

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
AND
INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of SABINA PUBLIC COMPANY LIMITED

Opinion

I have audited the consolidated financial statements of Sabina Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of Sabina Public Company Limited (the "Company") which comprise the consolidated and separate statements of financial position as of December 31, 2021, and the related consolidated and separate statements of changes in equity, income, comprehensive income, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Sabina Public Company Limited and its subsidiaries and of Sabina Public Company Limited as of December 31, 2021, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters included Audited Procedures are as follows:

Presentation of inventories valuation (the consolidate and separated financial statements)

As describe in note 2.3 and note 7 to the financial statement, the Group has significant amount of inventories which stated at the lower of cost and net realizable value. Most of inventories aging are not long, due to main business of the Group is manufacturing and distribute ready-made clothes, which the main products are underwear. And the management used information from inventories aging analysis report and individual obsolete stock analysis report to consider the allowance for inventories declining value, therefore, I have identified that the valuation of inventories is the significant matter that requires special attention in the audit.

My Audited Procedures to the Key Audit Matters

I assessed and tested the internal control related to the calculation of inventories cost, observed the inventory count, checked the aging report of inventories, inquired the management, and considered reasonableness of the policy regarding setup allowance for inventories declining value, and tested compliant of the allowance for inventories declining value to the policy. Including test the calculation of the allowance for inventories declining value by comparing cost of inventories and net realizable value. Additionally, I considered the adequacy of information disclosure related to the measurement of inventories.

Other Information

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

(NATSARAK SAROCHANUNJEEN)
 Certified Public Accountant
 Registration No. 4563

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2021

		Baht			
		Consolidated Financial Statement		Separarate Financial Statement	
	NOTE	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	4	79,824,352.86	62,881,680.45	11,694,724.14	22,054,880.32
Trade receivables and other current receivables					
Trade receivable - net					
- Related parties	3.1	-	-	233,363,965.05	332,744,713.86
- Other parties	6	403,813,107.83	399,357,325.37	13,808,640.10	12,158,715.95
Other receivables					
- Other parties		41,647,351.19	36,953,284.76	1,019,048.62	984,600.71
Short-term loan to related party	3.2	-	-	183,000,000.00	125,000,000.00
Inventories - net	7	1,260,296,814.21	1,403,950,632.05	57,873,983.59	70,727,441.39
Other current financial assets	5	273,835,254.58	161,958,648.06	273,835,254.58	161,958,648.06
Other current assets					
Prepaid output VAT		81,089,123.17	93,865,345.29	-	-
Others		4,501,067.53	3,698,813.78	296,500.00	375,000.00
Total current assets		2,145,007,071.37	2,162,665,729.76	774,892,116.08	726,004,000.29
NON-CURRENT ASSETS					
Investment in subsidiary company	1.5	-	-	144,849,500.00	144,849,500.00
Other non-current financial assets	8	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Property, plant and equipment - net	9	243,625,585.54	267,505,380.57	50,352,040.65	59,972,719.60
Intangible asset	10	15,921,160.66	13,534,319.71	2,408,219.00	2,324,219.00
Assets usage rights	11	41,796,561.84	63,947,102.38	5,090,524.45	5,903,530.30
Deferred tax assets	19.4	203,842,951.58	241,099,144.51	19,820,171.38	28,311,152.98
Others non-current assets - Deposit		48,120,614.44	50,189,783.80	247,440.00	171,840.00
Total non-current assets		558,306,874.06	641,275,730.97	227,767,895.48	246,532,961.88
TOTAL ASSETS		2,703,313,945.43	2,803,941,460.73	1,002,660,011.56	972,536,962.17

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2021

NOTE	Baht			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank overdrafts and short-term loans from -				
- financial institutions	12	394,598,236.63	558,821,115.37	-
Trade payables and other current payables				
Trade payable				
- related parties	3.3	-	-	7,394,197.59
- other parties		147,836,128.82	108,169,465.81	37,513,750.71
Other payables	13	103,810,840.14	104,572,539.00	30,812,103.77
Finance lease liabilities - Assets usage rights				
-current portion of- Assets usage rights	14	20,276,313.31	36,152,131.83	2,290,232.17
Accrued income tax		21,348,780.67	11,104,448.94	13,059,827.33
Revenue Department		23,059,922.22	33,964,085.22	2,485,210.94
Total current liabilities		710,930,221.79	852,783,786.17	93,555,322.51
NON-CURRENT LIABILITIES				
Liabilities under lease agreements - Assets usage rights	14	20,181,292.69	23,578,162.87	2,854,566.59
Non-current liabilities budget for -				
- employees' benefit obligation	15	137,039,161.67	125,853,851.67	77,186,062.33
Employees' deposit		5,942,500.00	6,617,000.00	54,000.00
Total non-current liabilities		163,162,954.36	156,049,014.54	80,094,628.92
Total liabilities		874,093,176.15	1,008,832,800.71	173,649,951.43

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SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2021

		Baht			
		Consolidated Financial Statement		Separate Financial Statement	
NOTE		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
SHAREHOLDERS' EQUITY					
	Share capital - Par value Baht 1 each				
	Authorized share capital				
	Common share 347,500,000 shares of Baht 1 each	16	347,500,000.00	347,500,000.00	347,500,000.00
	Issued and paid - up share capital				
	Common share 347,500,000 shares of Baht 1 each		347,500,000.00	347,500,000.00	347,500,000.00
	Premium on share capital		275,164,000.00	275,164,000.00	275,164,000.00
	Retained earnings				
	Appropriated – legal reserve	17	49,250,000.00	49,250,000.00	34,750,000.00
	Unappropriated		1,183,185,604.91	1,188,054,695.65	199,229,292.44
	Total other components of equity		(25,878,835.63)	(25,878,835.63)	(64,860,035.63)
	Total equity of the Parent		1,829,220,769.28	1,795,108,660.02	829,010,060.13
	Non-controlling interests		-	-	-
	Total shareholders' equity		1,829,220,769.28	1,795,108,660.02	829,010,060.13
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,703,313,945.43	2,803,941,460.73	1,002,660,011.56

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2021

BAHT

		Retained earnings								
						Others				
						Comprehensive Income		Total		
		Issued and	Premium	Appropriated		Gain (loss) from	Gain (loss)	Other	Total	Non
		paid - up	on			valuation of	on	components	Equity	Controlling
		share capital	share capital	legal reserve	Unappropriated	Other current	actuarial	of	of	Interests
	NOTE					financial assets	estimates.	equity	the Parent	
Balance as of January 1, 2020		347,500,000.00	275,164,000.00	49,250,000.00	1,248,572,922.94	(59,546,835.63)	-	(59,546,835.63)	1,860,940,087.31	-
Changes in shareholders' equity for the year										
Total comprehensive income (loss) for the year		-	-	-	276,811,117.71	(5,313,200.00)	-	(5,313,200.00)	271,497,917.71	-
Dividend Paid	18	-	-	-	(337,329,345.00)	-	-	-	(337,329,345.00)	-
Balance as of December 31, 2020		347,500,000.00	275,164,000.00	49,250,000.00	1,188,054,695.65	(64,860,035.63)	-	(64,860,035.63)	1,795,108,660.02	-
Balance as of January 1, 2021		347,500,000.00	275,164,000.00	49,250,000.00	1,188,054,695.65	(64,860,035.63)	-	(64,860,035.63)	1,795,108,660.02	-
Changes in shareholders' equity for the year										
Total comprehensive income (loss) for the year		-	-	-	294,194,619.26	38,981,200.00	-	38,981,200.00	333,175,819.26	-
Dividend Paid	18	-	-	-	(299,063,710.00)	-	-	-	(299,063,710.00)	-
Balance as of December 31, 2021		347,500,000.00	275,164,000.00	49,250,000.00	1,183,185,604.91	(25,878,835.63)	-	(25,878,835.63)	1,829,220,769.28	-

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
SEPARARATE FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2021

