



Independent Auditor's Report and Consolidated  
Financial Statements of

**N.D. Rubber Public Company Limited and Subsidiaries**

For the Year Ended 31 December 2021



## INDEPENDENT AUDITOR'S REPORT

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### **To the shareholders of N.D. Rubber Public Company Limited**

#### *Opinion*

I have audited the consolidated and separate financial statements of N.D. Rubber Public Company Limited and subsidiaries ("the Group"), which comprise the consolidated and separate statement of financial position as at 31 December 2021, the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate 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 and separate financial position of N.D. Rubber Public Company Limited and subsidiaries as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows 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 section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants 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.

*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 year. 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.

Key audit matter	How the matter was addressed in the audit
<p><i>Impairment of intangible assets</i></p> <p>The Group has trademark which arose from an acquisition of business related with distributing of motorcycle tyres and tubes, other related products, and footwear.</p> <p>In accordance with Thai Financial Reporting Standards, the Company is required to test the impairment of assets whenever there is an indication of impairment.</p> <p>For impairment test, the management has to exercise significant judgments based on the complicated assumptions especially the estimated relating to expected future cash flow forecast from the distributing of motorcycle tyres and tubes, other related products, and footwear including discount rate which varies according to the economic circumstances and market.</p> <p>The Group disclosed about trademark in Note 17 to financial statements.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>- Assessed the reasonableness of assumptions and methodology that management applied to estimate expected future cash flow by comparing with current and historical operations.</li> <li>- Discussed with management to understand the basis of assumptions used and future business plan, including reviewing underlying supporting documentation.</li> <li>- Evaluated the reasonableness of the discount rate applied to calculate expected future cash flows from the operations.</li> <li>- Verified the mathematical accuracy of the model.</li> <li>- Assessed the adequacy and appropriateness of the disclosure of assumptions and recoverable amount of assets.</li> </ul>

*Other matter*

The consolidated and separate financial statements of N.D. Rubber Public Company Limited and its subsidiaries for the year ended 31 December 2020, presented as comparative information, were audited by another auditor who used to be in the same office as mine, who expressed an unmodified opinion on those statements according to the report dated 23 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. The annual report 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 will 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 identified above when it becomes available 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 and revised a material misstatement.

*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 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group'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'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'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 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 and separate 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 year 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 communication.



**Ms. Saranya Akharamahaphanit**

Certified Public Accountant

Registration No. 9919

Grant Thornton Limited

Bangkok

22 February 2022

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

	Notes	Consolidated F/S		Separate F/S	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	6	159,204,884	125,766,012	42,603,127	31,142,328
Temporary investments	8	-	14,233,261	-	14,233,261
Trade accounts receivable - general customers	9	115,882,609	103,351,111	43,009,401	39,841,487
- related parties	7, 9	551,325	647,922	21,098,294	21,567,899
Other accounts receivable - general customers		5,243,972	2,502,113	-	-
Inventories	10	146,821,284	121,190,380	78,688,792	52,287,422
Refundable value added tax		6,501,091	8,101,485	6,501,091	8,101,485
Refundable corporate income tax		2,430,946	720,356	-	-
Non-current assets held for sale	11	-	8,097,477	-	-
Other current assets		4,552,152	4,886,953	4,307,598	4,871,999
<b>Total Current Assets</b>		<b>441,188,263</b>	<b>389,497,070</b>	<b>196,208,303</b>	<b>172,045,881</b>
<b>NON-CURRENT ASSETS</b>					
Investment in subsidiary companies	12	-	-	413,614,932	418,367,180
Investment in associated company	13	100,091,025	-	100,333,100	-
Property, plant and equipment	15	564,777,494	538,709,086	391,863,595	377,623,456
Right-of-use assets	16.1	4,355,789	45,788,954	4,355,789	45,788,954
Intangible assets	17	115,371,941	110,981,278	1,141,493	865,296
Deferred tax assets	21.1	460,155	163,875	-	-
<b>Total Non-Current Assets</b>		<b>785,056,404</b>	<b>695,643,193</b>	<b>911,308,909</b>	<b>842,644,886</b>
<b>TOTAL ASSETS</b>		<b>1,226,244,667</b>	<b>1,085,140,263</b>	<b>1,107,517,212</b>	<b>1,014,690,767</b>

The accompanying notes form an integral part of these financial statements.



N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

	Notes	Consolidated F/S		Separate F/S	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdraft and short-term loans from banks	18	130,526,474	128,005,548	121,101,716	107,802,751
Trade accounts payable - general suppliers		88,279,482	68,759,694	81,499,680	63,211,773
- related companies	7	217,372	98,648	609,179	499,243
Other account payable - subsidiary company	7	-	-	86,299	84,595
Accounts payable for purchases of fixed assets		222,153	2,815,998	222,153	2,815,998
Payable for purchase of investment					
in subsidiary company		-	-	-	2,900,000
Current portion :					
- Lease liabilities	16.2	685,779	13,902,089	685,779	13,902,089
- Long-term loan	19	-	4,300,000	-	4,300,000
- Employee benefits obligation	20	601,400	104,414	601,400	104,414
Accrued income tax		657,486	6,487,640	369,411	6,332,045
Accrued expenses		40,007,156	36,479,524	10,054,055	6,485,561
Other current liabilities		4,697,396	13,243,128	4,254,710	12,775,238
<b>Total Current Liabilities</b>		<b>265,894,698</b>	<b>274,196,683</b>	<b>219,484,382</b>	<b>221,213,707</b>
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	16.2	1,153,180	1,838,959	1,153,180	1,838,959
Employee benefits obligation	20	10,405,110	9,354,736	8,682,796	7,999,293
Deferred tax liabilities	21.1	39,935,673	45,638,900	7,739,032	8,783,768
<b>Total Non-Current Liabilities</b>		<b>51,493,963</b>	<b>56,832,595</b>	<b>17,575,008</b>	<b>18,622,020</b>
<b>Total Liabilities</b>		<b>317,388,661</b>	<b>331,029,278</b>	<b>237,059,390</b>	<b>239,835,727</b>

The accompanying notes form an integral part of these financial statements.

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

	Notes	Consolidated F/S		Separate F/S	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
Share capital - ordinary share, Baht 1 par value					
Registered - 346,891,514 shares					
(2020 : 387,470,188 shares)	22	346,891,514	387,470,188	346,891,514	387,470,188
Issued and fully paid - up - 346,891,514 shares					
(2020 : 315,391,514 shares)	22	346,891,514	315,391,514	346,891,514	315,391,514
Premium on common share capital	22	380,640,846	325,711,286	380,640,846	325,711,286
Retained earnings					
- Appropriated for legal reserve	23	15,220,095	13,965,366	15,220,095	13,965,366
- Unappropriated		156,440,014	132,122,127	127,705,367	119,786,874
Other component of shareholders' equity		7,616,399	(34,999,049)	-	-
<b>Total Equity of the Company's Shareholders</b>		<b>906,808,868</b>	<b>752,191,244</b>	<b>870,457,822</b>	<b>774,855,040</b>
Non-controlling interests	14	2,047,138	1,919,741	-	-
<b>Total Shareholders' Equity</b>		<b>908,856,006</b>	<b>754,110,985</b>	<b>870,457,822</b>	<b>774,855,040</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,226,244,667</b>	<b>1,085,140,263</b>	<b>1,107,517,212</b>	<b>1,014,690,767</b>

**N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED 31 DECEMBER**

(Unit : Baht)

	Notes	Consolidated F/S		Separate F/S	
		2021	2020	2021	2020
Revenue from sales	7, 28	841,399,435	775,845,936	602,653,322	562,709,497
Costs of sales	10, 26, 28	(685,544,887)	(591,022,702)	(544,140,222)	(478,422,780)
<b>Gross profit</b>		<b>155,854,548</b>	<b>184,823,234</b>	<b>58,513,100</b>	<b>84,286,717</b>
Gain on exchange rate		567,514	2,553,005	567,514	2,553,005
Dividend income	12	-	-	8,171,780	11,166,000
Other income	7	10,079,628	3,025,795	7,953,608	2,908,748
<b>Profit before expenses</b>		<b>166,501,690</b>	<b>190,402,034</b>	<b>75,206,002</b>	<b>100,914,470</b>
Selling expenses	26	(33,671,341)	(32,562,579)	(7,660,808)	(7,464,270)
Administrative expenses	7, 26	(81,442,382)	(93,633,289)	(34,769,739)	(42,801,068)
<b>Total expenses</b>		<b>(115,113,723)</b>	<b>(126,195,868)</b>	<b>(42,430,547)</b>	<b>(50,265,338)</b>
<b>Profit before operations</b>		<b>51,387,967</b>	<b>64,206,166</b>	<b>32,775,455</b>	<b>50,649,132</b>
Share of loss from investment in associated company	13	(229,128)	-	-	-
<b>Profit before finance costs and income tax</b>		<b>51,158,839</b>	<b>64,206,166</b>	<b>32,775,455</b>	<b>50,649,132</b>
Finance costs		(4,263,442)	(6,826,437)	(4,034,754)	(6,183,969)
<b>Profit before income tax</b>		<b>46,895,397</b>	<b>57,379,729</b>	<b>28,740,701</b>	<b>44,465,163</b>
Income tax expense	21.2	(4,991,325)	(12,167,131)	(3,646,124)	(5,051,569)
<b>Profit for the year</b>		<b>41,904,072</b>	<b>45,212,598</b>	<b>25,094,577</b>	<b>39,413,594</b>
<b>Other comprehensive income for the period</b>					
<b>Items to be reclassified subsequently to profit or loss</b>					
Translation adjustment on foreign currency financial statements		42,615,448	6,113,096	-	-
<b>Item not to be reclassified subsequently to profit or loss</b>					
Actuarial loss - net of tax		(303,882)	-	(151,834)	-
<b>Other comprehensive income for the year</b>		<b>42,311,566</b>	<b>6,113,096</b>	<b>(151,834)</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>84,215,638</b>	<b>51,325,694</b>	<b>24,942,743</b>	<b>39,413,594</b>

The accompanying notes form an integral part of these financial statements.

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	Notes	Consolidated F/S		Separate F/S	
		2021	2020	2021	2020
<b>PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO:</b>					
Shareholders of the Company		41,633,506	45,263,690	25,094,577	39,413,594
Non-controlling interests	14	270,566	(51,092)	-	-
<b>Total</b>		<b>41,904,072</b>	<b>45,212,598</b>	<b>25,094,577</b>	<b>39,413,594</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:</b>					
Shareholders of the Company		83,957,585	51,376,786	24,942,743	39,413,594
Non-controlling interests	14	258,053	(51,092)	-	-
<b>Total</b>		<b>84,215,638</b>	<b>51,325,694</b>	<b>24,942,743</b>	<b>39,413,594</b>
<b>BASIC EARNINGS PER SHARE</b>					
Profit (Baht per share)		0.13	0.14	0.08	0.12
Weighted average number of ordinary shares (share)	29	330,516,227	315,391,514	330,516,227	315,391,514

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	Equity attributable to shareholders of the Company							Equity attributable to the Company's shareholders	Non-controlling interests	Total
	Retained earnings		Other components of shareholders' equity			Total				
	Issued and paid-up share capital	Premium on common share capital	Appropriated for legal reserve	Unappropriated	Surplus on change in proportion of investment in subsidiary company		Translation adjustment on foreign currency financial statements			
<b>Consolidated F/S</b>										
Balance as at 1 January 2020 - as previous reported	315,391,514	325,711,286	11,911,000	89,902,464	550,469	(41,662,614)	(41,112,145)	701,804,119	862,902	702,667,021
Cumulative effect of changes in accounting policy for impairment - financial assets	-	-	-	-	-	-	-	-	-	-
Balance as at 1 January 2020 - adjusted	315,391,514	325,711,286	11,911,000	89,912,803	550,469	(41,662,614)	(41,112,145)	700,814,458	862,902	701,677,360
Sold of investment in subsidiary company	-	-	-	(989,661)	-	-	-	(989,661)	-	(989,661)
Appropriate for legal reserve	-	-	2,054,366	(2,054,366)	-	-	-	-	1,107,931	1,107,931
Transactions with shareholders	-	-	-	-	-	-	-	-	-	-
Profit (loss) for the year	-	-	-	45,263,690	-	-	-	45,263,690	(51,092)	45,212,598
Other comprehensive income for the year	-	-	-	-	-	6,113,096	6,113,096	6,113,096	-	6,113,096
Total comprehensive income for the year	-	-	-	45,263,690	-	6,113,096	6,113,096	51,376,786	(51,092)	51,325,694
Balance as at 31 December 2020	315,391,514	325,711,286	13,965,366	132,122,127	550,469	(35,549,518)	(34,999,049)	752,191,244	1,919,741	754,110,985
Balance as at 1 January 2021	315,391,514	325,711,286	13,965,366	132,122,127	550,469	(35,549,518)	(34,999,049)	752,191,244	1,919,741	754,110,985
Share increment during the year	31,500,000	54,929,560	-	-	-	-	-	86,429,560	-	86,429,560
Appropriate for legal reserve	-	-	1,254,729	(1,254,729)	-	-	-	-	-	-
Dividend payment	-	-	-	(15,769,521)	-	-	-	(15,769,521)	-	(15,769,521)
Dividend payment by subsidiary company	-	-	-	-	-	-	-	-	(60,220)	(60,220)
Non-controlling interests decreased from the dissolution of a subsidiary	-	-	-	-	-	-	-	-	(80,436)	(80,436)
Transactions with owners	31,500,000	54,929,560	1,254,729	(17,024,250)	-	-	-	70,860,039	(130,656)	70,529,383
Profit for the year	-	-	-	41,633,506	-	-	-	41,633,506	270,566	41,904,072
Other comprehensive income for the year	-	-	-	(291,369)	-	42,615,448	42,615,448	42,324,079	(12,513)	42,311,566
Total comprehensive income for the year	-	-	-	41,342,137	-	42,615,448	42,615,448	83,957,585	258,053	84,215,638
Balance as at 31 December 2021	346,891,514	380,640,846	15,220,095	156,440,014	550,469	7,065,930	7,616,399	906,808,868	2,047,138	908,856,006

The accompanying notes form an integral part of these financial statements.

