



Independent Auditor's Report and Financial Statements of

Sahamitr Pressure Container Public Company Limited

For the Year Ended 31 December 2021



INDEPENDENT AUDITOR'S REPORT

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To the Shareholders of Sahamitr Pressure Container Public Company Limited

Opinion

I have audited the financial statements of Sahamitr Pressure Container Public Company Limited (the "Company"), which comprise the statement of financial position as at 31 December 2021, the related 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 financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Sahamitr Pressure Container Public Company Limited as at 31 December 2021, and its financial performance and its 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 Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants that are relevant to my audit of the 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 financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I determine that there are no key audit matters.

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 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 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 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 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 Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 the 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Saranya



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

Miss Saranya Akharamahaphanit

Certified Public Accountant

Registration No. 9919

Grant Thornton Limited

Bangkok

14 February 2022

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION

ASSETS

		Thousand Baht	
	Notes	31 December 2021	31 December 2020
CURRENT ASSETS			
Cash and cash equivalents	6	29,501	57,655
Short-term investment	7, 27	774,003	517,090
Trade accounts receivable	8	614,930	403,172
Inventories	9	1,456,368	926,455
Advance payments for goods		13,640	-
Refundable value added tax		54,414	11,930
Other current assets		20,088	20,499
Total Current Assets		2,962,944	1,936,801
NON-CURRENT ASSETS			
Restricted deposits with banks	10	30,098	36,694
Investment property	11, 27	60,506	60,416
Property, plant and equipment	12, 14	1,264,024	1,173,084
Deferred tax assets	21	13,077	12,856
Other non-current assets		448	448
Total Non-Current Assets		1,368,153	1,283,498
TOTAL ASSETS		4,331,097	3,220,299

() Director

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SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY

		Thousand Baht	
	Notes	31 December 2021	31 December 2020
CURRENT LIABILITIES			
Short-term loans from bank	13	1,308,025	371,590
Trade and other payables		254,145	372,817
Current portion of lease liabilities	14	2,252	1,854
Advances received from customers		82,349	59,660
Dividend payable	16	4,353	5,277
Accrued commission expenses		30,198	37,016
Accrued transportation expenses		24,913	37,288
Accrued income tax		47,809	67,624
Other accrued expenses		42,469	47,596
Other current liabilities		6,382	3,362
Total Current Liabilities		1,802,895	1,004,084
NON-CURRENT LIABILITIES			
Lease liabilities	14	2,050	3,108
Liabilities under post-employment benefits	15	60,519	57,576
Total Non-Current Liabilities		62,569	60,684
TOTAL LIABILITIES		1,865,464	1,064,768

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SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

		Thousand Baht	
	Note	31 December 2021	31 December 2020
SHAREHOLDERS' EQUITY			
Share capital-ordinary shares, Baht 1 par value			
Authorized 535,506,333 shares		535,506	535,506
Issued and fully paid-up 535,506,333 shares		535,506	535,506
Premium on share capital		55,091	55,091
Retained earnings			
- Appropriated for legal reserve	17	53,641	53,641
- Unappropriated		1,821,395	1,511,293
TOTAL SHAREHOLDERS' EQUITY		2,465,633	2,155,531
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,331,097	3,220,299

() Director

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SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

	Notes	Thousand Baht	
		2021	2020
Revenue from sales and services	19, 23	4,550,352	3,973,381
Costs of sales and services	23, 24	(3,456,296)	(3,003,300)
Gross profit		1,094,056	970,081
Other income	20	304,755	244,285
Profit before expense		1,398,811	1,214,366
Selling and distribution expenses	24	(341,555)	(243,402)
Administrative expenses	24	(199,706)	(197,016)
Profit from operating activities		857,550	773,948
Finance costs		(10,684)	(8,200)
Profit before income tax		846,866	765,748
Income tax	21	(119,088)	(147,037)
PROFIT FOR THE YEAR		727,778	618,711
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
Items not to be reclassified subsequently to profit or loss			
Actuarial loss - net of tax	15	-	(426)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		727,778	618,285
Basic earnings per share			
Profit (Baht per share)		1.36	1.16
Weighted average number of common shares (share)		535,506,333	535,506,333

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SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER

	Notes	Thousand Baht			
		Share Capital Issued and fully paid - up	Premium on share capital	Retained earnings Appropriated for legal reserve	Unappropriated
					Total
Balance as at 1 January 2020		535,506	55,091	53,641	1,187,527
Dividend payment	16	-	-	-	(294,519)
Transactions with owners		-	-	-	(294,519)
Profit for the year		-	-	-	618,711
Other comprehensive income for the year		-	-	-	(426)
Total comprehensive income for the year		-	-	-	618,285
Balance as at 31 December 2020		535,506	55,091	53,641	1,511,293
Balance as at 1 January 2021		535,506	55,091	53,641	1,511,293
Dividend payment	16	-	-	-	(417,676)
Transactions with owners		-	-	-	(417,676)
Profit for the year		-	-	-	727,778
Total comprehensive income for the year		-	-	-	727,778
Balance as at 31 December 2021		535,506	55,091	53,641	1,821,395
					2,465,633

Director _____

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

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

	Thousand Baht	
	2021	2020
Cash flows from operating activities:		
Profit before income tax	846,866	765,748
Adjustments to reconcile profit before income tax to net cash provided from (used in) operating activities:		
Depreciation	70,688	64,406
Unrealized loss (gain) on exchange rate	6,487	(12,680)
Provision for post-employment benefits	3,678	3,696
Gain on fair value adjustment of investment property	(90)	(636)
Loss on disposal and written off assets	458	1,428
Unrealized loss (gain) on short-term investment	(757)	54
Gain on disposal of short-term investment	(556)	(1,079)
Reversal of accrued expenses	(7,642)	-
Interest expense	10,684	8,200
Cash provided from operations before changes in operating assets and liabilities	929,816	829,137
Decrease (increase) in operating assets:		
Trade accounts receivable	(206,744)	49,928
Inventories	(529,913)	(293,111)
Advance payments for goods	(13,640)	-
Refundable value added tax	(42,484)	(1,384)
Other current assets	411	2,301
Other non-current assets	-	(16)
Increase (decrease) in operating liabilities:		
Trade and other payables	(118,690)	59,861
Advances received from customers	22,689	53,794
Accrued commission expenses	(1,430)	8,129
Accrued transportation expenses	(12,375)	18,009
Other accrued expenses	(2,746)	18,357
Other current liabilities	3,020	532
Employee benefit paid	(2,867)	(3,040)
Cash provided from operations	25,047	742,497

