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

**Notes to financial statements**

**For the year ended 31 December 2024**

**1. General 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 Thalae 30, Bang Khun Thian-Chay Thalae Road, Thakham, Bang Khun Thian, Bangkok.

The branch offices of the Company are at 3/2 Soi Thian Thalae 15, Bang Khun Thian-Chay Thalae Road, Thakham, Bang Khun Thian, Bangkok, 75/2, Moo 9, Soi Ruamjai, Bangna-Trad Road Km.18.8, Tambol Bangchalong, Amphur Bangphli, Samutprakarn and 75/110, 39th Floor, Ocean Tower 2 Building, Soi Sukhumvit 19, Sukhumvit Road, Khlong Toei Nuea, Watthana, Bangkok.

**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.

2.2Basis 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”):

|  |  | Country of | Percentage of | |
| --- | --- | --- | --- | --- |
| Company’s name | Nature of business | incorporation | shareholding | |
|  |  |  | 2024 | 2023 |
|  |  |  | (Percent) | (Percent) |
| Subsidiaries held by the Company |  |  |  |  |
| 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 | 80 |
| TPAC Packaging Philippines Inc. | Manufacturing and distribution of plastic packaging | Philippines | 100 | 100 |
| TPAC Global Holdco Limited | Investment holding | United Arab  Emirates | 100 | - |
| Subsidiaries held by TPAC Packaging India Private Limited | |  |  |  |
| TPAC Skypet India Private Limited | Manufacturing and distribution of plastic packaging | India | 80 | 80 |
| TPAC Custom Solutions Private Limited | Manufacturing and distribution of plastic packaging | India | 100 | 100 |
| Subsidiary held by TPAC Global Holdco Limited | |  |  |  |
| Combi-Pack Sdn Bhd | Manufacturing and distribution of plastic packaging | Malaysia | 20 | - |

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 which are effective for fiscal years beginning on or after 1 January 2024. 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 2025**

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 2025. 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group’s financial statements.

**4. 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 recognised 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 based on quantities which 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 | 5 - 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 | - |
| Non-compete agreement | 5 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 | 2 - 25 years | 3 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 finance cost.

**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.

**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.

**Derecognition of financial instruments**

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 Group granted put options to holders of non-controlling interests. The Group do not have unconditional right to avoid the delivery of cash if holders of non-controlling interests exercise their put options. The Group recognise liabilities associated with put options, calculated by present value of expected exercise price, and present in non-current liabilities in the consolidated statement of financial position. The amounts also present offset from unappropriated retained earnings in the consolidated statement of financial position and the consolidated 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 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:

**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.

**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.

**Allowance for impairment of non-financial assets**

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**6. Related party transactions**

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

|  |  |
| --- | --- |
| Name of related 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 Skypet India Private Limited | Subsidiary |
| TPAC Custom Solutions Private Limited | Subsidiary |
| TPAC Packaging Philippines Inc. | Subsidiary |
| TPAC Global Holdco 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 |
| Guangdong IVL PET Polymer Company Limited | Shareholder and director are related to the Company's shareholder and management |
| Indorama Yarns 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 | |
|  | 2024 | 2023 | 2024 | 2023 | Transfer pricing policy |
| Transactions with subsidiaries | | |  |  |  |
| (Eliminated from consolidated financial statements) | | |  |  |  |
| Sales of goods | - | - | 42 | 41 | Close to market price |
| Purchase of goods | - | - | 84 | 136 | Close to market price |
| Dividend income | - | - | 174 | 392 | As declared |
| Management fee income | - | - | 51 | 39 | Contract price |
| Interest income | - | - | 3 | 2 | Mutually agreed rate |
| Management expense | - | - | 3 | 2 | Contract price |
| Transaction with related company | |  |  |  |  |
| Purchase of goods | 78 | 120 | 53 | 56 | Close to market price |
| Transaction with major shareholders and related persons | | | |  |  |
| Dividend paid | 107 | 70 | 107 | 70 | As declared |

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

|  |  | | (Unit: Thousand Baht) | |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| **Trade receivables - related parties (Note 9)** | |  |  |  |
| Subsidiaries | - | - | 14,510 | 11,862 |
| **Other receivables - related parties (Note 9)** | |  |  |  |
| Subsidiaries | - | - | 32,681 | 13,932 |
| **Trade payables - related parties (Note 19)** | |  |  |  |
| Subsidiaries | - | - | 12,445 | 20,669 |
| Related companies | 18,907 | 19,815 | 11,157 | 19,815 |
| Total | 18,907 | 19,815 | 23,602 | 40,484 |
| **Other payables - related parties (Note 19)** | |  |  |  |
| Subsidiary | - | - | 473 | 682 |

Short-term loans to related parties

| (Unit: Thousand Baht) | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | Separate financial statements | | | | |
| Loans to |  | Balance  as at | Increase | Decrease | Effect on | Balance  as at |
| Related by | 1 January 2024 | during  the year | during  the year | exchange rate | 31 December  2024 |
| TPAC Packaging (Bangna) Company Limited | Subsidiary | 31,000 | - | (31,000) | - | - |
| TPAC Packaging Philippines Inc. | Subsidiary | 7,136 | 42,502 | - | (2,784) | 46,854 |
| TPAC Global Holdco Limited | Subsidiary | - | 359,796 | - | (4,721) | 355,075 |
| Total |  | 38,136 | 402,298 | (31,000) | (7,505) | 401,929 |

The above short-term loans are unsecured loans which carried interest rate at 4.37 - 6.28 percent per annum and will be due in January 2025 - June 2025.

Directors and management’s benefits

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Short-term benefits | 117,926 | 103,124 | 71,073 | 63,233 |
| Post-employment benefits | 4,761 | 4,288 | 3,878 | 3,637 |
| Other long-term benefits | 20 | 22 | 20 | 22 |
| Total | 122,707 | 107,434 | 74,971 | 66,892 |

**7. Cash and cash equivalents**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Cash | 999 | 866 | 119 | 94 |
| Cash at banks | 290,010 | 182,204 | 96,540 | 50,180 |
| Total | 291,009 | 183,070 | 96,659 | 50,274 |

As at 31 December 2024, cash at banks carried interests between 0.05 and 4.50 percent per annum (the Company only: 0.05 and 0.40 percent per annum) (2023: 0.05 and 4.80 percent per annum (the Company only: 0.05 and 0.60 percent per annum)).

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

As at 31 December 2024 and 2023, the Group had other current financial assets and other non-current financial assets as below.

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| **Other current financial assets** |  |  |  |  |
| Debt instruments at amortised cost |  |  |  |  |
| Time deposits from 3 months to 1 year  (2024: Interest rate 5.4 to 7.3 percent per annum, 2023: 5.6 percent per annum) | 10,975 | 288 | - | - |
| Financial assets at FVTPL |  |  |  |  |
| Derivative assets (Note 35.1) | 29 | - | 29 | - |
| Total other current financial assets | 11,004 | 288 | 29 | - |
| **Other non-current financial assets** |  |  |  |  |
| Debt instruments at amortised cost |  |  |  |  |
| Time deposits more than 1 year  (2024: Interest rate 6.5 percent per annum, 2023: 5.4 to 6.5 percent per annum) | 21 | 2,752 | - | - |
| Total other non-current financial assets | 21 | 2,752 | - | - |

**9. Trade and other receivables**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Trade receivables - related parties (Note 6) | |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due | - | - | 9,778 | 9,751 |
| Past due |  |  |  |  |
| Up to 1 month | - | - | 888 | 2,111 |
| 3 months - 1 year | - | - | 1,573 | - |
| 1 year - 2 years | - | - | 2,271 | - |
| Total trade receivables - related parties | - | - | 14,510 | 11,862 |
| Trade receivables - unrelated parties |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due | 996,028 | 1,009,710 | 322,186 | 311,317 |
| Past due |  |  |  |  |
| Up to 1 month | 270,052 | 238,423 | 73,311 | 94,344 |
| 1 - 2 months | 63,480 | 55,936 | 5,935 | 8,980 |
| 2 - 3 months | 24,431 | 18,087 | - | - |
| 3 months - 1 year | 43,075 | 38,123 | 538 | 700 |
| 1 year - 2 years | 10,153 | 7,284 | - | - |
| Over 2 years | 14,055 | 6,502 | 5,316 | 5,316 |
| Total | 1,421,274 | 1,374,065 | 407,286 | 420,657 |
| Less: Allowance for expected credit losses | (46,905) | (21,613) | (5,888) | (5,600) |
| Total trade receivables - unrelated parties | 1,374,369 | 1,352,452 | 401,398 | 415,057 |
| Other receivables - related parties (Note 6) | |  |  |  |
| Other receivables | - | - | 32,681 | 13,932 |
| Total other receivables - related parties | - | - | 32,681 | 13,932 |
| Other receivables - unrelated parties |  |  |  |  |
| Value added tax refundable | 65,839 | 54,091 | - | - |
| Other receivables | 35,022 | 23,793 | - | - |
| Total other receivables - unrelated parties | 100,861 | 77,884 | - | - |
| Total trade and other receivables | 1,475,230 | 1,430,336 | 448,589 | 440,851 |