**N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED 31 DECEMBER**

	Notes	Issued and paid-up share capital	Premium on common share capital	Retained earnings			Total
				(Unit : Baht)			
				Appropriated for legal reserve	Unappropriated		
<b>Separate F/S</b>							
<b>Balance as at 1 January 2020 - as previous reported</b>		315,391,514	325,711,286	11,911,000	83,417,307	736,431,107	
Cumulative effect of changes in accounting policy for impairment - financial assets	9	-	-	-	(989,661)	(989,661)	
<b>Balance as at 1 January 2020 - adjusted</b>		315,391,514	325,711,286	11,911,000	82,427,646	735,441,446	
Appropriate for legal reserve	23	-	-	2,054,366	(2,054,366)	-	
<b>Transactions with shareholders</b>		-	-	2,054,366	(2,054,366)	-	
Profit for the year		-	-	-	39,413,594	39,413,594	
<b>Total comprehensive income for the year</b>		-	-	-	39,413,594	39,413,594	
<b>Balance as at 31 December 2020</b>		315,391,514	325,711,286	13,965,366	119,786,874	774,855,040	
<b>Balance as at 1 January 2021</b>		315,391,514	325,711,286	13,965,366	119,786,874	774,855,040	
Share increment during the year	22	31,500,000	54,929,560	-	-	86,429,560	
Appropriate for legal reserve	23	-	-	1,254,729	(1,254,729)	-	
Dividend payment	24	-	-	-	(15,769,521)	(15,769,521)	
<b>Transactions with owners</b>		346,891,514	380,640,846	15,220,095	102,762,624	845,515,079	
Profit for the year		-	-	-	25,094,577	25,094,577	
Other comprehensive income for the year		-	-	-	(151,834)	(151,834)	
<b>Total comprehensive income for the year</b>		-	-	-	24,942,743	24,942,743	
<b>Balance as at 31 December 2021</b>		346,891,514	380,640,846	15,220,095	127,705,367	870,457,822	

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED 31 DECEMBER**

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
<b>Cash Flows from Operating Activities</b>				
Profit before income tax	46,895,397	57,379,729	28,740,701	44,465,163
<b>Adjustments to reconcile profit (loss) before income tax to</b>				
<b>net cash provided from (used in) operating activities:</b>				
Depreciation and amortization	45,165,020	44,947,571	35,612,535	35,252,768
Allowance (reversal of allowance) for expected credit loss	(4,791,192)	4,952,741	(4,021,058)	4,967,063
Reversal of allowance for impairment losses of investment in subsidiary	-	-	-	1,147,752
Allowance (reversal of allowance) for obsolete stock	(1,975,922)	(2,224,074)	52,264	(42,931)
Unrealized loss on exchange rate	313,769	32,348	440,990	32,348
Unrealized gain on changing in fair value of temporary investment	-	(31,703)	-	(31,703)
Gain on disposal of temporary investments	(48,064)	(2,524)	(48,064)	(2,524)
Share of loss from investment in associated company	229,128	-	-	-
Gain on disposal of assets and non-current assets held for sales	(4,218,969)	(204,422)	(3,985,144)	(46,520)
Loss on bad debt written-off	987,563	-	987,563	-
Loss on obsolete stock written-off	2,351,388	-	-	-
Loss on assets written-off	61,625	596,256	1,370	571,626
Loss on intangible assets written-off	15	-	15	-
Dividend income	-	-	(8,171,780)	(11,166,000)
Loss on business dissolution - investment in subsidiary	-	-	10,938	-
Employee benefits obligation expenses	858,776	825,079	726,699	699,159
Interest income	(138,422)	(127,183)	(16,156)	(11,587)
Finance costs	4,263,442	6,826,437	4,034,754	6,183,969
Other	12,947	-	-	-
<b>Cash provided from operations before</b>				
<b>changes in operating assets and liabilities</b>	89,966,501	112,970,255	54,365,627	82,018,583
<b>Decrease (increase) in operating assets:</b>				
Trade accounts receivable - general customers	(8,684,178)	4,620,648	(123,270)	10,323,886
- related parties	96,597	112,798	331,235	604,399
Other receivable - general customers	(2,741,859)	-	-	-
- subsidiary company	-	-	-	88,283
Inventories	(21,754,471)	(6,138,104)	(26,453,634)	(8,666,696)
Refundable value added tax	1,600,394	(3,379,390)	1,600,394	(3,660,722)
Other current assets	334,800	261,061	564,401	(165,147)
<b>Increase (decrease) in operating liabilities:</b>				
Trade accounts payable - general suppliers	19,518,937	29,498,582	18,287,055	17,546,667
- related companies	118,724	(424,597)	109,936	(427,570)
Other payable - subsidiary company	-	-	1,704	31,848
Accrued expenses	3,527,632	439,208	3,568,494	(3,113,285)
Other current liabilities	(995,731)	4,752,568	(970,528)	4,523,018
<b>Cash provided from operations</b>	<b>80,987,346</b>	<b>142,713,029</b>	<b>51,281,414</b>	<b>99,103,264</b>

The accompanying notes form an integral part of these financial statements.

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
<b>Cash provided from operations (Continued)</b>	80,987,346	142,713,029	51,281,414	99,103,264
Interest received	138,422	127,183	16,156	11,587
Interest paid	(3,954,709)	(6,550,610)	(3,770,759)	(5,947,415)
Income tax paid	(18,903,396)	(9,755,712)	(10,615,535)	(78,493)
Refunded of income tax	-	11,228,248	-	-
<b>Net cash provided from operating activities</b>	<b>58,267,663</b>	<b>137,760,138</b>	<b>36,911,276</b>	<b>93,088,943</b>
<b>Cash Flows from Investing Activities:</b>				
Proceeds from disposal of temporary investments	15,731,325	20,255,948	15,731,325	20,255,948
Purchase of temporary investments	(1,450,000)	(34,200,000)	(1,450,000)	(34,200,000)
Proceeds from disposal of investment in subsidiary	-	255,266	-	500,000
Proceeds payback from a subsidiary's dissolution	4,741,310	-	4,741,310	-
Purchase investment in associated company	(40,133,100)	-	(40,133,100)	-
Purchase of fixed assets and computer software	(18,964,703)	(8,917,446)	(12,616,731)	(8,089,042)
Payment for investment in subsidiary	-	-	(2,900,000)	-
Payment for payable for purchases of fixed assets	(2,815,998)	(480,182)	(2,815,998)	(480,182)
Proceeds from disposal of fixed assets and non-current assets held for sales	22,593,459	698,500	576,939	116,444
Cash received from dividend	-	-	8,171,780	11,166,000
<b>Net cash used in investing activities</b>	<b>(20,297,707)</b>	<b>(22,387,914)</b>	<b>(30,694,475)</b>	<b>(10,730,832)</b>
<b>Cash Flows from Financing Activities</b>				
Increase (decrease) in bank overdraft and short-term loans from bank	1,665,372	(45,458,104)	12,986,048	(40,251,984)
Repayment of long-term loan	(4,300,000)	(9,900,000)	(4,300,000)	(9,900,000)
Repayment of lease liabilities	(13,902,089)	(6,958,418)	(13,902,089)	(6,958,418)
Cash received from share increment	26,229,560	-	26,229,560	-
Dividend payment	(15,769,521)	-	(15,769,521)	-
Dividend payment by subsidiary company	(50,220)	-	-	-
<b>Net cash provided from (used in) financing activities</b>	<b>(6,126,898)</b>	<b>(62,316,522)</b>	<b>5,243,998</b>	<b>(57,110,402)</b>
Exchange differences from foreign currency financial statements translation	1,595,814	54,146	-	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>33,438,872</b>	<b>53,109,848</b>	<b>11,460,799</b>	<b>25,247,709</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>125,766,012</b>	<b>72,656,164</b>	<b>31,142,328</b>	<b>5,894,619</b>
<b>CASH AND CASH EQUIVALENTS AT ENDING OF YEAR</b>	<b>159,204,884</b>	<b>125,766,012</b>	<b>42,603,127</b>	<b>31,142,328</b>
<b>Supplemental disclosures for cash flows information</b>				
<b>Non-cash items</b>				
Transferred trade accounts receivable - related party to trade accounts receivable - general customer	-	-	-	10,353,778
Transferred property, plant and equipment to non-current assets held for sale	-	8,097,477	-	-
Transferred right-of-use assets to property, plant and equipment	39,811,703	-	39,811,703	-
Increment of right-of-use assets and lease liabilities	-	2,770,094	-	2,770,094
Payable for purchase of fixed assets	222,153	2,815,998	222,153	2,815,998
Share increment for investment in associated company	60,200,000	-	60,200,000	-
Reversal advance receipt for assets settlement	7,550,000	-	7,550,000	-



**N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2021**

**1. NATURE OF OPERATIONS**

The Company was incorporated under the Thai Civil and Commercial Code as a limited company on 24 May 1990 in the name of N.D. Rubber Company Limited. The Company changed its status to a public company and registered the change of its name to "N.D. Rubber Public Company Limited" on 15 May 2014. The Company and subsidiaries are engaged in manufacturing and distributing motorcycle tyres and tubes, and distributing battery for automobile and motorcycle, including other related services, and manufacturing and distributing rubber and synthetic products for automobile and motorcycle, and researching, manufacturing and distributing of wireless electrical equipment and system and distributing footwear. The registered office address of the Company is 129 Moo 3, Nongsak-Phanasnikom Road, Nongeiroom Sub-district, Banbueng, Chonburi. The major shareholders of the Company are "Samrittivanicha" Family at 51.96% shareholding.

**2. BASIS OF FINANCIAL STATEMENT PREPARATION**

2.1 Statement of compliance

The accompanying financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") issued by the Federation of Accounting Professions and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act. These financial statements are officially prepared in the Thai language. The translation of these financial statements to other languages must be in compliance with the official report in Thai.

The consolidated and separate financial statements have been prepared on a historical cost basis, except as otherwise disclosed specifically.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to use certain critical accounting estimates and to exercise judgement in the process of adopting and application the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

## 2.2 Principles of consolidation

The consolidated financial statements include the financial statements of N.D. Rubber Public Company Limited and subsidiaries which the Company can exercise control or holdings the voting shares more than 50 percentage of total voting shares as follow:

Subsidiary Companies	Country	Percentage of holding (%)		Nature of business
		2021	2020	
<u>Direct</u>				
N.D. Interparts Co., Ltd.	Thailand	91.77	91.77	Manufacturing and distributing rubber and synthetic products for automobile and motorcycle
N.D. Energy Fusion Co., Ltd.	Thailand	-	98.33	Researching, manufacturing and distributing of wireless electrical equipment and system
FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD.	Malaysia	100.00	100.00	Distributing of bicycle motorcycle and tyres and tubes and other rubber related product
<u>Indirect</u>				
FKR MARKETING SND.BHD.	Malaysia	100.00	100.00	Distributing bicycle and motorcycle tyres and tubes
GCB TRADING SDN.BHD.	Malaysia	100.00	100.00	Distributing footwear

Significant inter-company transactions with subsidiaries and indirect subsidiaries included in the consolidated financial statements have been eliminated.

The consolidated financial statements have been prepare using the same accounting policies for similar transactions or accounts of similar nature in the preparation of the Company's financial statements.

### *Subsidiary*

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The total assets of subsidiaries as at 31 December 2021 and 2020 and total revenues for the years ended 31 December 2021 and 2020, as included in the consolidated financial statements presented in term of percentages as follow:

	Percentage of subsidiary's total assets to consolidated total assets		Percentage of subsidiary's total revenues to consolidated total revenues	
	31 December	31 December	For the years ended 31 December	
	2021	2020	2021	2020
<u>Subsidiary companies</u>				
N.D. Interparts Co., Ltd.	2.18	2.08	5.62	4.14
N.D. Energy Fusion Co., Ltd.	-	0.34	-	-
FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD.				
	26.09	26.15	37.51	38.99

### 3. CHANGES IN THE FINANCIAL REPORTING STANDARDS

3.1 Thai Financial Reporting Standards, Interpretations and guidance which effective for the accounting period beginning on or after 1 January 2021 are as follows:

3.1.1 Thai Accounting Standard 1, "Presentation of financial statements" and Thai Accounting Standard 8, "Accounting policies, Changes in Accounting Estimates and Errors"

The amendment definition of "Materiality" to comply with the Financial Reporting Standards and frameworks. Including the explanation that clarified the materiality application to Thai Financial Reporting Standard 1. The amendment also makes consequential amendments to other Thai Financial Reporting Standards including TAS 8, TAS 10, TAS 34 and TAS 37.

