following the relevant law.
 - 1.2. To define the criteria for recruitment person who is suitability to be nominated for Chief Executive Officer, Managing Director and top executive.
2. The criteria need to accord with the relevant law and requirements and also the person need to have a qualification that relevant to the law and the requirements of Stock Exchange of Thailand.
 - 2.1. The Nomination and Remuneration Committee has a duty for consideration the remuneration as follow:
 - 2.2. To present the remuneration of committee and sub-committee to the Board of Director for approval and present to the shareholder meeting for approval.
3. To present the remuneration of top executive to the Board of Director for acknowledgement.
4. To consider the remuneration of executive, apart from no.3, to the Board of Director for approval and pass to the managing director for operation.
5. All sub-committee have a duty to make a self-assessment in both individual and group evaluation and report to Board of Director in order to disclose in annual report.
6. Chairman of sub-committee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report.
7. Making a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report
8. Regularly review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand.
9. Reporting the performance report of sub-committee to the Board of Director at least 2 times per year
10. Annually evaluate the performance report of sub-committee for the purpose of improvement process

3. Risk Management Committees

Risk Management Committee is established with the objectives to provide the assistant the Board of Directors to manage the risk e.g. financial risk, trading risk, and exchange rate risk by determining the risk management framework and policies as well as follow the result and propose to the Board of Director to consider and mitigate the risks.

Risk Management Committee comprises of three (3) directors and shall be appointed by the Board of Directors

Role and Responsibilities of the Risk Committees

1. To set up the risk management policy and framework in order to relate with the company's sustainability target and strategy between top executive and director.
2. To follow up the significant risk of organization and improve the risk management framework including with the risk identification and evaluation process.
3. To evaluated and approve the appropriate risk management plan for practicing throughout the organization
4. To follow up the strategy and major practicing risk management. According with the analysis and estimation the situation expecting to be a cause of risk and effect to the company's operation and also report to the director
5. To provide the risk management advisory for the operation
6. To create the risk awareness throughout the organization by encouraging and motivation the risk management to be a culture of organization.
7. To manipulate the risk management handbook consisting of up-to-date evaluation and management standard of risk management
8. To communicate with audit committee for the significant risk in order to connect with internal control.
9. To report the company's risk and risk management to the Board of Director at least twice a year
10. All sub-committee have a duty to make a self-assessment in both individual and group for evaluation and report to Board of Directors in order to disclose in annual report
11. Chairman of sub-committee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report
12. Making a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report.
13. To review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand
14. To report the performance report of sub-committee to the Board of Director at least twice a year.
15. To evaluate the performance report of sub-committee for the purpose of improvement process.

4. Corporate Governance Committees

Corporate Governance Committee is established with the objectives to comply with the Good Corporate Governance of the public company standard which was evaluated by the external institution and report the result and suggestion to the Board of Directors to determine the relevant policies.

Corporate Governance Committee comprised of the directors and the corporate secretary totally three (3) member and shall be appointed by the Board of Directors.

Role and Responsibilities of Corporate Governance Committees

1. To set up the Corporate Governance Committee policy for Board of Director to approve and put into practice. Including following the policy behavior and also continuously and appropriately review the policy.
2. To assign to have an annually performance evaluation for Chairman of board of director, committee in both individual and as a whole and also sub-committee.
3. To build a reliability of Corporate Governance process by having a rightful financial statement, following the law and ethic as well as having a good relationship with customers, supplier and stakeholders.
4. To Build a reliability of Corporate Governance process by having a suitable protection and reducing conflicts of interest process in order to get the most beneficial for company and shareholder.
5. All sub-committee have a duty to make a self-assessment in both individual and group for evaluation and report to Board of Director in order to disclose in annual report
6. Chairman of subcommittee has a duty to make a self-assessment report in order to present to the Board of Director and disclose in annual report
7. To make a sub-committee's performance report, following by the regulation of Stock Exchange of Thailand, for disclosing in annual report
8. To review the charter of sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of Stock Exchange of Thailand
9. To report the performance report of sub-committee to the Board of Director at least twice a year
10. To evaluate the performance report of sub-committee annually for the purpose of improvement process

Performance Evaluate of the Board

The Board of Directors shall perform self-evaluation of the Board performance on annual basis so that the directors have an opportunity to review the achievements, issues and obstacles during the year which shall enhance the effectiveness of the Board. The Company has designed the “Board self-evaluation form” by using the principles of good corporate governance guided by the Stock Exchange of Thailand.

Remuneration of Member of the Board and Sub-Committees

The Company shall decide proper remunerations of members of the Board and Committee Member based on the comparison with director's remuneration by the leading listed companies and other companies in the same industry with the consideration of the Company performance as well. All directors' remunerations in the Board and of each Committee must be approved by the shareholders' meeting.