The normal credit term is 15 to 150 days (the Company only: 30 to 150 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 | |
|  | 2024 | 2023 | 2024 | 2023 |
| Beginning balance | 21,613 | 16,904 | 5,600 | 5,278 |
| Increase during the year | 27,281 | 4,925 | 288 | 322 |
| Translation adjustment | (1,989) | (216) | - | - |
| Ending balance | 46,905 | 21,613 | 5,888 | 5,600 |

**10. Inventories**

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | |
|  |  | | Reduce cost to | |  | |
|  | Cost | | net realisable value | | Inventories - net | |
|  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Finished goods | 287,295 | 252,483 | (20,945) | (9,094) | 266,350 | 243,389 |
| Work in process | 18,749 | 19,450 | (117) | (46) | 18,632 | 19,404 |
| Raw materials | 310,020 | 289,948 | (7,122) | (9,000) | 302,898 | 280,948 |
| Packing materials | 46,023 | 41,096 | (1,843) | (855) | 44,180 | 40,241 |
| Factory supplies | 12,613 | 8,683 | - | - | 12,613 | 8,683 |
| Total | 674,700 | 611,660 | (30,027) | (18,995) | 644,673 | 592,665 |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | |
|  |  | | Reduce cost to | |  | |
|  | Cost | | net realisable value | | Inventories - net | |
|  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Finished goods | 85,669 | 69,386 | (15,841) | (3,237) | 69,828 | 66,149 |
| Work in process | 12,557 | 12,532 | - | - | 12,557 | 12,532 |
| Raw materials | 40,200 | 46,285 | (409) | (461) | 39,791 | 45,824 |
| Packing materials | 8,772 | 11,080 | - | - | 8,772 | 11,080 |
| Factory supplies | 9,152 | 6,713 | - | - | 9,152 | 6,713 |
| Total | 156,350 | 145,996 | (16,250) | (3,698) | 140,100 | 142,298 |

During the current year, the Group reduced cost of inventories by Baht 15.0 million  
(the Company only: Baht 12.9 million) (2023: Baht 6.5 million (the Company only: Baht 0.2 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 4.0 million (the Company only: Baht 0.4 million) (2023: Baht 0.3 million (the Company only: Baht 0.3 million)), and reduced the amount of inventories recognised as expenses during the year.

**11. Other current assets**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Prepaid expenses | 25,608 | 43,901 | 10,374 | 9,999 |
| Cost of molds for amortisation | 18,777 | 44,834 | 10,847 | 36,293 |
| Advance payments | 14,986 | 3,825 | - | - |
| Others | 20,385 | 15,335 | 5,554 | 3,883 |
| Total | 79,756 | 107,895 | 26,775 | 50,175 |

**12. Restricted bank deposits**

These balances represent the Group’s bank deposits pledged for short-term loans from banks and business guarantees, carrying interest rate between 0.40 and 7.00 percent per annum (the Company only: 0.40 percent per annum) (2023: 6.75 percent per annum (the Company only: Nil)).

**13. Investments in subsidiaries**

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

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Paid-up capital | | Shareholding percentage | | Cost | | Impairment for investments | | Investments - Net | |
| Company’s name | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
|  |  |  |  |  | (%) | (%) | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) |
| TPAC Packaging India Private Limited | 2,568 Million Indian Rupee | 2,498 Million Indian Rupee | 100 | 100 | 2,272,477 | 2,242,379 | - | - | 2,272,477 | 2,242,379 |
| TPAC Packaging (Bangna)  Company Limited | 101 Million Baht | 101 Million Baht | 100 | 100 | 107,000 | 107,000 | - | (77,600) | 107,000 | 29,400 |
| Sun Packaging Systems (FZC) | 0.45 Million  Dirham United Arab Emirates | 0.45 Million  Dirham United Arab Emirates | 89 | 89 | 384,590 | 384,590 | - | - | 384,590 | 384,590 |
| Combi-Pack Sdn Bhd(1) | 2 Million  Malaysian Ringgit | 2 Million  Malaysian Ringgit | 80 | 80 | 1,013,256 | 1,013,256 | - | - | 1,013,256 | 1,013,256 |
| TPAC Packaging Philippines Inc. | 83 Million  Philippines Peso | 83 Million  Philippines Peso | 100 | 100 | 54,579 | 54,458 | - | - | 54,579 | 54,458 |
| TPAC Global  Holdco Limited | 0.02 Million US Dollar | - | 100 | - | 682 | - | - | - | 682 | - |
| Total |  |  |  |  | 3,832,584 | 3,801,683 | - | (77,600) | 3,832,584 | 3,724,083 |
| (1) Combi-Pack Sdn Bhd is held 80.0% by the Company and 20.0% through TPAC Global Holdco Limited. | | | | | | | | | | |

TPAC Packaging India Private Limited

On 15 December 2023, a meeting of the Board of Directors of the Company No. 6/2023 and a meeting of the Board of Directors of TPAC Packaging India Private Limited passed a resolution to approve capital increase of TPAC Packaging India Private Limited, for 5 million shares with a par value of INR 10 each, as for investment purposes. Subsequently in January 2024, the Company paid for capital increase of the subsidiary in the amount of Baht 21.2 million (INR 50 million).

On 10 May 2024, a meeting of the Board of Directors of the Company No. 2/2024 and a meeting of the Board of Directors of TPAC Packaging India Private Limited passed a resolution to approve of capital increase of TPAC Packaging India Private Limited, for up to 10 million shares with a par value of INR 10 each, as for investment in project of TPAC Custom Solutions Private Limited. Subsequently, on 30 May 2024, the Company paid for partial capital increase of the subsidiary in the amount of Baht 8.9 million (INR 20 million).

TPAC Packaging (Bangna) Company Limited

In the year 2024, the Company has recognised reversal of the impairment loss on investment in TPAC Packaging (Bangna) Company Limited amounting to Baht 77.6 million, as the indicators of such impairment loss on investment no longer exists. The Company has determined the recoverable amount of its investment based on value in use using cash flow projections based on financial estimates approved by management.

TPAC Global Holdco Limited

On 29 November 2024, the Company registered TPAC Global Holdco Limited with the relevant authorities in United Arab Emirates with an initial registered share capital of USD 20,000, for 200 shares with a par value of USD 100 each. The Company invested at 100% of its shares. The Company fully paid for share capital amounted to Baht 0.7 million. The purpose of establishing such subsidiary is to invest in overseas.

Purchase of 20% of shares in Combi-Pack Sdn Bhd

On 8 November 2024, a meeting of the Board of Directors of the Company No. 5/2024 passed the resolutions to approve for the Company or its subsidiary to acquire 20% of shares in Combi-Pack Sdn Bhd. Subsequently, on 12 December 2024, the Company submitted a notice to transfer the right of call option, in accordance with the terms and conditions stated in the Shareholders Agreement dated 31 May 2021, to TPAC Global Holdco Limited for the purchase of the shares from Mr. Chow Chee Yut.

On 19 December 2024, TPAC Global Holdco Limited exercised the call option and paid cash consideration to Mr. Chow Chee Yut to purchase 20% of shares in Combi-Pack Sdn Bhd in total of MYR 47.1 million or approximately Baht 363.0 million. The purchase transaction was completed in December 2024.

The effect of change in ownership interest in the subsidiary is presented below.

(Unit: Thousand Baht)

|  |  |
| --- | --- |
|  | Consolidated  financial statements |
| Balance of non-controlling interest of the subsidiary | 276,480 |
| Less: Purchase of additional investment in the subsidiary from   non-controlling interest of the subsidiary | (362,973) |
| Deficit from change in ownership interest in the subsidiary | (86,493) |

The Group recognised the effect of change in ownership interest in the subsidiary in shareholders’ equity in consolidated statement of financial position and consolidated statement of changes in shareholders' equity.