3.1.2 Thai Financial Reporting Standard 3, "Business combinations"

This standard was amended to provide more consideration as follow;

- Provide an option for the entity to use "Concentration Test" that allows a simplified assessment of whether a transaction is an acquired of assets or a business combination.
- The amendment definition of "Business" that define the business combination must include, at a minimum, an input and a substantive process that are collective significantly contribute to the ability to create outputs. Furthermore, amendment definition of "Outputs" which focus on goods and services provided to the customers and removing the reference to an ability to lower the costs.

### 3.1.3 Thai Financial Reporting Standard 9, "Financial instruments" and Thai Financial Reporting Standard 7, "Disclosure of Financial instruments"

These standards change specific hedge accounting requirements to relief the uncertainties arising from the impact of interest rate benchmark reform including the effects of changes to contractual cash flow or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate such as Interbank offer rates - IBORs. In addition, the amendment requires the entity to provide information of all hedging relationships directly affected by such uncertainty.

### 3.1.4 Conceptual Framework for Financial Reporting

The amendment conceptual framework in definition of assets and liabilities and criteria for recognizing assets and liabilities in financial statements. The principles and practices are as following:

- Measurement including factors to be considered when selecting a benchmark basis
- Presentation and disclosure including classification of revenue and expenses in other comprehensive income.
- Derecognition assets and liabilities from financial statements.

In addition, this framework describes about responsibilities by function, conservative consideration concept, and uncertainty in the measurement of values in the preparation of financial information. The revision in conceptual framework also affects the revision in Thai Financial Reporting Standards including TAS 1, TAS 8, TAS 34, TAS 37, TAS 38, TFRS 2, TFRS 3, TFRS 6, TFRIC 12, TFRIC 19, TFRIC 20, TFRIC 22 and TSIC 32.

### 3.1.5 Thai Financial Reporting Standard 16, "Lease"

This standard amends of Covid-19 related rent concessions which permits lessees, as a practical expedient, not to assess whether rent concessions that meet specified conditions are lease modifications.

However, the Group has initially applied revised Thai Financial Reporting Standards that are effective for annual periods beginning on or after 1 January 2021 and has not early adopted Thai Financial Reporting Standards which are not yet effective. The application has no material impact on the financial statements.

3.2 Financial Reporting Standards and guidance which effective for the accounting period beginning on or after 1 January 2022 are as follows:

Thai Financial Reporting Standard 9, "Financial instruments", Thai Financial Reporting Standard 7, "Disclosure of Financial instruments", Thai Financial Reporting Standard 16, "Lease", Thai Financial Reporting Standard 4, "Insurance Contracts" and accounting guidance, financial instruments and disclosures for insurance business

Interest rate benchmark (IBOR) reform – phase 2 provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flow or hedging relationship arising from the change of interest rate benchmark to alternative benchmark rates. The significant information are as follows:

- Applying a practical expedient on relief measurement when changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), have to comply with 2 conditions are 1) the changes that are necessary as a direct result of the IBOR reform and 2) the new basis for determining contractual cash flows is considered economically equivalent, will not result in an immediate gain or loss in the statement of profit or loss. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS7 requires addition disclosures as follows:

- The nature and extent of risks arising from the IBOR reform including methods that the entity uses in managing for the transition to alternative benchmark rates.
- The quantitative information related to the financial instruments that have yet transitioning to an alternative benchmark rate as at the end of the reporting period, by separate significant benchmark rates under the IBOR reform.
- The changing to an entity's risk management strategies that the risk arising from financial instruments and transition to alternative benchmark rates.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

##### Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

##### Trade accounts receivable and allowance for impairment losses

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade accounts receivable are presented at the net realizable value. The Group applies the TFRS 9 simplified approach to measure expected credit losses, which requires expected lifetime losses to be recognized from initial recognition of the trade accounts receivable. To measure the expected credit losses, trade accounts receivable have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on economic factors affecting the ability of the customers to settle the receivables. The impairment losses are recognized in profit or loss.

##### Inventories

Inventories are presented at the lower of cost or net realizable value. Cost is calculated by the following methods:

Finished goods, work in process and raw materials	- At cost (FIFO method)
Other supplies	- At cost (moving average method)

Net realizable value is the estimated selling price in the ordinary course of business less the costs of completion (for work in process) and selling expenses. Provision is made, where necessary, for slow moving and defective inventories based on the Group's experiences and the current information.

##### Investments in subsidiaries

Investments in subsidiaries in the separate financial statements is accounted for by cost method. The Company recognizes gain or loss on disposal in the statement of profit or loss in the year which sales of investment occurred. In case of impairment on investment, the Company will recognize loss on impairment of investment as expense in the statement of profit or loss.

##### Investment in associated company

Associated company is a company in which the Group has significant influence, but not control, over the financial and operating policies. Investment in associated company in the separate financial statements is accounted for using the cost method less allowance for impairment (if any).

In the consolidated financial statements, the equity method is applied which include the Group's share of the recognized gains and losses of associated company on an equity accounting basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of loss exceeds its interest in an associated company, the Group's carrying amount is reduced to zero and the recognition of further loss is discontinued except to the extent that the Group has legal or constructive obligation to make payment on behalf of the associated company.

#### Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated company and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.

#### Property, plant and equipment

##### *Recognition and measurement*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (If any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income in profit or loss.

##### *Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

##### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

	Years
Buildings and construction	10 - 50
Machinery and factory equipment	5 - 25
Factory equipment	2 - 20
Furniture, fixture and office equipment	3 - 15
Vehicles	7 - 10

No depreciation is provided on freehold land or assets in transit and construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### Intangible assets

##### *Computer software*

Computer software is presented at cost less accumulated amortization. Amortization is calculated by reference to cost on a straight-line method over the estimated period of 5 years.

##### *Trademarks*

The Group's trademarks represent trademarks under the name "FKR and GCB" Trademarks acquired in a business combination and are recognized at fair value at the acquisition date. The Group continues to use the trademarks in commercial; and therefore, the trademarks have a finite useful life of 28 years and carried at the cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the trademarks.

##### *Customer relationships*

Customer relationships acquired in a business combination and are recognized at fair value at the acquisition date. The customer relationships have a finite useful life of 8 years are carried at the cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the customer relationships.

##### *Goodwill*

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less allowance for impairment.



### Non-current assets held for sale

Non-current assets held for sale comprising assets that are expected to be recovered primarily through sale rather than through continuing use.

Classification of the assets as held for sale occurs only when the assets are available for immediate sale in its present condition subject only to terms that are usual, and customer and the sale must be highly probable. Management must be committed to a plan to sell the assets which are expected to qualify for recognition as a completed sale within one year from the date of classification. Action required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or plan will be withdrawn.

Immediately before classification as held for sale, the assets are remeasured in accordance with the Company's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment once classified as non-current assets held for sale is not depreciated.

### Impairment

The Group assess whether there is an indication that any asset may be impaired. If any such indication exists, the Group make an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the statement of profit or loss. An asset recoverable amount is the higher of fair value less costs to sell or value in use.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognized in profit or loss.

### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions. Foreign currency differences are recognized in profit or loss as incurred.

### *Foreign subsidiary*

The assets and liabilities of foreign subsidiary are translated into Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign subsidiary are translated into Thai Baht at rates approximating the exchange rates at the dates of the transactions.

## Employee benefits

### *Short-term employment benefits*

Salaries, wages, bonuses and contribution to the social security are recognized as expenses when incurred on the accrual basis.

### *Post-employment benefits (Defined contribution plan)*

The Company and subsidiaries in Thailand with their employees have jointly established a provident fund plan whereby monthly contribution are made by employees and by the Company and subsidiaries. The fund's assets are held in a separate trust fund from the Company's and subsidiaries assets. The Company's and subsidiaries contribution to the fund are recognized as expenses when incurred.

### *Post-employment benefits (Defined benefit plan)*

The Company and subsidiaries in Thailand have obligation in respect of the severance payment to employees upon retirement under the labour law. The Company and subsidiaries set up the obligation under the defined benefits plan based on actuarial techniques, using the discount method on each projected unit.

The defined benefits liability comprises the present value of the defined benefit obligation and actuarial gains (losses).

Actuarial gains or losses arising from post-employment benefits are recognized immediately in other comprehensive income.

## Right-of-use assets

### *Leases - where the Group are the lessee*

The Group recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the exercise price under a purchase option that the Group is reasonably certain to exercise.

After initial cost measurement, when the lease liability is re-measured to reflect changes to the lease payments, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

The Group recognizes the short-term leases payment and leases of low-value assets payment associated with these leases as an expense on a straight-line basis over the lease term. The short-term leases is lease which had lease term of 12 months or less.

#### Revenue and expenditure recognition

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

#### Sale of goods

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for estimated returns, which are estimated based on the historical data.

Interest income is recognized on an accrual basis on a time proportion that reflects the effective yield on the asset.

Dividend income is recognized when the right to receive the dividend is established.

Other income is recognized on an accrual basis.

Expense are recognized base on an accrual basis during the period.

#### Income tax

Income tax expense for the year comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

#### *Current income tax*

Current income tax is the expected tax payable or claimable, under the income tax prevailing, on the taxable profit or loss for the year, using tax rates enacted or substantially enacted at the end of the reporting year, and any adjustment to tax payable in respect of previous years.

### *Deferred tax*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purpose. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of the reporting year.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and if they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they are intended to be settled on a net basis or when income tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

### Financial instrument

#### *Recognition and derecognition*

The Group shall recognize a financial asset or a financial liability when the Group becomes party to the contractual provisions of the instrument.

The Group shall derecognized a financial asset when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

#### *Initial recognition and measurement of financial assets*

The Group classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset (SPPI)

with the exception of allowance for impairment losses from trade accounts receivable as separable.

#### *Subsequent measurement of financial assets*

##### Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions:

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

#### Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

#### *Impairment of financial assets*

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

#### *Initial recognition and measurement of financial liabilities*

At initial recognition the Group's financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost.

The Group's financial liabilities include bank overdraft and short-term loans from bank, trade accounts payables, and accounts payable for purchases of fixed assets, and long-term loan.

#### *Subsequent measurement of financial liabilities*

##### Financial liabilities at amortized cost

After initial recognition, carrying amounts are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

#### Share premium

The Company recorded cash received in excess of the par value of the shares issued as share premium in the statement of financial position, share premium are deducted from any transaction costs associated with the issuing of shares and related income tax benefits.

#### Dividend payment

Dividend payment is recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors.

#### Basic earnings per share

Basic earnings per share is determined by dividing the profit (loss) for the year by the weighted average number of ordinary shares outstanding during the year.

#### Segment reporting

Segment results that are reported to chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### Provisions for liabilities and expenses and contingent assets

Provisions for liabilities and expenses are recognized in the financial statements when the Group have a present legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent assets will be recognized as separate assets only when the realization is virtually certain.

## **5. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENT**

#### Use of accounting estimates

When preparing the financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Critical accounting estimates, assumption and judgments are as follow:

#### 5.1 Impairment losses of trade accounts receivable

The Group estimates impairment losses of trade accounts receivable by measuring the expected credit losses, trade accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced and the impact of potential factor to the expected loss rates.

## 5.2 Allowance for impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is "significant" or "prolonged" requires management judgment.

## 5.3 Allowances for slow-moving and defective inventories

The Group estimates allowances for slow-moving and defective inventories to reflect impairment of inventories. The allowances are based on the consideration of inventory turnovers and deterioration of each category.

## 5.4 Plant, equipment and intangible assets

Management regularly determines the estimated useful lives and residual values for the Group's plant, equipment and intangible assets, and will revise the depreciation where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or when they are no longer in used.

## 5.5 Impairment of assets

The Group treat asset as impaired when there has been a significant or prolonged decline in the fair value. The determination of what is "significant" or "prolonged" requires management judgment.

## 5.6 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by asset or the cash generated by the asset or the cash generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows.

## 5.7 Post-employment benefits (defined benefit plans)

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. Actual post-retirement costs may ultimately differ from these estimates.

## 5.8 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable profit against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

## 5.9 Leases

### *Determine the lease terms*

The Group shall determine the lease term is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, the Group shall consider all relevant ducts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Group shall revise the lease term if there is a change in the non-cancellable of a lease by may be caused by the group of companies using (or not exercising) rights. The reasonably certain assessment of certainty upon the occurrence of either a significant event or a significant change in circumstances. This has an impact on assessment of the lease term and is under the control of the Group.

### *Determination of the discount rate on lease liabilities*

The Group assessment interest rate of incremental borrowing of lessee. Using information provided by third-party financing of each leasing entity and updating information obtained to reflect changes in the tenant's financial factors, if possible.