BAHT								
NOTE	Retained earnings				Other components of equity			
	Issued and paid - up share capital	Premium on share capital	Appropriated legal reserve	Unappropriated	Others Comprehensive Income		Total	
					Gain (loss) from valuation of Other current financial assets	Gain (loss) on actuarial estimates	Other components of equity	Total Shareholders' Equity
Balance as of January 1, 2020	347,500,000.00	275,164,000.00	34,750,000.00	218,533,954.65	(59,546,835.63)	-	(59,546,835.63)	816,401,119.02
Changes in shareholders' equity for the year								
Total comprehensive income (loss) for the year	-	-	-	317,770,337.79	(5,313,200.00)	-	(5,313,200.00)	312,457,137.79
Dividend Paid	18 -	-	-	(337,075,000.00)	-	-	-	(337,075,000.00)
Balance as of December 31, 2020	347,500,000.00	275,164,000.00	34,750,000.00	199,229,292.44	(64,860,035.63)	-	(64,860,035.63)	791,783,256.81
Balance as of January 1, 2021	347,500,000.00	275,164,000.00	34,750,000.00	199,229,292.44	(64,860,035.63)	-	(64,860,035.63)	791,783,256.81
Changes in shareholders' equity for the year								
Total comprehensive income (loss) for the year	-	-	-	297,095,603.32	38,981,200.00	-	38,981,200.00	336,076,803.32
Dividend Paid	18 -	-	-	(298,850,000.00)	-	-	-	(298,850,000.00)
Balance as of December 31, 2021	347,500,000.00	275,164,000.00	34,750,000.00	197,474,895.76	(25,878,835.63)	-	(25,878,835.63)	829,010,060.13

The accompanying notes to financial statements are an integral part of these financial staten

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

		B A H T			
		Consolidated Financial Statement		Separate Financial Statement	
		For the year ended December 31		For the year ended December 31	
NOTE		2021	2020	2021	2020
REVENUES					
	Revenues from sales - net	2,612,548,162.88	2,862,208,720.89	570,381,053.13	613,388,793.22
	Revenues from services	18,808,827.10	35,797,195.30	52,004,123.10	92,702,396.00
	Revenues from dividend				
	- related parties	-	-	205,686,290.00	244,795,655.00
	- other parties	4,074,500.00	2,154,000.00	4,074,500.00	2,154,000.00
	Other incomes	20,235,761.47	13,671,115.60	10,065,076.97	7,161,359.94
	Total Revenues	3.4 2,655,667,251.45	2,913,831,031.79	842,211,043.20	960,202,204.16
EXPENSES					
	Cost of sales and services	1,345,765,461.91	1,524,803,511.99	470,302,728.58	568,417,096.92
	Cost of distribution	774,670,120.44	863,108,099.89	1,818,079.91	842,385.38
	Administrative expenses	162,206,575.09	171,033,442.79	51,717,570.66	56,099,328.64
	Total Expenses	3.4 2,282,642,157.44	2,558,945,054.67	523,838,379.15	625,358,810.94
	PROFIT BEFORE FINANCIAL EXPENSES AND INCOME TAX	373,025,094.01	354,885,977.12	318,372,664.05	334,843,393.22
	Financial expenses	(4,913,163.42)	(9,101,122.69)	(99,970.48)	(109,133.38)
	PROFIT BEFORE INCOME TAX	368,111,930.59	345,784,854.43	318,272,693.57	334,734,259.84
	INCOME TAX EXPENSE	19.1 , 19.3 (73,917,311.33)	(68,973,736.72)	(21,177,090.25)	(16,963,922.05)
	PROFIT FOR THE PERIODS	294,194,619.26	276,811,117.71	297,095,603.32	317,770,337.79
Net income attributable to :					
	Equity holders of the parent	294,194,619.26	276,811,117.71	297,095,603.32	317,770,337.79
	Non - controlling interests	-	-	-	-
		294,194,619.26	276,811,117.71	297,095,603.32	317,770,337.79
BASIC EARNINGS PER SHARE					
	Earnings (loss) per share (Baht)	0.85	0.80	0.85	0.91
	Number of weighted average common shares (shares)	347,500,000	347,500,000	347,500,000	347,500,000

The accompanying notes to financial statements are an integral part of these financial statements.

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

		B A H T			
		Consolidated Financial Statement		Separarate Financial Statement	
		For the year ended December 31		For the year ended December 31	
หมายเหตุ		2021	2020	2021	2020
PROFIT FOR THE YEARS		294,194,619.26	276,811,117.71	297,095,603.32	317,770,337.79
Other comprehensive income;					
Item that will be reclassified subsequently to profit or loss					
Gain (loss) from measurement - fair value of financial assets					
-Marketable equity securities	5.2	48,726,500.00	(6,641,500.00)	48,726,500.00	(6,641,500.00)
Income tax related to other components of equity	19.2	(9,745,300.00)	1,328,300.00	(9,745,300.00)	1,328,300.00
Other comprehensive income for the period - profit net		38,981,200.00	(5,313,200.00)	38,981,200.00	(5,313,200.00)
Total comprehensive income for the year		333,175,819.26	271,497,917.71	336,076,803.32	312,457,137.79
Total comprehensive income attributable to :					
Equity holders of the parent		333,175,819.26	271,497,917.71	336,076,803.32	312,457,137.79
Non - controlling interests		-	-	-	-
		333,175,819.26	271,497,917.71	336,076,803.32	312,457,137.79

The accompanying notes to financial statements are an integral part of these financial statements

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

		B A H T			
		Consolidated Financial Statement		Separarate Financial Statement	
		For the year ended December 31		For the year ended December 31	
	NOTE	2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES :					
Net profit		294,194,619.26	276,811,117.71	297,095,603.32	317,770,337.79
Adjustments to reconcile net profit to net cash proceed (paid)					
Depreciation	9	39,018,410.16	43,681,704.91	10,941,405.89	12,105,336.96
Depreciation - Assests usage right	11	41,055,257.33	-	3,458,414.49	-
Amortization	10	1,427,413.65	10,097,666.92	-	-
Employees' benefits obligation	15	23,108,947.00	21,458,128.00	11,219,188.00	10,622,674.00
Loss (gain) from disposal of property		(254,828.86)	(1,256,185.18)	(98,711.36)	(658,818.60)
Unrealised (gain) loss on exchange rate		(643,444.66)	581,100.27	(353,230.27)	98,145.81
Interest expenses		4,913,166.42	9,101,122.69	99,970.48	109,133.38
Current tax expense	19.1	46,406,418.41	51,050,242.30	22,431,408.66	18,034,560.87
Deferred tax expense (income)	19.1	27,510,892.93	17,923,494.42	(1,254,318.40)	(1,070,638.82)
Trade receivable - related parties		-	-	99,380,748.81	20,456,331.91
Tade receivable - other parties		(4,455,782.46)	18,057,303.65	(1,649,924.15)	(1,990,167.11)
Other receivable					
- Other parties		(4,694,066.43)	37,271,636.88	(34,447.91)	(198,361.96)
Inventories		143,653,817.84	159,837,236.38	12,853,457.80	43,966,405.86
Other current assets		11,973,971.37	10,974,099.82	78,500.00	(67,667.97)
Other non-current assets					
- Assets usage rights		(18,904,716.79)	(63,947,102.38)	(2,645,408.64)	(5,903,530.30)
- Others		2,069,169.36	(1,483,993.52)	(75,600.00)	-
Operating liabilities Increase (decrease)					
Trade payables - realted party		-	-	3,051,697.95	1,876,819.37
Trade payables - other parties		40,310,107.67	(62,556,205.10)	(17,464,461.11)	(6,301,085.85)
Other payables		(812,162.19)	(91,920,220.12)	370,454.45	(39,652,739.60)
Other current liabilities - others		(10,904,166.00)	13,002,383.07	(2,219,764.65)	(1,360,492.44)
Others non-current liabilities					
Liabilities under lease agreements - Assests usage rights		(3,396,870.18)	23,578,162.87	117,813.61	2,736,752.98
Employees' benefit obligation	15	(11,923,637.00)	(11,257,405.00)	(4,947,596.00)	(5,269,480.00)
Employee deposit		(674,500.00)	(114,500.00)	-	-
Net cash received (paid) from operation		618,978,016.83	460,889,788.59	430,355,200.97	365,303,516.28
Payment of interest expenses		(4,862,703.09)	(8,996,534.08)	(99,970.48)	(109,133.38)
Payment of Corporate income tax		(36,162,086.68)	(121,966,362.84)	(18,389,644.01)	(16,454,881.42)
Net cash provided by (Used in) operating activities		577,953,227.06	329,926,891.67	411,865,586.48	348,739,501.48