For the year ended 31 December 2024, the Company received dividends from Sun Packaging Systems (FZC) and Combi-Pack Sdn Bhd in the amount of Baht 91.9 million and 81.9 million, respectively.

For the year ended 31 December 2023, the Company received dividends from Sun Packaging Systems (FZC) and Combi-Pack Sdn Bhd in the amount of Baht 137.7 million and 254.3 million, respectively.

**13.2 Details of investment in subsidiary 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 | |
|  | 2024 | 2023 | | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
|  | (%) | (%) | | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) |
| Subsidiary held by the Company | |  | |  |  |  |  |  |  |
| Sun Packaging Systems (FZC) | 11 | 11 | | 82,970 | 73,263 | 20,903 | 18,188 | 11,196 | 17,016 |

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

Summarised information about financial position

(Unit: Million Baht)

|  |  |  |
| --- | --- | --- |
|  | As at 31 December | |
|  | Sun Packaging Systems (FZC) | |
|  | 2024 | 2023 |
| Current assets | 442 | 372 |
| Non-current assets | 284 | 268 |
| Current liabilities | 85 | 103 |
| Non-current liabilities | 127 | 123 |

Summarised information about comprehensive income

(Unit: Million Baht)

|  |  |  |
| --- | --- | --- |
|  | For the years ended 31 December | |
|  | Sun Packaging Systems (FZC) | |
|  | 2024 | 2023 |
| Revenues | 881 | 720 |
| Profit | 212 | 186 |
| Other comprehensive income | 3 | 1 |
| Total comprehensive income | 215 | 187 |

Summarised information about cash flow

(Unit: Million Baht)

|  |  |  |
| --- | --- | --- |
|  | For the years ended 31 December | |
|  | Sun Packaging Systems (FZC) | |
|  | 2024 | 2023 |
| Cash flow from operating activities | 200 | 154 |
| Cash flow used in investing activities | (51) | (71) |
| Cash flow used in financing activities | (123) | (165) |
| Net increase (decrease) in cash and cash equivalents | 26 | (82) |

**14. Property, plant and equipment**

Movements of property, plant and equipment account for the years ended 31 December 2024 and 2023 are summarised below.

|  | (Unit: Thousand Baht) | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | |
|  | Land and | Building and | Furniture and | Machinery |  |  |  |
|  | land | building | office | and | Motor | Assets under |  |
|  | improvement | improvement | equipment | equipment | vehicles | construction | Total |
| **Cost:** |  |  |  |  |  |  |  |
| 1 January 2023 | 352,058 | 640,955 | 44,045 | 3,200,533 | 16,095 | 171,455 | 4,425,141 |
| Additions | - | 3,487 | 6,382 | 185,265 | 2,718 | 450,027 | 647,879 |
| Transfer in (out) | - | 75,523 | 4,391 | 402,648 | 2,027 | (484,589) | - |
| Disposals/write-off | - | - | (5,867) | (219,371) | (1,826) | - | (227,064) |
| Translation adjustment | (8,330) | (8,949) | (426) | (34,113) | 202 | (2,847) | (54,463) |
| 31 December 2023 | 343,728 | 711,016 | 48,525 | 3,534,962 | 19,216 | 134,046 | 4,791,493 |
| Additions | - | 6,649 | 4,912 | 313,843 | 7,079 | 225,552 | 558,035 |
| Transfer in (out) | - | 16,551 | 2,223 | 181,859 | - | (200,633) | - |
| Disposals/write-off | - | - | (9,361) | (314,686) | (1,039) | - | (325,086) |
| Translation adjustment | (3,606) | (9,242) | (433) | (50,472) | (418) | (4,079) | (68,250) |
| 31 December 2024 | 340,122 | 724,974 | 45,866 | 3,665,506 | 24,838 | 154,886 | 4,956,192 |
| **Accumulated depreciation:** |  |  |  |  |  |  |  |
| 1 January 2023 | - | 219,466 | 23,476 | 1,828,512 | 9,943 | - | 2,081,397 |
| Depreciation for the year | - | 28,058 | 7,627 | 330,091 | 2,283 | - | 368,059 |
| Depreciation on disposals/write-off | - | - | (5,816) | (218,296) | (1,826) | - | (225,938) |
| Translation adjustment | - | (1,249) | (239) | (16,351) | 221 | - | (17,618) |
| 31 December 2023 | - | 246,275 | 25,048 | 1,923,956 | 10,621 | - | 2,205,900 |
| Depreciation for the year | - | 28,187 | 7,980 | 376,868 | 3,305 | - | 416,340 |
| Depreciation on disposals/write-off | - | - | (8,865) | (307,589) | (1,039) | - | (317,493) |
| Translation adjustment | - | (2,685) | (489) | (33,735) | (416) | - | (37,325) |
| 31 December 2024 | - | 271,777 | 23,674 | 1,959,500 | 12,471 | - | 2,267,422 |
| **Allowance for impairment loss:** |  |  |  |  |  |  |  |
| 31 December 2023 | - | - | - | 1,717 | - | - | 1,717 |
| 31 December 2024 | - | - | - | 1,717 | - | - | 1,717 |
| **Net book value:** |  |  |  |  |  |  |  |
| 31 December 2023 | 343,728 | 464,741 | 23,477 | 1,609,289 | 8,595 | 134,046 | 2,583,876 |
| 31 December 2024 | 340,122 | 453,197 | 22,192 | 1,704,289 | 12,367 | 154,886 | 2,687,053 |
| **Depreciation for the year** |  |  |  |  |  |  |  |
| 2023 (Baht 356 million included in manufacturing cost, and the balance in selling distribution and administrative expenses) | | | | | | | 368,059 |
| 2024 (Baht 404 million included in manufacturing cost, and the balance in selling distribution and administrative expenses) | | | | | | | 416,340 |

|  | (Unit: Thousand Baht) | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | | |
|  | Land and | Building and | Furniture and | Machinery |  |  |  |
|  | land | building | office | and | Motor | Assets under |  |
|  | improvement | improvement | equipment | equipment | vehicles | construction | Total |
| **Cost:** |  |  |  |  |  |  |  |
| 1 January 2023 | 54,275 | 223,350 | 20,220 | 1,516,075 | 12,828 | 11,842 | 1,838,590 |
| Additions | - | 802 | 1,095 | 8,977 | - | 23,426 | 34,300 |
| Transfer in (out) | - | 726 | 35 | 17,126 | - | (17,887) | - |
| Disposals/write-off | - | - | (5,740) | (212,765) | (30) | - | (218,535) |
| 31 December 2023 | 54,275 | 224,878 | 15,610 | 1,329,413 | 12,798 | 17,381 | 1,654,355 |
| Additions | - | 318 | 1,336 | 19,983 | - | 62,305 | 83,942 |
| Transfer in (out) | - | 4,118 | 121 | 44,877 | - | (49,116) | - |
| Disposals/write-off | - | - | (6,363) | (138,637) | (430) | - | (145,430) |
| 31 December 2024 | 54,275 | 229,314 | 10,704 | 1,255,636 | 12,368 | 30,570 | 1,592,867 |
| **Accumulated depreciation:** |  |  |  |  |  |  |  |
| 1 January 2023 | - | 157,540 | 14,902 | 1,276,164 | 11,756 | - | 1,460,362 |
| Depreciation for the year | - | 8,243 | 1,831 | 69,523 | 348 | - | 79,945 |
| Depreciation on disposals/write-off | - | - | (5,694) | (212,211) | (30) | - | (217,935) |
| 31 December 2023 | - | 165,783 | 11,039 | 1,133,476 | 12,074 | - | 1,322,372 |
| Depreciation for the year | - | 6,920 | 1,641 | 60,991 | 361 | - | 69,913 |
| Depreciation on disposals/write-off | - | - | (6,363) | (138,244) | (430) | - | (145,037) |
| 31 December 2024 | - | 172,703 | 6,317 | 1,056,223 | 12,005 | - | 1,247,248 |
| **Allowance for impairment loss:** |  |  |  |  |  |  |  |
| 31 December 2023 | - | - | - | 117 | - | - | 117 |
| 31 December 2024 | - | - | - | 117 | - | - | 117 |
| **Net book value:** |  |  |  |  |  |  |  |
| 31 December 2023 | 54,275 | 59,095 | 4,571 | 195,820 | 724 | 17,381 | 331,866 |
| 31 December 2024 | 54,275 | 56,611 | 4,387 | 199,296 | 363 | 30,570 | 345,502 |
| **Depreciation for the year** |  |  |  |  |  |  |  |
| 2023 (Baht 75 million included in manufacturing cost, and the balance in selling distribution and administrative expenses) | | | | | | | 79,945 |
| 2024 (Baht 67 million included in manufacturing cost, and the balance in selling distribution and administrative expenses) | | | | | | | 69,913 |

As at 31 December 2024, 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 1,565 million (the Company only: Baht 950 million) (2023: Baht 1,490 million (the Company only: Baht 861 million)).

