

**UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To The Shareholders and Board of Directors of  
Union Petrochemical Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Union Petrochemical Public Company Limited and its subsidiaries as at March 31, 2021, and the related consolidated statement of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended and the condensed notes to consolidated financial statements and I have also reviewed the statement of financial position of Union Petrochemical Public Company Limited as at March 31, 2021, and the statement of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended and the condensed notes to financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No.34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **SCOPE OF REVIEW**

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

### **CONCLUSION**

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

(Ms. Thanyaphorn Tangthanopajai)

Certified Public Accountant

Registration No. 9169

Dharmniti Auditing Company Limited  
Bangkok, Thailand  
May 13, 2021

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

		(Unit: Thousand Baht)			
		Consolidated		The Company Only	
		As at March	As at December	As at March	As at December
		31, 2021	31, 2020	31, 2021	31, 2020
Assets					
Current assets					
Cash and cash equivalents	6	510,657	543,871	194,262	252,879
Trade and other receivables	5, 7	772,442	642,238	712,420	587,219
Inventories	8	366,964	307,435	350,978	278,022
Other current financial assets	9	45,493	45,000	45,493	45,000
Other current assets	10	16,874	21,085	13,981	18,151
Total current assets		1,712,430	1,559,629	1,317,134	1,181,271
Non-current assets					
Other non-current financial assets	11	72,511	101,675	5,261	5,261
Investments in subsidiaries	12	-	-	194,522	189,554
Investment properties	13	87,153	13,959	13,959	13,959
Property, plant and equipment	14	157,624	239,309	63,698	65,551
Right of use assets	15	84,444	86,860	77,804	79,905
Intangible assets		1,568	1,818	132	277
Deferred tax assets	16	10,636	14,228	6,509	5,812
Other non-current assets		8,812	7,382	1,971	375
Total non-current assets		422,748	465,231	363,856	360,694
Total assets		2,135,178	2,024,860	1,680,990	1,541,965

Notes to interim financial statements form an integral part of these statements.

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2021

		(Unit: Thousand Baht)			
		Consolidated		The Company Only	
	Note	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	402,218	451,572	400,038	428,527
Trade and other payables	5, 18	339,038	234,402	342,340	223,818
Current portion of lease liabilities	15	24,945	23,423	23,374	21,564
Accrued corporate income tax		29,997	13,885	28,592	12,734
Other current liabilities		3,269	1,783	2,217	901
Total current liabilities		799,467	725,065	796,561	687,544
Non-current liabilities					
Lease liabilities under hire-purchase agreements - net					
of current portion	15	52,542	54,995	51,858	54,118
Provision for long-term employee benefits	19	24,388	23,890	22,362	22,000
Total non-current liabilities		76,930	78,885	74,220	76,118
Total liabilities		876,397	803,950	870,781	763,662

Notes to interim financial statements form an integral part of these statements.

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2021

		(Unit: Thousand Baht)			
		Consolidated		The Company Only	
	Note	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Liabilities and Shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
1,339,369,844 ordinary shares of Baht 0.25 each		334,842	334,842	334,842	334,842
Issued and fully paid up					
1,236,281,351 ordinary shares of Baht 0.25 each		309,071	309,071	309,071	309,071
Share premium		87,739	87,739	87,739	87,739
Other surpluses (deficits)					
Surplus on reorganisation of business					
under common control		3,116	3,116	-	-
Surplus on change in the					
shareholding percentage in subsidiaries		(45,205)	(45,205)	-	-
Treasury shares	20	(42,881)	(13,853)	(42,881)	(13,853)
Retained earnings					
Appropriated - statutory reserve					
Statutory reserve		28,535	28,535	28,535	28,535
Treasury shares reserve		42,881	13,853	42,881	13,853
Unappropriated		676,911	653,468	384,864	352,958
Other components of shareholders' equity		(2,686)	(14,162)	-	-
Equity attributable to owners of the Company		1,057,481	1,022,562	810,209	778,303
Non-controlling interests of the subsidiaries		201,300	198,348	-	-
Total shareholders' equity		1,258,781	1,220,910	810,209	778,303
Total liabilities and shareholders' equity		2,135,178	2,024,860	1,680,990	1,541,965

Notes to interim financial statements form an integral part of these statements.

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	Note	(Unit: Thousand Baht)			
		Consolidated		The Company Only	
		2021	2020	2021	2020
Revenues					
Sales	24	675,233	794,703	651,469	613,110
Other income					
Gain on exchange rate		-	12,816	-	12,645
Others		563	822	783	905
Total revenues		675,796	808,341	652,252	626,660
Expenses					
Cost of sales		532,667	660,839	512,419	522,122
Selling expenses		21,849	31,387	20,887	23,834
Administrative expenses		49,972	48,051	39,734	37,192
Total expenses		604,488	740,277	573,040	583,148
Profit before finance cost and income tax revenue (expenses)		71,308	68,064	79,212	43,512
Finance cost		(2,945)	(3,781)	(2,889)	(3,120)
Profit before income tax revenue (expenses)		68,363	64,283	76,323	40,392
Income tax revenue (expenses)	21	(15,822)	(14,453)	(15,389)	(9,224)
Profit for the period		52,541	49,830	60,934	31,168
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Profit (loss) from valuation of investment in equity securities with fair value		21,415	(45,841)	-	-
Less: Income tax effect	21	(4,283)	9,168	-	-
Net of income tax		17,132	(36,673)	-	-
Other comprehensive income to be reclassified to profit or net of income tax					
Profit (loss) from estimates by the actuarial principles		-	2,519	-	-
Less: Income tax effect	21	-	(504)	-	-
Net of income tax		-	2,015	-	-
Total item that will be reclassified subsequently to profit or net of income tax		17,132	(34,658)	-	-
Total comprehensive income for the period - net of income tax		17,132	(34,658)	-	-
Total comprehensive income for the period		69,673	15,172	60,934	31,168

Notes to interim financial statements form an integral part of these statements.