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SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

		B A H T			
		Consolidated Financial Statement		Separarate Financial Statement	
		For the year ended December 31			
NOTE	2021	2020	2021	2020	
CASH FLOWS FROM INVESTING ACTIVITIES :					
Cash proceed (paid) on other current financial assets	5.1	(63,150,106.52)	9,345,384.96	(63,150,106.52)	9,345,384.96
Cash (paid) for short-term loan to subsidiary	3.2	-	-	(58,000,000.00)	(21,000,000.00)
Acquisition of property, plant and equipment	9	(15,139,115.13)	(29,099,963.07)	(1,321,024.94)	(567,788.59)
Acquisition of assrst usage right		(160,000.00)	-	-	-
Cash received from sales of property and equipment		255,328.86	1,256,201.18	99,009.36	658,834.59
Acquisition of intangible assets		(3,654,254.60)	(6,269,537.08)	(84,000.00)	(1,284,170.00)
Net cash provide by (Used in) investing activities		(81,848,147.39)	(24,767,914.01)	(122,456,122.10)	(12,847,739.04)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend Paid	18	(299,063,710.00)	(337,329,345.00)	(298,850,000.00)	(337,075,000.00)
Bank overdrafts and short-term loans received from	16				
- financial institutions increase(decrease)		(164,222,878.74)	(6,246,606.47)	-	-
- payment for lease payable - assets usage rights	14	(15,875,818.52)	36,152,131.83	(919,620.56)	3,209,852.73
Net Cash Provided by (Used in) Financing Activities		(479,162,407.26)	(307,423,819.64)	(299,769,620.56)	(333,865,147.27)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - NET		16,942,672.41	(2,264,841.98)	(10,360,156.18)	2,026,615.17
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	4	62,881,680.45	65,146,522.43	22,054,880.32	20,028,265.15
CASH AND CASH EQUIVALENTS, END OF PERIOD	4	79,824,352.86	62,881,680.45	11,694,724.14	22,054,880.32

The accompanying notes to financial statements are an integral part of these financial states

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

1. GENERAL INFORMATION

1.1 Corporate Information

SABINA PUBLIC COMPANY LIMITED (Formerly J & D Apparel Company Limited) was incorporated as a limited company under the Civil and Commercial Code on August 17, 1995, and changed its status to a Public Company Limited under the Public Company Limited Act and changed its name to be SABINA PUBLIC COMPANY LIMITED on May 18, 2007. The address of the head office is 177 Moo 8, Wang kaituen Sub-district, Han- ka District, Chai-nart Province. There is a plant as its branch at 236 Moo 10, Doo Tung Sub-district, Mueng District, Yasothon Province. The company gets privilege in investment promotion from The Board of Investment. On December 28, 2010, the company established two factory's branches which located at 81 and 106 Moo 6, Nhong-Boht Sub-district, Nang-Rong District, Burirum province. The company operates its business in Thailand and the main business is producing and distributing ready made clothes which main product is lady's underwear.

SABINA FAREAST COMPANY LIMITED which is a subsidiary, was incorporated as a limited company under the Civil and Commercial Code on January 11, 1977. The address of the head office is 12 Arun-Amarin Road ,Arun-Amarin Sub-district, Bangkok Noi District, Bangkok Province. There are plants, which Ta Pra plant located at 93/8 Soi Pet Ka Seam 7, Pet Ka Seam Road, TA PA Sub-district, Bangkok Yai District, Bangkok Province, and Budhamonthon Soi 5 plant located at Rai Keing Sub-district, Sam Pran District, Nakhonpathom Province. The subsidiary company operates its business in Thailand and the main business is producing and distributing ready made clothes which main product is lady's underwear.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group's management will continue to monitor the ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

And, in the 1st quarter of year 2021, the Group has decided to discontinue application of the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic for all temporary relief measures on accounting alternatives, which the Group had complied in year 2020, due to the expiration of the period of use of relief measures, which the cancellation of the said Accounting Guidance with no significant impact on the Group's financial statements.

1.3 Basis for preparation of financial statements

The company's financial statements have been prepared in accordance with financial reporting standards including guidelines promulgated by the Federation of Accounting Professional

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

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the financial statements in Thai language shall prevail.

1.4 Basis for preparation of consolidated of interim financial statements

The consolidated financial statements incorporated the financial statements of Sabina Public Company Limited and Sabina Fareast Company Limited, its subsidiary, which 99.90 % of share hold by the Company (treated 100% in the consolidate preparation), and being under common controls with the Company. For the purpose of the consolidation, all significant inter-company transactions and all inter-company account balances have been eliminated.

1.5 Related parties

Enterprises that directly or indirectly control by the Company, or are under common shareholders/ director controls are as follows:

<u>Name</u>	<u>Type of business</u>	<u>Relationship</u>	<u>Share holding (%)</u>
<u>Subsidiary</u>			
- Sabina Fareast Co., Ltd.	Producing and distributing ready made clothes and lady's underwear	Shares holding and joint directors	99.90%

The consolidated financial statements incorporated the financial statements of Sabina Public Company Limited and Sabina Fareast Company Limited, its subsidiary, which 99.90 % of share hold by the Company (treated 100% in the consolidate preparation), and being under common controls with the Company. For the purpose of the consolidation, all significant inter-company transactions and all inter-company account balances have been eliminated.

1.6 Adoption of new financial reporting standards

1.6.1 Financial Reporting Standards which are effective in the current period

During the year, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

1.6.2 Financial Reporting Standards which are not effective for the current year

During the year, the Federation of Accounting Professions has revised financial reporting standards, which are effective for financial statements year beginning on or after January 1, 2022 is as follows:

Financial Reporting Standard

TFRS 1 First-time Adoption of Financial Reporting Standards

TFRS 16 Lease

The management of the Group has assessed that TFRS 1 and TFRS 16 will not have impact on the financial statements when they are applied.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The company has significant accounting policies as follows :-

2.1 Revenue and expense recognition

The company records revenue and expenses on an accrual basis.

- Sales revenue are recognized as revenue once the goods have been transferred to customers, that is, when the goods are delivered, except in the case of revenue from sales of products manufactured by customers with special orders will recognize income by considering the stage of work completion
- Service income will be recorded as income by considering Stage of success
- Interest income is recognized as income on an accrual basis, taking into account the real rate of return.

Dividends are recognized as income when the company has the right to receive dividends.

2.2 Cash and cash equivalents

Cash and cash equivalents presented in the statement of cash flows consist of cash on hand, and banks saving and current deposits with an original maturity of three months or less.

2.3 Inventories

Inventories, working process and raw material are stated at the lower of cost (FIFO) or net realizable value.

Company has estimated amount of inventory impairment or inventory obsolete to be expenses by considering of the condition of inventories and trend of consumer preference.

2.4 Investments in subsidiary

Investments in subsidiary, which is the companies in which the Group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the financial and operating policies, has been consolidated. Subsidiary is consolidated from the date on which effective control is transferred to the Group and is no longer consolidated from the date of disposal. All inter-company transactions, balances and unrealized gains (losses) on transactions between group companies have been eliminated.

Investment in subsidiary (in the Separate financial statements) is stated at the cost method.

2.5 Property, plant and equipments

Lands and land improvements are stated at cost.

Building, building improvement and equipment stated at cost less accumulated depreciation.

Depreciation is computed by the straight-line method over the estimated useful life as follows ;

	Year
Building and building improvement	20
Machinery and equipment	10
Computer equipment	3
Fixture, equipment and furniture	5
Vehicles	5

2.6 Foreign currency transactions

Transactions in foreign currencies are converted at the exchange rate of the transaction date. Assets and liabilities in foreign currencies at the end of period are converted at average (buying and selling) rate that Bank of Thailand announce at date of statement of financial position. Gain or loss from conversion is included in the Statements of Income.

2.7 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 lessee

Right - of - use assets

The Group recognises right - of - use assets at the commencement date of the lease. Right - of - use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right - of - use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right - of - use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right - of - use assets are depreciated on a straight - line basis from the commencement date of the lease to the earlier of the end of the useful life of the right - of - use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease liabilities are subsequently measured using the effective interest method and by reducing the carrying amount to reflect the lease payments made. The Group recognises interest from lease liability in the statement of income. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments (including in - substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable by the lessee under residual value guarantees;
- Exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Short - term leases and Leases of low - value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low - value assets, are recognised as expenses on a straight - line basis over the lease term.