As at 31 December 2024, property, plant and equipment of subsidiaries amounting to   
INR 3,633 million and MYR 34 million (2023: INR 3,496 million and MYR 35 million) have been mortgaged as collaterals against bank overdrafts and long-term loans from banks as described in Note 18 and 21.

**15. Goodwill**

Movements of goodwill in the consolidated financial statements for the years ended 31 December 2024 and 2023 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 2023 | 963,851 | 187,936 | 528,206 | 1,679,993 |
| Translation adjustment | (30,956) | (1,849) | (27,900) | (60,705) |
| Balance as at 31 December 2023 | 932,895 | 186,087 | 500,306 | 1,619,288 |
| Translation adjustment | (34,610) | (1,300) | 13,094 | (22,816) |
| Balance as at 31 December 2024 | 898,285 | 184,787 | 513,400 | 1,596,472 |

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 | 7% | 9% | 10% |
| Pre-tax discount rate | 13% | 11% | 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 account as at 31 December 2024 and 2023 is presented below.

| (Unit: Thousand Baht) | | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | |
|  | Tradename | Customer relationship | Non-compete agreement | Computer software | Total |
| **Cost:** |  |  |  |  |  |
| 1 January 2023 | 241,346 | 577,065 | 9,658 | 16,074 | 844,143 |
| Additions | - | - | - | 105 | 105 |
| Translation adjustment | (2,759) | (18,247) | (111) | (81) | (21,198) |
| 31 December 2023 | 238,587 | 558,818 | 9,547 | 16,098 | 823,050 |
| Additions | - | - | - | 856 | 856 |
| Disposals/Write-off | - | - | - | (3,051) | (3,051) |
| Translation adjustment | (8,851) | (1,213) | (354) | (89) | (10,507) |
| 31 December 2024 | 229,736 | 557,605 | 9,193 | 13,814 | 810,348 |
| **Accumulated amortisation:** |  |  |  |  |  |
| 1 January 2023 | 36,518 | 181,487 | 1,455 | 9,998 | 229,458 |
| Amortisation for the year | 9,727 | 65,508 | 1,946 | 1,748 | 78,929 |
| Translation adjustment | (601) | (5,365) | (53) | (58) | (6,077) |
| 31 December 2023 | 45,644 | 241,630 | 3,348 | 11,688 | 302,310 |
| Amortisation for the year | 9,781 | 66,097 | 1,957 | 1,703 | 79,538 |
| Amortisation on disposal/write-off | - | - | - | (3,051) | (3,051) |
| Translation adjustment | (2,259) | (5,447) | (237) | (109) | (8,052) |
| 31 December 2024 | 53,166 | 302,280 | 5,068 | 10,231 | 370,745 |
| **Allowance for impairment loss:** |  |  |  |  |  |
| 31 December 2023 | - | - | - | 510 | 510 |
| 31 December 2024 | - | - | - | 510 | 510 |
| **Net book value:** |  |  |  |  |  |
| 31 December 2023 | 192,943 | 317,188 | 6,199 | 3,900 | 520,230 |
| 31 December 2024 | 176,570 | 255,325 | 4,125 | 3,073 | 439,093 |

|  |  |  |
| --- | --- | --- |
| (Unit: Thousand Baht) | | |
|  | Separate financial statements | | |
|  | Computer software | Total | |
| **Cost:** |  |  | |
| 1 January 2023 | 11,044 | 11,044 | |
| 31 December 2023 | 11,044 | 11,044 | |
| Disposals/Write-off | (3,046) | (3,046) | |
| 31 December 2024 | 7,998 | 7,998 | |
| **Accumulated amortisation:** |  |  | |
| 1 January 2023 | 7,081 | 7,081 | |
| Amortisation for the year | 963 | 963 | |
| 31 December 2023 | 8,044 | 8,044 | |
| Amortisation for the year | 916 | 916 | |
| Amortisation on disposal/write-off | (3,046) | (3,046) | |
| 31 December 2024 | 5,914 | 5,914 | |
| **Allowance for impairment loss:** |  |  | |
| 31 December 2023 | 510 | 510 | |
| 31 December 2024 | 510 | 510 | |
| **Net book value:** |  |  | |
| 31 December 2023 | 2,490 | 2,490 | |
| 31 December 2024 | 1,574 | 1,574 | |

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.
* TPAC Skypet India Private Limited assessed the identified assets on the date of purchase of business of M/s Skypet Polymers. The subsidiary granted tradename “Skypet” amounting to Baht 40 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.
* TPAC Skypet India Private Limited assessed the identified assets on the date of purchase of business of M/s Skypet Polymers by granted long-term relationship with customer from M/s Skypet Polymers amounting to Baht 48 million. The expected useful life is 10 years.

Non-compete agreement

* TPAC Skypet India Private Limited assessed the identified assets on the date of purchase of business of M/s Skypet Polymers according to the clause stated in the Shareholders Agreement which prohibit former shareholders from entering into directly and indirectly competing businesses against M/s Skypet Polymers for a period of 5 years from the business purchase date. The identified assets are amounting to Baht 10 million.

**17. Withholding tax deducted at source**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Withholding tax in 2018 | - | 35,546 | - | 35,546 |
| Withholding tax in 2019 | 34,811 | 34,811 | 34,811 | 34,811 |
| Total | 34,811 | 70,357 | 34,811 | 70,357 |

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 | |
|  | 2024 | 2023 | 2024 | 2023 |
| Bank overdraft | 7.33 - 9.85 | 8.50 - 9.50 | 25,343 | 18,893 |
| Short-term loans from banks | 1.00 - 9.85 | 3.35 - 9.50 | 1,195,638 | 1,041,823 |
| Total |  |  | 1,220,981 | 1,060,716 |

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Interest rate  (% per annum) | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Bank overdraft | 7.33 - 7.60 | - | 1,211 | - |
| Short-term loans from banks | 3.10 - 4.35 | 3.35 - 4.25 | 1,042,000 | 859,000 |
| Total |  |  | 1,043,211 | 859,000 |

Bank overdraft credit facility and short-term loans from banks of subsidiaries are secured by the mortgage of current assets of the subsidiaries, restricted bank deposits of the subsidiary, property, plant and equipment of the subsidiaries and the corporate guarantee by the subsidiary as described in Note 14.

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

**19. Trade and other payables**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Trade accounts payable - related parties (Note 6) | 18,907 | 19,815 | 23,602 | 40,484 |
| Trade accounts payable - unrelated parties | 311,604 | 302,301 | 114,892 | 107,531 |
| Accounts payable for purchasing of fixed assets | 13,120 | 28,161 | 1,274 | 2,288 |
| Accrued expenses | 138,904 | 113,740 | 28,075 | 19,480 |
| Other payables - related parties (Note 6) | - | - | 473 | 682 |
| Other payables - unrelated parties | 109,773 | 125,050 | 71,790 | 63,839 |
| Total | 592,308 | 589,067 | 240,106 | 234,304 |

**20. Other current liabilities**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Advance received for molds | 39,505 | 48,233 | 27,022 | 29,149 |
| Others | 13,534 | 20,395 | 1,282 | 3,583 |
| Total | 53,039 | 68,628 | 28,304 | 32,732 |