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SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER

	Thousand Baht	
	2021	2020
Cash provided from operations (continue)	25,047	742,497
Interest paid	(8,093)	(5,847)
Income tax paid	(139,123)	(118,518)
Net cash provided from (used in) operating activities	(122,169)	618,132
Cash flows from investing activities:		
Purchase of short-term investment	(3,155,600)	(2,351,472)
Proceeds from disposal of short-term investment	2,900,000	1,992,572
Decrease (increase) in restricted deposits with bank	6,596	(192)
Proceeds from disposal of assets	125	707
Purchase of property, plant and equipment	(158,142)	(161,550)
Net cash used in investing activities	(407,021)	(519,935)
Cash flows from financing activities:		
Increase in short-term loans from bank	924,728	246,109
Repayment of lease liabilities	(5,092)	(5,932)
Dividend payment	(418,600)	(293,402)
Net cash provided from (used in) financing activities	501,036	(53,225)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(28,154)	44,972
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	57,655	12,683
CASH AND CASH EQUIVALENTS AT END OF YEAR	29,501	57,655

Supplemental disclosures for cash flows information

Non-cash transactions :

- Purchase of vehicles under lease agreement	4,069	3,295
- Recognition of right-of-use assets	-	3,959

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SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2021

1. NATURE OF BUSINESS

Sahamitr Pressure Container Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 92, Soi Thientalay 7, 4th intersection, Bangkhunthien - Chaitalay Road, Samaedam, Bangkhunthien, Bangkok.

The Company was incorporated as a limited public company in Thailand, and was listed on the Stock Exchange of Thailand on 3 December 1991.

The Company's major shareholders during the financial year were Mrs. Patama Laowong (19.60% shareholding) and Mr. Thamik Ekahitanond (10.15% shareholding).

The Company is engaged in the manufacturing of LPG and other pressure cylinders for both domestic and export sales. In addition, the Company also provides services for container repairs and quality testing for each country's standards.

2. BASIS OF FINANCIAL STATEMENTS 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 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 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 adoption and application the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to financial statements are disclosed in Note 4 to financial statements.

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2.2 Financial Reporting Standards, interpretations and guidance which effective from 1 January 2021

2.2.1 Thai Accounting Standard 1 “Presentation of financial statements” and Thai Accounting Standard 8 “Accounting policies, Changes in Accounting Estimates and Errors”

There is an amendment to the definition of the term “Materiality” to comply with the Financial Reporting Standards and frameworks. Including the explanation that clarifies the materiality application to Thai Financial Reporting Standard 1. The amendment also makes consequential amendments to other TFRS including TAS 8, TAS 10, TAS 34 and TAS 37.

2.2.2 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 purchase whether it is considered as purchase of assets or business combination.
- Amend the definition of the term “Business” to define the business combination to include, at a minimum, an input and a substantive process that are collectively significant contribution 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.

2.2.3 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 disclose all hedging relationships directly affected by such uncertainty.

2.2.4 Conceptual Framework for Financial Reporting

The conceptual framework definition was amended to define assets and liabilities and criteria for recognizing assets and liabilities in financial statements by adding the conceptual and application consideration as follow:

- 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 affect the revision in others framework 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.

2.2.5 Thai Financial Reporting Standard 16 “Leases”

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 modification.

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

2.3 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 are 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.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and all cash at banks (which do not have restriction of usage) and highly liquid investments maturing within 3 months that are readily convertible to cash on maturity date with insignificant risk of change in value.

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 companies 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.

() Director

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Inventory

Inventories are valued at the lower of cost or net realizable value, by the following methods:

Finished goods and work in process	At cost (average method)
Raw materials and others	At cost (specific and first - in, first - out method)

Net realizable value is the estimated selling price in the ordinary course of the business less the marginal cost to complete (for work in process) and other estimated costs necessary to make the sale.

Cost of purchase consists of purchasing price and other related direct cost, net of discounts and others (if any).

Costs of finished goods and work in process consist of raw materials, direct labour, other direct expenses and overhead which are allocated based on the production process.

The Company sets up allowance for decline value of inventories (if any), based on their current status such as slow-moving and defective.

Property, plant and equipment

Recognition and measurement

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

Cost is measured by the cash or cash equivalent price of obtaining the asset that bring it to the location and condition necessary for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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/expense in profit or loss.

Subsequent costs

The cost of replacing a 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.

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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
Land improvements	10
Buildings and improvements	20 - 40
Machinery and equipment	3 - 20
Furniture, fixtures and office equipment	3 - 10
Vehicles	5

No depreciation is provided on freehold land or assets under construction.

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

Impairment

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

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.

Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property also includes property where the future use has not been determined.

Investment property is measured initially at its cost including related transaction costs. After initial recognition, investment property is carried at its fair value estimated by an independent appraiser, and recognize changes in the fair value in profit or loss.

Subsequent expenditure is capitalised to the asset carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

() Director

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When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Right-of-use assets and lease liabilities

Leases - where the Company is the lessee

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

The Company recognises 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 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 Company uses the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Company is reasonably certain to terminate early.

To apply a cost model, the Company measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. 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. However, if the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the ROU asset reflects that the Company will exercise a purchase option, the Company depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments
- a change in the Company's estimate of the amount expected to be payable under a residual value guarantee
- the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Company recognises 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 Company recognises any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and other rebates.

Sale of goods and services rendered

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.

