

**CPL GROUP PUBLIC COMPANY LIMITED**  
**Independent Auditor's Report and Financial Statements**  
**For the year ended 31 December 2021**



Prudent & Professional

บริษัท ซี คับเบิลยู คับเบิลยู พี จำกัด  
CWWP COMPANY LIMITED

เลขที่ 128/334-335 อาคารพญาไทพลาซ่า ชั้น 31 ถนนพญาไท แขวงทุ่งพญาไท เขตราชเทวี  
กรุงเทพมหานคร 10400  
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[Translation]

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of CPL Group Public Company Limited

### Opinion

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

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of the Group and separate financial position of the Company as at 31 December 2021, and its consolidated financial performance of the Group and its separate financial performance of the Company and its consolidated cash flows of the Group and its separate cash flows of the Company for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

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

*Am.*

**Key Audit Matters**

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

**Inventories**

As disclosed in Note 8 in the consolidated and separate financial statements, the Company has shown Baht 1,316.12 million of inventories in the consolidated and separate statements of financial position as at 31 December 2021. Raw material and finished goods' pricing volatilities could affect the inventories' value at the end of the reporting period because the inventories are valued by the lower of cost or net realizable value. I concentrate on the determination of allowance for inventory write down since it highly depends on the management's discretion in considering the net realizable value, which is used to compare with the cost of inventories for determining appropriate amount of allowance for inventory write down. Therefore, my audit is concentrated on value of the inventories as the key audit matter.

My audit procedures have included:

- Obtain an understanding of the internal control regarding the valuation of inventories.
- Assess the appropriateness of the calculation method for the inventory's net realizable value at the end of the accounting period.
- Evaluate the reasonableness of the selling price after the end of the accounting period.
- Perform comparison analysis of the net realizable value and the cost of inventories.
- Consider the appropriateness of determining the allowance for inventory write down at the end of the accounting period.
- Evaluate the adequacy of the Company's disclosures in the note to the financial statements in accordance with Thai Financial Reporting Standards.

**Other Matters**

The financial statement of CPL Group Public Company Limited for the year ended 31 December 2020, which are presented as comparative, was audited by another auditor in the same firm who expressed an unqualified opinion as report dated 24 February 2021.

**Other Information**

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



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

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

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

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

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

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

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

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

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

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



- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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



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



(Chonthicha Lertwilai)

Certified Public Accountant Registration No. 12258

CWWP Company Limited

Bangkok,

23 February 2022

## CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

Unit : Baht

	Notes	Consolidated	Separate	
		Financial Statements	Financial Statements	
		31 December 2021	31 December 2021	31 December 2020
<b>Assets</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	6	49,130,408.96	42,663,388.62	69,396,616.01
Trade and Other Current Receivables	7	260,607,316.65	260,607,316.65	234,263,620.94
Inventories	8	1,320,119,457.33	1,320,119,457.33	986,152,927.14
Current Tax Assets		774,984.33	774,965.99	685,118.79
Other Current Assets		183,739.84	183,739.84	126,485.44
<b>Total Current Assets</b>		<b>1,630,815,907.11</b>	<b>1,624,348,868.43</b>	<b>1,290,624,768.32</b>
<b>Non-Current Assets</b>				
Investments in Associates	9	20,233,720.23	233,720.23	99,997.50
Investments in Subsidiaries	10	-	26,499,925.00	-
Long-Term Loans to Employees		242,181.00	242,181.00	147,470.42
Investment Property	11	124,988,568.42	124,988,568.42	124,988,568.42
Property, Plant and Equipment	12	524,547,553.23	524,547,553.23	549,500,886.17
Right-of-Use Assets	13.1	55,159,782.22	55,159,782.22	76,285,503.04
Other Intangible Assets		3,809,267.32	3,809,267.32	3,965,783.54
Deferred Tax Assets	14	70,494,563.13	70,494,563.13	60,372,722.76
Other Non-Current Assets		8,844,799.29	8,844,799.29	26,424,821.37
<b>Total Non-Current Assets</b>		<b>808,320,434.84</b>	<b>814,820,359.84</b>	<b>841,785,753.22</b>
<b>Total Assets</b>		<b>2,439,136,341.95</b>	<b>2,439,169,228.27</b>	<b>2,132,410,521.54</b>

## CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

Unit : Baht

	Notes	Consolidated	Separate	
		Financial Statements	Financial Statements	
		31 December 2021	31 December 2021	31 December 2020
<b>Liabilities and Shareholders' Equity</b>				
<b>Current Liabilities</b>				
Overdrafts and Short-Term Borrowings from Financial Institution	16	873,113,481.10	873,113,481.10	662,487,909.76
Trade and Other Current Payables	17	350,788,467.35	350,777,332.35	248,989,867.02
Current Portion of Long-Term Liabilities				
Long-Term Borrowings	18	62,485,000.00	62,485,000.00	58,483,000.00
Lease Liabilities	13.2	17,801,397.08	17,801,397.08	19,414,295.16
Derivatives Liabilities	19	10,741,203.72	10,741,203.72	1,614,915.48
<b>Total Current Liabilities</b>		<b>1,314,929,549.25</b>	<b>1,314,918,414.25</b>	<b>990,989,987.42</b>
<b>Non-Current Liabilities</b>				
Long-Term Borrowings	18	44,550,000.00	44,550,000.00	105,918,000.00
Lease Liabilities	13.2	23,951,020.52	23,951,020.52	39,557,326.52
Deferred Tax Liabilities	14	3,114,978.76	3,114,978.76	3,032,346.30
Non-Current Provisions for Employee Benefits	20	56,177,624.90	56,177,624.90	56,863,655.77
Other Non-Current Liabilities		314,650.00	314,650.00	221,500.00
<b>Total Non-Current Liabilities</b>		<b>128,108,274.18</b>	<b>128,108,274.18</b>	<b>205,592,828.59</b>
<b>Total Liabilities</b>		<b>1,443,037,823.43</b>	<b>1,443,026,688.43</b>	<b>1,196,582,816.01</b>



## CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

Unit : Baht

	Notes	Consolidated	Separate	
		Financial Statements	Financial Statements	
		31 December 2021	31 December 2021	31 December 2020
<b>Shareholders' Equity</b>				
Share Capital	21			
Authorized Share Capital				
439,844,340 Ordinary Shares, at Baht 1.00 per Share		439,844,340.00	439,844,340.00	439,844,340.00
Issued and Paid-Up Share Capital				
439,844,284 Ordinary Shares, at Baht 1.00 per Share		439,844,284.00	439,844,284.00	439,844,284.00
Share Premium on Ordinary Shares		574,095,791.76	574,095,791.76	574,095,791.76
Discount on Business Combination under Common Control		(242,518,625.38)	(242,518,625.38)	(242,518,625.38)
Retained Earnings				
Appropriated				
Legal Reserve		30,483,074.26	30,483,074.26	29,539,593.15
Unappropriated		194,284,013.48	194,328,034.80	134,956,681.60
Other Components of Shareholders' Equity		(90,019.60)	(90,019.60)	(90,019.60)
<b>Total Shareholders' Equity</b>		<b>996,098,518.52</b>	<b>996,142,539.84</b>	<b>935,827,705.53</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>2,439,136,341.95</b>	<b>2,439,169,228.27</b>	<b>2,132,410,521.54</b>

## CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

Unit : Baht

	Notes	Consolidated	Separate	
		Financial Statements	Financial Statements	
		31 December 2021	31 December 2021	31 December 2020
Revenue from Sales and Rendering of Services		1,877,650,252.65	1,877,650,252.65	1,593,545,715.90
Costs of Sales and Rendering of Services		(1,455,134,447.93)	(1,455,134,447.93)	(1,243,826,936.04)
<b>Gross Profit</b>		<b>422,515,804.72</b>	<b>422,515,804.72</b>	<b>349,718,779.86</b>
Other Income	25	16,999,591.67	16,997,757.99	29,410,189.37
Distribution Costs		(153,170,190.18)	(153,170,190.18)	(158,392,881.17)
Administrative Expenses		(156,753,202.78)	(156,707,347.78)	(145,125,648.22)
Loss on Exchange Rate		(26,755,287.20)	(26,755,287.20)	(7,015,835.44)
Loss from Derivatives		(10,741,203.72)	(10,741,203.72)	(1,614,915.48)
Finance Costs		(32,907,872.34)	(32,907,872.34)	(39,859,769.51)
Share of Profit (Loss) of Associates	10	(166,269.77)	(166,269.77)	-
<b>Profit before Income Tax</b>		<b>59,021,370.40</b>	<b>59,065,391.72</b>	<b>27,119,919.41</b>
Tax (Expense) Revenue	28.1	10,037,407.98	10,037,407.98	(8,250,297.29)
<b>Profit for the year</b>		<b>69,058,778.38</b>	<b>69,102,799.70</b>	<b>18,869,622.12</b>
<b>Other Comprehensive Income</b>				
<b>Items that will not be reclassified subsequently to Profit or Loss</b>				
Gain (Loss) on Remeasurement of Defined Benefit Plans - Net of Tax		(7,199.71)	(7,199.71)	2,218,406.61
<b>Total Items that will not be reclassified subsequently to</b>				
<b>Profit or Loss - Net of Tax</b>		<b>(7,199.71)</b>	<b>(7,199.71)</b>	<b>2,218,406.61</b>
<b>Total Other Comprehensive Income (Expense) for the year - Net of Tax</b>		<b>(7,199.71)</b>	<b>(7,199.71)</b>	<b>2,218,406.61</b>
<b>Total Comprehensive Income (Expense) for the year</b>		<b>69,051,578.67</b>	<b>69,095,599.99</b>	<b>21,088,028.73</b>
Basic Earnings per Share		0.16	0.16	0.04

**CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
For the year ended 31 December 2021

	Notes	Consolidated Financial Statements							Unit : Baht	
		Issued and Paid Share Capital	Share Premium on Ordinary Shares	Discount on Business Combination under the Common Control	Retained Earnings		Other Components of Shareholders' Equity			Total
					Appropriated	Unappropriated	Other Comprehensive Income (Expense)	Shareholders' Equity		
Beginning Balance as at 1 January 2021		439,844,284.00	574,095,791.76	(242,518,625.38)	29,539,593.15	134,956,681.60	(90,019.60)	935,827,705.53		
Changes in Shareholder's Equity										
Dividend	23	-	-	-	-	(8,780,765.68)	-	(8,780,765.68)		
Profit for the year		-	-	-	-	69,058,778.38	-	69,058,778.38		
Other Comprehensive Income for the year		-	-	-	-	(7,199.71)	-	(7,199.71)		
Appropriated Legal Reserve	23	-	-	-	943,481.11	(943,481.11)	-	-		
Total Changes in Shareholder's Equity		-	-	-	943,481.11	59,327,331.88	-	60,270,812.99		
Ending Balance as at 31 December 2021		439,844,284.00	574,095,791.76	(242,518,625.38)	30,483,074.26	194,284,013.48	(90,019.60)	996,098,518.52		

**CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

For the year ended 31 December 2021

Unit : Baht

	Notes	Separate Financial Statements							Total Shareholders' Equity
		Issued and Paid-Up Share Capital	Share Premium on Ordinary Shares	Discount on Business Combination under the Common Control	Retained Earnings		Other Components of Shareholders' Equity		
					Appropriated Legal Reserve	Unappropriated	Other Comprehensive Income (Expense)		
							Share of Other Comprehensive Income of Associates		
Beginning Balance as at 1 January 2020		439,844,284.00	574,095,791.76	(242,518,625.38)	29,539,593.15	113,868,652.87	(90,019.60)	914,739,676.80	
Changes in Shareholder's Equity									
Profit for the year		-	-	-	-	18,869,622.12	-	18,869,622.12	
Other Comprehensive Income for the year		-	-	-	-	2,218,406.61	-	2,218,406.61	
Total Changes in Shareholder's Equity		-	-	-	-	21,088,028.73	-	21,088,028.73	
Ending Balance as at 31 December 2020		439,844,284.00	574,095,791.76	(242,518,625.38)	29,539,593.15	134,956,681.60	(90,019.60)	935,827,705.53	
Changes in Shareholder's Equity									
Dividend	23	-	-	-	-	(8,780,765.68)	-	(8,780,765.68)	
Profit for the year		-	-	-	-	69,102,799.70	-	69,102,799.70	
Other Comprehensive Income for the year		-	-	-	-	(7,199.71)	-	(7,199.71)	
Appropriated Legal Reserve	23	-	-	-	943,481.11	(943,481.11)	-	-	
Total Changes in Shareholder's Equity		-	-	-	943,481.11	59,371,353.20	-	60,314,834.31	
Ending Balance as at 31 December 2021		439,844,284.00	574,095,791.76	(242,518,625.38)	30,483,074.26	194,328,034.80	(90,019.60)	996,142,539.84	