**21. Long-term loans from banks**

|  |  |  |  | | (Unit: Thousand Baht) | |
| --- | --- | --- | --- | --- | --- | --- |
|  | Interest rate |  | Consolidated financial statements | | Separate financial statements | |
| Loan | (% per annum) | Repayment schedule | 2024 | 2023 | 2024 | 2023 |
| **Company** | |  |  |  |  |  |
| 1 | MLR - 1.75 | Quarterly installments as from 25 February 2019 | 87,624 | 202,857 | 87,624 | 202,857 |
| 2 | MLR - 2.00 | Quarterly installments as from 30 December 2020 | 165,750 | 250,750 | 165,750 | 250,750 |
| 3 | Year 1 - 3: MLR - 1.75 Year 4 - 7: MLR - 2.00 | Quarterly installments as from 30 June 2022 | 718,127 | 769,377 | 718,127 | 769,377 |
| 4 | Year 1 - 3: MLR - 1.75 Year 4 - 7: MLR - 2.00 | Quarterly installments as from 30 June 2025 | 360,875 | - | 360,875 | - |
| **Subsidiaries** | |  |  |  |  |  |
| 5 | Bank’s Cost of Funds  Rate + 1.00 | Monthly installments as from 31 March 2021 | 23,467 | 26,679 | - | - |
| 6 | Bank’s 1 month  Cost of Funds Rate + 1.00 | Monthly installments as from 6 June 2021 | 6,498 | 25,071 | - | - |
| 7 | Repo Rate + Fixed rate | Semi-annual installments as from 14 December 2022 | 146,172 | 206,903 | - | - |
| 8 | Repo Rate + Fixed rate | Monthly installments as from 31 March 2024 | 94,435 | 114,018 | - | - |
| 9 | Repo Rate + Fixed rate | Semi-annual installments as from 30 March 2023 | 120,231 | 151,603 | - | - |
| 10 | Repo Rate + Fixed rate | Semi-annual installments as from 30 April 2024 | 43,136 | 55,987 | - | - |
| 11 | Repo Rate + Fixed rate | Semi-annual installments as from 30 December 2024 | 69,408 | 4,205 | - | - |
| 12 | Repo Rate + Fixed rate | Semi-annual installments as from 10 January 2025 | 119,539 | 35,073 | - | - |
| 13 | Repo Rate + Fixed rate | Semi-annual installments as from 30 November 2024 | 27,273 | - | - | - |
| 14 | Year 1 - 2: Fixed rate Year 3 onward: MLR - 1.00 | Monthly installments as from 31 March 2025 | 27,669 | - | - | - |
| Total | | | 2,010,204 | 1,842,523 | 1,332,376 | 1,222,984 |
| Less: Deferred financial fees | | | (5,716) | (4,512) | (5,716) | (4,512) |
| Net | | | 2,004,488 | 1,838,011 | 1,326,660 | 1,218,472 |
| Less: Current portion | | | (550,897) | (381,313) | (367,297) | (249,718) |
| Long-term loans, net of current portion | | | 1,453,591 | 1,456,698 | 959,363 | 968,754 |

Movements of the long-term loan account during the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Beginning balance | 1,838,011 | 2,097,598 | 1,218,472 | 1,544,854 |
| Add: Additional borrowings | 595,757 | 209,691 | 385,000 | - |
| Financial fees amortisation | 1,796 | 2,101 | 1,796 | 2,101 |
| Less: Repayment | (415,421) | (464,636) | (275,608) | (328,483) |
| Financial fees paid | (3,000) | - | (3,000) | - |
| Translation adjustment | (12,655) | (6,743) | - | - |
| Ending balance | 2,004,488 | 1,838,011 | 1,326,660 | 1,218,472 |

As at 31 December 2024, the loans of the Company are unsecured. The loans of subsidiaries are secured by the mortgage of property, plant and equipment of the subsidiaries and the corporate guarantee by subsidiaries as described in Note 14.

Under the loan agreement, the Group has to comply with certain financial terms and other terms as specified in the agreement, such as maintaining a portion of its investment in the subsidiary, maintaining debt to equity ratio and debt service coverage ratio.

As at 31 December 2024, the long-term credit facilities of the Group which have not yet been drawn down amounted to INR 7 million and Baht 12 million (the Company only: Nil) (2023: Baht 385 million (the Company only: Nil)).

**22. Leases**

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: 3 - 5 years).

**22.1 Right-of-use assets**

Movements of right-of-use assets account for the years ended 31 December 2024 and 2023 are summarised below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated financial statements | | | |
|  | Land and land improvement | Buildings and building improvement | Motor vehicles | Total |
| Net book value as at 1 January 2023 | 15,290 | 156,534 | 1,933 | 173,757 |
| Additions during the year | 5,135 | 37,152 | 1,261 | 43,548 |
| Depreciation for the year | (4,322) | (16,713) | (934) | (21,969) |
| Translation adjustment | (200) | (883) | (8) | (1,091) |
| Net book value as at 31 December 2023 | 15,903 | 176,090 | 2,252 | 194,245 |
| Additions during the year | - | 11,035 | - | 11,035 |
| Lease modification and lease termination | 2,060 | 6,451 | - | 8,511 |
| Depreciation for the year | (4,337) | (20,239) | (630) | (25,206) |
| Translation adjustment | 188 | (1,188) | - | (1,000) |
| Net book value as at 31 December 2024 | 13,814 | 172,149 | 1,622 | 187,585 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | |
|  | Separate financial statements | | |
|  | Buildings and building improvement | Motor vehicles | Total |
| Net book value as at 1 January 2023 | 2,763 | 1,623 | 4,386 |
| Additions during the year | 5,537 | 1,261 | 6,798 |
| Depreciation for the year | (2,948) | (632) | (3,580) |
| Net book value as at 31 December 2023 | 5,352 | 2,252 | 7,604 |
| Depreciation for the year | (3,074) | (630) | (3,704) |
| Net book value as at 31 December 2024 | 2,278 | 1,622 | 3,900 |

**22.2 Lease liabilities**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Lease payments | 311,526 | 319,181 | 4,294 | 8,329 |
| Less: Deferred interest expenses | (102,983) | (108,784) | (190) | (497) |
| Total | 208,543 | 210,397 | 4,104 | 7,832 |
| Less: Portion due within one year | (22,191) | (18,785) | (2,899) | (3,728) |
| Lease liabilities - net of current portion | 186,352 | 191,612 | 1,205 | 4,104 |

Movements of the lease liabilities account during the years ended 31 December 2024 and 2023 are summarised below:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Balance at beginning of year | 210,397 | 185,507 | 7,832 | 4,526 |
| Additions | 11,035 | 42,102 | - | 6,798 |
| Accretion of interest | 13,217 | 12,349 | 306 | 438 |
| Lease modification and lease termination | 8,504 | - | - | - |
| Decrease from repayment | (33,331) | (27,596) | (4,034) | (3,930) |
| Translation adjustment | (1,279) | (1,965) | - | - |
| Balance at end of year | 208,543 | 210,397 | 4,104 | 7,832 |

A maturity analysis of lease payments is disclosed in Note 35.2 under the liquidity risk.

**22.3 Expenses relating to leases that are recognised in profit or loss**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Depreciation expense of right-of-use assets | 25,206 | 21,969 | 3,704 | 3,580 |
| Interest expense on lease liabilities | 13,217 | 12,349 | 306 | 438 |
| Expense relating to short-term leases | 20,739 | 19,707 | - | 243 |
| Expense relating to leases of low-value assets | 1,430 | 658 | 513 | 478 |

**22.4 Others**

The Group had total cash outflows for leases for the year ended 31 December 2024 of Baht 56 million (the Company only: Baht 5 million) (2023: Baht 48 million (2023: Baht 5 million)), including the cash outflow related to short-term leases and leases of low-value assets.

**23. 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. The put options granted to holders of non-controlling interests can be exercised in 2024, 2025, 2026 and 2027. The option price is based on specified terms and conditions as stated in the agreement.

On 12 December 2024, the Company submitted a notice to transfer the right of call option, in accordance with the terms and conditions stated in the Shareholders Agreement dated 31 May 2021, to TPAC Global Holdco Limited for the purchase of the entire 20% of shares from Mr. Chow Chee Yut.

Subsequently, on 19 December 2024, TPAC Global Holdco Limited exercised the call option and paid cash consideration to Mr. Chow Chee Yut. The purchase transaction was completed in December 2024 as described in Note 13.

TPAC Skypet India Private Limited

On 31 December 2021 and 25 February 2022, TPAC Packaging India Private Limited and TPAC Skypet India Private Limited entered into the Shareholders Agreement between both subsidiaries and Mr. S. Selvaraj, whereby Mr. S. Selvaraj has put options with rights to sell all remaining 20% of shares in TPAC Skypet India Private Limited to TPAC Packaging India Private Limited. TPAC Packaging India Private Limited has call options with rights to buy all remaining 20% of shares in TPAC Skypet India Private Limited from Mr. S. Selvaraj.   
The put options granted to non-controlling interests of the subsidiary can be exercised in 2026, 2027, 2028 and 2029. The option price is based on specified terms and conditions as stated in the agreement.

As at 31 December 2024, the Company recorded liabilities associated with put options granted to holders of non-controlling interests amount of Baht 127.6 million (the Company only: Nil) (2023: Baht 412.5 million (the Company only: Baht 293.0 million)).