The Group as lessor

The Group classifies each of its leases as either a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income on a straight - line basis over the lease term.

Sub lease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and sub - lease separately. It assesses the lease classification of a sub - lease with reference to the right - of - use asset arising from the head lease, not with reference to underlying asset. If a head lease is a short - term lease to which the Group apply the exemption described in Short - term leases and leases of low - value asset, then it classifies the sub - lease as an operating lease.

The Group as an intermediate lessor accounts for the sublease as follows:

- If the sublease is classified as an operating lease, the Group continues to account for the lease liability and right - of - use asset on the head lease like any other lease; or
- If the sublease is classified as a finance lease, the Group derecognise the right - of - use asset on the head lease at the sublease commencement date and continue to account for the original lease liability in the head lease.

2.8 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at amortised cost.

Financial assets which are the equity in trading securities are measured at fair value through profit or loss. For equity instruments for other purposes are measured at fair value through profit or loss or through other comprehensive income. In the case, the equity securities are measured at fair value through other comprehensive income, the accumulated gain (loss) on measurement of these investments will not be reclassified to profit or loss.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss.

Impairment of financial assets

The Group assesses on a forward - looking basis the expected credit loss associated with its financial assets measured at amortised cost. The Group applies general or simplified approach for credit - impaired consideration which depends on the significant of credit risk.

2.9 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to business combination or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities at the reporting date and tax base of the relating assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.10 Employees benefits

The Company and its subsidiary recognize salaries, wages, bonuses, contributions to the social security fund, provident fund and other benefits as expenses when incurred.

Severance Payment as specified in Thai Law are recognized as expenses in the income statement along the service period of employees. The Company and its subsidiaries' post-employment benefit obligations are estimated by a qualified actuary under the actuarial assumption using the Projected Unit Credit Method. However, the actual benefit obligation may be different from the estimate.

The Company and its subsidiary recognized the actuarial gains or losses arising from defined benefit plan in the period incurred in other comprehensive income.

The Company and its subsidiaries recognized termination benefits when it is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Past service costs are recognized in the income statement when the Company and its subsidiaries' plan amendment or curtailment occurs, or recognition in related restructuring costs or termination benefits.

2.11 Accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ.

2.12 Basic earnings (loss) per share

Basic earnings (loss) per share is determined by dividing the net profit (loss) by the weighted average number of issued and paid-up of common shares at the end of accounting period.

3. RELATED PARTY TRANSACTIONS

The Company had certain accounting transactions with its subsidiary and related persons, which were considered as a normal business practice. The transactions were based on the general market price and in cases where market price was not available, the contract price was used.

Balance of assets and liabilities, accounting and business transactions with subsidiary and related person presented in the statements of financial position as of December 31, 2021 and 2020 are as follows:

BAHT			
Consolidated Financial Statement		Separate Financial Statement	
Dec-31, 2021	Dec-31, 2020	Dec-31, 2021	Dec-31, 2020

3.1 Trade Receivable

Subsidiary Company

Sabina Fareast Co., Ltd.	-	-	233,363,965.05	332,744,713.86
Less : Allowance for doubtful account	-	-	-	-
Trade receivable – Related parties net	-	-	233,363,965.05	332,744,713.86

The outstanding balance of above trade receivable is undue amount.

3.2 Short-term loan to related party

Movement of short - term loan to related party is as follows;

	Baht				Transfer Pricing Policy
	Balance As of	Increase	Decrease	Balance As of	
	December 31, 2020			December 31, 2021	
<u>Subsidiary Company</u>					
Sabina Fareast Co., Ltd.	125,000,000.00	228,000,000.00	(170,000,000.00)	183,000,000.00	3% p.a.
	125,000,000.00	228,000,000.00	(170,000,000.00)	183,000,000.00	

BAHT			
Consolidated Financial Statement		Separate Financial Statement	
December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020

3.3 Account Payable

Subsidiary Company

Sabina Fareast Co., Ltd.	-	-	7,394,197.59	4,342,499.64
Accounts payable – Related parties	-	-	7,394,197.59	4,342,499.64

3.4 Related party transactions for the year ended December 31, 2021 and 2020 are as follows:

	BAHT				Transfer
	Consolidated Financial Statement		Separate Financial Statement		Pricing
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	Policy
<u>Subsidiary company</u>					
Sales of finished goods	-	-	515,374,405.31	569,245,463.98	Contract price
Sawing service cost	-	-	39,389,375.00	59,229,359.00	"
Purchase of raw materials	-	-	21,868,151.74	19,773,280.71	"
Rent of office space and warehouse	-	-	1,476,000.00	1,476,000.00	"
Cutting service cost	-	-	16,090,461.18	13,684,803.07	"
Interest income	-	-	4,025,588.93	4,179,287.71	"
Dividend received	-	-	205,686,290.00	244,795,655.00	-

3.5 MANAGEMENT REMUNERATIONS

Management remunerations consist of salary, bonus, director attendance fee etc. Management remuneration for the year ended December 31, 2021 and 2020 as follow;

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2021	2020	2021	2020
Benefits – Short-term	32,751,911.10	31,419,782.56	13,608,568.12	14,450,876.36
Benefits – After retirement	2,866,666.66	2,515,000.00	860,000.00	754,500.00
Benefits – Long-term	-	-	-	-
Total	35,618,577.76	33,934,782.56	14,468,568.12	15,205,376.36

4. CASH AND CASH EQUIVALENTS

For the purpose of preparation of the statement of cash flows with relevant accounting standards, as of December 31, 2021 and 2020 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Cash	5,427,593.17	5,397,944.15	295,247.50	431,215.54
Cash at banks and financial institution	74,396,759.69	57,483,736.30	20,863,667.32	21,623,664.78
Total Cash and Cash Equivalents	79,824,352.86	62,881,680.45	21,158,914.82	22,054,880.32

5. TEMPORARY INVESTMENT

Temporary investment as of December 31, 2021 and 2020 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
5.1 Investment in mutual fund	152,993,254.58	89,843,148.06	152,993,254.58	89,843,148.06
5.2 Investment in available for sale -				
- securities	120,842,000.00	72,115,500.00	120,842,000.00	72,115,500.00
Total Temporary Investments	273,835,254.58	161,958,648.06	273,835,254.58	161,958,648.06

5.1 INVESTMENT IN MUTUAL FUND

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Investment in Commercial paper fund				
K-Treasury Fund	152,993,254.58	89,843,148.06	152,993,254.58	89,843,148.06
Total	152,993,254.58	89,843,148.06	152,993,254.58	89,843,148.06

5.2 INVESTMENT IN AVAILABLE-FOR-SALE SECURITIES

As of December 31, 2021 and 2020 Investment in available-for-sale securities of the Company and its subsidiary measured at fair value through other comprehensive income are as follow;

	BAHT					
	Consolidated Financial Statement / Separate Financial Statement					
	December 31, 2021			December 31, 2020		
	Cost	Unrealized Profit (loss)	Fair Value	Cost	Unrealized Profit (loss)	Fair Value
Marketable						
Security	142,756,794.54	(21,914,794.54)	120,842,000.00	142,756,794.54	(70,641,294.54)	72,115,500.00
Total	142,756,794.54	(21,914,794.54)	120,842,000.00	142,756,794.54	(70,641,294.54)	72,115,500.00

Movement of the unrealized profit (loss) of the available-for-sale securities for the year ended December 31, 2021 are as follow;

	BAHT	
	Consolidated Financial Statement	Separate Financial Statement
Balance as of January 1, 2021	72,115,500.00	72,115,500.00
The increase(decrease)during the year	-	-
Movement during the year	48,726,500.00	48,726,500.00
Balance as of December 31, 2021	120,842,000.00	120,842,000.00

6. **TRADE RECEIVABLES – OTHER PARTIES - NET**

Trade receivables – other parties as of December 31, 2021 and 2020 are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Trade receivables–other parties	403,813,107.83	399,357,325.37	13,808,640.10	12,158,715.95
<u>Less:</u> Allowance for doubtful account	-	-	-	-
Trade receivables–other parties - net	403,813,107.83	399,357,325.37	13,808,640.10	12,158,715.95