Freight income is recognized over time. The related costs are recognized in profit or loss when they are incurred.

Interest income

Interest income is recognized in profit or loss on an accrual basis.

Foreign currencies

Foreign currency transactions are translated into the functional currency (Thai Baht), using the exchange rate prevailing at the dates of the transactions (spot exchange rate).

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

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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.

Income tax

The computation of corporate income tax in compliance with the Revenue Code, is based on the taxable profit for the year after adding back expenses that are not deductible in determining taxable profit and the deduction of exempted income, according to the Revenue Code.

Current income tax

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

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the corresponding amounts used for income tax computation purposes. Deferred tax is measured at the tax rate that is expected to be applied to the temporary differences when they reverse, using tax rate enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are 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 the related tax benefit will be realized.

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 plans)

The Company and its employees have jointly established a contributory provident fund plan whereby monthly contributions are made by employees and by the Company. The fund assets are held in a separate trust fund. The Company's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments for employees upon retirement under the Labour Law.

The obligation under the defined benefit plan is determined by actuary, using the projected unit credit method.

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Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service conditions, such that the amount ultimately recognized is based on the number of awards that meet the related service conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Basic earnings per share

The Company presents basic earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Dividend payment

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

Segment reporting

Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment information is presented by geography as primary format.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Financial liabilities are derecognised when they are extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

The Company classified financial assets into the categorized (1) amortised cost (2) fair value through other comprehensive income (FVOCI) or (3) fair value through profit or loss (FVTPL) based on 2 criteria as follow;

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

At initial recognition, the financial assets (in the case of a financial asset not at FVTPL) are initial recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

The Company does not have any financial assets categorized and measured by FVOCI.

Subsequent measurement of financial assets

Financial assets at amortised cost

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

- the Company held such financial assets within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- 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 are subsequently measured at amortised cost using the effective interest method and are subjected to impairment which recognized in the profit or loss as separate item.

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 categorised at FVTPL.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI (if any). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company classifies the financial instruments issued by the Company as financial liabilities or equity securities by considering contractual obligations.

The Company initially recognized the financial liabilities at fair value and adjusted with transaction costs that are directly attributable to the acquisition of the financial liabilities.

Financial liabilities are subsequently measured at amortised cost using the effective interest method and are expensed in the profit or loss except derivative liabilities are measured at fair value through profit or loss.

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

Trade accounts receivable are presented at transaction price less impairment for expected credit loss as describe in Note 4 to financial statements which was provided for on the basis of collection experience and future payment ability of the debtors at the end of year.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENT AND CAPITAL RISK MANAGEMENT

4.1 Critical accounting estimates, assumption and judgments

4.1.1 Revenue

The Company exercises critical judgments consideration the agreements between two or more parties to assess rights of parties and performance obligations of each party in the part of goods and services that have been promised to the customer. The Company separates revenue from sales LPG and other pressure cylinders by recognized at point in time and the Company also has revenue from services for container repairs and freight income required from customers by recognized at overtime.

4.1.2 Impairment of receivables

Impairment of trade receivables are measured at an amount equal to lifetime expected credit losses (ECLs). ECLs are estimated using Simplified approach which a provision matrix developing based on the Company's historical credit loss experiences, adjusted with factors that are specific to the debtors together with an assessment of both current and future forecast of general economic conditions at the reporting date.

4.1.3 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

4.1.4 Allowance for decline in value of inventories

The Company estimates an allowance for slow-moving and defective inventories to reflect impairment of inventories. The allowance is based on the consideration of inventory turnover and deterioration of each inventory category.

4.1.5 Property, plant and equipment and computer software

Management regularly determines the estimated useful lives and residual values of building, plant and equipment and computer software, and will revise the depreciation and the amortization charge where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or if asset is no longer in used.

4.1.6 Investment property

The fair value of investment property is determined by an independent valuer using the market approach. The valuation involves certain assumptions and estimates.

4.1.7 Impairment of assets

The company consider asset as impaired when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant" or "prolonged" requires management judgement.

4.1.8 Post-employment benefits

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.

4.1.9 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company future taxable income 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.

4.1.10 Leases

Determining the lease term

The Company exercises judgement in determining whether it is reasonably certain to exercise option to terminate or extend a lease in determining the lease term which considered all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease or not to exercise the option to terminate the lease.

Determining of discount rate

The discount rate, which was used to calculate the lease liability, is the rate implicit in the leases if it can be readily determined, or the lessee's incremental borrowing rate if not. The Company used the rate implicit in the lease for hire purchase leases and incremental borrowing rate for other leases. The Company estimated interest rate closely to incremental borrowing rate.

4.2 Capital risk management

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

To maintain or adjust the capital structure, the Company may issue new shares or issue new debentures to finance debts or sell assets to reduce debts.

5. TRANSACTIONS WITH RELATED PARTIES

The Company has certain accounting transactions with related parties that are related to it through common shareholding and/or directorship. Thus, the financial statements reflect the effects of those transactions on the basis agreed upon between the Company and its related parties, which basis might be different from the basis used for transactions with unrelated parties.

Significant transactions with related parties for the years ended 31 December 2021 and 2020 consist of:

	Thousand Baht	
	2021	2020
<u>Key management personnel compensation</u>		
Short-term employment benefits	85,702	86,941
Post-employment benefits		
- Service cost	495	478
- Finance cost	457	425
- Actuarial gain	-	(906)
Total	86,654	86,938

As at 31 December 2021 and 2020, the Company has the following significant outstanding balances with related parties as follows:

	Thousand Baht	
	2021	2020
Lease liabilities	1,839	2,896
<u>Less</u> Portion due within 1 year	(1,053)	(1,507)
Net	786	1,389
Liabilities under post-employment benefits	20,840	19,888

6. CASH AND CASH EQUIVALENTS

	Thousand Baht	
	2021	2020
Cash	165	165
Saving accounts with banks	22,085	28,264
Current accounts with banks	7,251	9,226
Bill of Exchange	-	20,000
Total	29,501	57,655

Bill of Exchange ages not more than 3 months with carry effective interest at the rate 2.00% per annum.