**24. Provision for long-term employee benefits**

Provision for long-term employee benefits as at 31 December 2024 and 2023 were as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Provision for compensation on employees’ retirement | 72,310 | 65,392 | 45,884 | 41,598 |
| Provision for long service awards | 5,853 | 5,933 | 5,602 | 5,720 |
| Other provisions | 12,459 | 8,480 | - | - |
| Total | 90,622 | 79,805 | 51,486 | 47,318 |

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

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| **Provision for long-term employee benefits**  **at beginning of year** | 79,805 | 73,538 | 47,318 | 43,928 |
| Included in profit or loss: |  |  |  |  |
| Current service cost | 20,008 | 13,672 | 4,861 | 4,168 |
| Interest cost | 2,710 | 3,035 | 1,558 | 1,445 |
| Included in other comprehensive income: |  |  |  |  |
| Actuarial gain arising from |  |  |  |  |
| Demographic assumptions changes | (689) | - | - | - |
| Financial assumptions changes | (612) | (404) | - | - |
| Experience adjustments | (409) | (85) | - | - |
| Benefits paid during the year | (9,145) | (9,032) | (2,251) | (2,223) |
| Translation adjustment | (1,046) | (919) | - | - |
| **Provision for long-term employee benefits at end of year** | 90,622 | 79,805 | 51,486 | 47,318 |

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

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Cost of sales | 15,821 | 11,255 | 3,349 | 3,036 |
| Selling, distribution and administrative  expenses | 6,897 | 5,452 | 3,070 | 2,577 |
| Total expenses recognised in profit or loss | 22,718 | 16,707 | 6,419 | 5,613 |

The Group expect to pay Baht 7.8 million of long-term employee benefits during the next year (the Company only: Baht 1.9 million) (2023: Baht 6.8 million (the Company only: Baht 1.5 million)).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit is 7 - 16 years (the Company only: 8 - 16 years) (2023: 8 - 16 years (the Company only: 8 - 16 years)).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Discount rate | 2.5 - 7.5 | 2.5 - 7.5 | 2.5, 3.4 | 2.5, 3.4 |
| Salary increase rate | 2.5 - 8.0 | 4.0 - 8.0 | 4.0 | 4.0 |
| Turnover rate | 1.9 - 22.9 | 1.9 - 22.9 | 1.9 - 22.9 | 1.9 - 22.9 |

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 and 2023 are summarised below:

(Unit: Million Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | As at 31 December 2024 | | | |
|  | Consolidated financial statements | | Separate  financial statements | |
|  | Increase 1% | Decrease 1% | Increase 1% | Decrease 1% |
| Discount rate | (7.3) | 8.5 | (4.3) | 5.0 |
| Salary increase rate | 8.5 | (7.4) | 5.1 | (4.4) |
| Turnover rate | (4.4) | 5.1 | (3.7) | 4.4 |

(Unit: Million Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | As at 31 December 2023 | | | |
|  | Consolidated financial statements | | Separate  financial statements | |
|  | Increase 1% | Decrease 1% | Increase 1% | Decrease 1% |
| Discount rate | (7.3) | 8.5 | (4.2) | 4.9 |
| Salary increase rate | 7.9 | (6.9) | 4.5 | (3.9) |
| Turnover rate | (3.9) | 4.5 | (3.3) | 3.8 |

**25. 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.

**26. Finance cost**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Amortisation of financial fees | 1,796 | 2,101 | 1,796 | 2,101 |
| Interest expenses on borrowings | 175,588 | 157,476 | 97,428 | 96,058 |
| Interest expenses on lease liabilities | 13,217 | 12,349 | 306 | 438 |
| Total | 190,601 | 171,926 | 99,530 | 98,597 |

**27. Expenses by nature**

Significant expenses classified by nature are as follow:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Salaries, wages and other employee benefits | 784,262 | 724,414 | 308,395 | 293,733 |
| Depreciation and amortisation | 544,440 | 494,800 | 93,689 | 105,708 |
| Raw materials and consumables used | 3,936,952 | 3,954,201 | 895,435 | 845,317 |
| Changes in inventories of finished goods and work in process | (22,189) | 22,411 | (3,704) | (2,772) |

**28. Income tax**

Income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| **Current income tax:** |  |  |  |  |
| Current corporate income tax charge | 95,667 | 116,017 | 13,046 | 13,280 |
| Adjustment in respect of income tax of previous year | (722) | (2,698) | (950) | (3,357) |
| **Deferred tax:** |  |  |  |  |
| Relating to origination and reversal of temporary differences | (26,979) | (4,444) | (671) | (702) |
| **Income tax expenses reported in profit or loss** | 67,966 | 108,875 | 11,425 | 9,221 |

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| Deferred tax relating to actuarial gain | (302) | (57) | - | - |

The reconciliation between accounting profit and income tax expenses is shown below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
|  |  |  |  |  |
| Accounting profit before tax | 537,159 | 650,852 | 315,971 | 475,831 |
|  |  |  |  |  |
| Applicable tax rate | 0%, 8%, 17.16%, 20%, 24%, 25%, 25.17% | 0%, 8%, 20%, 24%, 25.17% | 8%, 20% | 8%, 20% |
| Accounting profit before tax multiplied by income tax rate | 137,102 | 195,175 | 62,687 | 94,745 |
| Adjustment in respect of income tax of previous year | (722) | (2,698) | (950) | (3,357) |
| Effects of: |  |  |  |  |
| Non-deductible expenses | 5,238 | 5,213 | 5,097 | 2,031 |
| Additional expense deductions allowed | (10,929) | (4,640) | (4,117) | (4,640) |
| Dividend which exempted corporate income tax | (34,756) | (78,395) | (34,756) | (78,395) |
| Reversal of impairment loss on investment in subsidiary | (15,520) | - | (15,520) | - |
| Reversal of previous deferred tax assets | (429) | (16) | - | - |
| Others | (12,018) | (5,764) | (1,016) | (1,163) |
| Total | (68,414) | (83,602) | (50,312) | (82,167) |
| Income tax expenses reported in profit or loss | 67,966 | 108,875 | 11,425 | 9,221 |

The components of deferred tax assets and deferred tax liabilities as at 31 December 2024 and 2023 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| **Deferred tax assets** |  |  |  |  |
| Allowance for expected credit losses | 8,633 | 3,491 | - | - |
| Allowance for diminution in value  of inventories | 3,132 | 2,016 | 124 | 114 |
| Allowance for assets impairment | 607 | 125 | 125 | 125 |
| Accumulated depreciation - equipment | 207 | 217 | 207 | 217 |
| Provision for long-term employee  benefits | 15,934 | 12,036 | 10,142 | 9,512 |
| Provisions | 3,023 | 5,323 | - | - |
| Lease | 5,276 | 1,014 | 41 | - |
| Unused tax loss | 3,702 | - | - | - |
| Unrealised loss on exchange rate | 427 | - | - | - |
| Total | 40,941 | 24,222 | 10,639 | 9,968 |
| **Deferred tax liabilities** |  |  |  |  |
| Accumulated depreciation | 328,735 | 346,075 | - | - |
| Unrealised gain on exchange rate | - | 151 | - | - |
| Total | 328,735 | 346,226 | - | - |
| Deferred tax - net | (287,794) | (322,004) | 10,639 | 9,968 |
| Transactions reflected in statement of financial position: | | |  |  |
| Deferred tax assets | 18,302 | 9,968 | 10,639 | 9,968 |
| Deferred tax liabilities | 306,096 | 331,972 | - | - |
| Deferred tax - net | (287,794) | (322,004) | 10,639 | 9,968 |

As at 31 December 2024, a subsidiary had unused tax loss on which deferred tax assets have not been recognised in total of PHP 57 million (2023: Baht 69 million and PHP 9 million) as such subsidiary believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

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.

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.

**29. 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 | | | | | |
|  |  | | Weighted average | | Earnings | |
|  | Profit for the year | | number of ordinary shares | | per share | |
|  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
|  | (Thousand | (Thousand | (Thousand | (Thousand | (Baht) | (Baht) |
|  | Baht) | Baht) | shares) | shares) |  |  |
| **Basic earnings per share** |  |  |  |  |  |  |
| Profit attributable to equity holders of the Company | 414,081 | 490,203 | 326,550 | 326,550 | 1.27 | 1.50 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | |
|  |  | | Weighted average | | Earnings | |
|  | Profit for the year | | number of ordinary shares | | per share | |
|  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
|  | (Thousand | (Thousand | (Thousand | (Thousand | (Baht) | (Baht) |
|  | Baht) | Baht) | shares) | shares) |  |  |
| **Basic earnings per share** |  |  |  |  |  |  |
| Profit attributable to equity holders of the Company | 304,546 | 466,610 | 326,550 | 326,550 | 0.93 | 1.43 |

**30. 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 oversea countries which consists of India as operated by TPAC Packaging India Private Limited, TPAC Skypet India Private Limited and TPAC Custom Solutions Private Limited, United Arab Emirate as operated by Sun Packaging Systems (FZC) and TPAC Global Holdco Limited, Malaysia as operated by Combi-Pack Sdn Bhd and Philippines as operated by TPAC Packaging Philippines Inc.