## 6. CASH AND CASH EQUIVALENTS

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Cash	157,997	197,611	100,000	100,000
Cash at banks				
- Current account	96,261,241	89,221,840	15,781,606	15,218,293
- Saving account	62,785,646	36,346,561	26,721,521	15,824,035
Total	<u>159,204,884</u>	<u>125,766,012</u>	<u>42,603,127</u>	<u>31,142,328</u>



The currency denomination of cash and cash equivalents as at 31 December 2021 and 2020 are as follows:

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
THB	37,390,016	32,866,075	33,199,431	21,210,260
MYR	112,411,172	88,650,273	-	5,682,404
USD	9,403,696	4,249,664	9,403,696	4,249,664
Total	<u>159,204,884</u>	<u>125,766,012</u>	<u>42,603,127</u>	<u>31,142,328</u>

## 7. TRANSACTIONS WITH RELATED PARTIES

The Company has certain business transactions with its related companies which are related through common shareholding and/or management. Such transactions are made under the conditions and terms of general trade practice with prices approximate the market.

Relationship with related parties were as follows:

Name	Relationship
N.D. Interparts Co., Ltd.	Subsidiary company
N.D. Energy Fusion Co., Ltd.	Subsidiary company
FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD.	Subsidiary company
FKR MARKETING SND.BHD.	Indirect subsidiary company
GCB TRADING SDN.BHD.	Indirect subsidiary company
Etran (Thailand) Co., Ltd.	Associated company
T.Thai Charoen Service Co., Ltd.	Co-director
T.Thai Chareon Rubber Co., Ltd.	Co-director
S.M.K. Industry Co., Ltd.	Co-director
Thai Saengareon Services Co., Ltd.	Co-director
Thai Chareon Service Tyre Co., Ltd.	Co-director
Siam Plastwood Co., Ltd.	Co-director
Siam sanshin Co., Ltd.	Same director and shareholders
Sangcharoen Tools Center Co., Ltd.	Family member of director
White House Plastic Limited Partnership	Family member of director
Mr.Thanapol Samrittivanicha	Family member of director

Significant transactions with related parties for the years ended 31 December 2021 and 2020 are as follows:

		(Unit : Baht)			
		Consolidated F/S		Separate F/S	
		For the years ended 31 December			
Pricing Policy		2021	2020	2021	2020
<u>Sales of goods</u>					
- Subsidiary company	Agreed price	-	-	180,242	167,150
- Indirect subsidiary company	Agreed price	-	-	216,893,169	214,715,913
- Associated company	Agreed price	673,000	-	673,000	-
- Related parties	Agreed price	3,398,016	4,144,872	3,398,016	4,144,872
Total		<u>4,071,016</u>	<u>4,144,872</u>	<u>221,144,427</u>	<u>219,027,935</u>
<u>Purchase of raw materials</u>					
- Subsidiary company	Agreed price	-	-	2,154,985	2,316,758
- Associated company	Agreed price	12,385	-	12,385	-
- Related companies	Agreed price	474,290	541,932	363,792	541,932
Total		<u>486,675</u>	<u>541,932</u>	<u>2,531,162</u>	<u>2,858,690</u>
<u>Rental income</u>					
- Subsidiary company	Agreed price	-	-	1,656,000	1,656,000
<u>Service income</u>					
- Subsidiary company	Agreed price	-	-	11,421	142,496
<u>Sales of asset</u>					
- Subsidiary company	Agreed price	-	-	-	43,500
<u>Electricity expense</u>					
- Subsidiary company	Agreed price	-	-	490,139	430,365
<u>Key directors and management compensation</u>					
Short-term benefits		12,958,877	12,046,665	7,737,572	7,586,006
Provision for post-employment benefit		139,320	131,996	120,879	114,495
Total		<u>13,098,197</u>	<u>12,178,661</u>	<u>7,858,451</u>	<u>7,700,501</u>

As at 31 December 2021 and 2020, the outstanding balances with related parties are as follows :

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
<u>Trade accounts receivable</u>				
- Subsidiary company	-	-	19,009	20,493
- Indirect subsidiary company	-	-	20,527,960	20,899,484
- Related parties	551,325	647,922	551,325	647,922
Total	<u>551,325</u>	<u>647,922</u>	<u>21,098,294</u>	<u>21,567,899</u>
<u>Trade accounts payable</u>				
- Subsidiary company	-	-	447,515	427,546
- Related companies	217,372	98,468	161,664	71,697
Total	<u>217,372</u>	<u>98,468</u>	<u>609,179</u>	<u>499,243</u>
<u>Other account payable</u>				
- Subsidiary company	-	-	86,299	84,595
<u>Key directors and management compensation</u>				
- Employee benefits obligation	1,546,322	1,407,002	1,312,207	1,191,328

## 8. TEMPORARY INVESTMENTS

	(Unit : Baht)	
	Consolidated and Separate F/S	
	2021	2020
Temporary investments		
Mutual fund	-	14,201,558
Unrealized gain on changing in value of investment	-	31,703
Total	<u>-</u>	<u>14,233,261</u>

During the years ended 31 December 2021 and 2020, movements of temporary investments are as follows

	(Unit : Baht)	
	Consolidated and Separate F/S	
	2021	2020
Fair value as at 1 January	14,233,261	254,982
Purchases	1,450,000	34,200,000
Disposals	(15,731,325)	(20,255,948)
Unrealized gain on changing in fair value of temporary investment	-	31,703
Gain on disposal of temporary investments	48,064	2,524
Fair value as at 31 December	-	14,233,261

On 27 March 2020, TMB Asset Management Company Limited announced the closure of the fund and on 5 June 2020, it announced the refund to unitholders in each period according to a rate specified in the such announcement.

## 9. TRADE ACCOUNTS RECEIVABLE

As at 31 December 2021 and 2020, the aged of trade accounts receivable are as follows :

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
<u>Trade accounts receivable - general customers</u>				
Not yet due	103,715,821	82,637,105	34,099,980	27,993,180
Over due :				
Less than 3 months	11,330,968	16,614,071	9,174,437	8,536,571
3 - 6 months	187,428	187,493	480	187,493
6 - 12 months	268,438	1,386,988	82,820	1,386,988
Over 12 months	3,297,414	10,201,564	2,513,533	8,620,162
Total	118,800,069	111,027,221	45,871,250	46,724,394
<u>Less</u> Impairment losses	(2,917,460)	(7,676,110)	(2,861,849)	(6,882,907)
Net	115,882,609	103,351,111	43,009,401	39,841,487
<u>Trade accounts receivable - related parties</u>				
Not yet due	291,443	424,322	20,838,412	21,344,299
Over due :				
Less than 3 months	259,882	223,600	259,882	223,600
Net	551,325	647,922	21,098,294	21,567,899

Impairment losses of accounts receivable as at 31 December 2021 and 2020 are as follow:

(Unit : Baht)

The aged of accounts receivable	Consolidate F/S			
	31 December 2021		31 December 2020	
	Book Value	Impairment losses	Book Value	Impairment losses
Not yet due	104,007,264	211,515	83,061,427	242,991
Less than 3 months	11,590,850	106,701	16,837,671	548,822
3 - 6 months	187,428	47	187,493	31,401
6 - 12 months	268,438	30,053	1,386,988	381,618
Over 12 months	3,297,414	2,569,144	10,201,564	6,471,278
<b>Total</b>	<b>119,351,394</b>	<b>2,917,460</b>	<b>111,675,143</b>	<b>7,676,110</b>

(Unit : Baht)

The aged of accounts receivable	Separate F/S			
	31 December 2021		31 December 2020	
	Book Value	Impairment losses	Book Value	Impairment losses
Not yet due	54,938,392	211,515	49,337,479	242,991
Less than 3 months	9,434,319	106,701	8,760,171	548,822
3 - 6 months	480	47	187,493	31,401
6 - 12 months	82,820	30,053	1,386,988	381,618
Over 12 months	2,513,533	2,513,533	8,620,162	5,678,075
<b>Total</b>	<b>66,969,544</b>	<b>2,861,849</b>	<b>68,292,293</b>	<b>6,882,907</b>

During the years ended 31 December 2021 and 2020, the movements in impairment losses of trade accounts receivable as follow:

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Balance as at 1 January	7,676,110	3,501,658	6,882,907	1,915,844
Decrease from disposal of investment in subsidiary	-	(790,638)	-	-
Add Impairment losses	-	4,967,063	-	4,967,063
Less Reversal impairment losses	(4,791,192)	(14,322)	(4,021,058)	-
Exchange differences from financial statements translation	32,542	12,349	-	-
Balance as at 31 December	<u>2,917,460</u>	<u>7,676,110</u>	<u>2,861,849</u>	<u>6,882,907</u>

#### 10. INVENTORIES

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Raw materials	38,279,779	14,948,700	37,815,930	14,634,672
Work in process	12,988,117	7,989,825	11,796,533	6,645,231
Finished goods	87,033,776	91,766,753	23,062,198	18,571,509
Supply inventories	2,948,534	2,509,047	2,356,101	2,057,566
Fuel	465,595	336,765	465,595	336,765
Packaging	3,778,961	3,325,446	3,748,539	3,286,989
Goods in transit	6,461,313	9,325,068	-	7,258,530
Total	<u>151,956,075</u>	<u>130,201,604</u>	<u>79,244,896</u>	<u>52,791,262</u>
Less Allowance for obsolete and declining values of inventories	(5,134,791)	(9,011,224)	(556,104)	(503,840)
Inventories - net	<u>146,821,284</u>	<u>121,190,380</u>	<u>78,688,792</u>	<u>52,287,422</u>

Inventories recognized as an expense in cost of sales during the years ended 31 December 2021 and 2020 are as follows :

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Cost of sales	689,872,197	593,246,776	544,087,958	478,465,711
Write-down to net realizable value	1,042,463	4,083,655	168,263	-
Reversal of write-down	(5,369,773)	(6,307,729)	(115,999)	(42,931)
<b>Net</b>	<b>685,544,887</b>	<b>591,022,702</b>	<b>544,140,222</b>	<b>478,422,780</b>

During the years ended 31 December 2021 and 2020, the movements of allowances for obsolete and declining value of inventories are as follows:

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Beginning balance as at 1 January	9,011,224	11,081,422	503,840	546,771
Decrease from disposal of investment in subsidiary	-	(5,619)	-	-
<u>Add</u> Allowance for obsolete inventories	1,042,463	4,083,655	168,263	-
<u>Less</u> Reversal of allowance for obsolete inventories	(3,018,385)	(1,396,138)	(115,999)	(42,931)
Written-off	(2,351,388)	(4,911,591)	-	-
Exchange differences from financial statements translation	450,877	159,495	-	-
<b>Ending balance as at 31 December</b>	<b>5,134,791</b>	<b>9,011,224</b>	<b>556,104</b>	<b>503,840</b>

## 11. NON-CURRENT ASSETS HELD FOR SALE

	(Unit : Baht)
	Consolidated F/S
	<u>Building and construction</u>
<b>Cost</b>	
1 January 2020	-
Transfer from property, plant, and equipment	8,997,197
31 December 2020	<u>8,997,197</u>
Disposals	(8,997,197)
31 December 2021	<u>-</u>
<b>Accumulated amortization</b>	
1 January 2020	-
Transfer from property, plant, and equipment	899,720
31 December 2020	<u>899,720</u>
Accumulated depreciation for disposals	(899,720)
31 December 2021	<u>-</u>
<b>Net book value</b>	
31 December 2020	<u>8,097,477</u>
31 December 2021	<u>-</u>

During the year 2020 and 2021, the subsidiary in overseas entered into sales and purchase agreements with a third party for the disposal of its properties in which such transactions were completed in the year 2021.





N.D. Interparts Co., Ltd.

At the 2021 Annual General Meeting of Shareholder of N.D. Interparts Co., Ltd. (Subsidiary company), held on 19 April 2021, the shareholders of subsidiary passed the resolution to pay dividend from profit for the year ended 31 December 2020 at Baht 10.00 per share, totalling Baht 0.61 million. The dividend was paid by subsidiary on 14 May 2021.

FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD.

On 30 April 2021, the shareholders of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. (Subsidiary company) passed the resolution to pay dividend from profit for the year ended 31 December 2021 at MYR 0.05 per share, totalling MYR 1.00 million (equivalent to Baht 7.61 million). The dividend was paid by subsidiary on 6 July 2021.

On 31 January 2020, the shareholders of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. (Subsidiary company) passed the resolution to pay dividend from profit for the year ended 31 December 2020 at MYR 0.08 per share, totalling MYR 1.50 million (equivalent to Baht 11.16 million). The dividend was paid on 7 February 2020.

N.D. Energy Fusion Co., Ltd.

At the Board of Directors' Meeting No. 2/2021, held on 11 May 2021, the Board of Directors passed resolutions to approve to cease operation of N.D. Energy Fusion Co., Ltd., a subsidiary with 98.33% shareholding. The cease of the subsidiary's operation does not have any significant affect to the Company's operation and financial statements because the Company had already set up provision for impairment in investment as at 31 March 2021 to present with the recoverable amount. The subsidiary proceeds the registration of business dissolution and liquidation with the Department of Business Development under the Ministry of Commerce on 28 June 2021. The Company had received payback from subsidiary amount of Baht 4.74 million on 9 July 2021.

