

Thantawan Industry Public Company Limited
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2023



EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtōey, Klongtoey, Bangkok 10110
Tel: +66 2264 9090
Fax: +66 2264 0789-90
ey.com

บริษัท สำนักงาน อีวาย จำกัด
ชั้น 33 อาคารเลควัฒนา
193/136-137 ถนนรัชดาภิเษก
แขวงคลองเตย เขตคลองเตย กรุงเทพฯ 10110
โทรศัพท์: +66 2264 9090
โทรสาร: +66 2264 0790
ey.com

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thantawan Industry Public Company Limited

I have reviewed the accompanying statement of financial position of Thantawan Industry Public Company Limited as at 30 June 2023, the related statements of comprehensive income for the three-month and six-month periods then ended, the related statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim financial statements (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Siriwan Suratepin
Certified Public Accountant (Thailand) No. 4604

EY Office Limited
Bangkok: 11 August 2023

Thantawan Industry Public Company Limited

Statement of financial position

(Unit: Thousand Baht)

	Note	30 June 2023 (Unaudited but reviewed)	31 December 2022 (Audited)
Assets			
Current assets			
Cash and cash equivalents	3	309,569	282,124
Trade and other receivables	4	356,938	372,351
Inventories		575,004	625,375
Other current financial assets	5	157,976	104,983
Other current assets		13,204	8,428
Total current assets		<u>1,412,691</u>	<u>1,393,261</u>
Non-current assets			
Other non-current financial assets	5	645,687	657,384
Investment property		43,140	43,140
Property, plant and equipment	6	812,676	858,719
Intangible assets		18,119	19,433
Right-of-use assets	7	51,161	45,866
Deferred tax assets		6,379	7,291
Total non-current assets		<u>1,577,162</u>	<u>1,631,833</u>
Total assets		<u><u>2,989,853</u></u>	<u><u>3,025,094</u></u>

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

Thantawan Industry Public Company Limited

Statement of financial position (continued)

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 June 2023</u>	<u>31 December 2022</u>
		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables		329,121	294,584
Accrued expenses		41,356	88,952
Current portion of liabilities under lease agreements	7	19,514	16,306
Accrued income tax		17,690	15,535
Other current financial liabilities		14,685	14,701
Other current liabilities		4,290	3,373
Total current liabilities		<u>426,656</u>	<u>433,451</u>
Non-current liabilities			
Liabilities under lease agreements - net of current portion	7	23,066	20,480
Provision for long-term employee benefits		51,528	55,955
Total non-current liabilities		<u>74,594</u>	<u>76,435</u>
Total liabilities		<u>501,250</u>	<u>509,886</u>
Shareholders' equity			
Share capital			
Registered			
89,999,686 ordinary shares of Baht 1 each		90,000	90,000
Issued and fully paid up			
89,999,686 ordinary shares of Baht 1 each		90,000	90,000
Share premium		136,800	136,800
Retained earnings			
Appropriated - statutory reserve		10,000	10,000
Unappropriated		2,251,803	2,278,408
Total shareholders' equity		<u>2,488,603</u>	<u>2,515,208</u>
Total liabilities and shareholders' equity		<u>2,989,853</u>	<u>3,025,094</u>

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

Directors

(Unaudited but reviewed)

Thantawan Industry Public Company Limited
Statement of comprehensive income
For the three-month period ended 30 June 2023

(Unit: Thousand Baht except earnings per share expressed in Baht)

	<u>Note</u>	<u>2023</u>	<u>2022</u>
Profit or loss:			
Revenues			
Revenues from contracts with customers	11	698,049	1,054,064
Other income	8	48,224	13,403
Total revenues		<u>746,273</u>	<u>1,067,467</u>
Expenses			
Cost of sales		578,159	842,653
Selling and distribution expenses		31,457	30,308
Administrative expenses		66,087	72,274
Total expenses		<u>675,703</u>	<u>945,235</u>
Profit from operating activities		70,570	122,232
Finance cost		(705)	(706)
Profit before income tax expenses		69,865	121,526
Income tax expenses	9	(8,289)	(20,556)
Profit for the period		<u>61,576</u>	<u>100,970</u>
Other comprehensive income :			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Gain on changes in value of equity investments designated at fair value through other comprehensive income		6,493	-
Less: Income tax effect		(1,298)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		5,195	-
Other comprehensive income for the period		<u>5,195</u>	<u>-</u>
Total comprehensive income for the period		<u>66,771</u>	<u>100,970</u>
Earnings per share (Baht)	10		
Basic earnings per share			
Profit		<u>0.68</u>	<u>1.12</u>

