

SALEE PRINTING PUBLIC COMPANY LIMITED

**INTERIM FINANCIAL INFORMATION
(UNAUDITED)**

31 MARCH 2024



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

To the Shareholders and the Board of Directors of Salee Printing Public Company Limited

I have reviewed the interim financial information of Salee Printing Public Company Limited, which comprises the statement of financial position as at 31 March 2024, the related statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, reading 'Sa-nga Chokenitisawat'.

Sa-nga Chokenitisawat

Certified Public Accountant (Thailand) No. 11251
Bangkok
10 May 2024

Salee Printing Public Company Limited
Statement of Financial Position
As at 31 March 2024

		Unaudited 31 March 2024	Audited 31 December 2023
	Notes	Thousand Baht	Thousand Baht
Assets			
Current assets			
Cash and cash equivalents		27,250	16,086
Short-term investments - Fixed deposit at a bank		180,193	190,193
Trade and other current receivables, net	6	194,926	169,002
Inventories, net	7	73,601	70,899
Current portion of financial assets measured at amortised cost	8	35,000	20,001
Other current assets	9	17,332	17,398
Total current assets		528,302	483,579
Non-current assets			
Restricted deposits at a bank		942	942
Financial assets measured at amortised cost	8	35,000	50,000
Building and equipment, net	10	285,575	293,782
Intangible assets, net		5,019	5,733
Right-of-use assets, net	14 c)	5,486	10,973
Deferred tax assets, net		5,540	5,540
Other non-current assets	11	44,081	40,265
Total non-current assets		381,643	407,235
Total assets		909,945	890,814

Director _____ Director _____

The accompanying notes are an integral part of this interim financial information.

Salee Printing Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2024

		Unaudited 31 March 2024	Audited 31 December 2023
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Current liabilities			
Trade and other current payables	12	82,202	74,954
Current portion of lease liabilities	14 c)	6,533	12,994
Other current liabilities		2,194	1,658
Total current liabilities		90,929	89,606
Non-current liability			
Employee benefit obligations		10,444	10,073
Total non-current liability		10,444	10,073
Total liabilities		101,373	99,679
Equity			
Share capital			
Authorised share capital			
1,200,000,000 ordinary shares			
at par value of Baht 0.25 each		300,000	300,000
Issued and paid-up share capital			
1,200,000,000 ordinary shares			
at paid-up of Baht 0.25 each		300,000	300,000
Premium on ordinary shares		619,162	619,162
Deficits			
Appropriated - legal reserve		30,000	30,000
Unappropriated		(140,590)	(158,027)
Total equity		808,572	791,135
Total liabilities and equity		909,945	890,814

The accompanying notes are an integral part of this interim financial information.

Salee Printing Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 31 March 2024

	Unaudited 31 March 2024 Thousand Baht	Unaudited 31 March 2023 Thousand Baht
Revenues from sales	161,066	135,632
Costs of sales	(120,666)	(122,254)
Gross profit	40,400	13,378
Other income	1,425	992
Selling expenses	(4,821)	(4,346)
Administrative expenses	(19,446)	(18,974)
Profit (loss) before finance costs and income tax benefit	17,558	(8,950)
Finance costs	(121)	(400)
Profit (loss) before income tax benefit	17,437	(9,350)
Income tax benefit	-	420
Net profit (loss) for the period	17,437	(8,930)
Total comprehensive income (expense) for the period	17,437	(8,930)
Net profit (loss) per share (Baht)		
Basic earnings (loss) per share	0.0145	(0.0074)

The accompanying notes are an integral part of this interim financial information.

Salee Printing Public Company Limited
Statement of Changes in Equity (Unaudited)
For the three-month period ended 31 March 2024

	Issued and paid-up share capital Thousand Baht	Premium on ordinary shares Thousand Baht	Deficits		Total equity Thousand Baht
			Appropriated - legal reserve Thousand Baht	Unappropriated Thousand Baht	
Opening balance at 1 January 2023	300,000	619,162	30,000	(142,258)	806,904
Total comprehensive expense for the period	-	-	-	(8,930)	(8,930)
Closing balance at 31 March 2023	300,000	619,162	30,000	(151,188)	797,974
Opening balance at 1 January 2024	300,000	619,162	30,000	(158,027)	791,135
Total comprehensive income for the period	-	-	-	17,437	17,437
Closing balance at 31 March 2024	300,000	619,162	30,000	(140,590)	808,572

The accompanying notes are an integral part of this interim financial information.