As of December 31, 2021 and 2020 trade receivables–other parties were classified by aging of debt outstanding are as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Trade receivables– other parties				
- Current	341,007,644.73	367,404,309.16	13,808,640.10	12,158,715.95
- Overdue 0 - 3 months	40,076,531.10	23,186,057.21	-	-
- Overdue 4 - 6 months	9,391,652.50	2,803,480.00	-	-
- Overdue 7 - 12 months	8,357,207.50	5,963,479.00	-	-
- Overdue over 12 month	4,980,072.00	-	-	-
Trade receivables–other parties - net	403,813,107.83	399,357,325.37	13,808,640.10	12,158,715.95

7. **INVENTORIES - NET**

As of December 31, 2021 and 2020 inventories – net are consisted as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Finished goods	1,112,819,773.35	1,306,012,388.57	1,186,202.98	1,206,103.08
Work in process	71,036,285.85	74,710,504.09	41,620,489.11	51,168,661.82
Raw materials	35,816,882.46	33,286,338.78	13,469,392.14	16,345,477.47
Supplies	3,563,077.23	4,281,064.78	1,597,899.36	2,007,199.02
Inventories in transit	53,060,795.32	1,660,335.83	-	-
Total	1,276,296,814.21	1,419,950,632.05	57,873,983.59	70,727,441.39
<u>Less:</u> Allowance for obsolete	(16,000,000.00)	(16,000,000.00)	-	-
Inventories – net	1,260,296,814.21	1,403,950,632.05	57,873,983.59	70,727,441.39

As of December 31, 2021 and 2020 the balance of inventories in subsidiary's account which purchased from the Company have been presented net from profit in inventories totaling of Baht 198,229,500.00 and Baht 190,739,023.00 respectively (eliminated in consolidated financial statement).

Movement of allowance for obsolete inventories account for the year ended December 31, 2021 is as follow;

	BAHT	
	Consolidated Financial Statement	Separate Financial Statement
Balance as of January 1, 2021	16,000,000.00	-
Increase during the year	-	-
Balance as of December 31, 2021	16,000,000.00	-

8. LONG-TERM INVESTMENT

During August 2017 the Company invested in 5,000 units subordinated perpetual debentures of CP All Public Company Limited, face value 1,000 Baht per unit, total amount of Baht 5,000,000, which redeem upon company liquidation with the issue's right to early redemption. The interest will be paid semi annually and unconditional interest deferral. Interest rate is float rate which the rate during 1st to 5th year is 5% per annum, after that the rate is sum of (a) the rate of 5 years government bond, and (b) Initial Credit Spread, and (c) the stated rate of each periods.

9. PROPERTY, PLANT AND EQUIPMENT – NET

Changes in the list of building improvements and equipment as of December 31, 2021 and 2020.

	BAHT										
	Consolidated Financial Statement										
	Land	Building & Building improvement	Machinery & Equipment	Tools & Supplies	Furniture & Fixture	Office equipment	Vehicles	Other equipment	Computer & equipment	Assets installation in progress	Total
COST :											
As of Dec-31 ,2020	119,012,674.50	335,164,834.28	302,891,459.09	16,765,025.04	181,404,829.32	67,378,296.58	21,687,349.89	964,028.25	57,743,702.27	2,350,270.09	1,105,362,469.31
Increase	-	-	-	130,500.14	603,540.18	835,380.03	1,123,500.00	-	5,518,496.07	6,927,698.71	15,139,115.13
Decrease	-	-	(3,618,489.55)	(129,900.00)	(217,466.91)	(683,890.35)	-	-	(1,419,029.00)	-	(6,068,775.81)
Transfer- In	-	-	-	87,325.50	5,465,463.55	82,242.99	-	-	-	-	5,635,032.04
Transfer-Out	-	-	-	-	-	-	-	-	-	(5,635,032.04)	(5,635,032.04)
As of Dec-31, 2021	119,012,674.50	335,164,834.28	299,272,969.54	16,852,950.68	187,256,366.14	67,612,029.25	22,810,849.89	964,028.25	61,843,169.34	3,642,936.76	1,114,432,808.63
Accumulated depreciation:			-	-							
As of Dec-31 ,2020	-	(274,523,893.60)	(270,990,173.43)	(14,461,955.74)	(151,864,934.00)	(54,752,243.14)	(21,206,724.92)	(948,934.86)	(49,108,229.05)	-	(837,857,088.74)
Increase	-	(11,480,092.97)	(5,902,638.62)	(927,245.60)	(10,409,840.28)	(3,839,315.29)	(548,077.58)	(6,279.39)	(5,904,920.43)	-	(39,018,410.16)
Decrease	-	-	3,618,379.55	129,710.00	217,458.91	683,831.35	-	-	1,418,896.00	-	6,068,275.81
As of Dec-31, 2021	-	(286,003,986.57)	(273,274,432.50)	(15,259,491.34)	(162,057,315.37)	(57,907,727.08)	(21,754,802.50)	(955,214.25)	(53,594,253.48)	-	(870,807,223.09)
Property, plants and equipment -net											
As of Dec-31 ,2020	119,012,674.50	60,640,940.68	31,901,285.66	2,303,069.30	29,539,895.32	12,626,053.44	480,624.97	15,093.39	8,635,473.22	2,350,270.09	267,505,380.57
As of Dec-31, 2021	119,012,674.50	49,160,847.71	25,998,537.04	1,593,459.34	25,199,050.77	9,704,302.17	1,056,047.39	8,814.00	8,248,915.86	3,642,936.76	243,625,585.54

	BAHT										
	Separate Financial Statement										
	Land	Building & Building improvement	Machinery & Equipment	Tools & Supplies	Furniture & Fixture	Office equipment	Vehicles	Other equipment	Computer & equipment	Assets installation in progress	Total
COST :											
As of Dec-31 ,2020	17,424,744.50	145,791,955.03	174,645,773.74	6,377,383.46	10,972,099.01	8,281,340.84	6,001,859.81	964,028.25	-	-	370,459,184.64
Increase	-	-	-	48,520.14	26,950.00	122,054.80	1,123,500.00	-	-	-	1,303,321.67
Decrease	-	-	(1,651,000.00)	(21,100.00)	(500.00)	(75,445.00)	-	-	-	-	(1,748,045.00)
Transfer- In	-	-	-	-	-	-	-	-	-	-	-
Transfer-Out	-	-	-	-	-	-	-	-	-	-	-
As of Dec-31, 2021	17,424,744.50	145,791,955.03	172,994,773.74	6,404,803.60	10,998,549.01	8,327,950.64	7,125,359.81	964,028.25	-	-	370,032,164.58
Accumulated depreciation:			-	-							
As of Dec-31 ,2020	-	(124,005,263.33)	(156,506,792.32)	(5,181,162.24)	(10,200,127.72)	(7,642,328.76)	(6,001,855.81)	(948,934.86)	-	-	(310,486,465.04)
Increase	-	(6,339,527.49)	(3,244,117.33)	(441,022.54)	(310,794.89)	(391,586.27)	(208,077.98)	(6,279.39)	-	-	(10,941,405.89)
Decrease	-	-	1,650,897.00	20,914.00	499.00	75,437.00	-	-	-	-	1,747,747.00
As of Dec-31, 2021	-	(130,344,790.82)	(158,100,012.65)	(5,601,270.78)	(10,510,423.61)	(7,958,478.03)	(6,209,933.79)	(955,214.25)	-	-	(319,680,123.93)
Property, plants and equipment -net											
As of Dec-31 ,2020	17,424,744.50	21,786,691.70	18,138,981.42	1,196,221.22	771,971.29	639,012.08	4.00	15,093.39	-	-	59,972,719.60
As of Dec-31, 2021	17,424,744.50	15,447,164.21	14,894,761.09	803,532.82	488,125.40	369,472.61	915,426.02	8,814.00	-	-	50,352,040.65

Depreciation for the year ended December 31, 2021 and 2020, in the consolidated income statement as the amount of Baht 39,018,410.16 and Baht 43,681,704.91 respectively, in the separate income statement as the amount Baht 10,941,405.89 and Baht 12,105,336.96 respectively.

As of December 31, 2021 and 2020, the cost of the asset is fully depreciated and still in use which are shown in the consolidated financial statements as the amount of Baht 617,324,978.43 and Baht 580,017,192.70 respectively, in separate financial statements of Baht 191,012,322.46 and Baht 178,251,389.70 respectively.