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

## CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

Unit : Baht

	Consolidated	Separate	
	Financial Statements	Financial Statements	
Notes	31 December 2021	31 December 2021	31 December 2020
<b>Cash Flows from Operating Activities</b>			
Profit for the year	69,058,778.38	69,102,799.70	18,869,622.12
Adjustment to Reconcile Profit to be Net Cash Received (Paid)			
Adjusted Tax Expense (Revenue)	(10,037,407.98)	(10,037,407.98)	8,250,297.29
Depreciation	78,151,524.02	78,151,524.02	82,795,165.27
Amortization of Leasehold Rights	-	-	49,605.13
Amortization of Other Intangible Assets	1,519,216.22	1,519,216.22	2,135,807.84
Adjusted Amortization of Prepaid Expenses	-	-	389,522.49
Adjusted Amortization of Bad Debts	-	-	31,080.10
Adjusted Loss from Impairment of Trade Receivables	8,569,115.45	8,569,115.45	5,444,034.94
Adjusted Loss on Devaluation of Non-Current Assets	3,437,171.44	3,437,171.44	-
Adjusted Loss on Devaluation of Inventories (Reversal)	10,625,848.26	10,625,848.26	(37,228,627.71)
Adjusted Loss from Adjustment of Fair Value of Derivative	10,741,203.72	10,741,203.72	1,614,915.48
Adjusted Gain on Sale of Investment Property	-	-	(2,036,356.04)
Adjusted Gain on Sale of Property, Plant and Equipment	(1,769,269.71)	(1,769,269.71)	(243,153.76)
Adjusted Loss on Write-off of Property, Plant and Equipment	280,782.92	280,782.92	1,736,055.10
Adjusted Loss on Write-off of Non-operating Assets	4,711.06	4,711.06	-
Adjusted Gain on Write-off of Other Intangible Assets	-	-	(786,211.08)
Adjusted Share of Profit of Associates	166,269.77	166,269.77	-
Adjusted Unrealized Loss on Exchange Rate	4,188,756.88	4,188,756.88	(324,631.19)
Adjusted Non-Current Provisions for Employee Benefits	4,456,095.49	4,456,095.49	9,528,412.00
Adjusted Interest Income	(108,738.38)	(106,904.70)	(88,821.92)
Adjusted Finance Costs	32,907,872.34	32,907,872.34	37,950,918.43
Profit from Operating Activities before change in			
Operating Assets and Liabilities	212,191,929.88	212,237,784.88	128,087,634.49
Operating Assets (Increase) Decrease			
Trade and Other Current Receivables	(35,724,164.98)	(35,724,164.98)	(779,641.93)
Inventories	(344,592,378.45)	(344,592,378.45)	149,641,777.44
Other Current Assets	(57,254.40)	(57,254.40)	57,834.47
Long-Term Loans to Employees	(94,710.58)	(94,710.58)	180,139.58
Other Non-Current Assets	374,782.52	374,782.52	(5,733.76)
Operating Liabilities Increase (Decrease)			
Trade and Other Current Payables	101,368,707.73	101,357,572.73	(38,322,058.36)
Derivatives Liabilities	(1,614,915.48)	(1,614,915.48)	-
Non-Current Liabilities	93,150.00	93,150.00	-
Cash Generated from (Used in) Operations	(68,054,853.76)	(68,020,133.76)	238,859,951.93

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

## CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

Unit : Baht

	Notes	Consolidated Financial Statements 31 December 2021	Separate Financial Statements 31 December 2021	31 December 2020
Cash Receipts from Interest Income		108,738.38	106,904.70	290,277.32
Cash Payments for Income Tax		(774,984.33)	(774,965.99)	(685,118.79)
Cash Receipts from Refunded Tax		-	-	661,662.61
Cash Payments for Employee Benefits		(5,151,126.00)	(5,151,126.00)	(5,214,773.00)
<b>Net Cash Generated from (Used in) Operating Activities</b>		<b>(73,872,225.71)</b>	<b>(73,839,321.05)</b>	<b>233,912,000.07</b>
<b>Cash Flows from Investing Activities</b>				
Cash Payments for Investment in Subsidiaries		-	(26,499,925.00)	-
Cash Payments for Investment Payables		(99,997.50)	(99,997.50)	-
Cash Payments for Investment in Associate		(20,299,992.50)	(299,992.50)	-
Cash Payments for Purchase of Property, Plant and Equipment		(11,977,191.14)	(11,977,191.14)	(13,870,616.90)
Cash Receipts from Sale of Property, Plant and Equipment		1,836,697.37	1,836,697.37	243,157.76
Cash Payments for Purchase of Right-of-Use Assets		(1,976,566.00)	(1,976,566.00)	(689,700.00)
Cash Payments for Purchase of Other Intangible Assets		(1,362,700.00)	(1,362,700.00)	(172,000.00)
Cash Payments for Purchase of Other Assets		-	-	(23,388,983.60)
Cash Receipts from Sale of Other Assets		-	-	934,579.44
<b>Net Cash Generated from (Used in) Investing Activities</b>		<b>(33,879,749.77)</b>	<b>(40,379,674.77)</b>	<b>(36,943,563.30)</b>
<b>Cash Flows from Financing Activities</b>				
Increase (Decrease) in Overdrafts		18,718,408.37	18,718,408.37	30,924,101.49
Cash Receipts from Short-Term Borrowings from Financial Institutions		2,025,352,428.39	2,025,352,428.39	1,731,509,313.11
Cash Payments for Short-Term Borrowings from Financial Institutions		(1,836,520,952.13)	(1,836,520,952.13)	(1,900,271,869.33)
Cash Payments for Short-Term Borrowings from Related Persons		-	-	(60,000,000.00)
Cash Receipts from Long-Term Borrowings from Financial Institutions		(57,366,000.00)	(57,366,000.00)	100,000,000.00
Cash Payments for Long-Term Borrowings from Financial Institutions		-	-	(10,704,000.00)
Cash Payments for Lease Liabilities		(21,095,633.07)	(21,095,633.07)	(19,403,475.30)
Cash Payments for Asset Payables		(12,424.00)	(12,424.00)	(2,028,605.40)
Cash Payments for Interest Expense		(32,764,090.59)	(32,764,090.59)	(39,888,224.06)
Cash Payments for Dividends		(8,779,411.09)	(8,779,411.09)	-
<b>Net Cash Generated from (Used in) Financing Activities</b>		<b>87,532,325.88</b>	<b>87,532,325.88</b>	<b>(169,862,759.49)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>				
before Effect of Exchange Rate		(20,219,649.60)	(26,686,669.94)	27,105,677.28
Effect of Exchange Rate on Cash and Cash Equivalents		(46,557.45)	(46,557.45)	(62,948.07)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>		<b>(20,266,207.05)</b>	<b>(26,733,227.39)</b>	<b>27,042,729.21</b>
<b>Cash and Cash Equivalents at the Beginning of the year</b>		<b>69,396,616.01</b>	<b>69,396,616.01</b>	<b>42,353,886.80</b>
<b>Cash and Cash Equivalents at the Ending of the year</b>	6	<b>49,130,408.96</b>	<b>42,663,388.62</b>	<b>69,396,616.01</b>

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

## CPL GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE FINANCIAL STATEMENTS

**For the year ended 31 December 2021**

#### **1. General Information**

##### **1.1 Company Information**

CPL Group Public Company Limited (“the Company”) is a juristic person incorporated in Thailand which was registered as a public company limited in accordance with Public Limited Companies Act. The address of the registered head office of the Company locates at 700 Moo 6 Sukhumvit Road, Bangpoo-Mai, Mueang Samutprakan, Samutprakan, Thailand.

The Company was listed on the Stock Exchange of Thailand on 19 December 1994.

The Company has operations and principal activities to engage in businesses of manufacturing and distribution of leather products, rendering of tanning service and manufacturing and distribution of personal protective equipment.

As at 31 December 2021 and 2020, the major shareholder of the Company is Wongcharoensin Group.

##### **1.2 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

#### **2. Basis of Preparation of Financial Statements**

2.1 These financial statements have been prepared in accordance with Thai Financial Reporting Standards including related interpretations and guidelines promulgated by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King and applicable rules and regulations of the Securities and Exchange Commission.

2.2 The classification in the financial statements is in compliance with the Notification of the Department of Business Development regarding mandatory summary items in a financial statement.

- 2.3 In order to prepare the financial statements to comply with financial reporting standards, the Group's management had to make some estimates and assumptions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ from the estimated amount.
- 2.4 The financial report in Thai language is the official statutory financial report of the Company. The financial report in English language has been translated from the financial report in Thai language.

### 3. Basis of Preparing the Consolidated Financial Statements

- 3.1 The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (hereafter referred as "the Group"). Subsidiaries are entities under the control of the Group. The financial statements of the subsidiaries are included in the consolidated financial statements of the Group from the date that obtains control to the date that the control had been ceased. As at 31 December 2021 and 2020, the Company has investment ratio in the direct and indirect subsidiaries which are summarized as follows:

Entities' Name	Investment and Voting Right		Country of Incorporation	Nature of Business
	Ratio			
	As at 31 December 2021	As at 31 December 2020		
CPL Venture Plus CO., LTD.	99.997	-	Thailand	Investing in business or hold shares in other company

- 3.2 The Company calculates the investments in a subsidiary which the Company has shareholding since 99.00% as if shareholding at 100%.
- 3.3 The accounting period of the subsidiaries are ended on the same date as that of the CPL Group Public Company Limited.
- 3.4 In preparation of the consolidated financial statements, the Company has eliminated the amounts of assets, liabilities, and inter-transactions.
- 3.5 The accounting policy of the subsidiaries for the same transaction has used the same policy as the Company.



#### **4. Financial Reporting Standards**

##### **4.1 Financial Reporting Standards that became Effective in the Current Period**

During the period, the Group has adopted the revised and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

##### **4.2 Financial Reporting Standards that will become Effective for Fiscal Years Beginning on or After 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group is currently in process of evaluating the plan to be executed and considering the impact of these standards on the financial statements in the year when they are adopted.

#### **5. Summary of Significant Accounting Policies**

##### **5.1 Measurements Bases used in preparing the Financial Statements**

Measurement bases used in preparing the financial statements are historical cost measurement basis and combination of variety measurement bases used. For items that use other measurement bases have been disclosed the measurement bases used in the particular accounting policies.

##### **5.2 Foreign Currency Transactions**

Foreign currency transactions are initially recognized by translated into Thailand Baht using the spot exchange rate at the date of the transaction.

Foreign currency monetary items at the end of period are translated into Thailand Baht using the closing rate.

Exchange rate differences arising on the settlement of monetary items or on translating monetary items are recognized in profit or loss for the period which the transactions occur.

### 5.3 Cash and Cash Equivalents

Cash and cash equivalents include financial institution deposits in type of current accounts, savings accounts, and not over than 3 months fixed accounts without guarantee obligation, excluding overdrafts which are presented as current liabilities.

### 5.4 Inventories

Inventories are stated at the lower of cost by weighted average method or net realizable value.

The net realizable value is an estimate of the price expected to be sold from the normal course of business, less the costs required to be paid to produce the product until the product is sold.

### 5.5 Financial Instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs (if any). However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

#### **Classification and Measurement of Financial Assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### **Financial Assets at Amortised Cost**

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

**Financial Assets at FVTPL**

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

**Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

At initial recognition, the Group measures a financial asset and liabilities at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset and liabilities. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

**Derecognition of Financial Instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Impairment of Financial Assets**

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **5.6 Derivatives**

The Group uses derivative instruments which are foreign exchange contracts. To hedge the risk of exchange rate fluctuation.

The Group recognizes the initial value of derivatives at their fair value on the contract date. And later measured at fair value the subsequent changes in fair value are recognized in profit or loss. The Group presents derivatives as a financial asset when the fair value is greater than zero and presented as a financial liability when the fair value is less than zero.

The Group presents the derivatives with the remaining contract maturity of more than 12 months and not yet due within 12 months as other non-current assets. or other non-current liabilities and show other derivatives as current assets or current liabilities.

#### **5.7 Investments in Subsidiaries**

Investments in subsidiaries in the separate financial statements are stated by using the cost method deducted by accumulated impairment loss for investments (if any).

#### **5.8 Investments in Associates**

Investments in associates are stated by equity method which is initially recognized at cost and adjusted after the acquisition date by recognition of the Company's share of profit or loss or other comprehensive income of associates in these associates. Distribution or dividend received from associates will be reduced the carrying amount of those investments in associates.

When the Company's share of loss of a associate equals or exceeds the Company's interests in that associate (together with any long-term interests that, in substance, form part of the Company's net investment in that associate), the Company will discontinue recognizing the Company's share of loss in excess of the interests in that associate. After the Company's interests is reduced to zero, the Company will recognize share of additional loss as liabilities only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the Company's associate subsequently reports profit, the

Company's will resume recognizing the Company's share of profit only after the share of profit equals the share of loss not recognized.

#### 5.9 Investment Property

Investment property is land and land improvements which the Group has currently held without specific purpose of use in the future and/or to earn rental income or for asset appreciation, is stated at initial cost deducted by the accumulated depreciation and the accumulated impairment loss (if any).

#### 5.10 Property, Plant and Equipment

Property, plant and equipment are stated at initial cost deducted by the accumulated depreciation and the accumulated impairment loss (if any).

Depreciation is calculated on a straight-line method over the approximate useful lives as follows:

- Buildings and Building Improvements	3 – 20 years
- Machines and Equipment	5 – 20 years
- Tools	5 years
- Fixtures and Office Equipment	3 – 10 years
- Vehicles	5 – 7 years

There is no depreciation for land and land improvement and assets under construction.

Depreciation of assets arising in the period which it is used to produce other asset are capitalized as part of cost of that other asset which will cease the capitalization when that other asset is ready for intended use.

Replacement cost will be capitalized as a part of carrying amount of assets when it is probable that the Company will obtain the future economic benefits from that transaction and able to measure the cost of that transaction reliably.

Repair and maintenance are recognized as expenses in profit or loss for the period in which they are incurred.

The carrying amount of property, plant and equipment will be derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gain or loss on derecognition of property, plant and equipment is the difference between the net disposal proceeds (if any) and the carrying amount of that asset and recognized in profit or loss when that asset is derecognized.

### 5.11 Intangible Assets

Intangible assets which are separately acquired with definite useful lives are stated at initial cost deducted by the accumulated amortization and the accumulated impairment loss (if any).

Amortization is calculated on a straight-line method over the approximate useful life of 5 years.

### 5.12 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

#### The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease liabilities based on lease payments.

#### Right-of-use Assets

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

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

### Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

### Short-term Leases and Leases of low-value Assets

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

#### 5.13 Impairment of Non – Financial Assets

The carrying amounts of assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated of asset or its cash-generating unit to which the asset is included in the recognition of an impairment loss when the recoverable amount less than the carrying amount of the asset or its cash-generating unit.

Impairment loss is recognized as expense in profit or loss immediately.

### Calculation of Recoverable Amount

- The recoverable amount is the higher of the asset's fair value less cost to sell asset or the cash-generating unit or its value in use.
- In assessing value in use of an asset by estimating the present value of expected future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risks specific to the asset.
- The asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### Reversal of Impairment Loss

- The impairment loss of assets recognized in the prior period will be reversed if the estimation for indicated net realizable value changes since the last impairment loss was recognized just to be the carrying amount not exceed the carrying amount that would have been (net of depreciation or amortization), if no impairment loss had been recognized.



- Reversal of impairment loss will be recognized as revenue in profit or loss immediately.