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

(Unaudited but reviewed)

Thantawan Industry Public Company Limited

Statement of comprehensive income

For the six-month period ended 30 June 2023

(Unit: Thousand Baht except earnings per share expressed in Baht)

	<u>Note</u>	<u>2023</u>	<u>2022</u>
Profit or loss:			
Revenues			
Revenues from contracts with customers	11	1,612,739	2,163,408
Other income	8	55,159	34,607
Total revenues		<u>1,667,898</u>	<u>2,198,015</u>
Expenses			
Cost of sales		1,315,114	1,737,161
Selling and distribution expenses		63,328	58,857
Administrative expenses		138,096	141,581
Total expenses		<u>1,516,538</u>	<u>1,937,599</u>
Profit from operating activities		151,360	260,416
Finance cost		(1,400)	(1,397)
Profit before income tax expenses		149,960	259,019
Income tax expenses	9	(18,950)	(39,289)
Profit for the period		<u>131,010</u>	<u>219,730</u>
Other comprehensive income :			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Loss on changes in value of equity investments designated at fair value through other comprehensive income		(145)	-
Less: Income tax effect		29	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		(116)	-
Other comprehensive income for the period		<u>(116)</u>	<u>-</u>
Total comprehensive income for the period		<u>130,894</u>	<u>219,730</u>
Earnings per share (Baht)	10		
Basic earnings per share			
Profit		<u>1.46</u>	<u>2.44</u>

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

(Unaudited but reviewed)

Thantawan Industry Public Company Limited

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	Issued and paid up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2022	90,000	136,800	10,000	2,076,684	2,313,484
Profit for the period	-	-	-	219,730	219,730
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	219,730	219,730
Dividend paid (Note 14)	-	-	-	(157,499)	(157,499)
Balance as at 30 June 2022	<u>90,000</u>	<u>136,800</u>	<u>10,000</u>	<u>2,138,915</u>	<u>2,375,715</u>
Balance as at 1 January 2023	90,000	136,800	10,000	2,278,408	2,515,208
Profit for the period	-	-	-	131,010	131,010
Other comprehensive income for the period	-	-	-	(116)	(116)
Total comprehensive income for the period	-	-	-	130,894	130,894
Dividend paid (Note 14)	-	-	-	(157,499)	(157,499)
Balance as at 30 June 2023	<u>90,000</u>	<u>136,800</u>	<u>10,000</u>	<u>2,251,803</u>	<u>2,488,603</u>

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

(Unaudited but reviewed)

Thantawan Industry Public Company Limited**Statement of cash flows****For the six-month period ended 30 June 2023**

(Unit: Thousand Baht)

	<u>Note</u>	<u>2023</u>	<u>2022</u>
Cash flows from operating activities			
Profit before tax		149,960	259,019
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Increase (decrease) in expected credit loss of trade receivables		3	(31)
Increase in reduction of cost of inventories net realisable value		1,334	4,242
Amortisation of premium on investment	5	112	112
Loss (gain) on exchange rate		(8,275)	4,080
Depreciation and amortisation		74,420	70,819
Loss (gain) on disposals and write-off of machine and equipment and cancellation of lease agreement		10	(91)
Gain arising on financial assets designed as at FVTPL	8	(13,342)	(20,313)
Provision for long-term employee benefits		2,490	2,682
Interest income	8	(2,535)	(474)
Dividend income	8	(3,039)	-
Finance cost		<u>1,400</u>	<u>1,397</u>
Profit from operating activities before changes in operating assets and liabilities		202,538	321,442
Operating assets (increase) decrease:			
Trade and other receivables		(27,892)	(119,390)
Inventories		49,037	(70,807)
Other current assets		(4,775)	(608)
Other non-current financial assets		(45)	(103)
Operating liabilities increase (decrease):			
Trade and other payables		23,637	74,797
Accrued expenses		(47,596)	(34,396)
Other current liabilities		<u>917</u>	<u>(3,992)</u>
Cash flows from operating activities		195,821	166,943
Cash paid for employee benefits		(7,925)	-
Cash paid for income tax and withholding tax deducted at source		(15,853)	(46,671)
Cash received from VAT refundable		<u>46,034</u>	<u>111,714</u>
Net cash flows from operating activities		<u>218,077</u>	<u>231,986</u>

