

**SABINA PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARY**

INTERIM FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

AND

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

### **To The Shareholders and Board of Directors of Sabina Public Company Limited**

- (1) I have reviewed the accompanying consolidated statements of financial position of Sabina Public Company Limited and its subsidiary as of March 31, 2023, the related consolidated statements of changes in shareholders' equity, income, comprehensive income and cash flows for the three - month period ended March 31, 2023 and, as well as the condensed notes to the consolidated financial statements, and I have also reviewed the separate financial information for the same period of Sabina Public Company Limited. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 "Interim Financial Reporting" My responsibility is to express a conclusion on this interim financial information based on my reviews.

(2) **Scope of review**

I conducted my reviews in accordance with 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.

(3) **Conclusion**

Based on my reviews, 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 Accounting Standard 34 "Interim Financial Reporting".

(Jarunee Nuammae)  
Certified Public Accountant  
Registration No. 5596

A.M.T. & ASSOCIATES  
Bangkok, Thailand  
May 11, 2023

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF FINANCIAL POSITION

AS OF MARCH 31, 2023

		Baht			
		Consolidated Financial Statements		Separate Financial Statements	
NOTE		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	4	88,815,170.46	117,774,907.65	15,528,938.37	22,256,280.98
Trade receivables and other current receivables					
Trade receivable - net					
- Related parties	3.1	-	-	243,516,140.78	228,290,623.18
- Other parties	6	413,383,798.23	383,902,809.01	23,055,142.74	25,226,367.46
Other receivables					
- Other parties		119,892,363.32	88,283,787.36	1,911,021.41	1,499,255.18
Short-term loan to related party	3.2	-	-	90,000,000.00	118,000,000.00
Inventories - net	7	1,132,701,742.86	1,126,451,670.61	60,024,252.95	66,829,713.58
Other current financial assets	5	433,004,394.61	410,164,528.68	433,004,394.61	410,164,528.68
Other current assets					
Prepaid output VAT		69,839,500.60	68,886,441.33	-	-
Others		7,716,561.09	5,118,918.07	240,000.00	330,500.00
Total current assets		2,265,353,531.17	2,200,583,062.71	867,279,890.86	872,597,269.06
NON-CURRENT ASSETS					
Investment in subsidiary company		-	-	144,849,500.00	144,849,500.00
Property, plant and equipment - net	8	251,038,673.42	240,518,604.94	40,131,530.53	41,030,411.45
Intangible asset - net	9	20,281,186.80	19,084,023.08	3,800,684.99	2,944,719.00
Right-of-use assets - net	10	77,626,674.74	54,805,450.78	9,730,218.64	8,125,772.69
Deferred tax assets - net	18.4	176,305,342.31	173,394,986.88	25,725,979.84	23,990,488.44
Others non-current assets - Deposit		52,205,225.83	51,485,921.30	326,940.00	336,940.00
Total non-current assets		577,457,103.10	539,288,986.98	224,564,854.00	221,277,831.58
TOTAL ASSETS		2,842,810,634.27	2,739,872,049.69	1,091,844,744.86	1,093,875,100.64

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

(Signed).....Director

(Signed).....Director

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF FINANCIAL POSITION

AS OF MARCH 31, 2023

		Baht			
		Consolidated Financial Statements		Separarate Financial Statements	
<i>NOTE</i>		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
		<i>(Unaudited but Reviewed)</i>	<i>(Audited)</i>	<i>(Unaudited but Reviewed)</i>	<i>(Audited)</i>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from -					
- financial institutions	11	294,902,198.59	317,417,159.01	-	-
Trade payables and other current payables					
Trade payable					
- related parties	3.3	-	-	6,133,768.17	8,770,468.94
- other parties		143,907,142.83	174,557,589.93	49,996,135.74	62,119,187.60
Other payables	12	83,593,336.06	114,597,123.15	20,040,650.39	35,697,520.24
Current portion of lease liabilities - Right-of-use assets	13	32,415,007.34	23,655,422.22	3,727,182.05	3,164,943.99
Other current liabilities					
Accrued income tax		62,720,849.07	30,126,108.56	12,369,971.40	6,463,695.80
Other		16,942,907.05	10,137,249.41	4,333,979.46	2,825,497.18
Total current liabilities		634,481,440.94	670,490,652.28	96,601,687.21	119,041,313.75
NON-CURRENT LIABILITIES					
Lease liabilities - Right-of-use assets	13	45,183,597.16	30,814,576.37	6,062,353.15	5,023,439.91
Non-current provisions for					
employees' benefit	14	170,567,158.34	164,429,848.34	91,963,600.00	89,240,643.00
Employees' deposit		5,785,267.10	5,704,500.00	54,000.00	54,000.00
Total non-current liabilities		221,536,022.60	200,948,924.71	98,079,953.15	94,318,082.91
Total liabilities		856,017,463.54	871,439,576.99	194,681,640.36	213,359,396.66

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## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF FINANCIAL POSITION

AS OF MARCH 31, 2023

		Baht			
		Consolidated Financial Statements		Separate Financial Statements	
NOTE		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
SHAREHOLDERS' EQUITY	15				
Share capital - Par value Baht 1 each					
Authorized share capital					
Common share 347,500,000 shares of Baht 1 each		347,500,000.00	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	347,500,000.00
Premium on share capital		275,164,000.00	275,164,000.00	275,164,000.00	275,164,000.00
Retained earnings					
Appropriated – legal reserve	16	49,250,000.00	49,250,000.00	34,750,000.00	34,750,000.00
Unappropriated		1,342,481,998.03	1,225,214,028.21	273,952,340.13	252,541,339.61
Total other components of equity		(34,594,334.01)	(29,439,635.63)	(34,203,235.63)	(29,439,635.63)
Total equity of the Parent		1,979,801,664.02	1,867,688,392.58	897,163,104.50	880,515,703.98
Non-controlling interests		6,991,506.71	744,080.12	-	-
Total shareholders' equity		1,986,793,170.73	1,868,432,472.70	897,163,104.50	880,515,703.98
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,842,810,634.27	2,739,872,049.69	1,091,844,744.86	1,093,875,100.64

