

SALEE PRINTING PUBLIC COMPANY LIMITED

**INTERIM FINANCIAL INFORMATION
(UNAUDITED)**

30 SEPTEMBER 2022



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 30 September 2022, the related statements of comprehensive income for the three-month and nine-month periods then ended, the changes in equity and cash flows for the nine-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 black ink, appearing to read 'Sa-nga Chokenitisawat', written in a cursive style.

Sa-nga Chokenitisawat

Certified Public Accountant (Thailand) No. 11251

Bangkok

10 November 2022

Salee Printing Public Company Limited

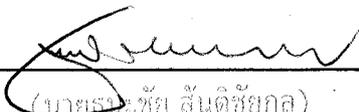
Statement of Financial Position

As at 30 September 2022

	Notes	Unaudited 30 September 2022 Thousand Baht	Audited 31 December 2021 Thousand Baht
Assets			
Current assets			
Cash and cash equivalents		1,829	37,725
Short-term investments - Fixed deposit at a bank		90,000	100,000
Current portion of long-term investments			
- Fixed deposit at a bank		100,000	100,000
Trade and other receivables, net	6	142,604	130,975
Inventories, net	7	115,646	95,105
Current portion of financial assets measured at amortised cost	8	10,000	19,973
Other current assets		553	6,519
Total current assets		460,632	490,297
Non-current assets			
Restricted deposits at a bank		938	938
Financial assets measured at amortised cost	8	70,023	60,036
Machinery and equipment, net	9	330,064	326,532
Intangible assets, net		9,262	10,095
Right-of-use assets, net	12 c)	30,795	46,109
Deferred tax assets, net		5,991	6,896
Other non-current assets		39,011	22,483
Total non-current assets		486,084	473,089
Total assets		946,716	963,386



Director 
 (นายประจักษ์ จิตพรหมณี)

Director 
 (นายระพีชัย สันติชัยกุล)

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 30 September 2022

		Unaudited 30 September 2022	Audited 31 December 2021
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Current liabilities			
Trade and other payables	10	59,351	44,191
Current portion of lease liabilities	12 c)	23,247	21,475
Other current liabilities		2,531	3,589
Total current liabilities		85,129	69,255
Non-current liabilities			
Lease liabilities, net	12 c)	19,480	36,418
Employee benefit obligations		10,277	9,116
Total non-current liabilities		29,757	45,534
Total liabilities		114,886	114,789
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		(117,332)	(100,565)
Total equity		831,830	848,597
Total liabilities and equity		946,716	963,386

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 30 September 2022

	Unaudited 30 September 2022 Thousand Baht	Unaudited 30 September 2021 Thousand Baht
Revenues from sales	115,386	105,694
Costs of sales	(106,515)	(89,069)
Gross profit	8,871	16,625
Other income	935	1,077
Selling expenses	(3,530)	(5,805)
Administrative expenses	(20,433)	(17,801)
Loss before finance costs	(14,157)	(5,904)
Finance costs	(525)	(740)
Net loss for the period	(14,682)	(6,644)
Total comprehensive expense for the period	(14,682)	(6,644)
Net loss per share (Baht)		
Basic loss per share	(0.0122)	(0.0055)

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

Salee Printing Public Company Limited
Statement of Comprehensive Income
For the nine-month period ended 30 September 2022

		Unaudited 30 September 2022	Unaudited 30 September 2021
	Note	Thousand Baht	Thousand Baht
Revenues from sales		393,986	324,226
Costs of sales		(337,493)	(271,339)
Gross profit		56,493	52,887
Other income		2,876	3,394
Selling expenses		(15,494)	(15,653)
Administrative expenses		(58,011)	(52,776)
Loss before finance costs and income tax expenses		(14,136)	(12,148)
Finance costs		(1,726)	(2,418)
Loss before income tax		(15,862)	(14,566)
Income tax expenses	11	(905)	(1,802)
Net loss for the period		(16,767)	(16,368)
Total comprehensive expense for the period		(16,767)	(16,368)
Net loss per share (Baht)			
Basic loss per share		(0.0140)	(0.0136)

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 nine-month period ended 30 September 2022

