

Union Plastic Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2023

1. General information

1.1 Basis of preparation of interim financial statements

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

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

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.2 Significant accounting policies

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

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

2. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions were concluded on commercial terms and bases agreed upon between the Company and those related parties, arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

(Unaudited but reviewed)

Summaries significant business transactions with related parties as follows.

(Unit: Million Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	For the three-month periods ended 31 March	
	2023	2022
<u>Transactions with related companies</u>		
Sales of goods and services	4	13
Rental income	4	2
Dividend income	49	44
Purchases of goods and raw materials	3	3

The balances of the accounts as at 31 March 2023 and 31 December 2022 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	31 March 2023	31 December 2022
		(Audited)
Trade and other receivables - related parties		
Related companies (related by common shareholders)	2,464	3,359
Total trade and others receivables - related parties	<u>2,464</u>	<u>3,359</u>
Trade and other payables - related parties		
Related companies (related by common shareholders)	1,367	795
Total trade and other payables - related parties	<u>1,367</u>	<u>795</u>

(Unaudited but reviewed)

Directors and management's benefits

During the three-month periods ended 31 March 2023 and 2022, the Company had employee benefit expenses to its directors and management as below.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
Short-term employee benefits	2,487	2,798
Post-employee benefits	48	1
Total	<u>2,535</u>	<u>2,799</u>

3. Trade and other receivables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	31 March 2023	31 December 2022
		(Audited)
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	2,165	3,111
Total trade receivables - related parties	<u>2,165</u>	<u>3,111</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	88,357	67,920
Total trade receivables - unrelated parties	<u>88,357</u>	<u>67,920</u>
Total trade receivables	<u>90,522</u>	<u>71,031</u>
<u>Other receivables</u>		
Amounts due from related parties	299	248
Others	442	379
Total other receivables	<u>741</u>	<u>627</u>
Total trade and other receivables	<u>91,263</u>	<u>71,658</u>

4. Other non-current financial assets

Set out below is the movement in other non-current financial assets account.

	(Unit: Thousand Baht)
	Financial statements in which the equity method is applied/ Separate financial statements
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Net book value as at 1 January 2023	109,406
Loss on change in value of investments in equity instruments of non-listed company	(6,868)
Net book value as at 31 March 2023	<hr/> <hr/> 102,538

During the current period, the Company received dividend from this company amounting to Baht 49 million (2022: Baht 44 million).

Such financial assets were measured at fair value with hierarchy level 3.

During the current period, the Company has not changed the method and the assumptions, used in estimating the fair value of financial instrument and there is no transfer between the level of the fair value hierarchy.

5. Property, plant and equipment

Set out below is the movement in property, plant and equipment account.

	(Unit: Thousand Baht)
	Financial statements in which the equity method is applied/ Separate financial statements
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Net book value as at 1 January 2023	189,547
Acquisitions during the period - at cost	3,818
Depreciation for the period	(11,767)
Net book value as at 31 March 2023	<hr/> <hr/> 181,598

6. Segment information

The Company is principally engaged in the manufacture and distribution of thermoplastics. It also engages in the contract manufacture and repair of molds. The Company operates only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profit and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

(Unaudited but reviewed)

The following tables present revenue and profit (loss) information regarding the Company's operating segments for the three-month periods ended 31 March 2023 and 2022.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March							
	Manufacture and distribution of thermoplastics		Contract manufacture and repair of molds		Adjustments and eliminations		Financial statements in which the equity method is applied	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from external customers	158,533	157,878	12,729	143	-	-	171,262	158,021
Inter-segment revenue	-	-	2,667	-	(2,667)	-	-	-
Total revenues	<u>158,533</u>	<u>157,878</u>	<u>15,396</u>	<u>143</u>	<u>(2,667)</u>	<u>-</u>	<u>171,262</u>	<u>158,021</u>
Segment operating profit (loss)	9,735	17,257	4,578	(1,985)	-	-	14,313	15,272
Unallocated income and expenses:								
Dividend income							49,194	43,515
Other income							7,350	6,081
Selling and distribution expenses							(8,176)	(6,538)
Administrative expenses							(11,311)	(12,479)
Share of profit (loss) of an associate							141	(264)
Finance income							308	171
Finance cost							(31)	(18)
Profit for the period							<u>51,788</u>	<u>45,740</u>

7. Commitments

(Unit: Million Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	31 March 2023	31 December 2022
		(Audited)
Capital commitments		
Acquisition of machinery and equipment	14	-
Service commitments		
Equipment maintenance services	2	2
Transportation services	1	1

8. Fair value of financial instrument

Most of the Company's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

9. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's audit committee on 5 May 2023 as assigned by the Company's board of directors.