7. SHORT-TERM INVESTMENT

Movements in the short-term investment for the years ended 31 December 2021 and 2020 are summarized below.

	Thousand Baht	
	2021	2020
Balance as at 1 January	517,090	157,165
<u>Add</u> Addition	3,155,600	2,351,472
<u>Less</u> Disposals	(2,899,444)	(1,991,493)
Unrealized gain (loss) on short-term investment	757	(54)
Balance as at 31 December	774,003	517,090

The Company has invested in an open-end mutual fund which yields return more than general savings deposits. The investment does not have any restriction for redemption and is classified as financial assets measured at fair value through profit or loss.

Measurement of fair value

The fair market value is based on the price quoted by the fund manager which is based on the fair value of the underlying investments held by the fund (Level 2).

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8. TRADE ACCOUNTS RECEIVABLE

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

	Thousand Baht	
	2021	2020
Not yet due	399,504	321,854
Over due		
Less than 3 months	204,811	57,469
More than 3 months, not over 6 months	5,009	23,840
More than 6 months, not over 12 months	5,500	9
More than 12 months	106	-
Total	614,930	403,172

The normal credit term is between 0 - 90 days.

9. INVENTORIES

	Thousand Baht	
	2021	2020
Raw materials and others	1,058,895	594,228
Raw materials in transits	94,840	164,999
Work in process	106,402	59,311
Finished goods	196,887	108,573
Total	1,457,024	927,111
<u>Less</u> Allowance for decline in value of inventories	(656)	(656)
Net	1,456,368	926,455

10. RESTRICTED DEPOSITS WITH BANKS

As at 31 December 2021 and 2020, the Company's fixed and saving deposits totalling Baht 30.10 million and Baht 36.69 million, respectively, are restricted for usage as they have been pledged as collaterals for loans from bank and letters of guarantee issued by a local banks for performance bonds and utilities usage.

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11. INVESTMENT PROPERTY

As at 31 December 2021 and 2020, the outstanding balances of investment property are as follows:

	Thousand Baht	
	2021	2020
Land	36,130	36,040
Land and construction	24,376	24,376
Total	60,506	60,416

Investment property comprises of land and construction which have not used in the Company's operations, and property where the future usage has not been determined.

During the years ended 31 December 2021 and 2020, movement of the investment property are as follows:

	Thousand Baht	
	2021	2020
Net book value as at 1 January	60,416	59,780
Gain on fair value adjustment for the year	90	636
Net book value as at 31 December	60,506	60,416

Measurement of fair value

The fair value of investment property is determined by external independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued and have been approved by The Securities and Exchange Commission. An independent valuation is performed at least every three years, or when management determines that there is a material change in the fair value. During the year 2021, fair value of properties was revalued resulting in a gain of Baht 0.09 million. The independent appraisers applied a market approach by comparing the value to market price of other property in the nearby location (Level 2). The Company recognized changes in the fair value of investment property in profit or loss for the year.

As at 31 December 2020, part of investment property amounting to Baht 58.82 million has been mortgaged as collateral for credit facility as discussed in Note 13 to financial statements. During the year 2021, the Company already redeemed all of these guarantees. Therefore, as at 31 December 2021, the Company has no investment property been mortgaged.

12. PROPERTY, PLANT AND EQUIPMENT

	Thousand Baht						
	Land and improvement	Building and improvement	Machinery and equipment	Furniture fixtures and office Equipment	Vehicles	Machinery under installation and construction in progress	Total
Cost							
1 January 2020	319,265	498,320	940,489	40,574	53,889	22,402	1,874,939
Acquisitions	-	2,586	20,807	1,625	3,641	136,186	164,845
Disposals / write-off	-	-	(26,904)	(374)	(154)	-	(27,432)
Transfer in / (out)	8,905	34,109	35,991	57	-	(79,062)	-
31 December 2020	328,170	535,015	970,383	41,882	57,376	79,526	2,012,352
Acquisitions	7	205	25,187	3,848	4,075	128,889	162,211
Disposals / write-off	-	-	(5,785)	-	(561)	-	(6,346)
Transfer in / (out)	670	20,926	85,394	-	-	(106,990)	-
31 December 2021	328,847	556,146	1,075,179	45,730	60,890	101,425	2,168,217
Accumulated depreciation							
1 January 2020	34,596	230,257	448,465	36,467	50,375	-	800,160
Depreciation for the year	2,954	13,280	43,730	1,441	3,001	-	64,406
Accumulate depreciation for Disposals / write-off	-	-	(24,770)	(374)	(154)	-	(25,298)
31 December 2020	37,550	243,537	467,425	37,534	53,222	-	839,268
Depreciation for the year	3,533	14,112	49,146	1,526	2,371	-	70,688
Accumulate depreciation for Disposals / write-off	-	-	(5,202)	-	(561)	-	(5,763)
31 December 2021	41,083	257,649	511,369	39,060	55,032	-	904,193
Net book value							
31 December 2020	290,620	291,478	502,958	4,348	4,154	79,526	1,173,084
31 December 2021	287,764	298,497	563,810	6,670	5,858	101,425	1,264,024
Depreciation for the year 2020							
Costs of sales							55,809
Administrative expenses							8,597
Total							64,406
Depreciation for the year 2021							
Costs of sales							62,094
Administrative expenses							8,594
Total							70,688

The Company's land and buildings and a part of machinery have been mortgaged as collateral for credit facilities as discussed in Notes 13, 25 and 26 to financial statements. During the year 2021, the Company already redeemed some parts of the guarantees. Currently, there is only a part of machinery which the Company is on process of redemption.

As at 31 December 2021 and 2020, the cost of fully depreciated assets which remain in use amounted to Baht 327.33 million and Baht 261.07 million, respectively.