	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 2021	300,000	619,162	30,000	(62,794)	886,368
Total comprehensive expense for the period	-	-	-	(16,368)	(16,368)
Closing balance at 30 September 2021	300,000	619,162	30,000	(79,162)	870,000
Opening balance at 1 January 2022	300,000	619,162	30,000	(100,565)	848,597
Total comprehensive expense for the period	-	-	-	(16,767)	(16,767)
Closing balance at 30 September 2022	300,000	619,162	30,000	(117,332)	831,830

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

Salee Printing Public Company Limited
Statement of Cash Flows
For the nine-month period ended 30 September 2022

	Unaudited 30 September 2022 Thousand Baht	Unaudited 30 September 2021 Thousand Baht
Cash flows from operating activities		
Loss before income tax	(15,862)	(14,566)
Adjustments for:		
Depreciation and amortisation	61,485	52,444
(Reversal of) expected credit loss	50	(356)
(Reversal of) allowance on decrease in cost of inventories to net realisable value	7,828	(3,078)
(Reversal of) allowance for impairment in intangible asset	(475)	-
(Gain) on disposals of machinery and equipment	(7)	(168)
Loss on write-offs of equipment and intangible assets	466	-
Employee benefit obligation	1,161	1,100
Unrealised loss on exchange rate	88	118
Interest income	(2,713)	(2,945)
Finance costs	1,726	2,418
Cash flow before change in operating assets and liabilities	53,747	34,967
Change in operating assets and liabilities		
Trade and other receivables	(11,696)	(14,021)
Inventories	(28,369)	(37,450)
Other current assets	5,966	(4,205)
Other non-current assets	(5,553)	(1,740)
Trade and other payables	12,722	22,938
Other current liabilities	(1,058)	2,381
Cash generated from operating activities	25,759	2,870
Income tax paid	(10,975)	(8,670)
Net cash generated from (used in) operating activities	14,784	(5,800)

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 nine-month period ended 30 September 2022

	Unaudited 30 September 2022 Thousand Baht	Unaudited 30 September 2021 Thousand Baht
Cash flows from investing activities		
Proceeds from disposals of machinery and equipment	15	204
Payment of machinery and equipment	(42,417)	(101,605)
Payment of intangible assets	(1,377)	(1,530)
Proceeds from short-term investments	10,000	-
Payment in financial assets measured at amortised cost	(20,014)	(15)
Proceeds from financial assets measured at amortised cost	20,000	-
Proceeds from interest income	2,743	2,570
Net cash (used in) investing activities	(31,050)	(100,376)
Cash flows from financing activities		
Payments on lease liabilities	(17,904)	(17,690)
Interest paid	(1,726)	(2,418)
Net cash (used in) financing activities	(19,630)	(20,108)
Net (decrease) in cash and cash equivalents	(35,896)	(126,284)
Cash and cash equivalents at the beginning of the period	37,725	188,351
Cash and cash equivalents at end of the period	1,829	62,067
Supplement cash flows information:		
Non-cash transactions		
Right-of-use assets recognised under lease liabilities	90,066	89,014
Increase in payables from purchase of machinery and equipment	6,765	2,359

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

Salee Printing Public Company Limited
Condensed notes to interim financial information (Unaudited)
For the nine-month period ended 30 September 2022

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 November 2022.

The interim financial information has been reviewed not audited.

2 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard (TAS) 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 2021.

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 2021 except for the new and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2022 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 2021.

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.

Salee Printing Public Company Limited
Condensed notes to interim financial information (Unaudited)
For the nine-month period ended 30 September 2022

6 Trade and other receivables, net

	30 September 2022 Thousand Baht	31 December 2021 Thousand Baht
Trade receivables - third parties	135,300	128,643
<u>Less</u> Expected credit losses	(492)	(442)
Trade receivables - third parties, net	134,808	128,201
Trade receivables - related parties	237	324
Other receivables - third parties	10	92
Accrued income	962	992
Prepayments	6,587	1,366
	142,604	130,975

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

	30 September 2022 Thousand Baht	31 December 2021 Thousand Baht
Not overdue (due within 1 month)	112,287	107,941
Overdue		
Up to 3 months	22,265	20,176
3 - 6 months	398	161
6 - 12 months	227	174
Over 12 months	123	191
	135,300	128,643
<u>Less</u> Expected credit losses	(492)	(442)
	134,808	128,201