Mascasey Trading Co., Ltd.

On 27 February 2020, at the Board of Directors No. 1/2020, passed a resolution to disposal investment in Mascasey Trading Co., Ltd. of Baht 500,000 which equal its book value in the separate financial statements with 5 installments, each of Baht 100,000. The Company had transferred shares of said subsidiary on 2 March 2020.

### 13. INVESTMENT IN ASSOCIATED COMPANY

Investment in associated company as at 31 December 2021 comprise of:

(Unit : Baht)

Associated company	Location	Type of business	Percentage of shareholding	Paid-up share capital	Cost method	Equity method
ETRAN (Thailand) Co., Ltd.	Thailand	Manufacturing and distributing electronic motorcycle	35	75,000,000	100,333,100	100,091,025

At the Board of Directors' Meeting No. 2/2021, held on 11 May 2021, the Board of Directors passed resolutions to approve to invest in ETRAN (Thailand) Co., Ltd. The Company acquired ordinary share of ETRAN (Thailand) Co., Ltd. at 35% of paid-up share capital shareholding, totalling amount of Baht 60.20 million and appoint Mr. Chaiyasit Samrittivanicha to be a director of said company. The Company settled for the investment cost by allocation of newly issued ordinary share of the Company as Private Placement, which was approved by the 2021 Annual General Meeting of Shareholder, to ETRAN (Thailand) Co., Ltd. which was determined by reference the weighted average of market price for 15 consecutive trading days prior to the date of the Board of Directors' Meeting resolved to allot offer the newly issued common share.

At the Extraordinary General Meeting of shareholders' associated company No. 3/2021, held on 29 October 2021, the shareholders passed the resolutions to approve the increased of its registered share capital from Baht 45 million to Baht 75 million, by issuing 300,000 common shares at par value of Baht 100. The associated company registered the increment of share capital with Department of Business Development under the Ministry of Commerce on 9 November 2021.

At the Board of Directors' Meeting No. 4/2021, held on 29 October 2021, the Board of Directors passed resolutions to approve to invest in share increment of ETRAN (Thailand) Co., Ltd. of Baht 40.13 million. There was no change in the percentage of shareholding in this associated company.

At the Board of Directors Meeting of associated company No. 4/2021, held on 3 November 2021, the Board of Directors of associated company passed resolutions to approve to invest in ETRAN Rental Co., Ltd. at 99.99% of paid-up share capital for 49,997 shares at Baht 100 par value, totaling Bath 4,999,700.

As at 31 December 2021, the Company was completed the purchase price allocation for the acquisition of the associated company.

The reconciliation of the financial information with the associated company's net assets is as follows:

	(Unit: Thousand Baht) 12 May 2021 (Investment date)
Net assets of associated company at the acquisition date	9,021
Portion of shareholding in ETRAN (Thailand) Co., Ltd. (percentage)	35.00
Share of net assets	3,157
Goodwill	57,043
Carrying amount of associated company at the acquisition date	<u>60,200</u>

Movements in investment in associated company which are accounted for by the equity method in the consolidated financial statements for the year ended 31 December 2021 are as follows:

	(Unit : Thousand Baht) Consolidated F/S
Balance as at 1 January 2021	-
Acquisition of associated company	60,200
Additional investment during the year	40,133
Share of loss from associated company	(229)
Other	(13)
Balance as at 31 December 2021	<u>100,091</u>

Summary of the financial information of the associated company is as follow:

	(Unit: Thousand Baht) Consolidated F/S 31 December 2021
<b>Statements of financial position</b>	
Current assets	210,265
Non-current assets	15,564
Current liabilities	(14,966)
Non-current liabilities	-
<b>Net assets</b>	<u>210,863</u>

	Unit: Thousand Baht) Consolidated F/S
	For the period from 12 May to 31 December 2021
<b>Statement of profit or loss and other comprehensive Income</b>	
Revenue	904
Profit for the period	(655)
Other comprehensive income	-
<b>Total comprehensive income</b>	<b>(655)</b>
Depreciation and amortization	667
Interest expense	17
Income tax expense	20

During the year ended 31 December 2021, the Company didn't receive dividend from the associated company.

#### 14. NON - CONTROLLING INTERESTS

Subsidiaries with material non-controlling interests are as follow :

	(Unit : Thousand Baht)					
	Proportion of ownership interests and voting rights held by the NCI (%)		Total comprehensive income allocated to NCI		Accumulated NCI	
	2021	2020	2021	2020	2021	2020
N.D. Interpart Co., Ltd.	8.23	8.23	258	52	2,047	1,839
Mascasey Trading Co., Ltd.	-	-	-	(103)	-	-
N.D. Energy Fusion Co., Ltd.	-	1.67	-	-	-	80
Total			258	(51)	2,047	1,919

Summary of financial information of subsidiary companies before eliminating are as follow:

	N.D. Interpart Co., Ltd.	(Unit : Thousand Baht) N.D. Energy Fusion Co., Ltd.
	For the year ended 31 December 2021	For the period from 1 January 2021 to 28 June 2021
Total revenue	60,080	-
Profit (loss) for the year attributable to Company's shareholder	3,018	(7)
Profit for the year attributable to non-controlling interest	271	-
Profit (loss) for the year	<u>3,289</u>	<u>(7)</u>
Current assets	19,100	-
Non-current assets	14,633	-
Current liabilities	(7,312)	-
Non-current liabilities	(1,722)	-
Net assets	<u>24,699</u>	<u>-</u>
Attributable to non-controlling interests	<u>2,032</u>	<u>-</u>
Net cash provided from operating activities	2,409	-
Net cash used in investing activities	(6,074)	-
Net cash used in financing activities	(610)	-
Net decrease in cash flow	<u>(4,275)</u>	<u>-</u>

	N.D. Interpart Co., Ltd.	Mascasey Trading Co., Ltd.	N.D. Energy Fusion Co., Ltd.
	For the year ended 31 December 2020	For the period from 1 January 2020 to 2 March 2020	For the year ended 31 December 2020
Total revenue	41,179	71	-
Profit (loss) for the year attributable to Company's shareholder	585	(104)	(3)
Profit (loss) for the year attributable to non-controlling interest	52	(103)	-
Profit (loss) for the year	637	(207)	(3)
Current assets	19,661	-	4,833
Non-current assets	9,956	-	-
Current liabilities	(6,092)	-	(5)
Non-current liabilities	(1,355)	-	-
Net assets	22,170	-	4,828
Attributable to non-controlling interests	1,839	-	80
Net cash provided from operating activities	3,846	-	-
Net cash used in investing activities	(299)	-	-
Net increase in cash flow	3,547	-	-

**15. PROPERTY, PLANT AND EQUIPMENT**

(Unit : Baht)

	Consolidated F/S						Total
	Land and improvement	Building and construction	Machinery and factory tools	Factory equipment	Furniture and office Equipment	Vehicles	
<b>Cost</b>							
1 January 2020	99,094,441	390,852,016	475,942,143	56,726,909	13,655,807	31,408,695	1,081,303,271
Impact of first-time adoption of new financial reporting standard	-	-	(44,500,000)	-	-	(8,487,570)	(52,987,570)
Decrease from disposal of investment in subsidiary	-	-	-	-	(77,100)	-	(77,100)
Acquisitions	-	128,000	3,370,881	2,556,441	1,425,840	993,738	11,034,944
Disposals	-	-	(664,325)	(91,407)	(414,150)	(842,160)	(2,012,042)
Written-off	-	-	-	(341,756)	(139,511)	-	(571,626)
Exchange differences from financial statements translation	1,019,776	1,510,239	321,383	39,102	39,651	146,561	3,076,712
Transfer to non-current assets held for sale	-	(8,997,197)	-	-	-	-	(8,997,197)
31 December 2020	100,114,217	383,493,058	434,470,082	58,889,289	14,490,537	23,219,264	1,030,288,125
Acquisitions	-	4,713,238	965,640	5,109,599	338,401	5,024,000	18,658,204
Disposals	-	(13,624,225)	(5,187,558)	(72,145)	(33,442)	(2,069,672)	(20,987,042)
Written-off	-	-	(9,117,893)	(607,986)	(153,933)	-	(9,881,182)
Exchange differences from financial statements translation	5,198,166	20,367,767	1,570,493	186,937	179,546	735,547	28,238,456
Transfer from right-of-use assets	-	-	44,500,000	-	-	6,070,500	50,570,500
Transfer in/(out)	-	-	799,575	2,512,549	-	-	(3,312,124)
31 December 2021	105,312,383	394,949,838	468,000,339	66,018,243	14,821,109	32,979,639	1,096,887,061



(Unit : Baht)

## Consolidated F/S

	Land and improvement	Building and construction	Machinery and factory tools	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
<b>Accumulated depreciation</b>								
1 January 2020	-	136,693,302	263,306,601	38,753,353	9,584,139	15,572,181	-	463,909,576
Impact of first-time adoption of new financial reporting standard	-	-	(5,786,056)	-	-	(1,688,424)	-	(7,474,480)
Decrease from disposal of investment in subsidiary	-	-	-	-	(38,040)	-	-	(38,040)
Depreciation for the year	-	13,367,325	16,994,446	3,683,295	292,168	3,302,698	-	37,639,932
Accumulated depreciation for disposals	-	-	(662,126)	(77,116)	(339,500)	(674,837)	-	(1,753,579)
Accumulated depreciation for written-off	-	-	-	(324,908)	(124,236)	-	-	(449,144)
Exchange differences from financial statements translation	-	125,240	355,891	41,904	46,865	74,594	-	644,494
Transfer to non-current asset held for sale	-	(899,720)	-	-	-	-	-	(899,720)
31 December 2020	-	149,286,147	274,208,756	42,076,528	9,421,396	16,586,212	-	491,579,039
Depreciation for the year	-	13,057,709	18,570,758	1,278,595	3,330,113	2,328,951	-	38,566,126
Accumulated depreciation for disposals	-	(12,000)	(1,070,762)	(47,403)	(26,456)	(2,003,408)	-	(3,160,029)
Accumulated depreciation for written-off	-	-	(9,117,842)	(587,305)	(114,213)	-	-	(9,819,360)
Exchange differences from financial statements translation	-	730,132	1,750,092	(41,013)	1,350,243	(120,465)	-	3,668,989
Transfer from right-of-use assets	-	-	8,998,365	-	-	2,276,437	-	11,274,802
31 December 2021	-	163,061,988	293,339,367	42,679,402	13,961,083	19,067,727	-	532,109,567
<b>Net book value</b>								
31 December 2020	100,114,217	234,206,911	160,261,326	16,812,761	5,069,141	6,633,052	15,611,678	538,709,086
31 December 2021	105,312,383	231,887,850	174,660,972	23,338,841	860,026	13,911,912	14,805,510	564,777,494

(Unit : Baht)

Consolidated F/S

	Land and improvement	Building and construction	Machinery and factory tools	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
<b>Depreciation for the year 2020</b>								
Cost of sales								33,476,949
Administrative expenses								4,162,983
Total								<u>37,639,932</u>
<b>Depreciation for the year 2021</b>								
Cost of sales								35,054,943
Administrative expenses								3,511,183
Total								<u>38,566,126</u>

(Unit : Baht)

## Separate F/S

	Land and improvement	Building and construction	Machinery and factory tools	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
<b>Cost</b>								
1 January 2020	33,305,828	291,422,605	425,928,434	46,982,774	10,527,712	21,103,564	13,623,261	842,894,178
Impact of first-time adoption of new financial reporting standard	-	-	(44,500,000)	-	-	(8,487,570)	-	(52,987,570)
Acquisitions	-	128,000	3,076,011	2,270,198	1,243,699	993,738	2,560,044	10,271,690
Disposals	-	-	(664,325)	-	(367,164)	-	-	(1,031,489)
Written-off	-	-	-	-	-	-	(571,626)	(571,626)
31 December 2020	33,305,828	291,550,605	383,840,120	49,252,972	11,404,247	13,609,732	15,611,679	798,575,183
Acquisitions	-	4,400,738	435,740	4,204,405	288,023	474,000	2,507,325	12,310,231
Disposals	-	-	(5,187,558)	(64,531)	(33,442)	-	-	(5,285,531)
Written-off	-	-	(9,116,699)	(41,379)	(3,885)	-	(1,370)	(9,163,333)
Transfer from right-of-use assets	-	-	44,500,000	-	-	6,070,500	-	50,570,500
Transfer in/(out)	-	-	799,575	2,512,549	-	-	(3,312,124)	-
31 December 2021	33,305,828	295,951,343	415,271,178	55,864,016	11,654,943	20,154,232	14,805,510	847,007,050

(Unit : Baht)

## Separate F/S

	Land and improvement	Building and construction	Machinery and factory tools	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
<b>Accumulated depreciation</b>								
1 January 2020	-	127,021,731	224,590,384	29,635,654	6,997,518	9,039,657	-	397,284,944
Impact of first-time adoption of new financial reporting standard	-	-	(5,786,056)	-	-	(1,688,424)	-	(7,474,480)
Depreciation for the year	-	11,178,609	16,051,430	3,376,954	674,526	821,309	-	32,102,828
Accumulated depreciation for disposals	-	-	(662,126)	-	(299,439)	-	-	(961,565)
31 December 2020	-	138,200,340	234,193,632	33,012,608	7,372,605	8,172,542	-	420,951,727
Depreciation for the year	-	11,208,027	16,620,099	812,993	3,630,619	950,885	-	33,222,623
Accumulated depreciation for disposals	-	-	(1,070,762)	(46,516)	(26,456)	-	-	(1,143,734)
Accumulated depreciation for written-off	-	-	(9,116,699)	(41,379)	(3,885)	-	-	(9,161,963)
Transfer from right-of-use assets	-	-	8,998,365	-	-	2,276,437	-	11,274,802
31 December 2021	-	149,408,367	249,624,635	33,737,706	10,972,883	11,399,864	-	455,143,455
<b>Net book value</b>								
31 December 2020	33,305,828	153,350,265	149,646,488	16,240,364	4,031,642	5,437,190	15,611,679	377,623,456
31 December 2021	33,305,828	146,542,976	165,646,543	22,126,310	682,060	8,754,368	14,805,510	391,863,595

(Unit : Baht)

Separate F/S

	Land and improvement	Building and construction	Machinery and factory tools	Factory equipment	Furniture and office Equipment	Vehicles	Asset in transit and construction in progress	Total
<b>Depreciation for the year 2020</b>								
Cost of sales								30,038,877
Administrative expenses								2,063,951
Total								<u>32,102,828</u>
<b>Depreciation for the year 2021</b>								
Cost of sales								30,789,000
Administrative expenses								2,433,623
Total								<u>33,222,623</u>

As at 31 December 2021 and 2020, the costs of fully depreciated assets which are still remained in use amounted to Baht 134.21 million and Baht 129.82 million, respectively.