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13. SHORT-TERM LOANS FROM BANK

	Thousand Baht	
	2021	2020
Liabilities under trust receipts	1,308,025	371,590
Total	1,308,025	371,590

As at 31 December 2021, the Company has credit facilities from bank totaling Baht 5,410 million (2020 : Baht 5,181 million). The liabilities under trust receipts bear interest at the rates of 1.00% and 1.50% per annum (2020: 1.00% - 2.40% per annum). These loans are collateralized by the mortgage of the Company's land, buildings thereon and a part of machinery, investment property, restricted deposits with banks, the pledge of the Company's shares belonging to the Company's shareholders and the personal guarantees of certain Company's directors and former director. During the year 2021, the Company has already redeemed some parts of the guarantees. Currently, there is a part of machinery only which the Company is on process of redemption.

14. LEASE

Right-of-use assets

The Company recorded right-of-use by asset category into property, plant, and equipment which are summarized as follow:

	Thousand Baht		
	Land	Vehicles	Total
<u>Cost</u>			
As at 1 January 2020	3,959	9,421	13,380
Acquisitions	-	3,295	3,295
As at 31 December 2020	3,959	12,716	16,675
Acquisitions	-	4,069	4,069
As at 31 December 2021	3,959	16,785	20,744
<u>Accumulated depreciation</u>			
As at 1 January 2020	-	6,120	6,120
Depreciation for the year	1,053	2,318	3,371
As at 31 December 2020	1,053	8,438	9,491
Depreciation for the year	1,059	2,669	3,728
As at 31 December 2021	2,112	11,107	13,219

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	Thousand Baht		
	Land	Vehicles	Total
<u>Net book value</u>			
As at 31 December 2020	2,906	4,278	7,184
As at 31 December 2021	1,847	5,678	7,525
Depreciation for the year 2020	1,053	2,318	3,371
Depreciation for the year 2021	1,059	2,669	3,728

Lease liabilities

As at 31 December 2021 and 2020, the Company has lease agreements for vehicles and land that are being used in the operations with instalment periods of 36 - 48 months. The present value of lease liabilities are as follows:

	Thousand Baht	
	2021	2020
Lease liabilities	4,302	4,962
<u>Less</u> Portion due within 1 year	(2,252)	(1,854)
Net	2,050	3,108

The analysis for maturity of lease liabilities are as follows:

	Thousand Baht	
	2021	2020
Not later than one year	2,553	2,121
Later than 1 year but not later than 5 years	2,257	3,442
Total	4,810	5,563

The Company recognized financial cost which related to leases of Baht 0.36 million (2020: Baht 0.34 million).

15. LIABILITIES UNDER POST-EMPLOYMENT BENEFITS

	Thousand Baht	
	2021	2020
Statement of financial position:		
Post-employment benefits	60,519	57,576
Statements of profit or loss and other comprehensive income:		
<i>Recognized in profit or loss:</i>		
Post-employment benefits	5,810	5,733
<i>Recognized in other comprehensive income:</i>		
Actuarial loss	-	533

The Company has an obligation under the Thai Labour Law to provide retirement benefits to employees based on pensionable remuneration and length of service.

During the years ended 31 December 2021 and 2020, movements in employee benefits obligation are as follows:

	Thousand Baht	
	2021	2020
Balance as at 1 January	57,576	54,350
Recognized in profit or loss:		
- Current service costs	3,678	3,696
- Interest on obligation	2,132	2,037
Actuarial losses	-	533
Benefits paid	(2,867)	(3,040)
Balance as at 31 December	60,519	57,576

Principal actuarial assumptions are as follows:

Discount rate	3.48 percent per annum
Future salary increment rate	5.0 percent per annum
Normal retirement age	60 years
Number of employees	414 persons

Amount recognized in other comprehensive income related to employee benefits obligation are as follow:

	Thousand Baht	
	2021	2020
Actuarial (gain) loss from changes in		
- Demographic assumption	-	(656)
- Financial assumptions	-	1,189
Total recognized in other comprehensive income	-	533

Sensitivity analysis

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

	Thousand Baht	
	Effect to the defined benefit obligation	
	2021	2020
Discount rate (1% increment)	(5,873)	(5,779)
Discount rate (1% decrement)	6,801	6,713
Future salary growth (1% increment)	7,683	6,889
Future salary growth (1% decrement)	(6,688)	(6,015)
Employee turnover (1% increment)	(7,559)	(6,800)
Employee turnover (1% decrement)	8,789	7,881

16. DIVIDEND PAYMENT

At the Board of Directors' Meeting No. 5/2564 held on 10 August 2021, the Board of Director passed a resolution to appropriate an interim dividend payment from the operating profit for the six-month period ended 30 June 2021 of Baht 0.35 per share for 535,506,333 common shares, totally not exceeding Baht 187.42 million. The Company paid such dividend on 9 September 2021.

At the 2021 Annual General Meeting of Shareholders held on 31 March 2021, the shareholders passed a resolution to pay a dividend from operating income for the year ended 31 December 2020 of Baht 0.80 per share, of which an interim dividend payment for the six-month period ended 30 June 2020 had been paid of Baht 0.37 per share for 535,506,333 common shares, totalling Baht 198.13 million on 9 September 2020. Therefore, the remaining dividend payment for the period from 1 July 2020 to 31 December 2020 of Baht 0.43 per share totalling to Baht 230.26 million had been paid on 30 April 2021.

At the Board of Directors' Meeting No. 4/2020 held on 10 August 2020, the Board of Director passed the resolution to appropriate an interim dividend payment on 9 September 2020 from the operating profit for the six-month period ended 30 June 2020 of Baht 0.37 per share for 535,506,333 common shares, totally Baht 198.13 million.

At the 2020 Annual General Meeting of Shareholders held on 31 March 2020, the shareholders passed a resolution to pay a dividend from operating income for the year ended 31 December 2019 of Baht 0.42 per share. On 6 September 2019, the Company paid interim dividend for the six-month period ended 30 June 2019 of Baht 0.24 per share for 535,506,333 common shares, totalling Baht 128.52 million. On 30 April 2020, the Company paid the remaining dividend for the period from 1 July 2019 to 31 December 2019 of Baht 0.18 per share amounting to Baht 96.39 million.