#### 5.14 Employee Benefits

##### Short-Term Employee Benefits

Short-term employee benefits are recognized as expenses in profit or loss for the period in which they are incurred.

##### Post-Employment Benefits

- Defined Contribution Plans

The Group has obligations under the defined contribution plan for monthly contribution payable to the provident fund which the Company and employees have jointly established in accordance with the provident fund law that the employees are taken the significant actuarial risk and investment risk. The employees will obtain only the retirement benefits from the assets of the provident fund which are separate from the assets of the Company in accordance with the regulation of the fund.

Contributions for defined contribution plan are recognized as expenses in profit or loss for the period in which they are incurred.

- Defined Benefit Plans

The Group has obligations under the defined benefit plan for severance pay which have to pay to employees when retirement in accordance with the labour law that the Company is taken the significant actuarial risk and investment risk. The Company has to provide the agreed benefits to employees.

Defined benefit liability is determined the present value of defined benefit obligations by actuarial techniques using the projected unit credit method.

Service costs and interest costs on defined benefit liability are recognized as expenses in profit or loss in which they are incurred.

Gain or loss on remeasurement of defined benefit liability is recognized in other comprehensive income for the period which it occurs and shall not be reclassified to profit or loss in a subsequent period which is included immediately in retained earnings (deficits).

#### 5.15 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Reimbursement is recognized as a separate asset, when, and only



when it is virtually certain that reimbursement will be received if the Group settles the obligation, but not exceed the amount of related provision.

#### 5.16 Appropriation of Legal Reserve

Appropriation of legal reserve is in accordance with the public limited companies law, which will be appropriated when it is approved by the shareholders' meeting. This legal reserve shall not be distributed as dividend.

#### 5.17 Revenue Recognition

##### Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when the Group satisfies a performance obligation by transferring a promised goods or service (i.e. an asset) to customer which an asset is transferred when the customer obtains control of that asset, and measured at the amount of the transaction price that is allocated to that performance obligation.

##### - Revenue from Sales of Goods

The Group has charged the goods from customers for promised goods to customers which are typically performance obligations satisfied at a point in time.

The Group has the business practices to grant the price concessions or the right to return the products for reason of dissatisfaction with the product, thence the transaction price includes a variable consideration of refunds, credits or price concessions to customer which the Company has estimated the amount of variable consideration by using the most likely amount method to recognize the refund liabilities and the related right to recover returned products.

Revenue from sales of goods are recognized when the goods are transferred to customers.

##### - Revenue from Rendering of Services

The Group has charged the services from customers for promised services to customers which the Group has rights to consideration from customers in the amounts that corresponds directly with the value to the customers of the Company's performance completed to date which are typically performance obligations satisfied over time.

Revenue from rendering of services are recognized when the services are rendered to customers in the amounts to which the Group has rights to invoice.

##### - Rental Income

Rental income is recognized by a straight-line method over the lease term.

- Interest Income

Interest income is recognized on the effective interest rate.

- Dividend Income

Dividend income is recognized when the Company has the right to receive dividend.

#### 5.18 Incremental Costs of Obtaining Contracts with Customers

- Incremental costs of obtaining contracts with customers which the Group expects to recover those costs within the period of over 1 year, are recognized as assets and amortized as expenses on a straight-line basis throughout the period of contracts with customers.
- Incremental costs of obtaining contracts with customers which the Group expects to recover those costs within the period of 1 year or less, are recognized as expenses when incurred, as the practical expedient.

#### 5.19 Recognition of Expenses

- Expenses are recognized on accrual basis.

#### 5.20 Income Tax

Income tax comprises current tax and deferred tax, is recognized in profit or loss except to the extent that it related to a business combinations, or items recognized in other comprehensive income or recognized directly in shareholders' equity which shall be also recognize in other comprehensive income or recognized directly in shareholders' equity.

##### Current Tax

Current tax is recognized at the amount expected to be paid to or recovered from the taxation authorities which is calculated in respect of the taxable profits in accordance with the regulation in tax laws using the tax rates that have been enacted by the end of the reporting period.

##### Deferred Tax

Deferred tax is recognized by the statement of financial position liability method, based on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

Deferred tax assets will be recognized only if it is probable that future taxable profit will be available to utilize the tax benefits. The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting period to the extent that equals to the probable amount of sufficient future taxable profit which the tax benefits can be utilized.

### 5.21 Earnings (Loss) per Share

Basic earnings (loss) per share are calculated by dividing profit or loss for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

There is no calculation of diluted earnings (loss) per share because it has no dilutive potential ordinary shares.

### 5.22 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group applies a quoted market price in an active market to measure the assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group will measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 inputs are quoted prices in active market for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs are other observable inputs either directly or indirectly, for the assets or liabilities other than quoted price included within Level 1 inputs.

Level 3 inputs are unobservable inputs for the assets or liabilities.

At the end of each reporting period, the Group will determine the necessary of any transfers between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### 5.23 Significant Accounting Judgments and Estimates

The preparation of financial statements to comply with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

**Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Variable Consideration from Sales of Goods**

In the sale of goods, the Group has the business practices to grant the price concessions or the right to return the products for reason of dissatisfaction with the product which the complaint on quality will mostly occur within 3 months after the goods delivery.

The management of the Group has used the comparing the rate of returned goods and discount on sales for the last 3 months of each reporting period and the returned goods and discount after that reporting period and the rate of cost of returned goods as key assumptions in estimating the amount of variable consideration from sales of goods to include as transaction price in the recognition of revenue from sales of goods, refund liabilities and the related right to recover returned products.

**Net Realizable Value of Inventories**

In the sale of goods, the Group has the pricing in foreign currencies on the market price which is fluctuated by the economic circumstances and exchange rate at that time.

The management of the Group has used the selling price and cost directly relating to the sale of goods occurring after the ended of reporting period, the rate of distribution costs for the year and exchange rate at that transaction date as key assumptions in estimating the value of net realizable value of inventories.

**Depreciation of Property, Plant and Equipment and Right-of-use Assets and Amortization of Intangible Assets**

In determining depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets the management of the Company is required to make estimates of the useful lives and residual values and to review estimate useful lives (if any) and residual values when there are any changes.

In addition, the management of the Company is required to review property, plant and equipment, investment property, right-of-use assets and intangible assets for impairment if any

and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount.

## **Leases**

### Determining the Lease Term with Extension and Termination Options

In determining the lease term, the management of the Company is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

### Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management of the Company is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## **Impairment of Non – Financial Assets**

The management of the Company has to assess the impairment of assets at each period, and has to use judgment in the consideration of recoverable amount from expected future revenues and expenses related to that asset.

## **Post-Employment Benefits – Defined Benefit Plans**

In the determining of present value of defined benefit obligations, the Group has to set the actuarial assumptions which are the best estimate on salary increase rate, mortality rate, disability rate and employee turnover rate used in estimating the expected future cash flows and discount rate used in determining the present value of expected future cash flows.

The management of the Group has used the yield on the government bonds that have term to maturity similar to the weighted average duration of defined benefit obligations which reflects the present economic circumstances as discount rate and expected salary increase rate, employee turnover rate, disability rate and mortality rate in the long-run view to comply with the characteristic of the plan which has the long term as key assumptions in the determining of present value of defined benefit obligations.

### Deferred Tax Assets

In the recognition of deferred tax assets, the Group has considered the probable amount of sufficient future taxable profit that can utilize the tax benefits from deferred tax assets which will be reviewed at the end of each reporting period.

The management of the Group has used the financial performance projection as key assumption in the estimating of recognized deferred tax assets in the financial statements.

## 6. Cash and Cash Equivalents

Consist of:

	(Unit : Baht)		
	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Cash	1,439,030.57	1,439,030.57	1,495,339.08
Deposits at Financial Institutions –			
Current Accounts	1,097,996.92	1,077,696.92	22,222,358.51
Deposits at Financial Institutions –			
Savings Accounts	46,593,381.47	40,146,661.13	45,678,918.42
Total	<u>49,130,408.96</u>	<u>42,663,388.62</u>	<u>69,396,616.01</u>

As at 31 December 2021 and 2020, the Group have financial institutions savings deposits with financial institutions with interest rates of 0.05% – 0.50% per annum and 0.05% – 0.55% per annum respectively.

## 7. Trade and Other Current Receivables

Consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Trade Receivables			
Trade Receivables – Domestic	135,672,899.01	135,672,899.01	87,542,959.41
Trade Receivables – Overseas	116,932,623.76	116,932,623.76	140,337,739.76
Notes Receivable	2,016,551.75	2,016,551.75	5,820,214.77
Returned Cheques Receivable	-	-	114,217.15
Total	254,622,074.52	254,622,074.52	233,815,131.09
<u>Less</u> Allowance for Expected Credit Losses	(30,341,218.42)	(30,341,218.42)	(21,772,102.97)
Net	224,280,856.10	224,280,856.10	212,043,028.12
Other Receivables	55,900,281.09	55,900,281.09	41,794,413.36
<u>Less</u> Allowance for Loss from Impairment	(19,573,820.54)	(19,573,820.54)	(19,573,820.54)
Net	36,326,460.55	36,326,460.55	22,220,592.82
Total	260,607,316.65	260,607,316.65	234,263,620.94

As at 31 December 2021 and 2020, trade receivables are classified by aging as follows:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Within Due	141,408,644.80	141,408,644.80	109,539,199.84
Overdue 1 – 30 days	62,313,386.84	62,313,386.84	59,019,440.14
Overdue 31 – 60 days	13,015,305.77	13,015,305.77	12,928,976.13
Overdue 61 – 90 days	2,185,480.30	2,185,480.30	7,852,965.61
Overdue 91 – 180 days	1,913,910.05	1,913,910.05	22,159,437.72
Overdue 181 – 365 days	10,235,400.25	10,235,400.25	9,371,938.22
Overdue more than 365 days	23,549,946.51	23,549,946.51	12,943,173.43
Total	254,622,074.52	254,622,074.52	233,815,131.09
<u>Less</u> Allowance for Expected Credit Losses	(30,341,218.42)	(30,341,218.42)	(21,772,102.97)
Net	224,280,856.10	224,280,856.10	212,043,028.12

As at 31 December 2021 and 2020, other receivables consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Prepaid Expenses	3,418,475.33	3,418,475.33	2,758,004.44
Prepayment for Goods	25,350,188.46	25,350,188.46	31,140,347.25
Revenue Department Receivable	9,600,667.43	9,600,667.43	1,654,954.49
Other Accrued Income	8,583,310.24	8,583,310.24	-
Others	8,947,639.63	8,947,639.63	6,241,107.18
Total	55,900,281.09	55,900,281.09	41,794,413.36
<u>Less</u> Allowance for Loss from Impairment	(19,573,820.54)	(19,573,820.54)	(19,573,820.54)
Net	36,326,460.55	36,326,460.55	22,220,592.82



For the year ended 31 December 2021 and 2020, allowance for expected credit losses and allowance for loss from impairment have the movement as follows:

	(Unit : Baht)		
	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
Beginning Balance	(41,345,923.51)	(41,345,923.51)	(35,901,888.57)
Addition	(8,569,115.45)	(8,569,115.45)	(12,554,965.04)
Reverse	-	-	7,110,930.10
Ending Balance	(49,915,038.96)	(49,915,038.96)	(41,345,923.51)

## 8. Inventories

Consist of:

	(Unit : Baht)		
	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Finished Goods	497,456,436.01	497,456,436.01	360,114,014.96
Semi-Finished Goods – Cow Nappa	498,364,420.15	498,364,420.15	369,820,426.43
Semi-Finished Goods – Cow Split	10,830,763.01	10,830,763.01	11,256,897.39
Semi-Finished Goods – Personal Protective			
Equipment	16,380,946.06	16,380,946.06	33,345,559.86
Goods-in-Process	94,770,907.43	94,770,907.43	74,535,476.98
Raw Materials	99,655,668.74	99,655,668.74	51,770,703.23
Chemicals	58,242,163.36	58,242,163.36	21,829,718.47
Supplies	18,884,169.34	18,884,169.34	18,334,131.10
Goods-in-Transit	48,081,393.94	48,081,393.94	45,964,526.84
Right to Recover Returned Products	2,172,682.16	2,172,682.16	13,275,716.49
Total	1,344,839,550.20	1,344,839,550.20	1,000,247,171.75
Less Allowance for Devaluation of Inventories	(24,720,092.87)	(24,720,092.87)	(14,094,244.61)
Net	1,320,119,457.33	1,320,119,457.33	986,152,927.14

For the year ended 31 December 2021 and 2020, allowance for devaluation of inventories have the movement as follows:

	(Unit : Baht)		
	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
Beginning Balance	(14,094,244.61)	(14,094,244.61)	(51,322,872.32)
Addition	(44,289,917.58)	(44,289,917.58)	(27,326,695.78)
Reverse	33,664,069.32	33,664,069.32	64,555,323.49
Ending Balance	(24,720,092.87)	(24,720,092.87)	(14,094,244.61)

As in the consolidated and separate financial statement as at 31 December 2021, and as in the separate financial statement as at 31 December 2020, the beneficiary from insurance for inventories in the insurance contract in amount of Baht 894.10 million and Baht 1,014.10 million respectively, are the collateral pledged as security against all liabilities with the financial institutions as in Note 15.

## 9. Investments in Associates

### 9.1 Detail of associates

(Unit : Baht)							
Entity's Name	Type of Business	Country of Incorporation	Paid-Up Capital	Investment and Voting Right Ratio	Consolidated	Separate	
					Financial	Financial Statements	
					Statements		
					Equity Method	Equity Method	Equity Method
					As at	As at	As at
				%	31 December 2021	31 December 2021	31 December 2020
Integrated Leather Network Company Limited	Distribution Center of Leather	Thailand	100,000,000.00	40.00	-	-	-
Itt 3 Rith Company Limited	Buy and Sale fashion shoes	Thailand	1,000,000.00	40.00	233,720.23	233,720.23	99,997.50
Elephant Cann Company Limited	Wholesale and retail distribution of chemicals	Thailand	25,000,000.00	20.00	20,000,000.00	-	-
Total					20,233,720.23	233,720.23	99,997.50

In accordance with the minute of the board of directors' meeting on 3/2021 of CPL Venture Plus Co., Ltd. (Subsidiary) held on 4 August 2021, there was a resolution to approve the investment in Elephant Cann Co., Ltd. in the amount of Baht 40,000,000.00 on 15 September 2021, the payment for the shares was paid in the amount of Baht 20,000,000.00, receiving a total of 90,000 shares, representing 20% of the total shares.