7 Inventories, net

	30 September 2022 Thousand Baht	31 December 2021 Thousand Baht
Raw materials	62,815	55,545
Finished goods	82,445	61,346
	145,260	116,891
<u>Less</u> Allowance for decrease in cost of inventory to net realisable value		
- Raw materials	(4,436)	(3,118)
- Finished goods	(25,178)	(18,668)
	115,646	95,105

Salee Printing Public Company Limited
Condensed notes to interim financial information (Unaudited)
For the nine-month period ended 30 September 2022

8 Financial assets measured at amortised cost

Movements of financial assets measured at amortised cost for the nine-month period ended 30 September 2022 are as follows:

	Thousand Baht
Opening net book amount	80,009
Addition during the period	14
Closing net book amount	80,023
	Thousand Baht
Current	
Opening net book amount	19,973
Addition during the period	27
Disposal during the period	(20,000)
Transfer from current portion	10,000
Closing net book amount	10,000
Non-current	
Opening net book amount	60,036
Addition during the period	20,000
Decrease during the period	(13)
Transfer to current portion	(10,000)
Closing net book amount	70,023

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 Machinery and equipment, net

The movements of machinery and equipment, net during the nine-month period ended 30 September 2022 are as follows:

	Thousand Baht
Opening net book amount	326,532
Additions	46,440
Disposals	
- Cost	(334)
- Accumulated depreciation	326
Write-off	
- Cost	(124)
- Accumulated depreciation	124
Depreciation charged during the period	(42,900)
Closing net book amount	330,064

Salee Printing Public Company Limited
Condensed notes to interim financial information (Unaudited)
For the nine-month period ended 30 September 2022

10 Trade and other payables

	30 September 2022	31 December 2021
	Thousand Baht	Thousand Baht
Trade payables - third parties	39,352	30,745
Other payables - related parties	2,284	67
Other payables - third parties	10,096	8,385
Accrued expense - third parties	7,619	4,994
	59,351	44,191

11 Income tax

Income tax for the nine-month period ended 30 September 2022 and 2021 comprises the following:

For the nine-month period ended 30 September

	2022	2021
	Thousand Baht	Thousand Baht
Current tax	-	-
Deferred tax	(905)	(1,802)
	(905)	(1,802)

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% (2021: 20% per annum).

12 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 30 September**

	2022	2021	
	Thousand Baht	Thousand Baht	Pricing policy
Revenue from sales			
Related parties	268	322	Market prices
Utilities expenses			
Parent	255	253	Cost plus margin
Interest expenses			
Parent	517	740	Contractually agreed prices

Salee Printing Public Company Limited
Condensed notes to interim financial information (Unaudited)
For the nine-month period ended 30 September 2022

For the nine-month period ended 30 September	2022 Thousand Baht	2021 Thousand Baht	Pricing policy
Revenue from sales			
Related parties	979	1,048	Market prices
Utilities expenses			
Parent	852	769	Cost plus margin
Interest expenses			
Parent	1,714	2,390	Contractually agreed prices

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

	30 September 2022 Thousand Baht	31 December 2021 Thousand Baht
Trade receivables		
Related parties	237	324
Other payables		
Related parties	2,284	67
Right-of-use assets, net		
Parent	30,795	46,109
Lease liabilities		
Parent	42,727	57,893

d) Director and management compensation

For the three-month period ended 30 September	2022 Thousand Baht	2021 Thousand Baht
Short-term employee benefits	3,957	4,204
Retirement benefits	172	133
	4,129	4,337
For the nine-month period ended 30 September	2022 Thousand Baht	2021 Thousand Baht
Short-term employee benefits	12,448	12,660
Retirement benefits	515	400
	12,963	13,060

13 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:

	30 September 2022 Thousand Baht	31 December 2021 Thousand Baht
Purchase contract for machinery, equipment and computer software	2,135	22,433

b) Non-cancellable service commitments

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

	30 September 2022 Thousand Baht	31 December 2021 Thousand Baht
Not over 1 year	516	185

c) Letter of guarantees

As at 30 September 2022 and 31 December 2021, the Company has letter of guarantee issued by bank of Baht 1.5 million in relation to guarantee of electricity usages in the normal course of business.