As at 31 December 2021, the Company has an accrual for dividends payable amounting to Baht 4.35 million (2020 : Baht 5.28 million) which is presented as Dividend payable in the statement of financial position.

17. LEGAL RESERVE

Under the provision of the Public Company Act B.E. 2535, the Company is required to appropriate at least 5% of its annual net profit, after deduction of the deficit brought forward (if any), as reserve fund until the reserve reaches not less than 10% of the registered share capital. This reserve is not available for dividend distribution.

18. PROVIDENT FUND

The Company and employee have established a contributory Provident Fund. This Provident Fund has already been registered under the Provident Fund Act, B.E. 2530. Under the Fund plan, employee has to contribute to the fund at the specific rate and will be entitled to receive the fund when employee is no longer member in accordance with regulation of the fund. The Company's contribution to the Fund for the year 2021, amounted to Baht 7.60 million (2020: Baht 3.43 million).

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19. REVENUE

The Company has revenue from sales both domestic and export which consist of LPG and other pressure cylinders. In addition, the Company also provides services for container repairs and freight income required from customers.

The Company disclosed the revenue disaggregated by primary geographical areas and classified by pattern of revenue recognition for the years ended 31 December 2021 and 2020 are as follows:

	Thousand Baht							
	Sale of goods		Freight income		Others		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Asia	230,093	968,915	5,686	33,143	1,252	16,927	237,031	1,018,985
Africa	1,179,011	1,174,415	121,536	55,836	-	-	1,300,547	1,230,251
America	2,008,080	1,036,292	57,049	7,712	-	-	2,065,129	1,044,004
Others	915,598	666,731	32,047	13,410	-	-	947,645	680,141
Total	4,332,782	3,846,353	216,318	110,101	1,252	16,927	4,550,352	3,973,381
Revenue classified by revenue recognition								
- At point in time	4,332,782	3,846,353	-	-	1,252	16,927	4,334,034	3,863,280
- Overtime	-	-	216,318	110,101	-	-	216,318	110,101
Total	4,332,782	3,846,353	216,318	110,101	1,252	16,927	4,550,352	3,973,381

20. OTHER INCOME

Other income for the years ended 31 December 2021 and 2020 are as follows:

	Thousand Baht	
	2021	2020
Revenue from scrap sales	276,170	170,410
Gain on exchange rate	4,322	62,789
Revenue from product quality test	5,943	3,123
Gain on fair value adjustment of investment property	90	636
Revenue from reversal of accrued expenses	7,642	-
Revenue from indemnification	3,100	-
Others	7,488	7,327
Total	304,755	244,285

21. INCOME TAX

Deferred tax

Deferred tax assets and liabilities are consisted of:

	Thousand Baht	
	2021	2020
Deferred tax assets	14,796	14,198
Deferred tax liabilities	(1,719)	(1,342)
Deferred tax	13,077	12,856

The movements in deferred tax assets / liabilities for the years ended 31 December 2021 and 2020 are as follows:

	Thousand Baht			
	Recognised as income/(expense)			
	1 January 2021	Statement of profit or loss	Shareholder's equity	31 December 2021
Deferred tax assets				
From adjustment the fair value of investment property	2,104	(18)	-	2,086
From lease liabilities	579	27	-	606
From provision for employee benefits obligation	11,515	589	-	12,104
Total	14,198	598	-	14,796
Deferred tax liabilities				
From property, plant and equipment	(761)	(589)	-	(1,350)
From right-of-use assets	(581)	212	-	(369)
Total	(1,342)	(377)	-	(1,719)
Deferred tax - net	12,856	221	-	13,077

	Thousand Baht			
	1 January 2020	Recognised as income/(expense)		31 December 2020
		Statement of profit or loss	Shareholder's equity	
Deferred tax assets				
From adjustment the fair value of investment property	2,231	(127)	-	2,104
From lease liabilities	-	579	-	579
From provision for employee benefits obligation	10,870	538	107	11,515
Total	13,101	990	107	14,198
Deferred tax liabilities				
From property, plant and equipment	(849)	88	-	(761)
From right-of-use assets	-	(581)	-	(581)
Total	(849)	(493)	-	(1,342)
Deferred tax - net	12,252	497	107	12,856

Income tax expense for the years ended 31 December 2021 and 2020 are as follows:

	Thousand Baht	
	2021	2020
Current tax expense		
Current year	119,309	147,534
Deferred tax expense		
Movements in temporary differences	(221)	(497)
Total income tax expense	119,088	147,037
Income tax recognized in other comprehensive income		
Actuarial loss	-	(107)

	2021		2020	
	Rate	Thousand	Rate	Thousand
	(Percentage)	Baht	(Percentage)	Baht
Profit before income tax		846,866		765,748
Income tax at tax rate	20	169,373	20	153,150
Income tax expense from non-deductible expense for tax purpose		692		326
Income tax benefit from additional deduction of expenses for tax purpose		(2,906)		(6,384)
Adjustment for tax in prior years		(37)		(55)
Income tax expense		167,122		147,037
Utilized right of corporate income tax exemption from BOI		(48,034)		-
Net		119,088		147,037
Effective tax rate	14.06		19.20	

22. PROMOTIONAL PRIVILEGES

The Company has been granted for promotional privileges certificate (No. 63-0026-1-04-1-0) by the Office of Board of Investment in the manufacturer steel products, including steel parts on 10 January 2020 subjected to certain terms and conditions.

The privileges include

1. An exemption from corporate income tax for the period of 3 years from the first date of promoted operations commence generating revenues which corporate income tax exemption is not exceeded 50% and 100% of the investment for production efficiency improvement exclude land and working capital investment.
2. An Exemption from import duty on imported machinery which must be imported within 10 January 2023. At present, those machineries are under construction.

During the year 2021, the Company utilized right of corporate income tax exemption (privilege no. 1) Baht 48.03 million as described in note 21 to financial statements.