As at 31 December 2021 and 2020, the Company already recognised its share of loss on investment in Integrated Leather Network Company Limited at the full value of the investment.

As at 31 December 2021, the Company does not recognised its share of investment loss in Elephant Cann Company Limited because the value is not significant.

As at 31 December 2020, the Company does not recognised its share of investment loss in Itt 3 Rith Company Limited because the value is not significant.

For the year ended 31 December 2021 and 2020, investments in associates have the movement as follows:

	(Unit : Baht)		
	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
Beginning Carrying Amount	99,997.50	99,997.50	-
Paid Investment	20,299,992.50	299,992.50	99,997.50
Recognized Share of Profit (Loss) of Associates	(166,269.77)	(166,269.77)	-
Ending Carrying Amount	<u>20,233,720.23</u>	<u>233,720.23</u>	<u>99,997.50</u>

## 9.2 Summarized financial information of Associates

Summarized financial information of significant associate is as follows:

	Integrated Leather Network Company Limited		Itt 3 Rith Company Limited		Elephant Cann Company Limited
	As at	As at	As at	As at	As at
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021
Current Assets	3,973,077.07	11,061,352.70	1,466,170.79	241,439.50	19,625,488.24
Non-Current Assets	1,421,011.08	6,033,625.53	-	-	217,120.82
Current Liabilities	(71,734,115.68)	(75,467,548.43)	(881,870.22)	(5,000.00)	(40,000.00)
Non-Current Liabilities	(5,000,000.00)	(5,176,822.00)	-	-	-
Net Assets	<u>(71,340,027.53)</u>	<u>(63,549,392.20)</u>	<u>584,300.57</u>	<u>236,439.00</u>	<u>19,802,609.06</u>
					(Unit : Baht)
	For the year ended	For the year ended	For the year ended	For the period	For the period
	31 December 2021	31 December 2020	31 December 2021	12 December 2020 to 31 December 2020	15 September 2021 to 31 December 2021
Revenue	<u>2,217,412.77</u>	<u>6,378,809.78</u>	<u>-</u>	<u>-</u>	<u>2,536.94</u>
Profit (Loss) for the year	(7,950,873.33)	(25,734,850.65)	(415,674.63)	(13,554.75)	(215,777.79)
Other Comprehensive Income for the year	<u>200,238.00</u>	<u>(1,886,688.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Comprehensive Income for the year	<u>(7,750,635.33)</u>	<u>(27,621,538.65)</u>	<u>(415,674.63)</u>	<u>(13,554.75)</u>	<u>(215,777.79)</u>
Dividend from Associates during the year	-	-	-	-	-

The reconciliations of the above financial information with the carrying amount of investment in associates which is recognized in the consolidated the financial statements are as follows:

	Integrated Leather Network Company Limited		Itt 3 Rith Company Limited		(Unit : Baht)
					Elephant Cann Company Limited
	For the year ended 31 December 2021	For the year ended 31 December 2020	For the year ended 31 December 2021	For the period 12 December 2020 to 31 December 2020	For the period 15 September 2021 to 31 December 2021
Net Assets	(71,340,027.53)	(61,806,942.39)	584,300.57	-	-
Investment Ratio (%)	40.00	40.00	40.00	40.00	20.00
Investments value by Investment Ratio	(28,536,011.01)	(24,722,776.95)	233,720.23	-	-
Ending (Profit) Loss in Assets	-	-	-	-	-
Goodwill	-	-	-	-	-
Ending Unrecognized Share of Loss	28,536,011.01	24,722,776.95	-	-	-
Carrying Amount of Investments	-	-	233,720.23	-	-

	Integrated Leather Network Company Limited		Itt 3 Rith Company Limited		(Unit : Baht)
					Elephant Cann Company Limited
	For the year ended 31 December 2021	For the year ended 31 December 2020	For the year ended 31 December 2021	For the period 12 December 2020 to 31 December 2020	For the period 15 September 2021 to 31 December 2021
Profit (Loss) for the year	(7,950,873.33)	(25,534,850.65)	(415,674.43)	-	-
Investment Ratio (%)	40.00	40.00	40.00	40.00	20.00
Investments value by Investment Ratio	(3,180,349.33)	(10,213,940.26)	(166,269.77)	-	-
Gain on assets recognized during the year	-	-	-	-	-
Ending Unrecognized Share of Loss	3,180,349.33	10,213,940.26	-	-	-
Share of Loss of Associates	-	-	(166,269.77)	-	-

## 10. Investments in subsidiaries

Consist of:

(Unit : Baht)

Entity's Name	Type of Business	Country of Incorporation	Paid-Up Capital	Investment and Voting Right Ratio %	Separate Financial Statements Equity Method	
					As at	As at
					31 December 2021	31 December 2020
CPL Venture Plus Company Limited	Investing in business or hold shares in other company	Thailand	26,500,000.00	99.997	26,499,925.00	-

In accordance with the minute of the board of directors' meeting no. 2/2021 of the Company which held on 11 May 2021 the board of directors has resolved to establish CPL Venture Plus Co., Ltd. to carry out the investments in new business of the Company with authorized share capital amount of Bath 10,000,000.00 and paid-up capital amount of Baht 2,500,000.00.

In accordance with the minute of the extraordinary shareholders' meeting no. 1/2021 of CPL Venture Plus Co., Ltd. which held on 23 August 2021 has resolved to increase the registered capital in the amount of Bath 40,000,000.00 from the original amount of Bath 10,000,000.00 to amount of Bath 50,000,000.00 and paid-up amount of Bath 26,500,000.00 by CPL Venture Plus Co., Ltd. has increased its capital and registered the capital increase with the Department of Business Development on 30 August 2021.

For the year ended 31 December 2021, the Company has not dividends received from its subsidiaries.

## 11. Investment Property

Consist of:

(Unit : Baht)

	Land and Land Improvements	Land and Land Improvements	
	Consolidate	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
<b>Beginning Balance</b>			
Cost	124,988,568.42	124,988,568.42	127,452,206.14
Carrying Amount	124,988,568.42	124,988,568.42	127,452,206.14
<b>Transactions during the year</b>			
Beginning Balance	124,988,568.42	124,988,568.42	127,452,206.14
Purchase of Assets	-	-	-
Sale of Assets	-	-	(2,463,637.72)
Ending Balance	124,988,568.42	124,988,568.42	124,988,568.42
<b>Ending Balance</b>			
Cost	124,988,568.42	124,988,568.42	124,988,568.42
Carrying Amount	124,988,568.42	124,988,568.42	124,988,568.42

As in the consolidated and separate financial statement as at 31 December 2021 and as in the separate financial statement as at 31 December 2020, investment property is land and land improvements which the Company has held while presently has not yet identified the purpose of future use, has the fair value in the amount of Baht 185.36 million and of Baht 141.17 million respectively, The Group has measured the fair value from the appraisal results by the independence appraiser with the market approach and the cost approach as report dated 24 May 2021 and 4 July 2016 respectively, which are Level 3 inputs.

## 12. Property, Plant and Equipment

Consist of:

### Consolidate/Separate Financial Statements

	Land and Land Improvements	Buildings and Buildings Improvements	Machines and Equipment	Tools	Fixtures and Office Equipment	Vehicles	Assets under Construction	Assets In Transit	(Unit : Baht) Total
Beginning Balance as at 1 January 2021									
Cost	98,165,178.96	432,850,064.16	653,379,140.87	7,206,054.28	58,114,278.35	73,418,086.67	1,535,000.00	-	1,324,667,803.29
Less Accumulated Depreciation	-	(268,092,668.83)	(390,498,039.77)	(6,012,067.50)	(48,545,425.30)	(62,018,715.72)	-	-	(775,166,917.12)
Carrying Amount	98,165,178.96	164,757,395.33	262,881,101.10	1,193,986.78	9,568,853.05	11,399,370.95	1,535,000.00	-	549,500,886.17
Transactions during the year ended 31 December 2021									
Purchase of Assets	-	215,496.07	4,100,079.10	89,600.00	1,301,311.02	-	2,003,525.35	4,407,379.60	12,117,391.14
Transfer In (Transfer Out)	-	629,790.84	22,823,032.74	182,162.60	389,115.94	14,987,006.04	(1,412,556.35)	-	37,598,551.81
Disposal of Assets	-	-	(20,763,792.23)	-	(7,640.20)	(5,961,300.00)	-	-	(26,732,732.43)
Write-off of Assets	-	-	(9,381,869.62)	(111,033.74)	(601,577.78)	-	-	-	(10,094,481.14)
Depreciation recognized in Profit (Loss) for the year	-	(17,726,878.04)	(35,955,367.99)	(536,815.18)	(4,524,067.72)	(2,365,196.16)	-	-	(61,108,325.09)
Depreciation on (Transfer In) Transfer Out	-	-	(1,736,393.77)	(5,586.56)	(37,590.44)	(11,433,169.45)	-	-	(13,212,740.22)
Depreciation on Disposal	-	-	20,703,027.40	-	981.37	5,961,296.00	-	-	26,665,304.77
Depreciation on write-off	-	-	9,227,467.37	109,518.14	476,712.71	-	-	-	9,813,698.22
Ending Carrying Amount	98,165,178.96	147,875,804.20	251,897,284.10	921,832.04	6,566,097.95	12,588,007.38	2,125,969.00	4,407,379.60	524,547,553.23
Ending Balance as at 31 December 2021									
Cost	98,165,178.96	433,695,351.07	650,156,590.86	7,366,783.14	59,195,487.33	82,443,792.71	2,125,969.00	4,407,379.60	1,337,556,532.67
Less Accumulated Depreciation	-	(285,819,546.87)	(398,259,306.76)	(6,444,951.10)	(52,629,389.38)	(69,855,785.33)	-	-	(813,008,979.44)
Carrying Amount	98,165,178.96	147,875,804.20	251,897,284.10	921,832.04	6,566,097.95	12,588,007.38	2,125,969.00	4,407,379.60	524,547,553.23

As at 31 December 2021, the Group have assets which had fully of depreciation that is still in use have the gross carrying amount before less accumulated depreciation in the amount of Baht 563.80 million.



## Separate Financial Statements

	Land and Land Improvements	Buildings and Buildings Improvements	Machines and Equipment	Tools	Fixtures and Office Equipment	Vehicles	Assets under Construction	(Unit : Baht) Total
Beginning Balance as at 1 January 2020								
Cost	98,165,178.96	426,582,365.33	651,788,855.57	6,992,681.96	55,492,825.89	74,410,171.60	9,660,458.46	1,323,092,537.77
Less Accumulated Depreciation	-	(249,687,354.14)	(364,824,728.72)	(5,528,308.61)	(43,869,743.04)	(60,748,626.94)	-	(724,658,761.45)
Carrying Amount	98,165,178.96	176,895,011.19	286,964,126.85	1,464,373.35	11,623,082.85	13,661,544.66	9,660,458.46	598,433,776.32
Transactions during the year								
ended 31 December 2020								
Purchase of Assets	-	28,000.00	9,770,272.28	245,262.32	3,424,088.14	-	414,605.37	13,882,228.11
Transfer In (Transfer Out)	-	6,239,698.83	6,622,220.34	-	23,551.40	83,700.00	(8,540,063.83)	4,429,106.74
Disposal of Assets	-	-	(103,000.00)	-	-	(1,075,784.93)	-	(1,178,784.93)
Write-off of Assets	-	-	(14,699,207.32)	(31,890.00)	(826,187.08)	-	-	(15,557,284.40)
Depreciation recognized in Profit (Loss) for the year	-	(18,405,314.69)	(39,696,526.75)	(515,275.51)	(5,414,304.41)	(2,345,870.71)	-	(66,377,292.07)
Depreciation on Transfer Out	-	-	869,126.17	-	-	-	-	869,126.17
Depreciation on Disposal	-	-	102,999.00	-	-	1,075,781.93	-	1,178,780.93
Depreciation on write-off	-	-	13,051,090.53	31,516.62	738,622.15	-	-	13,821,229.30
Ending Carrying Amount	98,165,178.96	164,757,395.33	262,881,101.10	1,193,986.78	9,568,853.05	11,399,370.95	1,535,000.00	549,500,886.17
Ending Balance as at 31 December 2020								
Cost	98,165,178.96	432,850,064.16	653,379,140.87	7,206,054.28	58,114,278.35	73,418,086.67	1,535,000.00	1,324,667,803.29
Less Accumulated Depreciation	-	(268,092,668.83)	(390,498,039.77)	(6,012,067.50)	(48,545,425.30)	(62,018,715.72)	-	(775,166,917.12)
Carrying Amount	98,165,178.96	164,757,395.33	262,881,101.10	1,193,986.78	9,568,853.05	11,399,370.95	1,535,000.00	549,500,886.17

As at 31 December 2020, the Group have assets which had fully of depreciation that is still in use have the gross carrying amount before less accumulated depreciation in the amount of Baht 533.76 million.

As in the consolidated and separate financial statement as at 31 December 2021, and as in the separate financial statement as at 31 December 2020, a part of property, plant and equipment in the carrying amount of Baht 92.28 million and of Baht 157.79 million respectively, together with the beneficiary from insurance in the insurance contract amount of Baht 724.70 million and of Baht 696.70 million respectively, are the collateral pledged as security against all liabilities with the financial institutions as in Note 15.