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

(Signed).....Director

(Signed).....Director

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

## CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2023

		BAHT										
		Retained earnings				Other components of equity						
						Others						
						Comprehensive Income			Total			
						Gain (loss) from		Gain (loss)	Other	Total		
		Issued and	Premium			measurement -	on	components	Equity	Non	Total	
		paid - up	on	Appropriated		fair value of	Translation	actuarial	of	of	Controlling	
		share capital	share capital	legal reserve	Unappropriated	financial assets	Adjustment	estimates	equity	the Parent	Interests	
NOTE											Equity	
Balance as of January 1, 2022		347,500,000.00	275,164,000.00	49,250,000.00	1,183,185,601.91	(25,878,835.63)	-	-	(25,878,835.63)	1,829,220,766.28	-	1,829,220,766.28
Changes in shareholders' equity for the period												
Total comprehensive income (loss) for the period		-	-	-	101,594,145.39	10,830,400.00	-	(18,479,838.14)	(7,649,438.14)	93,944,707.25	-	93,944,707.25
Transfer gain (loss) on actuarial estimates												
to Retained earnings		-	-	-	(18,479,838.14)	-	-	18,479,838.14	18,479,838.14	-	-	-
Balance as of March 31, 2022		347,500,000.00	275,164,000.00	49,250,000.00	1,266,299,909.16	(15,048,435.63)	-	-	(15,048,435.63)	1,923,165,473.53	-	1,923,165,473.53
Balance as of January 1, 2023		347,500,000.00	275,164,000.00	49,250,000.00	1,225,214,028.21	(29,439,635.63)	-	-	(29,439,635.63)	1,867,688,392.58	744,080.12	1,868,432,472.70
Changes in shareholders' equity for the period												
Investment in subsidiary company (Indirect)		-	-	-	-	-	-	-	-	-	6,477,307.13	6,477,307.13
Total comprehensive income (loss) for the period		-	-	-	117,267,969.82	(4,763,600.00)	(391,098.38)	-	(5,154,698.38)	112,113,271.44	(229,880.54)	111,883,390.90
Balance as of March 31, 2023		347,500,000.00	275,164,000.00	49,250,000.00	1,342,481,998.03	(34,203,235.63)	(391,098.38)	-	(34,594,334.01)	1,979,801,664.02	6,991,506.71	1,986,793,170.73

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

(Signed).....Director

(Signed).....Director

(Unaudited / but Reviewed)

SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
SEPARARATE FINANCIAL STATEMENTS  
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2023

BAHT								
NOTE	Issued and paid - up share capital	Premium on share capital	Retained earnings		Other components of equity			
			Appropriated legal reserve	Unappropriated	Others Comprehensive Income		Total	
					Gain (loss) from measurement - fair value of financial assets	Gain (loss) on actuarial estimates	Other components of equity	Total Shareholders' Equity
Balance as of January 1, 2022	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
Changes in shareholders' equity for the period								
Total comprehensive income (loss) for the period	-	-	-	12,389,499.01	10,830,400.00	(12,018,982.14)	(1,188,582.14)	11,200,916.87
Transfer gain (loss) on actuarial estimates to Retained earnings	-	-	-	(12,018,982.14)	-	12,018,982.14	12,018,982.14	-
Balance as of March 31, 2022	347,500,000.00	275,164,000.00	34,750,000.00	197,845,412.63	(15,048,435.63)	-	(15,048,435.63)	840,210,977.00
Balance as of January 1, 2023	347,500,000.00	275,164,000.00	34,750,000.00	252,541,339.61	(29,439,635.63)	-	(29,439,635.63)	880,515,703.98
Changes in shareholders' equity for the period								
Total comprehensive income (loss) for the period	-	-	-	21,411,000.52	(4,763,600.00)	-	(4,763,600.00)	16,647,400.52
Balance as of March 31, 2023	347,500,000.00	275,164,000.00	34,750,000.00	273,952,340.13	(34,203,235.63)	-	(34,203,235.63)	897,163,104.50

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

(Signed).....Director

(Signed).....Director

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

		BAHT			
		Consolidated Financial Statements		Separarate Financial Statements	
		For the three-month period ended March 31			
	NOTE	2023	2022	2023	2022
REVENUES					
Revenues from sales - net		869,075,994.91	718,254,717.34	181,037,983.50	122,917,261.77
Revenues from services		-	2,354,377.00	17,661,914.00	11,664,018.00
Other incomes		4,920,615.03	3,343,492.76	1,334,207.19	2,293,301.60
Total Revenues	3.4	873,996,609.94	723,952,587.10	200,034,104.69	136,874,581.37
EXPENSES					
Cost of sales and services		439,826,996.77	367,581,732.08	157,888,787.88	111,252,781.54
Cost of distribution		239,005,863.25	189,606,750.45	251,766.05	190,456.25
Administrative expenses		45,170,415.80	42,234,895.16	15,080,104.40	13,682,656.35
Total Expenses	3.4	724,003,275.82	599,423,377.69	173,220,658.33	125,125,894.14
PROFIT BEFORE FINANCIAL EXPENSES AND INCOME TAX		149,993,334.12	124,529,209.41	26,813,446.36	11,748,687.23
Financial expenses		(1,805,033.15)	(1,060,834.33)	(40,761.64)	(20,670.83)
PROFIT BEFORE INCOME TAX		148,188,300.97	123,468,375.08	26,772,684.72	11,728,016.40
INCOME TAX EXPENSE	18.1, 18.3	(31,150,211.69)	(21,874,229.69)	(5,361,684.20)	661,482.61
PROFIT FOR THE PERIODS		117,038,089.28	101,594,145.39	21,411,000.52	12,389,499.01
Profit (loss) attributable to :					
Equity holders of the parent		117,267,969.82	101,594,145.39	21,411,000.52	12,389,499.01
Non - controlling interests		(229,880.54)	-	-	-
		117,038,089.28	101,594,145.39	21,411,000.52	12,389,499.01
BASIC EARNINGS PER SHARE					
Equity holders of the parent (Baht)		0.34	0.29	0.06	0.04
Number of weighted average common shares (shares)		347,500,000	347,500,000	347,500,000	347,500,000

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

(Signed).....Director

(Signed).....Director



## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

		BAHT			
		Consolidated Financial Statements		Separarate Financial Statements	
		For the three-month period ended March 31			
NOTE		2023	2022	2023	2022
PROFIT (LOSS) FOR THE PERIODS		117,038,089.28	101,594,145.39	21,411,000.52	12,389,499.01
Other comprehensive income;					
Item that will be reclassified subsequently to profit or loss :					
Translation Adjustment		(391,098.38)	-	-	-
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	(5,954,500.00)	13,538,000.00	(5,954,500.00)	13,538,000.00
Income tax related to other components of equity					
- valuation of fair value of financial assets	18.2	1,190,900.00	(2,707,600.00)	1,190,900.00	(2,707,600.00)
Item that will not be reclassified subsequently to profit or loss :					
Gain (loss) on actuarial estimates	15	-	(23,099,797.67)	-	(15,023,727.67)
Income tax related to other components of equity					
- on actuarial estimates	18.2	-	4,619,959.53	-	3,004,745.53
Other comprehensive income for the period - net of tax		(5,154,698.38)	(7,649,438.14)	(4,763,600.00)	(1,188,582.14)
Total comprehensive income for the period		111,883,390.90	93,944,707.25	16,647,400.52	11,200,916.87
Total comprehensive income attributable to :					
Equity holders of the parent		112,113,271.44	93,944,707.25	16,647,400.52	11,200,916.87
Non - controlling interests		(229,880.54)	-	-	-
		111,883,390.90	93,944,707.25	16,647,400.52	11,200,916.87