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

		(Unit: Thousand Baht)			
		Consolidated		The Company Only	
Note		2021	2020	2021	2020
Profit attributable to:					
	Equity holders of the Company	55,669	41,827	60,934	31,168
	Non-controlling interests of the subsidiaries	(3,128)	8,003		
		<u>52,541</u>	<u>49,830</u>		
Total comprehensive income attributable to:					
	Equity holders of the Company	67,145	21,423	60,934	31,168
	Non-controlling interests of the subsidiaries	2,528	(6,251)		
		<u>69,673</u>	<u>15,172</u>		
Earnings per share	23				
Basic earnings per share					
	Profit attributable to equity holders of the Company (Baht/share)	<u>0.046</u>	<u>0.034</u>	<u>0.050</u>	<u>0.025</u>
Diluted earnings per share					
	Profit attributable to equity holders of the Company (Baht/share)	<u>0.047</u>	<u>0.035</u>	<u>0.051</u>	<u>0.026</u>

Notes to interim financial statements form an integral part of these statements.

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

(Unit: Thousand Baht)

Consolidated													
Equity attributable to owners of the Company													
Notes	Other surpluses (deficits)				Retained earnings				Other components of shareholders' equity				
	Issued and paid-up share capital	Share premium	Surplus on reorganisation of business under common control	Surplus (deficit) on change in the shareholding percentage in subsidiaries	Treasury shares	Treasury shares			Gain (loss) on financial assets measured at fair value through other comprehensive income	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
						Appropriated	reserve	Unappropriated					
Balance as at January 1, 2020	309,070	87,738	3,116	961	-	24,235	-	589,162	(15,495)	(15,495)	998,787	353,056	1,351,843
Profit for the period	-	-	-	-	-	-	-	41,827	-	-	41,827	8,003	49,830
Other comprehensive income for the period	-	-	-	-	-	-	-	-	(20,404)	(20,404)	(20,404)	(14,254)	(34,658)
Total comprehensive income for the period	-	-	-	-	-	-	-	41,827	(20,404)	(20,404)	21,423	(6,251)	15,172
Ordinary shares issuance from exercised warrants	22	1	1	-	-	-	-	-	-	-	2	-	2
Loss on sale of financial assets measured at fair value through other comprehensive profit and loss	11	-	-	-	-	-	-	(129)	-	-	(129)	(103)	(232)
Balance as at March 31, 2020	309,071	87,739	3,116	961	-	24,235	-	630,860	(35,899)	(35,899)	1,020,083	346,702	1,366,785
Balance as at January 1, 2021	309,071	87,739	3,116	(45,205)	(13,853)	28,535	13,853	653,468	(14,162)	(14,162)	1,022,562	198,348	1,220,910
Profit for the period	-	-	-	-	-	-	-	55,669	-	-	55,669	(3,128)	52,541
Other comprehensive income for the period	-	-	-	-	-	-	-	-	11,476	11,476	11,476	5,656	17,132
Total comprehensive income for the period	-	-	-	-	-	-	-	55,669	11,476	11,476	67,145	2,528	69,673
Increase in equity attributable to non-controlling interests of the subsidiary from investments in subsidiary	-	-	-	-	-	-	-	-	-	-	-	2,000	2,000
Treasury shares purchased during the period	20	-	-	-	(29,028)	-	-	-	-	-	(29,028)	-	(29,028)
Transferred unappropriated retained earning to treasury shares reserve	20	-	-	-	-	-	29,028	(29,028)	-	-	-	-	-
Loss on sale of financial assets measured at fair value through other comprehensive profit and loss	11	-	-	-	-	-	-	(3,198)	-	-	(3,198)	(1,576)	(4,774)
Balance as at March 31, 2021	309,071	87,739	3,116	(45,205)	(42,881)	28,535	42,881	676,911	(2,686)	(2,686)	1,057,481	201,300	1,258,781

Notes to interim financial statements form an integral part of these statements.



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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

(Unit: Thousand Baht)

The Company Only							
Note	Issued and paid-up share capital	Share premium	Treasury shares	Retained earnings			Total shareholders' equity
				Appropriated	Treasury shares reserve	Unappropriated	
Balance as at January 1, 2020	309,070	87,738	-	24,235	-	306,313	727,356
Profit for the period	-	-	-	-	-	31,168	31,168
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	31,168	31,168
Ordinary shares issuance from exercised warrants	1	1	-	-	-	-	2
Balance as at March 31, 2020	309,071	87,739	-	24,235	-	337,481	758,526
Balance as at January 1, 2021	309,071	87,739	(13,853)	28,535	13,853	352,958	778,303
Profit for the period	-	-	-	-	-	60,934	60,934
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	60,934	60,934
Treasury shares purchased during the period	-	-	(29,028)	-	-	-	(29,028)
Transferred unappropriated retained earning to treasury shares reserve	-	-	-	-	29,028	(29,028)	-
Balance as at March 31, 2021	309,071	87,739	(42,881)	28,535	42,881	384,864	810,209

Notes to interim financial statements form an integral part of these statements.