10. INTANGIBLE ASSETS

Intangible assets account changes for the year ended December 31, 2021 and 2020 is as follow;

	BAHT		
	Consolidated Financial Statement		
	Computer Software	Software under installation	Total
Cost:			
As of December 31, 2020	35,134,809.85	6,320,088.00	41,454,897.85
Increase	-	3,654,254.60	3,654,254.60
Decrease	-	-	-
Transfer- In	4,627,735.00	-	4,627,735.00
Transfer- Out	-	(4,627,735.00)	(4,627,735.00)
As of December 31, 2021	39,762,544.85	5,346,607.60	45,109,152.45
Accumulated amortization :			
As of December 31, 2020	(27,920,578.14)	-	(27,920,578.14)
Increase	(1,267,413.65)	-	(1,267,413.65)
Decrease	-	-	-
As of December 31, 2021	(29,187,991.79)	-	(29,187,991.79)
Intangible assets – net			
As of Dec-31, 2020	7,214,231.71	6,320,088.00	13,534,319.71
As of Dec-31, 2021	10,574,553.06	5,346,607.60	15,921,160.66

	BAHT		
	Separate Financial Statement		
	Computer Software	Software under installation	Total
Cost:			
As of December 31, 2020	2,469,288.38	2,324,170.00	4,793,458.38
Increase	-	84,000.00	84,000.00
Decrease	-	-	-
Transfer- In	-	-	-
Transfer- Out	-	-	-
As of December 31, 2021	2,469,288.38	2,408,170.00	4,877,458.38
Accumulated amortization :			
As of December 31, 2020	(2,469,239.38)	-	(2,469,239.38)
Increase	-	-	-
Decrease	-	-	-
As of December 31, 2021	(2,469,239.38)	-	(2,469,239.38)
Intangible assets – net			
As of Dec-31, 2020	49.00	2,324,170.00	2,324,219.00
As of Dec-31, 2021	49.00	2,408,170.00	2,408,219.00

Amortization expenses for the year ended December 31, 2021 and 2020, in the consolidated income statement as the amount of Baht 1,267,413.65 and Baht 1,108,695.47 respectively, in the separate income statement as the amount Baht 0.00 and Baht 0.00 respectively.

As of December 31, 2021 and 2020, the cost of the asset is fully amortized and still in use which are shown in the consolidated financial statements as the amount of Baht 24,527,359.09 and Baht 23,252,319.09 respectively, in separate financial statements of Baht 2,469,288.38 and Baht 2,469,288.38 respectively.

11. RIGHT - OF - USE ASSETS - NET

The book value of the right-of-use assets for the year ended December 31, 2021 and 2020 is as follows:

	Note	BATH	
		CONSOLIDATED	SEPARATE
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
Net book value as of December 31, 2020		63,947,102.38	5,903,530.30
<u>Add</u> Increased during period - at cost		18,904,716.79	2,645,408.64
<u>Less</u> Amortization for the year		(41,055,257.33)	(3,458,414.49)
Net book value as of December 31, 2021		41,796,561.84	5,090,524.45

Amortization for the year ended December 31, 2021 and 2020 have been included in cost of goods sold, selling and administrative expenses as follows:

		BAHT			
		Consolidated Financial Statement		Separate Financial Statement	
		2021	2020	2021	2020
Selling expenses		41,055,257.33	49,221,936.19	3,458,414.49	4,257,194.13
Total		41,055,257.33	49,221,936.19	3,458,414.49	4,257,194.13

12. **BANK OVERDRAFTS AND SHORT TERM LOAN S FROM FINANCIAL INSTITUTIONS**

Bank overdrafts and short term loans from financial institution as of December 31, 2021 and 2020 were consisted of the follows:

		BAHT			
		Consolidated Financial Statement		Separate Financial Statement	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Short term loan		275,000,000.00	370,000,000.00	-	-
Loan on trust receipt		119,598,236.63	188,821,115.37	-	-
Total		394,598,236.63	558,821,115.37	-	-

The Company and its subsidiary have entered into the bank overdraft and short term loan agreement with several banks. The interest rate was ranging from 1.10% to 7.675% per annum. The Company and its subsidiary pledged its land, buildings and machinery as collateral with the banks. Besides, the company's director and shareholder are also guarantor for the loans.

13. **OTHER PAYABLES**

As of December 31, 2021 and 2020 other payables are consisted as follows:

		BAHT			
		Consolidated Financial Statement		Separate Financial Statement	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Advance for merchandise		11,628,381.85	9,293,548.78	11,067,739.21	8,789,115.40
Accrued expenses		91,436,684.56	94,558,921.77	18,998,590.83	21,932,465.47
Accrued dividend		745,773.73	720,068.45	745,773.73	720,068.45
Total		103,810,840.14	104,572,539.00	30,812,103.77	30,441,649.32

14. LEASE LIABILITIES

The book value of the lease liabilities for the year ended December 31, 2021 and 2020 is as follows:

	BAHT	
	CONSOLIDATED FINANCIAL	SEPARATE FINANCIAL STATEMENTS
Lease liabilities of December 31, 2020		5,946,605.71
<u>Add</u> Increase during the year	20,841,493.92	2,760,000.00
<u>Less</u> Deferred interest expenses	(711,354.32)	(114,591.36)
<u>Add</u> Amortization of deferred cost of financing loans		99,970.48
<u>Less</u> Payment	(40,268,698.01)	(3,547,186.07)
Lease liabilities as of December 31, 2021	40,457,606.00	5,985,235.01
<u>Less</u> : Current portion	(20,276,313.31)	(2,290,232.17)
Lease liabilities - net of current portion	20,181,292.69	2,854,566.59

As of December 31, 2021 and 2020 the Group have committed to pay the lease under the lease agreements is as follows:

	BAHT		
	CONSOLIDATED FINANCIAL STATEMENTS		
	As of December 31, 2021		
	Deferred Interest		
	Principal	expenses	Total
Current portion	20,783,010.88	(506,697.57)	20,276,313.31
1 - 5 years	20,602,205.06	(420,912.37)	20,181,292.69
Over 5 years	-	-	-
Total	41,385,215.94	(927,609.94)	40,457,606.00

	BAHT		
	SEPARATE FINANCIAL STATEMENTS		
	As of December 31, 2021		
	Deferred Interest		
	Principal	expenses	Total
Current portion	2,356,225.97	(65,993.80)	2,290,232.17
1 - 5 years	2,923,897.60	(69,331.01)	2,854,566.59
Over 5 years	-	-	-
Total	5,280,123.57	(135,324.81)	5,144,798.76

15. EMPLOYEES' BENEFIT OBLIGATION

Movements of present value of employee benefit obligation for the year ended December 31, 2021 and 2020 were as follows:

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	For the year ended	For the year ended	For the year ended	For the year ended
	Dec- 31, 2021	Dec-31, 2020	Dec-31, 2021	Dec-31, 2020
Employee benefits obligation				
as of beginning of year	125,853,851.67	115,653,128.67	70,914,470.33	65,561,276.33
Payment of Employees' benefit	(11,923,637.00)	(11,257,405.00)	(4,947,596.00)	(5,269,480.00)
Current service cost and interest cost	23,108,947.00	21,458,128.00	11,219,188.00	10,622,674.00
Employee benefits obligation				
as of ending of year	137,039,161.67	125,853,851.67	77,186,062.33	70,914,470.33

Expenses recognized in statements of income for the year ended December 31, 2021 and 2020 are as follow;

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2021	2020	2021	2020
Current service cost	20,118,427.00	18,705,068.00	9,573,632.00	9,101,878.00
Interest cost	2,990,520.00	2,753,060.00	1,645,556.00	1,520,796.00
Total	23,108,947.00	21,458,128.00	11,219,188.00	10,622,674.00

The principle actuarial assumptions used to calculate the provision under the retirement benefit obligation as of December 31, 2021 are as follows:

	Consolidated Financial Statement	Separate Financial Statement
Discount rate	2.33 %	2.33%
Salary scale increase rate	3.00 %	3.00 %
Employee with voluntary resignation before retirement ratio	0-67 %*	0-52 %*
Mortality rate	TMO 2017 **	TMO 2017 **

* Based on rate weighted by age group of employee

** Reference to Thai Mortality ordinary Table of 2017 common type

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for sensitivity analysis are discount rate, salary increase rate and mortality, while holding all other assumptions constant. The sensitivity analysis of change in the relevant actuarial assumption that was reasonably possible for the year 2021 as follows:

Separate Financial Statement

- If the discount rate increases (decreases) by 1.0%, the employee benefit obligation would decrease Baht 4.85 million (increases Baht 5.45 million)
- If the salary increases rate increases (decreases) by 1.0%, the employee benefit obligation would increase Baht 7.59 million (decrease Baht 6.77 million).
- If the Employee with voluntary resignation before retirement increases (decreases) by one year for all employees, the employee benefit obligation would decrease Baht 5.22 million (increases Baht 2.93 million).