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

(Unaudited but reviewed)

Thantawan Industry Public Company Limited
Statement of cash flows (continued)
For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	<u>Note</u>	<u>2023</u>	<u>2022</u>
Cash flows from investing activities			
Cash received from interest income		1,933	480
Cash received from dividend income		2,282	-
Cash paid for fixed deposits at bank		(398,422)	-
Cash received from fixed deposits at bank		399,027	-
Cash paid for investment in mutual fund	5	(224,221)	(185,795)
Cash received from investment in mutual fund	5	318,226	49,885
Cash paid for investment in corporate bonds due within one year	5	(50,971)	(100,000)
Proceed from investment in corporate bonds due within one year		-	50,000
Cash paid for investment in perpetual bond	5	(60,796)	-
Cash paid for acquisitions of property, plant and equipment	6	(19,750)	(49,816)
Cash paid for acquisitions of intangible assets		(636)	-
Increase in deposit for acquisition of land		-	(3,000)
Proceeds from disposals of equipment	6	363	286
Net cash flows used in investing activities		<u>(32,965)</u>	<u>(237,960)</u>
Cash flows from financing activities			
Cash received from short-term loans from financial institutions		-	140,000
Cash paid for short-term loans from financial institutions		-	(120,000)
Repayment of principal and interest of lease liabilities	7	(10,429)	(10,342)
Cash paid for interest expense from short-term loans from financial institutions		-	(201)
Cash paid for dividend payment		(147,238)	(147,952)
Net cash flows used in financing activities		<u>(157,667)</u>	<u>(138,495)</u>
Net increase (decrease) in cash and cash equivalents		27,445	(144,469)
Cash and cash equivalents at beginning of period		282,124	240,047
Cash and cash equivalents at end of period	3	<u>309,569</u>	<u>95,578</u>
Supplemental disclosures of cash flows information:			
Non-cash related transactions			
Decrease in accounts payable for acquisitions of building improvement and equipment	6	(3,486)	(5,172)
Increase in assets under lease agreements	7	18,390	8,047
Dividend payables		26,750	16,957

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

Thantawan Industry Public Company Limited
Notes to interim financial statements
For the three-month and six-month periods ended 30 June 2023

1. General information

1.1 The Company's general information

Thantawan Industry Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is the Sunflower Company Limited, which was incorporated in Thailand. The ultimate parent company of the group is Thantawan Group, which was incorporated in Thailand. The Company is principally engaged in the manufacture and sales of plastic products e.g. drinking straws and general plastic bags. Its registered address of the Company is at 143-144, Moo 8, Soi Kangwal 2, Phetkasem Road, Omyai, Sampran, Nakornpratom.

1.2 Basis for the preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial statements of the Company. The interim financial information in English language has been translated from the Thai language interim financial information.

1.3 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Company's financial statements.

2. Transactions with related parties

During the periods, the Company had no business transaction with individuals or related parties.

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2023 and 2022, the Company had employee benefit expense payable to their directors and management as below:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	17,059	14,677	33,804	30,941
Post-employment benefits	756	829	1,505	1,657
Total	<u>17,815</u>	<u>15,506</u>	<u>35,309</u>	<u>32,598</u>

3. Cash and cash equivalents

	(Unit: Thousand Baht)	
	30 June	31 December
	<u>2023</u>	<u>2022</u>
		(Audited)
Cash	120	120
Bank deposits	309,449	282,004
Total	<u>309,569</u>	<u>282,124</u>

As of 30 June 2023, bank deposits in saving accounts carried interest at the rate between 0.25 and 0.85 percent per annum (31 December 2022: between 0.25 and 0.50 percent per annum).