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENT

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

Note	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2021	2020	2021	2020
<u>Cash flows from operating activities</u>				
Profit before tax	68,363	64,283	76,323	40,392
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	10,011	11,031	7,916	7,716
Allowance for expected credit losses (reversal)	79	(233)	303	(233)
Reduce cost of inventories to net realisable value (reversal)	(1,131)	4,243	(254)	3,944
Loss from the change in the rental rate under the lease agreement	3,171	-	3,171	-
Accumulated impairment of investment property	1,346	-	-	-
Loss (gain) on sales of vehicles and equipment	3,341	(9)	-	-
Provision for long-term employee benefits	498	432	362	362
Interest income	(278)	(68)	(103)	(54)
Interest expenses	2,952	3,789	2,889	3,120
Unrealised loss (gain) from forward exchange contracts	(46)	(12,140)	(96)	(12,749)
Unrealised loss (gain) on exchange rate	1,033	1,081	891	430
Profit (loss) from operating activities before changes in operating assets and liabilities	89,339	72,409	91,402	42,928
Operating assets (increase) decrease				
Trade and other receivables	(130,284)	(83,226)	(125,503)	(74,989)
Inventories	(58,397)	37,287	(72,703)	29,085
Other current assets	3,934	(5,389)	3,871	(2,699)
Other non-current assets	(1,596)	(2,364)	(1,596)	(75)
Operating liabilities increase (decrease)				
Trade and other payables	103,190	59,063	117,021	35,928
Other current liabilities	1,408	1,792	1,316	1,790
Cash flows from operating activities	7,594	79,572	13,808	31,968
Cash paid for tax expenses	(227)	(27)	(227)	(19)
Net cash flows from (used in) operating activities	7,367	79,545	13,581	31,949

Notes to interim financial statements form an integral part of these statements.

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UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CASH FLOW STATEMENT (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

Note	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	2021	2020	2021	2020
<u>Cash flows from investing activities</u>				
Cash received (paid) for investment in subsidiaries	2,000	-	(4,968)	-
Increase fixed deposits	(493)	(45,000)	(493)	(45,000)
Acquisition of property, plant and equipment	(957)	(1,072)	(276)	(95)
Proceeds from sales of vehicles and equipment	956	14	-	-
Interest income	651	67	497	54
Cash received for sale of non-current financial assets	45,805	1,785	-	-
Net cash flows from (used in) investing activities	47,962	(44,206)	(5,240)	(45,041)
<u>Cash flows from financing activities</u>				
Increase in short-term loans from financial institutions	(49,496)	(79,453)	(28,490)	(63,101)
Repayment of liabilities under lease agreements	(7,643)	(8,131)	(7,161)	(5,084)
Cash received from ordinary shares and ordinary shares arising	-	1	-	1
Cash paid for interest expenses	(2,376)	(4,379)	(2,279)	(3,632)
Cash paid for purchase of treasury shares	(29,028)	-	(29,028)	-
Net cash flows from (used in) financing activities	(88,543)	(91,962)	(66,958)	(71,816)
Net increase in cash and cash equivalents	(33,214)	(56,623)	(58,617)	(84,908)
Cash and cash equivalents at the beginning of the period	543,871	661,399	252,879	248,845
Cash and cash equivalents at the end of the period	510,657	604,776	194,262	163,937
Supplemental cash flow information				
Non-cash transactions				
Increase in right-of-use assets under lease liabilities	3,540	95,730	3,540	90,936

Notes to interim financial statements form an integral part of these statements.

**UNION PETROCHEMICAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**MARCH 31, 2021**

**1. GENERAL INFORMATION**

a) Address and legal status

Union Petrochemical Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The registered office of the Company is at 728 Union House Building, Boromrachachonnee Road, Kwang Bangbumru, Khet Bangplad, Bangkok.

b) Nature of the Company’s and operations

The Company is principally engaged in the import and distribution of chemical products.

**2. CORONAVIRUS DISEASE 2019 PANDEMIC**

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation affects the results of operations of the Group recognition and measurement of assets and liabilities in the financial statements. Nevertheless, the management will continue to monitor the ongoing development and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities. The management has used estimated and judgement respect of various issues as the situation has evolved.

**3. BASIS FOR THE PREPARATION**

3.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2020.

The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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

### 3.2 Basis of consolidation

- a) For reporting purpose, the Company and its subsidiaries are referred to as “the Group”. The Company has subsidiaries as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Percentage of Shareholding	
			As at Mar. 31, 2021	As at Dec. 31, 2020	As at Mar. 31, 2021	As at Dec. 31, 2020
			(Thousand Baht)	(Thousand Baht)	(Percent)	(Percent)
Gratitude Infinite Public Company Limited	Import and distribution of chemical	Thailand	412,812	412,812	66.99	66.99
Lavish Laboratory Company Limited	Production and distribution of supplementary	Thailand	50,000	50,000	99.99	99.99
Natural Gift Society *	Selling pharmaceutical and medical products, fragrances and skincare cosmetics, and supplements	Thailand	5,000	5,000	99.99	99.99
* Held by a subsidiary: Gratitude Infinite Public Company Limited.						
Lion Asia (Thailand) Company Limited	Distribution of chemical Products and electronic equipment	Thailand	30,000	30,000	99.00	99.00
Thai Cococraft Company Limited **	Engaged in manufacturing and selling of all types of products from coconut food processing	Thailand	3,500	3,500	75.00	75.00
Mahanakhorn Capital Company Limited **	Short-term credit facility for car selling business	Thailand	5,000	5,000	60.00	60.00

\*\* \*\* During the year 2020 the shares had not been called for payment.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated statements of financial position.

### 3.3 Financial reporting standards that become effective in the current year

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

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

### 3.4 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has revised TFRS 16 lease agreements and published in the Government Gazette on January 27, 2021. There is added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Company and its subsidiaries are currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## 4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2020.