### 13. Right-of-Use Assets and Lease Liabilities

#### 13.1 Right-of-Use Assets

Consist of:

	Consolidate Financial Statements			(Unit : Baht)
	Buildings	Machines	Vehicle	Total
Beginning Balance as at 1 January 2021				
Cost	50,850,295.42	36,239,822.71	17,867,316.28	104,957,434.41
<u>Less</u> Accumulated Depreciation	<u>(10,536,226.51)</u>	<u>(7,616,041.17)</u>	<u>(10,519,663.69)</u>	<u>(28,671,931.37)</u>
Carrying Amount	40,314,068.91	28,623,781.54	7,347,652.59	76,285,503.04
Transactions during the year ended 31 December 2021				
Increase	-	-	5,852,994.99	5,852,994.99
Transfer In (Transfer Out)	-	(9,966,169.82)	(14,603,269.56)	(24,569,439.38)
Depreciation on Transfer Out	-	1,337,006.04	11,412,154.36	12,749,160.40
Depreciation for the year	<u>(10,536,226.56)</u>	<u>(2,599,500.63)</u>	<u>(2,022,709.64)</u>	<u>(15,158,436.83)</u>
Ending Carrying Amount	<u>29,777,842.35</u>	<u>17,395,117.13</u>	<u>7,986,822.74</u>	<u>55,159,782.22</u>
Ending Balance as at 31 December 2021				
Cost	50,850,295.42	26,273,652.89	9,117,041.71	86,240,990.02
<u>Less</u> Accumulated Depreciation	<u>(21,072,453.07)</u>	<u>(8,878,535.76)</u>	<u>(1,130,218.97)</u>	<u>(31,081,207.80)</u>
Carrying Amount	<u>29,777,842.35</u>	<u>17,395,117.13</u>	<u>7,986,822.74</u>	<u>55,159,782.22</u>

## Separate Financial Statements

(Unit : Baht)

	Buildings	Machines	Vehicle	Total
Balance as at 1 January 2020				
Cost	44,233,308.12	36,239,822.71	15,568,316.28	96,041,447.11
<u>Less</u> Accumulated Depreciation	-	(4,633,210.53)	(7,783,571.18)	(12,416,781.71)
Carrying Amount	44,233,308.12	31,606,612.18	7,784,745.10	83,624,665.40
Transactions during the year ended 31 December 2020				
Increase	6,616,987.30	-	2,299,000.00	8,915,987.30
Depreciation for the year	(10,536,226.51)	(2,982,830.64)	(2,736,092.51)	(16,255,149.66)
Carrying Amount	40,314,068.91	28,623,781.54	7,347,652.59	76,285,503.04
Balance as at 31 December 2020				
Cost	50,850,295.42	36,239,822.71	17,867,316.28	104,957,434.41
<u>Less</u> Accumulated Depreciation	(10,536,226.51)	(7,616,041.17)	(10,519,663.69)	(28,671,931.37)
Carrying Amount	40,314,068.91	28,623,781.54	7,347,652.59	76,285,503.04
Transactions during the year ended 31 December 2021				
Increase	-	-	5,852,994.99	5,852,994.99
Transfer In (Transfer Out)	-	(9,966,169.82)	(14,603,269.56)	(24,569,439.38)
Depreciation on Transfer Out	-	1,337,006.04	11,412,154.36	12,749,160.40
Depreciation for the year	(10,536,226.56)	(2,599,500.63)	(2,022,709.64)	(15,158,436.83)
Carrying Amount	29,777,842.35	17,395,117.13	7,986,822.74	55,159,782.22
Balance as at 31 December 2021				
Cost	50,850,295.42	26,273,652.89	9,117,041.71	86,240,990.02
<u>Less</u> Accumulated Depreciation	(21,072,453.07)	(8,878,535.76)	(1,130,218.97)	(31,081,207.80)
Carrying Amount	29,777,842.35	17,395,117.13	7,986,822.74	55,159,782.22

## 13.2 Lease Liabilities

Consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Lease Liabilities	43,046,563.11	43,046,563.11	61,378,324.81
<u>Less</u> Deferred interest	<u>(1,294,145.51)</u>	<u>(1,294,145.51)</u>	<u>(2,406,703.13)</u>
Total	41,752,417.60	41,752,417.60	58,971,621.68
<u>Less</u> Current Portion of Lease Liabilities	<u>(17,801,397.08)</u>	<u>(17,801,397.08)</u>	<u>(19,414,295.16)</u>
Net	<u>23,951,020.52</u>	<u>23,951,020.52</u>	<u>39,557,326.52</u>

Minimum Amount Payable Under Long Term Lease as follows

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Within 1 year	17,801,397.08	17,801,397.08	19,414,295.16
Later than 1 year but not later than 5 years	23,951,020.52	23,951,020.52	39,557,326.52
Total	<u>41,752,417.60</u>	<u>41,752,417.60</u>	<u>58,971,621.68</u>

Expenses relating to leases that are recognized in the income statements

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
Depreciation expenses of right-of-use assets	15,158,436.83	15,158,436.83	16,255,149.66
Interest expenses on lease liabilities	2,114,123.74	2,114,123.74	2,852,703.06
Total	<u>17,272,560.57</u>	<u>17,272,560.57</u>	<u>19,107,852.72</u>

#### 14. Deferred Taxes

Deferred taxes calculated at tax rate of 20%. The deferred taxation related to the temporary differences between the carrying amount and the tax bases of assets and liabilities of the Group are summarized below:

(Unit : Baht)

	Consolidated/Separate Financial Statements			
	As at 1 January 2021	Recognized in Profit (Loss) for the period	Recognized in Other Comprehensive Income	As at 31 December 2021
<b>Deferred Tax Assets</b>				
Allowance for Expected Credit Losses	8,269,184.70	1,713,823.09	-	9,983,007.79
Allowance for Devaluation of Inventories	2,818,848.92	2,125,169.65	-	4,944,018.57
Allowance for Devaluation of				
Non-Current Assets	-	687,434.29	-	687,434.29
Sales with Right to Return				
Refund Liabilities	2,081,184.16	(443,209.74)	-	1,637,974.42
Right to Recover Returned Products	(2,655,143.30)	2,220,606.87	-	(434,536.43)
Derivatives Liabilities	322,983.10	1,825,257.64	-	2,148,240.74
Non-Current Provisions				
for Employee Benefits	11,372,731.15	(139,006.10)	1,799.93	11,235,524.98
Tax Losses	38,162,934.03	2,129,964.74	-	40,292,898.77
<b>Total</b>	<b>60,372,722.76</b>	<b>10,120,040.44</b>	<b>1,799.93</b>	<b>70,494,563.13</b>
<b>Deferred Tax Liabilities</b>				
Right-of-Use Assets	(3,032,346.30)	(82,632.46)	-	(3,114,978.76)
<b>Total</b>	<b>(3,032,346.30)</b>	<b>(82,632.46)</b>	<b>-</b>	<b>(3,114,978.76)</b>

(Unit : Baht)

## Consolidated/Separate Financial Statements

	As at 1 January 2020	Recognized in Profit (Loss) for the period	Recognized in Other Comprehensive Income	As at 31 December 2020
<b>Deferred Tax Assets</b>				
Allowance for Expected Credit Losses	7,180,377.71	1,088,806.99	-	8,269,184.70
Allowance for Devaluation of Inventories	10,264,574.46	(7,445,725.54)	-	2,818,848.92
Sales with Right to Return				
Refund Liabilities	2,266,485.16	(185,301.00)	-	2,081,184.16
Right to Recover Returned Products	(854,395.04)	(1,800,748.26)	-	(2,655,143.30)
Derivatives Liabilities	-	322,983.10	-	322,983.10
Non-Current Provisions				
for Employee Benefits	11,106,738.61	820,594.20	(554,601.66)	11,372,731.15
Tax Losses	39,003,821.94	(840,887.91)	-	38,162,934.03
Total	68,967,602.84	(8,040,278.42)	(554,601.66)	60,372,722.76
<b>Deferred Tax Liabilities</b>				
Right-of-Use Assets	(2,822,327.43)	(210,018.87)	-	(3,032,346.30)
Total	(2,822,327.43)	(210,018.87)	-	(3,032,346.30)

**15. Credits and Guarantees**

As at 31 December 2021 and 2020, the Company has obtained the credit facilities from several financial institutions in form of overdrafts, promissory notes, letters of credit, trust receipts, letters of guarantee and currency forward contracts totaling in the amount of Baht 2,692.00 million and of Baht 2,732.00 million respectively, letters of credit in the amount of USD 3.00 million and corporate credit card in the amount of Baht 1.60 million equally for both years. Such credit facilities are secured by the collateral as the transferring of beneficiary from insurance for inventories of the Company as in Note 8, property, plant and equipment of the Company together with the transferring of beneficiary from insurance as in Note 12 and the guarantee of the directors of the Company.

## 16. Overdrafts and Short-Term Borrowings from Financial Institutions

Consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Overdrafts	70,218,714.72	70,218,714.72	51,500,306.35
Promissory Notes	235,000,000.00	235,000,000.00	310,000,000.00
Trust Receipts	567,894,766.38	567,894,766.38	300,987,603.41
Total	873,113,481.10	873,113,481.10	662,487,909.76

As in the consolidated and separate financial statements as at 31 December 2021, and as in the separate financial statements as at 31 December 2020, the whole amount of overdrafts is bank overdrafts, the interest rate of 5.820 – 7.025% per annum and of 5.82 – 6.25% per annum respectively.

As in the consolidated and separate financial statements as at 31 December 2021, and as in the separate financial statements as at 31 December 2020, the whole amount of promissory notes is promissory notes for 3 – 6 months equally for both year, the interest rate of 2.90 – 4.40 % per annum and of 2.95 – 4.15% per annum respectively.

As in the consolidated and separate financial statements as at 31 December 2021, and as in the separate financial statements as at 31 December 2020, the whole amount of trust receipts is trust receipts for ordering the overseas goods, the interest rate of 1.50 – 4.25% per annum and of 1.34 – 4.25% per annum respectively. Under the terms of trust receipt contracts, the Company has received the ordered goods by using the credit of the financial institutions, thence the Company constitutes obligation to the financial institutions for such goods both that kept or disposed.

As in the consolidated and separate financial statements as at 31 December 2021, and as in the separate financial statements as at 31 December 2020, overdrafts and short-term borrowings from financial institutions are secured by the collateral as in Note 15.

## 17. Trade and Other Current Payables

Consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Trade Payables			
Trade Payables – Domestic	187,386,058.09	187,386,058.09	91,674,325.48
Trade Payables – Overseas	42,618,418.66	42,618,418.66	53,664,618.77
Total	230,004,476.75	230,004,476.75	145,338,944.25
Other Payables	120,783,990.60	120,772,855.60	103,650,922.77
Total	350,788,467.35	350,777,332.35	248,989,867.02

As at 31 December 2021 and 2020, other payables consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Refund Liabilities	8,189,872.12	8,189,872.12	10,405,920.82
Accrued Expenses	49,416,796.39	49,416,796.39	37,767,634.38
Pre-received for Goods	22,803,686.43	22,803,686.43	20,231,376.63
Assets Payable	150,014.00	150,014.00	12,424.00
Accrued Interest Expenses	756,188.38	756,188.38	612,406.63
Dividends Payable	1,015,405.24	1,015,405.24	1,014,050.65
Accrued Special Severance Pay for Retirement	3,494,000.00	3,494,000.00	3,494,000.00
Post-Employment Benefits Payable	-	-	8,424,680.00
Others	34,958,028.04	34,946,893.04	21,688,429.66
Total	120,783,990.60	120,772,855.60	103,650,922.77



## 18. Long-Term Borrowings

Consist of:

(Unit : Baht)

	Consolidated Financial Statements	Separate Financial Statements	
	As at 31 December 2021	As at 31 December 2021	As at 31 December 2020
<b>Current</b>			
Not later than 1 year	62,485,000.00	62,485,000.00	58,483,000.00
<b>Total Current</b>	<u>62,485,000.00</u>	<u>62,485,000.00</u>	<u>58,483,000.00</u>
<b>Non-Current</b>			
Later than 1 year but not later than 5 years	44,550,000.00	44,550,000.00	105,918,000.00
<b>Total Non-Current</b>	<u>44,550,000.00</u>	<u>44,550,000.00</u>	<u>105,918,000.00</u>
<b>Total</b>	<u>107,035,000.00</u>	<u>107,035,000.00</u>	<u>164,401,000.00</u>

As at 31 December 2021 and 2020, long-term borrowings have terms and conditions as follows:

No.	Consolidated Financial Statements		Separate Financial Statements		Consolidated Financial Statements		Separate Financial Statements		Terms and Conditions
	Total Limit		Total Limit		Outstanding Balance		Outstanding Balance		
	As at 31 December 2021	As at 31 December 2020	As at 31 December 2021	As at 31 December 2020	As at 31 December 2021	As at 31 December 2020	As at 31 December 2021	As at 31 December 2020	
1	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	14,654,000.00	18,656,000.00	14,654,000.00	18,656,000.00	The principal and interest shall be paid monthly with the principal repayment in amount of Baht 667,000.00 per month for a period of 5 years, the interest rate of MLR-1.00% per annum.
2	27,000,000.00	27,000,000.00	27,000,000.00	27,000,000.00	10,350,000.00	15,750,000.00	10,350,000.00	15,750,000.00	The principal and interest shall be paid monthly with the principal repayment in amount of Baht 450,000.00 per month for a period of 5 years, the interest rate of MLR-1.00% per annum.
3	40,000,000.00	40,000,000.00	40,000,000.00	40,000,000.00	21,991,000.00	29,995,000.00	21,991,000.00	29,995,000.00	The principal and interest shall be paid monthly with the principal repayment in amount of Baht 667,000.00 per month for a period of 5 years, the interest rate of MLR-2.15% per annum.
4	100,000,000.00	100,000,000.00	100,000,000.00	100,000,000.00	60,040,000.00	100,000,000.00	60,040,000.00	100,000,000.00	The principal and interest shall be paid monthly with the principal repayment in amount of Baht 3,330,000.00 per month for a period of 2.5 years, the interest rate of MLR-1.75% per annum.
Total	207,000,000.00	207,000,000.00	207,000,000.00	207,000,000.00	107,035,000.00	164,401,000.00	107,035,000.00	164,401,000.00	

As in the consolidated and separate financial statements as at 31 December 2021 and as in the separate financial statements as at 31 December 2020, long-term borrowings have the significant terms and conditions that the Company has to comply the ongoing financial covenants as follows:

- Debt service coverage ratio in the rate as at the year ended of financial statement is not lower than 1.25 times.
- Interest-bearing debt to equity in the rate not exceeding 1.50 times.
- Debt to equity ratio in the rate not exceeding 2.00 times.

As at 31 December 2021 and 2020, long-term borrowings are secured by the collateral as in Note 15.

