



Auditor's Review Report and
Interim Financial Statements of

Sahamitr Pressure Container Public Company Limited

For the Three-Month Period Ended 31 March 2022



INDEPENDENT AUDITOR'S REPORT ON REVIEW OF THE INTERIM FINANCIAL INFORMATION

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To the Board of Directors and the Shareholders of Sahamitr Pressure Container Public Company Limited

I have reviewed the accompanying statement of financial position of Sahamitr Pressure Container Public Company Limited (the "Company") as at 31 March 2022, the related statements of profit or loss and other comprehensive income, the statements of changes in shareholders' equity and cash flows for the three-month period then ended, and condensed notes to the interim financial statements (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 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 on the interim financial information.





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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 34, "Interim Financial Reporting".

Saranya A.

Miss Saranya Akharamahaphanit

Certified Public Accountant

Registration No. 9919

Grant Thornton Limited

Bangkok

11 May 2022

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION

ASSETS

		Thousand Baht	
		31 March 2022	31 December 2021
		(Unaudited	
		but reviewed)	(Audited)
	Notes		
CURRENT ASSETS			
Cash and cash equivalents	6	18,290	29,501
Trade accounts receivable	7	721,421	614,930
Inventories	8	1,639,569	1,456,368
Advance payments for goods		25,548	13,640
Refundable value added tax		28,504	54,414
Other current financial assets	9, 18	742,745	774,003
Other current assets		15,780	20,088
Total Current Assets		3,191,857	2,962,944
NON-CURRENT ASSETS			
Restricted deposits with banks	10	30,099	30,098
Investment property		60,506	60,506
Property, plant and equipment	11	1,289,583	1,264,024
Deferred tax assets		13,340	13,077
Other non-current assets		448	448
Total Non-Current Assets		1,393,976	1,368,153
TOTAL ASSETS		4,585,833	4,331,097

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY

		Thousand Baht	
		31 March 2022	31 December 2021
		(Unaudited	
		but reviewed)	(Audited)
	Notes		
CURRENT LIABILITIES			
Short-term loans from bank	12	1,009,122	1,308,025
Trade and other payables		475,029	254,145
Current portion of lease liabilities		2,273	2,252
Advances received from customers		31,195	82,349
Dividend payable	14	256,012	4,353
Accrued commission expenses		7,995	30,198
Accrued transportation expenses		39,416	24,913
Accrued income tax		119,706	47,809
Other accrued expenses		73,712	42,469
Other current liabilities		4,785	6,382
Total Current Liabilities		2,019,245	1,802,895
NON-CURRENT LIABILITIES			
Lease liabilities		1,473	2,050
Liabilities under post-employment benefits	5, 13	61,610	60,519
Total Non-Current Liabilities		63,083	62,569
TOTAL LIABILITIES		2,082,328	1,865,464

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

	Thousand Baht	
	31 March 2022	31 December 2021
	(Unaudited but reviewed)	(Audited)
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	53,641	53,641
- Unappropriated	1,859,267	1,821,395
TOTAL SHAREHOLDERS' EQUITY	2,503,505	2,465,633
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,585,833	4,331,097

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

(Unaudited but reviewed)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH

	Notes	Thousand Baht	
		2022	2021
Revenue from sales and services	15, 17	1,534,391	903,368
Costs of sales and services	17	(1,123,047)	(708,888)
Gross profit		411,344	194,480
Other income	16	113,567	60,838
Profit before expense		524,911	255,318
Selling and distribution expenses		(102,610)	(63,065)
Administrative expenses		(57,320)	(47,749)
Profit from operating activities		364,981	144,504
Finance costs		(3,789)	(1,918)
Profit before income tax		361,192	142,586
Income tax		(71,640)	(28,012)
PROFIT FOR THE PERIOD		289,552	114,574
OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		289,552	114,574
Basic earnings per share			
Profit (Baht per share)		0.54	0.21
Weighted average number of ordinary shares (share)		535,506,333	535,506,333

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH

(Unaudited but reviewed)

	Note	Thousand Baht				
		Issued and fully paid-up share capital	Premium on share capital	Retained earnings		Total
				Appropriated for legal reserve	Unappropriated	
Balance as at 1 January 2021		535,506	55,091	53,641	1,511,293	2,155,531
Dividend payment		-	-	-	(230,260)	(230,260)
Transactions with owners		-	-	-	(230,260)	(230,260)
Profit for the period		-	-	-	114,574	114,574
Total comprehensive income for the period		-	-	-	114,574	114,574
Balance as at 31 March 2021		535,506	55,091	53,641	1,395,607	2,039,845
Balance as at 1 January 2022		535,506	55,091	53,641	1,821,395	2,465,633
Dividend payment	14	-	-	-	(251,680)	(251,680)
Transactions with owners		-	-	-	(251,680)	(251,680)
Profit for the period		-	-	-	289,552	289,552
Total comprehensive income for the period		-	-	-	289,552	289,552
Balance as at 31 March 2022		535,506	55,091	53,641	1,859,267	2,503,505