## 5. RELATED PARTY TRANSACTIONS

During the period, the Group had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, subsidiaries and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended March 31,				
	Consolidated		The Company Only		Transfer pricing policy
	2021	2020	2021	2020	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	11,837	12,310	As mutual agreed
Other income	-	-	337	364	As mutual agreed
Purchases of goods	-	-	21,955	17,601	As mutual agreed

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(Unit: Thousand Baht)

	For the three-month periods ended March 31,				
	Consolidated		The Company Only		Transfer pricing policy
	2021	2020	2021	2020	
<u>Transactions with related companies</u>					
Rental expenses	705	705	674	674	Contract price (close to market price)
Utility expenses	48	52	44	46	As mutual agreed
<u>Transactions with related companies</u>					
<u>That has directors as shareholders</u>					
Sales of goods	-	23,573	-	-	As mutual agreed (close to market price)

As at March 31, 2021 and December 31, 2020 between the Company and related parties are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
<b><u>Trade and other receivables - related parties (Note 7)</u></b>				
Subsidiaries				
Gratitude Infinite Public Company Limited	-	-	53	53
Lion Asia (Thailand) Company Limited	-	-	17,088	16,614
Total trade and other receivables - related parties	-	-	17,141	16,667
<b><u>Trade and other payables - related parties (Note 18)</u></b>				
Subsidiaries				
Lion Asia (Thailand) Company Limited	-	-	17,151	5,427
Related parties				
Firsttraco Company Limited	18	245	18	243
Five loop Company Limited	411	411	411	411
Directors	14	31	14	11
Total trade and other payables - related parties	443	687	17,594	6,092

Directors and management’s remuneration

Management benefit expenses represent the benefits paid to the Company’s management such as salaries and related benefit including the benefit paid by other means. The Company’s management are the persons who are defined under the Securities and Exchange Act.

During the three-month periods ended March 31, 2021 and 2020, the Group had employee benefit expenses of the directors and management as follows: -

	(Unit: Thousand Baht)			
	For the three-month periods ended March 31,			
	Consolidated		The Company Only	
	2021	2020	2021	2020
Short-term employee benefits	5,851	6,434	3,429	2,964
Post-employment benefits	157	235	57	57
Total	6,008	6,669	3,486	3,021

**6. CASH AND CASH EQUIVALENTS**

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Cash	390	391	220	220
Bank deposits	510,267	543,480	194,042	252,659
Total	510,657	543,871	194,262	252,879

As at March 31, 2021, bank deposits in saving accounts and fixed deposits carried interests between 0.13 and 0.35 percent per annum (As at December 31, 2020: between 0.13 and 0.35 percent per annum).



## 7. TRADE AND OTHER RECEIVABLES

(Unit: Thousand Baht)

	Consolidated		The Company Only	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
<b><u>Trade receivables - related parties (Note 5)</u></b>				
Aged on the basis of due dates				
Not yet due	-	-	17,034	16,561
Past due				
Up to 3 months	-	-	-	-
Total trade receivables - related parties	-	-	17,034	16,561
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	625,968	511,244	588,126	456,841
Past due				
Up to 3 months	139,758	130,060	105,524	112,555
3 - 6 months	921	971	921	969
6 - 12 months	897	275	897	275
Over 12 months	1,418	1,253	837	672
Total trade receivables - unrelated parties	768,962	643,803	696,305	571,312
Total trade receivables	768,962	643,803	713,339	587,873
<u>Less: Allowance for expected credit losses</u>	(1,648)	(1,569)	(1,067)	(764)
Total trade receivables - net	767,314	642,234	712,272	587,109
<b><u>Other receivables</u></b>				
Other receivables - related parties (Note 6)	-	-	107	106
Other receivables - unrelated parties	41	4	41	4
Receivable from loan agreement	5,087	-		
Total other receivables	5,128	4	148	110
Total trade and other receivables - net	772,442	642,238	712,420	587,219

## 8. INVENTORIES

(Unit: Thousand Baht)

	Consolidated					
	Cost		Reduce cost to net		Inventories - net	
			realisable value			
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Raw materials	1,442	1,443	(1,442)	(597)	-	846
Finished goods	304,910	273,459	(6,392)	(8,368)	298,518	265,091
Goods in transit	67,183	40,556	-	-	67,183	40,556
Packing materials	2,638	2,317	(1,375)	(1,375)	1,263	942
Total	376,173	317,775	(9,209)	(10,340)	366,964	307,435

(Unit: Thousand Baht)

	The Company Only					
	Cost		Reduce cost to net		Inventories - net	
			realisable value			
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Finished goods	284,853	241,375	(1,968)	(2,222)	282,885	239,153
Goods in transit	67,183	38,359	-	-	67,183	38,359
Packing materials	910	510	-	-	910	510
Total	352,946	280,244	(1,968)	(2,222)	350,978	278,022

For the three-month period ended March 31, 2021, the Group reversed reduced cost of inventories by Baht 1.13 million (The Company Only: by Baht 0.25 million), and reduced the amount of inventories recognised as cost of sales during the periods. (For the three-month period ended March 31, 2020: the Group increased the write-down of cost of inventories by Baht 4.24 million (The Company Only: Baht 3.95 million) to reflect the net realisable value which was included in cost of sales).

## 9. OTHER CURRENT FINANCIAL ASSETS

As at March 31, 2021, the Company has the other current assets financial which is the fixed deposits due date within 1 year by Baht 45.49 million with interest rate at 0.50 percent per annum (As at December 31, 2020: Baht 45.00 million with interest rate at 1.10 percent per annum)

## 10. OTHER CURRENT ASSETS

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Revenue department receivable	5,654	6,246	3,674	4,277
Prepaid expenses	3,438	10,455	2,932	9,808
Undue input VAT	4,377	3,401	4,325	3,331
Others	3,405	983	3,050	735
Total other current assets	16,874	21,085	13,981	18,151

## 11. OTHER NON-CURRENT FINANCIAL ASSETS

As at March 31, 2021 and December 31, 2020, the balance of investment in equity securities investments are as follows:

Type of investments	(Unit: Thousand Baht)					
	Consolidated					
	Cost		Unrealised loss on changes in fair value		Carrying amount	
	As at	As at	As at	As at	As at	As at
	March	December	March	December	March	December
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
Investment in marketable securities	75,218	125,798	(7,968)	(29,384)	67,250	96,414
Investment in non-marketable securities	8,050	8,050	(2,789)	(2,789)	5,261	5,261
Total	83,268	133,848	(10,757)	(32,173)	72,511	101,675

Type of investments	(Unit: Thousand Baht)					
	The Company Only					
	Cost		Unrealised loss on changes in fair value		Carrying amount	
	As at	As at	As at	As at	As at	As at
	March	December	March	December	March	December
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
Investment in non-marketable securities	8,050	8,050	(2,789)	(2,789)	5,261	5,261
Total	8,050	8,050	(2,789)	(2,789)	5,261	5,261

Investment in marketable securities

For the three-month period ended March 31, 2021 and 2020, the subsidiaries disposed investments in equity securities with its fair value Baht 45.81 million. (cost amount by Baht 50.58 million.) and fair value Baht 1.79 million (cost amount by Baht 2.02 million) respectively. The subsidiaries recognised loss on disposal of these investments by Baht 4.77 million and Baht 0.23 million respectively, and transferred such loss from other comprehensive income to “retained earnings-unappropriated” as presented in the Statement of change in shareholders’ equity.