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

(Signed).....Director

(Signed).....Director

## SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

## STATEMENTS OF CASH FLOWS

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2023

		B A H T			
		Consolidated Financial Statements		Separarate Financial Statements	
		For the three-month period ended March 31			
	NOTE	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES :					
Profit for the period		117,038,089.28	101,594,145.39	21,411,000.52	12,389,499.01
Adjustments to reconcile profit for the period to net cash proceed (paid)					
Depreciation	8	9,678,823.28	9,133,589.61	2,533,350.48	2,580,172.57
Depreciation - Right-of-use assets	10	8,454,011.45	7,143,143.44	977,362.71	829,748.21
Amortization	9	460,752.69	389,381.97	239.43	-
Bargain Purchase		(963,346.07)	-	-	-
Employees' benefits obligation	14	6,137,310.00	5,784,301.00	2,722,957.00	2,654,973.00
Loss (gain) from disposal of property		639,699.07	4,974.79	64,635.54	-
Unrealised (gain) loss on exchange rate		664,795.04	137.21	(90,949.45)	(814,820.49)
Interest expenses		1,805,033.15	1,060,834.33	40,761.64	20,670.83
Current tax expense	18.1	32,869,667.12	19,256,479.75	5,906,275.60	2,874,257.52
Deferred tax expense (income)	18.1	(1,719,455.43)	2,617,749.94	(544,591.40)	(3,535,740.13)
		175,065,379.58	146,984,737.43	33,021,042.07	16,998,760.52
operating assets (increase) decrease:-					
Trade receivable - related parties		-	-	(15,225,517.60)	32,333,947.26
Trade receivable - other parties		(17,002,295.26)	22,588,254.02	2,171,224.72	5,297,461.97
Other receivable					
- Other parties		(31,415,922.19)	(20,301,144.88)	(411,766.23)	(943,644.63)
Inventories		23,228,660.26	68,550,333.59	6,805,460.63	2,643,504.18
Other current assets		(1,496,931.34)	3,283,115.31	90,500.00	6,500.00
Other non-current assets					
- Others		(662,086.93)	(844,383.12)	10,000.00	(79,500.00)
Trade payables - realted party		-	-	(2,636,700.77)	(4,366,052.40)
Trade payables - other parties		(53,346,222.77)	(53,984,083.54)	(12,123,051.86)	1,107,937.81
Other payables		(55,215,675.16)	(48,353,561.40)	(15,565,920.40)	(12,690,048.78)
Other current liabilities - others		6,804,042.65	(13,677,859.50)	1,508,482.28	98,461.50
Others non-current liabiities					
- Employee deposit		80,767.10	(125,000.00)	-	-
Net cash received (paid) from operation		46,039,715.94	104,120,407.91	(2,356,247.16)	40,407,327.43
Payment of interest expenses		(1,805,033.15)	(1,020,769.34)	-	(20,670.83)
Payment of Corporate income tax		(273,311.61)	(705,837.77)	-	(491,323.16)
Net cash provided by (Used in) operating activities		43,961,371.18	102,393,800.80	(2,356,247.16)	39,895,333.44

FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2023

(Signed).....Director

**SABINA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023**

**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 Basis for preparation of interim financial statements**

These interim financial statements are prepared in accordance with Accounting Standards No. 34 "Interim Financial Reporting", which the Company and its subsidiaries choose to present condensed interim financial statements. However, the Company and its subsidiaries have presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements. The interim financial statements provide the update information. They 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 31 December 2022.

These consolidated interim financial statements include the interim financial statements of Sabina Public Company Limited and its subsidiaries. (together referred to as "the Group") and has been prepared using the same criteria as the consolidated financial statements for the year ended December 31, 2022 after having eliminated significant balances and related transactions.

However, during the 1st quarter of 2023, Sabina International Co., Ltd. (an indirect subsidiary) acquired shares of MODA SBN INC. in the proportion of 77.33% and the purchase was completed on March 1, 2023 as Discussed in Note 1.3 to the interim financial statements.

An English language version of the interim 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 interim financial statements in Thai language shall prevail.

### **1.3 BUSINESS COMBINATION**

The Group accounts for business combinations under the purchase method when control is transferred to the Group, except in the case of a business combination under common control

Control exists when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to exercise power over that entity, causing an impact on the amount of return of the group of companies the acquisition date is the date that control is transferred to the purchaser. The determination of the acquisition date and the determination of the transfer of control from one party to the other requires discretion. in a successful business combination through gradual purchase The Group shall measure the equity that the acquirer held in the acquiree prior to the new business combination at fair value at the acquisition date and recognize any gains or losses incurred in the income statement.

The Company recognizes goodwill at the acquisition date by

- Fair value of consideration transferred plus
  - Value of non-controlling interests in the acquiree's company plus
  - Fair value at the acquisition date of interests that the acquirer held prior to the business combination
- (If it is a successful business combination from a gradual purchase, less
- Fair value of identifiable assets acquired and liabilities assumed

When the above net total is positive, the Company will record it as goodwill. If the above net total is negative, it is immediately recognized as a purchase profit in the income statement.

Contingent liabilities of the acquired company acquired in a business combination Recognized as a liability if there are present obligations. They arise from past events and the fair value can be measured reliably.

At acquisition date, the non-controlling interest in the acquired company is measured at the acquiree's identifiable net worth in proportion to the shares held by that non-controlling interest.

The Group's acquisition-related costs incurred as a result of a business combination. It is considered an expense when incurred, such as a legal advisory fee. Professional fees and other consulting fees, etc.

Intangible assets resulting from amortization business combination are as follows:

type	Amortization period
	(years)
goodwill	no age
customer base	no age

According to the resolution of the Board of Directors Meeting No. 1/2023 held on February 20, 2023, it was resolved to approve Sabina International Co., Ltd. to purchase shares of MODA SBN INC. Total value of 21.13 million baht. Subsequently, the company began to take various actions according to the contract, such as the change of directors. and set the date for accepting the transfer of business control on March 1, 2023. which is the date on which the buyer and seller have completed the contract. Accordingly, the acquisition was completed on March 1, 2023. This business acquisition meets the criteria in accordance with Thai Financial Reporting Standards No. 3 on Business Combinations.

As of the ac the acquisition of this business is met in accordance with Thai Financial Reporting Standard No. 3 Business Combination, which requires that identifiable assets acquired and liabilities assumed are recorded at fair value. including goodwill (if any) The Company has hired an independent appraiser to determine the fair value of the identifiable assets acquired and liabilities assumed. At present, the appraisal has not yet been completed. Therefore, the company Therefore, the net asset value acquired is estimated at the book value as of the purchase date. This is estimated to be close to fair value. However, the Company will review the measurement of these net assets and liabilities. As required by TFRS 3, the measurement period is not more than 1 year from the date of purchase. If new information is obtained about the facts and circumstances that existed at the date of acquisition of the business which requires adjustments to be recognized, the value of such adjustments will be recorded as additional information is received.