As at 31 December 2021 and 2020, land and buildings of the Company and subsidiary are mortgaged as collaterals for credit facilities with banks as mentioned in Notes 18 and 19.

## 16. LEASES

### 16.1 Right-of-use assets

(Unit : Baht)

Consolidated and separated F/S

	Machinery and Factory tools	Vehicles	Total
<b>Cost</b>			
1 January 2020	-	-	-
Impact of first-time adoption of new financial reporting standard	44,500,000	8,487,570	52,987,570
Acquisitions	-	2,770,094	2,770,094
31 December 2020	44,500,000	11,257,664	55,757,664
Transfer to property, plant and equipment	(44,500,000)	(6,070,500)	(50,570,500)
31 December 2021	-	5,187,164	5,187,164
<b>Accumulated depreciation</b>			
1 January 2020	-	-	-
Impact of first-time adoption of new financial reporting standard	5,786,056	1,688,424	7,474,480
Depreciation for the year	1,779,200	715,030	2,494,230
31 December 2020	7,565,256	2,403,454	9,968,710
Depreciation for the year	1,433,109	704,358	2,137,467
Transfer to property, plant and equipment	(8,998,365)	(2,276,437)	(11,274,802)
31 December 2021	-	831,375	831,375
<b>Net book value</b>			
31 December 2020	36,934,744	8,854,210	45,788,954
31 December 2021	-	4,355,789	4,355,789
<b>Depreciation for the year 2020</b>			
Cost of sales			1,779,200
Administrative expenses			715,030
Total			2,494,230
<b>Depreciation for the year 2021</b>			
Cost of sales			1,433,109
Administrative expenses			704,358
Total			2,137,467

## 16.2 Lease liabilities

	(Unit : Baht)	
	Consolidated and Separate F/S	
	2021	2020
Lease liabilities		
Due within one year	799,053	14,336,973
Due later than one year but not over five years	1,279,764	2,078,817
Total	2,078,817	16,415,790
<u>Less</u> Future finance charges on lease liabilities	(239,858)	(674,742)
	1,838,959	15,741,048
<u>Less</u> Current portion	(685,779)	(13,902,089)
Lease liabilities – net	1,153,180	1,838,959

During the years ended 31 December 2021 and 2020, the Company recognized finance cost which related to leases amounting to Baht 0.43 million and Baht 0.84 million, respectively.

### Lease payments not recognized as liabilities

The Group has elected not to recognize a lease liability for short-term leases (leases with an expected term of 12 months or less) or for low value assets. The expenses relating to payments not included in the measurement of the lease liability for the year ended 31 December 2021 and 2020 are as follows:

	(Unit : Baht)	
	Consolidated and Separate F/S	
	2021	2020
Leases of low value assets	72,000	177,000

## 17. INTANGIBLE ASSETS

	Consolidated F/S				(Unit : Baht) Separate F/S
	Computer Software	Trademarks	Customer Relationships	Total	Computer Software
<b>Cost</b>					
1 January 2020	8,137,953	139,512,233	443,092	148,093,278	7,972,953
Acquisitions	698,500	-	-	698,500	633,350
Exchange differences from financial statements translation	-	2,439,778	7,749	2,447,527	-
31 December 2020	8,836,453	141,952,011	450,841	151,239,305	8,606,303
Acquisitions	528,656	-	-	528,656	528,656
Written-off	(556,977)	-	-	(556,977)	(556,977)
Exchange differences from financial statements translation	-	11,044,869	35,079	11,079,948	-
31 December 2021	8,808,132	152,996,880	485,920	162,290,932	8,577,982
<b>Accumulated amortization</b>					
1 January 2020	7,222,902	7,750,679	92,311	15,065,892	7,085,297
Accumulated amortization for the year	685,353	4,071,607	56,449	4,813,409	655,710
Exchange differences from financial statements translation	-	695,749	1,520	697,269	-
31 December 2020	7,908,255	12,518,035	150,280	20,576,570	7,741,007
Accumulated amortization for the year	258,960	4,145,001	57,466	4,461,427	252,444
Accumulated amortization for disposals	(556,962)	-	-	(556,962)	(556,962)
Exchange differences from financial statements translation	-	2,741,532	14,967	2,756,499	-
31 December 2021	7,610,253	19,404,568	222,713	27,237,534	7,436,489
<b>Accumulated impairment of asset</b>					
1 January 2020	-	19,681,457	-	19,681,457	-
31 December 2020	-	19,681,457	-	19,681,457	-
31 December 2021	-	19,681,457	-	19,681,457	-
<b>Net book value</b>					
31 December 2020	928,198	109,752,519	300,561	110,981,278	865,296
31 December 2021	1,197,879	113,910,855	263,207	115,371,941	1,141,493
<b>Amortization for the year 2020</b>					
Administrative expenses				4,813,409	655,710
<b>Amortization for the year 2021</b>					
Administrative expenses				4,461,427	252,444



As at 31 December 2021 and 2020, the Company reviewed the valuation of trademark of subsidiary companies which derived from the business combination. As result of the recoverable amount higher than the carrying amount. Therefore, the Company do not recognize an additional adjustment for the allowance for impairment of those trademark. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

The follow are principal assumptions for valuation of trademark

	Consolidated F/S	
	2021	2020
Growth rate (%)	5	5 - 14
Discount rate (%)	7.58 - 12.26	10.61 - 10.90

#### 18. BANK OVERDRAFT AND SHORT-TERM LOANS FROM BANK

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Bank overdraft	33	335	33	335
Short-term loan	9,424,758	20,202,797	-	-
Promissory note	95,000,000	100,000,000	95,000,000	100,000,000
Liabilities under trust receipts	26,101,683	7,802,416	26,101,683	7,802,416
Total	130,526,474	128,005,548	121,101,716	107,802,751

As at 31 December 2021 and 2020, the Company and domestic subsidiary has short-term loans credit facilities comprise of bank overdraft, promissory note and liabilities under trust receipts bear interest rates at market rate and collateralized by the mortgages of the Company's land and construction as mentioned in Note 15 and personal guaranteed by certain subsidiary company's directors. (2020: the collateralized by personal guaranteed by certain subsidiary company's directors were withdrawn during the year 2021)

As at 31 December 2021 and 2020, the overseas subsidiary company has short-term loans from bank bear interest rate at market rate and secured by pledge of freehold industrial land with office and factory of the subsidiary company and guaranteed by the Company.

## 19. LONG-TERM LOAN

Long-term loan that the Company obtained from a local bank is as follow :

			(Unit : Baht)	
			Consolidated and Separate F/S	
	Interest rate per annum	Principal repayment conditions	2021	2020
Credit line of Baht 100 million	MLR - 3.00% p.a.	Monthly instalments by Baht 1.65 million from August 2015 to June 2020, the remaining will be paid in accordance with the postpone payment letter from bank.	-	4,300,000
<u>Less</u> Current portion			-	(4,300,000)
Long-term loan - net			-	-

On 22 April 2020, the Company has received a letter from the bank for postpone payment of long-term loans by the Company has been granted for 5-installment since May 2020 and will repay the long-term loan in October 2020. However, the Company still pays the same interest rate throughout the grace period.

Movements in the long - term loan for the years ended 31 December 2021 and 2020 are as follow :

			(Unit : Baht)	
			Consolidated and Separate F/S	
			2021	2020
Balance as at 1 January			4,300,000	14,200,000
<u>Less</u> Repayment			(4,300,000)	(9,900,000)
Balance as at 31 December			-	4,300,000

As at 31 December 2021 and 2020, Long-term loan is collateralized by the mortgages of the Company's land and construction as mentioned in Note 15.

Under the term of loan agreement, the Company is required to maintain loan covenants as specified in the agreement such as debt to equity and debt service coverage ratios, etc.

However, the Company repaid the whole amount of loan during the year 2021.

## 20. EMPLOYEE BENEFITS OBLIGATION

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
<b>Statement of financial position</b>				
Provision for post-employment benefits obligation	11,006,510	9,459,150	9,284,196	8,103,707
<b>Statement of profit or loss and other comprehensive income:</b>				
<i>Recognized in profit or loss:</i>				
Post-employment benefits	1,167,507	1,100,906	990,697	935,713
<i>Recognized in other comprehensive income:</i>				
Actuarial losses recognized in the year	379,853	-	189,792	-

The Group had established a defined benefit pension plan under the Thai Labour Protection Act B.E 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movements in the present value of the defined benefit obligations for the years end 31 December 2021 and 2020 are as follows:

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Beginning balance as at 1 January	9,459,150	8,358,244	8,103,707	7,167,994
<i>Recognized in profit or loss</i>				
- Current service costs	858,776	825,079	726,699	699,159
- Finance cost	308,731	275,827	263,998	236,554
<i>Recognized in other comprehensive income</i>				
- Actuarial loss	379,853	-	189,792	-
Balance as at 31 December	11,006,510	9,459,150	9,284,196	8,103,707
<u>Less</u> Current portion	(601,400)	(104,414)	(601,400)	(104,414)
Net	10,405,110	9,354,736	8,682,796	7,999,293

Actuarial loss recognized in other comprehensive income arising from:

	(Unit: Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Change in financial assumptions	(58,849)	-	1,141,174	-
Change in demographic assumptions	(911,141)	-	(695,479)	-
Experience adjustments	1,349,843	-	(255,903)	-
<b>Total</b>	<b>379,853</b>	<b>-</b>	<b>189,792</b>	<b>-</b>

*Actuarial assumptions*

The following are principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Discount rate	2.10 percent	3.30 percent	2.10 percent	3.30 percent
	per annum	per annum	per annum	per annum
Future salary average increment rate	3.00 percent	3.00 percent	3.00 percent	3.00 percent
	per annum	per annum	per annum	per annum
Normal retirement age	60 years	60 years	60 years	60 years
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the employee benefit obligation by the amounts shown below:

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
<b>Employee benefit obligation</b>				
Discount rate				
Increment (decrement) of employee benefit obligation	(1,142,311)	1,343,887	(966,119)	1,141,687
Future salary growth				
Increment (decrement) of employee benefit obligation	1,317,277	(1,143,336)	1,119,030	(966,983)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
<b>Employee benefit obligation</b>				
Turnover rate				
Increment (decrement) of employee benefit obligation	(621,166)	702,556	(545,804)	620,245

As at 31 December 2021, expected maturity of employee benefits obligation before discounting are as follow:

	(Unit : Baht)	
	Consolidated F/S	Separate F/S
Within one year	601,400	601,400
Between 2 - 9 years	5,506,437	4,583,116
	<u>6,107,837</u>	<u>5,184,516</u>

## 21. INCOME TAX AND DEFERRED TAX

Applicable tax rates for the Group are as follows:

	Tax rate (%)	
	2021	2020
Income tax under the Revenue Code of the Company and subsidiaries in Thailand	20	20
Corporate income tax in foreign country	24	24

### 21.1 Deferred tax

Deferred tax assets and liabilities are as follows:

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Deferred tax assets	460,155	163,875	-	-
Deferred tax liabilities	(39,935,673)	(45,638,900)	(7,739,032)	(8,783,768)
Net	(39,475,518)	(45,475,025)	(7,739,032)	(8,783,768)

Deferred tax assets and liabilities are as follows:

	(Unit : Baht)				
	Consolidated F/S				
	1 January 2021	Recognized in		Exchange differences from financial statements translation	31 December 2021
		Profit or loss	Other comprehensive income		
<b>Deferred tax assets :</b>					
From allowance for impairment losses from accounts receivable	1,376,583	(804,213)	-	572,370	
From allowance for obsolete and declining value of inventories	234,303	9,782	-	244,085	
From employee benefits obligation	1,891,831	271,513	75,970	2,239,314	
<b>Deferred tax liabilities :</b>					
From differences from depreciation	(13,907,101)	1,141,901	-	(9,498,650)	
From intangible assets	(27,225,977)	7,503,598	-	(28,079,831)	
From revaluation of asset	(7,844,664)	(3,502,227)	-	(4,952,806)	
	(45,475,025)	(4,620,354)	75,970	(39,475,518)	

(Unit : Baht)

	Consolidated F/S				
	1 January 2020	Recognized in		Exchange differences from financial statements translation	31 December 2020
		Profit or loss	Other comprehensive income		
<b>Deferred tax assets :</b>					
From allowance for impairment losses from accounts receivable	185,238	1,191,345	-	-	1,376,583
From allowance for obsolete and declining value of inventories	205,812	28,491	-	-	234,303
From employee benefits obligation	1,671,649	220,182	-	-	1,891,831
<b>Deferred tax liabilities :</b>					
From differences from depreciation	(12,981,216)	(911,448)	-	(14,437)	(13,907,101)
From intangible assets	(28,413,687)	1,454,584	-	(266,874)	(27,225,977)
From revaluation of asset	(7,856,721)	(133,843)	-	145,900	(7,844,664)
	<u>(47,188,925)</u>	<u>1,849,311</u>	<u>-</u>	<u>(135,411)</u>	<u>(45,475,025)</u>

(Unit : Baht)

	Separate F/S			
	1 January 2021	Recognized in		31 December 2021
		Profit or loss	Other comprehensive income	
<b>Deferred tax assets :</b>				
From allowance for impairment losses				
- Trade accounts receivable	1,376,583	(804,213)	-	572,370
- Investment in subsidiary	229,550	(229,550)	-	-
From allowance for obsolete and declining value of inventories	100,767	10,454	-	111,221
From employee benefits obligation	1,620,742	198,139	37,958	1,856,839
<b>Deferred tax liabilities :</b>				
From differences from depreciation	(5,212,485)	(4,563,610)	-	(9,776,095)
From lease liabilities	(6,898,925)	6,395,558	-	(503,367)
	<u>(8,783,768)</u>	<u>1,006,778</u>	<u>37,958</u>	<u>(7,739,032)</u>

(Unit : Baht)

	Separate F/S			31 December 2020
	Recognized in			
	1 January 2020	Profit or loss	Other comprehensive income	
<b>Deferred tax assets :</b>				
From allowance for impairment losses				
- Trade accounts receivable	185,238	1,191,345	-	1,376,583
- Investment in subsidiary	-	229,550	-	229,550
From allowance for obsolete and declining value of inventories	109,353	(8,586)	-	100,767
From employee benefits obligation	1,433,599	187,143	-	1,620,742
<b>Deferred tax liabilities :</b>				
From differences from depreciation	(11,870,927)	(240,483)	-	(12,111,410)
	<u>(10,142,737)</u>	<u>1,358,969</u>	<u>-</u>	<u>(8,783,768)</u>

As at 31 December 2021, in the consolidated financial statements have not recognized deferred tax assets from loss carrying forward not over than 10 years of indirect subsidiary company in overseas because they are expected that it will not utilized in taxable for unabsorbed business losses in the future. The expiry of the unabsorbed business losses is as follows:

	Consolidated F/S	
	MYR	Baht
Year assessment 2028	676,000	5,417,633
Year assessment 2029	495,000	3,967,054
Year assessment 2030	890,000	7,132,683
Year assessment 2031	176,000	1,410,508
Total	<u>2,237,000</u>	<u>17,927,878</u>



## 21.2 Income tax

### *Income tax recognized in profit or loss*

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
<b>Current tax expense</b>				
Current tax income	9,687,649	14,016,442	4,690,860	6,410,538
<b>Deferred tax</b>				
Movements in temporary differences	(4,696,324)	(1,849,311)	(1,044,736)	(1,358,969)
<b>Total income tax</b>	<b>4,991,325</b>	<b>12,167,131</b>	<b>3,646,124</b>	<b>5,051,569</b>

### *Income tax recognized in other comprehensive income:*

Actuarial loss on employee benefit obligations	75,970	-	37,958	-
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Reconciliation of income tax are as follows:

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Accounting profit before tax	46,895,397	57,379,729	28,740,701	44,465,163
Tax multiplied by applicable tax rate	9,379,079	11,475,946	5,748,140	8,893,033
Effects :				
Non-deductible expenses	2,623,409	4,170,274	354,508	14,000
Different in tax of overseas subsidiaries	827,909	536,410	-	-
Exemption of income and additional expenses	(7,839,072)	(2,216,001)	(2,456,524)	(2,014,568)
Decrease from disposal of investment in subsidiary	-	41,398	-	-
Loss carried forward has not recorded as deferred income tax	-	(1,840,896)	-	(1,840,896)
<b>Income tax</b>	<b>4,991,325</b>	<b>12,167,131</b>	<b>3,646,124</b>	<b>5,051,569</b>
<b>Effective tax rate (%)</b>	<b>10.64</b>	<b>24.43</b>	<b>12.69</b>	<b>14.42</b>

## 22. SHARE CAPITAL

At the 2021 Annual General Meeting of shareholders, held on 31 March 2021, the shareholders passed the resolutions to approve the following:

- To decrease of the Company's registered share capital from Baht 387,470,188 to Baht 315,391,514 by cancelling 72,078,674 shares at Baht 1 par value which are the remaining ordinary share which reserved for the exercise of warrants NDR-W1. The Company registered the decrease of share capital with Department of Business Development under the Ministry of Commerce on 16 April 2021.
- To increase of the Company's registered share capital that offering to specified persons (Private placement) by issuing new share capital of the Company from Baht 315,391,514 to Baht 346,891,514 by issuing not exceed 31,500,000 new common shares at Baht 1 par value. The Company registered the increase of share capital with Department of Business Development under the Ministry of Commerce on 19 April 2021.

At the Board of Directors' Meeting No.2/2021 held on 11 May 2021, passed a resolution to allocate the Company's increment 22,132,300 authorized share capital at offering price of Baht 2.72 per share (Baht 1.00 par value) which was weighted-average market price of the Company's share for 15 consecutive trading days prior to the date of the Board of Directors' Meeting resolved to allot and offer the newly issued common share totaling Baht 60,200,000 with premium on common share capital at Baht 1.72 per share, totaling Baht 38,067,700 to private placement, ETRAN (Thailand) Co., Ltd, for making the repayment on investment in such company as described in Note 13. As a result, paid-up authorized share capital were increased from Baht 315,391,514 to Baht 337,523,814. The Company registered the share capital increment with the Department of Business Development under the Ministry of Commerce on 19 May 2021.

At the Board of Directors' Meeting No.4/2021 held on 29 October 2021, the Board of Directors passed resolutions to approve to allocate newly issued ordinary share of the Company as Private Placement amount 9,367,700 authorized share capital at offering price of Baht 2.80 per share (Baht 1.00 par value) which was weighted-average market price of the Company's share for 7 consecutive trading days prior to the date of the Board of Directors' Meeting resolved to allot and offer the newly issued common share totaling Baht 26,229,560 with premium on common share capital at Baht 1.80 per share, totaling Baht 16,861,860 for making the repayment on investment in such company as described in Note 13. As a result, paid-up authorized share capital was increased from Baht 337,523,814 to Baht 346,891,514. The Company registered the share capital increment with the Department of Business Development under the Ministry of Commerce on 9 November 2021.

## 23. LEGAL RESERVE

Under the Public Limited Company Act. B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit for the year net of deficit (if any), until the reserve reaches 10 percent of the registered capital. This reserve shall not be distributable for dividends.

## 24. DIVIDEND PAYMENT

At the 2021 Annual General Meeting of shareholders, held on 31 March 2021, the shareholders passed the resolution to pay dividend from profit for the year ended 31 December 2020 for 315,391,514 common shares capital at Baht 0.05 per share, totaling of Baht 15.77 million. The dividend was paid on 30 April 2021.

## 25. REVENUE

<u>Transaction</u>	<u>Description</u>
Type of good	The main product of the Company and subsidiaries consists of tires and tube for motorcycle and bicycle battery, rubber part, shoes and lube oil.
Geographic	The Company has revenue from sale domestic and overseas.
The market or type of customers	Retail customers.
Type of contract	The price has been fixed in each invoice.
Contract period	Short-term contract.
No of performance obligations	The Company has one obligation which produce and sell base on purchase order of each customer.
Revenue recognition	Revenue from sales of goods recognized as at point in time.
Sale channels	Goods are directly distributed to customer.

## 26. EXPENSES BY NATURE

	(Unit : Baht)			
	Consolidated F/S		Separate F/S	
	For the years ended 31 December			
	2021	2020	2021	2020
Raw materials and consumable supplies used	203,761,528	342,720,413	398,318,528	327,047,464
Changes in finished goods and work in process	289,784,450	69,771,383	(11,115,272)	(2,200,939)
Salaries, wages and other employee benefits	153,066,050	145,066,405	105,650,682	104,437,424
Utilities	33,705,872	33,106,650	28,455,785	29,124,369
Depreciation and amortization	45,165,020	44,947,571	35,612,535	35,252,768
Transportation	19,645,133	16,703,921	2,594,227	2,169,307
Advertising	4,910,925	18,745,588	1,266,187	1,673,089
Repair and maintenance	11,162,856	7,848,178	9,321,009	5,997,832
Factory expense	5,622,422	5,394,876	3,315,785	3,115,245
Loss on impairment of investment in subsidiary	-	-	-	1,147,752
Other	33,834,354	32,913,585	13,151,303	20,923,807

## 27. PROVIDENT FUND

On June 2013, the Company and subsidiary in Thailand participated to be member in "Sin Sathaporn Fund Provident Fund", which manages by BBL Asset Management Company Limited under the provisions of The Provident Fund Act. B.E.2530. Under the fund regulation, the fund is contributed equally by both the Company and the employees at 2% of their salaries and will be paid to the employees upon termination in accordance with the rules of fund, upon retirement, death or resignation from the member.

For the year ended 31 December 2021, the Company and subsidiary company in Thailand have paid for the contribution into the fund amounting to Baht 0.20 million and Baht 0.01 million, respectively, and for the year ended 31 December 2020, the Company and subsidiary companies have paid for the contribution into the fund amounting to Baht 0.09 million and Baht 0.03 million, respectively.

During the year ended 31 December 2021, the subsidiary company received the refund from the Company's contribution amounting to Baht 0.02 million of resigned employee who had working experienced less than 5 years.

## 28. SEGMENT REPORTING

The financial information classified by products for the years ended 31 December 2021 and 2020 are presented as follow :

(Unit : Thousand Baht)

	Consolidated F/S														
	For the year ended 31 December 2021														
	Tires		Tubes		Battery		Rubber part		Shoe		Lube Oil & synthetic				
Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Others	Eliminated	Total	
Revenue from sales															
At point in time	193,134	528,102	68,699	131,305	38,438	60,080	34,390	4,675	1,871	(219,295)	841,399				
Cost of sales														(685,545)	
<b>Gross profit</b>														<u>155,854</u>	
Interest expenses														4,263	
Depreciation and amortization														45,165	
Profit before income tax														46,895	
Trade accounts receivable - general customers														115,883	
Property, plant and equipment														564,777	
Other assets														545,585	
<b>Total assets</b>														<u>1,226,245</u>	
<b>Total liabilities</b>														<u>317,389</u>	

(Unit : Thousand Baht)

Consolidated F/S

For the year ended 31 December 2020

	Tires		Tubes		Battery		Rubber part		Shoe		Lube Oil & synthetic		Others	Eliminated	Total
	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Overseas	Overseas	Overseas				
Revenue from sales															
At point in time	157,299	502,381	71,546	146,638	40,060		41,179	24,524	3,434	5,985	(217,200)				775,846
Cost of sales															(591,023)
<b>Gross profit</b>															<u>184,823</u>
Interest expenses															(6,826)
Depreciation and amortization															(44,948)
Profit before income tax															57,380
Trade accounts receivable - general customers															103,351
Property, plant and equipment															538,709
Other assets															443,080
<b>Total assets</b>															<u>1,085,140</u>
<b>Total liabilities</b>															<u>331,029</u>

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources and assess its operations.