## 19. Derivatives Liabilities

As at 31 December 2021 and 2020, Derivatives liabilities arise from foreign currency forward contract with several commercial bank as follows:

	(Unit : Baht)		
	Consolidated	Separate Financial Statements	
	Financial Statements		
	As at 31 December 2021	As at 31 December 2021	As at 31 December 2020
<b>Liabilities</b>			
<b>Derivatives</b>			
Foreign currency forward contracts	10,741,203.72	10,741,203.72	1,614,915.48
<b>Total</b>	<u>10,741,203.72</u>	<u>10,741,203.72</u>	<u>1,614,915.48</u>

The fair value of financial instruments that are not traded in an active market (Over the counter) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

## 20. Non-Current Provisions for Employee Benefits

Consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Post-Employment Benefits			
Defined Benefit Plans	56,177,624.90	56,177,624.90	56,863,655.77
Total	56,177,624.90	56,177,624.90	56,863,655.77

### 20.1 Characteristic of Defined Benefit Plan

As at 31 December 2021 and 2020, the Group has operated the post-employment benefit plan which is unfunded defined benefit plan according to final salary that the Group has to pay as severance pay to employees on retirement in accordance with the labour law of Thailand. Therefore, the Company consequently has to take the actuarial risk to pay the agreed benefits to employees.

### 20.2 Amounts in the Financial Statements related to Post-Employment Benefit Plans

For the year ended 31 December 2021 and 2020, amounts in the financial statements related to post-employment benefit plan have the movement as follows:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended 31 December 2021	For the year ended 31 December 2021	For the year ended 31 December 2020
Beginning Balance	56,863,655.77	56,863,655.77	55,533,693.02
Recognized in Profit (Loss) for the year			
Current Service Costs	3,728,088.14	3,728,088.14	7,953,435.95
Interest Costs	728,007.35	728,007.35	1,574,976.07
Total Recognized in Profit (Loss) for the year	4,456,095.49	4,456,095.49	9,528,412.02
Recognized in Other Comprehensive Income			
(Gain) Loss on Remeasurement of Defined Benefit Plans Experience Adjustment	8,999.64	8,999.64	(2,773,008.27)
Total Recognized in Other Comprehensive Income	8,999.64	8,999.64	(2,773,008.27)
Benefits Paid	(5,151,126.00)	(5,151,126.00)	(5,425,441.00)
Ending Balance	56,177,624.90	56,177,624.90	56,863,655.77

Expenses recognized in profit or loss above are included in the follows.

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended 31 December 2021	For the year ended 31 December 2021	For the year ended 31 December 2020
Costs of Sales and Rendering of Services	1,942,926.84	1,942,926.84	4,330,923.00
Distribution Costs and Administrative Expenses	2,513,168.65	2,513,168.65	5,197,489.00
Total	4,456,095.49	4,456,095.49	9,528,412.00

As at 31 December 2021 and 2020, the key assumptions used in the actuarial valuation for post-employment benefit plans are summarized as follows:

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Discount Rate	1.59% per annum	1.59% per annum	1.59% per annum
Salary Increase Rate	3.00% per annum	3.00% per annum	3.00% per annum
Employee Turnover Rate	3.82 – 45.84% per annum	3.82 – 45.84% per annum	3.82 – 45.84% per annum
Mortality Rate	100.00%	100.00%	100.00%
	of Thai Mortality	of Thai Mortality	of Thai Mortality
	Ordinary Table 2017	Ordinary Table 2017	Ordinary Table 2017
Disability Rate	5.00%	5.00%	5.00%
	of Mortality Rate	of Mortality Rate	of Mortality Rate
Retirement Age	60 years	60 years	60 years

### 20.3 Sensitivity Analysis of Key Assumptions Used in Actuarial Valuation for Post-Employment Benefit Plans

As at 31 December 2021 and 2020, sensitivity analysis of each key assumption while holding all other assumptions constant which have been affected by changes in the relevant actuarial assumption that were reasonably possible on defined benefit obligations as at the end of the reporting period is summarized as follows:

	(Unit : Baht)		
	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Discount Rate			
Increased by 1.00%	(2,201,170.30)	(2,201,170.30)	(2,208,488.40)
Decreased by 1.00%	2,057,303.83	2,057,303.83	2,060,008.41
Salary Increase Rate			
Increased by 1.00%	3,825,555.91	3,825,555.91	3,446,648.43
Decreased by 1.00%	(4,318,243.07)	(4,318,243.07)	(3,881,522.73)

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Employee Turnover Rate			
Increased by 20.00%	(4,773,321.17)	(4,773,321.17)	(4,276,793.32)
Decreased by 20.00%	4,776,662.59	4,776,662.59	5,144,097.07
Mortality Rate			
Increased by 20.00%	(514,159.89)	(514,159.89)	(469,674.37)
Decreased by 20.00%	520,916.70	520,916.70	475,730.42

#### 20.4 Maturity of Defined Benefit Obligations

As at 31 December 2021 and 2020, weighted average duration of defined benefit obligations is 10 years and 11 years annum respectively.

The Group has not presented the expected maturity analysis of undiscounted cash flows for benefit payment, but provided the sensitivity of several key assumptions.

## 21. Share Capital

For the year ended 31 December 2021 and 2020, share capital has the movements as follows:

	Separate Financial Statements					
	For the year ended 31 December 2021			For the year ended 31 December 2020		
	Par Value	Number of	Amount	Par Value	Number of	Amount
	Baht per Share	Share	Baht	Baht per Share	Share	Baht
<b>Authorized Share Capital</b>						
Beginning Ordinary Shares	1.00	439,844,340	439,844,340.00	1.00	439,844,340	439,844,340.00
Ending Ordinary Shares	1.00	439,844,340	439,844,340.00	1.00	439,844,340	439,844,340.00
<b>Issued and Paid-Up</b>						
<b>Share Capital</b>						
Beginning Ordinary Shares	1.00	439,844,284	439,844,284.00	1.00	439,844,284	439,844,284.00
Ending Ordinary Shares	1.00	439,844,284	439,844,284.00	1.00	439,844,284	439,844,284.00

## **22. Legal Reserve**

In accordance with the Public Limited Companies Act B.E. 2535, the Company has to appropriate not less than 5% of its annual net profit less any accumulated losses brought forward (if any) to a reserve account, until this account reaches an amount not less than 10% of the authorized share capital. This legal reserve shall not be distributed as dividend.

## **23. Appropriation of Legal Reserve and Dividends**

On 28 April 2021, the Annual General Meeting of the Shareholders of the Company for 2021 has passed the resolution to approve the appropriation of profit for 2020 as legal reserve in amount of Baht 943,481.11 and the dividend payment to the ordinary shareholders of the Company at the rate of Baht 0.02 per share, totaling in amount of Baht 8,796,998.68 (actual payment in amount of Baht 8,780,765.68), which the dividend shall be paid on 10 May 2021.

## **24. Capital Management**

The primary objectives of the Group's capital management are to maintain the abilities to continue as a going concern and the optimal capital structure.

The Group monitors capital using debt to equity ratio which is calculated by dividing the liabilities as in the statement of financial position with the shareholders' equity as in the statement of financial position.

As at 31 December 2021, The consolidated financial statements present the debt to equity ratio in 1.45:1 and the separate financial statements present the debt to equity ratio in 1.45:1 and 1.28:1 respectively.



## 25. Other Income

Consist of:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
Interest Income	108,738.38	106,904.70	88,821.92
Rental and Service Income	13,219,248.48	13,219,248.48	11,199,595.04
Consultancy Income	-	-	1,149,229.08
Tax Compensation Income	-	-	11,260,454.00
Gain on Sale of Property, Plant and Equipment	1,483,334.73	1,483,334.73	3,065,720.88
Others	2,188,270.08	2,188,270.08	2,646,368.45
<b>Total</b>	<b>16,999,591.67</b>	<b>16,997,757.99</b>	<b>29,410,189.37</b>

## 26. Provident Fund

The Group and its employees has jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530, which is contributed by the employees and the Company, and will be paid to the employees upon retirement in accordance with the regulation of the fund.

For the year ended 31 December 2021, as in the consolidated financial statements, the Group has recognized the contribution as expenses in the amount of Baht 3.79 million.

For the year ended 31 December 2021 and 2020, as in the separate financial statements, the Company has recognized the contribution as expenses in the amount of Baht 3.79 million and of Baht 3.82 million respectively.

## 27. Expenses by Nature

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended 31 December 2021	For the year ended 31 December 2021	For the year ended 31 December 2020
Changes in Finished Goods and			
Work-in-Process	(268,731,097.04)	(268,731,097.04)	146,881,617.72
Raw Material and Chemical Used	1,072,861,440.29	1,072,861,440.29	848,307,058.18
Loss on Devaluation of			
Inventories (Reversal)	10,625,848.26	10,625,848.26	(37,228,627.71)
Employee Benefit Expenses	319,305,993.12	319,305,993.12	264,536,634.93
Managements' Remuneration	28,077,702.06	28,077,702.06	31,998,715.00
Depreciation	78,151,524.02	78,151,524.02	82,795,165.27
Amortization of Other Intangible Assets	1,519,216.22	1,519,216.22	2,135,807.84
Doubtful Accounts	8,569,115.45	8,569,115.45	5,444,034.94
Transportation Expenses	15,689,235.34	15,689,235.34	13,372,545.72
Sale Promotion Expenses	25,613,251.59	25,613,251.59	22,673,037.65
Rental and Utility Expenses	72,915,749.57	72,915,749.57	59,307,471.72
Loss from Adjustment of			
Fair Value of Derivative	10,741,203.72	10,741,203.72	1,614,915.48

## 28. Tax (Expense) Income

28.1 Tax (Expense) Revenue which is recognized in Profit (Loss) for the year

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
Current Tax			
Tax (Expense) Revenue for current period	-	-	-
Deferred Tax			
Deferred Tax (Expense) Revenue	10,037,407.98	10,037,407.98	(8,250,297.29)
Tax (Expense) Revenue recognized in			
Profit (Loss) for the period	10,037,407.98	10,037,407.98	(8,250,297.29)

For the year ended 31 December 2021 and 2020, the relationship between tax (expense) revenue and accounting profit (loss) in the form of reconciliation between tax (expense) revenue and the product of taxable profit by the applicable tax rate at 20% is as follows:

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	For the year ended	For the year ended	For the year ended
	31 December 2021	31 December 2021	31 December 2020
Profit (Loss) before income tax	59,021,370.40	59,065,391.72	27,119,919.41
Tax (Expense) Revenue by tax rate at 20%	(11,804,274.08)	(11,813,078.34)	(5,423,983.88)
Tax (Expense) Revenue that is undeductible	(7,578,048.63)	(7,578,048.63)	6,973,676.32
Concessions	637,234.36	637,234.36	580,272.30
Tax Losses for the current period	18,745,088.35	18,753,892.61	(2,129,964.74)
Tax (Expense) Revenue for			
the current period	-	-	-
Temporary Differences Asset is recognized	10,037,407.98	10,037,407.98	(8,250,297.29)
Profit (Loss) for the year	10,037,407.98	10,037,407.98	(8,250,297.29)

## 28.2 Tax (Expense) Revenue which is recognized in Other Comprehensive Income

(Unit : Baht)

Consolidated Financial Statements			
For the year ended 31 December 2021			
	Amount	Tax	Amount
	Before Tax	(Expense) Income	Net of Tax
Gain (Loss) on Remeasurement			
of Defined Benefit Plans	(8,999.64)	1,799.93	(7,199.71)
Total	(8,999.64)	1,799.93	(7,199.71)

(Unit : Baht)

Separate Financial Statements						
For the year ended 31 December 2021				For the year ended 31 December 2020		
Amount	Tax	Amount	Amount	Tax	Amount	
Before Tax	(Expense) Income	Net of Tax	Before Tax	(Expense) Income	Net of Tax	
Gain (Loss) on Remeasurement						
of Defined Benefit Plans	(8,999.64)	1,799.93	(7,199.71)	2,773,008.27	(554,601.66)	2,218,406.61
Total	(8,999.64)	1,799.93	(7,199.71)	2,773,008.27	(554,601.66)	2,218,406.61

## 28.3 Deductible Temporary Differences for which no Deferred Tax Asset is recognized

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2020
Investments in Associates	40,000,000.00	40,000,000.00	40,000,000.00
Total	40,000,000.00	40,000,000.00	40,000,000.00

Deductible temporary differences for which no deferred tax asset is recognized, have no expiry date under the current tax legislation.

The Group has not recognized deferred tax asset for the above deductible temporary differences associated with investments in associates, because the Company has not yet intended to dispose these investments.

#### 28.4 Unused Tax Losses for which no Deferred Tax Asset is recognized

(Unit : Baht)

	Consolidated	Separate	
	Financial Statements	Financial Statements	
	As at 31 December 2021	As at 31 December 2021	As at 31 December 2020
Expiry Year of Tax Benefits			
2024	-	-	115,406,550.20
Total	-	-	115,406,550.20

The Group has not recognized deferred tax asset for the above unused tax losses, because the Company is not probable that the future taxable profit will be available that the tax benefits can be utilized.

### 29. Segment Information and Disaggregation of Revenue from Contracts

#### 29.1 General Information about Segment

The Group has identified the reportable segments from the structure of internal managerial and financial information system of the Company according to the types of goods and services which are the operating segments that the management of the Group has use the segment profit (loss) before income tax in the financial performance review regularly as follows:

- Tannery industry segment which has revenue from sales of finished leather products and rendering service of tanning.
- Personal protective equipment segment which has revenue from sales of personal protective equipment products.

#### 29.2 Information about Segment Profit or Loss

Inter-reportable segment transactions are carried out at arm's length and are eliminated from the financial report of the Group.

Segment revenue and profit or loss include items directly attribute to a segment as well as these that can be allocated on a reasonable basis with revenue and profit or loss in the financial report of the Group.