Other non-current financial assets were the marketable equity instruments measured at fair value at the level 1 (Note 26.2 to interim financial statements).

#### Investment in non-marketable securities

Investments in equity in non-marketable securities of Fiveloop Company Limited for 46,914 ordinary, representing 19% of the registered capital of such company. Fiveloop Company Limited is principally engaged in the software package services and E-Commerce are stated at fair value using inputs of Level 3 (Note 26.2 to interim financial statements).

## 12. INVESTMENTS IN SUBSIDIARIES

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)						
Company’s name	The Company Only					
	Cost		Allowance for impairment of		Carrying amounts based on cost	
			investments		method - net	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Gratitude Infinite Public Company Limited	174,554	174,554	-	-	174,554	174,554
Lion Asia (Thailand) Company Limited	30,000	30,000	(15,000)	(15,000)	15,000	15,000
Mahanakhorn Capital Company Limited	2,999	-	-	-	2,999	-
Thai Cococraft Company Limited	1,969	-	-	-	1,969	-
Total	209,522	204,554	(15,000)	(15,000)	194,522	189,554

## 12.1 Treasury shares and appropriated retained earnings for treasury shares of Gratitude Infinite Public Company Limited

As at December 31, 2020, the subsidiary has the treasury shares of treasury shares program for the year 2018 and 2020 totaling 82 million ordinary share, or 19.86% of the total number of issued and fully paid up shares, for a total of Baht 266.76 million. As a result, the treasury shares purchased its shareholding in Gratitude Infinite Public Company Limited has increased from 55.29% to 66.99%.

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2548 of the Office of the Securities and Exchange Commission concerning the acquisition of treasury shares, dated February 14, 2005, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the subsidiary either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of treasury shares which it was unable to sell.

As at December 31, 2020, the subsidiary allocated unappropriated retained earnings to a reserve for treasury shares of treasury shares program for the year 2018 and 2020, totaling Baht 266.76 million.

## 12.2 Treasury stocks and Retained Earnings Appropriation for treasury shares of subsidiaries

On February 22, 2021, the Board of Directors' Meeting of Gratitude Infinite Public Company Limited No. 1/2021, it had a resolution to approve the paid-up of the capital decrease registration for 82 million ordinary shares that cannot be sold within the specified period with the Department of Business Development, Ministry of Commerce. As at March 26, 2021, the subsidiaries had registered the paid-up of the capital decrease registration for 82 million ordinary shares that cannot be sold within the specified period with the Department of Business Development, Ministry of Commerce

The movement of the repurchase ordinary shares and the premium for the three-month period ended March 31, 2021 was as follows:

	Consolidated financial statements/Separate financial statements	
	Shares (thousand shares)	Repurchase shares (thousand Baht)
Beginning period, January 1, 2021	82,000	266,763
Paid-up capital decrease	(82,000)	(266,763)
Balance, March 31, 2021	-	-

### 13. INVESTMENT IN PROPERTY

Movements of the property, plant and equipment account during the three-month period ended March 31, 2021 are summarised below

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
Net book value as at January 1, 2021	13,959	13,959
Transfer from property, plant and equipment	74,540	-
Allowance for impairment of assets	(1,346)	-
Net book value as at March 31, 2021	87,153	13,959

The investment property of the Group was the land that the Company held but currently has not identified the purpose of utilization in the future. The Group recorded the accounts by the cost method.

During the year 2021, the subsidiaries employed an independent appraiser to appraise the fair value of such land according to the market approach amounted Baht 73.19 million. As a result, the subsidiaries had provided an allowance for impairment in such land in the amount of Baht 1.35 million which the subsidiaries disclosed at the level 2 of the fair value hierarchy (Note 26.2 to interim financial statements).

### 14. PROPERTY, PLANT AND EQUIPMENT

Movement of the Property, plant and equipment account during the three-month period ended March 31, 2021 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
Net book value as at January 1, 2021	239,309	65,551
Acquisitions during period - at cost	957	276
Transfer to investment property	(74,541)	-
Depreciation for the period	(3,804)	(2,129)
Disposal during period - net book value of disposal date	(4,297)	-
Net book value as at March 31, 2021	157,624	63,698

## 15. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

### Right-of-use assets

Movements of the right-of-use assets account during the three-month period ended March 31, 2021 are summarised below

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
Net book value as at January 1, 2021	86,860	79,905
Increase during period	3,540	3,540
Depreciation	(5,956)	(5,641)
Net book value as at March 31, 2021	84,444	77,804

### Lease liabilities

The carrying amounts of lease liabilities and the movement for the three-month period ended March 31, 2021 are presented below

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
As at January 1, 2021	78,418	75,682
Addition during the period	2,042	2,042
Increase from changes in rate rental agreement	3,171	3,171
Accretion of interest	791	766
Payments during the period	(6,935)	(6,429)
As at March 31, 2021	77,487	75,232
<u>Less:</u> current portion	(24,945)	(23,374)
Lease liabilities - net of current portion	52,542	51,858

## 16. DEFERRED TAX ASSETS

Deferred tax assets and liabilities are offset when income taxes are related to the same fiscal authority.