23. SEGMENT REPORTING

Significant segment reporting for the years ended 31 December 2021 and 2020 are as follows:

	Thousand Baht					
	For the years ended 31 December					
	2021			2020		
	Domestic	Export	Total	Domestic	Export	Total
Revenue from sales and services	306,484	4,243,868	4,550,352	97,285	3,876,096	3,973,381
Costs of sales and services	(211,842)	(3,244,454)	(3,456,296)	(59,265)	(2,944,035)	(3,003,300)
Gross profit	94,642	999,414	1,094,056	38,020	932,061	970,081

Segment reporting 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 to the segment and assess its performance. The Company reported its operations by domestic and export. Segment performance is measured based on gross profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

Gross profit for domestic and export sales derived from the deduction of related costs of sales, which are calculated by the weighted average standard cost of each product.

Major Customer

For the year ended 31 December 2021, the Company has revenue from major private customer amount of Baht 990 million (2020: Baht 457 million).

24. EXPENSES BY NATURE

Significant expenses by nature for the years ended 31 December 2021 and 2020 are as follows:

	Thousand Baht	
	2021	2020
Raw materials and consumable supplies used	2,887,348	2,381,467
Salaries, wages and other employee benefits	372,361	379,840
Transportation expenses	280,851	170,451
Depreciation	70,688	64,406
Changes in finished goods and work in process	135,406	63,329
Commission	33,045	41,284

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25. COMMITMENTS

As at 31 December 2021, the Company has the following commitments:

- 25.1 An obligation under a domestic bank guarantee amounting to Baht 224.98 million for the issuance of letters of guarantee to the Customs Department to exempt the Company from paying anti-dumping duties for materials imported for manufacturing and re-export within one-year.
- 25.2 Obligations under domestic bank guarantees for performance bonds, utilities usage and others totalling Baht 155.34 million.
- 25.3 Obligations under domestic bank to issue letter of credit for inventory importation Baht 720.58 million.
- 25.4 Obligations under construction agreement, the Company has commitment to pay for the remaining amount of Baht 26.03 million when the construction ready for use.
- 25.5 Obligations in respect of material purchase agreements, the Company has commitment to pay for the remaining amount of Baht 59.33 million when received goods.

For the issuance of letters of guarantee in 25.1, 25.2 and 25.3, the Company has restricted deposits with banks, and mortgaged a part of machinery as an entire guarantee as mentioned in Notes 10 and 12 to financial statements. Currently, there is only a part of machinery which the Company is on process of redemption.

26. FINANCIAL RISK MANAGEMENT

The carrying amounts and classification of financial assets and financial liabilities as at 31 December 2021 are as follows:

	Thousand Baht		
	Carrying amounts	Fair value through profit or loss	Amortized cost - net
Financial assets			
Cash and cash equivalents	29,501	-	29,501
Short-term investment	774,003	774,003	-
Trade accounts receivable	614,930	-	614,930
Restricted deposits with banks	30,098	-	30,098
Total	1,448,532	774,003	674,529

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	Thousand Baht		
	Carrying amounts	Fair value through profit or loss	Amortized cost - net
Financial liabilities			
Short-term loans from bank	1,308,025	-	1,308,025
Trade accounts payable	254,145	-	254,145
Lease liabilities	4,302	-	4,302
Total	1,566,472	-	1,566,472

Financial risk management policies

The important financial risks of the Company comprise of credit risk, liquidity risk, market risk including credit risk, exchange rate risk and interest rate risk. The Company does not have any policy to trade financial assets for speculative purposes or commercial use. The Company has significant financial risk management policies as follow.

26.1 Credit Risk

The Company's credit risk is related with trade account receivable in which the Company provides credit term to customer on normal trade transactions. The Company manages its exposure to credit risk by closely monitoring of accounts receivable collection and focuses on each overdue accounts. Moreover, the Company has no significant concentrations of credit risk. The Company, therefore, does not expect to incur material financial losses from credit risk. The maximum financial losses to credit risk is limited to the carrying amounts of trade receivables as presented in the statement of financial position.

26.2 Liquidity Risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in 30-day projection. The data used for analyzing these cash flows is consistent with that used in the contractual maturity analysis.

In addition, the Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its existing cash resources and trade receivables (Note 8 to financial statements) significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within three months.

As of 31 December 2021 and 2020, the Company's financial assets and liabilities classified by the maturity dates subsequent from the statement of financial position date are as follows:

	Thousand Baht			
	2021			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	29,501	-	-	29,501
Short-term investment	774,003	-	-	774,003
Trade accounts receivable	-	614,930	-	614,930
Restricted deposits with banks	-	-	30,098	30,098
Short-term loans from bank	-	1,308,025	-	1,308,025
Trade and other payables	-	254,145	-	254,145
Lease liabilities	-	2,252	2,050	4,302

	Thousand Baht			
	2020			
	At call	Within 1 year	Over 1 year	Total
<u>Financial assets/ liabilities</u>				
Cash and cash equivalents	37,655	20,000	-	57,655
Short-term investment	517,090	-	-	517,090
Trade accounts receivable	-	403,172	-	403,172
Restricted deposits with banks	-	-	36,694	36,694
Short-term loans from bank	-	371,590	-	371,590
Trade and other payables	-	372,817	-	372,817
Lease liabilities	-	1,854	3,108	4,962

26.3 Market risk

Foreign currency risk

Since most of business transactions of the Company are from overseas, hence the Company is subjected to foreign currency risk relevant to purchases and sales transactions dominated in foreign currencies. The Company manages this risk by entering into forward contracts as appropriated. Forward contracts are made to manage exposure from foreign currencies fluctuation on specific transactions.