Salee Printing Public Company Limited
Statement of Cash Flows
For the three-month period ended 31 March 2024

	Unaudited 31 March 2024 Thousand Baht	Unaudited 31 March 2023 Thousand Baht
Cash flows from operating activities		
Profit (loss) before income tax	17,437	(9,350)
Adjustments for:		
Depreciation and amortisation	17,651	20,123
(Reversal of) Expected credit loss	(35)	(157)
Allowance on decrease in cost of inventories to net realisable value	2,720	3,274
(Gain) loss on disposals of machinery and equipment	27	(8)
Employee benefit obligation	371	362
Unrealised loss on exchange rate	152	48
Interest income	(1,476)	(919)
Finance costs	121	400
Cash flow before change in operating assets and liabilities	36,968	13,773
Change in operating assets and liabilities		
Trade and other receivables	(25,514)	(15,910)
Inventories	(5,422)	11,608
Other current assets	66	17
Other non-current assets	106	-
Trade and other payables	9,269	(11,683)
Other current liabilities	536	445
Cash generated from (used in) operating activities	16,009	(1,750)
Income tax paid	(3,922)	(3,550)
Net cash generated from (used in) operating activities	12,087	(5,300)

The accompanying notes are an integral part of this interim financial information.

Salee Printing Public Company Limited
Statement of Cash Flows (Cont'd)
For the three-month period ended 31 March 2024

	Unaudited 31 March 2024 Thousand Baht	Unaudited 31 March 2023 Thousand Baht
Cash flows from investing activities		
Proceeds from disposals of machinery and equipment	3	42
Payment of machinery and equipment	(5,286)	(2,021)
Payment of intangible assets	(39)	(281)
Proceeds from short-term investments	10,000	-
Proceeds from financial assets measured at amortised cost	1	10,004
Proceeds from interest income	1,101	1,038
Net cash generated from investing activities	<u>5,780</u>	<u>8,782</u>
Cash flows from financing activities		
Proceeds from short-term loan from a financial institution	-	10,000
Interest paid	(121)	(400)
Payments of lease liabilities	(6,582)	(6,004)
Net cash generated from (used in) financing activities	<u>(6,703)</u>	<u>3,596</u>
Net increase in cash and cash equivalents	11,164	7,078
Cash and cash equivalents at the beginning of the period	<u>16,086</u>	<u>17,976</u>
Cash and cash equivalents at end of the period	<u><u>27,250</u></u>	<u><u>25,054</u></u>
Supplement cash flows information:		
Non-cash transactions		
Payables from purchase of machinery and equipment	1,823	5,412
Transfer of deposits for machinery to machinery and equipment	-	(160)

The accompanying notes are an integral part of this interim financial information.

1 General information

Salee Printing Public Company Limited (the Company) is a public limited company and listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand and the registered address is as follows:

No. 19 Moo 10, Tumbol Klong Si, Amphur Klong Luang, Pathumthani 12120.

The principal business operation of the Company is label printing for products.

The interim financial information is presented in thousand Thai Baht, unless otherwise stated.

The interim financial information has been approved by the Board of Directors on 10 May 2024.

2 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard No. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023.

An English language version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2023 except for the amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2024 which do not have material impact on the Company.

4 Estimates

The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation for the uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2023.

5 Segment and revenue information

The Company is principally engaged in the label printing segment and operates in Thailand. Segment is operated in the main geographical area in Thailand. The Company's performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss as presented in the interim financial information. As a result, all the revenues, operating profits and assets presented in the interim financial information represent reportable operating segment. The Company recognises revenue at point in time.