Deferred income taxes are calculated on all temporary differences under the liability method using principal tax 20%

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	(Unit : Thousand Baht)			
	Consolidated		The Company Only	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Deferred tax assets	10,652	14,228	6,526	5,812
Deferred tax liabilities	(16)	-	(17)	-
Deferred tax assets-net	10,636	14,228	6,509	5,812

Deferred tax assets (liabilities) in the statement of comprehensive income for the three-month period ended March 31, 2021 are attributed to the following items:

	(Unit: Thousand Baht)			
	Consolidated			
	Balance per book as at January 1, 2021	Revenue (expenses) during the period		Balance per book as at March 31, 2021
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Allowance for expected credit losses	231	16	-	247
Allowance for diminution in value of inventories	2,021	(226)	-	1,795
Gain on sales of inventories to subsidiary	154	(64)	-	90
Gain on sales of assets to subsidiary	23	(18)	-	5
Allowance for impairment of investment property	-	269	-	269
The difference from depreciation - buildings	314	12	-	326
Provision for long-term employee benefits	4,778	99	-	4,877
Loss on financial assets measured at fair value				
- Investment in marketable securities	5,877	-	(4,283)	1,594
Loss on financial assets measured at fair value				
- Investment in non-marketable securities	558	-	-	558
The difference from depreciation - lease liabilities	258	633	-	891
Total	14,214	721	(4,283)	10,652
Deferred tax liabilities:				
(Gain) loss from revaluations at fair value of exchange forward contract	14	(30)	-	(16)
Total	14	(30)	-	(16)
Deferred tax assets-net	14,228	691	(4,283)	10,636



(Unit: Thousand Baht)

	The Company Only		
	Balance per book	Revenue (expenses)	Balance per book
	as at	during the period	as at
	January 1, 2021	In profit or loss	March 31, 2021
		In other comprehensive income	
Deferred tax assets:			
Allowance for expected credit losses	153	61	214
Allowance for diminution in value of inventories	444	(50)	394
Provision for long-term employee benefits	4,400	72	4,472
Loss on financial assets measured at fair value			
- Investment in non-marketable securities	558	-	558
The difference from depreciation - lease liabilities	255	633	888
Total	5,810	716	6,526
Deferred tax liabilities:			
(Gain) loss from revaluations at fair value of exchange			
forward contract	2	(19)	(17)
Total	2	(19)	(17)
Deferred tax assets-net	5,812	697	6,509

## 17. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit: Thousand Baht)

	Interest rate		Consolidated		The Company Only	
	(percent per annum)					
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Trust receipt	1.30 - 2.25	1.30 - 2.25	302,218	251,572	300,038	228,527
Promissory notes	1.41 - 1.60	1.59 - 1.60	100,000	200,000	100,000	200,000
Total			402,218	451,572	400,038	428,527

As at March 31, 2021 and December 31, 2020, the non-secured credit facilities of the Group and the Company which have not yet been drawn down amounted to Baht 3,978 million.

# **18. TRADE AND OTHER PAYABLES**

	(Unit: Thousand Baht)			
	Consolidated		The Company Only	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Trade and other payables				
- related parties (Note 5)	443	687	17,594	6,092
Trade payables - unrelated parties	317,035	213,209	306,545	200,362
Other payables - unrelated parties	16,143	14,935	14,367	13,428
Accrued expenses	5,417	5,571	3,834	3,936
Total trade and other payables	339,038	234,402	342,340	223,818

# **19. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS**

Movements of the provision for long-term employee benefits account during the three-month period ended March 31, 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	The Company Only
Balance as at January 1, 2021	23,890	22,000
Current cost and interest	498	362
Balance as at March 31, 2021	24,388	22,362

# **20. TREASURY SHARES AND APPROPRIATED RETAINED EARNINGS FOR TREASURY SHARES**

On November 12, 2020, the Board of Directors’ Meeting No.8/2020 of the Company passed a resolution to approve a treasury shares program to repurchase up to 123 million shares (par value of Baht 0.25 each), or 9.95% of the total number of the Company’s issued shares, with a budget of Baht 66 million. The Company’s shares are to be repurchased through the Stock Exchange of Thailand from November 27, 2020 to May 26, 2021.

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2548 of the Office of the Securities and Exchange Commission concerning the acquisition of treasury shares, dated February 14, 2005, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the subsidiary either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of treasury shares which it was unable to sell.

For the three-month period ended March 31, 2021, the Company had purchased back 32.70 million ordinary shares of Baht 29.03 million, totaling purchased back 53.09 million ordinary shares or 4.29% of the total number of issued and fully paid up shares, for a total treasury shares of Baht 42.88 million.

As at December 31, 2020, the Company had purchased back 20.39 million ordinary shares or 1.65% of the total number of issued and fully paid up shares, for a total treasury shares of Baht 13.86 million.

The Company has allocated retained earnings as reserve for treasury shares as at March 31, 2021 and December 31, 2020 in the total amount of Baht 42.88 million and Baht 13.85 million, respectively. Such transaction is included in the statement of financial position under the caption “appropriated retained earnings - reserve for treasury shares”.

## 21. INCOME TAX

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

Income tax expenses for the three-month periods ended March 31, 2021 and 2020 are summarised as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended March 31,			
	Consolidated		The Company Only	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Corporate income tax for the period	16,513	12,975	16,086	7,567
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(691)	1,478	(697)	1,657
<b>Income tax expenses reported in the statements of comprehensive income</b>	<b>15,822</b>	<b>14,453</b>	<b>15,389</b>	<b>9,224</b>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended March 31, 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended March 31,			
	Consolidated		The Company Only	
	2021	2020	2021	2020
<b>Other comprehensive income:</b>				
Deferred tax relating to loss on revaluation of investments in equity securities	4,283	(9,168)	-	-
Deferred tax relating to actuarial (gain) loss	-	504	-	-
<b>Total</b>	<b>4,283</b>	<b>(8,664)</b>	<b>-</b>	<b>-</b>

**22. WARRANTS**

On January 31, 2018, the resolution passed by the Extraordinary Meeting of the Company's shareholders No. 1/2561 approving the Company to issue and offer 103,028,450 of transferable warrants (UKEM-W2) with registered holders to the existing shareholders free of charge, in a ratio of 1 warrant for every 8 existing shares. These warrants can be exercised for a period of 2 years from the issue date (March 15, 2018) with an exercise ratio of 1 warrant per 1 ordinary share and an exercise price of Baht 0.50 per share. Warrant holders can exercise the warrants on the last working day of May and November in each calendar year until the maturity date, with the first exercise date on May 31, 2018 and the last exercise date shall be on the last business day the warrants reaches the 2 years period from the issuance date.