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 2024 and 2023 are as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| (Unit: Thousand Baht) | | | | | | | | |
|  | For the years ended 31 December | | | | | | | |
|  | Thailand | | Overseas countries | | Elimination of inter-segment revenues | | Consolidation | |
|  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenues from external customers | 2,034,399 | 1,864,850 | 5,179,488 | 4,939,270 | - | - | 7,213,887 | 6,804,120 |
| Inter-segment revenues | 121,566 | 173,062 | 24,016 | 16,705 | (145,582) | (189,767) | - | - |
| Total revenues from sales | 2,155,965 | 2,037,912 | 5,203,504 | 4,955,975 | (145,582) | (189,767) | 7,213,887 | 6,804,120 |
| Segment operating profit | 224,481 | 212,968 | 508,264 | 612,310 | (4,986) | (2,500) | 727,759 | 822,778 |
| Unallocated income and expenses: | |  |  |  |  |  |  |  |
| Finance cost |  |  |  |  |  |  | (190,601) | (171,926) |
| Income tax expenses | |  |  |  |  |  | (67,966) | (108,875) |
| Profit for the year |  |  |  |  |  |  | 469,192 | 541,977 |

Non-current assets other than financial instruments and deferred tax assets are disaggregated based on locations of the assets as follows:

|  |  |  |
| --- | --- | --- |
|  | (Unit: Thousand Baht) | |
|  | 2024 | 2023 |
| Non-current assets |  |  |
| Thailand | 566,584 | 581,014 |
| India | 2,699,004 | 2,793,888 |
| United Arab Emirate | 521,071 | 523,972 |
| Malaysia | 1,181,247 | 1,172,285 |
| Philippines | 80,073 | 42,084 |
| Total | 5,047,979 | 5,113,243 |

Major customers

During the years ended 31 December 2024 and 2023, the Group has no major customer with revenue of 10 percent or more of the Group’s revenues.

**31. 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 2024 amounting to approximately Baht 7.2 million (the Company only: Baht 6.8 million) (2023: Baht 6.7 million (the Company only: Baht 6.3 million)) were recognised as expenses.

**32. Dividends**

|  |  |  |  |
| --- | --- | --- | --- |
| Dividends | Approved by | Total dividends | Dividend  per share |
|  |  | (Thousand Baht) | (Baht) |
| Final dividends for 2023 | Annual General Meeting of the shareholders on 29 April 2024 | 146,948 | 0.450 |
| Total dividends for 2024 |  | 146,948 | 0.450 |
| Final dividends for 2022 | Annual General Meeting of the shareholders on 28 April 2023 | 95,679 | 0.293 |
| Total dividends for 2023 |  | 95,679 | 0.293 |

**33. Commitments and contingent liabilities**

**33.1 Capital commitments**

As at 31 December 2024 and 2023, the Group had capital commitments relating to acquisition of machinery and molds as follows:

|  | Consolidated  financial statements | | Separate  financial statements | |
| --- | --- | --- | --- | --- |
| Foreign currency | 2024 | 2023 | 2024 | 2023 |
|  | (Million) | (Million) | (Million) | (Million) |
| Baht | 25.3 | 18.1 | 23.9 | 17.5 |
| US Dollar | 1.7 | 3.5 | 0.7 | 0.3 |
| Euro | - | 1.0 | - | 0.1 |
| Japanese Yen | 17.2 | 91.1 | 17.2 | 2.5 |
| Malaysian Ringgit | - | 1.1 | - | - |
| Indian Rupee | 202.8 | 251.7 | - | - |
| Dirham United Arab Emirates | 0.6 | 1.3 | - | - |
| Philippines Peso | 0.8 | 4.7 | - | - |
| Chinese Yuan | - | 0.5 | - | 0.5 |

**33.2 Guarantees**

As at 31 December 2024, the Group had outstanding bank guarantees to guarantee electricity and other utilities use, and guarantee for damage goods which were issued by banks on behalf of the Group as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
| Foreign currency | 2024 | 2023 | 2024 | 2023 |
|  | (Million) | (Million) | (Million) | (Million) |
| Baht | 12 | 19 | 8 | 15 |
| Indian Rupee | 24 | 19 | - | - |
| Malaysian Ringgit | 2 | 1 | - | - |

**33.3 Litigations**

TPAC Packaging India Private Limited has been carrying excise duty, and good and service tax under dispute amounting to INR 24 million (2023: INR 18 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 6 million (2023: INR 10 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. Fair value hierarchy**

As at 31 December 2024 and 2023, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Million Baht) | | | | |
|  | Consolidated financial statements | | | |
|  | As at 31 December 2024 | | | |
|  | Level 1 | Level 2 | Level 3 | Total |
| **Liabilities measured at fair value** |  |  |  |  |
| Financial liabilities measured at fair value |  |  |  |  |
| Liabilities associated with put options granted to non-controlling interests of the subsidiaries | - | - | 127.6 | 127.6 |
|  |  |  |  |  |
| (Unit: Million Baht) | | | | |
|  | Consolidated financial statements | | | |
|  | As at 31 December 2023 | | | |
|  | 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 | - | - | 2.1 | 2.1 |
| **Liabilities measured at fair value** |  |  |  |  |
| Financial liabilities measured at fair value |  |  |  |  |
| Liabilities associated with put options granted to non-controlling interests of the subsidiaries | - | - | 412.5 | 412.5 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Million Baht) | | | | |
|  | Separate financial statements | | | |
|  | As at 31 December 2023 | | | |
|  | 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 | - | - | 2.1 | 2.1 |
| **Liabilities measured at fair value** |  |  |  |  |
| Financial liabilities measured at fair value |  |  |  |  |
| Liabilities associated with put options granted to non-controlling interests of the subsidiaries | - | - | 293.0 | 293.0 |

**35. Financial instruments**

**35.1 Derivatives**

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2024 | 2023 | 2024 | 2023 |
| **Derivative assets** |  |  |  |  |
| Derivative assets not designated as hedging instruments |  |  |  |  |
| Foreign exchange forward contracts | 29 | - | 29 | - |
| **Total derivative assets** | 29 | - | 29 | - |

**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 within 3 months.

**35.2 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 and long-term loans. 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, long-term loans from banks 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 2024 and 2023 based on contractual undiscounted cash flows, and included interest payment:

|  | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | |
|  | As at 31 December 2024 | | | | |
|  | 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 | - | 1,230,804 | - | - | 1,230,804 |
| Trade and other payables | - | 592,308 | - | - | 592,308 |
| Lease liabilities | - | 34,821 | 118,839 | 157,866 | 311,526 |
| Long-term loans from banks | - | 645,140 | 1,479,648 | 122,559 | 2,247,347 |
| Other financial liabilities | - | - | 53,578 | - | 53,578 |
| **Total non-derivatives** | - | 2,503,073 | 1,652,065 | 280,425 | 4,435,563 |

|  | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | |
|  | As at 31 December 2023 | | | | |
|  | 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 | - | 1,069,658 | - | - | 1,069,658 |
| Trade and other payables | - | 589,067 | - | - | 589,067 |
| Lease liabilities | - | 31,015 | 104,976 | 183,190 | 319,181 |
| Long-term loans from banks | - | 468,932 | 1,549,919 | 40,807 | 2,059,658 |
| Other financial liabilities | - | 54,028 | 43,250 | - | 97,278 |
| **Total non-derivatives** | - | 2,212,700 | 1,698,145 | 223,997 | 4,134,842 |

|  | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | |
|  | As at 31 December 2024 | | | | |
|  | 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 | - | 1,052,920 | - | - | 1,052,920 |
| Trade and other payables | - | 240,106 | - | - | 240,106 |
| Lease liabilities | - | 3,031 | 1,263 | - | 4,294 |
| Long-term loans from banks | - | 422,636 | 938,813 | 108,520 | 1,469,969 |
| **Total non-derivatives** | - | 1,718,693 | 940,076 | 108,520 | 2,767,289 |

|  | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | |
|  | As at 31 December 2023 | | | | |
|  | 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 | - | 867,321 | - | - | 867,321 |
| Trade and other payables | - | 234,304 | - | - | 234,304 |
| Lease liabilities | - | 4,035 | 4,294 | - | 8,329 |
| Long-term loans from banks | - | 289,935 | 1,024,907 | - | 1,314,842 |
| **Total non-derivatives** | - | 1,395,595 | 1,029,201 | - | 2,424,796 |