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

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH

(Unaudited but reviewed)

	Thousand Baht	
	2022	2021
Cash flows from operating activities:		
Profit before income tax	361,192	142,586
Adjustments to reconcile profit before income tax to net cash provided from (used in) operating activities:		
Depreciation	18,350	16,707
Unrealized loss (gain) on exchange rate	(3,626)	21,240
Provision for post-employment benefits	931	910
Loss on disposal assets	1,498	-
Unrealized gain on other current financial assets	(199)	(152)
Gain on disposal of other current financial assets	(144)	(103)
Reversal of accrued expenses	-	(2,476)
Interest expense	3,789	1,918
Cash provided from operations before changes in operating assets and liabilities	381,791	180,630
Decrease (increase) in operating assets:		
Trade accounts receivable	(97,597)	(89,550)
Inventories	(183,201)	76,808
Advance payments for goods	(11,908)	-
Refundable value added tax	25,910	(14,209)
Other current assets	4,308	(11,086)
Increase (decrease) in operating liabilities:		
Trade and other payables	223,838	(174,753)
Advances received from customers	(51,154)	26,807
Accrued commission expenses	(22,330)	(13,790)
Accrued transportation expenses	14,503	(3,780)
Other accrued expenses	31,326	6,603
Other current liabilities	(1,597)	409
Employee benefits paid	(399)	-
Cash provided from (used in) operations	313,490	(15,911)

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH

(Unaudited but reviewed)

	Thousand Baht	
	2022	2021
Cash provided from operations (continued)	313,490	(15,911)
Interest paid	(3,230)	(1,293)
Income tax paid	(6)	(73)
Net cash provided from (used in) operating activities	310,254	(17,277)
Cash flows from investing activities:		
Purchase of other current financial assets	(548,400)	(716,700)
Proceeds from disposal of other current financial assets	580,001	550,000
Proceeds from disposal of assets	504	-
Purchase of property, plant and equipment	(45,911)	(45,517)
Net cash used in investing activities	(13,806)	(212,217)
Cash flows from financing activities:		
Increase in restricted deposits with bank	(1)	(3)
Increase (decrease) in short-term loans from bank	(306,999)	214,513
Repayment of lease liabilities	(638)	(3,177)
Dividend payment	(21)	(2,050)
Net cash provided from (used in) financing activities	(307,659)	209,283
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,211)	(20,211)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	29,501	57,655
CASH AND CASH EQUIVALENTS AT END OF PERIOD	18,290	37,444
Supplemental disclosures for cash flows information		
Non-cash transaction :		
- Recognition of right-of-use assets	-	4,069

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED
CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2022 (Unaudited but reviewed)

1. NATURE OF BUSINESS

Sahamitr Pressure Container Public Company Limited was incorporated as a public company in Thailand, and has been listed on the Stock Exchange of Thailand. The Company is engaged in the manufacturing of LPG and other pressure cylinders for both domestic and export sales.

2. BASIS OF INTERIM FINANCIAL STATEMENTS PREPARATION

The interim financial statements for the three-month period ended 31 March 2022 have been prepared in accordance with Thai Accounting Standard 34, "Interim Financial Reporting" including guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission and are presented in Thai Baht currency which do not include all the information required in annual financial statements in accordance with Thai Financial Reporting Standards. These should therefore be read in conjunction with the full set of financial statements for the year ended 31 December 2021.

The interim financial statements are officially prepared in Thai language. The translation of these statutory financial statements into another language must conform to the Thai financial report.

These interim financial statements were approved by the Company's directors on 11 May 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared using the same accounting policies used in the preparation of the financial statements of the Company for the year ended 31 December 2021, except for the adoption of the new and revised Thai Financial Reporting Standards, interpretations and guidance that become effective for the preparation financial statements for the period beginning on or after 1 January 2022. However, the Company's management considered that the application has no material impact on the financial statements.

4. ESTIMATES AND JUDGEMENT

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

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the annual financial statements for the year ended 31 December 2021.