For the year ended 31 December 2021 and 2020, the segment information is presented as follows:

(Unit : Thousand Baht)

Consolidated Financial Statements						
For the year ended 31 December 2021						
	Reportable Segment				Eliminated	Total
	Tannery Industry		Total	Personal Protective	Transactions	
	Finished Leather	Tanning		Equipment		
Revenue from Contracts with Customers						
External Customers	1,187,679	47,203	1,234,882	642,768	-	1,877,650
Inter-Segment	16,347	173,428	189,775	-	(189,775)	-
Total	1,204,026	220,631	1,424,657	642,768	(189,775)	1,877,650
Disaggregation of Revenue from Contracts with Customers						
Geographical Region						
Domestic	211,682	30,491	242,173	632,084	(46,838)	827,419
Overseas	992,344	190,140	1,182,484	10,684	(142,937)	1,050,231
Total	1,204,026	220,631	1,424,657	642,768	(189,775)	1,877,650
Gross Profit (Loss)			146,777	275,738	-	422,515
Other Income			3,165	13,834	-	16,999
Distribution Costs			(33,081)	(120,089)	-	(153,170)
Administrative Expenses			(89,292)	(67,461)	-	(156,753)
Loss on Exchange Rate			(27,117)	362	-	(26,755)
Loss on Derivatives			(11,220)	479	-	(10,741)
Finance Costs			(20,795)	(12,113)	-	(32,908)
Share of Profit (Loss) of Associates			-	(166)	-	(166)
Profit (Loss) before Income Tax			(31,563)	90,584	-	59,021
Tax (Expense) Income						10,038
Profit (Loss) for the year						69,059
Depreciation and Amortization						
						79,671

(Unit : Thousand Baht)

## Separate Financial Statements

For the year ended 31 December 2020

	Reportable Segment			Eliminated	Total
	Tannery Industry		Personal Protective	Transactions	
	Finished Leather	Tanning	Total	Equipment	
Revenue from Contracts with Customers					
External Customers	935,030	45,196	980,226	613,320	1,593,546
Inter-Segment	35,270	95,518	130,788	-	(130,788)
Total	970,300	140,714	1,111,014	613,320	1,593,546
Disaggregation of Revenue from Contracts with Customers					
Geographical Region					
Domestic	45,002	95,518	140,520	591,094	(130,788)
Overseas	925,298	45,196	970,494	22,226	-
Total	970,300	140,714	1,111,014	613,320	(130,788)
Gross Profit			103,474	246,401	(156)
Other Income			16,862	12,548	-
Distribution Costs			(45,270)	(113,123)	-
Administrative Expenses			(79,572)	(65,710)	156
Loss on Exchange Rate			(6,832)	(183)	-
Loss on Derivatives			(1,615)	-	-
Finance Costs			(28,008)	(11,852)	-
Profit (Loss) before Income Tax			(40,961)	68,081	-
Tax (Expense) Income					(8,250)
Profit (Loss) for the year					18,870
Depreciation and Amortization					84,981

## 29.3 Information about Major Customers

As in the consolidated and separate financial statements for the year ended 31 December 2021, the Group has no major customer with revenue of 10% or more of the Group revenue.

As in the separate financial statements for the year ended 31 December 2020, the Company has no major customer with revenue of 10% or more of the Company revenue.

### 30. Financial Instruments

#### 30.1 Financial Risk Management Policy

The Group has exposure to interest rate risk, exchange rate risk and credit risk which the Company will consider to use the appropriate financial instruments to manage those risks. However, the Group does not have policy to hold or issue any derivative financial instruments for speculation or trading.

#### 30.2 Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. Currency risk of the Company is mainly associated with purchase of raw materials and machinery and sale of goods in foreign currencies.

As at 31 December 2021 and 2020, the Group has financial assets and financial liabilities which expose to the currency risk as follows:

Currencies	Consolidated Financial Statements		Separate Financial Statements			
	Financial Assets	Financial Liabilities	Financial Assets		Financial Liabilities	
	As at	As at	As at	As at	As at	As at
	31 December 2021	31 December 2021	31 December 2021	31 December 2020	31 December 2021	31 December 2020
United States Dollar	3,705,158.66	15,650,569.65	3,705,158.66	4,699,364.08	15,650,569.65	3,841,235.51
Euro Zone	18,339.00	1,549,592.50	18,339.00	18,339.00	1,549,592.50	97,256.88
China Yuan	37,340.00	-	37,340.00	43,140.00	-	-
Hong Kong Dollar	101.00	-	101.00	101.00	-	-
Great Britain Pound	-	228.93	-	2,015.00	228.93	180,081.91
Dong Viet Nam	100,000.00	-	100,000.00	100,000.00	-	-

#### 30.3 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.



As at 31 December 2021 and 2020, the Group has financial assets and financial liabilities which expose to the interest rate the risk as follows:

(Unit : Baht)

Consolidated Financial Statements					
As at 31 December 2021					
	Interest Bearing		Non-Interest	Total	Interest Rate
	Floating Rate	Fixed Rate	Bearing		% per annum
<u>Financial Assets</u>					
Cash and Cash Equivalents	46,593,381.47	-	2,537,027.49	49,130,408.96	0.05 - 0.50
Long-Term Loans to Employees	-	242,181.00	-	242,181.00	6.00
<u>Financial Liabilities</u>					
Overdrafts	70,218,714.72	-	-	70,218,714.72	5.82-7.025
from Financial Institutions					
Thailand Baht	297,818,552.85	-	-	297,818,552.85	2.90 -4.40
Foreign Currencies	505,076,213.53	-	-	505,076,213.53	1.22-2.67
Long-Term Borrowings	107,035,000.00	-	-	107,035,000.00	4.25-4.85
Finance Lease Liabilities	-	41,752,417.60	-	41,752,417.60	0.35-4.18

(Unit : Baht)

Separate Financial Statements					
As at 31 December 2021					
	Interest Bearing		Non-Interest	Total	Interest Rate
	Floating Rate	Fixed Rate	Bearing		% per annum
<u>Financial Assets</u>					
Cash and Cash Equivalents	40,146,661.13	-	2,516,727.49	42,663,388.62	0.05 - 0.550
Long-Term Loans to Employees	-	242,181.00	-	242,181.00	6.00
<u>Financial Liabilities</u>					
Overdrafts	70,218,714.72	-	-	70,218,714.72	5.82-7.025
from Financial Institutions					
Thailand Baht	297,818,552.87	-	-	297,818,552.87	2.90 -4.40
Foreign Currencies	505,076,213.51	-	-	505,076,213.51	1.22-2.67
Long-Term Borrowings	107,035,000.00	-	-	107,035,000.00	4.25-4.85
Finance Lease Liabilities	-	41,752,417.60	-	41,752,417.60	0.35-4.18

(Unit : Baht)

## Separate Financial Statements

	As at 31 December 2020				
	Interest Bearing		Non-Interest	Total	Interest Rate
	Floating Rate	Fixed Rate	Bearing		% per annum
<u>Financial Assets</u>					
Cash and Cash Equivalents	45,678,918.42	-	23,717,697.59	69,396,616.01	0.050 – 0.550
Long-Term Loans to Employees	-	147,470.42	-	147,470.42	6.00
<u>Financial Liabilities</u>					
Overdrafts	51,500,306.35	-	-	51,500,306.35	6.25 – 6.70
Short-Term Borrowings from Financial Institutions					
Thailand Baht	352,047,780.42	-	-	352,047,780.42	2.23 – 4.15
Foreign Currencies	258,939,822.99	-	-	258,939,822.99	1.34 – 4.25
Long-Term Borrowings	164,401,000.00	-	-	164,401,000.00	4.25 – 4.85
Finance Lease Liabilities	-	58,971,621.68	-	58,971,621.68	0.35 – 4.18

As at 31 December 2021 and 2020, the Group does not use any financial instrument to manage the interest rate risk.

### 30.4 Credit Risk

Credit risk is the risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk of the Company is associated with concentrations of credit and default on collection from financial institution deposits and receivables.

As at 31 December 2021 and 2020, the Group has the maximum potential credit loss equals to the carrying amount of financial institution deposits and receivables presented in the statement of financial position.

As at 31 December 2021 and 2020, the Group has managed the credit risk as follows:

Group of Financial Assets	Credit Risk Management
Financial Institution Deposits	Consideration of the credit rating of financial institutions and credit facilities granted with the Company.
Receivables	Consideration of the credit quality of the receivable from financial position and past experience of collection and required some customers have to open letter of credit or make the advance payment for goods.

## 30.5 Classification and Measurement of Financial Assets and Liabilities

(Unit : Baht)

## Consolidated Financial Statements

As at 31 December 2021

		Carrying value		Fair Value
	Fair value through profit or loss	Amortised cost	Total	
<u>Financial Assets</u>				
Cash and Cash Equivalents	-	49,130,408.96	49,130,408.96	49,130,408.96
Trade and Other Current Receivables	-	260,240,983.75	260,240,983.75	260,240,983.75
Other Current Assets	-	183,739.84	183,739.84	183,739.84
Long-Term Loans to Employees	-	242,181.00	242,181.00	242,181.00
Total	-	309,797,313.55	309,797,313.55	309,797,313.55
<u>Financial Liabilities</u>				
Overdrafts and Short-Term Borrowings				
from Financial Institutions	-	873,113,481.10	873,113,481.10	873,113,481.10
Trade and Other Current Payables	-	350,422,134.45	350,422,134.45	350,422,134.45
Derivatives Liabilities	10,741,203.72	-	10,741,203.72	10,741,203.72
Long-Term Borrowings	-	107,035,000.00	107,035,000.00	107,035,000.00
Lease Liabilities	-	41,752,417.60	41,752,417.60	41,752,417.60
Total	10,741,203.72	1,372,323,033.15	1,383,064,236.87	1,383,064,236.87

(Unit : Baht)

## Separate Financial Statements

As at 31 December 2021

		Carrying value		Fair Value
	Fair value through profit or loss	Amortised cost	Total	
<u>Financial Assets</u>				
Cash and Cash Equivalents	-	42,663,388.62	42,663,388.62	42,663,388.62
Trade and Other Current Receivables	-	260,240,983.75	260,240,983.75	260,240,983.75
Other Current Assets	-	183,739.84	183,739.84	183,739.84
Long-Term Loans to Employees	-	242,181.00	242,181.00	242,181.00
Total	-	303,330,293.21	303,330,293.21	303,330,293.21

(Unit : Baht)

## Separate Financial Statements

As at 31 December 2021

	Carrying value			Fair Value
	Fair value through profit or loss	Amortised cost	Total	
<b>Financial Liabilities</b>				
Overdrafts and Short-Term Borrowings				
from Financial Institutions	-	873,113,481.10	873,113,481.10	873,113,481.10
Trade and Other Current Payables	-	350,410,999.45	350,410,999.45	350,410,999.45
Derivatives Liabilities	10,741,203.72	-	10,741,203.72	10,741,203.72
Long-Term Borrowings	-	107,035,000.00	107,035,000.00	107,035,000.00
Lease Liabilities	-	41,752,417.60	41,752,417.60	41,752,417.60
<b>Total</b>	<b>10,741,203.72</b>	<b>1,372,311,898.15</b>	<b>1,383,053,101.87</b>	<b>1,383,053,101.87</b>

(Unit : Baht)

## Separate Financial Statements

As at 31 December 2020

	Carrying value			Fair Value
	Fair value through profit or loss	Amortised cost	Total	
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	69,396,616.01	69,396,616.01	69,396,616.01
Trade and Other Current Receivables	-	234,263,620.94	234,263,620.94	234,263,620.94
Other Current Assets	-	126,485.44	126,485.44	126,485.44
Long-Term Loans to Employees	-	147,470.42	147,470.42	147,470.42
<b>Total</b>	<b>-</b>	<b>303,934,192.81</b>	<b>303,934,192.81</b>	<b>303,934,192.81</b>

**Financial Liabilities**

## Overdrafts and Short-Term Borrowings

from Financial Institutions	-	662,487,909.76	662,487,909.76	662,487,909.76
Trade and Other Current Payables	-	248,989,867.02	248,989,867.02	248,989,867.02
Derivatives Liabilities	1,614,915.48	-	1,614,915.48	1,614,915.48
Long-Term Borrowings	-	164,401,000.00	164,401,000.00	164,401,000.00
Lease Liabilities	-	58,971,621.68	58,971,621.68	58,971,621.68
<b>Total</b>	<b>1,614,915.48</b>	<b>1,134,850,398.46</b>	<b>1,136,465,313.94</b>	<b>1,136,465,313.94</b>

During the current year, there are no changes in valuation techniques and there are no transfers between fair value hierarchy for financial assets and financial liabilities measured at fair value in the statement of financial position on a recurring basis held at the end of the reporting period.

### 30.6 Fair Value of Financial Instruments

Due to financial assets and financial liabilities which consists of cash and cash equivalents, trade and other current payables, lease liabilities have a short maturity period and short-term and loans and borrowings are bearing interest rate closely to market rate, the Group's management believes that the fair value of those financial assets and financial liabilities dose not materially differ from their carrying amount as shown in statement of financial position.