6 Trade and other current receivables, net

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Trade receivables - third parties	188,710	165,642
<u>Less</u> Expected credit losses	(278)	(313)
Trade receivables - third parties, net	188,432	165,329
Trade receivables - related parties	214	149
Other receivables - third parties	5	-
Accrued income	2,805	2,072
Prepayments	3,470	1,452
	194,926	169,002

Outstanding trade receivables - third parties can be analysed as follows:

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Not overdue (due within 1 month)	170,189	151,009
Overdue		
Up to 3 months	18,177	14,334
3 - 6 months	49	32
6 - 12 months	101	-
Over 12 months	194	267
	188,710	165,642
<u>Less</u> Expected credit losses	(278)	(313)
	188,432	165,329

7 Inventories, net

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Raw materials	49,769	45,009
Finished goods	43,217	42,555
	92,986	87,564
<u>Less</u> Allowance for decrease in cost of inventory to net realisable value		
- Raw materials	(7,925)	(5,597)
- Finished goods	(11,460)	(11,068)
	73,601	70,899

8 Financial assets measured at amortised cost

Movements of financial assets measured at amortised cost for the three-month period ended 31 March 2024 are as follows:

	Thousand Baht
Opening net book amount	70,001
Decrease during the period	(1)
Closing net book amount	70,000
	Thousand Baht
Current	
Opening net book amount	20,001
Decrease during the period	(1)
Transfer from current portion	15,000
Closing net book amount	35,000
Non-current	
Opening net book amount	50,000
Transfer to current portion	(15,000)
Closing net book amount	35,000

The fair values of held-to-maturity have been defined in fair value level 2 which are determined by using available observable market rate, and by discounting all future cash flows using the relevant market rate at the statement of financial position date. The fair values of held-to-maturity presented in the statement of financial position are closed to book values because the effect of discounting rate is not significant.

There is no transfer between fair value hierarchy levels during the current period.

9 Other current assets

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Withholding tax receivable	10,753	10,753
VAT receivable	5,555	5,555
Others	1,024	1,090
	17,332	17,398

10 Building and equipment, net

The movements of building and equipment, net during the three-month period ended 31 March 2024 are as follows:

	Thousand Baht
Opening net book amount	293,782
Additions	3,234
Disposals	
- Cost	(667)
- Accumulated depreciation	637
Write-off	
- Cost	(51)
- Accumulated depreciation	51
Depreciation charged during the period	(11,411)
Closing net book amount	285,575

11 Other non-current assets

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Withholding tax receivable	44,070	40,148
Deposits	11	117
	44,081	40,265

12 Trade and other current payables

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Trade payables - third parties	57,744	43,647
Other payables - related parties	2,506	2,454
Other payables - third parties	9,025	9,138
Accrued expense - third parties	12,927	19,715
	82,202	74,954

13 Income tax

Income tax for the three-month period ended 31 March 2024 and 2023 comprises the following:

For the three-month period ended 31 March

	2024 Thousand Baht	2023 Thousand Baht
Current tax	-	-
Deferred tax	-	420
	-	420

The interim income tax expense is calculated by based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 20% (2023 : 20% per annum).

14 Related party transactions

a) Parent company

The Company is controlled by Salee Industry Public Company Limited which is incorporated in Thailand and owns 65% of the Company's ordinary shares.

b) Related party transactions

For the three-month period ended 31 March	2024 Thousand Baht	2023 Thousand Baht	Pricing policy
Revenue from sales			
Related parties	368	391	Market prices
Utilities expenses			
Parent	256	197	Cost plus margin
Interest expenses			
Parent	121	429	Contractually agreed prices

c) Outstanding balances arising from sales and purchases of goods and services

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Trade receivables		
Related parties	214	149
Other payables		
Related parties	2,506	2,454
Right-of-use assets, net		
Parent	5,486	10,973
Lease liabilities		
Parent	6,533	12,994

d) Director and management compensation

For the three-month period ended 31 March

	2024 Thousand Baht	2023 Thousand Baht
Short-term employee benefits	3,314	3,672
Retirement benefits	64	175
	3,378	3,847

15 Commitments and contingent liabilities

a) Capital commitments

Capital expenditure contracted as at the statement of financial position date, but not recognised in the financial information is as follows:

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Purchase contract for machinery, equipment and computer software	7,813	4,027

b) Non-cancellable service commitments

The future aggregate minimum lease payments under non-cancellable service agreements which the Company has entered into service agreements are as follows:

	31 March 2024 Thousand Baht	31 December 2023 Thousand Baht
Not later than 1 year	1,864	2,376
Later than 1 year but not later than 5 years	540	234
	2,404	2,610

c) Letter of guarantees

As at 31 March 2024 and 31 December 2023, the Company has letter of guarantee issued by bank of Baht 2.11 million in relation to guarantee of electricity usages in the normal course of business.