**Market risk**

There are three types of market risk comprising currency risk, interest rate risk, and commodity 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 2024 and 2023, 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 | |
|  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
|  | (Thousand) | (Thousand) | (Thousand) | (Thousand) | (Baht per 1 currency unit) | |
| US Dollar | 3,260 | 4,280 | 699 | 1,062 | 33.9879 | 34.2233 |
| Pound Sterling | 7 | 8 | - | - | 42.7583 | 43.8440 |
| Euro | 4 | 540 | 228 | 64 | 35.4284 | 38.0334 |
| Japanese Yen | - | - | 33,219 | 1,900 | 0.2155 | 0.2423 |
| Singapore Dollar | 365 | 326 | 1 | 4 | 25.0470 | 25.9733 |
| Australian Dollar | 2,907 | 1,054 | 63 | 152 | 21.1800 | 23.4595 |
| Dirham United ArabEmirates | 1 | 93 | - | - | 9.2532 | 9.3183 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | |
| Foreign currency | Financial assets | | Financial liabilities | | Average exchange rate | |
|  | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
|  | (Thousand) | (Thousand) | (Thousand) | (Thousand) | (Baht per 1 currency unit) | |
| US Dollar | 13,477 | 1,566 | 83 | 62 | 33.9879 | 34.2233 |
| Euro | - | - | 1 | 16 | 35.4284 | 38.0334 |
| Japanese Yen | - | - | 1,760 | - | 0.2155 | 0.2423 |
| Singapore Dollar | - | - | 1 | 3 | 25.0470 | 25.9733 |
| Philippines Peso | 1,918 | 13,031 | - | - | 0.5842 | 0.6138 |

As at 31 December 2024, the Group's foreign exchange contracts outstanding are summarised below.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Consolidated and Separate financial statements | | | | |
| Foreign |  |  | Contractual exchange rate | |  |
| currency | Bought amount | Sold amount | Bought amount | Sold amount | Contractual maturity date |
|  | (Thousand) | (Thousand) | (Baht per 1 foreign currency unit) | |  |
| US Dollar | - | 59 | - | 34.40 - 34.46 | 13 February 2025 - 14 February 2025 |

As at 31 December 2023, the Group had no foreign exchange contracts outstanding.

*Foreign currency sensitivity*

As at 31 December 2024 and 2023, 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 with a reasonably possible change in exchange rates within next one year.

***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 and long-term loans from banks. 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 2024 and 2023, 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 2024 | | | | | |
|  | 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 | - | - | - | 241 | 50 | 291 | Note 7 |
| Trade and other receivables | - | - | - | - | 1,475 | 1,475 | - |
| Time deposits | 11 | - | - | - | - | 11 | Note 8 |
| Restricted bank deposits | 18 | - | - | 1 | - | 19 | Note 12 |
|  | 29 | - | - | 242 | 1,525 | 1,796 |  |
| **Financial liabilities** |  |  |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | 1,087 | - | - | 134 | - | 1,221 | Note 18 |
| Trade and other payables | - | - | - | - | 592 | 592 | - |
| Lease liabilities | 22 | 75 | 112 | - | - | 209 | 4.27 - 9.55 |
| Long-term loans from banks | - | - | - | 2,004 | - | 2,004 | Note 21 |
|  | 1,109 | 75 | 112 | 2,138 | 592 | 4,026 |  |

(Unit: Million Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | |
|  | As at 31 December 2023 | | | | | |
|  | 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 | - | - | - | 178 | 5 | 183 | Note 7 |
| Trade and other receivables | - | - | - | - | 1,430 | 1,430 | - |
| Time deposits | - | 3 | - | - | - | 3 | Note 8 |
| Restricted bank deposits | 18 | - | - | - | - | 18 | Note 12 |
|  | 18 | 3 | - | 178 | 1,435 | 1,634 |  |
| **Financial liabilities** |  |  |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | 1,061 | - | - | - | - | 1,061 | Note 18 |
| Trade and other payables | - | - | - | - | 589 | 589 | - |
| Lease liabilities | 19 | 67 | 124 | - | - | 210 | 4.27 - 9.55 |
| Long-term loans from banks | - | - | - | 1,838 | - | 1,838 | Note 21 |
|  | 1,080 | 67 | 124 | 1,838 | 589 | 3,698 |  |

(Unit: Million Baht)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | |
|  | As at 31 December 2024 | | | | |
|  | 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 | - | - | 95 | 2 | 97 | Note 7 |
| Trade and other receivables | - | - | - | 449 | 449 | - |
| Short-term loans to  related parties | 402 | - | - | - | 402 | Note 6 |
| Restricted bank deposits | - | - | 1 | - | 1 | Note 12 |
|  | 402 | - | 96 | 451 | 949 |  |
| **Financial liabilities** |  |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | 1,042 | - | 1 | - | 1,043 | Note 18 |
| Trade and other payables | - | - | - | 240 | 240 | - |
| Lease liabilities | 3 | 1 | - | - | 4 | 4.58 - 5.86 |
| Long-term loans from banks | - | - | 1,327 | - | 1,327 | Note 21 |
|  | 1,045 | 1 | 1,328 | 240 | 2,614 |  |

(Unit: Million Baht)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | |
|  | As at 31 December 2023 | | | | |
|  | 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 | - | - | 47 | 3 | 50 | Note 7 |
| Trade and other receivables | - | - | - | 441 | 441 | - |
| Short-term loans to  related parties | 38 | - | - | - | 38 | Note 6 |
|  | 38 | - | 47 | 444 | 529 |  |
| **Financial liabilities** |  |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | 859 | - | - | - | 859 | Note 18 |
| Trade and other payables | - | - | - | 234 | 234 | - |
| Lease liabilities | 4 | 4 | - | - | 8 | 4.58 - 5.86 |
| Long-term loans from banks | - | - | 1,218 | - | 1,218 | Note 21 |
|  | 863 | 4 | 1,218 | 234 | 2,319 |  |

*Interest rate sensitivity*

As at 31 December 2024 and 2023, the Group has no significant impact on the Group’s profit before tax and equity due to changes in floating interest rate with a reasonably possible change in interest rates within next one year.

***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 Board of Directors of the Group 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.

**35.3 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:

1. For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable, short-term loans to related parties, accounts payable, bank overdraft and short-term loans from banks, the carrying amounts in the statement of financial position approximate their fair value.
2. 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.
3. 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.

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

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Consolidated financial statements | |
|  | Assets associated with  call options granted by  non-controlling interests of  the subsidiary | Liabilities associated with  put options granted to  non-controlling interests of  the subsidiaries |
| Balance as at 1 January 2024 | 2,137 | 412,523 |
| Increase during the year | - | 82,725 |
| Decrease during the year | (2,137) | - |
| Reverse during the year | - | (362,973) |
| Translation adjustment | - | (4,640) |
| Balance as at 31 December 2024 | - | 127,635 |

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Separate financial statements | |
|  | Assets associated with  call options granted by  non-controlling interests of  the subsidiary | Liabilities associated with  put options granted to  non-controlling interests of  the subsidiaries |
| Balance as at 1 January 2024 | 2,137 | 292,989 |
| Decrease during the year | (2,137) | (292,989) |
| Balance as at 31 December 2024 | - | - |

Key assumptions used in the valuation are summarised below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Financial instruments | Valuation technique | Significant unobservable inputs | Rates | Sensitivity of the input to fair value |
| Liabilities associated with put options granted to  non-controlling interests of the subsidiaries | Discounted cash flow based on the expected exercise price | Exercise price | 715.37 INR/share | No significant impact |

**36. 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 2024, the Group's interest bearing debt to equity ratio was 1.19:1 (2023: 1.16:1) and the Company's interest bearing debt to equity ratio was 0.89:1 (2023: 0.94:1).

**37. Event after the reporting period**

On 28 February 2025, a meeting of the Board of Directors of the Company No. 1/2025 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 2024 of Baht 0.38 per share, totaling Baht 124 million. The dividend will be paid and recorded after it is approved by the annual general meeting of the Company's shareholders.

**38. Approval of financial statements**

These financial statements were authorised for issue by the Company’s Board of Directors on 28 February 2025.