() Director

() Director

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 three-month period ended 31 March 2022 and 2021 consist of:

	Thousand Baht	
	For the three-month period ended 31 March	
	2022	2021
<u>Key management personnel compensation</u>		
Current employment benefits	22,783	19,397
Provision for post-employment benefits		
- Service cost	128	124
- Finance cost	123	114
Total	<u>23,034</u>	<u>19,635</u>

As at 31 March 2022 and 31 December 2021, balances with related parties are as follows:

	Thousand Baht	
	31 March 2022	31 December 2021
Lease liabilities	1,575	1,839
<u>Less Portion due within 1 year</u>	<u>(1,052)</u>	<u>(1,053)</u>
Net	<u>523</u>	<u>786</u>
Liabilities under post-employment benefits	<u>21,091</u>	<u>20,840</u>

6. CASH AND CASH EQUIVALENTS

	Thousand Baht	
	31 March 2022	31 December 2021
Cash	165	165
Saving accounts with banks	12,041	22,085
Current accounts with banks	6,084	7,251
Total	<u>18,290</u>	<u>29,501</u>

() Director

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7. TRADE ACCOUNTS RECEIVABLE

As at 31 March 2022 and 31 December 2021, the aging of trade accounts receivable are as follows:

	Thousand Baht	
	31 March 2022	31 December 2021
Not yet due	509,374	399,504
Overdue :		
Less than 3 months	199,094	204,811
More than 3 months, not over 6 months	6,729	5,009
Over 6 months, not over 12 months	4,114	5,500
Over 12 months	2,110	106
Total	721,421	614,930

The normal credit term is between 0 - 90 days.

8. INVENTORIES

	Thousand Baht	
	31 March 2022	31 December 2021
Raw materials and others	1,033,628	1,058,895
Raw materials in transits	275,197	94,840
Work in process	109,196	106,402
Finished goods	222,204	196,887
Total	1,640,225	1,457,024
<u>Less</u> Allowance for diminution in value of inventories	(656)	(656)
Net	1,639,569	1,456,368

() Director

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9. OTHER CURRENT FINANCIAL ASSETS

Movements in other current financial assets during the three-month period ended 31 March 2022 are summarized below:

	Thousand Baht
Other current financial assets: short-term investment	
Balance as at 1 January 2022	774,003
<u>Add</u> Addition investment	548,400
<u>Less</u> Disposals	(579,857)
Unrealized gain on short-term investment	199
Balance as at 31 March 2022	<u>742,745</u>

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 has been classified as financial assets measured at fair value through profit or loss.

10. RESTRICTED DEPOSITS WITH BANKS

As at 31 March 2022 and 31 December 2021, the Company's fixed and saving deposits totalling Baht 30.10 million are restricted for usage as they have been pledged as collateral for loans from bank and letters of guarantee issued by local banks for performance bonds and utilities usage.

11. PROPERTY, PLANT AND EQUIPMENT

During the three-month period ended 31 March 2022, the Company has the following condensed movements in property, plant and equipment are as follows:

	Thousand Baht
Net book value as at 1 January 2022	1,264,024
Purchases of assets	45,911
Disposal of assets - net	(2,002)
Depreciation for the period	(18,350)
Net book value as at 31 March 2022	<u>1,289,583</u>

As at 31 March 2022, certain machinery has been mortgaged as collateral for credit facilities with a bank as mentioned in Note 12 to the financial statements. Later, in April 2022, the Company already redeemed all those of the guarantees.

() Director

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12. SHORT-TERM LOANS FROM BANK

	Thousand Baht	
	31 March 2022	31 December 2021
Liabilities under trust receipt agreements	1,009,122	1,308,025

As at 31 March 2022, the Company has credit facilities from bank totaling Baht 4,530 million (31 December 2021 : Baht 5,410 million). The liabilities under trust receipts bear interest at the rates of 1.00% and 1.50% per annum (31 December 2021 : 1.00% and 1.50% per annum). These loans are collateralized by the mortgage of the Company's certain machinery and restricted deposits with banks. Later, in April 2022, the Company redeemed all machinery from the collateral.

13. LIABILITIES UNDER POST-EMPLOYMENT BENEFITS

During the three-month period ended 31 March 2022, movements in liabilities under post-employment benefits are as follow:

	Thousand Baht
Balance as at 1 January 2022	60,519
Recognized expense for the period	1,490
Paid during the period	(399)
Balance as at 31 March 2022	61,610

The post-employment benefits expenses were recorded in the statement of profit or loss and other comprehensive income for the three-month period ended 31 March 2022 and 2021 as follows:

	Thousand Baht	
	For the three-month period ended	
	31 March	
	2022	2021
Recognized in profit or loss		
Service cost	931	910
Interest cost	559	533

() Director

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14. DIVIDEND PAYMENT

At the 2022 Annual General Meeting of Shareholders held on 31 March 2022, the shareholders passed a resolution to pay a dividend from operating income 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 ordinary shares, totalling Baht 187 million on 9 September 2021. Therefore, the dividend for the period from 1 July 2021 to 31 December 2021 remains Baht 0.47 per share totalling to Baht 252 million had been paid on 29 April 2022.