In May 2018, the Company received subscriptions of Baht 0.50 per share for the additional ordinary shares arising from the exercise of 5,500 warrants (UKEM-W2), for a total of Baht 2,750. The Company registered the resulting increase of Baht 1,375 in its capital with Ministry of Commerce on June 12, 2018 and the Stock Exchange of Thailand listed the 5,500 ordinary shares on June 18, 2018.

In March 2020, the Company received subscriptions of Baht 0.50 per share for the additional ordinary shares arising from the exercise of 612 warrants (UKEM-W2) to eligible as 612 ordinary shares for a total of Baht 306 which is the last exercised such warrant. The Company registered the resulting increase of Baht 153 in its capital (at par value of baht 0.25/share), with Ministry of Commerce on March 24, 2020 and the Stock Exchange of Thailand listed the 5,500 ordinary shares on March 13, 2020.

**23. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period after adjusting the number of ordinary shares to reflect the impact of the stock dividend. The prior period's basic earnings per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

In case the warrant to purchase ordinary shares of the Company has an exercise price higher than the average market price of common shares during the period. The effect of diluted equivalent ordinary shares will not be shown and not effect on the diluted earnings per share.

The following table sets forth the computation of basic and diluted earnings per share:

Consolidated							
For the three-month periods ended March 31,							
Profit for the period		Weighted average number of ordinary shares		Earnings per share			
2021	2020	2021	2020	2021	2020		
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)		
<b>Basic earnings per share</b>							
Profit attributable to equity holders of the Company		55,669	41,827	1,215,891	1,236,281	0.046	0.034
<u>Less</u> Weighted average number of treasury shares during the periods			(20,056)		-		
<b>Weighted average number of ordinary shares</b>			1,195,835		1,236,281		
<b>Effect of dilutive potential ordinary shares</b>							
Warrants (UKEM-W2)			-		(29,918)		
<b>Diluted earnings per share</b>		55,669	41,827	1,195,835	1,206,363	0.047	0.035

The Company Only							
For the three-month periods ended March 31,							
Profit for the period		Weighted average number of ordinary shares		Earnings per share			
2021	2020	2021	2020	2021	2020		
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)		
<b>Basic earnings per share</b>							
Profit attributable to equity holders of the Company		60,934	31,168	1,215,891	1,236,281	0.050	0.025
<u>Less</u> Weighted average number of treasury shares during the periods			(20,056)		-		
<b>Weighted average number of ordinary shares</b>			1,195,835		1,236,281		
<b>Effect of dilutive potential ordinary shares</b>							
Warrants (UKEM-W2)			-		(29,918)		
<b>Diluted earnings per share</b>		60,934	31,168	1,195,835	1,206,363	0.051	0.026

**“UNAUDITED”**

**“REVIEWED”**

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## 24. SEGMENT INFORMATION

The Group are organised into business units based on its products and services. During the current period, the Group have not changed the organisation of their reportable segments. The following tables present revenue and profit information regarding the Company’s and its subsidiaries’ operating segments for the three-month periods ended March 31, 2021 and 2020.

(Unit: Thousand Baht)

	For the three-month periods ended March 31,											
	Commodity chemicals segment		Specialty chemicals segment		Other segments <sup>1)</sup>		Total segments		Adjustments and eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue:												
External customers	560,347	528,912	67,856	223,479	47,030	42,312	675,233	794,703	-	-	675,233	794,703
Inter-segment	11,837	12,407	21,955	17,681	-	-	33,792	30,088	(33,792)	(30,088)	-	-
Total revenue	572,184	541,319	89,811	241,160	47,030	42,312	709,025	824,791	(33,792)	(30,088)	675,233	794,703
Results:												
Segment profit	132,122	87,390	6,723	45,490	3,249	1,191	142,094	134,071	472	(207)	142,566	133,864
Other income											563	13,638
Selling expenses											(21,849)	(28,966)
Administrative expenses											(49,972)	(50,472)
Financial expenses											(2,945)	(3,781)
Profit before income tax expenses											68,363	64,283
Income tax expenses											(15,822)	(14,453)
Profit for the period											52,541	49,830

1) Other segments included the distribution of plastic pellets, rubber trees, distribution of computer equipment and the provision of computer system services, among others.

## **25. COMMITMENTS AND CONTINGENT LIABILITIES**

### **25.1 Operating Lease Commitments**

The Group have entered into several lease agreements in respect of the lease of building space and warehouse and related services. The terms of the agreements are between 3 to 5 years.

Future minimum payments required under these operating leases and its related service contracts were as follows:

		(Unit: Thousand Baht)			
		Consolidated		The Company Only	
		As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Payable:					
In up to 1 year		3	6	3	3
In over 1 and up to 5 years		-	1	-	-
Total		3	7	3	3

### **25.2 Guarantees**

As at March 31, 2021, the Group and its subsidiaries had the following outstanding significant letters of guarantee:

25.2.1 Outstanding bank guarantees of Baht 39.00 million (December 31, 2020: Baht 51.00 million) have been issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business, to guarantee payments of goods to suppliers.

### **25.3 Other Commitments**

25.3.1 As at March 31, 2021, the Company had commitments to banks under letters of credit amounting to approximately USD 2.77 million (December 31, 2020: USD 1.53 million).