Consolidated Financial Statement

- If the discount rate increases (decreases) by 1.0%, the employee benefit obligation would decrease Baht 8.78 million (increases Baht 9.85 million)
- If the salary increases rate increases (decreases) by 1.0%, the employee benefit obligation would increase Baht 14.47 million (decrease Baht 12.30 million).
- If the Employee with voluntary resignation before retirement increases (decrease) by one year for all employees, the employee benefit obligation would decrease Baht 9.66 million (increases Baht 6.96 million).

In presenting the above sensitivity analysis, the present value of the employee benefit obligation has been calculated by using the same method that applied in calculating the employee benefit obligation recognized in the statement of financial position.

16. REGISTERED CAPITAL

On May 15, 2008 the Company common shares have been approved to be a registered security in SET and the share initial trading has been started since that date.

17. LEGAL RESERVE

According to public company legislation 1992, the Company has to allocate a portion of net profit for the year to be Legal Reserve not less than 5% of profit of the year. The allocation of Legal Reserve should be deducted with the beginning balance of deficit (if any) until the balance of Legal Reserve not less than 10% of registered capital. The Company cannot pay dividend from the Legal Reserve.

18. DIVIDEND PAYMENT

On April 10, 2020, the meeting of the Board of Directors No. 2/2020 resolved to postpone the annual general meeting of shareholders 2020 and approve the payment of interim dividends according to the latest financial statements ending December 31, 2019, which was paid from retained earnings by paying to shareholders at the rate of 0.62 baht per share of 347.50 million shares, totaling Baht 215.45 million.

On August 13, 2020, the meeting of the Board of Directors no. 5/2020 has approved to pay interim dividend to shareholders, at Baht 0.35 per share for the 347.50 million shares, total amount of Baht 121.63 million, which is paid in September 2020.

On April 22, 2021, the shareholder meeting no. 1/2021 has approved to pay dividend to shareholders, at Baht 0.45 per share for the 347.50 million shares, total amount of Baht 156.375 million, which was paid in May 2021.

On August 13, 2021, the meeting of the Board of Directors no. 3/2021 has approved to pay interim dividend to shareholders, at Baht 0.41 per share for the 347.50 million shares, total amount of Baht 142.475 million, which was paid in September 2021.

On February 21, 2022, the meeting of the Board of Directors no. 1/2021 passed the resolution to propose the Annual General Meeting of shareholders approve to pay dividend for the year 2021 to shareholders, at Baht 0.85 per share for the 347.50 million shares, total amount of Baht 295.375 million. Since an interim dividend of Baht 0.41 per share, total amount of Baht 142.475 million, was already distributed to the shareholders in September 2021, the remaining final dividend is Baht 156.375 million (Baht 0.44 per share)

19. INCOME TAX EXPENSE

In accordance with taxable conditions on Thailand's revenue code, the Company and its subsidiaries have calculated its net taxable profit (loss) by taking both any for bidding expenditures and any reduced or exceptionable accounting transactions to adding - up or deducting from net profit (loss) under accounting base.

The Company has calculated income tax on its taxable profit for the years 2021 and 2020 at the rate 20%.

19.1 Income tax expense for the year ended December 31, 2021 and 2020, consisted of;

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Income tax charge of current periods	46,406,418.40	51,050,242.30	22,431,408.65	18,034,560.87
Deferred income tax Expense (Revenue)				
from temporary difference	-	-	-	-
Effects of deferred income tax				
from change of tax rates	27,510,892.93	17,923,494.42	(1,254,318.40)	(1,070,638.82)
Income tax expense presented				
in the statement of income	73,917,311.33	68,973,736.72	21,177,090.25	16,963,922.05

- 19.2 Income tax relating to components of statements of comprehensive income – other for the year ended December 31, 2021 and 2020 consisted of :

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax expense (income) relating to				
Investment in marketable securities	9,745,300.00	(1,328,300.00)	9,745,300.00	(1,328,300.00)

- 19.3 The reconciliation of the income tax expense and the result of the multiplying of the accounting profit with tax rate for the year period ended December 31, 2021 and 2020 are presented as the following:

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Accounting profit before corporate income tax	368,111,930.59	345,784,854.43	318,272,693.57	334,734,259.84
Corporate income tax rates	20%	20%	20%	20%
Accounting profit before corporate income- tax				
-Multiply by tax rates	73,622,386.12	69,516,970.89	63,654,538.73	66,946,851.97
Effects to deferred income tax	27,510,892.93	17,923,494.42	(1,254,318.40)	(1,070,638.82)
Effects of income and expenses-				
- not related to income tax	2,570,691.56	974,854.00	-	-
Income tax effects that is nondeductible in				
Calculation of profit:				
- Revenue exempted in tax calculation	(33,163,207.23)	(23,032,639.15)	(43,068,124.45)	(50,873,434.81)
-Nondeductible expenses	3,376,547.95	3,591,056.56	1,844,994.37	1,961,143.71
Income tax expense presented in the -				
Statement of Income	73,917,311.33	68,973,736.72	21,177,090.25	16,963,922.05

19.4 Components of deferred tax assets and deferred tax liabilities comprised of the following items;

BAHT

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	Dec-31, 2021	Dec-31, 2020	Dec-31, 2021	Dec-31, 2020
<u>Deferred tax assets</u>				
Investment in marketable securities	4,382,958.91	14,128,258.91	4,382,958.91	14,128,258.91
Consignment receivable	231,683,209.05	268,186,700.84	-	-
Allowance for impairment of inventories	3,200,000.00	3,200,000.00	-	-
Employee benefit obligation	27,407,832.34	25,170,770.34	15,437,212.47	14,182,894.07
Total	266,674,000.30	310,685,730.09	19,820,171.38	28,311,152.98
<u>Deferred tax liabilities</u>				
Consignment inventories	(62,831,048.72)	(69,586,585.58)	-	-
Total	(62,831,048.72)	(69,586,585.58)	-	-
<u>Deferred tax assets – net</u>	203,842,951.58	241,099,144.51	19,280,171.38	28,311,152.98

20. PROVIDENT FUND

During year 2005, the Company and its employees agreed to establish employees' provident fund under authorization from Ministry of Finance as per provident fund legislation 1987. This provident fund is comprised of a portion of not less than 3% from employee's salary and a portion that contributed at the same amount from the Company. Employees entitle to receive money from provident fund if he/she resign and comply with its regulation. The provident fund is managed by MFC Public Co., Ltd.

21. COMMITMENT

21.1 Lease agreement and long term services

21.1.1 On June 1, 2019, company has entered into the lease of buildings agreement with Sabina Far East Co., Ltd., to use the buildings as company's office and warehouse for 3 years. The Company has a right to renew the lease agreement for 3 times at 3 years each. However the Company has to inform landlord by written in advance not less than 180 days. The rental is Baht 142,500 per month; landlord is responsible for municipal taxes. Landlord promised that it will not sell or dispose the assets in 12 years.

21.1.2 On March 22, 2013, the subsidiary has entered into another lease contract with the department store and for extension the lease period to another 10 years, which will expire in February 2023. The subsidiary had paid for the leasehold right for the 10 years approximately amounting to Baht 15.87 million.

The commitment for the long-term lease, which should be paid the rent and service in the future, as of December 31, 2021 are as follow;

The Company

<u>For the period</u>	<u>Unit (Million baht)</u>
Not over 1 year	0.71
Over 1 year but not over 5 years	-
Over 5 years	-
Total	<u>0.71</u>

The Subsidiary Company

<u>For the period</u>	<u>Unit (Million baht)</u>
Not over 1 year	40.09
Over 1 year but not over 5 years	29.44
Over 5 years	-
Total	<u>69.53</u>

As of December 31, 2020 the Group had recorded commitments under the lease agreements due to the adoption of TFRS 16 as of January 1, 2021. Therefore the Group recognized the remaining lease liabilities previously classified as operating lease at the present value of the lease payments discounted using the Group's incremental borrowing rate, as described in Note 14 to the interim financial statements.