As at 31 December 2021 and 2020, the Company has foreign currency risk exposure relating to sales and purchases denominated in foreign currencies as follows:

	2021		
	Foreign currencies (Thousand Unit)	Exchange rate (Closing rate)	Baht equivalent (Thousand Baht)
<u>Cash and cash equivalent in foreign currency</u>			
USD	301	33.2469	10,011
EUR	2	37.5083	90
<u>Trade accounts receivable in foreign currencies</u>			
USD	12,172	33.2469	404,669
EUR	1,225	37.5083	45,949
GBP	117	44.6476	5,209
<u>Trade accounts payable in foreign currencies</u>			
USD	22	33.5929	735
EUR	220	38.2813	8,420
<u>Short-term loans from bank in foreign currency</u>			
USD	34,505	33.5929	1,159,132
<u>Accrued commission expenses in foreign currencies</u>			
USD	806	33.5929	27,083
EUR	81	38.2813	3,115
<u>Other accrued expenses in foreign currencies</u>			
USD	126	33.5929	4,230

	2020		
	Foreign currencies (Thousand Unit)	Exchange rate (Closing rate)	Baht equivalent (Thousand Baht)
<u>Cash and cash equivalent in foreign currency</u>			
USD	81	29.8674	2,422
<u>Trade accounts receivable in foreign currencies</u>			
USD	10,435	29.8674	311,673
EUR	1,976	36.4949	72,118
GBP	129	40.2035	5,199
<u>Trade accounts payable in foreign currencies</u>			
USD	5,367	30.2068	162,116
EUR	1	36.4949	36
<u>Short-term loans from bank in foreign currency</u>			
USD	12,302	30.2068	371,590
<u>Accrued commission expenses in foreign currencies</u>			
USD	797	30.2068	24,085
EUR	347	36.4949	12,666

As at 31 December 2021, the Company has credit limit of forward contracts for collection of payment from trade accounts receivable and repayment of accounts payable amount of Baht 340 million. During the year 2021, the Company had already redeemed some parts of the guarantees of such credit limit. Currently, there is only a part of machinery which the Company is on process of redemption.

For which the derivatives contract does not fall into the hedge accounting, derivatives contract are accounted for at fair value through profit or loss and are presented as current assets or liabilities once their maturity is within 12 months subsequent to the accounting period. However, the Company does not have outstanding of derivative contract as at 31 December 2021 since the Company currently uses natural hedges for sales and purchases dominated in foreign currencies.

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The interest rate risk is the future movements in market interest rates. The Company's exposure to interest rate risk relates primarily to its deposits with banks and loans from bank.

Major financial assets and liabilities of the Company bear floating interest rates or fixed interest rates which are close to the market rate. However, the Company has not entered into interest rate swap agreements.

All financial assets and liabilities of the Company, matured within 1 year, classified by type of interest rates are summarized in the table below.

	Thousand Baht				
	2021				
	Floating rate	Fixed rate	No interest	Total	Interest rate
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	22,085	-	7,416	29,501	0.05% - 0.13%
Short-term investment	-	-	774,003	774,003	-
Trade accounts receivable	-	-	614,930	614,930	-
Restricted deposits with banks	-	30,098	-	30,098	0.10% - 0.65%
Short-term loans from bank	1,308,025	-	-	1,308,025	1.00% and 1.50%
Trade and other current payables	-	-	254,145	254,145	-
Lease liabilities	-	4,302	-	4,302	3.48% - 8.72%

	Thousand Baht				
	2020				
	Floating rate	Fixed rate	No interest	Total	Interest rate
<u>Financial assets/ liabilities</u>					
Cash and cash equivalents	28,264	20,000	9,391	57,655	0.05% - 2.00%
Short-term investment	-	-	517,090	517,090	-
Trade accounts receivable	-	-	403,172	403,172	-
Restricted deposits with banks	-	36,694	-	36,694	0.10% - 0.75%
Short-term loans from bank	371,590	-	-	371,590	1.00% - 2.40%
Trade and other current payables	-	-	372,817	372,817	-
Lease liabilities	-	4,962	-	4,962	3.48% - 7.30%

27. FAIR VALUE HIERARCHY

The fair value of financial assets and liabilities approximate to the carrying value in the financial statements.

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

- Cash and cash equivalents, restricted deposits with banks and accounts receivable - the carrying values approximate their fair values due to the relatively short-term maturity of these financial instruments.
- Loans from bank, trade accounts payable and lease liabilities the carrying amounts of these financial liabilities approximate their fair values due to the relatively short-term maturity.

As at 31 December 2021 and 2020, the Company has the financial assets measured at fair value in the statement of financial position which are grouped into levels of a fair value hierarchy as follows:

(Unit: Thousand Baht)				
2021				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Short-term investment	-	774,003	-	774,003
Investment property	-	60,506	-	60,506

(Unit: Thousand Baht)				
2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Short-term investment	-	517,090	-	517,090
Investment property	-	60,416	-	60,416

During the year, there was no transfer within the fair value hierarchy.

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Thousand Baht		
	Lease liabilities	Short-term loans	Total
1 January 2020	3,301	141,603	144,904
Repayment	(5,932)	(1,605,915)	(1,611,847)
Proceeds	-	1,852,024	1,852,024
Non-cash:			
Exchange rate	-	(16,122)	(16,122)
Increase	7,593	-	7,593
31 December 2020	4,962	371,590	376,552
Repayment	(5,092)	(2,110,322)	(2,115,414)
Proceeds	-	3,035,050	3,035,050
Non-cash:			
Exchange rate	-	11,707	11,707
Increase	4,432	-	4,432
31 December 2021	4,302	1,308,025	1,312,327

29. EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors' Meeting held on 14 February 2022, the Board of Director passed a resolution to propose to the Annual Shareholders' Meeting to approve dividend payment from the profit for the year ended 31 December 2021 of Baht 0.82 per share, of which an interim dividend payment for the six-month period ended 30 June 2021 had been paid of Baht 0.35 per share for 535,506,333 shares, totaling Baht 188 million on 9 September 2021. Therefore, the remaining dividend payment for approval for the period from 1 July 2021 to 31 December 2021 are Baht 0.47 per share, totaling not exceed of Baht 252 million.

30. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized by the Board of Directors on 14 February 2022.

() Director

() Director