**Code of Conduct
Of
Thai Plaspac Company Limited and Subsidiaries**

Policy on Conflict of Interest

- (1) Employees should avoid any action that against the interests of the company, either in the from contacts with your company's trade partners, such as partners, customers, competitors, or from using opportunities or information gained from being a director, or employees in their own interests, and doing business that competes with the company, or doing other work than the work of the company This has a detrimental effect on function on duty.
- (2) Employees shall refrain from holding shares in the Company's competitors. In the case where an employee has acquired shares prior to employment, or before the company goes into business, or acquired by way of inheritance employees must report to hierarchical bosses.

Policy on treatment and use of company's assets (Corporate Assets Policy)

- (1) Employees have the duty and responsibility to keep the Company's asset intact, to avoid possible loss, damage and use of tangible asset, and intangible asset, such as movable property, realstate, technology, knowledge, patent, copyrights, and confidential information, not to publicly disclosed include business plans, financial, human resources
- (2) All employees should avoid disclosure, or the use of confidential information is strictly prohibited.

The policy of giving or receiving gifts, or entertainment (Gifts and Entertainment Policy)

- (1) Do not accept, or agree to receive money, goods or other benefits from business related parties.
- (2) Employees may receive or give gifts according to the traditional. By receiving a gift, it must not affect any business decision.
- (3) The recipient of the gift should be worth not over Baht 3,000 and should not be cash or cash equivalents.
- (4) If employees receive gifts on a customary occasion, with value beyond the normal range from business related to the company. Report to hierarchical bosses.
- (5) Giving or receiving gifts, it can be done if done with transparency, or in an open or accessible way

Policy on trading of securities of the company And data usage Inside (Securities Trading and Inside Information Policy)

- (1) Employees should avoid using inside information. For their sake in Buying or selling of the company's shares, or provide internal information to others.
- (2) Employees should report their transaction trading of company's securities. To prevent buy or sell stocks using inside information.

(3) Employees should not buy or sell shares of the company at the time prior to the release of the financial statements, or publish company status include other important information, and should wait at least 24 hours after the disclosure to the public.

Policy on customer and product quality. (Customer Relations and Product Quality Policy)

- (1) Deliver good quality products that meet or exceed customer expectations under fair conditions.
- (2) Provide accurate and adequate information on products and services to customers. To provide customers with enough information to make a decision without any exaggeration both in advertising, or in other communication channels with customers, which causes customers to mislead about the quality, quantity or any conditions of goods or services
- (3) Maintain customer confidentiality and do not use it for their own benefit.
- (4) Proper response to customer needs, and provide a system and channels for customers to complain about the quality of goods and services effectively.

Policy and Treatment for Partners And / or creditor (Suppliers/Creditors Policy)

- (1) Equitable and fair dealing with counterparties, or creditors based on fair return to both parties. Follow the contract, or conditions Agreed strictly. If any of the conditions cannot be fulfilled. It shall be notifying the partner, or creditors in advance to work together to find out the solutions.
- (2) In Business Negotiation, do not receiving or paying any interest. That is not dishonest in trading with trading partners, or creditor. If there is information on whether to call, or receive any benefits. Disclose details to partners, or creditor to solve the problem in the fair and fast matter.
- (3) Report accurate, complete, and timely financial information to creditors regularly.

Policy and Practice on Competitors (Rivals Policy)

- (1) Fairly compete to competitors.
- (2) Not seeking any inappropriately confidential information of competitors, such as bride employees of competitors.
- (3) Do not ruin the reputation of a competitor with malicious accusations
- (4) The Company shall not make any agreements with competitors or anyone in reducing or restricting trade competition.
- (5) The Company personnel shall beware of contact with competitors or competitors' personnel and shall not reveal or neglect the confidentiality of the company fallen to the competitors.

Employee Behavior and Other Employee Treatment Policies (Employee Practice Policy)

- (1) Perform duties with integrity, and transparency.
- (2) No gift shall be given to supervisors, or accepted from supervised employees
- (3) Respect for the rights of other employees including management.

- (4) The supervisor shall respect by the employee. Employees should not do anything that not respect to the bosses.
- (5) Be disciplined and comply with corporate regulations, and a good tradition whether stated in writing or not.
- (6) Create and maintain an atmosphere of harmony, and solidarity among employees.
- (7) Avoid any action that may affect the reputation and image of the company, or a problem for the company later.

Corporate Social Responsibility Policy (Environment and Community policy)

- (1) Responsibility and commitment to environmental protection as well as customs to the local tradition of the company is located.
- (2) Carry out activities to contribute to social, community and environmental development. To make the community where the company is located is a better quality of life. Both self-operated and collaborating with state and community.
- (3) Prevent accidents and control of emissions to a level below acceptable standards.
- (4) Rapid and effective response to environmental and community events, due to the operation of the company by fully cooperating with government officials, and related agencies.

APPENDIX 6 Report of Audit Committee

Report of Audit Committee

Report of the Audit Committee It appears in Section 8.2, page 97





THAI PLASPAC PUBLIC COMPANY LIMITED

77 Soi Thian Thaley 30 Bang Khun Thian-Chay Thaley Road,

Tha Kham, Bang Khun Thian, Thailand Bangkok 10150

Tel. (66-2) 897 2250-1, (66-2) 897 2529-30

WWW.TPACPACKAGING.COM