25.3.2 As at March 31, 2021, a subsidiary has outstanding commitment under the plant construction agreement in the amount of Baht 0.90 million.

## 25.4 Other Service Agreement

A subsidiary company has entered into an agreement to participate in an “intelligent meeting room” project (Agreement for supply of equipment, software and services for intelligent meeting solution) with True Universal Convergent Company Limited (TUC) and SaeheComms Company Limited, located in South Korea. The agreement has a term of 2 years, from February 1, 2012 to January 31, 2014, and automatically renews for another year if no party gives notice of its intention to cancel the agreement. To date, none of the parties have announced their intention to cancel. Under the agreement, the subsidiary company has invested in the hardware and equipment for the project, together with insurance coverage for the equipment of Baht 5 million, and is required to pay Baht 0.1 million per year to TUC. TUC is responsible for costs of internet connections for installing the I-Meeting Solution system and for finding customers, while SaeheComms Company Limited is to source the software and provides expertise for the I-Meeting Solution system. Revenue from this project will be shared among the parties in proportions specified in the agreement.

## 26. FINANCIAL INSTRUMENTS

### 26.1 Foreign currency risk

As at March 31, 2021 and December 31, 2020 the balances of financial liabilities denominated in foreign currencies are summarized blow:

Consolidated				
Foreign currency	Financial liabilities		Average exchange rate	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2.84	1.91	31.51	30.21

  

The Company Only				
Foreign currency	Financial liabilities		Average exchange rate	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2.84	1.67	31.51	30.21



As at March 31, 2021 and December 31, 2020, the outstanding of forward exchange contracts of the Group are summarised below.

Consolidated						
Foreign currency	Bought amount		Contractual exchange rate Bought		Contractual Maturity date	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Baht per 1 foreign currency unit)			
US dollar	0.27	0.27	31.00 - 31.12	29.87 - 31.50	April 2021 - June 2021	January 2021 - May 2021
The Company Only						
Foreign currency	Bought amount		Contractual exchange rate Bought		Contractual Maturity date	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Baht per 1 foreign currency unit)			
US dollar	0.26	0.16	31.00 - 31.12	30.11	April 2021 - June 2021	January 2021

## 26.2 Fair value of financial instruments

The subsidiary company uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

As at March 31, 2021, the fair values of open forward foreign exchange contracts of the Group company were stated as net assets of Baht 0.07 million which presented in other liabilities under the statement of financial position. (The Company Only: Baht 0.08 million)

### Fair value hierarchy

In applying the above-mentioned valuation techniques, the subsidiary company endeavors to use relevant observable inputs as much as possible. TFRS 13 Fair Value Measurement establishes a fair value hierarchy categorizing such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

As at March 31, 2021, the Group company had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	Consolidated			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment in marketable securities (Note 11)	67,250	-	-	67,250
Investment in non-marketable securities (Note 11)	-	-	5,261	5,261
<b>Liabilities measured at fair value</b>				
Foreign currency forward contracts	-	85	-	85
<b>Assets disclosed at fair value</b>				
Investment properties	-	91,595	-	91,595

  

	(Unit: Thousand Baht)			
	The Company Only			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investment in non-marketable securities (Note 11)	-	-	5,261	5,261
<b>Liabilities measured at fair value</b>				
Foreign currency forward contracts	-	83	-	83
<b>Assets disclosed at fair value</b>				
Investment properties	-	18,401	-	18,401

During the current period, there were no transfers within the fair value hierarchy.

Valuation techniques and inputs of fair value to level 1

Investment in marketable securities of investment in equity securities investments are stated at fair value using inputs of Level 1 which uses the quoted market prices in an observable active market for such assets or liabilities. Such fair value of investment in equity securities investments has been determined by using the last bid price of the last working day of the year from the Stock Exchange of Thailand.

Valuation techniques and inputs of fair value to level 2

Hedging derivatives comprise forward foreign exchange contracts which have been calculated using rates quoted by the Company’s counterparties to terminate the contracts at the statement of financial position date.

The fair value of land categorized as investment property was determined by independent property appraisers under the market approach.

Valuation techniques and inputs of fair value to level 3

The fair value of Investment in non-marketable securities calculated using the discounted cash flow income approach method has been prepared by the Company’s management.

**27. RECLASSIFICATION**

Certain transactions in the financial statements for the three-month period ended March 31, 2020 have been reclassified to conform to the classifications in the three-month period ended March 31, 2021, with no effect on previously reported on net income or shareholders’ equity.

- Statements of comprehensive income

	(Unit: Thousand Baht)		
	Consolidated		
	For the three-month period ended March 31, 2020		
	As previously reported	Increase (decrease)	As reclassified
Selling expenses	28,966	2,421	31,387
Administrative expenses	50,472	(2,421)	48,051

	(Unit: Thousand Baht)		
	The Company Only		
	For the three-month period ended March 31, 2020		
	As previously reported	Increase (decrease)	As reclassified
Selling expenses	21,413	2,421	23,834
Administrative expenses	39,613	(2,421)	37,192

**28. EVENTS AFTER THE REPORTING PERIOD**

28.1 On April 22, 2021, the Annual General Shareholders’ Meeting for 2021 of Gratitude Infinite Public Company Limited that approval of the appropriation of the 2020 annual profit to the legal reserve amount Baht 0.92 million and the payment of a dividend in respect of the operating results of 2020 of Baht 0.05 per share, totaling Baht 16.54 million. The dividend payment will be paid on May 17, 2021.

28.2 On April 22, 2021, the Annual General Shareholders’ Meeting for 2021 that approval of the appropriation of the 2020 annual profit to the legal reserve amount Baht 4.30 million and the payment of a dividend in respect of the operating results of 2020 of Baht 0.055 per share, totaling Baht 65.68 million. The dividend payment will be paid on May 20, 2021.

**29. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorised for issue by the Company’s Board of Directors on May 13, 2021.