21.2 Letter of bank guarantee

As of December 31, 2021 and 2020 , the Company has letter of guarantee which issuing by the bank on behalf of company as follows:

<u>Objective</u>	<u>BAHT</u>			
	<u>Consolidated Financial Statement</u>		<u>Separate Financial Statement</u>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
1. Guarantee for -				
-Custom Department	1.33	1.10	-	-
2. Others	3.25	3.25	1.34	1.34
Total	<u>4.58</u>	<u>4.35</u>	<u>1.34</u>	<u>1.34</u>

22. Financial Instruments

22.1 Financial risk management policy

The Company's financial instruments, principally comprise deposits with financial institutions, trade receivables and payables, receivable and payable - principals. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

(A) Trade receivables

The Company is exposed to credit risk primarily with respect to trade. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses.

The maximum exposure to credit risk is limited to the carrying amounts of trade receivables and receivable - principals as stated in the statements of financial position.

(B) Deposits with financial institutions

The Company is exposed to risk arising from deposit with financial institutions. However, the counterparties are banks with a good credit rating, for which the Company considers to have low credit risk.

Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operation and to mitigate the effects of fluctuations in cash flows. The remaining contractual maturities of financial liabilities at the reporting date are as follows:

	Million Bath					
	Contractual cash flows (Consolidated financial statements)					
		More than 1 year but	More than 2 year but			
Carrying amount	1 year Or less	Less than 2 years	Less than 5 year	More than 5 year		Total
<u>As of December 31, 2021</u>						
Non - derivative financial liabilities						
- Other payables	650.12	650.12	-	-	-	650.12
- Lease liabilities	40.34	20.28	9.78	10.29	-	40.34
- Revenue Department	19.29	19.29	-	-	-	19.29
- Corporate income tax payable	21.35	21.35	-	-	-	21.35
	<u>731.11</u>	<u>711.05</u>	<u>9.78</u>	<u>10.29</u>	<u>-</u>	<u>731.11</u>
Derivative financial liabilities						
	-	-	-	-	-	-

Million Bath					
	Contractual cash flows (Separate financial statement)				
		More than 1 year but Less than 2 years	More than 2 year but Less than 5 years	More than 5 years	Total
Carrying amount	1 year or less				
<u>As of December 31, 2021</u>					
Non - derivative financial liabilities					
- Other payable	76.61	76.61	-	-	76.61
- Lease liabilities	5.14	2.29	1.18	1.68	5.14
- Revenue Department	1.59	1.59	-	-	1.59
- Corporate income tax payable	13.06	13.06	-	-	13.06
	<u>96.41</u>	<u>93.56</u>	<u>1.18</u>	<u>1.68</u>	<u>96.41</u>
Derivative financial liabilities					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

22.2 Market risk

Risk from foreign exchange rate

The Company and its subsidiary encounters risk in foreign exchange rate because company has foreign receivables and payables. However, the credit terms given or received from the receivables and payables are short period.

As of December 31, 2021 and 2020, the Company and its subsidiary have assets and liabilities in foreign currencies as follows:

	Amount in Foreign Currencies			
	Consolidated Financial Statement		Separate Financial Statement	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<u>ASSETS</u>				
US Dollar	743,863.39	607,960.85	389,364.60	428,373.09
Hong Kong Dollar	-	-	-	-
Euro Dollar	-	-	-	-
Pound Sterling	1,187,991.35	644,094.34	-	-
<u>LIABILITIES</u>				
US Dollar	1,659,551.35	480,038.21	358,132.98	316,033.48
Hong Kong Dollar	-	400.00	-	-
Euro Dollar	17,278.45	937.65	-	-
Pound Sterling	55,285.98	9,871.88	-	-

Risk from interest rate

The interest rate risk depends on the fluctuation of interest rate in financial market. The fluctuation of the interest rate may have impact on the company's operation and cash flows. However, management believes that risk is insignificant in the current financial market because company can generate enough income and cash flows to pay interest.

Risk from credit term

Credit risk refers to the risk that trade accounts receivable may default in its obligations resulting in a financial loss to company. However, since the company currently sells its products to creditworthy customers, it does not anticipate any material problem in collecting its debt. The concentration of credit risk with respect to trade receivable is limited because company's debtors are spread over in different area and type of business. Account receivable showed in the statement of financial position, net of a portion of allowance for doubtful debts, represents the maximum exposure to credit risk.

Fair value

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

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

23. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS

Statements of income segmented by business for the year ended December 31, 2021 and 2020 are as follows:

Consolidated Financial Statement (Million Baht)						
	December 31, 2021			December 31, 2020		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	322.23	2,290.01	2,612.54	236.38	2,625.82	2,862.20
Services income	-	18.81	18.81	-	35.79	35.79
	<u>322.23</u>	<u>2,309.12</u>	<u>2,631.35</u>	<u>236.38</u>	<u>2,661.61</u>	<u>2,897.99</u>
Cost of sales			(1,345.77)			(1,524.80)
Gross profit			1,285.58			1,373.19
Selling and administrative expenses			(936.87)			(1,034.14)
Net profit from operation			<u>348.71</u>			<u>339.05</u>
Other income and expenses						
Other income			24.31			15.83
Financial cost			(4.91)			(9.10)
Total other income and expenses			<u>19.40</u>			<u>6.73</u>
Profit before income tax			368.11			345.78
Income tax expense			(73.93)			(68.97)
Net profit			<u>294.19</u>			<u>276.81</u>

Property, plant and equipment of company have been commonly used for export and domestic operations.

Statements of income segmented by business for the year ended December 31, 2021 and 2020 are as follows:

Separate Financial Statement (million Baht)						
	December 31, 2021			December 31, 2020		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	52.61	517.77	570.38	30.12	583.26	613.38
Services income	-	52.00	52.00	-	92.70	92.70
Total revenue	<u>52.61</u>	<u>59.77</u>	<u>622.38</u>	<u>30.12</u>	<u>675.96</u>	<u>706.08</u>
Cost of sales			<u>(470.30)</u>			<u>(568.42)</u>
Gross profit			152.08			137.66
Selling and administrative			<u>(53.54)</u>			<u>(56.40)</u>
Net profit from operation			<u>98.54</u>			<u>80.72</u>
Other income and expenses						
Other income			219.83			254.11
Financial cost			<u>(0.10)</u>			<u>(0.10)</u>
Total other income and expenses			<u>219.73</u>			<u>254.01</u>
Profit before income tax			318.27			334.73
Income tax expense			<u>(21.18)</u>			<u>(16.96)</u>
Net profit			<u>297.09</u>			<u>317.77</u>

Property, plant and equipment of the Company have been commonly used for export and domestic operations.

Major customer information

During year 2021 and 2020, the Company has earned from 3 major customers amounting to Baht 640 million and Baht 799 million respectively.

24. EXPENSE BY NATURE

The significant expenses for the year ended December 31, 2021 and 2020 classified by nature are as follow;

	BAHT			
	Consolidated Financial Statement		Separate Financial Statement	
	2021	2020	2021	2020
Changes in finished goods -				
- and work in process	196,866,833.46	116,317,169.48	9,568,072.81	42,069,814.28
Purchase of finished goods	283,767,462.95	438,042,424.69	-	-
Raw material and supply usage	412,480,395.64	408,995,285.16	216,436,409.59	239,871,348.70
Employees' expenses -				
- (Exclude management)	472,640,791.75	533,775,822.63	86,847,445.84	96,935,358.19
Depreciation and Amortization	74,071,554.24	86,870,683.10	14,399,820.38	16,408,053.28
Transportation expense	19,853,946.55	20,034,554.90	484,208.65	16,519.46
Chemical supplies and				
-cost of analysis	4,497,941.77	5,074,246.91	96,700.00	165,130.00
Advertising and promotion	84,621,491.94	88,746,533.95	192,145.70	349,099.66

25. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statement has been approved by the Company's board of directors on February 21, 2022

(Signed)Director (Signed).....Director