4. Trade and other receivables

	(Unit: Thousand Baht)	
	30 June 2023	31 December 2022
	<u> </u>	<u> </u> (Audited)
Trade accounts receivable - unrelated parties		
Aged on the basis of due dates		
Not yet due	271,174	297,561
Past due		
Up to 3 months	52,293	53,093
3 - 6 months	512	722
Total	<u>323,979</u>	<u>351,376</u>
Less: Allowance for expected credit losses	(15)	(12)
Total trade accounts receivable - unrelated parties, net	<u>323,964</u>	<u>351,364</u>
Other receivables		
Other receivables - Revenue Department	30,573	19,791
Advances	183	363
Other receivables - unrelated parties	55	29
Dividend receivables	1,290	533
Interest receivables	873	271
Total other receivables	<u>32,974</u>	<u>20,987</u>
Total trade and other receivables - net	<u><u>356,938</u></u>	<u><u>372,351</u></u>

(Unaudited but reviewed)

5. Other financial assets

	(Unit: Thousand Baht)	
	30 June 2023	31 December 2022
		(Audited)
<u>Financial assets at amortised cost</u>		
Investment in corporate bonds due in the year 2024	27,266	27,378
Deposits and guarantees	5,639	5,594
Total financial assets at amortised cost	32,905	32,972
<u>Financial assets at FVTPL</u>		
Investment in corporate bonds due within one year	52,234	-
Investment in domestic unit trust in mutual funds	105,742	104,983
Investment in foreign unit trust in mutual funds	506,812	579,092
Total financial assets at FVTPL	664,788	684,075
<u>Financial assets at FVOCI</u>		
Investment in perpetual bond of financial institutions	105,970	45,320
Total financial assets at FVOCI	105,970	45,320
Total other financial assets	803,663	762,367
Comprise of:		
Current	157,976	104,983
Non-current	645,687	657,384
	803,663	762,367

Reconciliation of other financial assets

During the current period, the movements of other financial assets of the Company are as follows:

	Balance as at 31 December 2022	Increase during the period	Decrease during the period	Change in fair value of investments	Amortised cost	Balance as at 30 June 2023
	(Audited)					
Investment in corporate bonds due in the year 2024	27,378	-	-	-	(112)	27,266
Investment in corporate bonds due in the within one year	-	50,971	-	1,263	-	52,234
Investment in domestic unit trust in mutual funds	104,983	-	-	759	-	105,742
Investment in foreign unit trust in mutual funds	579,092	224,221	(318,226)	21,725	-	506,812
Investment in perpetual bonds	45,320	60,796	-	(146)	-	105,970
Deposits and guarantees	5,594	333	(288)	-	-	5,639
Total	762,367	336,321	(318,514)	23,601	(112)	803,663

(Unit: Thousand Baht)

6. Property, plant and equipment

Movements of property, plant and equipment account during the six-month period ended 30 June 2023 were summarised below:

(Unit: Thousand Baht)

Net book value as at 31 December 2022	858,719
Acquisitions during the period - at cost	
Decrease in accounts payable for acquisitions of building improvement and equipment during the period	(3,486)
Cash paid for acquisitions of building improvement and equipment	19,750
Total	16,264
Disposals and write-off during the period - net book value at disposal and write-off date	
Proceeds from disposals of machine and equipment	(363)
Gain on disposals of machine and equipment	128
Loss from write-off of equipment	(102)
Total	(337)
Depreciation for the period	(61,970)
Net book value as at 30 June 2023	<u>812,676</u>

7. Leases - The Company as a lessee

a) Right-of-use assets

Movements of the right-of-use assets account during the six-month period ended 30 June 2023 were summarised below.

(Unit: Thousand Baht)

Net book value as at 31 December 2022	45,866
Increase during the period	18,390
Decrease from cancellation of lease agreements	(24,303)
Depreciation for the period	(10,500)
Accumulated depreciation on disposals	21,708
Net book value as at 30 June 2023	<u>51,161</u>

(Unaudited but reviewed)

b) Lease liabilities

	(Unit: Thousand Baht)	
	30 June 2023	31 December 2022
		(Audited)
Lease payments	43,821	37,625
Less: Deferred interest expenses	(1,241)	(839)
Total	42,580	36,786
Less: Current portion	(19,514)	(16,306)
Liabilities under lease agreements - net of current portion	23,066	20,480

Movements of liabilities under lease agreements account for the six-month period ended 30 June 2023 were summarised below.

