

Sahathai Printing & Packaging Public Company Limited

Report of Reviewed Financial Statements

For the three-month period ended March 31, 2024



บริษัท สำนักงาน เอ เอ็ม ซี จำกัด
SAM NAK-NGAN A.M.C. Co., Ltd.

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of Sahathai Printing & Packaging Public Company Limited

I have reviewed the accompanying statement of financial position as at March 31, 2024, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended and condensed notes to the financial statements of Sahathai Printing & Packaging Public Company Limited. The management of the entity is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

Other matter

The accompanying statements of financial positions as at December 31, 2023 of Sahathai Printing & Packaging Public Company Limited, which presented for comparative information purposes, were audited by another auditor, who expressed an unqualified opinion on those financial statement in his report date February 27, 2024. The statement of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended March 31, 2023 of Sahathai Printing & Packaging Public Company Limited, which presented for comparative information purposes, were also reviewed by the aforementioned auditor who concluded, under his report dated May 12, 2023, the nothing had come to his attention that caused his to believe that the interim financial was not prepared in all material respect, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

SAM NAK-NGAN A.M.C. Co., Ltd.

(Ms. Gunyanun Punyaviwat)

Certified Public Accountant Registration No. 12733

Bangkok

May 13, 2024

SAHATHAI PRINTING & PACKAGING PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

As at March 31, 2024

(Unit : Thousand Baht)

	Notes	March 31, 2024	December 31, 2023
		Unaudited Limited review only	Audited
Assets			
Current assets			
Cash and cash equivalents		28,417	19,091
Trade and other current receivables	4	140,665	122,695
Inventories	5	45,675	39,413
Other current financial assets	6	198,661	187,205
Other current assets		1,725	1,636
Total current assets		415,143	370,040
Non-current assets			
Building and equipment	7	406,482	407,198
Right-of-use assets	3 and 8	89,136	91,392
Intangible assets	9	1,987	2,069
Non-current financial assets pledged as collateral	10	7,255	7,257
Other non-current assets		47	47
Total non-current assets		504,907	507,963
Total assets		920,050	878,003

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

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

SAHATHAI PRINTING & PACKAGING PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

As at March 31, 2024

(Unit : Thousand Baht)

	Notes	March 31, 2024	December 31, 2023
		Unaudited Limited review only	Audited
Liabilities and shareholders' equity			
Current liabilities			
Trade and other current payables	3 and 11	56,742	55,961
Current portion of lease liabilities	3 and 12	3,113	3,967
Corporate income tax payable		16,608	9,218
Total current liabilities		76,463	69,146
Non-current liabilities			
Lease liabilities	3 and 12	89,166	92,455
Deferred tax liabilities		9,120	8,867
Provisions for employee benefits	13	18,003	17,841
Total non-current liabilities		116,289	119,163
Total liabilities		192,752	188,309
Shareholders' equity			
Share capital			
Authorized share capital :			
100,000,000 ordinary shares @ Baht 1.00		100,000	100,000
Issued and paid-up share capital :			
100,000,000 ordinary shares @ Baht 1.00		100,000	100,000
Premiums on ordinary shares		417,748	417,748
Retained earnings			
Appropriated			
Legal reserve		10,000	10,000
Unappropriated		199,550	161,946
Total shareholders' equity		727,298	689,694
Total liabilities and shareholders' equity		920,050	878,003

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

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SAHATHAI PRINTING & PACKAGING PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

For the three-month period ended March 31, 2024

(Unit : Thousand Baht)

	Note	2024	2023
Revenue from sales and services	15	160,790	103,673
Cost of sales and services		(99,911)	(73,635)
Gross profit		60,879	30,038
Other income		4,875	5,584
Distribution costs		(5,043)	(3,983)
Administrative expenses		(13,574)	(13,374)
Profit from operating activities		47,137	18,265
Finance cost		(937)	(1,114)
Profit before income tax		46,200	17,151
Income tax expenses		(8,596)	(3,222)
Profit for the period		37,604	13,929
Other comprehensive income		-	-
Total comprehensive income for the period		37,604	13,929
Basic earnings per share (Unit : Baht)		0.38	0.14