As of the purchase date, information on all consideration transferred to the purchaser. Identifiable acquired assets and recognized liabilities assumed for the value of the non-controlling interest in the acquiree's company and the Company's interest in the acquiree held prior to the business combination are as follows:

	Baht
	Moda SBN Inc.
Purchases reward	
Add: Fair value as at acquisition date for investment in the company held prior the business combine	21,131,500.00
Add: Non-Controlling interest in the acquiree's company	-
Total	21,131,500.00
<u>Less: net assets and liabilities acquired</u>	
<u>Identifiable assets</u>	
- Cash and cash equivalents	9,340,043.58
- Trade receivable - net	12,478,693.97
- Other receivables	432,653.76
- Inventories - net	29,478,732.52
- Other current assets	1,813,770.95
- Property, plant and equipment - net	82,409.53
- Trade payable - other parties	57,217.60
Total Identifiable assets	53,683,521.91
<u>Identifiable Liabilities</u>	
- Trade payable - other parties	(22,695,775.67)
- Other current liabilities	(2,415,593.03)
Total Identifiable Liabilities	25,111,368.70
Identifiable net assets and liabilities - acquired	28,572,153.21
Identifiable net assets and liabilities	
- Received according to investment proportion 77.33%	22,094,846.07
Profit from bargain purchase investment in subsidiary	963,346.07

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared using the same accounting policies and computation methods as were used in the financial statements for the year ended December 31, 2022.

**3. RELATED PARTY TRANSACTIONS**

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

Name	Type of business	Relationship	Shareholding (%)
<u>Subsidiary</u>			
- Sabina Fareast Co., Ltd. (SBF)	Producing and distributing readymade clothes and lady's underwear	Shares holding and joint directors	99.90%
<u>Indirect subsidiary held by SBF:</u>			
- Sabina International Co., Ltd.	Invest in other companies both domestically and internationally.	Shares holding and joint directors	97.00%
<u>Indirect subsidiary held by SBI:</u>			
- MODA SBN INC.	Distributing readymade clothes and lady's underwear.	Shares holding and joint directors	77.33%

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 March 31, 2023 and December 31, 2022 are as follows:

	Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<b>3.1 Trade Receivable - related parties</b>				
<u>Subsidiary Company</u>				
Sabina Fareast Co., Ltd.	-	-	243,516,140.78	228,290,623.18
<u>Less: Allowance for doubtful account</u>	-	-	-	-
Trade receivable - Related parties net	-	-	243,516,140.78	228,290,623.18

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			Balance	
	As of			As of	
	December 31,2022	Increase	Decrease	March 31, 2023	
<u>Subsidiary Company</u>					
Sabina Fareast Co., Ltd.	118,000,000.00	15,000,000.00	(43,000,000.00)	90,000,000.00	3.25% p.a.
	118,000,000.00	15,000,000.00	(43,000,000.00)	90,000,000.00	

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31,	December 31,	March 31,	December 31,
	2023	2022	2023	2022
<u>Subsidiary Company</u>				
Sabina Fareast Co., Ltd.	-	-	6,133,768.17	8,770,468.94
Accounts payable – Related parties	-	-	6,133,768.17	8,770,468.94

**3.3 Account Payable**Subsidiary Company

Sabina Fareast Co., Ltd.	-	-	6,133,768.17	8,770,468.94
Accounts payable – Related parties	-	-	6,133,768.17	8,770,468.94

**3.4 Related party transactions**

For the three-month period ended March 31, 2023 and 2022 are as follows:

	Baht				Transfer Pricing Policy
	Consolidated		Separate		
	Financial Statements		Financial Statements		
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b><u>Subsidiary company</u></b>					
Sales of finished goods	-	-	167,015,036.00	109,246,275.0	Contract
Sawing service cost	-	-	17,661,914.00	9,291,641.00	"
Purchase of raw materials	-	-	12,583,278.37	4,603,157.39	"
Rent of office space and warehouse	-	-	375,000.00	369,000.00	"
Cutting service cost	-	-	6,132,270.10	3,046,419.20	"
Interest income	-	-	911,157.56	-	"

**3.5 MANAGEMENT REMUNERATIONS**

Management remunerations consist of salary, bonus, director attendance fee etc.

Management remuneration for the three-month period ended March 31, 2023 and 2022 as follow;

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Benefits – Short-term	10,075,132.25	9,245,573.27	3,906,699.92	3,743,644.11
Benefits – After retirement	208,369.00	199,479.00	205,152.00	196,117.00
Benefits – Long-term	-	-	-	-
Total	<u>10,283,501.25</u>	<u>9,445,052.27</u>	<u>4,111,851.92</u>	<u>3,939,761.11</u>

**4. CASH AND CASH EQUIVALENTS**

For the purpose of preparation of the statement of cash flows with relevant accounting standards, as of

March 31, 2023 and December 31, 2022 are consisted as follows:

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Cash	2,997,421.44	5,933,497.17	432,996.75	553,681.75
Cash at banks and financial institution	85,817,749.02	111,841,410.48	15,095,941.62	21,702,599.23
Total Cash and Cash Equivalents	88,815,170.46	117,774,907.65	15,528,938.37	22,256,280.98

**5. OTHER CURRENT FINANCIAL ASSETS**

Other current financial assets as of March 31, 2023 and December 31, 2022 are consisted as follows:

	Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
5.1 Investment in mutual fund	322,567,894.61	293,773,528.68	322,567,894.61	293,773,528.68
5.2 Investment in marketable securities	110,436,500.00	116,391,000.00	110,436,500.00	116,391,000.00
Total other current financial assets	433,004,394.61	410,164,528.68	433,004,394.61	410,164,528.68

**5.1 INVESTMENT IN MUTUAL FUND**

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Investment in Commercial paper fund	322,567,894.61	293,773,528.68	322,567,894.61	293,773,528.68
Total	322,567,894.61	293,773,528.68	322,567,894.61	293,773,528.68

5.2 INVESTMENT IN SECURITIES

As of March 31, 2023 and December 31, 2022 Investment in securities of the Company and its subsidiary are as follow;

		BAHT					
		Consolidated Financial Statements / Separate Financial Statements					
		March 31, 2023			December 31, 2022		
		Unrealized			Unrealized		
		Cost	Profit (loss)	Fair Value	Cost	Profit (loss)	Fair Value
Marketable Security		142,756,794.54	(32,320,294.54)	110,436,500.00	142,756,794.54	(26,365,794.54)	116,391,000.00

Movement of the unrealized profit (loss) of the marketable securities for the three-month period ended March 31, 2023 are as follow;

		BAHT	
		Consolidated Financial Statements	Separate Financial Statements
Balance as of January 1, 2023		116,391,000.00	116,391,000.00
The increase(decrease)during the periods		-	-
Movement during the periods		(5,954,500.00)	(5,954,500.00)
Balance as of March 31, 2023		110,436,500.00	110,436,500.00

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

Trade receivables – other parties as of March 31, 2023 and December 31, 2022 are consisted as follows:

		BAHT			
		Consolidated Financial Statements		Separate Financial Statements	
		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Trade receivables– other parties		413,383,798.23	383,902,809.01	23,055,142.74	25,226,367.46
<u>Less:</u> Allowance for doubtful account		-	-	-	-
Trade receivables–other parties - net		413,383,798.23	383,902,809.01	23,055,142.74	25,226,367.46

As of March 31, 2023 and December 31, 2022 trade receivables—other parties were classified by aging of debt outstanding are as follows:

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Trade receivables— other parties				
- Current	369,316,515.20	346,023,066.66	23,055,142.74	25,226,367.46
- Overdue 0 - 3 months	23,541,652.51	23,127,277.54	-	-
- Overdue 4 - 6 months	10,189,365.72	7,900,245.81	-	-
- Overdue 7 - 12 months	10,336,264.80	6,852,219.00	-	-
- Overdue over 12 month	-	-	-	-
Trade receivables—other parties - net	413,383,798.23	383,902,809.01	23,055,142.74	25,226,367.46

## 7. INVENTORIES - NET

As of March 31, 2023 and December 31, 2022 inventories – net are consisted as follows:

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Finished goods	1,010,712,840.76	991,113,654.07	1,295,686.50	-
Work in process	62,849,012.14	74,666,137.13	37,633,984.10	45,313,772.85
Raw materials	42,329,074.63	51,481,824.29	18,847,575.93	18,992,573.81
Supplies	4,812,613.19	6,268,197.42	2,247,006.42	2,523,366.92
Inventories in transit	27,998,202.14	18,921,857.70	-	-
Total	1,148,701,742.86	1,142,451,670.61	60,024,252.95	66,829,713.58
<u>Less:</u> Allowance for				
obsolete	(16,000,000.00)	(16,000,000.00)	-	-
Inventories – net	1,132,701,742.86	1,126,451,670.61	60,024,252.95	66,829,713.58

As of March 31, 2023 and December 31, 2022 the balance of inventories in subsidiary's account which purchased from the Company have been presented net from profit in inventories totaling of Baht 200 million and Baht 201 million respectively (eliminated in consolidated financial statement).

Movement of allowance for obsolete inventories account for the three-month period ended March 31, 2023 is as follow;

	BAHT	
	Consolidated	Separate
	Financial Statement	Financial Statement
Balance as of beginning of period	16,000,000.00	-
Increase during the period	-	-
Balance as of end of period	16,000,000.00	-

**8. PROPERTY, PLANT AND EQUIPMENT – NET**

As of March 31, 2023 and December 31, 2022 Property, plant and equipment - net are consisted as follows:

	BAHT										
	Consolidated Financial Statements										
	Land	Building & Building improvement	Machinery & Equipment	Tools & Supplies	Furniture & Fixture	Office equipment	Vehicles	Other equipment	Computer & equipment	Assets installation in progress	Total
<b>COST :</b>											
As of December 31 ,2022	119,012,674.50	335,406,985.78	299,975,429.54	18,160,625.09	204,643,021.22	70,132,193.55	10,810,849.89	964,028.25	63,911,356.79	8,096,074.38	1,131,113,238.99
Increase	-	-	-	63,402.32	712,865.00	357,336.58	-	-	2,160,440.00	16,823,793.91	20,117,837.81
increased from the purchase of											
investments in subsidiaries	-	-	-	-	-	86,819.72	-	-	-	-	86,819.72
Decrease	-	-	(290,734.85)	-	-	(83,446.00)	(2,164,448.60)	-	(372,475.89)	-	(2,911,105.34)
Transfer- In	-	-	5,480,392.51	-	800,747.67	64,600.00	-	-	-	-	6,345,740.18
Transfer-Out	-	-	-	-	-	-	-	-	-	(6,345,740.18)	(6,345,740.18)
As of March 31, 2023	119,012,674.50	335,406,985.78	305,165,087.20	18,224,027.41	206,156,633.89	70,557,503.85	8,646,401.29	964,028.25	65,699,320.90	18,574,128.11	1,148,406,791.18
<b>Accumulated depreciation:</b>			-	-							
As of December 31 ,2022	-	(297,385,084.69)	(278,438,670.25)	(15,674,791.88)	(171,208,645.75)	(61,277,608.71)	(10,134,133.05)	(959,785.91)	(55,515,913.81)	-	(890,594,634.05)
Increase	-	(2,797,116.12)	(1,312,511.12)	(245,543.61)	(2,915,432.27)	(951,360.29)	(55,405.38)	(1,127.25)	(1,400,327.24)	-	(9,678,823.28)
Decrease	-	-	290,715.85	-	-	77,765.54	2,164,444.60	-	372,413.58	-	2,905,339.57
As of March 31, 2023	-	(300,182,200.81)	(279,460,465.52)	(15,920,335.49)	(174,124,078.02)	(62,151,203.46)	(8,025,093.83)	(960,913.16)	(56,543,827.47)	-	(897,368,117.76)
<b>Property, plants and equipment -net</b>											
As of December 31 ,2022	119,012,674.50	38,021,901.09	21,536,759.29	2,485,833.21	33,434,375.47	8,854,584.84	676,716.84	4,242.34	8,395,442.98	8,096,074.38	240,518,604.94
As of March 31, 2023	119,012,674.50	35,224,784.97	25,704,621.68	2,303,691.92	32,032,555.87	8,406,300.39	621,307.46	3,115.09	9,155,493.43	18,574,128.11	251,038,673.42

(Unaudited / but Reviewed)

	BAHT										
	Separate Financial Statements										
	Land	Building & Building improvement	Machinery & Equipment	Tools & Supplies	Furniture & Fixture	Office equipment	Vehicles	Other equipment	Computer & equipment	Assets installation in progress	Total
<b>COST :</b>											
As of December 31 ,2022	17,424,744.50	145,791,955.03	173,123,233.74	6,891,876.05	11,013,279.16	8,487,149.78	7,125,359.81	964,028.25	-	-	370,821,626.32
Increase	-	-	-	31,502.32	62,800.00	116,400.00	-	-	-	1,423,794.24	1,634,496.56
Decrease	-	-	(290,734.85)	-	-	(8,246.00)	-	-	-	-	(298,980.85)
Transfer- In	-	-	-	-	-	-	-	-	-	-	-
Transfer-Out	-	-	-	-	-	-	-	-	-	-	-
As of March 31, 2023	17,424,744.50	145,791,955.03	172,832,498.89	6,923,378.37	11,076,079.16	8,595,303.78	7,125,359.81	964,028.25	-	1,423,794.24	372,157,142.03
<b>Accumulated depreciation:</b>											
As of December 31 ,2022	-	(136,675,179.28)	(160,897,672.81)	(5,995,627.38)	(10,734,077.02)	(8,094,239.08)	(6,434,633.39)	(959,785.91)	-	-	(329,791,214.87)
Increase	-	(1,560,917.70)	(676,220.94)	(115,673.08)	(57,984.33)	(66,021.80)	(55,405.38)	(1,127.25)	-	-	(2,533,350.48)
Decrease	-	-	290,715.85	-	-	8,238.00	-	-	-	-	298,953.85
As of March 31, 2023	-	(138,236,096.98)	(161,283,177.90)	(6,111,300.46)	(10,792,061.35)	(8,152,022.88)	(6,490,038.77)	(960,913.16)	-	-	(332,025,611.50)
<b>Property, plants and equipment -net</b>											
As of December 31 ,2022	17,424,744.50	9,116,775.75	12,225,560.93	896,248.67	279,202.14	392,910.70	690,726.42	4,242.34	-	-	41,030,411.45
As of March 31, 2023	17,424,744.50	7,555,858.05	11,549,320.99	812,077.91	284,017.81	443,280.90	635,321.04	3,115.09	-	1,423,794.24	40,131,530.53



Depreciation for the three month period ended March 31, 2023 and 2022, in the consolidated income statement as follows :

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Cost of sales and services	4,955,241.93	4,891,141.58	2,352,890.57	2,388,922.93
Cost of distribution	3,891,787.64	3,690,900.86	-	-
Administrative expenses	831,793.71	551,547.17	180,459.91	191,249.64
Total	9,678,823.28	9,133,589.61	2,533,350.48	2,580,172.57

As of March 31, 2023 and December 31, 2022, the cost of the asset is fully depreciated and still in use as follows :

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Cost	628,566,961.51	623,785,800.45	194,428,714.40	193,097,191.89

The Company has pledged a part of land, buildings and machineries owned by company and subsidiary as collateral with banks for the Company's credit facilities.