	(Unit: Thousand Baht)
Balances as at 31 December 2022	36,786
Add: Increase during the period	18,390
Interest expenses of lease liabilities under lease agreements	391
Gain from cancellation of lease agreements	36
Less: Cash paid for rental fees during the period	(10,429)
Decrease from cancellation of lease agreements	(2,594)
Balances as at 30 June 2023	42,580

8. Other income

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest income	1,490	256	2,535	474
Dividend Income	1,596	-	3,039	-
Gain arising on financial assets designed as at FVTPL	10,508	8,487	13,342	20,313
Gain on exchange rate	1,699	2,392	2,508	8,768
Gain on disposals of equipment	59	-	128	91
Other compensation income	31,656	-	31,656	-
Others	1,216	2,268	1,951	4,961
Total other income	48,224	13,403	55,159	34,607

9. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current income tax:				
Interim corporate income tax charge	9,626	18,689	18,008	38,653
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>(1,337)</u>	<u>1,867</u>	<u>942</u>	<u>636</u>
Income tax expenses reported in the statements of comprehensive income	<u>8,289</u>	<u>20,556</u>	<u>18,950</u>	<u>39,289</u>

10. Earnings per share

Basic earnings per share is calculated by dividing profit (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

11. Business segment information

The Company is organised into business units based on its products. During the current period, the Company has not changed the organisation of its reportable segments.

The following table presents revenue and profit information regarding the Company's operating segments for the three-month and six-month periods ended 30 June 2023 and 2022.

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June							
	Straw		Bag		Others		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue from contracts with customers								
Revenues from external customers								
- Overseas	18.4	17.9	514.3	856.5	23.4	38.2	556.1	912.6
- Local	37.3	43.5	86.0	81.1	18.6	16.9	141.9	141.5
Total revenue from contracts with customers	<u>55.7</u>	<u>61.4</u>	<u>600.3</u>	<u>937.6</u>	<u>42.0</u>	<u>55.1</u>	<u>698.0</u>	<u>1,054.1</u>
Gross profit	8.7	9.9	105.3	190.9	5.8	10.7	119.8	211.5
Other income							48.2	13.4
Selling and distribution expenses							(31.4)	(30.3)
Administrative expenses							(66.1)	(72.3)
Finance cost							(0.7)	(0.7)
Income tax expenses							(8.2)	(20.6)
Profit for the period							<u>61.6</u>	<u>101.0</u>

(Unit: Million Baht)

	For the six-month periods ended 30 June							
	Straw		Bag		Others		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue from contracts with customers								
Revenues from external customers								
- Overseas	34.4	37.2	1,223.3	1,777.4	69.7	79.4	1,327.4	1,894.0
- Local	75.1	80.7	176.6	156.6	33.6	32.1	285.3	269.4
Total revenue from contracts with customers	<u>109.5</u>	<u>117.9</u>	<u>1,399.9</u>	<u>1,934.0</u>	<u>103.3</u>	<u>111.5</u>	<u>1,612.7</u>	<u>2,163.4</u>
Gross profit	18.2	19.3	261.9	385.4	17.5	21.5	297.6	426.2
Other income							55.2	34.6
Selling and distribution expenses							(63.3)	(58.8)
Administrative expenses							(138.1)	(141.6)
Finance cost							(1.4)	(1.4)
Income tax expenses							(19.0)	(39.3)
Profit for the period							<u>131.0</u>	<u>219.7</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Timing of revenue recognition				
Sales	696,539	1,050,907	1,608,848	2,156,163
Service income	<u>1,510</u>	<u>3,157</u>	<u>3,891</u>	<u>7,245</u>
Total revenues from contracts with customers - recognised at a point in time	<u>698,049</u>	<u>1,054,064</u>	<u>1,612,739</u>	<u>2,163,408</u>

12. Commitment and contingent liabilities

The Company has commitments and contingent liabilities other than those disclosed in other notes as follows:

12.1 Capital commitments

As at 30 June 2023, the Company had capital commitments of approximately Baht 3.8 million, relating to the equipment installation and building improvement (31 December 2022: Baht 6.7 million).

12.2 Lease of the low-value assets and other service commitments

The Company entered into several agreements in respect of the lease of the low-value assets and other services. The terms of the agreements are generally between 3 months and 5 years.

As at 30 June 2023, the Company has future lease payments and service fee payables under these lease and service agreements were summarised below:

(Unit: Million Baht)

Payable:	
In up to 1 year	21.9
In over 1 and up to 5 years	<u>7.7</u>
Total	<u>29.6</u>

12.3 Bank Guarantees

As at 30 June 2023, the Company had outstanding bank guarantees of approximately Baht 21.8 million (31 December 2022: Baht 20.9 million) issued by banks on behalf of the Company, in respect of guarantee electricity use, purchase of raw materials and performance guarantees as required in the normal course of business.