### 30.7 Fair Value Hierarchy

As at 31 December 2021 and 2020, the Group has financial assets and liabilities that are recognized at fair value or disclosed fair value, classified according to the hierarchy of fair value as follows:

(Unit : Baht)

Consolidate/Separate Financial Statements					
As at 31 December 2021					
	Carrying Amount	Fair Value			
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
<b>Assets for which fair value are disclosed</b>					
Investment Property	124,988,568.42	-	-	185,360,000.00	185,360,000.00
<b>Liabilities measured at fair value</b>					
Derivatives	10,741,203.72	-	10,741,203.72	-	10,741,203.72

(Unit : Baht)

Separate Financial Statements					
As at 31 December 2020					
	Carrying Amount	Fair Value			
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
<b>Assets for which fair value are disclosed</b>					
Investment Property	124,988,568.42	-	-	141,170,000.00	141,170,000.00
<b>Liabilities measured at fair value</b>					
Derivatives	1,614,915.48	-	1,614,915.48	-	1,614,915.48

### 31. Related Party Transactions

The Company has significant business transactions with the related parties. Such transactions are concluded on commercial terms and bases agreed upon between the Company and those related parties which are in ordinary course of business, are summarized as follows:

#### 31.1 Nature of Relationship of the Company

<u>Names of Related Parties</u>	<u>Nature of Relationship</u>
CPL Venture Plus Company Limited	Subsidiary by Direct Shareholding
Integrated Leather Network Company Limited	Associate by Direct Shareholding
Itt 3 Rith Company Limited	Associate by Direct Shareholding
Eagle Chemical Industry Company Limited	Related Entity by Common Group of Shareholders and Executives
Applied DB Public Company Limited	Related Entity by Common Group of Shareholders and Executives
Mimi Industrial Company Limited	Related Entity by Common Group of Shareholders and Executives
Manwood Intertrade Company Limited	Related Entity by Common Group of Shareholders and Executives
Thai Wiring System Company Limited	Related Entity by Common Group of Shareholders and Executives
TTN Nonwoven Solution Company Limited (Formerly is Thai Technical Nonwoven Company Limited)	Related Entity by Common Group of Shareholders and Executives
CS Rubber Industry Company Limited	Related Entity by Common Group of Shareholders and Executives
Charoensin Asset Company Limited	Related Entity by Common Group of Shareholders and Executives
Charoensin Holding Company Limited	Related Entity by Common Group of Shareholders and Executives
Charoensin Thanee Company Limited	Related Entity by Common Group of Shareholders and Executives
Charoensin Condotown Company Limited	Related Entity by Common Group of Shareholders and Executives
Charoensin Tanning Industry Company Limited	Related Entity by Common Group of Shareholders and Executives
Charoensin Resident Company Limited (Formerly is V T Brother Company Limited)	Related Entity by Common Group of Shareholders and Executives
Smart Sense Industrial Design Company Limited	Related Entity by Common Group of Shareholders and Executives
Tanning Industrial Zone K.M. 34 Company Limited	Related Entity by Common Group of Shareholders and Executives
Khun Puvasith Wongcharoensin	Related Person by being the Director and Shareholder of the Company
Khun Natthajak Wongcharoensin	Related Person by being the Shareholder of the Company and Director and Shareholder of the Related Entity
Khun Thavatchai Wongcharoensin	Related Person by being the Shareholder and Ex-Director of the Company

<u>Names of Related Parties</u>	<u>Nature of Relationship</u>
Khun Lai Chi-Hsiang	Related Person by being the Shareholder and Ex-Director of the Company
Khun Artid Chenpreecha	Related Person by being the Shareholder and Ex-Director of the Company

## 31.2 Inter-Transactions

		(Unit : Baht)	
		Consolidated/Separate	Separate
		Financial Statements	Financial Statements
		For the year ended	For the year ended
		31 December 2021	31 December 2020
Pricing Policies			
<b>Associates</b>			
Revenue from Sales	Comparable prices with other entities	1,276,150.00	-
Consultancy Income	Cost plus margin prices	-	1,149,229.08
Purchase of Assets	Mutual agreed prices	-	23,768,983.60
Consultancy Expense	Mutual agreed prices	1,166,431.44	-
Service Fee	Mutual agreed prices	3,585.04	12,000.00
<b>Related Entities</b>			
Revenue from Sales	Comparable prices with other entities	1,631,948.45	1,694,781.00
Other Income	Mutual agreed prices	610,534.32	733,685.62
Sales of Assets	Mutual agreed prices	6,741.00	12,000.00
Purchase of Finished Goods	Mutual agreed prices	335,900.00	-
Purchase of Raw Materials	Mutual agreed prices	274,508,003.00	184,275,401.35
Purchase of Supplies	Mutual agreed prices	1,740,490.00	1,141,500.00
Other Cost	Mutual agreed prices	22,431,932.69	16,534,060.38
Purchase of Assets	Mutual agreed prices	4,000.00	-
Rental Expense	Mutual agreed prices	1,157,865.96	1,946,327.28
Consultancy Expense	Mutual agreed prices	1,250,000.00	-
<b>Related Persons</b>			
Consultancy Expense	Mutual agreed prices	3,600,000.00	4,500,000.00
Rental Expense	Mutual agreed prices	-	180,000.00
Other Expenses	Mutual agreed prices	259,927.24	337,159.62
Interest Express	2.50% per year	-	148,954.08

## 31.3 Inter-Outstanding Balances

	(Unit : Baht)	
	Consolidated/Separate Financial Statements As at 31 December 2021	Separate Financial Statements As at 31 December 2020
<b>Trade Receivables</b>		
Associates	734,464.01	-
Related Entities	298,454.78	388,805.64
Total	1,032,918.79	388,805.64
<b>Prepayment for Goods</b>		
Associates	6,525,424.57	6,525,424.57
Related Entities	338,015.15	-
Total	6,863,439.72	6,525,424.57
<u>Less Allowance for Loss from Impairment</u>	(6,525,424.57)	(6,525,424.57)
Net	338,015.15	-
<b>Other Receivables</b>		
Associates	-	185,542.74
Related Entities	24,455.89	17,978.11
Total	24,455.89	203,520.85
<b>Trade Payables</b>		
Related Entities	126,921,929.29	62,045,742.79
Total	126,921,929.29	62,045,742.79
<b>Accrued Expenses</b>		
Related Entities	123,670.52	5,880.48
Related Persons	3,753,867.65	3,617,002.27
Total	3,877,538.17	3,622,882.75
<b>Post-Employment Benefits Payable</b>		
Related Persons	-	8,424,680.00
Total	-	8,424,680.00



	(Unit : Baht)	
	Consolidated/Separate Financial Statements	Separate Financial Statements
	As at 31 December 2021	As at 31 December 2020
<b>Other Payables</b>		
Related Entities	28,606.13	41,606.08
Related Persons	800.00	32,127.71
Total	29,406.13	73,733.79
<b>Accrued investment</b>		
Associates	-	99,997.50
Total	-	99,997.50
<b>Short-Term Borrowings</b>		
Related Persons		
Beginning Balance	-	60,000,000.00
Additional Borrowings	-	-
Repayment	-	(60,000,000.00)
Ending Balance	-	-
<b>Lease Liabilities</b>		
Related Entities	27,099,016.00	36,171,016.00
Related Persons	540,000.00	720,000.00
Total	27,639,016.00	36,891,016.00

#### Separate Financial Statements

As at 31 December 2020, the whole amount of short-term borrowings from related persons is borrowings from the directors of the Company in form of loan agreement for 2 months, the interest rate of 2.50% per annum. Presently, the Company already has completed the repayment.

#### 31.4 Inter-Obligations

As at 31 December 2021 and 2020, the Company has obligations in accordance with the professional or consultant hire contracts with related persons as in Note 33.2.

### 31.5 Key Management Personnel Compensation

(Unit : Baht)

	Consolidated Financial Statements	Separate Financial Statements	
	For the year ended 31 December 2021	For the year ended 31 December 2021	For the year ended 31 December 2020
Short-Term Employee Benefits	27,261,900.00	27,261,900.00	25,958,290.00
Post-Employment Benefits			
Defined Contribution Plans	485,984.00	485,984.00	421,986.00
Defined Benefit Plans	329,818.06	329,818.06	5,618,439.00
Total	28,077,702.06	28,077,702.06	31,998,715.00

## 32. Cash Flows Information

### 32.1 Non-Cash Transactions

Consist of:

(Unit : Baht)

	Consolidated/ Financial Statements	Separate Financial Statements
	For the year ended 31 December 2021	For the year ended 31 December 2020
Acquisition of Property, Plant and Equipment		
By assuming Assets Payable		
Value of Assets in Property, Plant and Equipment	140,200.00	11,611.21
Value Added Tax in Trade and Other Current Receivables	9,814.00	812.79
By means of Finance Leases	-	2,299,000.00
Transfer Inventories to Property, Plant and Equipment	-	23,551.40
Transfer Other Current Receivables to Property, Plant and Equipment	1,818.86	-
Transfer Right-of-Use Assets to Property, Plant and Equipment	11,820,278.98	-
Transfer Other Non-Current Assets to Property, Plant and Equipment	12,959,244.42	-
Transfer Prepayments for Assets to Property, Plant and Equipment	-	5,524,047.34
Rights-of-use assets increased from the lease	5,852,994.99	50,850,295.42
Transfer Property, Plant and Equipment to Non-Current Assets	395,530.67	92.00
Pre-received for Asset decrease from sale of Investment Property	-	4,499,993.76

	(Unit : Baht)	
	Consolidated/Separate Financial Statements For the year ended 31 December 2021	Separate Financial Statements For the year ended 31 December 2020
Gain (Loss) on Remeasurement of Defined Benefit Plans		
which is recognized in Other Comprehensive Income	8,999.64	2,773,008.27
Accrued Dividend	1,354.59	-

### 32.2 Changes in Liabilities arising from Financing Activities

For the year ended 31 December 2021 and 2020, changes in liabilities arising from financing activities have the movement as follows:

	(Unit : Baht)				
	Consolidated/ Separate Financial Statements				
	For the year ended 31 December 2021				
	Beginning Balance As at 1 January 2021	Changes from Financing Cash Flows	Effect of Changes in Foreign Exchange Rates	Other Changes	Ending Balance As at 31 December 2021
Overdrafts and Short-Term Borrowings					
from Financial Institutions	662,487,909.76	207,549,884.63	3,075,686.71	-	873,113,481.10
Long-Term Borrowings					
Current	58,483,000.00	(57,366,000.00)	-	61,368,000.00	62,485,000.00
Non-Current	105,918,000.00	-	-	(61,368,000.00)	44,550,000.00
Finance Lease Liabilities					
Current	19,414,295.16	(21,095,633.07)	-	19,482,734.99	17,801,397.08
Non-Current	39,557,326.52	-	-	(15,606,306.00)	23,951,020.52
Accrued Interest Expenses	612,406.63	(32,764,090.59)	-	32,907,872.34	756,188.38
Asset Payable	12,424.00	(12,424.00)	-	150,014.00	150,014.00
Total	886,485,362.07	96,311,736.97	3,075,686.71	36,934,315.33	1,022,807,101.08

(Unit : Baht)

## Separate Financial Statements

For the year ended 31 December 2020

	Beginning Balance As at 1 January 2020	Changes from Financing Cash Flows	Effect of Changes in Foreign Exchange Rates	Other Changes	Ending Balance As at 31 December 2020
Defaulted Liabilities	21,562,032.28	(21,562,032.28)	-	-	-
Overdrafts and Short-Term Borrowings					
from Financial Institutions	779,218,169.46	(116,276,422.45)	(453,837.25)	-	662,487,909.76
Short-Term Borrowings	60,000,000.00	(60,000,000.00)	-	-	-
Long-Term Borrowings					
Current	60,451,000.00	(10,704,000.00)	-	8,736,000.00	58,483,000.00
Non-Current	14,654,000.00	100,000,000.00	-	(8,736,000.00)	105,918,000.00
Finance Lease Liabilities					
Current	10,247,970.43	(19,403,475.30)	-	28,569,800.03	19,414,295.16
Non-Current	15,667,531.13	-	-	23,889,795.39	39,557,326.52
Accrued Interest Expenses	2,549,712.26	(39,888,224.06)	-	37,950,918.43	612,406.63
Asset Payable	2,028,605.40	(2,028,605.40)	-	12,424.00	12,424.00
Total	966,379,020.96	(169,862,759.49)	(453,837.25)	90,422,937.85	886,485,362.07

### 33. Obligations and Contingent Liabilities

In addition to liabilities in the statement of financial position as at 31 December 2021 and 2020, the Group has obligations and contingent liabilities as follows:

33.1 As at 31 December 2021 and 2020, the Group has obligations and contingent liabilities with financial institutions as follows:

	Consolidated/Separate Financial Statements As at 31 December 2021			Separate Financial Statements As at 31 December 2020		
	Total Limit	Utilized Limit	Remaining Limit	Total Limit	Utilized Limit	Remaining Limit
Overdrafts						
Million Baht	100.00	(69.37)	30.63	100.00	(51.50)	48.50
Promissory Notes, Letters of Credit and Trust Receipts						
Million Baht	1,527.00	(770.07)	756.93	1,527.00	(704.58)	822.42
Million USD	3.00	-	3.00	3.00	(0.87)	2.13

	Consolidated/Separate			Separate		
	Financial Statements			Financial Statements		
	As at 31 December 2021			As at 31 December 2020		
	Total Limit	Utilized Limit	Remaining Limit	Total Limit	Utilized Limit	Remaining Limit
Letters of Guarantee						
Million Baht	15.00	(7.09)	7.91	15.00	(7.45)	7.55
Currency Forward Contracts						
Million Baht	1,050.00	(270.84)	779.16	1,090.00	(53.58)	1,036.42
Corporate Credit Card						
Million Baht	5.10	(0.55)	4.55	1.60	(0.17)	1.43

33.2 As at 31 December 2021 and 2020, the Company has obligations in accordance with the professional or consultant hire contracts with related persons. The contracts are for a period of 12 months, the consultancy rate is in the amount of Baht 0.10 million per month equally for the both year.

33.3 As at 31 December 2021 and 2020, the Company has obligations in accordance with the service contracts with other entities in the amount of Baht 27.41 million and of Baht 10.86 million respectively.

33.4 As at 31 December 2021 and 2020, the Company has obligations to future lease payments in accordance with the office equipment lease contracts with other entities as follows:

	(Unit : Million Baht)	
	Consolidated/Separate	Separate
	Financial Statements	Financial Statements
	As at	As at
	31 December 2021	31 December 2020
Not later than 1 year	0.20	0.22
Later than 1 year but not later than 5 years	0.01	0.21
Total	0.21	0.43

33.5 As at 31 December 2021 and 2020, the Company has obligations to future payments for capital expenditure with other entities to acquire significant property, plant and equipment which are not yet recognized is in amount of Baht 1.36 million equally for the both year.

33.6 As at 31 December 2021, the subsidiary has an obligation in accordance with the joint venture agreement between the subsidiary and other person in the amount of Baht 20.00 million.

**33. Event after the Reporting Period**

In accordance with the Board of Directors of Meeting No.1/2022, on 23 February 2022, has resolved to approve the dividend payment for operation for the year ended 31 December 2021 at Baht 0.05 per share and resolved to appropriate the yearly net profit as legal reserve 5% of net profit. This matter shall be proposed to the Meeting of shareholders for consideration and approval.

**34. Approval of the Financial Statements**

These financial statements have been approved for issue by the Board of Directors of CPL Group Public Company Limited on 23 February 2022.

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