

**Union Plastic Public Company Limited**

**Notes to interim financial statements**

**For the three-month and nine-month periods ended 30 September 2022**

**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 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, 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 30 September		For the nine-month periods ended 30 September	
	2022	2021	2022	2021
<u>Transactions with related companies</u>				
Sales of goods and services	5	14	23	45
Rental income	4	4	12	12
Other income	1	-	1	1
Dividend income	-	-	44	24
Purchases goods and raw materials	3	2	7	8

The balances of the accounts as at 30 September 2022 and 31 December 2021 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	
	30 September	31 December
	2022	2021
		(Audited)
<b>Trade and other receivables - related parties</b>		
Related companies (related by common shareholders)	3,733	9,864
Total trade and others receivables - related parties	<u>3,733</u>	<u>9,864</u>
<b>Trade and other payables - related parties</b>		
Related companies (related by common shareholders)	790	736
Total trade and other payables - related parties	<u>790</u>	<u>736</u>

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2022 and 2021, 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			
	For the three-month		For the nine-month	
	periods ended 30 September		periods ended 30 September	
	2022	2021	2022	2021
Short-term employee benefits	3,409	2,438	9,625	7,309
Post-employee benefits	21	52	22	109
<b>Total</b>	<b>3,430</b>	<b>2,490</b>	<b>9,647</b>	<b>7,418</b>

**3. Trade and other receivables**

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	30 September	31 December
	2022	2021
		(Audited)
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	3,489	9,631
<b>Total trade receivables - related parties</b>	<b>3,489</b>	<b>9,631</b>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	74,930	65,092
<b>Total trade receivables - unrelated parties</b>	<b>74,930</b>	<b>65,092</b>
<b>Total trade receivables</b>	<b>78,419</b>	<b>74,723</b>
<u>Other receivables</u>		
Amounts due from related parties	244	233
Others	174	49
<b>Total other receivables</b>	<b>418</b>	<b>282</b>
<b>Total trade and other receivables</b>	<b>78,837</b>	<b>75,005</b>

**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
<b>Net book value as at 1 January 2022</b>	97,096
Gain on change in value of investments in equity instruments of non-listed company	9,510
<b>Net book value as at 30 September 2022</b>	<b>106,606</b>

During the current period, the Company received dividend from this company amounting to Baht 44 million (2021: Baht 24 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
<b>Net book value as at 1 January 2022</b>	152,009
Acquisitions during the period - at cost	55,647
Transfer from investment properties	117
Depreciation for the period	(26,904)
<b>Net book value as at 30 September 2022</b>	<b>180,869</b>

**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 and nine-month periods ended 30 September 2022 and 2021.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September							
	Manufacture and distribution of thermoplastics		Contract manufacture and repair of molds		Adjustments and eliminations		Financial statements in which the equity method is applied	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from external customers	151,071	116,004	8,006	30	-	-	159,077	116,034
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>151,071</b>	<b>116,004</b>	<b>8,006</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>159,077</b>	<b>116,034</b>
Segment operating profit (loss)	5,858	(4,835)	803	(1,632)	-	-	6,661	(6,467)
Unallocated income and expenses:								
Other income							5,377	5,544
Selling and distribution expenses							(7,173)	(4,862)
Administrative expenses							(10,420)	(9,684)
Share of loss of an associate							(426)	(484)
Finance income							222	308
Finance cost							(16)	(25)
<b>Loss for the period</b>							<b>(5,775)</b>	<b>(15,670)</b>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September							
	Manufacture and distribution of thermoplastics		Contract manufacture and repair of molds		Adjustments and eliminations		Financial statements in which the equity method is applied	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from external customers	436,725	401,417	8,382	2,239	-	-	445,107	403,656
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>436,725</b>	<b>401,417</b>	<b>8,382</b>	<b>2,239</b>	<b>-</b>	<b>-</b>	<b>445,107</b>	<b>403,656</b>
Segment operating profit (loss)	26,866	12,568	(2,795)	(3,505)	-	-	24,071	9,063
Unallocated income and expenses:								
Dividend income							43,515	24,197
Other income							18,642	19,026
Selling and distribution expenses							(19,712)	(15,993)
Administrative expenses							(32,058)	(29,408)
Share of loss of an associate							(796)	(1,488)
Finance income							619	829
Finance cost							(51)	(87)
<b>Profit for the period</b>							<b>34,230</b>	<b>6,139</b>

**7. Commitments**

(Unit: Million Baht)

	Financial statements in which the equity method is applied/ Separate financial statements	
	30 September 2022	31 December 2021
		(Audited)
<b>Capital commitments</b>		
Acquisition of machinery and equipment	12	36
<b>Service commitments</b>		
Equipment maintenance services	1	1
Transportation services	-	1
Other services	-	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 3 November 2022 as assigned by the Company's board of directors.