Unaudited

Limited review only

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

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SAHATHAI PRINTING & PACKAGING PUBLIC COMPANY LIMITED

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the three-month period ended March 31, 2024

(Unit : Thousand Baht)

	Issued and paid-up share capital	Premiums on ordinary shares	Retained earnings		Total
			Appropriated	Unappropriated	
			Legal reserve		
Balance as at January 1, 2023	100,000	417,748	10,000	110,855	638,603
Changes in shareholders' equity					
Profit for the period	-	-	-	13,929	13,929
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	13,929	13,929
Balance as at March 31, 2023	100,000	417,748	10,000	124,784	652,532
Balance as at January 1, 2024	100,000	417,748	10,000	161,946	689,694
Changes in shareholders' equity					
Profit for the period	-	-	-	37,604	37,604
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	37,604	37,604
Balance as at March 31, 2024	100,000	417,748	10,000	199,550	727,298

Unaudited

Limited review only

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

SAHATHAI PRINTING & PACKAGING PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOW

For the three-month period ended March 31, 2024

(Unit : Thousand Baht)

	2024	2023
Cash flows from operating activities		
Profit for the period	37,604	13,929
Adjustment to reconcile profit (loss) for the period for cash received (paid) from operation		
Depreciation and amortization	13,308	8,454
Expected credit losses (reversal)	(25)	-
Loss on devaluation of inventories (reversal)	(672)	3,135
Unrealized gain from changes in value of other current financial assets	(303)	(308)
(Gain) loss from disposal and amortization of building and equipment	(57)	112
Provisions for employee benefits	460	426
Interest income	(905)	(828)
Finance costs	937	1,114
Income tax expenses	8,596	3,222
Profit from operating activities before changes in operating assets and liabilities	58,943	29,256
Trade and other current receivables	(17,613)	(11,359)
Inventories	(5,590)	2,711
Other current assets	(89)	320
Trade and other current payables	(1,190)	(20,833)
Provisions for employee benefits	(298)	(800)
Cash received (paid) from operating activities	34,163	(705)
Cash paid income tax	(953)	(604)
Net cash received from (used in) from operating activities	33,210	(1,309)

Unaudited

Limited review only

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

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

SAHATHAI PRINTING & PACKAGING PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOW

For the three-month period ended March 31, 2024

(Unit : Thousand Baht)

	2024	2023
Cash flow from investing activities		
(Increase)decrease in other current financial assets	(11,154)	70,050
Cash paid for purchases of building and equipment	(8,624)	(61,272)
Cash received from disposal of building and equipment	61	52
Cash paid for purchases of intangible assets	(33)	-
Cash received from interest	946	806
Net cash received from (used in) investing activities	<u>(18,804)</u>	<u>9,636</u>
Cash flow from financing activities		
Cash paid for loans from financial institutions	-	(6,414)
Cash paid for lease liabilities	(4,143)	(6,776)
Cash paid for interest expenses	(937)	(1,142)
Net cash used in financing activities	<u>(5,080)</u>	<u>(14,332)</u>
Cash and cash equivalent items increase (decrease)-net	9,326	(6,005)
Cash and cash equivalent items at the beginning of the period	<u>19,091</u>	<u>18,891</u>
Cash and cash equivalent items at the end of the period	<u><u>28,417</u></u>	<u><u>12,886</u></u>
Supplemental disclosures of cash flows information		
- Purchases of building and equipment which had not yet been paid	1,971	2,304
- Transfer right-of-use assets to building and equipment	915	-

Unaudited

Limited review only

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

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

SAHATHAI PRINTING & PACKAGING PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

For the three-month period ended March 31, 2024

(UNAUDITED/LIMITED REVIEW ONLY)

1. General information

Sahathai Printing & Packaging Public Company Limited (the Company) was incorporated in Thailand under the Civil and Commercial Code with the registration number 0107564000359 on October 6, 1988 and became a public company limited on September 17, 2021. On June 14, 2022, the Company was listed on The Stock Exchange of Thailand in Market for Alternative Investment.