**9. INTANGIBLE ASSETS**

Changes in the intangible assets for the three-month period ended March 31, 2023 is as follow;

	BAHT		
	Consolidated Financial Statements		
	Computer Software	Software under installation	Total
<b><u>Cost:</u></b>			
As of December 31, 2022	44,004,653.57	5,929,340.00	49,933,993.57
Increase	536,955.42	1,120,960.99	1,657,916.41
Decrease	-	-	-
Transfer- In	279,960.99	-	279,960.99
Transfer- Out	-	(279,960.99)	(279,960.99)
As of March 31, 2023	44,821,569.98	6,770,340.00	51,591,909.98
<b><u>Accumulated amortization:</u></b>			
As of December 31, 2022	(30,849,970.49)	-	(30,849,970.49)
Increase	(460,752.69)	-	(460,752.69)
Decrease	-	-	-
As of March 31, 2023	(31,310,723.18)	-	(31,310,723.18)
<b><u>Intangible assets – net</u></b>			
As of December 31, 2022	13,154,683.08	5,929,340.00	19,084,023.08
As of March 31, 2023	13,510,846.80	6,770,340.00	20,281,186.80

	BAHT		
	Separate Financial Statements		
	Computer	Software	Total
	Software	under installation	
<b><u>Cost:</u></b>			
As of December 31, 2022	2,469,288.38	2,944,670.00	5,413,958.38
Increase	436,955.42	419,250.00	856,205.42
Decrease	-	-	-
Transfer- In	-	-	-
Transfer- Out	-	-	-
As of March 31, 2023	2,906,243.80	3,363,920.00	6,270,163.80
<b><u>Accumulated amortization:</u></b>			
As of December 31, 2022	(2,469,239.38)	-	(2,469,239.38)
Increase	(239.43)	-	(239.43)
Decrease	-	-	-
As of March 31, 2023	(2,469,478.81)	-	(2,469,478.81)
<b><u>Intangible assets – net</u></b>			
As of December 31, 2022	49.00	2,944,670.00	2,944,719.00
As of March 31, 2023	436,764.99	3,363,920.00	3,800,684.99

Amortization expenses for the three-month period ended March 31, 2023 and 2022 are presented in the consolidated income statement as follows:

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Cost of sales and services	105,394.97	87,067.58	-	-
Cost of distribution	132,204.33	154,889.24	-	-
Administrative expenses	223,153.39	147,425.15	239.43	-
Total	460,752.69	389,381.97	239.43	-

As of March 31, 2023 and December 31, 2022, the cost of the asset fully amortized and still in use are shown in the consolidated financial statements as follows :

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Cost	25,529,569.09	25,529,569.09	2,469,288.38	2,469,288.38

#### 10. RIGHT - OF - USE ASSETS – NET

Changes in the right-of-use assets for the three-month period ended March 31, 2023 is as follows:

	BAHT	
	Consolidated Financial Statements	Separate Financial Statements
Net book value as of December 31, 2022	54,805,450.78	8,125,772.69
<u>Add</u> Increased during period - at cost	31,275,235.41	2,581,808.66
<u>Less</u> Amortization for the period	(8,454,011.45)	(977,362.71)
Net book value as of March 31, 2023	77,626,674.74	9,730,218.64

Depreciation of the right-of-use assets for the three-month period ended March 31, 2023 and 2022 as follows :

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month period ended			
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Depreciation of the right-of use assets	8,454,011.45	7,143,143.44	977,362.71	829,748.21
รวม	8,454,011.45	7,143,143.44	977,362.71	829,748.21

**11. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

Bank overdrafts and short-term loans from financial institution as of March 31, 2023 and December 31, 2022 were consisted of the follows:

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Short term loan	177,000,000.00	174,000,000.00	-	-
Loan on trust receipt	117,902,198.59	143,417,159.01	-	-
Total	294,902,198.59	317,417,159.01	-	-

The subsidiary company has 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 subsidiary company pledged its land, buildings and machinery as collateral with the banks. Besides, the company's director and shareholder are also guarantor for the loans.

**12. OTHER PAYABLES**

As of March 31, 2023 and December 31, 2022 other payables are consisted as follows:

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Advance for merchandise	3,585,412.23	2,941,673.08	3,010,023.27	2,362,096.48
Accrued expenses	79,165,932.24	110,809,214.08	16,188,635.53	32,489,187.77
Accrued dividend	841,991.59	846,235.99	841,991.59	846,235.99
Total	83,593,336.06	114,597,123.15	20,040,650.39	35,697,520.24

**13. LEASE LIABILITIES**

The Company has lease liabilities. It consists of 43 contracts of land lease agreements and 31 contracts of vehicle lease agreements for use in business operations. The monthly rental payment is scheduled for 36 installments and 60 installments, respectively.

Lease liabilities for the three-month period ended March 31,2023 is as follows:

	BAHT	
	Consolidated Financial Statements	Separate Financial Statements
Lease liabilities of December 31, 2022	54,469,998.59	8,188,383.90
<u>Add</u> Increase during the period	32,131,998.52	2,670,500.00
<u>Less</u> Deferred interest expenses	(856,763.11)	(88,691.34)
<u>Add</u> Amortization of deferred cost of financing loans	272,427.30	40,761.64
<u>Less</u> Payment	(8,419,056.80)	(1,021,419.00)
Lease liabilities as of March 31,2023	77,598,604.50	9,789,535.20
<u>Less</u> : Current portion	(32,415,007.34)	(3,727,182.05)
Lease liabilities		
- net of current potion	45,183,597.16	6,062,353.15

As of March 31, 2023 a maturity analysis of lease liabilities are as follows:

	BAHT		
	Consolidated Financial Statements		
	As of March 31, 2023		
	Deferred		Total
	Principal	Interest expenses	
Current portion	33,476,441.17	(1,061,433.83)	32,415,007.34
1 - 5 years	45,922,686.89	(739,089.74)	45,183,597.16
Over 5 years	-	-	-
Total	79,399,128.06	(1,800,523.57)	77,598,604.50

  