#### Major Customer

For the year ended 31 December 2021, the Company got revenue from sales from major overseas customer amounting of Baht 216.89 million. (2020 : Baht 214.72 million)

## 29. EARNINGS PER SHARE

### *BASIC EARNINGS PER SHARE*

Basic earnings per share for the years ended 31 December 2021 and 2020 are determined by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the years, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the increase in share capital of 22.13 million shares on 19 May 2021 and the number of shares 9.37 million shares on 9 November 2021 as follows:

	Consolidated F/S		Separate F/S	
	2021	2020	2021	2020
Profit attributable to equity holders of the Company (Thousand Baht)	41,633,506	45,263,690	25,094,577	39,413,594
Number of common shares issued and paid up at beginning (shares)	315,391,514	315,391,514	315,391,514	315,391,514
Effect from issuance of new share (weighted average) (shares)	15,124,713	-	15,124,713	-
Weighted average number of common shares outstanding (basic) (shares)	330,516,227	315,391,514	330,516,227	315,391,514
Basic earnings per share (Baht)	0.13	0.14	0.08	0.12

### 30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows;

(Unit : Baht)

	Consolidated F/S			Total
	Bank overdraft and short-term loans from banks	Long-term loans from banks	Lease liabilities	
1 January 2020	173,045,595	14,200,000	19,929,372	207,174,967
<b>Cash-flows:</b>				
Repayment	(900,537,135)	(9,900,000)	(6,958,418)	(917,395,553)
Proceeds	855,079,031	-	-	855,079,031
<b>Non-cash:</b>				
Increased in right-of-use assets	-	-	2,770,094	2,770,094
Unrealized loss from exchange rate	21,775	-	-	21,775
Translation adjustment	396,282	-	-	396,282
31 December 2020	128,005,548	4,300,000	15,741,048	148,046,596
<b>Cash-flows:</b>				
Repayment	(332,556,010)	(4,300,000)	(13,902,089)	(350,758,099)
Proceeds	333,643,153	-	-	333,643,153
<b>Non-cash:</b>				
Unrealized loss from exchange rate	312,917	-	-	312,917
Translation adjustment	1,120,866	-	-	1,120,866
31 December 2021	130,526,474	-	1,838,959	132,365,433



(Unit : Baht)

	Separate F/S			Total
	Bank overdraft and short-term loans from banks	Long-term loans from banks	Lease liabilities	
1 January 2020	148,032,960	14,200,000	19,929,372	182,162,332
<b>Cash-flows:</b>				
Repayment	(895,331,015)	(9,900,000)	(6,958,418)	(912,189,433)
Proceeds	855,079,031	-	-	855,079,031
<b>Non-cash:</b>				
Increased in right-of-use assets	-	-	2,770,094	2,770,094
Unrealized loss from exchange rate	21,775	-	-	21,775
31 December 2020	107,802,751	4,300,000	15,741,048	127,843,799
<b>Cash-flows:</b>				
Repayment	(320,657,105)	(4,300,000)	(13,902,089)	(338,859,194)
Proceeds	333,643,153	-	-	333,643,153
<b>Non-cash:</b>				
Unrealized loss from exchange rate	312,917	-	-	312,917
31 December 2021	121,101,716	-	1,838,959	122,940,675

### 31. DISCLOSURE OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities carried on the statement of financial position include cash and cash equivalents, restricted deposits with banks, trade accounts receivable and payable, short-term loan and long-term loan. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies.

#### Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Group within the normal terms of trade. To manage this risk, the Group periodically assess the financial viability of customers.

As at 31 December 2021 and 2020, the financial instrument classified by the periods of time from the date on the statements of financial position to their maturity dates are as follows:

(Unit : Baht)

	Consolidated F/S			
	2021			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	159,204,884	-	-	159,204,884
Trade accounts receivable	116,433,934	-	-	116,433,934
Other accounts receivable	5,243,972	-	-	5,243,972
Bank overdraft and short-term loans from banks	9,424,791	121,101,683	-	130,526,474
Trade accounts payable	88,496,854	-	-	88,496,854
Payable for purchases of fixed assets	222,153	-	-	222,153
Lease liabilities	-	685,779	1,153,180	1,838,959

(Unit : Baht)

	Consolidated F/S			
	2020			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	125,766,012	-	-	125,766,012
Temporary investment	14,233,261	-	-	14,233,261
Trade accounts receivable	103,999,033	-	-	103,999,033
Other accounts receivable	2,502,113	-	-	2,502,113
Bank overdraft and short-term loans from banks	20,203,132	107,802,416	-	128,005,548
Trade accounts payable	68,858,342	-	-	68,858,342
Payable for purchases of fixed assets	2,815,998	-	-	2,815,998
Lease liabilities	-	13,902,089	1,838,959	15,741,048
Long-term loans from banks	-	4,300,000	-	4,300,000

(Unit : Baht)

	Separate F/S			
	2021			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	42,603,127	-	-	42,603,127
Trade accounts receivable	64,107,695	-	-	64,107,695
Bank overdraft and short-term loans from banks	33	121,101,683	-	121,101,716
Trade accounts payable	82,108,859	-	-	82,108,859
Amount due to subsidiary company	86,299	-	-	86,299
Payable for purchases of fixed assets	222,153	-	-	222,153
Lease liabilities	-	685,779	1,153,180	1,838,959

(Unit : Baht)

	Separate F/S			
	2020			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	31,142,328	-	-	31,142,328
Temporary investment	14,233,261	-	-	14,233,261
Trade accounts receivable	61,409,386	-	-	61,409,386
Bank overdraft and short-term loans from banks	335	107,802,416	-	107,802,751
Trade accounts payable	63,711,016	-	-	63,711,016
Amount due to subsidiary company	84,595	-	-	84,595
Payable for purchases of fixed assets	2,815,998	-	-	2,815,998
Lease liabilities	-	13,902,089	1,838,959	15,741,048
Long-term loans from bank	-	4,300,000	-	4,300,000

Credit Risk

The Group provide credit term on its trade transactions. The Group manage its exposure to credit risk by closely monitoring collection of accounts receivable and focuses on overdue accounts.

The Group measurement by expected credit loss that occur over the life for all the receivables. It is no longer necessary for a credit event to occur before credit losses are recognizes.

### Interest Rate Risk

Interest rate risk arises is that future movement of market interest rates, which may have a negative effect to current and future operations of the Group. Management believes that the interest rate risk is minimum, hence, the Group have no hedging agreement to protect against such risk.

(Unit : Baht)

	Consolidated F/S				Interest rate (% per annum)
	2021				
	Floated rate	Fixed rate	No interest	Total	
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	62,785,646	-	96,419,238	159,204,884	0.2% - 0.85%
Trade accounts receivable	-	-	116,433,934	116,433,934	-
Other receivables	-	-	5,243,972	5,243,972	-
Bank overdraft and short-term loans from banks	130,526,474	-	-	130,526,474	Market rate
Trade accounts payable	-	-	88,496,854	88,496,854	-
Payable for purchases of fixed assets	-	-	222,153	222,153	-
Lease liabilities	-	1,838,959	-	1,838,959	6.89% - 14.39%

(Unit : Baht)

	Consolidated F/S				Interest rate (% per annum)
	2020				
	Floated rate	Fixed rate	No interest	Total	
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	36,346,561	-	89,419,451	125,766,012	0.05% - 0.80%
Temporary investment	-	-	14,233,261	14,233,261	-
Trade accounts receivable	-	-	103,999,033	103,999,033	-
Other receivables	-	-	2,502,113	2,502,113	-
Bank overdraft and short-term loans from banks	128,005,548	-	-	128,005,548	Market rate
Trade accounts payable	-	-	68,858,342	68,858,342	-
Payable for purchases of fixed assets	-	-	2,815,998	2,815,998	-
Lease liabilities	-	15,741,048	-	15,741,048	3.84% - 14.39%
Long-term loans from banks	4,300,000	-	-	4,300,000	MLR - 3.00%

(Unit : Baht)

	Separate F/S				
	2021				
	Floated rate	Fixed rate	No interest	Total	Interest rate (% per annum)
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	26,721,521	-	15,881,606	42,603,127	0.05% - 0.13%
Trade accounts receivable	-	-	64,107,695	64,107,695	-
Bank overdraft and short-term loans from banks	121,101,716	-	-	121,101,716	Market rate
Trade accounts payable	-	-	82,108,859	82,108,859	-
Other payable	-	-	86,299	86,299	-
Payable for purchases of fixed assets	-	-	222,153	222,153	-
Lease liabilities	-	1,838,959	-	1,838,959	6.89% - 14.39%

(Unit : Baht)

	Separate F/S				
	2020				
	Floated rate	Fixed rate	No interest	Total	Interest rate (% per annum)
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	15,824,035	-	15,318,293	31,142,328	0.05% - 0.13%
Temporary investment	-	-	14,233,261	14,233,261	-
Trade accounts receivable	-	-	61,409,386	61,409,386	-
Bank overdraft and short-term loans from banks	107,802,751	-	-	107,802,751	Market rate
Trade accounts payable	-	-	63,711,017	63,711,017	-
Other payable	-	-	84,595	84,595	-
Payable for purchases of fixed assets	-	-	2,815,998	2,815,998	-
Lease liabilities	-	15,741,048	-	15,741,048	3.84% - 14.39%
Long-term loan from bank	4,300,000	-	-	4,300,000	MLR - 3.00 %

Foreign Currency Risk

The Company exposure for foreign currency risk relates primarily to its trade accounts receivable and payable which are denominated in foreign currencies. The Company entering into the forward exchange contracts for accounts receivable to reduce exposure on foreign currency risk.

As at 31 December 2021, the Group has financial assets and liabilities in foreign currencies as follow :

	Consolidated and Separate F/S		
	31 December 2021		
	Foreign currencies	Exchange rate	Baht equivalent
<u>Cash and Cash at bank</u>			
USD	282,790	33.2469	9,401,891
MYR	227	8.0143	1,819
<u>Trade accounts receivable</u>			
USD	72,875	33.2469	2,422,868
<u>Liabilities under trust receipt</u>			
USD	777,000	33.5929	26,101,683
<u>Trade accounts payable</u>			
USD	74,679	33.5929	2,508,684
<u>Fair value of financial instruments</u>			

The following methods and assumptions are used to estimate the fair value of each class of the Company's financial instruments.

- Financial assets are shown at estimated fair value.
- Financial liabilities are shown at the book value which is considered fair value because such liabilities will be matured in short term.

### 32. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

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.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

As at 31 December 2021 and 2020, Financial assets and financial liabilities measured at fair value are as follows :

(Unit : Thousand Baht)

Consolidated and Separate F/S

	31 December 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Fixed income fund	-	-	-	-

(Unit : Thousand Baht)

Consolidated and Separate F/S

	31 December 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Fixed income fund	-	14,233	-	14,233

### 33. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2021

33.1 The Company has commitments for machinery under installation of Baht 5.77 million.

33.2 The Group have credit facilities and contingent liabilities from financial institution as at 31 December 2021 as follows :

(Unit : Baht)

Consolidated F/S

	Credit line	Used	Balance
<b>Credit facilities</b>			
Bank overdraft	30,000,000	33	29,999,967
Short-term loan and promissory note	217,092,625	104,080,745	113,011,880
Long-term loan	100,000,000	-	100,000,000
Forward agreements	120,000,000	-	120,000,000
<b>Contingent liabilities</b>			
Letter of guarantee	16,000,000	5,963,600	10,036,400
Letter of credit and trust receipts (occasionally)	90,000,000	26,101,683	63,898,317
Hire-purchase	51,943,652	1,838,959	50,104,693

	(Unit : Baht)		
	Separate F/S		
	Credit line	Used	Balance
<b>Credit facilities</b>			
Bank overdraft	30,000,000	33	29,999,967
Promissory note	165,000,000	95,000,000	70,000,000
Long-term loan	100,000,000	-	100,000,000
Forward agreements	120,000,000	-	120,000,000
<b>Contingent liabilities</b>			
Letter of guarantee	16,000,000	5,485,000	10,515,000
Letter of credit and trust receipts (occasionally)	90,000,000	26,101,683	63,898,317
Hire-purchase	51,943,652	1,838,959	50,104,693

The letter of guarantees issued by bank are for electricity usage and purchasing raw material.

33.3 The subsidiary company has entered into service agreement which has committed to pay the service for one year of Baht 0.69 million.

#### 34. CAPITAL RISK MANAGEMENT

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust policy for distribution dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.



### **35. EVENTS AFTER REPORTING PERIOD**

At the Board of Directors' Meeting No.1/2022 held on 22 February 2022, the Board of Directors passed resolutions as follow :

- Approve for issuing 86,722,878 units of the warrants to the existing shareholders, at an offering ratio of 4 ordinary shares to 1 unit of warrant. The warrants are issued for specific holders and transferable. The terms of the warrants do not exceed 2 years from the date of which they are granted with right of 1 warrants to 1 ordinary share. The exercise price is Baht 3.50 per share, unless the exercise ratio is adjusted under the conditions of the rights adjustment. The warrant holders can exercise their warrants in June and December of each year. The first exercise date will be on 1 December 2022 and the last exercise date is within 2 years from the date of issuance of the warrants.

The Company allots 86,722,878 shares to support exercisable warrants, equivalent to 25% of total shares issued, within 14 days from the resolution of the Shareholders' Meeting for share increment.

- Approve for proposing to the Shareholders' Meeting to approve for dividend payment from profits for the year ended 31 December 2021 for 346,891,514 common shares capital at Baht 0.03 per share, totaling of Baht 10.41 million.

### **36. AUTHORISATION OF FINANCIAL STATEMENTS**

These financial statements have been approved by the Company's Board of Directors on 22 February 2022.