The office is located at 200/1 Soi Jaransanitwong 42, Bangyeekhan, Bangplad, Bangkok with factories and warehouses located at 6 Mu 3, Na Mai, Ladlumkaeo, Pathum Thani. The Company operates the business of printing paper boxes and all types of publications.

2. Basis of interim financial statements preparation and accounting policies

- 2.1 These interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.
- 2.2 These interim financial statements are prepared in the condensed format and in accordance with Thai Accounting Standard No. 34 on “Interim Financial Reporting” including interpretations and guidance promulgated by the Federation of Accounting Professions, related regulations and announcements of the Securities and Exchanges Commission. However, the Company has presented items in the statements of financial position, statements of comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.
- 2.3 The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2023. They do not include all of the financial information requires for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2023.
- 2.4 The interim financial statements are presented in Thai Baht, rounded to the nearest thousand Baht unless otherwise stated.
- 2.5 The accounting policies used in the preparation of the interim financial information for the three-month period ended March 31, 2024 are consistent with those used in the annual financial statements for the year ended December 31, 2023.

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

3. Related parties transactions

The Company had significant business transactions with related parties. Such transactions, which were summarised below, arose in the ordinary course of businesses and were concluded on commercial terms and agreed upon between the Company and those related parties.

3.1 Inter assets and liabilities

Significant transactions with related parties as at March 31, 2024 and December 31, 2023 were as follows:

	(Unit : Thousand Baht)	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Right-of-use assets		
Somwangdee Land Co., Ltd.	77,811	78,576
Related persons	2,158	2,355
Total	<u>79,969</u>	<u>80,931</u>
Trade payables		
Thai Forest Products Co., Ltd.	-	52
Accrued expenses		
Related persons	1,163	1,490
Lease liabilities		
Somwangdee Land Co., Ltd.	87,986	90,984
Related persons	2,170	2,355
Total	<u>90,156</u>	<u>93,339</u>

3.2 Inter-revenue and expenses

		(Unit : Thousand Baht)	
		For the three-month period	
		ended March 31,	
	<u>Pricing policy</u>	<u>2024</u>	<u>2023</u>
Inter-transaction with related companies			
Interest expenses - Lease liabilities	Annual interest rate at 4.00%	886	890
Inter-transaction with related persons			
Consulting fee	Agreement price, reference to contract	936	936
Other expenses	Agreement price, reference to market price	39	36
Interest expenses - lease liabilities	Annual interest rate at 4.00%	23	7

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

3.3 Management's benefits

	(Unit : Thousand Baht)	
	<u>For the three-month period</u>	
	<u>ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Short-term employee benefits	5,683	5,575
Post-employment benefits	313	285
Total	<u>5,996</u>	<u>5,860</u>

3.4 Inter-important contracts

The Company has a land lease agreement with a related company for a period of 30 years and an office building with a related person for a period of 3 years.

3.5 Nature of relationship

<u>Name</u>	<u>Country/Nationality</u>	<u>Type of relation</u>
Thai Forest Products Co., Ltd.	Thailand	Mutual directors/shareholders
Thai Paper Cartons Co., Ltd.	Thailand	Company related to shareholder
Somwangdee Land Co., Ltd.	Thailand	Mutual directors/shareholders
Related persons	Thai	Management and/or shareholders

4. Trade and other current receivables

	(Unit : Thousand Baht)	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Trade receivables	119,787	113,715
<u>Less</u> Allowance for expected credit losses	(4)	(29)
Trade receivables - net	<u>119,783</u>	<u>113,686</u>
Other receivables	6,128	5,447
Deposits	14,754	3,562
Total trade and other current receivables - net	<u>140,665</u>	<u>122,695</u>

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

Agings of trade receivables are as follows:

	(Unit : Thousand Baht)	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Current	100,881	89,175
Overdue not over 3 months	18,906	24,540
Total	119,787	113,715
<u>Less</u> Allowance for expected credit losses	(4)	(29)
Trade receivables - net	119,783	113,686