	BAHT		
	Separate Financial Statements		
	As of March 31, 2023		
	Deferred		Total
	Principal	Interest expenses	
Current portion	3,864,309.33	(137,127.28)	3,727,182.05
1 - 5 years	6,176,905.57	(114,552.42)	6,062,353.15
Over 5 years	-	-	-
Total	10,041,214.90	(251,679.70)	9,789,535.20

**14. NON-CURRENT PROVISIONS FOR EMPLOYEES' BENEFIT**

Movements of present value of employee benefit obligation for the three-month period ended March 31, 2023 and December 31, 2022 were as follows:

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month ended	For the year ended	For the three-month ended	For the year ended
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Employee benefits obligation as of beginning of period	164,429,848.34	137,039,161.67	89,240,643.00	77,186,062.33
Payment of Employees' benefit	-	(7,867,295.00)	-	(2,609,979.00)
Current service cost and interest cost	6,137,310.00	22,835,907.00	2,722,957.00	10,318,555.00
Loss (gain) from estimate of actuarial assumptions	-	12,422,074.67	-	4,346,004.67
Employee benefits obligation as of ending of	170,567,158.34	164,429,848.34	91,963,600.00	89,240,643.00

Expenses recognized in statements of income for the three-month period ended March 31, 2023 and 2022 are as follow;

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Current service cost	5,499,307.00	5,196,187.00	2,383,835.00	2,336,861.00
Interest cost	638,003.00	588,114.00	339,122.00	318,112.00
Total	6,137,310.00	5,784,301.00	2,722,957.00	2,654,973.00

Actuarial loss (gain) recognized in other comprehensive income in the consolidated financial statements for the three-month period ended March 31, 2023 and 2022, the loss amounted to 0.00 million baht and 23.10 million baht, respectively (Separately, the loss were 0.00 million baht and 15.02 million baht, respectively).

The principle actuarial assumptions used to calculate the provision under the retirement benefit obligation as of March 31, 2023 are as follows:

	Consolidated Financial Statements	Separate Financial Statements
Discount rate	1.38-1.59 %	1.38%
Salary scale increase rate	3.00 %	3.00 %
Employee with voluntary resignation before retirement ratio	0-45 %*	0-30 %*
Mortality rate	TMO 2017 **	TMO 2017 **

\* Based on rate weighted by age group of employees

\*\* Reference to Thai Mortality ordinary Table of 2017 common type (TMO 2017 : Thai Mortality Ordinary Tables of 2017)



### **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 2023 as follows:

- If the discount rate increases (decreases) by 1.0%, the employee benefit obligation would decrease Baht 5.06 million (increases Baht 5.68 million)
- If the salary increase rate increases (decreases) by 1.0%, the employee benefit obligation would increase Baht 7.28 million (decrease Baht 6.57 million).
- If the Employee with voluntary resignation before retirement increases (decreases) by one year for all employees, the employee benefit obligation would decrease Baht 5.39 million (increases Baht 2.98 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.

## **15. REGISTERED CAPITAL**

15.1 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.

15.2 On July 26, 2012, an extra ordinary shareholder meeting no 1/2012 had approved a resolution to change number of shares and par value of the share capital from; a registered capital of Baht 347,500,000 with 69,500,000 shares at Baht 5.00 par value to a registered capital of Baht 347,500,000 with 347,500,000 shares at Baht 1.00 par value. The change was registered with the Ministry Commerce on July 27, 2012.

## **16. 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.

## **17. DIVIDEND PAYMENT**

On April 21, 2022, the Annual General Meeting of Shareholders No. 1/2022 passed a resolution to pay dividends for the year 2021 to shareholders at the rate of Baht 0.85 per share, amounting to 347.50 million shares, totaling Baht 295.375 million. Since the company had already paid an interim dividend at the rate of Baht 0.41 per share, totaling Baht 142.475 million, to shareholders in September 2021, thus the Company has to an additional dividend of Baht 0.44 per share, amounting to 347.50 million shares, totaling Baht 152.90 million, which was paid in May 2022.

On August 11, 2022, the Board of Directors meeting No. 3/2022 has approved to pay interim dividends, which is paid from retain earnings by paying to shareholders at Baht 0.61 per share for the 347.50 million shares, total amount of Baht 211.98 million, which was paid in September 2022.

On February 20, 2023, the meeting of the Board of Directors no. 1/2023 passed the resolution to propose the Annual General Meeting of shareholders approve to pay dividend for the year 2022 to shareholders, at Baht 1.20 per share for the 347.50 million shares, total amount of Baht 417 million. Since an interim dividend of Baht 0.61 per share, total amount of Baht 211.98 million, was already distributed to the shareholders in September 2022, and shall pay an additional dividend of Baht 0.59 per share, amounting to 347.50 million shares, totaling 205.025 million Baht ,which will be paid in May 2023.

## 18. 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 2023 and 2022 at the rate 20%.

18.1 Tax income (expense) for the three-month period ended March 31, 2023 and 2022, consisted of;

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Income tax charge of current periods	(32,869,667.12)	(19,256,479.75)	(5,906,275.60)	(2,874,257.52)
Deferred tax income (expense)				
from temporary difference				
- effect in statement of income	1,719,455.43	(2,617,749.94)	544,591.40	3,535,740.13
Tax income (expense) presented				
in the statement of income	(31,150,211.69)	(21,874,229.69)	(5,361,684.20)	661,482.61

18.2 Income tax relating to components of statements of comprehensive income – other for the three-month period ended March 31, 2023 and 2022 consisted of:

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax income (expense) relating to;				
- Investment in marketable securities	(1,190,900.00)	(2,707,600.00)	(1,190,900.00)	(2,707,600.00)
- Actuarial estimates	-	4,619,959.53	-	3,004,745.53
Deferred tax income (expense) presented in statement of comprehensive income	<u>(1,190,900.00)</u>	<u>1,912,359.53</u>	<u>(1,190,900.00)</u>	<u>297,145.53</u>

18.3 The reconciliation of the tax income (expense) and the result of the multiplying of the accounting profit with tax rate for the three-month period ended March 31, 2023 and 2022 are presented as the following:

	BAHT			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit before corporate income	<u>148,188,300.97</u>	<u>123,468,375.08</u>	<u>26,772,684.72</u>	<u>11,728,016.40</u>
Corporate income tax rates	20%	20%	20%	20%
Accounting profit before corporate income-				
-Multiply by tax rates	(29,637,660.19)	(24,693,675.02)	(5,354,536.80)	(2,345,603.28)
Effects to deferred income tax	1,719,455.43	(2,617,749.94)	549,591.40	3,535,740.13
Effects of income and expenses-				
- not related to income tax	313,000.00	(111,100.00)	-	-
Income tax effects that is nondeductible in				
Calculation of profit:				
- Revenue exempted in tax calculation	(1,928,434.25)	7,192,292.45	204,283.80	172,936.77
-Nondeductible expenses	<u>(1,616,572.68)</u>	<u>(1,643,997.18)</u>	<u>(756,022.60)</u>	<u>(701,591.01)</u>
Tax income (expense) presented in the -				
Statement of Income	<u>(31,150,211.69)</u>	<u>(21,874,229.69)</u>	<u>(5,356,684.20)</u>	<u>661,482.61</u>