13. Financial instruments

13.1 Foreign currency risk

The Company's exposure to the foreign currency risk relates primarily to import or export of goods and investment in foreign mutual funds and bonds that are denominated in foreign currencies. The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Currency	Financial assets		Financial liabilities		Average exchange rate	
	30	31	30	31	30	31
	June	December	June	December	June	December
	2023	2022	2023	2022	2023	2022
		(Audited)		(Audited)		(Audited)
	(Million)	(Million)	(Million)	(Million)	(Baht per unit of foreign currency)	
US dollars	21.62	19.67	(3.99)	(3.67)	35.5458	34.4334
Euro	1.28	1.27	(0.01)	(0.01)	38.6029	36.7375
Japanese yen	-	-	(1.68)	(1.84)	0.2494	0.2645
Yuan	-	-	-	(0.01)	-	5.0375

13.2 Derivatives

	(Unit: Thousand Baht)	
	30 June 2023	31 December 2022
Derivative liabilities		(Audited)
Derivatives liabilities not designated as hedging instruments		
Foreign exchange forward contracts	14,685	14,701
Total derivative liabilities	<u>14,685</u>	<u>14,701</u>

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 months to 1 year.

As at 30 June 2023, the Company had outstanding foreign exchange forward contracts are summarised below.

Foreign currency	Sold	Bought	Contractual exchange rate		Contractual maturity date
	amount (Million)	amount (Million)	Sold amount	Bought amount	
			(Baht per 1 foreign currency unit)		
US dollars	11.09	-	33.1900 - 34.2450	-	23 August 2023 - 30 May 2024
Euro	1.30	-	36.5200	-	24 May 2024

As at 31 December 2022, the Company had outstanding foreign exchange forward contracts are summarised below.

Foreign currency	Sold	Bought	Contractual exchange rate		Contractual maturity date
	amount (million)	amount (million)	Sold amount	Bought amount	
			(Baht per unit of foreign currency)		
US dollars	15.90	1.04	32.6546 - 34.9500	35.0000 - 37.3700	1 March 2023 - 17 May 2023
Japanese yen	-	1.68	-	0.2560	13 January 2023
Euro	1.30	-	36.8000	-	22 May 2023

13.3 Fair values of financial instruments

Since the majority of the Company's financial instruments is short-term in nature or carrying interest at rates close to the market interest rates, its fair value is not expected to be materially different from the amounts presented in the statement of financial position.

13.4 Fair value hierarchy

The Company has financial and liabilities assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)	
	Level 2	
	30 June 2023	31 December 2022
		(Audited)
Assets measured at fair value		
Financial assets measured at FVTPL		
Investment in mutual funds	612,554	684,075
Investment in corporate bonds due within one year	52,234	-
Financial assets measured at FVOCI		
Investment in perpetual bond	105,970	45,320
Liabilities measured at fair value		
Derivatives		
Foreign exchange forward contracts	14,685	14,701
Assets for which fair value are disclosed		
Financial assets at amortised cost		
Investment in corporate bonds due in the year 2024	27,266	27,378
Investment property	178,567	178,567

During the current period, there was no change in the methods and assumptions used by the Company estimating the fair value of financial instruments and no transfer within the fair value hierarchy.

14. Dividend payment

Dividend declared for the six-month periods ended 30 June 2023 and 2022 consist of the following:

	<u>Approved by</u>	<u>Total Dividend</u> (Million Baht)	<u>Dividend</u> per share (Baht)	<u>Paid on</u>
<u>2023</u>				
Final dividend on 2022 income	Annual General Meeting of the shareholders on 24 April 2023	157.50	1.75	22 May 2023
Total dividend paid for the six-month period ended 30 June 2023		<u>157.50</u>	<u>1.75</u>	
<u>2022</u>				
Final dividend on 2021 income	Annual General Meeting of the shareholders on 22 April 2022	157.50	1.75	17 May 2022
Total dividend paid for the six-month period ended 30 June 2022		<u>157.50</u>	<u>1.75</u>	

15. Approval of interim financial information

The interim financial information has been approved by the Company's Board of Directors on 11 August 2023.