As at 31 March 2022, the Company has an accrual for dividends amounting to Baht 256.01 million (31 December 2021: Baht 4.35 million) which is presented under Dividend payable in the statement of financial position.

15. REVENUE

The Company disclosed the revenue disaggregated by primary geography areas and classified by revenue recognition for the three-month period ended 31 March 2022 and 2021 are as follows:

	Thousand Baht							
	For the three-month period ended 31 March							
	Sale of goods		Transportation income		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Domestic	48,255	47,413	649	-	123	291	49,027	47,704
Export	1,412,749	826,327	72,615	29,337	-	-	1,485,364	855,664
Total	<u>1,461,004</u>	<u>873,740</u>	<u>73,264</u>	<u>29,337</u>	<u>123</u>	<u>291</u>	<u>1,534,391</u>	<u>903,368</u>
Revenue classified by revenue recognition								
- At point in time	1,461,004	873,740	-	-	123	291	1,461,127	874,031
- Overtime	-	-	73,264	29,337	-	-	73,264	29,337
Total	<u>1,461,004</u>	<u>873,740</u>	<u>73,264</u>	<u>29,337</u>	<u>123</u>	<u>291</u>	<u>1,534,391</u>	<u>903,368</u>

16. OTHER INCOME

Other income for the three-month period ended 31 March 2022 and 2021 are as follows:

	Thousand Baht	
	For the three-month period ended 31 March	
	2022	2021
Revenue from scrap sales	89,578	53,637
Gain on exchange rate	20,631	-
Revenue from reversal of accrued expenses	-	2,476
Others	3,358	4,725
Total	113,567	60,838

17. SEGMENT REPORTING

Significant segment reporting information for the three-month period ended 31 March 2022 and 2021 are as follows:

	Thousand Baht					
	For the three-month period ended 31 March					
	2022			2021		
	Domestic	Export	Total	Domestic	Export	Total
Net sales	49,027	1,485,364	1,534,391	47,704	855,664	903,368
Cost of sales	(32,180)	(1,090,867)	(1,123,047)	(29,430)	(679,458)	(708,888)
Gross profit	16,847	394,497	411,344	18,274	176,206	194,480

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 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 is derived from the deduction of related costs of sales, which are calculated by the weighted average standard cost of each product.

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18. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

There was no transfer between such levels during the period.

Assets and liabilities measured at fair value as at 31 March 2022 are as follows:

(Unit : Thousand Baht)				
31 March 2022				
	Level 1	Level 2	Level 3	Total
Financial assets				
Short-term investment	-	742,745	-	742,745

19. COMMITMENTS

As at 31 March 2022, the Company has the following commitments:

- 19.1 An obligation under a domestic bank guarantee amounting to Baht 227.39 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.
- 19.2 Obligations under domestic bank guarantees for performance bonds, utilities usage and others totalling Baht 125.42 million.
- 19.3 Obligations under domestic bank to issue letter of credit for inventory importation amounting to Baht 541.37 million.
- 19.4 Obligations under construction agreement which the Company has remaining commitment amounting to Baht 22.95 million.

() Director

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20. FINANCIAL INSTRUMENTS

Foreign Currency Risk

The Company has foreign currency risk exposure relating to sales and purchases denominated in foreign currencies. As at 31 March 2022, the Company has unhedged assets and liabilities in foreign currencies from the import and export of products with natural hedges as follows:

	31 March 2022		
	Foreign currencies (Thousand Unit)	Exchange rate (Closing rate)	Baht equivalent (Thousand Baht)
<u>Cash and cash equivalents in foreign currency</u>			
USD	81	33.1393	2,684
<u>Trade accounts receivable in foreign currencies</u>			
USD	18,395	33.1393	609,597
EUR	1,284	36.8184	47,274
GBP	772	43.3034	33,430
<u>Trade accounts payable in foreign currency</u>			
USD	7,508	33.4553	251,182
<u>Short-term loans from bank in foreign currency</u>			
USD	28,499	33.4553	953,442
<u>Accrued commission expenses in foreign currencies</u>			
USD	236	33.4553	7,895
EUR	3	37.5469	113
<u>Other accrued expenses in foreign currency</u>			
USD	218	33.4553	7,285