For the three-month periods ended March 31, 2024 and 2023, allowance for expected credit losses have the movements as follows:

	(Unit : Thousand Baht)	
	<u>2024</u>	<u>2023</u>
Beginning balance	(29)	-
Addition during the period	(4)	-
Collect during the period	29	-
Ending balance	(4)	-

5. Inventories

	(Unit : Thousand Baht)	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Finished goods	8,002	9,675
Raw materials	29,301	26,861
Work in process	14,064	9,241
Total	51,367	45,777
<u>Less</u> Allowance for devaluation of inventories	(5,692)	(6,364)
Inventories - net	45,675	39,413

For the three-month periods ended March 31, 2024 and 2023, allowance for devaluation of inventories have the movements as follows:

	(Unit : Thousand Baht)	
	<u>2024</u>	<u>2023</u>
Beginning balance	(6,364)	(3,292)
(Addition)Reversal during the period	672	(3,135)
Ending balance	(5,692)	(6,427)

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

6. Other non-current financial assets

	(Unit : Thousand Baht)	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Financial assets measured at fair value through profit or loss		
Investments in investment units	62,193	24,890
Financial assets measured at amortized cost		
Debt instruments purchased under resale agreements	136,468	162,315
Total other non-current financial assets	<u>198,661</u>	<u>187,205</u>

The Company had traded investments during the three-month periods ended March 31, 2024 and 2023 as follows:

	(Unit : Thousand Baht)	
	<u>2024</u>	<u>2023</u>
Bought investments	503,956	666,227
Sold investments	(492,803)	(736,672)

7. Building and equipment

Movements of building and equipment for the three-month period ended March 31, 2024 were as follows:

	(Unit : Thousand Baht)
Net book value as at January 1, 2024	407,198
Purchases	10,595
Transfer in	16,772
Transfer in from right - of use assets	915
Transfer out	(16,772)
Transfer out to expenses	(670)
Disposal/written off assets	(1,462)
Depreciation for portion shown in profit or loss	(11,182)
Accumulated depreciation in sold/written off assets	1,088
Net book value as at March 31, 2024	<u><u>406,482</u></u>

As at March 31, 2024 and December 31, 2023, the Company has been mortgaged building and improvement in the cost price was Baht 83.14 million and the book value of Baht 13.26 million and the cost price was Baht 83.14 million and the book value of Baht 14.30 million respectively, as collateral for credit facilities from financial institutions as mentioned in the notes to financial statements No. 14.4.

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

As at March 31, 2024 and December 31, 2023, the Company had the assets which fully depreciation but still in used. The cost price was Baht 107.91 million and the book value was Baht 3.82 million and the cost price was Baht 108.35 million and the book value was Baht 3.82 million respectively.

8. Right-of-use assets

	(Unit : Thousand Baht)	
	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Right-of-use assets - related parties	79,969	80,931
Right-of-use assets - other parties	9,167	10,461
Total right-of-use assets	<u>89,136</u>	<u>91,392</u>

Movements of right-of-use assets for the three-month period ended March 31, 2024 were as follows:

	(Unit : Thousand Baht)
Book value as at January 1, 2024	91,392
Transfer out to building and equipment	(915)
Depreciation for portion shown in profit or loss	<u>(1,341)</u>
Book value as at March 31, 2024	<u>89,136</u>

As at March 31, 2024, The Company has entered into a business contract by bringing the leasehold right of land as collateral for credit facilities from financial institutions as mentioned in the notes to financial statements No. 14.4.