## 18.4 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
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<u>Deferred tax assets</u>				
Investment in marketable securities	6,464,058.91	5,273,158.91	6,464,058.91	5,273,158.91
Consignment receivable	199,541,430.28	196,818,403.81	-	-
Allowance for impairment of inventories	3,200,000.00	3,200,000.00	-	-
Employee benefit obligation	34,982,632.60	35,370,384.60	19,261,920.93	18,717,329.53
Total	244,188,121.79	240,661,947.32	25,725,979.84	23,990,488.44
<u>Deferred tax liabilities</u>				
Consignment inventories	(67,882,779.48)	(67,266,960.44)	-	-
Total	(67,882,779.48)	(67,266,960.44)	-	-
<u>Deferred tax assets – net</u>	176,305,342.31	173,394,986.88	25,725,979.84	23,990,488.44

## 19. 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.

**20. COMMITMENT**

**20.1** As at March 31, 2023, the subsidiary company has commitments under the purchase agreement of finished goods totaling Baht 390.65 million.

**20.2** As of March 31, 2023 and December 31, 2022, the Company has letter of guarantee which issuing by the bank on behalf of company and subsidiary as follows:

Objective	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
1. Guarantee for Custom Department	4.30	4.88	-	-
2. Others	2.26	3.23	1.34	1.32
Total	6.56	8.11	1.34	1.32

**21. Financial Instruments****21.1 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)				
	Carrying amount	1 year Or less	More than 1 year but	More than 2 year but	Total
			Less than 2 years	Less than 5 year	
<u>As of March 31, 2023</u>					
Non - derivative financial liabilities					
- Other payables	83.59	83.59	-	-	83.59
- Lease liabilities	77.60	32.42	28.46	16.72	77.60
- Revenue Department	8.54	8.54	-	-	8.54
- Corporate income tax payable	62.72	62.72	-	-	62.72
	<u>232.45</u>	<u>187.27</u>	<u>28.46</u>	<u>16.72</u>	<u>232.45</u>

Derivative financial liabilities	-	-	-	-	-
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	Million Bath				
	Contractual cash flows (Separate financial statements)				
	Carrying amount	1 year or less	More than 1 year but	More than 2 year but	Total
			Less than 2 years	Less than 5 years	
<u>As of March 31, 2023</u>					
Non - derivative financial liabilities					
- Other payable	20.00	20.00	-	-	20.00
- Lease liabilities	9.79	3.73	3.37	2.69	9.79
- Revenue Department	3.04	3.04	-	-	3.04
- Corporate income tax payable	12.37	12.37	-	-	12.37
	<u>45.20</u>	<u>39.14</u>	<u>3.37</u>	<u>2.69</u>	<u>45.20</u>
Derivative financial liabilities	-	-	-	-	-

21.2 Market riskRisk 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 March 31, 2023 and December 31, 2022, the Company and its subsidiary have assets and liabilities in foreign currencies as follows:

	Amount in Foreign Currencies			
	Consolidated Financial Statements		Separate Financial Statements	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
<u>ASSETS</u>				
US Dollar	864,579.95	1,019,476.12	683,471.90	750,940.09
Singapore dollar	22,285.80	22,534.24	-	-
Pound Sterling	1,757,445.46	1,239,655.30	-	-
Chinese Yuan	2,252,878.30	56,610.00	37,781.30	56,610.00
<u>LIABILITIES</u>				
US Dollar	342,737.75	335,747.22	113,416.66	113,571.95
Hong Kong Dollar	-	2,063,282.51	-	-
Euro Dollar	254.84	3,170.78	-	-
Pound Sterling	18.90	2,575.06	-	-
Chinese Yuan	1,609,671.55	3,829,319.44	958.80	213,612.40

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.

**22. FINANCIAL INFORMATION BY SEGMENT OF BUSINESS**

Statements of income segmented by business for the three month period ended March 31, 2023 and 2022 are as follows:

	Consolidated Financial Statements (Million Baht)					
	March 31, 2023			March 31, 2022		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	113.11	755.97	869.08	78.45	639.80	718.25
Services income	-	-	-	-	2.35	2.35
	<u>113.11</u>	<u>755.97</u>	<u>869.08</u>	<u>78.45</u>	<u>642.15</u>	<u>720.60</u>
Cost of sales			(439.83)			(367.58)
Gross profit			429.65			353.02
Selling and administrative			(284.18)			(231.84)
Net profit from operation			<u>145.07</u>			<u>121.18</u>
Other income and expenses						
Other income			4.92			3.34
Financial cost			(1.81)			(1.06)
Total other income and expenses			<u>3.11</u>			<u>2.28</u>
Profit before income tax			148.18			123.46
Income tax expense			(31.15)			(21.87)
Net profit			<u>117.03</u>			<u>101.59</u>

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



Statements of income segmented by business for the three month period ended March 31, 2023 and 2022 are as follows:

	Separate Financial Statements (million Baht)					
	March 31, 2023			March 31, 2022		
	Export	Domestic	Total	Export	Domestic	Total
Revenue						
Sales – net	17.73	163.30	181.03	11.66	111.26	122.92
Services income	-	17.65	17.65	-	11.66	11.66
Total revenue	<u>17.73</u>	<u>180.95</u>	<u>198.68</u>	<u>11.66</u>	<u>122.92</u>	<u>134.58</u>
Cost of sales			(157.89)			(111.25)
Gross profit			40.79			23.33
Selling and administrative			(15.34)			(13.87)
Net profit from operation			25.45			9.46
Other income and expenses						
Other income			1.33			2.29
Financial cost			(0.01)			(0.02)
Total other income and expenses			1.32			2.27
Profit before income tax			26.77			11.73
Income tax expense			(5.36)			0.66
Net profit			<u>21.41</u>			<u>12.39</u>

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

#### **Major customer information**

In the 1<sup>st</sup> quarter of year 2023, the Company has earned from 3 major customers amounting to Baht 186.88 million.

**23. EXPENSE BY NATURE**

The significant expenses for the three-month period ended March 31, 2023 and 2022 classified by nature are as follow;

	BAHT			
	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Changes in finished goods -				
- and work in process	23,658,623.38	18,655,879.69	6,384,102.25	6,773,920.71
Purchase of finished goods	133,228,464.92	144,669,152.74	-	-
Raw material and supply usage	131,575,857.36	84,184,025.05	70,409,928.45	40,757,539.29
Employees' expenses -				
- (Exclude management)	139,451,581.55	126,176,575.37	27,827,729.33	25,278,183.70
Depreciation and Amortization	18,593,587.42	16,666,115.02	3,510,952.62	3,409,920.78
Transportation expense	5,239,015.04	5,139,826.00	162,296.05	12,282.00
Chemical supplies and				
-cost of analysis	2,049,695.91	1,341,811.32	25,412.15	26,160.00
Advertising and promotion	31,566,142.48	14,963,365.70	72,790.00	34,500.00

**24. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statement has been approved by the Company's board of directors on May 11, 2023.

(Signed) .....Director

(Signed).....Director