9. Intangible assets

Movements of intangible assets for the three-month period ended March 31, 2024 were as follows:

	(Unit : Thousand Baht)
Book value as at January 1, 2024	2,069
Purchases	33
Amortization for portion shown in profit or loss	<u>(115)</u>
Book value as at March 31, 2024	<u>1,987</u>

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

10. Non-current financial assets pledged as collateral

(Unit : Thousand Baht)

<u>Type of assets</u>	<u>Collateralised</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Financial assets measured at amortized cost			
Cash at bank	Credit facilities from financial institutions	250	250
Government bonds	Guarantee for electricity use	2,005	2,007
Debentures	Letter of guarantee for purchases of raw materials	5,000	5,000
Total		7,255	7,257

11. Trade and other payables

(Unit : Thousand Baht)

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Trade payables-related parties	-	52
Trade payables-other parties	41,610	27,199
Payables from purchases of assets	2,437	15,725
Revenue Department payable	1,629	2,373
Accrued expenses-related persons	1,163	1,490
Accrued expenses-other parties	9,868	9,122
Advance received	35	-
Total	56,742	55,961

12. Lease liabilities

(Unit : Thousand Baht)

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Lease liabilities-related persons and parties	90,156	93,339
Lease liabilities-other parties	2,123	3,083
Total	92,279	96,422
<u>Less</u> Current portion	(3,113)	(3,967)
Lease liabilities - net	89,166	92,455

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

Movements of lease liabilities for the three-month periods ended March 31, 2024 as follows:

	(Unit : Thousand Baht)
Beginning balance as at January 1, 2024	96,422
<u>Add</u> Increase from interest	937
<u>Less</u> Repayments	(5,080)
Ending balance as at March 31, 2024	<u>92,279</u>

The Company entered into the lease agreements of land, buildings and equipment for use in its operations, with the terms of the contracts between 3 years to 30 years.

13. Provisions for employee benefits

Changes in the present value of the provisions for employee benefit are as follows:

	(Unit : Thousand Baht)
Provisions for employee benefits as at January 1, 2024	17,841
Current service cost	339
Interest expenses	121
Repayment for the period	(298)
Provisions for employee benefits as at March 31, 2024	<u>18,003</u>

14. Commitments and contingent liabilities

As at March 31, 2024 and December 31, 2023, the Company had commitments and contingent liabilities as follows:

14.1 Commitments for payments under service agreements in the amount of Baht 0.59 million and Baht 1.71 million respectively and Baht 0.10 million per month for both periods.

14.2 Commitments for consulting agreement with related person in the amount of Baht 0.30 million per month for both periods.

14.3 Capital commitments for building construction contracts and purchases of assets in the amount of Baht 1.94 million and Baht 18.94 million respectively.

14.4 Credit lines from financial institutions

	<u>Currencies</u>	<u>March 31, 2024</u>			<u>December 31, 2023</u>		
		<u>(Unit : Million)</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>
Bank overdraft	Baht	20.00	-	20.00	20.00	-	20.00
Letters of credit	Baht	35.00	-	35.00	35.00	-	35.00
Fleet card	Baht	1.50	0.22	1.28	1.50	0.21	1.29

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors

15. Segments information

Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Company.

The Company operates the business of printing paper boxes and all types of publications. Therefore, Management considers that the Company operates in a single line of business and operates in a single geographic area, namely in Thailand.

Revenue from sales and services for the three-month periods ended March 31, 2024 and 2023 consisted of:

	(Unit : Thousand Baht)	
	<u>2024</u>	<u>2023</u>
Revenue from sales	155,829	97,771
Revenue from services	4,961	5,902
Total	<u>160,790</u>	<u>103,673</u>

For the three-month period ended March 31, 2024 and 2023, the Company has 2 major customers are worth higher than 10% of the revenue from sales in the amount of Baht 70.99 million and 4 major customers in the amount of Baht 66.09 million from sales segment.

16. Event after the reporting period

According to the minute of the Annual General Shareholders' Meeting of the year 2024 of the Company held on April 9, 2024, has resolution to pay dividend from the performance of the year 2023 for 100.00 million shares in the rate of Baht 0.35 per share. During the year 2023, the Company paid the interim dividend in the rate of Baht 0.10 per share, thus, the remaining dividend shall be Baht 0.25 per share in amount of Baht 25.00 million. The Payment will be made on May 9, 2024.

17. Approval of interim financial statements

These interim financial statements have been approved for issue by the Company's Board of Directors on May 13, 2024.

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Mr. Surasak Rojwongcharas and Mrs. Nisachol Chaiyawat

Directors